New Issue

Investment Ratings:
Moody's Investors Service ... Aa1/Positive Outlook
S&P Global Ratings ... AA+/Stable

Final Official Statement Dated March 15, 2018

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Bonds is not exempt from present State of Illinois income taxes. For a more complete description, see ***"TAX EXEMPTION"*** *herein.*

$30,060,000

COMMUNITY COLLEGE DISTRICT NO. 502

Counties of DuPage, Cook and Will and State of Illinois
(College of DuPage)
General Obligation Refunding Bonds, Series 2018

Dated Date of Delivery **Non-Callable** **Book-Entry** **Due Serially June 1, 2019-2023**

The $30,060,000 General Obligation Refunding Bonds, Series 2018 (the "Bonds") are being issued by Community College District No. 502, Counties of DuPage, Cook and Will and State of Illinois (the "College"). Interest is payable semiannually on June 1 and December 1 of each year, commencing June 1, 2018. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on June 1 in the following years and amounts.

AMOUNTS, MATURITIES, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Principal Amount	Due June 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount	Due June 1	Interest Rate	Yield	CUSIP Number(1)
$7,140,000	2019	4.000%	1.600%	262615 JR9	$8,190,000	2022	5.000%	2.030%	262615 JU2
7,430,000	2020	5.000%	1.700%	262615 JS7	5,235,000	2023	5.000%	2.170%	262615 JV0
2,065,000	2021	5.000%	1.860%	262615 JT5					

OPTIONAL REDEMPTION

The Bonds are **not** subject to optional redemption prior to maturity.

PURPOSE, LEGALITY AND SECURITY

Bond proceeds will be used to currently refund a portion of the College's outstanding General Obligation Bonds, Series 2007 and to pay the costs of issuing the Bonds. See **"PLAN OF FINANCING"** herein.

In the opinion of Kutak Rock LLP, Chicago, Illinois, Bond Counsel, the Bonds are valid and legally binding upon the College and are payable from any funds of the College legally available for such purpose, and all taxable property of the College is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The College **does not** intend to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Final Official Statement is dated March 15, 2018, and has been prepared under the authority of the College. An electronic copy of this Final Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Official Statement Sales Calendar". Additional copies may be obtained from Mr. Scott L. Brady, Controller, College of DuPage, 425 Fawell Boulevard, Glen Ellyn, Illinois 60137, or from the Municipal Advisor to the College:

Speer Financial, Inc.
INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602
Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com

(1)CUSIP numbers appearing in this Final Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Global Ratings. The College is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Final Official Statement.

No dealer, broker, salesman or other person has been authorized by the College to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the College. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the College and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COLLEGE SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Final Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

Issuer:	Community College District No. 502, Counties of DuPage, Cook and Will and State of Illinois.
Issue:	$30,060,000 General Obligation Refunding Bonds, Series 2018.
Dated Date:	Date of delivery, expected to be on or about March 29, 2018.
Interest Due:	Each June 1 and December 1, commencing June 1, 2018.
Principal Due:	Serially each June 1, commencing June 1, 2019 through 2023, as detailed on the front page of this Final Official Statement.
No Optional Redemption:	The Bonds are **not** subject to optional redemption prior to maturity.
Authorization:	By vote of the Board of Trustees.
Security:	The Bonds are valid and legally binding obligations of the College payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount.
Credit Rating:	The Bonds have been rated "Aa1/Positive Outlook" by Moody's Investors Service, New York, New York and "AA+/Stable" by S&P Global Ratings, a Division of the McGraw-Hill Companies, New York, New York. See **"INVESTMENT RATINGS"** herein.
Purpose:	Bond proceeds will be used to currently refund a portion of the College's outstanding General Obligation Bonds, Series 2007 and pay the costs of issuing the Bonds. See **"PLAN OF FINANCING"** herein.
Tax Exemption:	Kutak Rock LLP, Chicago, Illinois, will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under **"TAX EXEMPTION"** in this Final Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
No Bank Qualification:	The Bonds **are not** "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
Bond Registrar/Paying Agent/ Escrow Agent:	Amalgamated Bank of Chicago, Chicago, Illinois.
Delivery:	The Bonds are expected to be delivered on or about March 29, 2018.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See **APPENDIX B** herein.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

COMMUNITY COLLEGE DISTRICT NO. 502
Counties of DuPage, Cook and Will and State of Illinois
(College of DuPage)

President's Cabinet

Dr. Ann E. Rondeau
President

James Bente
Vice President
Planning & Institutional Effectiveness

Earl Dowling
Vice President
Student Affairs & Institutional Advancement

Dr. Brian W. Caputo
Vice President
Administrative Affairs and Treasurer (CFO)

Linda Sands-Vankerk
Vice President
Human Resources

Dr. Charles Currier
Vice President
Information Technology, Facility Operations and Construction

Dr. Donna Stewart
Interim Vice President
Academic Affairs

Wendy E. Parks
Director
Public Relations and Communications

John Kness, Esq
General Counsel

Mary Ann Millush
Director
Legislative Relations &
Special Assistant to the President

DESCRIPTION OF THE BONDS

The $30,060,000 General Obligation Refunding Bonds, Series 2018 (the "Bonds"), are being issued pursuant to a resolution providing for the issuance of the Bonds duly adopted by the Board of Trustees of the College on March 15, 2018 (the "Bond Resolution").

The Bonds, in the opinion of Kutak Rock LLP, Chicago, Illinois, Bond Counsel ("Bond Counsel"), are valid and legally binding upon the College and are payable from any funds of the College legally available for such purpose, and all taxable property in the College is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The Bond Resolution will be filed with the County Clerks of DuPage, Cook and Will Counties, Illinois (the "County Clerks"), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in such Bond Resolution to pay the Bonds.

The Bonds are **not** subject to optional redemption prior to maturity.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Final Official Statement and its appendices and exhibits in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchaser the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

General State Aid

The amount of General State Aid received by the College (see **"STATE AID"** herein) is dependent on a number of factors beyond the control of the College. The State of Illinois (the "State") has experienced adverse economic conditions resulting in significant shortfalls between the State's general fund revenues and spending demands. In addition, the underfunding of the State's pension systems has contributed to the State's poor financial health. The State's general fiscal condition, the underfunding of the State's pension systems, and the State's budget impasse have materially adversely affected the State's financial condition and may result in decreased or delayed State appropriations to the College, including appropriations of State Aid. The College cannot predict the effect the State's ongoing financial problems may have on the College's future finances.

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Pension Costs

Retirement benefits for College employees are provided under a retirement plan administered by the State Universities Retirement System of Illinois ("SURS"). Historically, the State has made the required contributions to SURS on behalf of the College's employees.

However, there is severe underfunding of the State's retirement systems, including SURS. Over the past five years, the funding levels for the State's retirement systems have deteriorated dramatically and are among the lowest in the nation. The required annual statutory contributions to the retirement systems, while in conformity with State law, have been less than the contributions that would otherwise be required in accordance with the actuarial standards developed by the Government Accounting Standards Board ("GASB Standards"). The unfunded accrued actuarial liability of SURS (i.e., the amount by which SURS's accrued actuarial liability exceeds the actuarial value of its assets) as of the end of FY 2017 totaled $23.2 billion, and the funded ratio (i.e., the ratio of the actuarial value of assets to the actuarial accrued liability, expressed as a percentage) equaled 44.4%.

On July 6, 2017, Senate Bill 42 was signed into law becoming Public Act 100-0023 ("Public Act 100-23"), which includes several reforms to Illinois' pension systems. Public Act 100-23 provides that State universities will assume certain costs of retirement benefits upon implementation of a new Tier 3 optional hybrid plan ("Tier 3"). Under Tier 3, schools, universities, and community colleges will assume the normal costs of benefits for new employees upon implementation of a Tier 3 plan, regardless of whether new employees choose a Tier 3 optional hybrid benefit or a traditional Tier 2 defined benefit plan. The systems do not expect to implement the Tier 3 plan within Fiscal Year 2018 and are not projecting a date of implementation. The State will pay 2% of employee payroll through Fiscal Year 2020 for all members of Tier 3 and, beginning in Fiscal Year 2021, the College will be responsible for paying SURS 2% of the total payroll for each member of Tier 3. Also, beginning in Fiscal Year 2018, the College will assume the normal cost of benefits for the portion of benefits attributable to all members' salaries that exceed the Governor's salary.

No assurance can be given that future legislation will solve the severe underfunding of the State's retirement systems. Future legislation may require the College to assume part or all of the liability for funding its employees' pensions, which could adversely affect the College's financial condition. Furthermore, the underfunding of pensions may impact the College's ability to recruit and retain faculty and staff. Recent GASB Standards may also require that the College recognize a proportionate share of the net pension liability of SURS and certain other post-employment benefits (currently paid for by the State) in future College financial statements. See **"RETIREMENT PLANS - State Universities Retirement System of Illinois"** for additional information on SURS.

Accreditation

The Higher Learning Commission ("HLC"), the regional accrediting agency of higher education, requires all accredited State institutions, including the College, to demonstrate the availability of financial, physical and human resources necessary to provide quality higher education. As a result of the State budget impasse, HLC noted that it is aware that certain State institutions may need to suspend operations because financial resources from the State were or are not available. A suspension of operations could result in (1) a review of the institution's compliance with HLC's Criteria for Accreditation, (2) a sanction in which the institution would have two years or fewer to demonstrate corrective action, or (3) withdrawal of accreditation (after which there is a multi-year process for institutions to regain its accreditation with HLC). Students attending institutions that are not accredited with an accrediting agency recognized by the federal government cannot access federal financial aid. Notwithstanding the State budget impasse, the College does not currently anticipate having to suspend any operations that would affect its accreditation.

Local Economy

The financial health of the College is in part dependent on the strength of the regional and State economy. Many factors affect the economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the College.

General Finances of the State of Illinois

The State has experienced adverse fiscal conditions resulting in significant shortfalls between the State's general fund revenues and spending demands. In addition, the underfunding of the State's pension systems has contributed to the State's poor financial health. The State operated without a fully enacted budget for fiscal years ending June 30, 2016 and June 30, 2017. The General Assembly met in a special session and enacted a budget for the fiscal year ended June 30, 2018. Nonetheless, legislators have not yet addressed a substantial backlog of unpaid bills or significant pension liabilities. There may continue to be delays in payments of bills and the State's backlog of unpaid bills may continue to grow.

State Actions

Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Past and future actions of the State may affect the overall financial condition of the College, the taxable value of property within the College, and the ability of the College to levy property taxes. For example, Illinois legislators have introduced proposals to modify the Property Tax Extension Limitation Law, including freezing property taxes (the "Property Tax Freeze Proposal"). If the Property Tax Freeze Proposal or similar legislation were to become law, such reform may freeze the College's local property tax revenue. The College cannot predict whether, or in what form, any such change may be enacted into law, nor can the College predict the effect of any such change on the College's finances.

Effect of a Decline in Equalized Assessed Valuations

The amount of property taxes extended for the College is determined by applying the various operating tax rates and the bond and interest tax rate levied by the College to the College's Equalized Assessed Valuation ("EAV"). The College's EAV could decrease for a number of reasons including, but not limited to, a decline in property values or large taxpayers moving out of the College. Declining EAVs and increasing tax rates (certain of which may reach their rate ceilings) could reduce the amount of taxes the College is able to receive.

Loss or Change of Bond Ratings

The Bonds are expected to receive credit ratings from Moody's Investors Service and Standard & Poor's Global Ratings. The ratings can be changed or withdrawn at any time for reasons both under and outside the College's control. Any ratings change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters of the Bonds are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the College to comply with the Undertaking for continuing disclosure (see **"CONTINUING DISCLOSURE"** herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Final Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various State and federal laws, regulations and constitutional provisions apply to the College and to the Bonds. The College can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the College, or the taxing authority of the College. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State may affect the overall financial conditions of the College, the taxable value of property within the College, and the ability of the College to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Exemption

As discussed under **"TAX EXEMPTION"** herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the College in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the College's ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the College.

The tax-exempt bond office of the Internal Revenue Service (the "Service") is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the College as a taxpayer and the bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the College could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

THE COLLEGE

Introduction

The College was organized in 1966 and is governed under the Public Community College Act of the State of Illinois, as amended. The College is the Midwest's largest comprehensive, single-campus community college. The College is recognized by the Illinois Community College Board and governed by a seven-member Board of Trustees, elected at large for overlapping six-year terms, with one non-voting student member. The day-to-day affairs of the College are conducted by a full-time administrative staff appointed by the Board. The principal policy and budget decisions are also made by the Board.

The College includes all of DuPage County except Wayne Township, as well as Lyons Township in Cook County and a small portion of Will County. It encompasses an area of approximately 357 square miles and DuPage County accounts for over 90 percent of the College's service area. The College's territory in DuPage County includes the townships of Addison, Bloomingdale, Downers Grove, DuPage, Lemont, Lisle, Milton, Naperville, Wheatland, Winfield and York.

The College currently enrolls approximately 28,000 students each semester and has over 3,000 staff members, including 272 full-time faculty members and 773 part-time faculty members. Other staff members include administrators, counselors and advisors, classified staff, various other professionals and student employees.

The College's offices and the main campus of the College are located at 425 Fawell Boulevard, in the Village of Glen Ellyn, Illinois (the "Village"), approximately 35 miles west of Chicago in the center of DuPage County. Through an intergovernmental agreement between the College, the Village, and DuPage County, DuPage County exercises regulatory control over zoning and building permitting for the College's construction program and other College campus improvement activities. The College remains within the corporate limits of the Village of Glen Ellyn, and continues to receive utility services from the Village.

The College's campus facilities are situated on approximately 266 acres. The College owns 13 on-campus buildings, including the Student Resource Center, Berg Instructional Center, Seaton Computing Center, Health and Science Center, McAninch Art Center, Technical Education Center and Physical Education Center. The College also owns three off-campus buildings and leases two additional buildings. Since 2009, most all of the buildings on campus have either been newly constructed or have undergone extensive renovation.

The College offers diverse educational programs giving students the choice of enrolling on a full or part-time basis. Students can choose from transfer disciplines and Career & Technical Education programs taught on the Glen Ellyn campus, at four regional centers, and at area high schools and other community locations. The College offers its students 9 Associate Degree programs and over 170 certificates in more than 50 areas of study. Educational opportunities at the College include face-to-face courses, accelerated programs for adults, field and experiential learning, an honors program, online and hybrid courses, special programs for youth and older adults, customized training for business and industry, and courses required for licensure in various professions.

The College is accredited by the Higher Learning Commission ("HLC"). In 2000, the College was one of the first adopters of the Academic Quality Improvement Program (AQIP) as a way of reaffirmation of its HLC accreditation. In 2008, the College received a maximum seven-year reaccreditation through the North Central Association of Colleges and Schools Commission on Institutions of Higher Education. In 2010, the College was again an innovator by being one of only seven institutions of higher education approved by the Higher Learning Commission to participate in the AQIP-Baldrige Option for reaffirmation of accreditation. In 2012, examiners from Illinois Performance Excellence evaluated College systems and processes against nationally developed Baldrige Education Criteria for Performance Excellence and awarded the College the Bronze Award, making the College only the sixth community college recipient of the award since its inception in 1996.

The College has entered into unique partnership agreements with six area four-year institutions. These "3+1 agreements" enable students to take three years of classes at College of DuPage with the fourth year taught by the faculty of the partner schools on the College's campus, but at a discounted tuition from the partner school's normal published rate. This enables students to obtain a baccalaureate degree from one of these four-year institutions without ever leaving the College campus and at a significantly reduced cost. The College currently has agreements with Benedictine University, Concordia University Chicago, Governors State University, Lewis University, National Louis University and Roosevelt University. Programs covered by these agreements include Bachelor of Arts degrees in Management, Healthcare Management, Criminal/Social Justice, and Human Services, as well as Bachelor of Science degrees in Nursing and Hospitality, Computer Science and Tourism Management.

Credit and non-credit courses are offered on the College's Glen Ellyn campus and at area high schools and other community locations throughout the College, including either College regional or community education centers in Addison, Carol Stream, Naperville, and Westmont. The College also operates several Centers for Independent Learning, including one on the Glen Ellyn Campus and one each at the regional centers in Naperville and Westmont.

The academic divisions of the College include Business and Technology; Continuing Education/Extended Learning; Health & Sciences; Learning Resources and Liberal Arts. In addition, the College conducts specialized programs such as English as a Second Language, GED and Citizenship. The College also offers a variety of courses and other services over the Internet through COD Online. The College's library maintains a collection of over 245,000 books, 520 periodicals, and many non-print materials such as videos, CDs, and tapes. In addition, the College provides a variety of extracurricular activities for its students, such as athletics, band, choir, a variety of clubs and organizations, student leadership council and theater.

The College's location primarily in DuPage County has placed it directly in the path of much of the westward movement of population, commerce and industry out of Chicago in recent decades. This westward movement has contributed to significant growth in DuPage County and the College.

The East-West Corporate Corridor is located in the southern half of the College service area. Along that corridor are technology, research, and office complexes. Companies such as Navistar, Spyglass, BP Amoco Chemicals, Nalco Chemical Company, AT&T, Rockwell International, General Motors, Metropolitan Life, Molex, Inland Real Estate, Commonwealth Edison, and Tellabs, Inc., have all currently or at some point occupied space along the East-West Corridor. Two major research laboratories, Fermi Lab in Batavia and Argonne National Laboratories in Darien, are located in the College's service area. The service area includes several major shopping centers, such as Oak Brook, Stratford Square, Fox Valley, Yorktown, and many other centers or strip malls. Some of the major hotels in the service area include Marriott Oak Brook, Hyatt Oakbrook, Hilton Suites Oakbrook Terrace, Radisson Lisle, Holiday Inn Naperville, Hyatt Regency Lisle, Indian Lakes Resort Bloomingdale, and Wyndham Hamilton Hotel Itasca. The College has one of the highest equalized assessed valuations per community college student in Illinois.

In the 1970's, DuPage County showed the highest population growth rate of any county north of the Sunbelt, an increase of 33 percent. During the 1980s, DuPage County's population increased by 122,808. As reported by the U.S. Census Bureau, the population of the County was 781,666 in 1990, 904,161 in 2000 and 954,215 in 2010. The population of the College service area was 970,512 in 2000 and is currently estimated to be 1,067,589, making the College service area slightly more populous than DuPage County, which is the second most populous county in the State of Illinois.

DuPage County is one the major hubs for rail, air, freight and trucking systems, transportation and other services. Three interstate highways cross the County, putting residents within 45 minutes of Chicago's central business district. O'Hare International Airport is located along the College's northern border.

Due to the fact that approximately 90 percent of the equalized assessed valuation of real property in the College lies in DuPage County, much of the financial, statistical, socioeconomic and demographic data discussed below relates to DuPage County and does not describe Cook or Will Counties.

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Enrollments

The following chart shows historical enrollments and total credit hours of College students from 2009 through 2017.

Historical Enrollments*(1)*

	Fall Enrollment		Attendance		Enrollment Status					Total
Calendar Year	Headcount	Full-Time Equivalent	Full-Time	Part-Time	Continuing Student	New	Transfer	Readmission	Other	Credit Hours(2)
2017	27,576	14,633	33%	67%	42%	19%	3%	10%	26%	460,250
2016	28,378	15,133	33%	67%	50%	20%	5%	9%	17%	486,582
2015	29,598	16,310	34%	66%	48%	20%	5%	10%	17%	498,004
2014	30,074	16,858	34%	66%	48%	21%	5%	10%	16%	497,429
2013	29,328	16,565	35%	65%	49%	22%	5%	10%	13%	482,331
2012	27,035	15,397	37%	63%	53%	22%	4%	11%	10%	465,067
2011	27,086	15,175	36%	64%	53%	20%	5%	11%	11%	475,595
2010	27,723	15,902	39%	61%	49%	21%	6%	12%	12%	504,468
2009	27,819	16,036	39%	61%	47%	21%	3%	12%	11%	472,827

Notes: (1) Source: the College.
(2) Credit hours are reported on a fiscal year basis.

The following chart shows projected enrollments for the next three calendar years.

Projected Enrollments*(1)*

Calendar Year	Fall Enrollment Head Count
2018	27,852
2019	28,130
2020	28,412

Note: (1) Source: the College.

Funding Sources; Financial and Operating Information

College Revenues. The operating funds of the College (Educational Purposes and Operations and Maintenance Purposes Subfunds) have three primary sources of revenue: local property taxes, student tuition and fees and State funding. In addition, the College receives grant funding from State and federal sources. Gifts and grants from foundations and private sources are accepted through the College of DuPage Foundation. The following chart shows the consolidated revenues for such operating funds of the College by source for the fiscal year ended June 30, 2017.

College Operating Subfunds for the Year Ended June 30, 2017*(1)(2)*

Revenue Source	Amount (000's)	Percent of Total	Increase/(Decrease) From FY 2016 (000's)
Local Government - Taxes	$ 81,321	46.3%	$ (1,485)
Local Government - Other	1,794	1.0%	(120)
Student Tuition and Fees	74,551	42.5%	(6,191)
State Government	15,473	8.8%	11,972
All Other Revenue Sources	2,471	1.4%	543
Total Revenues	$175,610	100.0%	$ 4,719

Notes: (1) Source: the College.
(2) Includes the Educational Purposes and Operations and Maintenance Purposes Subfunds.

The following chart shows revenue in the operating funds of the College over the past five years.

Total Operating Funds Revenue of the College*(1)*

FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
$174,035,967	$183,532,188	$183,613,040	$170,891,628	$175,610,400

Note: (1) Source: the College. Amounts equal revenue plus inter-fund transfers.

Tax Revenues. Local taxes are raised from property taxes levied on College residents in the portions of DuPage, Cook and Will Counties that comprise the College. The following chart shows the assessed valuation of all property in the College for recent years.

History of Assessed Valuation of the College*(1)(2)*

Assessment Year	DuPage County	Cook County	Will County	Total
2016	$34,980,981,549	$3,027,393,289	$2,496,014,228	$40,504,389,066
2015	32,769,352,267	2,888,194,626	2,360,738,851	38,018,285,744
2014	31,405,750,165	2,969,341,483	2,264,520,392	36,639,612,040
2013	31,661,507,852	2,922,703,981	2,220,220,983	36,804,432,816
2012	33,451,760,619	3,096,213,474	2,215,406,953	38,763,381,046
2011	36,370,343,716	3,321,911,689	2,324,887,763	42,017,143,168
2010	38,913,477,604	4,056,945,632	2,401,363,863	45,371,787,099
2009	41,322,377,605	4,016,070,084	2,544,699,547	47,883,147,236

Notes: (1) Assessed Value is equal to one-third of estimated actual value.
(2) Sources: the College and DuPage, Cook and Will County Clerks.

Property taxes are levied based on the assessed value and the tax levy amount is filed with each County Clerk for each fund. Each County Clerk calculates the actual tax levy for each fund based upon the maximum tax rates allowed for each fund and the tax extension limits allowed under the Property Tax Extension Limitation Law (PTELL) (as defined below). Those taxes may be allocated to separate funds of the College, subject to legal levy limits imposed upon them by State statutes. The College has flexibility to raise property taxes within the constraints of PTELL as the current levy rates are well below the statutory maximum limits. See "**PROPERTY ASSESSMENT AND TAX INFORMATION**" for assessed valuation by property class, representative tax rates (including levy limits), tax extensions and collections, and principal taxpayers.

Student Tuition and Fees. The College strives to provide affordable education to students. College payment policy requires students to pay their account balance in full or enroll in a payment plan at the time of registration. In the current fiscal year, 54.72% of students were enrolled in a payment plan with the College. Student tuition rates and fees are determined by the College. The chart below shows the tuition and fees at the College and the total tuition and fees revenues from fiscal years 2009 through 2017. The College's fiscal year 2018 budget does not include any change in tuition rates from current levels.

College Tuition Rates and Tuition and Fee Revenues*(1)*

	Tuition and Fee Rates			Tuition and Fee Revenues		
Fiscal Year	In-District Tuition and Fees per Semester Hour	Out-of-District Tuition and Fees per Semester Hour	Out-of-State Tuition and Fees per Semester Hour	Operating Subfunds(2)	Auxillary Enterprises and Other Subfunds	Total All Subfunds
2017	$135	$322	$392	$74,551,060	$13,943,589	$ 88,494,649
2016	135	322	392	80,742,043	14,302,459	95,044,502
2015	140	327	397	85,929,123	14,501,819	100,430,942
2014	140	327	397	83,162,423	13,123,092	96,285,515
2013	136	323	393	78,068,948	13,011,000	91,079,948
2012	132	319	389	70,373,718	14,154,098	84,527,816
2011	129	316	386	70,336,737	16,296,420	86,633,157
2010	116	305	370	62,131,406	13,956,074	76,087,480
2009	108	296	359	62,869,007	13,205,703	76,074,710

Notes: (1) Source: the College.
(2) Operating Subfunds includes Educational Purposes and Operations and Maintenance Purposes.

Working Cash Fund

The College is authorized to issue general obligation limited bonds to create a Working Cash Fund. Such fund can also be created or increased by the levy of an annual tax not to exceed $.05 per hundred dollars of equalized assessed valuation. The purpose of the fund is to enable the College to have sufficient money to meet demands for ordinary and necessary expenditures for College operating purposes. In order to achieve this purpose, the money in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board of Trustees of the College, to any fund of the College in anticipation of the receipt by the College of money from the State of Illinois, the federal government or other sources, or in anticipation of corporate personal property replacement taxes to be received by the College. The Working Cash Fund is reimbursed when the anticipated taxes or money are received by the College. See **"FINANCIAL INFORMATION – Summary Financial Information"** for fund balances in the College's Working Cash Fund for the most recent five fiscal years.

Employee Relations and Collective Bargaining

The College has approximately 3,000 employees. The majority of the College's employees are covered by collective bargaining agreements or other employment agreements. The full-time faculty-staff members are represented by the College of DuPage Faculty Association IEA/NEA. The part-time faculty union-staff members are also represented by the College of DuPage Adjunct Association IEA/NEA under a separate contract. The College's operating engineers are represented by the International Union of Operating Engineers Local 399. The College's painters, groundskeepers, mechanics and carpenters are represented by the College of DuPage Classified Staff Association IEA-NEA. In addition, the College's public safety officers are represented by the Illinois Fraternal Order of Police Labor Council.

The College is under contract with all of its labor unions. Contracts with the full-time faculty association, classified staff association-painters, groundskeepers, mechanics and carpenters, Fraternal Order of Police, and operating engineers were extended through the end of the fiscal year 2019. The contract with the part-time faculty union-staff members was extended through the end of the fiscal year 2021.

Risk Management

The College is a member of the Illinois Community College Risk Management Consortium (the "Consortium"). The Consortium is a public entity risk pool operating as a common risk management and insurance program for 14 community colleges in Illinois. Each college pays an annual premium to the Consortium as its pro rata share for property and casualty insurance coverage. The Agreement for Formation of the Consortium provides that the Consortium will be self-sustaining through member premiums and will reinsure through commercial companies. The College continues to carry commercial insurance coverage for sports accident insurance.

On January 1, 2012 the College joined the Community College Health Care Consortium which provides employees insurance coverage for medical and prescription drugs. The College pays the Community College Health Care Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College maintains self-insurance coverage through a third-party administrator for its dental insurance. The College currently allocates all expenses associated with the employee health plans to each of the College's individual departments. Claims and expenses are reported when incurred and an estimate is made for incurred but not reported claims. The College's level of coverage has not changed for the past three years, and the amount of settlements has not exceeded insurance coverage in each of the past three years.

The College's estimate of liability for claims incurred but not reported to the consortium for the most recent three fiscal years is as follows:

Fiscal Year	Claims Payable Beginning of Year	Claims Incurred	Claims Paid	Claims Payable End of Year
2017............	$1,014,474	$12,127,539	$12,119,492	$1,022,521
2016............	993,447	11,212,405	11,191,378	1,014,474
2015............	1,632,891	9,827,771	10,467,215	993,447

The College reports this liability in the claims payable line item, within current liabilities, on the Statement of Net Assets contained in the College's audited financial statements. See **APPENDIX A, Note 8** for further information.

STATE AID

The State provides aid to local community college districts via grant programs administered by the Illinois Community College Board (the "ICCB"). Many community college districts rely on such "State Aid" for a significant portion of their budgets. As of early 2010, Illinois community colleges received an average of 17% of their operating revenue from the State. For the fiscal year ended June 30, 2017, the College received approximately 8.8% of its operating funds revenue from sources at the State, including State Aid. See the table entitled College Operating Subfunds for the Fiscal Year Ended June 30, 2017 in the section **"THE COLLEGE"** for additional information.

The State subsidizes the costs of higher education by allocating tax dollars between the following four areas: (a) direct operating support, (b) indirect operating support, (c) institutional grant programs and (d) student financial aid programs.

The Community College System Operating Budget is funded based upon unrestricted and restricted grants. Unrestricted grants have no grant guidelines or expenditure requirements and can be used for any operating purpose. Such grants include but are not limited to the Base Operating Grant, Equalization Grant, Small College Grant and Technical Education Formula Grant (as more fully discussed below). Restricted grants must be spent according to grant and expenditure guidelines and include the Adult Education Grant and Career and Technical Education Grant (as more fully discussed below).

Various proposals for changing the Illinois system of State financial aid have been considered over the years. The nature of future modifications to the process for distributing State Aid cannot be predicted, but such modifications could have an adverse effect on the finances of the College should they be enacted.

Direct Operating Support

Public community colleges are funded primarily through direct operating support. Most of the funds for operating support are used for meeting general costs such as salaries, contracts for services, energy, supplies, travel and scholarships; however, operating support can also be appropriated to specific activities such as workforce preparation programs, adult basic education, career and technical education or legislative initiatives.

Indirect Operating Support

Public community colleges also benefit from indirect operating support through payments or benefits provided by the State to or for faculty and staff. Rather than being paid to community colleges, such funds are spent by other State entities on behalf of community college employees. Examples of indirect operating support include employee health insurance provided by the State employee benefits plan and funding for community college employees' pensions paid to SURS.

Institutional Grant Programs

Additionally, grant programs provide funds for specific activities undertaken by educational programs. Funding for such programs as Cooperative Work Study and Nursing Grants is appropriated to the IBHE and then distributed by the IBHE based upon competitive application and program criteria. Private community colleges are also eligible to apply for such grants.

As noted previously, the ICCB also administers grant programs and distributes funding to community colleges. The two principal operating grants for community colleges are the Base Operating Grant and the Equalization Grant, both of which are allocated to each local community college district based upon prescribed formulae. Generally, ICCB grants to community colleges amount to the difference between the total funds needed to offer educational programs and the total funds available from local property taxes and tuition and fees. Rate adjustments are required when State appropriations for ICCB grants fall short of equaling the calculated needs of the system. The funds of both the Base Operating Grant and the Equalization Grant are distributed on a monthly basis, though the State has delayed payment of these grants in recent years.

In addition to the grants discussed in this section, the State distributes numerous other grants to Illinois community colleges on an annual basis.

Student Financial Aid

State tax dollars support higher education through direct support to students; such financial aid is distributed through the Illinois Student Assistance Commission. The primary source of direct student assistance is need-based. Need-based programs, such as the Monetary Award Program (MAP), cover a portion of the costs of tuition and fees for students at public community colleges. The State also provides several programs that pay some or all of the costs of tuition and fees for students who have served in the military or are preparing for high-demand occupations such as nursing and certain teaching positions. In the event the federal government, the State or any agency pays tuition for any community college student, neither the district of such student's residence nor the student is required to pay that tuition, or any portion thereof, that is otherwise paid.

RETIREMENT PLANS

State Universities Retirement System of Illinois

The College contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of the state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Section 5/15, Chapter 40, of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by accessing the website at www.SURS.org, or calling 1-800-275-7877.

Plan members are required to contribute 8.0% of their annual covered salary and substantially all employer contributions are made by the State on behalf of the individual employers at an actuarially determined rate. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The College recognized on-behalf revenue and pension expense for the years ending June 30, 2017, June 20, 2016 and June 30, 2015 of $62,996,210, $48,071,057 and 38,051,999, respectively. The College contributions were in accordance with the actuarially determined requirement for each year.

Information regarding the College's retirement health plans is described in Note 4 of the 2017 Audit (as hereinafter defined), which is included as **APPENDIX A** to this Final Official Statement.

In an attempt to remedy severe under funding of the State's retirement systems, on April 20, 2012, Governor Quinn proposed changes to the manner of funding of such retirement systems, including SURS, with the goal of reaching full funding by 2042. One proposed change would require community colleges, including the College, to contribute the full amount of the normal costs of their employees' SURS pensions (the "Cost Shifting Proposal"). The Cost Shifting Proposal, as offered by the Governor, would phase in such contributions over the course of several years. Discussions and deliberations on the complex topic of pension reform remain fluid. The College cannot predict whether, or in what form, the Cost Shifting Proposal may be introduced in the General Assembly or ultimately be enacted into law. Furthermore, it is possible that any future pension reform legislation that is passed by the General Assembly (including any legislation containing the Cost Shifting Proposal) could face court challenges.

If a cost shifting proposal were to become law, it may have a material effect on the finances of College. How community colleges, including the College, would pay for such shift of contributions cannot be determined at the current time.

Other Post-Employment Benefits

The College provides for the continuation of health care benefits and life insurance to employees who retire from the College. The College's annual other post-employment benefit cost is calculated based on the annual required contribution (ARC). The ARC represents the normal cost each year and an amount to amortize the unfunded actuarial liability over thirty years. See Note 4 to the College's 2017 Audit, attached hereto as **APPENDIX A**, for a more complete discussion.

See **APPENDIX D** herein for a discussion of the College's employee and other postemployment benefits obligations.

SOCIOECONOMIC INFORMATION

Demographic information is not available for the College. The following statistics principally pertain to the County of DuPage (the "County") which comprises approximately 90% of the College's land area and approximately 90% of its 2016 equalized assessed valuation ("EAV"). Additional comparisons are made with the State of Illinois (the "State").

Employment

Numerous employers are located within the College service area, in surrounding communities and throughout the Chicago metropolitan area. The following employment data shows a consistently diverse and strong growth trend for employment in the County. This data is ***NOT*** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

DuPage County Private, Non-Agricultural Employment
Covered by the Illinois Unemployment Insurance Act*(1)*

	(Data as of March for each Year)				
	2012	2013	2014	2015	2016
Farm, Forestry, Fisheries	342	322	341	316	448
Mining and Quarrying	96	253	269	276	278
Construction	18,558	19,459	21,631	23,613	25,510
Manufacturing	52,024	53,073	53,269	55,224	55,017
Transportation, Communications, Utilities	34,992	35,232	34,486	34,863	35,981
Wholesale Trade	47,015	49,281	51,638	51,530	49,888
Retail Trade	61,120	61,834	62,292	59,960	60,072
Finance, Insurance, Real Estate	38,220	40,012	39,785	39,882	39,934
Services(2)	257,521	270,266	278,525	278,699	287,722
Total	509,888	529,732	542,236	543,363	554,850

Notes: (1) Source: Illinois Department of Employment Security.
(2) Includes unclassified establishments.

Following are lists of large employers located in the County and in the surrounding area.

Major Area Employers*(1)*

Location	Name	Product/Service	Approximate Employment
Downers Grove	The HAVI Group L.P.	Management Consulting	9,000
Naperville	Edward-Elmhurst Healthcare	General Hospital	4,500
Downers Grove	DuPage Medical Group	General Hospital	3,200
Naperville	Alcatel-Lucent	Telecommunications Research	3,000
Lisle	Navistar, Inc.	Commercial Trucking	3,000
Elmhurst	Edward-Elmhurst Healthcare	General Hospital	2,800
Lisle	IC Bus, LLC	School Buses	2,800
Downers Grove	Advocate Good Samaritan Hospital	General Hospital	2,700
Glen Ellyn	College of DuPage	Community College	2,600
Oak Brook	McDonald's Corp.	Fast Food Headquarters	2,100
Addison	United Parcel Service, Inc.	Delivery Services	1,400
Naperville	BP, Global Fuels Technology Div.	Testing Laboratory	1,200
Naperville	Nalco, An Ecolab Company	Water Treatment Chemicals	1,200
Downers Grove	DeVry Education Group	Computer Information Education	1,074
Lisle	Molex, LLC	Electronic Components	1,000
Lisle	Valid USA, Inc.	Direct Marketing Services	1,000

Note: (1) Source: 2017 Illinois Manufacturers Directory, 2017 Illinois Services Directory and a selective telephone survey.

The following tables show employment by industry and by occupation for the County and the State as reported by the U.S. Census Bureau 2012-2016 American Community Survey 5-year estimated values.

Employment By Industry*(1)*

	The County		The State	
Classification	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	965	0.2%	65,146	1.1%
Construction	22,217	4.6%	317,245	5.2%
Manufacturing	59,904	12.4%	763,429	12.4%
Wholesale Trade	18,673	3.9%	187,477	3.1%
Retail Trade	50,046	10.4%	670,576	10.9%
Transportation and Warehousing, and Utilities	27,572	5.7%	370,802	6.0%
Information	12,692	2.6%	121,338	2.0%
Finance and Insurance, and Real Estate and Rental and Leasing	43,104	8.9%	448,924	7.3%
Professional, Scientific, and Management, Administrative, and Waste Management Services	70,501	14.6%	709,106	11.6%
Educational Services and Health Care and Social Assistance	100,905	20.9%	1,404,905	22.9%
Arts, Entertainment and Recreation and Accommodation and Food Services	41,498	8.6%	556,087	9.1%
Other Services, Except Public Administration	23,375	4.8%	291,022	4.7%
Public Administration	11,398	2.4%	228,064	3.7%
Total	482,850	100.0%	6,134,121	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

Employment By Occupation*(1)*

	The County		The State	
Classification	Number	Percent	Number	Percent
Management, Business, Science, and Art	217,828	45.1%	2,280,198	37.2%
Service	63,863	13.2%	1,062,499	17.3%
Sales and Office	124,582	25.8%	1,489,090	24.3%
Natural Resources, Construction, and Maintenance	25,940	5.4%	443,197	7.2%
Production, Transportation, and Material Moving	50,637	10.5%	859,137	14.0%
Total	482,850	100.0%	6,134,121	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

Annual Average Unemployment Rates*(1)*

Calendar Year	The County	The State
2008	5.0%	6.4%
2009	8.4%	10.0%
2010	8.5%	10.5%
2011	8.0%	9.7%
2012	7.3%	8.9%
2013	7.5%	9.2%
2014	5.7%	7.1%
2015	4.7%	5.9%
2016	4.8%	5.9%
2017(2)	3.8%	4.7%

Notes: (1) Source: Illinois Department of Employment Security.
(2) Preliminary rates for the month of December 2017.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the County's owner-occupied homes was $283,500. This compares to $174,800 for the State. The following table represents the five year average market value of specified owner-occupied units for the County and the State at the time of the 2012-2016 American Community Survey.

Home Values*(1)*

	The County		The State	
Value	Number	Percent	Number	Percent
Under $50,000	5,473	2.2%	236,380	7.5%
$50,000 to $99,999	10,104	4.1%	514,549	16.2%
$100,000 to $149,999	18,637	7.5%	527,244	16.6%
$150,000 to $199,999	31,924	12.9%	520,909	16.4%
$200,000 to $299,999	68,547	27.7%	643,217	20.3%
$300,000 to $499,999	73,679	29.8%	479,792	15.1%
$500,000 to $999,999	31,389	12.7%	196,189	6.2%
$1,000,000 or more	7,402	3.0%	48,801	1.5%
Total	247,155	100.0%	3,167,081	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

Mortgage Status*(1)*

	The County		The State	
Housing Units with a Mortgage	173,367	70.1%	2,071,942	65.4%
Housing Units without a Mortgage	73,788	29.9%	1,095,139	34.6%
Total	247,155	100.0%	3,167,081	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

Income

Per Capita Personal Income for the Highest Income Counties in the State*(1)*

Rank	County	2012 to 2016
1	Lake County	$40,655
2	**DuPage County**	**40,547**
3	Monroe County	35,699
4	McHenry County	34,589
5	Piatt County	33,197
6	Putnam County	32,584
7	Woodford County	32,360
8	Will County	32,311
9	Cook County	32,179
10	Kendall County	31,920
11	Sangamon County	31,904
12	Kane County	31,774

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year estimates 2012 to 2016.

The following shows the median family income for counties in the Chicago metropolitan area.

Ranking of Median Family Income*(1)*

County	Family Income	Rank
DuPage County	**$100,467**	**1**
Lake County	97,079	2
Kendall County	93,135	3
McHenry County	92,187	4
Will County	90,541	5
Kane County	83,680	8
Cook County	70,076	20

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year estimates 2012 to 2016.

The U.S. Census Bureau 5-year estimated values reported that the County had a median family income of $100,467. This compares to $73,714 for the State. The following table represents the distribution of family incomes for the County and the State at the time of the 2012-2016 American Community Survey.

Family Income*(1)*

	The County		The State	
Income	Number	Percent	Number	Percent
Under $10,000	4,896	2.1%	132,725	4.3%
$10,000 to $14,999	2,835	1.2%	80,194	2.6%
$15,000 to $24,999	8,608	3.6%	209,560	6.7%
$25,000 to $34,999	11,820	5.0%	238,239	7.6%
$35,000 to $49,999	20,443	8.6%	366,398	11.7%
$50,000 to $74,999	35,450	14.9%	559,852	17.9%
$75,000 to $99,999	34,339	14.4%	458,296	14.7%
$100,000 to $149,999	54,152	22.7%	568,779	18.2%
$150,000 to $199,999	29,503	12.4%	248,870	8.0%
$200,000 or more	36,155	15.2%	259,684	8.3%
Total	238,201	100.0%	3,122,597	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

The U.S. Census Bureau 5-year estimated values reported that the County had a median household income of $81,521. This compares to $59,196 for the State. The following table represents the distribution of household incomes for the College, the County and the State at the time of the 2012-2016 American Community Survey.

Household Income*(1)*

	The County		The State	
Income	Number	Percent	Number	Percent
Under $50,000	5,473	2.2%	236,380	7.5%
Under $10,000	12,998	3.8%	341,280	7.1%
$10,000 to $14,999	7,932	2.3%	212,171	4.4%
$15,000 to $24,999	20,909	6.2%	463,092	9.6%
$25,000 to $34,999	22,970	6.8%	439,726	9.2%
$35,000 to $49,999	36,122	10.7%	605,086	12.6%
$50,000 to $74,999	55,454	16.4%	842,052	17.5%
$75,000 to $99,999	46,329	13.7%	612,265	12.7%
$100,000 to $149,999	64,529	19.0%	698,513	14.5%
$150,000 to $199,999	32,608	9.6%	289,346	6.0%
$200,000 or more	39,136	11.5%	298,593	6.2%
Total	338,987	100.0%	4,802,124	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2012 to 2016.

PLAN OF FINANCING

A portion of the Bond proceeds will be used to fund an escrow to currently refund a portion of the College's outstanding General Obligation Bonds, Series 2007, as listed below (the "Refunded Bonds"):

The Refunded Bonds

Outstanding General Obligation Bonds, Series 2007

Maturities	Outstanding Amount	Amount Refunded	Redemption Price(s)	Redemption Date(s)
6/1/2018	$ 7,040,000	$ 0	N/A	N/A
6/1/2019	7,515,000	7,515,000	100%	4/30/2018
6/1/2020	7,895,000	7,895,000	100%	4/30/2018
6/1/2021	2,555,000	2,555,000	100%	4/30/2018
6/1/2022	8,700,000	8,700,000	100%	4/30/2018
6/1/2023	5,710,000	5,710,000	100%	4/30/2018
Total	$39,415,000	$32,375,000		

Bond proceeds will be used to purchase direct full faith and credit obligations of the United States of America (the "Government Securities"), the principal of which together with interest to be earned thereon will be sufficient (i) to pay when due the interest on the Refunded Bonds as stated above, and (ii) to pay principal of and call premium, if any, on the Refunded Bonds on their respective redemption dates. The remaining bond proceeds will be used to pay the costs of issuing the Bonds.

The Government Securities will be held in an escrow account created pursuant to an escrow agreement (the "Escrow Agreement") between the College and Amalgamated Bank of Chicago, Chicago, Illinois, as Escrow Agent (the "Escrow Agent").

DEFAULT RECORD

The College has no record of default and has met its debt repayment obligations promptly.

SHORT-TERM BORROWING

The College has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

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DEBT INFORMATION

After issuance of the Bonds and the refunding of the Refunded Bonds, the College will have outstanding $227,460,000 principal amount of general obligation debt. Of this amount, $58,755,000 principal amount are general obligation alternate revenue bonds. The College has a legal debt limitation equal to 2.875% of its equalized assessed valuation. Such debt limit is $1,164,501,186. After issuance of the Bonds and the refunding of the Refunded Bonds, the College is expected to have $168,705,000 of debt applicable to such debt limit, resulting in a remaining legal debt margin of $995,796,186.

The College does not intend to issue additional debt in 2018, except for the possible issuance of bonds to refund for savings the College's outstanding General Obligation Taxable Bonds (Alternate Revenue Source), Series 2009B.

General Obligation Bonded Debt*(1)*
(Principal Only)

Fiscal Year Ending June 30	Series 2006(2)	Series 2007	Series 2009B(2)	Series 2011A	Series 2011B(2)	Series 2013A	The Bonds	Less: The Refunded Bonds	Total Bonded Debt	Cumulative Retirement Amount	Cumulative Retirement Percent
2018	$ 0	$ 7,040,000	$ 0	$ 5,025,000	$ 0	$ 5,115,000	$ 0	$ 0	$ 17,180,000	$ 17,180,000	7.55%
2019	1,910,000	7,515,000	3,730,000	3,935,000	0	4,180,000	7,140,000	(7,515,000)	20,895,000	38,075,000	16.74%
2020	1,985,000	7,895,000	3,850,000	2,915,000	0	4,350,000	7,430,000	(7,895,000)	20,530,000	58,605,000	25.76%
2021	0	2,555,000	3,965,000	1,840,000	2,025,000	4,565,000	2,065,000	(2,555,000)	14,460,000	73,065,000	32.12%
2022	0	8,700,000	4,095,000	725,000	2,110,000	4,795,000	8,190,000	(8,700,000)	19,915,000	92,980,000	40.88%
2023	0	5,710,000	4,230,000	2,905,000	2,210,000	4,995,000	5,235,000	(5,710,000)	19,575,000	112,555,000	49.48%
2024	0	0	4,370,000	7,785,000	0	5,240,000	0	0	17,395,000	129,950,000	57.13%
2025	0	0	4,525,000	6,960,000	0	5,500,000	0	0	16,985,000	146,935,000	64.60%
2026	0	0	4,680,000	6,110,000	0	5,775,000	0	0	16,565,000	163,500,000	71.88%
2027	0	0	4,845,000	5,200,000	0	6,065,000	0	0	16,110,000	179,610,000	78.96%
2028	0	0	5,020,000	4,245,000	0	6,370,000	0	0	15,635,000	195,245,000	85.84%
2029	0	0	5,205,000	3,240,000	0	6,570,000	0	0	15,015,000	210,260,000	92.44%
2030	0	0	0	2,185,000	0	6,830,000	0	0	9,015,000	219,275,000	96.40%
2031	0	0	0	1,080,000	0	7,105,000	0	0	8,185,000	227,460,000	100.00%
Total	$3,895,000	$39,415,000	$48,515,000	$54,150,000	$6,345,000	$77,455,000	$30,060,000	$(32,375,000)	$227,460,000		

Notes: (1) Source: the College. As of March 1, 2018.
(2) Alternate revenue bonds, payable from tuition and fee receipts of the College and ad valorem property taxes.

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Detailed Overlapping Debt*(1)*
(As of February 14, 2018)

District	Total Gross Debt Outstanding(2)	Percentage of Debt Applicable to the College	College's Share of Debt
DuPage County	$ 160,900,000	100.00%	$ 160,900,000
DuPage County Forest Preserve	111,711,749	100.00%	111,711,749
Cities and Villages	11,148,590,655	7.66%	853,982,044
Park Districts	1,089,614,398	25.14%	273,929,060
Fire Protection Districts	7,005,000	100.00%	7,005,000
Library Districts	54,100,000	15.80%	8,547,800
Special Service Areas	28,500,000	97.30%	27,730,500
Grade School Districts	405,421,481	95.60%	387,582,936
High School Districts	257,866,560	95.90%	247,294,031
Unit School District	492,527,211	57.87%	285,025,497
Total Overlapping Debt			$2,363,708,617

Notes: (1) Source: DuPage County Clerk and the MSRB's Electronic Municipal Market Access.
(2) Includes alternate revenue source bonds.

Statement of Bonded Indebtedness*(1)(2)*

	Amount Applicable	Ratio To: Equalized Assessed	Ratio To: Estimated Actual	Per Capita (2010 Census Pop. 1,067,589)
College EAV of Taxable Property, 2016	$ 40,504,389,066	100.00%	33.33%	$ 38,157.48
Estimated Actual Value, 2016	$121,513,167,198	300.00%	100.00%	$114,472.43
Total Direct Bonded Debt(3)	$ 227,460,000	0.56%	0.19%	$ 214.28
Less: Self-supporting Debt	(58,755,000)	(0.15%)	(0.05%)	(55.35)
Total Net Direct Bonded Debt(3)	$ 168,705,000	0.41%	0.14%	$ 158.93
Overlapping Bonded Debt:	2,363,708,617	5.84%	1.95%	2,226.75
Total Direct and Overlapping Bonded Debt(3)	$ 2,532,413,617	6.25%	2.09%	$ 2,385.68

Notes: (1) Source: the County Clerks and the College.
(2) As of February 14, 2018 for the Overlapping Bonded Debt.
(3) Includes the Bonds.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2016 levy year, the College's EAV was comprised of 77% residential, 7% industrial, 16% commercial, and less than 1% farm and railroad property valuations. See the table entitled history of Equalized Assessed Valuation of the College in "**THE COLLEGE**" for a breakout of the College's assessed valuation by county.

Equalized Assessed Valuation*(1)*

Property Class	Levy Years: 2012	2013	2014	2015	2016
Residential	$29,659,837,065	$28,157,335,069	$28,070,893,318	$29,109,144,297	$28,803,963,806
Farm	3,057,663	3,130,424	3,051,553	2,976,206	2,945,196
Commercial	6,084,070,636	5,760,566,268	5,830,708,367	6,081,103,597	5,960,325,340
Industrial	2,974,967,448	2,834,793,372	2,684,767,261	2,770,289,990	2,671,714,577
Railroad	41,448,234	48,587,683	50,191,541	54,771,654	38,046,858
Other(2)	0	0	0	0	3,027,393,289
Total	$38,763,381,046	$36,804,412,816	$36,639,612,040	$38,018,285,744	$40,504,389,066
Percent change +(-)	(7.74%)(3)	(5.05%)	(0.45%)	3.76%	6.54%

Notes: (1) Source: the College.
(2) Includes assessed values from Cook County, as the breakdown by property class is not currently available.
(3) Percentage based on 2011 Equalized Assessed Valuation of $42,017,143,168.

Representative Tax Rates*(1)*
(Per $100 EAV)

	Levy Years					
	2012	2013	2014	2015	2016	Levy Limit
Educational Purposes	$0.1818	$0.1941	$0.1958	$0.1812	$0.1712	$0.7500
Operations and Maintenance	0.0298	0.0317	0.0322	0.0299	0.0283	$0.1000
Bond and Interest	0.0565	0.0698	0.0695	0.0675	0.0631	None
Total Tax Rate	$0.2681	$0.2956	$0.2975	$0.2786	$0.2626	
County of DuPage	$0.1929	$0.2040	$0.2057	$0.1971	$0.1848	
DuPage Forest Preserve District	0.1542	0.1657	0.1691	0.1622	0.1514	
DuPage Airport Authority	0.0168	0.0178	0.0196	0.0188	0.0176	
Lisle Township	0.0914	0.1250	0.1279	0.1260	0.1202	
City of Naperville	0.7756	0.7828	0.8082	0.7392	0.7004	
Naperville Park District	0.3148	0.3358	0.3397	0.3317	0.3195	
Unit School District No. 203	4.9909	5.3862	5.4756	5.3549	5.0548	
Total(2)	$6.8047	$7.3129	$7.4433	$7.2085	$6.8113	

Notes: (1) Source: DuPage County Clerk.
(2) Representative tax rate is for Lisle Township Tax Code 8043, which represents approximately 8% of the College's 2016 Equalized Assessed Valuation.

Tax Extensions and Collections*(1)*
(Includes Road and Bridge Levy)

Levy Year	Coll. Year	Taxes Extended(2)	Total Collections(3) Amount	Percent
2007	2008	$85,075,829	$ 84,330,860	99.12%
2008	2009	89,022,240	88,683,983	99.62%
2009	2010	101,210,205	100,695,241	99.49%
2010	2011	105,572,929	104,969,616	99.43%
2011	2012	104,753,164	104,235,463	99.51%
2012	2013	104,007,287	103,131,770	99.16%
2013	2014	109,567,598	109,075,609	99.55%
2014	2015	109,556,200	109,081,574	99.57%
2015	2016	106,603,379	106,513,663	99.92%
2016	2017(2)	107,576,816	107,291,557	99.73%

Notes: (1) Source: the College.
(2) Collections through December 31, 2017.

Principal Taxpayers*(1)*

Taxpayer Name	Business/Service	2016 EAV (000's)(2)
Hamilton Partners, Inc.	Real Property	$142,092
BRE Properties	Real Property	136,691
Oakbrook Shopping Center	Shopping Center	99,118
AMB Property Corp	Real Property	91,949
Prologis, Inc.	Logistics Real Estate	57,945
Friedkin Realty Group	Real Property	50,127
Ryan LLC	Real Property	47,228
UBS Realty Investors, Inc.	Real Property	43,813
Navistar, Inc.	Truck and Bus Engineering	38,360
York Town Center	Shopping Center	34,366
Total		$741,689
Ten Largest as a percent of 2016 EAV ($40,504,389,066)		1.83%

Notes: (1) Source: the College.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2016 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES (DuPage County)

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay the principal of and certain interest on the Bonds will be levied on all taxable real property within the College. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the County. There can be no assurance that the procedures described herein will not change.

Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

Exemptions

The Illinois Property Tax Code, as amended (the "Property Tax Code"), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of $6,000 for tax year 2012 and thereafter.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to $75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2013, the maximum exemption is $5,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is $55,000 for assessment year 2008 through assessment year 2017. Beginning in assessment year 2018, the maximum income limitation is $65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least $5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to $100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is $2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is $5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of $5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of $2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law, as amended (the "Limitation Law"), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the College. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes.

The College has the authority to levy taxes for many different purposes. See the table entitled "**Representative Tax Rates"** under **"PROPERTY ASSESSMENT AND TAX INFORMATION"** herein. The ceiling at any particular time on the rate at which these taxes may be extended for the College is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the College) will have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the College's limiting rate computed in accordance with the provisions of the Limitation Law.

Local governments, including the College, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. In particular, the House passed Senate Bill 851 ("Senate Bill 851") on November 8, 2017. Senate Bill 851 provides that for levy years 2017 and 2018, for taxing districts (including home rule units) with a majority of EAV in Cook and the collar counties (Lake, McHenry, Kane, DuPage and Will Counties), other than qualified school districts, the extension limitation under the Limitation Law will be 0% or the rate of increase approved by voters. In addition, Senate Bill 851 allows county boards for counties other than Cook and the collar counties, to submit to their voters at the general primary or general election in 2018, the question of whether to subject all taxing districts (including home rule units) with a majority of EAV in their county, other than qualified school districts, to the provisions of the Limitation Law and an extension limitation under the Limitation Law of 0% or the rate of increase approved by voters for levy years 2018 and 2019. Senate Bill 851 is subject to a vote of concurrence by the Senate and approval from the Governor prior to being enacted into law. If Senate Bill 851 or similar legislation were to become law, such reform may have a material impact on the finances of the College. The College cannot predict whether, or in what form, any change to the Limitation Law, including Senate Bill 851, may be enacted into law, nor can the College predict the effect of any such change on the College's finances.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Truth in Taxation Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Truth in Taxation Law do not apply to levies made to pay principal of and certain interest on the Bonds.

FINANCIAL INFORMATION

Budgeting

The annual budget process begins with the development of a preliminary budget based on assumptions to project revenues and expenditure items. Each department then reviews their preliminary budget and submits budget modification requests based on departmental plans to the Budget Office. These requests are compiled and distributed to the President's Cabinet for review and prioritization.

The Budget Office then consolidates all Cabinet approved requests and prepares a proposed budget. The budget becomes the first year of the five-year plan. The remaining four years are calculated by applying assumptions regarding growth rates to reflect inflation and the adding of new initiatives or programs. The President of the College then presents the proposed budget to the Board of Trustees for approval.

The College also solicits feedback from its Budget Committee throughout the budget process. The Budget Committee is the college-level advisory committee charged to more directly oversee the process for developing the budget for Board of Trustee review and approval; and to review and recommend strategic policies, procedures, and programs to the President, Treasurer, and/or the Board of Trustees on matters relating to budget and resource allocation.

After the adoption of the budget for a particular fiscal year, it may be necessary to permit the transfer of budget amounts between object and functional designations within a fund. The budget is controlled at the line-item level. Budget transfers are required for line items that exceed the annual budget amount. The Board has the authority to amend such budget by the same procedure as is provided for in its original adoption. No Board action is required for budget transfers within funds as long as the transfer does not change the total revenue or expenditure in that fund.

Investments

The Illinois Public Community College Act and the Investment of the Public Funds Act authorize the College to invest in obligations issued by the United States Government, investments constituting direct obligation of any bank, short-term commercial paper of U.S. corporations with assets exceeding $500 million, short-term obligation issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share account of credit unions chartered in the United States with their principal office located in Illinois and securities issued by the Illinois Funds.

The Board of Trustees of the College has adopted an investment policy which governs the investment of College funds. It is the policy of the College to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash follow demands of the College and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy, in order of priority are: safety (preservation of capital and protection of investment principal), liquidity, and return.

See **APPENDIX A – Note 2** for additional information on the investments of the College as of June 30, 2017.

Financial Reports

The College's financial statements are audited annually by certified public accountants. The accounting and reporting policies of the College conform to accounting principles generally accepted in the United States of America (GAAP) applicable to government units and Illinois community colleges, as well as those prescribed by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The College's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements.

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. See **APPENDIX A** for more detail.

No Consent or Updated Information Requested of the Auditor

The tables contained in this **"FINANCIAL INFORMATION"** section (the "Excerpted Financial Information") are from the audited financial statements of the College, including the audited financial statements for the fiscal year ended June 30, 2017 (the "2017 Audit"), which was prepared by Clifton Larson Allen LLP, Oak Brook, Illinois (the "Auditor") and approved by formal action of the Board of Trustees. The 2017 audit is attached to this Final Official Statement as **APPENDIX A**. The College has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2017 Audit; nor has the College requested that the Auditor consent to the use of the Excerpted Financial Information or the 2017 Audit in this Final Official Statement. Other than as expressly set forth in this Final Official Statement, the financial information contained in the Excerpted Financial Information and 2017 Audit has not been updated since the date of the 2017 Audit. The inclusion of the Excerpted Financial Information and 2017 Audit in this Final Official Statement in and of itself is not intended to demonstrate the fiscal condition of the College since the date of the 2017 Audit. Questions or inquiries relating to financial information of the College since the date of the 2017 Audit should be directed to the College.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. To date, the College is generally within budgeted amounts as set forth in the fiscal year 2018 budget summary table below. See **APPENDIX A** for the College's 2017 Audit.

Statement of Net Position*(1)*

	As of June 30				
	2013	2014	2015	2016	2017
CURRENT ASSETS:					
Cash and Equivalents	$137,288,925	$ 86,034,623	$168,870,869	$ 33,302,511	$ 26,957,802
Investments	157,390,665	175,648,404	95,720,788	238,178,023	254,483,809
Property Taxes Receivable (Net of Allowances)	55,829,326	56,744,276	55,814,073	53,088,597	53,099,057
Tuition and Fees Receivable (Net of Allowances)	6,634,789	6,870,859	6,821,534	6,279,423	6,061,158
Government Claims Receivable	3,000,500	3,351,105	2,252,957	2,625,249	959,458
Interest Receivable	332,264	163,026	276,559	310,479	269,810
Other Accounts Receivable	883,132	1,285,249	1,052,777	954,506	1,069,023
Inventory	127,426	113,979	109,749	200,335	131,739
Prepaid Expenses	1,329,357	1,308,151	797,574	992,839	985,614
Total Current Assets	$362,816,384	$331,519,672	$331,716,880	$335,931,962	$344,017,470
NONCURRENT ASSETS:					
Other Assets	$ 0	$ 72,280	$ 72,280	$ 143,231	$ 143,231
Capital Assets Not Being Depreciated	97,215,689	39,325,585	24,356,120	5,546,566	6,891,050
Capital Assets Being Depreciated	547,910,796	656,740,255	696,096,361	711,137,057	713,174,400
Less Allowance for Depreciation	(138,547,706)	(153,245,177)	(180,562,429)	(203,141,359)	(234,047,601)
Total Noncurrent Assets	$506,578,779	$542,892,943	$539,962,332	$513,685,495	$486,161,080
Total Assets	$869,395,163	$874,412,615	$871,679,212	$849,617,457	$830,178,550
DEFERRED OUTFLOWS OF RESOURCES(1):					
Deferred Charge on SURS Contributions	$ 0	$ 0	$ 153,999	$ 59,101	$ 121,585
Deferred Charge on Refunding	433,452	297,169	262,208	227,247	192,286
Total Deferred Outflows of Resources	$ 433,452	$ 297,169	$ 416,207	$ 286,348	$ 313,871
Total Assets and Deferred Outflows of Resources	$869,828,615	$874,709,784	$872,095,419	$849,903,805	$830,492,421
CURRENT LIABILITIES:					
Accounts Payable and Accrued Expenses	$ 25,055,181	$ 14,904,946	$ 10,839,954	$ 7,434,239	$ 5,268,429
Accrued Salaries and Benefits	3,651,391	4,081,013	5,490,726	5,994,281	6,643,615
Claims Payable	1,632,891	1,632,891	993,447	1,014,474	1,022,521
Unearned Tuition and Fee Revenues	17,764,820	19,351,896	18,132,643	16,568,771	16,457,419
Unearned Grant Revenues	36,778	29,569	54,868	11,387	67,667
Bonds Payable - Current	18,960,000	20,005,000	20,775,000	21,710,000	28,380,000
Bond Interest Payable	3,255,777	2,797,555	2,650,625	2,489,667	2,337,377
Termination Benefits Payable	2,000,000	703,836	341,027	86,210	-
Compensated Absences	2,800,072	1,907,305	1,935,087	2,010,839	1,931,310
Deposits Held in Custody of Others	777,559	548,358	676,221	519,013	572,185
Other Current Liabilities	289,848	319,288	345,167	231,931	300,179
Total Current Liabilities	$ 76,224,317	$ 66,281,657	$ 62,234,765	$ 58,070,812	$ 62,980,702
NONCURRENT LIABILITIES:					
Bonds Payable	$329,919,644	$308,278,434	$285,925,691	$257,902,935	$227,293,429
Termination Benefits Payable	1,638,102	388,744	0	0	0
Other Post Employment Benefits	33,428	0	0	0	0
Compensated Absences	725,770	614,374	745,660	590,120	570,453
Total Noncurrent Liabilities	$332,316,944	$309,281,552	$286,671,351	$258,493,055	$227,863,882
Total Liabilities	$408,541,261	$375,563,209	$348,906,116	$316,563,867	$290,844,584
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenues	$ 53,415,097	$ 54,770,116	$ 55,541,470	$ 52,814,870	$ 52,833,738
Total Deferred Inflows of Resources	$ 53,415,097	$ 54,770,116	$ 55,541,470	$ 52,814,870	$ 52,833,738
Total Liabilities and Deferred Inflows of Resources	$461,956,358	$430,333,325	$404,447,586	$369,378,737	$343,678,322
NET POSITION:					
Invested in Capital Assets, Net	$234,639,592	$248,770,684	$246,163,362	$248,727,053	$245,130,173
Restricted for:					
Debt Service	16,484,678	13,247,859	12,442,812	11,917,088	11,810,915
Working Cash	8,283,842	8,321,799	8,362,959	8,403,883	8,455,152
Unspent Grant Proceeds	568,337	321,794	202,648	24,870	(1,405,496)
Unrestricted	147,895,808	173,714,323	200,476,052	211,452,174	222,823,355
Total Net Position	$407,872,257	$444,376,459	$467,647,833	$480,525,068	$486,814,099

Note: (1) Source: the College.

Statement of Revenues, Expenses and Changes in Net Position*(1)*

	Audited as of June 30				
	2013	2014	2015	2016	2017
OPERATING REVENUES:					
Student Tuition and Fees	$ 62,113,934	$ 65,918,716	$ 67,640,163	$ 65,289,259	$ 61,178,153
Chargeback Revenues	764,431	754,539	557,633	394,500	115,129
Sales and Service Fees:					
Bookstore	1,176,945	1,039,265	1,542,204	1,203,711	1,215,419
Other	1,766,040	2,121,041	3,298,951	2,450,351	2,597,746
Other Operating Revenue	934,162	1,257,863	1,653,423	1,309,644	1,235,414
Total Operating Revenues	$ 66,755,512	$ 71,091,424	$ 74,692,374	$ 70,647,465	$ 66,341,861
OPERATING EXPENSES:					
Instruction	$ 93,393,300	$ 93,280,995	$ 100,574,125	$ 105,288,900	$ 112,588,939
Academic Support	10,030,258	10,078,118	10,071,433	11,263,661	12,122,201
Student Services	13,729,284	16,018,220	17,902,682	19,767,623	21,090,411
Public Service	2,202,396	2,787,075	2,633,364	2,557,640	2,700,955
Independent Operations	7,973	9,923	3,106	0	0
Operation and Maintenance of Plant	17,178,800	18,358,900	19,150,108	19,245,711	19,639,513
General Administration	13,806,523	13,951,158	16,008,432	15,221,859	17,407,855
General Institutional	20,130,613	21,834,358	20,839,665	22,619,028	24,187,921
Auxiliary Enterprises	9,895,502	9,974,369	10,732,897	11,104,988	11,360,772
Scholarship Expense	10,847,045	11,092,632	10,862,684	8,316,420	6,854,898
Depreciation Expense	19,929,800	24,071,416	29,656,996	31,311,232	31,959,911
Total Operating Expenses	$ 211,151,494	$ 221,457,164	$ 238,435,492	$ 246,697,062	$ 259,913,376
Operating Income (Loss)	$(144,395,982)	$(150,365,740)	$(163,743,118)	$(176,049,597)	$(193,571,515)
NONOPERATING REVENUES (EXPENSES):					
Real Estate Taxes	$ 99,822,644	$ 106,110,511	$ 107,996,843	$ 108,715,095	$ 107,232,185
Corporate Personal Property Replacement Taxes	1,526,489	1,544,222	1,660,637	1,520,291	1,679,128
State Appropriations	50,695,312	54,690,039	57,175,880	54,712,381	71,627,721
Federal Grants and Contracts	30,349,795	31,111,335	30,541,565	28,297,826	26,328,946
Non-governmental Gifts and Grants	1,125,049	1,086,146	1,249,566	1,394,821	1,302,432
Investment income	(29,307)	2,235,615	(854,727)	1,197,182	1,606,832
Interest on Capital Asset-related Debt	(7,363,226)	(9,948,113)	(9,968,060)	(10,986,174)	(10,206,045)
Gain (Loss) on Disposal of Capital Assets	42,445	40,187	94	56,439	56,839
Total Nonoperating Revenues (Expenses)	$ 176,169,201	$ 186,869,942	$ 187,801,798	$ 184,907,861	$ 199,628,038
CAPITAL CONTRIBUTIONS:					
Capital Gifts and Grants	$ 0	$ 0	$ 135,160	$ 63,425	$ 232,508
Total Capital Contributions	$ 0	$ 0	$ 135,160	$ 63,425	$ 232,508
CHANGE IN NET POSITION/NET ASSETS	$ 31,773,219	$ 36,504,202	$ 24,193,840	$ 8,921,689	$ 6,289,031

Note: (1) Source: the College.

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Combined Statement of Revenues, Expenditures and Changes in Net Position for Subfunds*(1)*

	Education Purposes	Operations & Maintenance Purposes	Operations & Maintenance Subfunds - Capital Projects (Restricted)	Bond & Interest Subfund	Auxillary Enterprises Subfunds	Restricted Purposes Subfunds	Working Cash Subfund	Capital Assets Account Group	General Long-Term Debt Account Group	GASB 34-35 Adjustments	Total
Fund Balances at July 1, 2012	$ 79,038,321	$22,135,279	$80,976,071	$20,772,501	$ 8,761,451	$ 74,224	$8,262,954	$436,955,962	$(285,134,580)	$ 4,256,855	$376,099,038
Total Revenues	160,760,614	13,997,339	2,396,456	29,647,496	9,211,468	66,537,575	27,006	0	0	(32,332,457)	250,245,494
Total Expenditures	(137,391,868)	(13,099,795)	(83,370,553)	(34,720,665)	(8,592,906)	(66,043,462)	(6,118)	69,622,817	25,988,704	29,099,126	(218,514,720)
Net Transfers/Other Financing Sources	(137,055)	769,105	93,455,230	4,041,126	(589,605)	0	0	0	(97,496,356)	0	42,445
Fund Balances at June 30, 2013	$102,270,012	$23,801,928	$93,457,204	$19,740,458	$ 8,790,408	$ 568,337	$8,283,842	$506,578,779	$(356,642,232)	$ 1,023,524	$407,872,257
Fund Balances at July 1, 2013	$102,270,012	$23,801,928	$93,457,204	$19,740,455	$ 8,790,408	$ 568,337	$8,283,842	$506,578,779	$(356,642,232)	$ 1,023,524	$407,872,257
Total Revenues	169,760,032	14,489,903	5,782,312	30,630,977	9,330,101	69,371,724	44,108	0	0	(31,539,865)	267,869,292
Total Expenditures	(137,439,787)	(13,392,440)	(57,542,090)	(34,326,018)	(8,855,623)	(69,618,267)	(6,151)	36,238,489	23,020,269	30,516,341	(231,405,277)
Net Transfers/Other Financing Sources	(142,708)	769,105	0	0	(589,605)	0	0	0	0		40,187
Fund Balances at June 30, 2014	$134,447,549	$25,668,496	$41,697,426	$16,045,414	$ 8,675,281	$ 321,794	$8,321,799	$542,817,268	$(333,621,963)	$ 0	$444,376,459
Fund Balances at July 1, 2014	$134,447,549	$25,668,496	$41,697,426	$16,045,414	$ 8,675,281	$ 321,794	$8,321,799	$542,820,663	$(333,621,963)	$ 0	$444,376,459
Total Revenues	169,527,412	14,627,511	3,383,397	33,344,858	11,002,244	73,432,908	44,253	0	0	(32,900,445)	272,462,138
Total Expenditures	(145,778,722)	(13,480,777)	(24,088,128)	(34,296,835)	(9,436,217)	(74,170,963)	(3,093)	(3,050,115)	21,924,388	33,054,444	(249,326,018)
Net Transfers/Other Financing Sources	(609,159)	769,105	0	0	(763,105)	618,909	0	119,504	0	0	135,254
Fund Balances at June 30, 2015	$157,587,080	$27,584,335	$20,992,695	$15,093,437	$ 9,478,203	$ 202,648	$8,362,959	$539,890,052	$(311,697,575)	$ 153,999	$467,647,833
Fund Balances at July 1, 2015(2)	$157,587,080	$27,584,335	$20,992,695	$15,093,437	$ 9,478,203	$ 202,648	$8,362,959	(3)	(3)	$232,302,022	$471,603,379
Total Revenues	156,753,422	14,532,706	2,385,052	33,560,365	10,240,177	78,850,326	40,924	(3)	(3)	(29,754,773)	266,608,199
Total Expenditures	(146,510,561)	(12,281,819)	(2,168,534)	(34,247,047)	(9,379,824)	(79,819,758)	0	(3)	(3)	26,721,033	(257,686,510)
Net Transfers/Other Financing Sources	(1,150,154)	769,105	0	0	(410,605)	791,654	0	(3)	(3)	0	0
Fund Balances at June 30, 2016	$166,679,787	$30,604,327	$21,209,213	$14,406,755	$ 9,927,951	$ 24,870	$8,403,883	(3)	(3)	$229,268,282	$480,525,068
Fund Balances at July 1, 2016	$166,679,787	$30,604,327	$21,209,213	$14,406,755	$ 9,927,951	$ 24,870	$8,403,883	(3)	(3)	$229,268,282	$480,525,068
Total Revenues	161,402,579	14,322,950	1,290,385	34,006,467	10,612,873	94,460,302	51,269	(3)	(3)	(27,127,705)	289,019,120
Total Expenditures	(144,415,786)	(11,631,246)	(1,563,206)	(34,264,930)	(9,072,695)	(95,232,998)	0	(3)	(3)	23,821,805	(272,359,056)
Net Transfers/Other Financing Sources	(1,177,742)	769,105	0	0	(431,683)	840,320	0	(3)	(3)	0	0
Fund Balances at June 30, 2017	$182,488,838	$34,065,136	$20,936,392	$14,148,292	$11,036,446	$ 92,494	$8,455,152	(3)	(3)	$225,962,382	$497,185,132

Notes: (1) Source: the College.
(2) As restated.
(3) The Capital Assets Account Group and General Long-term Debt Account Group were consolidated to GASB 34-35 Adjustments column.

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Budgeted Fiscal Year Ending June 30, 2018
Combined Statement of Revenues, Expenditures and Changes in Net Position for Subfunds*(1)*

	Education Purposes	Operations & Maintenance Purposes	Operations & Maintenance Subfunds - Capital Projects (Restricted)	Bond & Interest Subfund	Auxiliary Enterprises Subfunds	Working Cash Subfund	Restricted Purposes Subfund	Total
Fund Balances at July 1, 2017(2)	$166,679,787	$30,604,327	$16,878,082	$14,322,714	$ 9,606,665	$8,443,918	$ 24,870	$246,560,363
Total Revenues	151,200,424	14,054,221	1,232,183	33,693,141	12,796,831	45,300	84,668,694	297,690,794
Total Expenditures	(155,428,343)	(15,320,336)	(10,965,277)	(39,953,761)	(13,001,607)	(7,000)	(85,152,694)	(319,829,018)
Net Transfers/Other Financing Sources	629,500	0	0	0	(1,113,500)	0	484,000	0
Fund Balances at June 30, 2018	$163,081,368	$29,338,212	$ 7,144,988	$ 8,062,094	$ 8,288,389	$8,482,218	$ 24,870	$224,422,139

Notes: (1) Source: the College.
(2) The Fund Balances at July 1, 2017 are based on the fiscal year 2017 budget.

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REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The College shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The College will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the College for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the College shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the College of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month next preceding any interest payment date on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the College or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

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TAX EXEMPTION

General Matters. In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond)] is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described above assumes the accuracy of certain representations and compliance by the College with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The College has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Bonds.

Notwithstanding Bond Counsel's opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, for taxable years beginning before January 1, 2018, such interest will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75 percent of the excess of such corporations' adjusted current earnings over their alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses). No federal alternative minimum tax applies to corporations for taxable years beginning after December 31, 2017.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State of Illinois or any other state or jurisdiction.

A copy of the form of opinion of Bond Counsel is attached hereto as **APPENDIX C**.

Original Issue Discount. The Bonds that have an original yield above their respective interest rates, as shown on the cover of this Final Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium. The Bonds that have an original yield below their respective interest rates, as shown on the cover of this Final Official Statement (collectively, the "Premium Bonds"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Backup Withholding. As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Bonds that fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.

CONTINUING DISCLOSURE

In the Bond Resolution, the College has covenanted and agreed, for the benefit of the beneficial owners of the Bonds, to provide certain financial information and operating data relating to the College within 210 days after the close of the College's fiscal year (the "Annual Report"); and, in a timely manner not in excess of ten business days after the event, to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the College with the Municipal Securities Rulemaking Board (the "MSRB") for disclosures on its Electronic Municipal Market Access ("EMMA") system. The information to be contained in the Annual Report will consist of the annual audited financial statement of the College, and updated information with respect to the statements in this Final Official Statement contained under the captions **"DEBT INFORMATION"**, **"PROPERTY ASSESSMENT AND TAX INFORMATION"** and **"FINANCIAL INFORMATION" (excluding Budget Financial Information)**. Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement will be included in the Annual Report and the audited financial statement will be filed promptly after it becomes available. The notices of enumerated events and timely notice of any failure of the College to file its Annual Report within the 210 day period will be filed by the College with the MSRB for disclosures on EMMA. The College's undertaking with respect to enumerated events includes timely notice of the occurrence of any of the following events with respect to the Bonds.

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1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Debt calls, if material
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Tender offers
13. Bankruptcy, insolvency, receivership or similar event of the College *
14. The consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
15. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The College has agreed to the foregoing undertakings in order to assist participating underwriters of the Bonds and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The College will provide the foregoing information for so long as Rule 15c2-12(b)(5) is applicable to the Bonds and the College remains an "obligated person" under the Rule with respect to the Bonds. No provision of the resolution limits the remedies available to any beneficial owner of the Bonds with respect to the enforcement of the continuing disclosure covenants of the College described above. Failure to comply with the continuing disclosure covenants will not constitute an event of default under the Bond Resolution.

The College may amend the continuing disclosure undertakings contained in the Bond Resolution upon a change in circumstances provided that (a) the change in circumstances arises from a change in legal requirements, law, or change in the identity, nature or status of the College or the type of business conducted by the College, (b) the undertakings, as amended, would have complied with the requirements of Rule 15c2-12(b)(5) at the time of this offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (c) in the opinion of nationally recognized bond counsel selected by the College, the amendment does not materially impair the interests of the beneficial owners of the Bonds.

**This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the College in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the College, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the College.*

NO OPTIONAL REDEMPTION

The Bonds are **not** subject to optional redemption prior to maturity.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the College taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the College, threatened against the College that is expected to materially impact the financial condition of the College.

FINAL OFFICIAL STATEMENT AUTHORIZATION

This Final Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the College, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATINGS

The Bonds have been rated "Aa1/Positive Outlook" by Moody's Investors Service and "AA+/Stable" by S&P Global Ratings. The College has supplied certain information and material concerning the Bonds and the College to the rating services shown on the cover page, including certain information and materials which may not have been included in this Final Official Statement, as part of its application for investment ratings on the Bonds. Ratings reflect only the views of the rating agencies assigning such ratings and an explanation of the significance of such ratings may be obtained from such rating agencies. Generally, such rating services base their ratings on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such ratings will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating services if, in their judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment ratings may be obtained from the rating agencies: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000.

DEFEASANCE

The Bonds are subject to legal defeasance by the irrevocable deposit of full faith and credit obligations of the United States of America, obligations the timely payment of which are guaranteed by the United States Treasury, or certificates of participation in a trust comprised solely of full faith and credit obligations of the United States of America (collectively, the "Government Obligations") with a bank or trust company acting as escrow agent. Any such deposit must be of sufficient amount that the receipts from the Government Obligations plus any cash on deposit will be sufficient to pay debt service on the Bonds when due.

UNDERWRITING

The Bonds were offered for sale by the College at a public, competitive sale on March 15, 2018. The best bid submitted at the sale was submitted by Janney Montgomery Scott, Philadelphia, Pennsylvania (the "Underwriter"). The College awarded the contract for sale of the Bonds to the Underwriter at a price of $32,561,198.50 (reflecting the par amount of $30,060,000, plus a reoffering premium of $2,606,408.50, and less and Underwriter's discount of $105,210.00). The Underwriter has represented to the College that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in this Final Official Statement.

MUNICIPAL ADVISOR

The College has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in this Final Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Final Official Statement, nor is the Municipal Advisor obligated by the College's continuing disclosure undertaking.

CERTIFICATION

We have examined this Final Official Statement dated March 15, 2018, for the $30,060,000 General Obligation Refunding Bonds, Series 2018, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/ **DR. ANN E. RONDEAU**
President
COMMUNITY COLLEGE DISTRICT NO. 502
Counties of DuPage, Cook and Will
and State of Illinois

/s/ **DR. BRIAN W. CAPUTO**
Vice President Administrative Affairs and Treasurer
COMMUNITY COLLEGE DISTRICT NO. 502
Counties of DuPage, Cook and Will
and State of Illinois

APPENDIX A

COMMUNITY COLLEGE DISTRICT NO. 502
COUNTIES OF DUPAGE, COOK AND WILL AND STATE OF ILLINOIS

FISCAL YEAR 2017 AUDITED FINANCIAL STATEMENTS

Community College District 502 • Counties of DuPage, Cook and Will and State of Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Years Ended June 30, 2017 and 2016

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
GLEN ELLYN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEARS ENDED
JUNE 30, 2017 AND JUNE 30, 2016

Prepared by the Financial Affairs Department

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I. INTRODUCTORY SECTION

Vision
"College of DuPage will be the primary college district residents choose for high quality education."

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
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IV. SPECIAL REPORTS SECTION (Continued)

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College of DuPage

Brian W. Caputo, Ph.D., C.P.A.
Vice President, Administration and Treasurer (CFO)

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cod.edu

October 2, 2017

Board of Trustees College of DuPage and
Citizens of DuPage Community College District Number 502:

State law, as enacted in the Public Community College Act, requires Community Colleges to submit audited financial statements to the Illinois Community College Board (ICCB) by October 15th each year. The Comprehensive Annual Financial Report (CAFR) of Community College District Number 502, Counties of DuPage, Cook, and Will, and the State of Illinois, College of DuPage (COD, College), for the fiscal year ended June 30, 2017 is hereby submitted.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls it has established for this purpose. Because the costs of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, changes in financial position and cash flows of the College.

CliftonLarsonAllen LLP, an independent firm of licensed public accountants, has audited the financial statements of the College and has issued an unmodified ("clean") opinion on the College's financial statements for the fiscal years ended June 30, 2017 and June 30, 2016. The independent auditors' report is located at the front of the Financial Section of the CAFR report.

The CAFR is presented in four sections: Introductory, Financial, Statistical, and Special Reports. The Introductory Section includes this transmittal letter, the College's vision, mission, values, and philosophy, Strategic Long Range Plan goals, the College's principal officials, and an organization chart. The Financial Section includes the report of the independent auditors, management's discussion and analysis, basic financial statements, notes to the financial statements, and required supplementary information. The Statistical Section includes selected unaudited financial and demographic information presented on a multi-year basis. The Special Reports Section includes Uniform Financial Statements, Certificate of Chargeback Reimbursement, supplementary financial information, grant financial statements, and enrollment schedules required by the ICCB, together with the related auditor's reports.

This letter of transmittal should be read in conjunction with management's discussion and analysis (MD&A), which immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements and focuses on current activities, accounting changes, and currently known facts.

PROFILE/HISTORY OF THE COLLEGE

On Sept. 25, 1967, College of DuPage opened under the leadership of President Rodney K. Berg and Board of Trustees Chairman George L. Seaton. Classes were held in office trailers and at leased suburban sites throughout the newly formed Community College District 502. Driving from class to class, the students, faculty and staff of this "campus-less" community college became affectionately known as road runners, hence the nickname for College community members: "Chaparrals."

College of DuPage's origins can be traced to two signature events. The first was the Illinois General Assembly adoption of the Public Community College Act of 1965. The second was the approval by DuPage high school district voters of a 1965 referendum. Their foresight created a new community college to serve the dynamically growing and prospering DuPage area.

In 1968, a 273-acre Glen Ellyn campus site was acquired and, a year later, three interim buildings were constructed west of Lambert Road. The first permanent building, today's Berg Instructional Center (BIC), opened in 1973. Four years later, the top floor of the BIC was completed. The year 1979 marked the appointment of Harold D. McAninch as College of DuPage's second president, and in 1983 the Student Resource Center (SRC) and Physical Education and Community Recreation Center opened.

Over the next decade, the McAninch Arts Center (1986) and Seaton Computing Center (SCC) (1990) opened on campus, while new Naperville and Westmont Educational Centers (1991) offered an even greater regional presence.

Michael T. Murphy became College of DuPage's third president in 1994. Under President Murphy, College of DuPage became America's largest single-campus community college, a distinction it held through 2003. Today, with approximately 28,000 students, College of DuPage is the second largest public provider of undergraduate education in Illinois.

Capping the 2002 academic year, voters approved a $183-million bond issue that provided funds for the renovation and rebuilding of the Glen Ellyn campus and several off-campus locations.

The arrival of the College's fourth president, Dr. Sunil Chand, highlighted 2003. Throughout 2004 and 2005, Chand launched major initiatives for the College's academic accreditation through the Academic Quality Improvement Program quality improvement process and curriculum conversion from quarters to semesters that officially began with the fall 2005 semester.

College of DuPage opened its Carol Stream Community Education Center in 2004. The year 2006 brought the Frontier Campus in Naperville, a collaboration between College of DuPage and Indian Prairie District 204. The year 2007 included completion of the Early Childhood Center, along with construction of efficient new campus roadways and revamped parking lots.

College of DuPage in 2008 received a maximum seven-year reaccreditation through the North Central Association of Colleges and Schools Commission on Institutions of Higher Education.

Dr. Robert L. Breuder took over for Interim President Harold McAninch in January 2009 and that summer both the Health and Science Center and Technical Education Center opened on the Glen Ellyn campus. Construction and other physical improvements, including landscaping and signage, intensified in November 2010 when District 502 voters approved a $168-million capital referendum initiative.

Funds from the 2002 referendum were used for the construction of the Homeland Security Education Center, the Student Services Center, and the Culinary & Hospitality Center. The 2010 referendum supported the renovation of the SRC, the SCC, the McAninch Arts Center, the Campus Maintenance Center, and the Physical Education Center. The College realized several major outcomes, including significant semester-to-semester enrollment increases, the addition of approximately 50 new academic programs, and the creation of the 3+1 degree program that allows students to earn an entire bachelor's degree with a partner university without leaving the COD campus.

On May 2, 2016, the College of DuPage Board of Trustees appointed Dr. Ann Rondeau to serve as the sixth president in the College's 49-year history. The College conducted a nationwide search to fill the position. Dr. Rondeau succeeded Acting Interim President Joseph E. Collins.

The community college district served by College of DuPage has grown significantly over the years. Originally formed from 10 high school districts, District 502 has become the most populous community college district in Illinois, outside of Chicago. More than one million residents from all or part of 51 communities comprise today's District 502, with boundaries encompassing significant parts of Cook and Will counties, as well as the majority of DuPage County.

College of DuPage is currently headed by an administration under President Dr. Ann Rondeau. Total staff at the College numbers over 3,000 and includes administrators, full- and part-time faculty members, counselors and advisors, classified staff, various other professionals, and student employees.

College of DuPage's operating revenue is derived primarily from local taxes, tuition and fees, and state allocations. Special grants from state and federal sources may be acquired, and gifts and grants from foundations and private sources are accepted through the College of DuPage Foundation. College of DuPage is recognized by the Illinois Community College Board and governed by a locally elected seven-member Board of Trustees and one elected, non-voting student representative. Since its humble beginnings in 1967, College of DuPage has grown in breadth and stature to take its place as one of the nation's finest community colleges.

Like many other service organizations, the primary expenditures of the College are for employee salaries and benefits. Salaries and fringe benefits account for almost 74% of total expenditures in the FY2018 General Fund budget. The majority of the College's employees are covered by collective bargaining agreements or other employment agreements. The College is under contract with all of its five labor unions. Contracts with the full-time faculty association, classified staff association-painters, groundskeepers, mechanics and carpenters, Fraternal Order of Police, and operating engineers were extended through the end of FY2019. In August 2017, the College extended its contract with its adjunct faculty association through 2021.

College of DuPage is a comprehensive community college that meets five key community educational needs: transfer education that prepares students for transfer to a four-year institution to pursue a bachelor's degree; career and technical education that prepares students who will graduate with an Associate in Applied Sciences degree or certificate to directly enter the workforce; developmental education that provides remedial education for students who are not academically ready to enroll in college-level courses; continuing education that provides non-credit courses to the

community for personal development and enrichment; and business training that provides specialized or customized training and education to local companies for their employees.

College of DuPage grants nine associate degrees:

- Associate in Arts
- Associate in Science
- Associate in Engineering Science
- Associate in Applied Science
- Associate in General Studies
- Associate in Fine Arts in Art
- Associate in Fine Arts in Music
- Associate in Arts in Teaching Secondary Mathematics
- Associate in Arts in Teaching Early Childhood Education

In addition to associate degrees, College of DuPage offers over 170 certificates in more than 50 areas of study. College credit and continuing education classes are offered on the College's 273-acre Glen Ellyn campus, at four regional centers, and at area high schools and other community locations. Educational opportunities at College of DuPage include face-to-face courses, accelerated programs for adults, field and experiential learning, an honors program, online and hybrid courses, special programs for youth and older adults, customized training for business and industry, and courses required for licensure in various professions.

College of DuPage participates in the North Central Community College Conference and is a member of the National Junior College Athletic Association. Intercollegiate sports for men include baseball, basketball, cross country, football, golf, soccer, tennis, and track and field. College of DuPage has women's teams in basketball, cross-country, soccer, softball, tennis, track and field, and volleyball. There is also a spirit squad that performs at home football and basketball games.

LOCAL ECONOMY

The College's district includes the majority of DuPage County and portions of Cook and Will Counties. DuPage County is in northeastern Illinois and covers 332.1 square miles. DuPage is at the hub of the nation's rail, air, freight and trucking systems. The County plays a critical role in maintaining a large, efficient transportation system and infrastructure which includes six major expressways and three major commuter rail lines. DuPage Airport is one of Illinois's busiest airports and O'Hare International Airport is on the County's northeastern border.

The District normally has a relatively low unemployment rate and one of the highest equalized assessed valuations per community college student. DuPage County has a highly skilled employment pool, reflecting the educational commitment of its residents. School test scores consistently rank above the state average, and school operating expenditures per child exceed the state average. Twenty private or public colleges are located in DuPage County.

The County has a very diverse economic base, comprised of construction and manufacturing, wholesale and retail trade, various service sectors, and research. A high-tech research and development corridor covers the width of DuPage County, stretching from the Argonne National Laboratory in the southern part of the County to the Fermi National Accelerator Laboratory on the western boundary. A pro-business atmosphere, a commitment to a well-educated workforce, and a modern transportation system make DuPage County an ideal location for business expansion and relocation.

The population of DuPage County is as follows:

Year	**Population**
1995	855,531
2000	906,284
2010	917,911
2015	939,507

OUTREACH

The College offers many different forums to engage and provide programming to members of the community.

McAninch Arts Center (MAC)
The McAninch Arts Center is a state-of-the-art facility, housing three performance spaces, an outdoor Lakeside Pavilion stage, the Cleve Carney art gallery, studios, production space, and classrooms for the College's academic programming. This unique facility has presented theater, music, dance, lectures social events and visual arts to more than 1.5 million people since its opening in 1986. The MAC is also home to the New Philharmonic Orchestra, which is in residence. The result is a collection of touring, resident, and student performances that foster enlightened education and entertaining performance opportunities to encourage artistic expression, promote a lasting relationship between people and art, and enrich the cultural vitality of the community. The MAC underwent a $35 million renovation in 2013, including upgrades in seating, acoustics, energy efficiency, and the addition of a new gallery, concession area, box office and outdoor space. The MAC re-opened to a sold-out performance on New Year's Eve 2013.

WDCB-TV
An educational and community service provided by College of DuPage, WDCB-TV's broadcast schedule originates from the College and runs 24-hours a day, seven days a week. Programs are aired with public service announcements and WDCB-FM news.

Primary sources of programming for WDCB-TV are college-credit telecourses offered by the College's Center for Extended Learning. The College's Multimedia Services Department produces *Images, Career Paths, That Beepin' Show* and *The College Lecture Series.* These four general-interest video programs cover a wide range of College issues. WDCB-TV is available in Wheaton, Glen Ellyn, Naperville, West Chicago, Geneva and St. Charles.

WDCB 90.9 FM Public Radio
The College's award-winning public radio station provides Chicagoland and beyond with jazz, news, blues, and more, 24-hours a day, seven days a week. WDCB serves the entire metropolitan area with a five-kilowatt signal broadcasting from COD's Glen Ellyn campus, and also streams its signal to the rest of the world at www.wdcb.org.

FINANCIAL INFORMATION

The College maintains its accounts and prepares its financial statements in accordance with generally accepted accounting principles in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Boards and the Illinois Community College Board (ICCB). The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The funds required are as follows:

Fund Group	**Fund**
General	Education
	Operations Maintenance
Capital Projects	Operations Maintenance Restricted
Debt Service	Bond & Interest
Enterprise	Auxiliary Enterprise
Special Revenue	Restricted Purposes
Permanent	Working Cash

The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when an obligation has been incurred. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

Internal Controls: Management of the College is responsible for establishing and maintaining internal controls to protect the assets of the College, prevent loss from theft or misuse, and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefit likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls: The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. Activities of the funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established for each individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end, unless reserved. However, encumbrances generally are re-authorized as part of the following year's budget.

As demonstrated by the statements and supplementary financial information included in the Financial Section of this report, the College continues to meet its responsibility for sound financial management.

PROPERTY TAXES

Taxes are collected on a calendar year basis. Taxes levied in December 2016 are collected in calendar year 2017. Legislation limits the increase in the amount of taxes the College can levy to 5% of the prior year tax extension or the Consumer Price Index (CPI) annual increase, whichever is lower, plus the taxes on new construction. The prior-year CPI is used for the current levy year. The 1991 tax levy was the first levy affected by the tax cap legislation. Current and historical information on property taxes is presented in the Statistical Section of this report.

Calendar year 2010 was the first year DuPage County experienced a decrease in Equalized Assessed Valuation (EAV). The assessed valuations for the total District 502 decreased 5.2% in levy year 2010, 7.4% in levy year 2011, 7.7% in levy year 2012, 5.1% in 2013, and 0.4% in 2014 before increasing 3.8% in 2015 and 6.5% in 2016.

PROSPECTS FOR THE FUTURE

As part of College of DuPage's overall planning activities, a five-year financial plan is prepared that is integrated with the strategic planning initiatives and annual budget process. This plan, which is updated annually and presented to the Board of Trustees as part of the annual budget submission, identifies major areas of concern that must be addressed if the College is to continue to fulfill its mission, vision and values consistent with the Strategic Long-Range Plan. The College's financial goal of maintaining a healthy financial position through the prudent allocation and use of available resources in support of its educational goals and mission remains unchanged. Looking forward, the College remains concerned about how the State of Illinois' financial situation, pension reform law, and the Affordable Care Act may adversely impact the financial results of the College.

Through strategic tuition and fee increases; continuous process improvements to lower costs; the development of marketing programs to build enrollment, especially in under-represented populations, focusing on retention; the expansion of course offerings, including online classes, to increase opportunities to learn; and seeking additional grant and private funding to reduce operating costs, the College has achieved a very healthy financial position. The College will continue to conserve resources through the application of financial controls and reduction in expenses, where possible, without affecting the quality of its educational programs. However, given the College's current healthy financial condition, the College Board of Trustees elected to maintain the total tuition and fee rate at $135 per credit hour effective with the Fall 2017 semester.

College of DuPage engages in planning to assure that we are future-oriented in serving our students, community, and other stakeholders. College of DuPage's strategic long range planning is a continuous process that guides the future direction of the institution. Specifically, the Strategic Long Range Plan (SLRP) defines the College's institutional philosophy, mission, vision, core values, long-term goals, and associated strategic objectives. Information about these foundational concepts may be found on pages 16-20.

At College of DuPage, the SLRP is based on the concept of planning "from the outside-in." Therefore, the SLRP is a map for the development and delivery of programs and services that address community challenges and needs.

With the approval of the Board of Trustees, the Strategic Long Range Plan sets the College's strategic direction over a five-year period. Therefore, the purpose of this document is to communicate to College of DuPage employees, students, community and other stakeholders a reference point for comprehensive long-range planning. The major tenets of the SLRP are reflected on pages 16-20 of this document.

FINANCIAL POLICIES

Budget decisions shall be made in accordance with the College's Annual Plan and shall conform to the requirements as set forth in the ICCB Fiscal Management Manual. The definition of a balanced budget provides for the following:

- Annual expenditures plus other uses (i.e. fund balance) do not exceed projected revenues plus other sources (expenditures shall be budgeted according to the College's strategic priorities)
- Debt service
- Adequate reserves for maintenance and repairs to its existing facilities
- Adequate reserves for acquisition, maintenance, and replacement of capital equipment
- Adequate reserves for strategic capital projects
- Adequate funding levels to fulfill future terms and conditions of employment, including early retirement benefits
- Adequate allocations for special projects related to the strategic direction of the College
- Appropriate provisions for contingencies (unforeseen events requiring expenditures of current resources)
- Cash flow sufficient to provide for expenditures
- Ending fund balances (according to policies set specifically for that purpose)

DEBT ADMINISTRATION

Equalized Assessed Valuation of Taxable Property (tax year 2016)	$40,504,389,066
Net debt applicable to debt limit[1]	$162,606,708
Long-Term Debt Percent of Assessed Valuation	0.40%

[1]Balances include current and non-current portions of Series 2007, Series 2011A, and Series 2013A bond principal outstanding, less amount available in debt service subfund.

The legal debt limit is 2.875% of the District's assessed valuation. The debt limitation would therefore be $1,164,501,186. The College's current bonded debt of $162,606,708 is below the legal limit.

OTHER INFORMATION

Awards
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to College of DuPage, Community College District Number 502 for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. A Certificate of Achievement is valid for a period of one year only.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable, efficient and organized CAFR whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

College of DuPage has earned GFOA's Award for Distinguished Budget Presentation for its annual budget for the years ending June 30, 1999 through 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

Acknowledgements
The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Financial Affairs Department. The staff has our sincere appreciation for the contributions made in the preparation of this report. We wish to thank the President of the College of DuPage, Dr. Ann Rondeau, the Board of Trustees, and the members of the President's Cabinet for their continued interest and support for maintaining the highest standards of professionalism in the management of College of DuPage's finances.

Respectfully submitted,

Brian W. Caputo, Ph.D., C.P.A.
Vice President, Administrative Affairs
and Treasurer (CFO)

Scott L. Brady, C.P.A.
Interim Controller

VISION, MISSION, VALUES, AND PHILOSOPHY

Vision
"College of DuPage will be the primary college district residents choose for high quality education."

Mission
The mission statement of College of DuPage identifies the fundamental purpose and aspirations of the College. The mission is the foundation upon which all College activities are built.

The mission of College of DuPage is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education.

Values

INTEGRITY:	*We expect the highest standard of moral character and ethical behavior.*
HONESTY:	*We expect truthfulness and trustworthiness.*
RESPECT:	*We expect openness to difference and to the uniqueness of all individuals.*
RESPONSIBILITY:	*We expect fulfillment of obligations and accountability.*

Philosophy

College of DuPage believes in the power of teaching and learning*. We endorse the right of each person to accessible and affordable opportunities to learn and affirm the innate value of the pursuit of knowledge and its application to life. Our primary commitment is to facilitate and support student success in learning.*

College of DuPage is committed to excellence*. We seek quality in all that we do. To ensure quality, we are committed to continual assessment and self-evaluation.*

College of DuPage values diversity*. We seek to reflect and meet the educational needs of the residents of our large, multicultural district. We recognize the importance of embracing individual differences and cultures and value the contributions made to the College by people of all ethnic and cultural backgrounds. We affirm our role as a catalyst for promoting dialogue and tolerance on issues supporting the common good.*

College of DuPage promotes participation in planning and decision making*. We support participatory governance and the involvement of the College community in the development of a shared vision. We believe that all students, staff, and residents can make meaningful contributions within a respectful environment that encourages meaningful discourse. We strive to build an organizational climate in which freedom of expression is defended and civility is affirmed.*

College of DuPage will be a benefit to students and community*. The needs of our students and community are central to all we do.*

FY2017-2021 STRATEGIC LONG RANGE PLAN GOALS

Goal 1: Accountability

College of DuPage is committed to being transparent, answerable and responsible to all stakeholders. To accomplish this we will:

Strategic Objectives:

1.1 Exceed the accreditation requirements of the Higher Learning Commission and other program specific accreditations and certifications (e.g., Accreditation Commission for Education in Nursing).

1.2 Develop, analyze and use meaningful metrics to demonstrate how well College of DuPage is educating students, including transfer and employment placement rates.

1.3 Ensure accuracy, integrity and reliability of data and of the data management system.

1.4 Integrate institutional data sources in order to track daily operations and overall organizational performance, including progress on achieving strategic objectives and annual targets.

1.5 Improve internal controls that create an auditable trail of evidence in order to promote efficiency and effectiveness of operations, ensure the safeguarding of assets, and to enhance fraud prevention and detection.

1.6 Ensure compliant and transparent processes that will promote stakeholder confidence and trust.

1.7 Create a fear-free culture where employees and other stakeholders feel compelled to speak up when they witness potential acts of wrongdoing or unethical conduct.

Goal 2: Value-Added Education

College of DuPage is committed to going beyond standard expectations and providing something more to the students and communities we serve. To accomplish this we will:

Strategic Objectives:

2.1 Empower students to design/customize their education to meet their specific educational goals and needs.

2.2 Ensure that educational descriptions are clear (including required prerequisites), accurate and that transferability is clearly stated.

2.3 Review, revise and develop curricular offerings to assure high quality education and alignment with the current and emerging employee skill needs of local businesses and employers.

2.4 Add new and strengthen current academic transfer partnerships agreements (e.g., 3+1, 2+2) and create greater opportunities for students to earn college credit while still in high school (e.g., Early College initiative, dual credit).

2.5 Support student success by addressing student identified (e.g. Noel-Levitz Student Satisfaction Inventory survey) issues with academic advising, with a focus on the academic advisor's knowledge about programs at College of DuPage and transfer requirements at other institutions.

2.6 Support student completion within 150% of the normal time (e.g., three years for an associate's degree) by implementing a guided pathways approach to programs and degrees.

2.7 Expand efforts to attract and provide resources to assist nontraditional students to enroll in credit courses, especially those in the 55-plus age group.

2.8 Continue to improve Adult Basic Education (ABE)/High School Equivalency (HSE)/ English Language Acquisition (ELA), etc., with a focus on transitioning students from non-credit to success in college degree and certificate programs of study.

2.9 Grow credit enrollment by enhancing and being known for providing exceptional educational and cultural experiences to students (e.g., study abroad programs, learning technologies, co-curricular activities).

Goal 3: Student Centeredness

College of DuPage is committed to methods of teaching that shift the focus of instruction from the teacher to the student. To accomplish this we will:

Strategic Objectives:

3.1 Enhance and expand opportunities to support student learning needs, including helping students identify a course of study, recognize their specific goals and assist them to overcome their weaknesses.

3.2 Create awareness among employees concerning student mental health and disability issues and adopt College policies and procedures to ensure they meet the needs of this population.

3.3 Develop innovative ways to gather quantitative and qualitative data from students about their needs and act upon that input.

3.4 Develop ways to better share data concerning student needs and success methods across all areas of the College.

3.5 Create effective communication pathways from the student, to the faculty, to the rest of the College.

3.6 Ensure that current College policies and procedures lead to improved student outcomes.

3.7 Foster a culture of intellectual expectations, achievement and engagement for students.

3.8 Leverage faculty expertise to develop and implement original content/learning modules that can be scaled to meet current and emerging student educational goals and local employer needs.

Goal 4: Equality and Inclusiveness

College of DuPage is committed to ensuring that all stakeholders are involved in setting institutional direction; that their perspectives are heard and valued and their needs are understood and addressed. To accomplish this we will:

Strategic Objectives:

4.1 Implement methods (e.g., Personal Assessment of the College Environment survey) to assess the institutional culture and climate and develop specific actions related to identified opportunities for improvement.

4.2 Incentivize employees to utilize College of DuPage resources (facilities, services and offerings).

4.3 Expand the availability and use of professional development funds for all employees.

4.4 Support cross-departmental knowledge exchange for all constituencies (starting with on-boarding and continuing throughout the employee's career).

4.5 Expand the Shared Governance Council to drive the culture so that it is inclusive of people, processes, inputs, ideas, thoughts, beliefs and perspectives.

4.6 Continue to foster a culture of inclusiveness for students, employees and the community through programs, activities, policies and procedures.

4.7 Develop and implement programs and services to enhance institutional diversity and global engagement, including recruitment and support for international students.

Goal 5: Relationships

College of DuPage is committed to cooperating and collaborating with all stakeholders in order to advance mutual interests. To accomplish this we will:

Strategic Objectives:

5.1 Increase College of DuPage's exposure and partnerships in District 502 by utilizing existing facilities in cities, towns and villages (e.g., municipal centers, libraries).

5.2 Develop a Learning Network by leveraging the off-campus centers and other community locations for the delivery of College programs and services.

5.3 Identify and implement optimal methods of communicating with and engaging all College stakeholders (e.g., alumni, business leaders, elected officials).

5.4 Utilize internal resources to develop a new College of DuPage brand and implement a communications plan that considers the preferences and needs of students and other internal and external stakeholders.

5.5 Modernize College of DuPage's website and other interfaces to improve functionality, information accessibility and user friendliness.

5.6 Identify, assess and enhance College of DuPage's community outreach activities, with a focus on the visual and performing arts.

5.7 Support collaboration, creation and learning by promoting and providing College of DuPage resources to all District 502 residents in DuPage, Will and Cook Counties (e.g., Center for Entrepreneurship).

5.8 Rebuild public confidence in College of DuPage's institutional integrity through increased engagements by College staff, faculty and Board members with community organizations (e.g., Rotary, Chambers, Libraries) with a focus on assessing and meeting community needs through the College's programs and services.

5.9 Continue to "spotlight" and promote faculty through social media, live events, etc., in order to give students and other stakeholders insight into the quality of instruction and programs provided by College faculty.

Goal 6: Innovativeness

College of DuPage is committed to making meaningful change that enhances organizational effectiveness and adds new value for stakeholders. To accomplish this we will:

Strategic Objectives:

6.1 Foster an innovative culture and climate by encouraging (risk-free) experimentation and the sharing of best practices by all employees.

6.2 Develop a process to systematically seek student perspectives and ideas in order to enhance the student experience.

6.3 Leverage College technology in innovative ways for the benefit of students and the community at large.

6.4 Provide professional development opportunities to promote innovative ideas and solutions College-wide.

6.5 Support cross-departmental knowledge exchange for all constituencies (starting with on-boarding and continuing throughout the employee's career).

Goal 7: Financial Stewardship

College of DuPage is committed to the careful and responsible management of the resources entrusted to its care. To accomplish this we will:

Strategic Objectives:

7.1 Keep tuition and property taxes as affordable as possible without impairing the quality or integrity of College programs and services.

7.2 Develop a financial model that identifies new revenue sources while eliminating the reliance on State of Illinois apportionment funds.

7.3 Educate stakeholders on the role, benefits and value of community colleges, with a focus on College of DuPage's value and stewardship of taxpayer dollars.

7.4 Increase philanthropic giving in order to increase access to education and to enhance cultural opportunities for the community.

7.5 Investigate and act upon opportunities to partner with co-branded programs and services with other Illinois community colleges.

7.6 Increase the active involvement of alumni in giving of their time and resources to support the College of DuPage Foundation mission.

7.7 Explore and, if feasible, incentivize students (e.g., reduced tuition) for taking courses during non-peak times.

Goal 8: Infrastructure

College of DuPage is committed to maintaining, improving and developing structures, systems and facilities necessary for the delivery of high-quality education and meaningful cultural events. To accomplish this we will:

Strategic Objectives:

8.1 Use faculty and other stakeholder input and appropriate institutional and benchmark data to analyze and understand current space capacity and utilization, and further develop and implement a detailed Facility Master Plan with a focus on future academic and student support needs.

8.1 Unify the west and east sides of the Glen Ellyn campus, creating a pedestrian-friendly crossing and a "one campus" feel.

8.2 Investigate the need for additional centers with a focus on how they would impact student preferences, accessibility and needs and enhance a Learning Network that advances student success.

8.3 Revise, integrate and implement the Information Technology Strategic Plan in order to enhance student success, maximize institutional effectiveness and ensure hardware and software are reliable, secure (from data breaches) and are user friendly to students, employees and other stakeholders.

The College's Fact Book, SLRP, Facilities Master Plan, and College of DuPage's Economic Impacts Report are available on the College's website:
http://cod.edu/about/office_of_the_president/planning_and_reporting_documents/index.aspx

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COMMUNITY COLLEGE DISTRICT #502
JUNE 30, 2017

PRINCIPAL OFFICIALS

Board of Trustees

Trustee Name	Position	Term Expiration
Alan L. Bennett	Trustee	2019
Charles Bernstein	Trustee	2021
Christine M. Fenne	Trustee	2023
Daniel Markwell	Trustee	2023
Deanne Mazzochi	Trustee	2021
Frank Napolitano	Trustee	2021
Joseph C. Wozniak	Trustee	2019
Anthony Walker	Student Trustee	April 2018

Appointed Annually

Deanne Mazzochi	Board Chairman to 2018
Frank Napolitano	Board Vice Chairman to 2018
Christine M. Fenne	Board Secretary to 2018
Dr. Brian W. Caputo	Treasurer

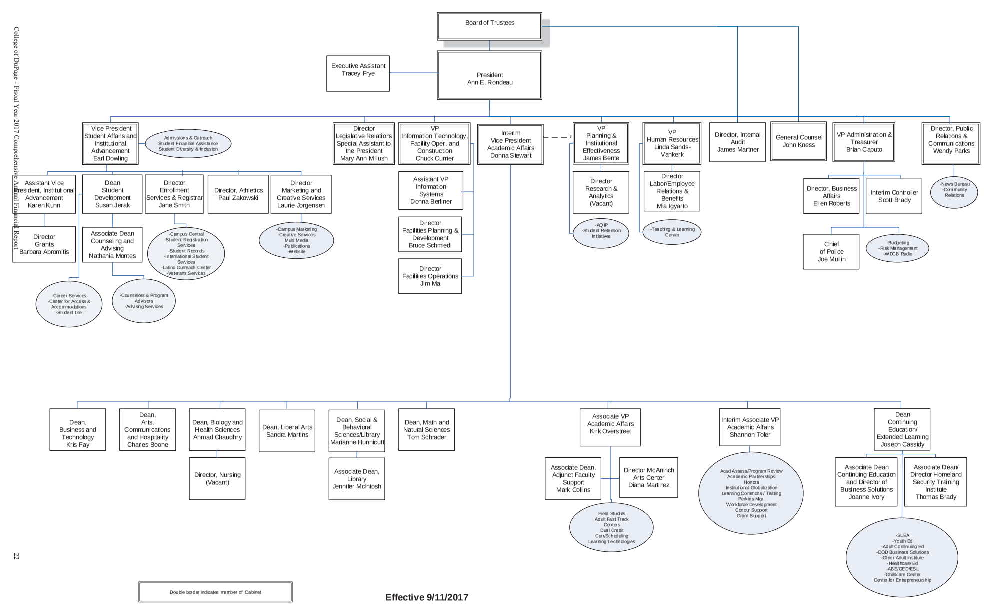
President's Cabinet

Dr. Ann E. Rondeau, President
James Benté, Vice President, Planning & Institutional Effectiveness
Dr. Brian W. Caputo, Vice President Administrative Affairs and Treasurer (CFO)
Dr. Charles Currier, Vice President, Information Technology, Facility Operations and Construction
Earl Dowling, Vice President, Student Affairs & Institutional Advancement
John Kness, General Counsel
Mary Ann Millush, Director, Legislative Relations & Special Assistant to the President
Linda Sands-Vankerk, Vice President, Human Resources
Dr. Donna Stewart, Interim Vice President Academic Affairs

Officials Issuing Report

Dr. Brian W. Caputo, Vice President Administrative Affairs and Treasurer (CFO)
Scott L. Brady, Interim Controller

COLLEGE OF DUPAGE ADMINISTRATION ORGANIZATION CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

College of DuPage

Community College District Number 502

Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

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II. FINANCIAL SECTION

Mission

"The mission of College of DuPage is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education."

CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Independent Auditors' Report

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of College of DuPage, Community College District Number 502 (the District), as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the basic financial statements based on our audits. We did not audit the financial statements of the District's component unit. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditor. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the District's component unit were not audited in accordance with *Government Auditing Standards.*

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

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

Opinions

In our opinion, based on our audit and the report of the other auditor on the financial statements of the District's discretely presented component unit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District and its discretely presented component unit as of June 30, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Other Post Employment Benefits – Schedule of Funding Progress, and Pension Benefits – Schedule of Employer's Share of Net Pension Liability & Schedule of Employer's Contributions and related Notes to Required Supplementary Information – Pension Benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, statistical section, supplemental financial information and the other supplemental financial information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental financial information, the combining schedule of revenues, expenses, and changes in subfund balances, all subfunds and account groups, and the schedule of auxiliary subfunds as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on Exhibits 1, 3, 4, and 5 of recognizing state appropriations passed subsequent to the financial statement date in revenues, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the statistical section and other supplementary financial information as listed in the table of contents has not been subjected to auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any insurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
October 2, 2017

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

Management's Discussion and Analysis
(unaudited)

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INTRODUCTION AND BACKGROUND

This section of College of DuPage, Community College District 502's (the College) Comprehensive Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activity during the fiscal years ended June 30, 2017 and June 30, 2016. Because this MD&A is designed to focus on current activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter and the College's basic financial statements including the notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College.

USING THIS ANNUAL REPORT

The financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The financial statements consist of four primary parts: (1) the statements of net position, (2) statements of revenues, expenses, and changes in net position, (3) statements of cash flow, and (4) notes to the financial statements. The financial statements are prepared on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, expenses are recorded when incurred, and all revenues are recognized when earned in accordance with generally accepted accounting principles.

During FY2016, the College implemented Governmental Accounting Standards Board (GASB) Statement 72, *Fair Value Measurement and Application*. The objective of this Statement is to address accounting and financial reporting issues related to fair value measurements and provide guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. As a result, the College has updated its note disclosure on Cash Deposits and Investments. See Note 2 to the financial statements for more information.

The Statement of Net Position is presented in the format where assets plus deferred outflows of resources equal liabilities plus deferred inflows of resources plus net position. Assets and liabilities are presented in order of liquidity and are classified as current (convertible into cash within one year) and non-current. This statement combines and consolidates current financial resources (short-term spendable resources) with long-term capital assets and deferred inflows and outflows of resources. The focus of this statement is to show the overall liquidity and health of the College as of the end of the fiscal year.

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross and net costs of College activities, which are supported substantially by property taxes, state and federal grants and contracts, student tuition and fees, and auxiliary enterprises revenues. This approach is intended to summarize and simplify the user's analysis of the financial results of the various College services to students and the public.

The Statement of Cash Flows discloses net cash provided by or used for operating, financing, and investing activities. This statement shows the College's cash flows are sufficient to pay current liabilities.

The notes to the financial statements are an integral part of the basic statements and describe the College's significant accounting policies. The reader is encouraged to review the notes in conjunction with management's discussion and analysis of the financial statements.

FINANCIAL HIGHLIGHTS

STATEMENT OF NET POSITION

The major components of College of DuPage's assets, deferred outflows, liabilities, deferred inflows, and net position as of June 30, 2017, 2016, and 2015 are as follows (in millions of dollars):

	2017	2016	2015	Change 2017-16	Change 2016-15
Assets					
Current assets	$ 344.0	$ 335.9	$ 331.7	$ 8.1	$ 4.2
Non-current assets					
Other assets	0.1	0.1	0.1	-	-
Capital assets, net of depreciation	486.1	513.6	539.9	(27.5)	(26.3)
Total assets	830.2	849.6	871.7	(19.4)	(22.1)
Deferred outflows of resources					
Deferred charge SURS contributions	0.1	0.1	0.2	-	(0.1)
Deferred charge on refunding	0.2	0.2	0.2	-	-
Total deferred outflows of resources	0.3	0.3	0.4	-	(0.1)
Liabilities					
Current liabilities	63.0	58.1	62.2	4.9	(4.1)
Non-current liabilities	227.9	258.5	282.8	(30.6)	(24.3)
Total liabilities	290.9	316.6	345.0	(25.7)	(28.4)
Deferred inflows of resources					
Deferred property taxes	52.8	52.8	55.5	-	(2.7)
Net Position					
Net investment in capital assets	245.1	248.7	250.1	(3.6)	(1.4)
Restricted	18.8	20.3	21.0	(1.5)	(0.7)
Unrestricted	222.9	211.5	200.5	11.4	11.0
Total net position	$ 486.8	$ 480.5	$ 471.6	$ 6.3	$ 8.9

Total current assets increased $8.1 million from the prior year, due to a $10.0 million increase in cash and investments that was slightly offset by a $1.8 million decrease in receivables. The increase in cash and investments is primarily due to the College's $6.3 million operating surplus. The decrease in receivables is primarily due to a $1.7 million decrease in the government claims receivable category. In November 2010, the College issued $168 million in bonds that were authorized by a voter referendum for construction or renovation of various College facilities. The College issued

$84.0 million of the voter approved referendum bonds in FY2011 and the remaining $84.0 million in FY2013. At the end of FY2017, $3.5 million of the bond funds were unspent.

In FY2016, total current assets increased $4.2 million from FY2015, due to a $6.9 million increase in cash and investments that was slightly offset by a $3.0 million decrease in receivables. The increase in cash and investments was primarily due to the College's $8.9 million operating surplus.

Non-current assets, comprised of other assets and capital assets, decreased by $27.5 million from the previous year due to the decrease in net capital assets. The total cost value of capital assets increased $3.4 million from the previous year coupled with an increase of $30.9 in accumulated depreciation. During FY2017, the major additions to capital assets (transferred out of construction in progress) were $365,000 for site improvements throughout the campus and signage. Costs accumulated in construction in progress were transferred to land improvements or building improvements in FY2017 to reflect the completion of these projects.

In FY2016, non-current assets, comprised of other assets and capital assets, decreased by $26.3 million from FY2015 due to the decrease in net capital assets. The total cost value of capital assets decreased $3.8 million from the previous year coupled with an increase of $22.5 in accumulated depreciation. During FY2016 the major additions to capital assets (transferred out of construction in progress) were $17.0 million for the construction of Phase II of the Homeland Security Facility and $3.5 million for site improvements throughout the campus and signage. Costs accumulated in construction in progress were transferred to depreciable building or building improvements in FY2016 to reflect the completion of these projects.

Current liabilities increased $4.9 million primarily due to an increase in the current portion of bonds payable of $6.7 million. This, in turn, is related to the timing of principal payments on the College's outstanding bonds; the amount due in FY2018 is more than what was required to be paid in FY2017. Termination benefits payable decreased from $0.1 million to $0 due to the discontinuance of the benefit program. The College paid the remaining balance of $0.1 million in FY2017.

In FY2016, unearned tuition and fee revenue decreased from FY2015 due to a $5.00 per hour decrease in tuition rate from the previous year (effective Spring 2016) and a decrease in Fall 2016 enrollment as of June 30, 2016.

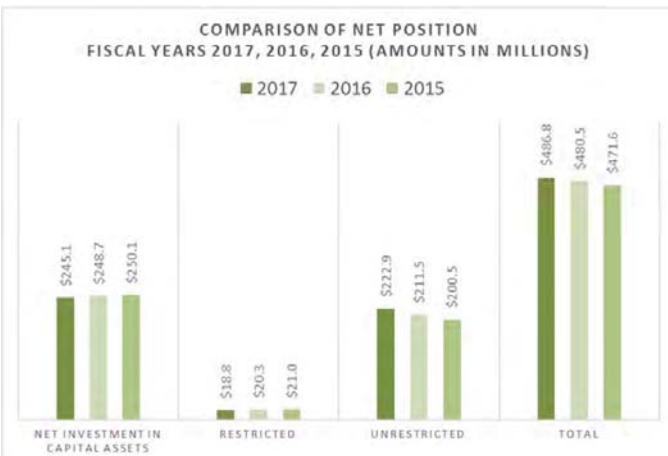
Non-current liabilities decreased $30.6 million over the previous year primarily due to a $30.6 million decrease in bonds payable. In FY2017, debt service payments included $21.7 million in principal payments. Additionally, bond premiums of $2.2 million were amortized during FY2017.

Deferred inflows of resources are deferred property tax revenues for property tax revenues levied in previous calendar years that are not collected until FY2018.

Total net position (equity) increased $6.3 million over prior year primarily due to favorable operating results. In FY2016, total net position increased $8.9 million over FY2015. Net position is comprised of three line items: net investment in capital assets, restricted, and unrestricted. The net investment in capital assets decreased by $3.6 million due to annual depreciation on existing capital assets along with annual principal payments on bonds.

Total restricted net assets decreased $1.5 million from the prior year primarily due to a $1.4 million decrease in the amount restricted for unspent grant proceeds (Restricted Purposes). Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017, including $1.4 million for Adult Education funding. The College did not recognize these revenues in FY2017 due to the fact that the appropriations did not exist at the date of these financial statements.

Unrestricted net position increased $11.4 million to $222.9 million as a result of the operating surplus. The Board of Trustees has previously approved six reservations of unrestricted net position totaling $91.3 million: $33.0 million for a new Teaching and Learning Center facility; $14.0 million to fund retiree healthcare costs; $17.0 million to fund potential future pension payments if the State of Illinois pushes this funding to the school districts; $16.0 million to fund annual maintenance costs which are expected to increase with the expansion of the College's physical plant; $6.3 million for the required match of 25% of Capital Development Board funding the College may receive for future capital projects; and $5.0 million for future Information Technology Plan costs identified in the Information Technology Strategic Plan. Management is continuously reviewing these restrictions.

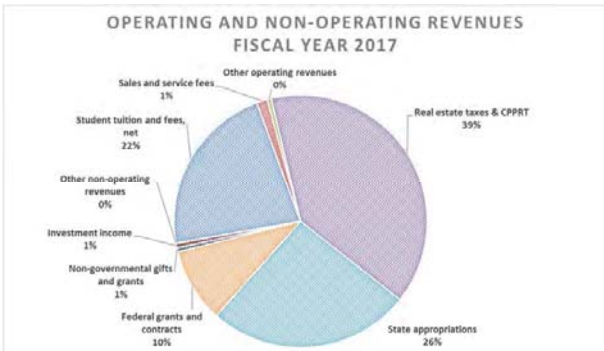


STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following table presents the statement of revenues, expenses, and changes in net position for the College for fiscal years 2017, 2016, and 2015 (in millions of dollars).

	2017	2016	2015	Change 2017-16	Change 2016-15
Revenues					
Operating revenues					
Student tuition and fees, net	$ 61.2	$ 65.3	$ 67.6	$ (4.1)	$ (2.3)
Sales and service fees	3.8	3.6	4.8	0.2	(1.2)
Other operating revenues	1.3	1.7	2.2	(0.4)	(0.5)
Total operating revenues	66.3	70.6	74.6	(4.3)	(4.0)
Non-operating revenues					
Real estate taxes CPPRT	108.9	110.2	109.7	(1.3)	0.5
State appropriations	71.6	54.7	57.2	16.9	(2.5)
Federal grants and contracts	26.3	28.3	30.5	(2.0)	(2.2)
Investment income	1.6	1.2	(0.8)	0.4	2.0
Other non-operating revenues	1.5	1.5	1.2	-	0.3
Total non-operating revenues	209.9	195.9	197.8	14.0	(1.9)
Total revenues	276.2	266.5	272.4	9.7	(5.9)
Expenses					
Operating expenses					
Instruction	112.6	105.3	100.6	7.3	4.7
Academic support	12.1	11.3	10.1	0.8	1.2
Student services	21.0	19.8	17.9	1.2	1.9
Public service	2.7	2.6	2.6	0.1	-
Independent operations	-	-	-	-	-
Operation and maintenance of plant	19.6	19.2	19.2	0.4	-
General administration	17.4	15.2	16.0	2.2	(0.8)
General institutional	24.2	22.6	20.8	1.6	1.8
Auxiliary enterprises	11.4	11.1	10.7	0.3	0.4
Scholarship expense	6.9	8.3	10.8	(1.4)	(2.5)
Depreciation expense	32.0	31.3	29.7	0.7	1.6
Total operating expenses	259.9	246.7	238.4	13.2	8.3
Non-operating expenses					
Interest on capital asset-related debt	10.2	11.0	9.9	(0.8)	1.1
Total non-operating expenses	10.2	11.0	9.9	(0.8)	1.1
Total expenses	270.1	257.7	248.3	12.4	9.4
Net income before capital contributions	6.1	8.8	24.1	(2.7)	(15.3)
Capital contributions	0.2	0.1	0.1	0.1	-
Increase in net position	6.3	8.9	24.2	(2.6)	(15.3)
Net position at beginning of year	480.5	471.6	444.4	8.9	27.2
Prior period adjustments	-	-	3.0	-	(3.0)
Net position at end of year	$ 486.8	$ 480.5	$ 471.6	$ 6.3	$ 8.9

Revenues:
The College's operating and non-operating revenues were $276.2 million for fiscal year 2017, an increase of $9.7 million from the prior year. This increase in revenues was driven primarily by higher State of Illinois revenue. In FY2016, operating and non-operating revenues decreased $5.9 million from FY2015 due to lower student tuition and fees, State of Illinois revenue, and federal revenue. The College has three primary revenue sources that account for 97.0% of total revenues in FY2017. Real estate and corporate personal property replacement taxes continue to be the College's primary revenue source accounting for $108.9 million or 39.4% of FY2017 total revenues. The second largest revenue source, state and federal grants, totaled $97.9 million and accounted for 35.4% of FY2017 total revenues. The third largest source of revenue was student tuition and fees totaling $61.2 million or 22.2% of total revenues in FY2017.



Operating revenues decreased $4.3 million in FY2017 due to a decrease in revenue from student tuition and fees ($4.1 million). The lower tuition revenue was due to a decrease in enrollment. The College's 10th day enrollment for FY2017 was 34,952 full-time equivalents (FTEs) or 524,280 credit hours; this represents a decrease of 30,473 credit hours or 5.5% less than prior year. In FY2016, operating revenues decreased $4.0 million from FY2015. Lower tuition revenue was due to both a decrease in enrollment and a tuition rate decrease of $5.00 per credit hour which was effective in the Spring 2016 semester.

Due to improved collection efforts, the College also experienced a decrease in delinquent student receivables. Delinquent student receivables are due in part to the loss of financial aid awarded to students, students dropping classes after the refund period, and students' inability or unwillingness to pay their balance. Generally Accepted Accounting Principles (GAAP) requires bad debt expense to be netted against tuition revenue. GAAP also requires colleges to report tuition and fees funded by state and federal financial awards as non-operating revenues and not as tuition. As shown in the following table, total student tuition and fees revenue before adjustment for the reclassification of tuition funded by state and federal grants was $88.5 million in FY2017; this was $6.6 million lower than the prior year.

	FY2017	FY2016	FY2015	Change 2017-16	Change 2016-15	% Change 2017-16	% Change 2016-15
Student tuition and fees	$ 88.5	$ 95.1	$ 100.4	$ (6.6)	$ (5.3)	-7%	-5%
Federal and State Awards	(27.3)	(29.8)	(32.8)	2.5	3.0	-8%	-9%
Student tuition and fees, net	$ 61.2	$ 65.3	$ 67.6	$ (4.1)	$ (2.3)	-6%	-3%

The decrease in tuition funded from federal and state awards reflects a decrease in Adult Basic Education, Presidential Scholarships, and Pell Grants/Federal Direct Loans.

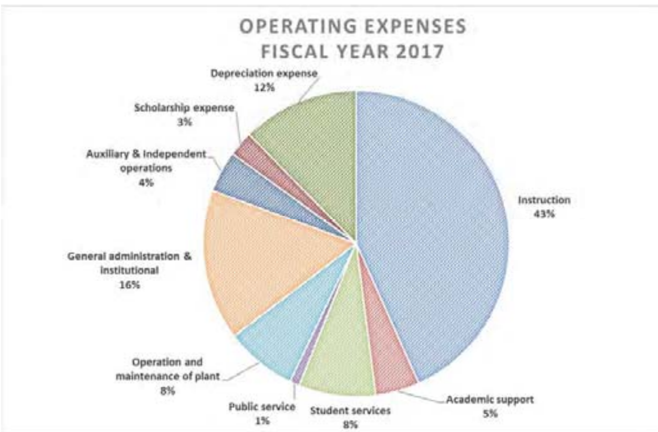
Non-operating revenues increased $14.0 million from the prior year to $209.9 million. The College historically receives 99.5% of the annual property tax levy collections. Through June 30, 2017 the College has received approximately 50% of the 2016 tax year levy from all three counties within the District's boundaries. Revenues from the State of Illinois were $16.9 million more than prior year. There was an increase of $14.9 million in the State Universities Retirement System of Illinois (SURS) pension contributions that was $63.4 million in FY2017. The state makes this contribution on behalf of the College. The College records revenue as part of the State appropriations line item in Statement 2, and expense for the in-kind payment made by the State. In addition, the College received $1.9 million more in Base Operating Grant funding in FY2017. The College received approximately $12.0 million from the state for Base Operating Grant in FY2015, when the state paid all 12 monthly payments. In FY2016, the College was only appropriated three out of 12 payments, totaling $3.5 million, and in FY2017 the College received approximately $5.4 million. The College typically received approximately $1.0 million annually in Career and Technical Education (CTE) Grant payments. No payments were received in FY2016, but $1.1 million was received in FY2017. The increase in Base Operating Grant and CTE funding was offset by a decrease in State Adult Education funding of about $1.3 million from the prior year. Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017, including $1.4 million for adult education funding. The College did not recognize these revenues in FY2017 due to the fact that the appropriations did not exist at the date of these financial statements.

The College had investment income of $1.6 million for FY2017, $0.4 million more than prior year, as summarized in the chart below. During FY2015 the College had to write off $2.1 million of its investment in the Illinois Metropolitan Investment Fund (IMET), a local government investment pool. During FY2015, IMET notified its members that there were defaults on certain guaranteed loans caused by fraud on the part of a U.S. Department of Agriculture approved lender. The College liquidated its available funds at IMET, however, the College's share of the default, $2.2 million, was set aside by IMET in a trust to be used to recover assets. As assets are recovered, funds will be returned to the College. Through June 30, 2017, the College has received $0.1 million from seized assets; however, no distributions were received during FY2017.

	FY2017	FY2016	FY2015	Change 2017-16	Change 2016-15
Investment Income and Realized Gains/Losses	$ 1,676,079	$ 1,278,596	$ (881,366)	$ 397,483	$ 2,159,962
Unrealized gain (loss)	(69,247)	(81,414)	26,639	12,167	(108,053)
Total investment income	$ 1,606,832	$ 1,197,182	$ (854,727)	$ 409,650	$ 2,051,909

In FY2016, the College also experienced a decrease in sales and service fee revenues of $1.2 million from FY2015 mainly due to sales at the Waterleaf restaurant decreasing $0.9 million from the previous year due to the closing of the restaurant on August 31, 2015.

Expenses:
Total expenses for FY2017 were $270.1 million, an increase of $12.4 million from the previous fiscal year. Operating expenses increased $13.2 million while non-operating expenses decreased $0.8 million. In FY2016, total expenses increased $9.4 million from FY2015.



SURS pension and retiree healthcare contributions included in operating expenses increased by $14.9 million to $63.4 million in FY2017. The State of Illinois makes this contribution on behalf of the College. The College records an expense and revenue for the in-kind payment made by the state. This expense is then allocated to the different expense categories based on their prorated share of labor expense. The following table shows how the SURS on-behalf expenses have been allocated to the functional expense categories for the current year and the two previous years.

	FY2017	FY2016	FY2015	Change 2017-16	Change 2016-15
Instruction	$ 35.6	$ 27.5	$ 21.8	$ 8.1	$ 5.7
Academic Support	3.5	2.7	2.0	0.8	0.7
Student Services	6.2	4.7	3.6	1.5	1.1
Public Services	0.8	0.6	0.5	0.2	0.1
Operations and Maintenance of Plant	4.3	3.3	2.6	1.0	0.7
General Administration	4.9	3.5	3.1	1.4	0.4
General Institutional	5.8	4.4	3.5	1.4	0.9
Auxiliary Enterprises	2.3	1.8	1.3	0.5	0.5
Total SURS on-behalf	$ 63.4	$ 48.5	$ 38.4	$ 14.9	$ 10.1

Four categories of expenses primarily accounted for the $13.3 million increase in operating expenses: Instruction, Student Services, General Administration/Institutional, and Depreciation.

Instruction represents all of the direct costs associated with teaching of students and is the largest component of operating expenses, accounting for 43.3% of total operating expenses in FY2017 and 42.7% in FY2016. Expenses increased $7.3 million from FY2016. SURS on-behalf contributions in this function increased $8.1 million. This increase was offset by decreases in other categories of expenses within the function.

Student Services expenses increased by $1.2 million from prior year. This was due mainly to the increase in employee benefits of $1.2 million because of SURS on-behalf payment increases of $1.5 million.

The total scholarships, grants and waivers expense decreased by $1.4 million from FY2016. The College disbursed $34.2 million in scholarships, awards and waivers to students in FY2017, a decrease of $3.9 million from FY2016. In accordance with GAAP, the College is only allowed to recognize the amount of excess funds distributed to students for living expenses as a scholarship, grant, and waiver expense. In FY2017, $6.9 million of scholarships, grants, and waivers were recognized as expense as students utilized more of their awards to pay for their tuition in FY2017 and utilized less of the funds for living expenses.

	FY2017	FY2016	FY2015	Change 2017-16	Change 2016-15	% Change 2017-16	% Change 2016-15
Scholarships, grants, waivers	$ 34.2	$ 38.1	$ 43.6	$ (3.9)	$ (5.5)	-10%	-13%
Federal and State Awards	(27.3)	(29.8)	(32.8)	2.5	3.0	-8%	-9%
Scholarships, grants, waivers, net	$ 6.9	$ 8.3	$ 10.8	$ (1.4)	$ (2.5)	-17%	-23%

Depreciation expense increased $0.7 million from the previous year as a result of $3.1 million of depreciable capital assets put into service during FY2017. This reflects the completion various site improvements throughout the campus and signage ($365,000) and purchases of other capital equipment ($2.7 million).

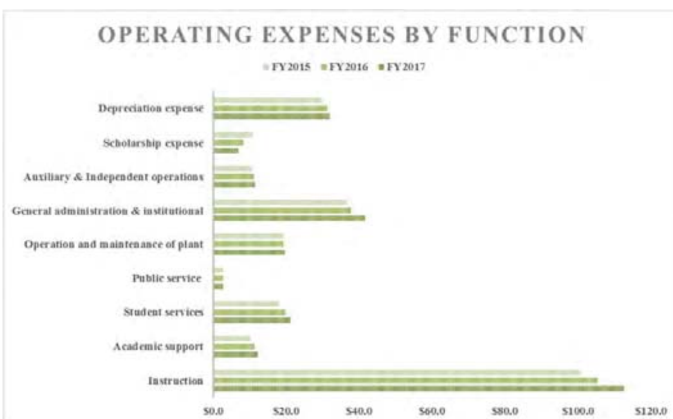
In FY2016, depreciation expense increased $1.6 million from FY2015 as a result of $23.8 million of depreciable capital assets put into service during FY2016. This reflects the completion of Phase II of the Homeland Security facility ($17.0 million); various site improvements throughout the campus and signage ($3.5 million); and other additions ($2.8 million).

Also in FY2016, the College restated certain amounts related to the amortization of its existing bond premiums. Previously, the College had been amortizing the premiums using the straight line method. Generally accepted accounting principles indicate that the straight-line method is acceptable if it approximates the effective interest method, which is the preferred method. During the year ended June 30, 2016, the College recalculated its premium amortization using the effective interest method.

A summary of changes to previously presented financial statements as of and for the year ended June 30, 2015 is as follows:

	2015		
	Previously Presented	Restatement	Restated
Bonds payable, non-current	$ 285,925,691	$ (3,955,546)	$ 281,970,145
Net position, net investment in capital assets	246,163,362	3,955,546	250,118,908
Interest on capital asset-related debt	(10,890,526)	922,466	(9,968,060)
Change in net position	23,271,374	922,466	24,193,840
Net position, beginning of year	$ 444,376,459	$ 3,033,080	$ 447,409,539

The following graph shows the College's operating expenses by function for the current year and the two previous years ($ in millions).



STATEMENT OF NET CAPITAL ASSETS AND LONG-TERM DEBT

	2017	2016	2015	Change 2017-16	Change 2016-15
Capital assets					
Land and improvements	$ 94.9	$ 94.7	$ 94.5	$ 0.2	$ 0.2
Construction in progress	1.2	0.1	18.9	1.1	(18.8)
Art collection	0.8	0.7	0.7	0.1	-
Building and improvements	567.7	567.5	551.0	0.2	16.5
Equipment	55.4	53.7	55.4	1.7	(1.7)
Subtotal	720.0	716.7	720.5	3.3	(3.8)
Less: accumulated depreciation	(234.0)	(203.1)	(180.6)	(30.9)	(22.5)
Capital assets, net	$ 486.0	$ 513.6	$ 539.9	$ (27.6)	$ (26.3)

	2017	2016	2015	Change 2017-16	Change 2016-15
Long-term debt					
Bonds					
General obligation bonds	$ 241.0	$ 262.7	$ 283.5	$ (21.7)	$ (20.8)
Bond premiums	14.7	16.9	19.3	(2.2)	(2.4)
Total bonds, net	255.7	279.6	302.8	(23.9)	(23.2)
Termination, OPEB, & Compensated Absences	2.5	2.7	3.0	(0.2)	(0.3)
Total long-term debt, net	$ 258.2	$ 282.3	$ 305.8	$ (24.1)	$ (23.5)

As of June 30, 2017, the College had net capital assets of $486.0 million, a decrease of $27.6 million from the prior year. The cost value of capital assets increased $3.3 million due to the completion of work on projects throughout campus and purchases of new assets. The College continued spending down the voter approved November 2010 referendum bond proceeds received in FY2013.

Construction in progress increased by $1.1 million in FY2017 due to the start of various site improvements throughout the campus and signage. Major projects which began in FY2017 include the Robert J. Miller Homeland Security Education Center (HEC) street scene acoustics upgrade, Health and Science Center (HSC) cadaver lab, McAninch Arts Center (MAC) donor wall, and General Counsel office remodeling. The change in activities for capital assets is provided in Note 3 to the financial statements. The increases in land and improvements and building and improvements are a result of these projects in construction in progress being completed and transferred to these depreciable capital asset categories in FY2017.

In FY2016, construction in progress decreased by $18.8 million in FY2016 due to completion of Phase II of the Homeland Security Facility ($17.0 million), and various site improvements throughout the campus and signage ($3.5 million). The change in activities for capital assets is provided in Note 3 to the financial statements. The increases in land and improvements and building and improvements is a result of these projects in construction in progress completed and transferred to these depreciable capital asset categories in FY2016.

The College's long-term debt decreased $24.1 million from the prior year to $258.2 million. The College paid outstanding bond principal of $21.7 million using property tax revenue and tuition fees received during FY2017. The payment schedules, along with changes in activities for debt, are provided in Note 6 to the financial statements. As of fiscal year end, the College's general obligation bond ratings were Aa1 by Moody's Investors Services and AA by Standard and Poor's Rating Services.

Termination, OPEB, and compensated absences decreased $0.2 million in FY2017. Termination benefits decreased to $0 as a result of final payments made to retirees. This plan has been discontinued. The change in activities for long-term debt is provided in Note 6 to the financial statements.

OTHER

On December 16, 2015, the Board of the Higher Learning Commission placed the College on academic probation for a two-year period. In February 2017, the College submitted its assurance filing to the commission following a comprehensive assessment by the commission's peer review corps. Given improvements that have been made in governance and administration, the College expects the probation to be lifted by November 2017.

Subsequent to year-end, on July 1, 2017, the College extinguished a portion of its Series 2007 bonds early. The College had funds on hand which were legally available to pay the principal of $5,735,000, originally due on June 1, 2021.

Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College will recognize these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. The amounts to be recognized as revenue in fiscal year 2018 are:

APPROPRIATION	AMOUNT
Base Operating Grant	$ 7,546,803
Monetary Assistance Program	2,260,657
Adult Education State Funding	1,434,260
CTE Formula Grant	1,326,240
Illinois Veteran Grant	63,730
Total	$ 12,631,690

Management is not aware of any other currently known facts, decisions, or conditions that would have a significant impact on the College's financial position (net position) or results of operations (revenues, expenses, and other changes in net position).

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The College continues to be concerned with the fiscal stress that the State of Illinois is experiencing and the impacts that this stress may have on future funding for community colleges and financial aid for students. Both Moody's and Standard & Poor's have lowered the state's bond rating to one level above junk status, the lowest rating of any state and the lowest rating in the history of Illinois. As of June 14, 2017, the state's unpaid bill backlog totaled over $15 billion. The budget impasse has had a devastating effect on higher education. Colleges and universities have been forced to exhaust financial reserves, freeze or eliminate positions, incorporate furlough days, reduce programs and services and increase tuition and fees.

The College of DuPage management and the Board of Trustees have been very thoughtful and deliberate in their actions to mitigate future risk to the College from both internal and external sources such as the State of Illinois. As reflected in the Strategic Long Range Plan, the College aims to keep tuition and property taxes as affordable as possible without impairing the quality or integrity of College programs and services.

The low interest rate environment provided the College a substantial opportunity to borrow at low costs to accelerate building construction and renovation under the approved Facilities Master Plan. However, the low interest rate environment has an adverse impact on the revenue the College generates from working cash and construction funds to help finance operations and capital investment.

The College of DuPage has weathered the regional trend of declining higher education enrollment better than most, but still has been impacted. The College has experienced an enrollment decline each term since Summer 2015, the most significant occurring in the Fall 2016 when the College saw a 7% decline.

The declines are attributed to a number of factors, but most predominantly are due to the recovery in the economy and regional competition from other institutions of higher education.

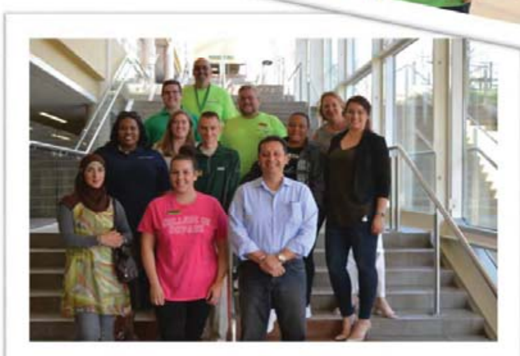
Student enrollment in the community college system is influenced by the unemployment rate. For many, the choice to attend college is weighed against the opportunity to work. The increase in employers' demand for labor continues to draw workers back into the workforce and, consequently, out of the community college system.

The College continues to track residential and commercial property values and economic activity in the residential and office construction sector to forecast future funding impacts on the College. Revenues from property taxes represent nearly half of the revenues the College receives to fund operations. Lower assessed valuations impede the growth in property tax revenues and ultimately result in the College having to either raise tuition or eliminate services to reduce costs.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, customers, community members, and other interested parties with a general overview of College of DuPage's finances and to demonstrate College of DuPage's accountability for the funds it receives.

If you have questions about this report or need additional information, please contact the Financial Affairs Department, at 425 Fawell Boulevard, Glen Ellyn, Illinois 60137-6599, (630) 942-4285.



COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

BASIC FINANCIAL STATEMENTS

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STATEMENT 1
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents	$ 26,957,802	$ 33,302,511
Investments	254,483,809	238,178,023
Total cash, cash equivalents and investments	281,441,611	271,480,534
Receivables		
Property taxes receivable (net of allowances of $689,353 and $892,806, respectively)	53,099,057	53,088,597
Tuition and fees receivable (net of allowances of $11,039,414 and $11,343,388, respectively)	6,061,158	6,279,423
Government claims receivable	959,458	2,625,249
Interest receivable	269,810	310,479
Other accounts receivable	1,069,023	954,506
Total receivables	61,458,506	63,258,254
Inventory	131,739	200,335
Prepaid expenses	985,614	992,839
Total Current Assets	344,017,470	335,931,962
Non-Current Assets		
Other assets	143,231	143,231
Capital assets not being depreciated	6,891,050	5,546,566
Capital assets being depreciated,	713,174,400	711,137,057
Less allowance for depreciation	(234,047,601)	(203,141,359)
Total Non-Current Assets	486,161,080	513,685,495
Total Assets	830,178,550	849,617,457
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge SURS Contributions	121,585	59,101
Deferred charge on refunding	192,286	227,247
Total Deferred Outflows of Resources	313,871	286,348
Subtotal, Assets and Deferred Outflows of Resources	830,492,421	849,903,805
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	5,268,429	7,434,239
Accrued salaries and benefits	6,643,615	5,994,281
Claims payable	1,022,521	1,014,474
Unearned tuition and fee revenues	16,457,419	16,568,771
Unearned grant revenues	67,667	11,387
Total accrued expenses and unearned revenues	29,459,651	31,023,152
Bonds payable - current	28,380,000	21,710,000
Bond interest payable	2,337,377	2,489,667
Termination benefits payable	-	86,210
Compensated absences	1,931,310	2,010,839
Deposits held in custody for others	572,185	519,013
Other current liabilities	300,179	231,931
Total Current Liabilities	62,980,702	58,070,812
Non-Current Liabilities		
Bonds payable	227,293,429	257,902,935
Compensated absences	570,453	590,120
Total Non-Current Liabilities	227,863,882	258,493,055
Total Liabilities	290,844,584	316,563,867
DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenues	52,833,738	52,814,870
Total Deferred Inflows of Resources	52,833,738	52,814,870
Subtotal, Liabilities and Deferred Inflows of Resources	343,678,322	369,378,737
NET POSITION		
Net investment in capital assets	245,130,173	248,727,053
Restricted for:		
Debt service	11,810,915	11,917,088
Working cash	8,455,152	8,403,883
Unspent grant proceeds	(1,405,496)	24,870
Unrestricted	222,823,355	211,452,174
Total Net Position	$ 486,814,099	$ 480,525,068

See accompanying notes to financial statements.

STATEMENT 2
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
REVENUES		
Operating Revenues		
Student tuition and fees	$ 61,178,153	$ 65,289,259
(net of scholarship allowances of $27,316,496 and $29,755,243, respectively; and uncollectable of $(79,246) in FY2017 and $77,664 in FY2016)		
Chargeback revenue	115,129	394,500
Sales and service fees	3,813,165	3,654,062
Other operating revenues	1,235,414	1,309,644
Total Operating Revenues	66,341,861	70,647,465
EXPENSES		
Operating Expenses		
Instruction	112,588,939	105,288,900
Academic support	12,122,201	11,263,661
Student services	21,090,411	19,767,623
Public service	2,700,955	2,557,640
Operation and maintenance of plant	19,639,513	19,245,711
General administration	17,407,855	15,221,859
General institutional	24,187,921	22,619,028
Auxiliary enterprises	11,360,772	11,104,988
Scholarship expense	6,854,898	8,316,420
Depreciation expense	31,959,911	31,311,232
Total Operating Expenses	259,913,376	246,697,062
Operating Income (Loss)	(193,571,515)	(176,049,597)
NON-OPERATING REVENUES (EXPENSES)		
Real estate taxes	107,232,185	108,715,095
Corporate personal property replacement taxes	1,679,128	1,520,291
State appropriations	71,627,721	54,712,381
Federal grants and contracts	26,328,946	28,297,826
Non-governmental gifts and grants	1,302,432	1,394,821
Investment income	1,606,832	1,197,182
Interest on capital asset-related debt	(10,206,045)	(10,986,174)
Gain (loss) on sale of capital assets	56,839	56,439
Net Non-Operating Revenues (Expenses)	199,628,038	184,907,861
Net Income Before Capital Contributions	6,056,523	8,858,264
CAPITAL CONTRIBUTIONS		
Capital gifts and grants	232,508	63,425
Increase in Net Position	6,289,031	8,921,689
Net Position at Beginning of Year	480,525,068	471,603,379
Net Position at End of Year	$ 486,814,099	$ 480,525,068

See accompanying notes to financial statements.

STATEMENT 3
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$ 88,637,447	$ 94,494,905
Sales and Services	5,025,392	4,913,184
Payment to suppliers	(65,455,727)	(74,677,460)
Payment to employees	(127,989,460)	(126,114,737)
Net Cash from Operating Activities	(99,782,348)	(101,384,108)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Real estate taxes corporate personal property replacement taxes	108,919,720	110,234,262
State appropriations	6,600,347	4,247,183
Grants & contracts	30,984,886	31,716,240
Net Cash from Non-Capital Financing Activities	146,504,953	146,197,685
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(4,181,966)	(4,903,293)
Bond principal payments	(21,710,000)	(20,775,000)
Interest paid on capital debt	(12,552,880)	(13,469,380)
Proceeds from the sales of capital assets	35,816	59,711
Net Cash from Capital and Related Financing Activities	(38,409,030)	(39,087,962)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	837,847,008	95,800,712
Interest on investments	1,647,501	1,083,338
Purchase of investments	(854,152,793)	(238,178,023)
Net Cash from Investing Activities	(14,658,284)	(141,293,973)
Net Increase (Decrease) in Cash	(6,344,709)	(135,568,358)
Cash and Cash Equivalents - Beginning of Year	33,302,511	168,870,869
Cash and Cash Equivalents - End of the Year	$ 26,957,802	$ 33,302,511
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:		
Operating Income (Loss)	$ (193,571,515)	$ (176,049,597)
Adjustments to Reconcile Income (Loss) to Net Cash from Operating Activities:		
Depreciation expense	31,959,911	31,311,232
State Universities Retirement System on-behalf payments	63,395,936	48,071,057
Capital Development Board on-behalf payments	-	2,993
Changes in Assets and Liabilities:		
Receivables (net)	103,750	592,165
Inventories	68,596	(90,586)
Prepaid expenses	7,225	(195,265)
Other assets	-	(70,952)
Deferred outflow of resources	(62,483)	94,898
Accounts payable	(2,165,806)	(3,405,714)
Accrued salaries and benefits	471,975	189,976
Other accrued liabilities	73,805	(106,911)
Unearned tuition and fees	(111,354)	(1,563,870)
Accrued post-employment benefits	-	-
Other unearned revenues	47,612	(163,534)
Net Cash from Operating Activities	$ (99,782,348)	$ (101,384,108)

Notes to the Statement of Cash Flows

1. Noncash investing, capital and financing activities: Decrease in the fair value of investments, $69,247 in FY2017 and $81,414 in FY2016.

2. The College recognized $63,395,936 and $0 in state grant revenue in the form of on-behalf contributions from SURS and the Capital Development Board, respectively, which are not included in the Statement of Cash Flows in FY2017. The College recognized $48,459,288 and $2,993 in state grant revenue in the form of on-behalf contributions from SURS and the Capital Development Board, respectively, which are not included in the Statement of Cash Flows in FY2016. The on-behalf payments did not affect net position in either year.

3. The College received $232,508 in capital contributions in FY2017 and $63,425 in FY2016 which are not included in the Statement of Cash Flows.

See accompanying notes to financial statements.

STATEMENT 4
COLLEGE OF DUPAGE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and Cash Equivalents	$ 384,422	$ 221,299
Investments	6,274,560	5,651,360
Pledges Receivable	114,843	185,916
Bequest Receivable - restricted funds	-	1,600,000
Cash Surrender Value of Life Insurance Policies	10,895	10,895
Investments - Restricted	8,814,240	5,515,392
Art Collection	1,733,068	1,733,068
Total Assets	$ 17,332,028	$ 14,917,930
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	$ 43,752	$ 98,139
Due to College of DuPage	266,102	253,998
Other Liabilities	-	2,795
Total Liabilities	309,854	354,932
NET ASSETS		
Unrestricted	2,382,764	2,502,079
Temporarily Restricted	5,825,170	4,945,527
Permanently Restricted	8,814,240	7,115,392
Total Net Assets	17,022,174	14,562,998
TOTAL LIABILITIES AND NET ASSETS	$ 17,332,028	$ 14,917,930

See accompanying notes to financial statements.

STATEMENT 5
COLLEGE OF DUPAGE FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	2016 Total
Revenues					
Gifts and Contributions	$ 1,175,897	$ 248,933	$ 1,698,848	$ 3,123,678	$ 3,132,963
Noncash Contributions	42,070	229,810	-	271,880	110,759
College In-Kind Contributions	440,887	-	-	440,887	498,840
Net Investment Income	112,997	312,357	-	425,354	462,871
Net Realized Gain (Loss) on Sale of Investments	(32,935)	(92,110)	-	(125,045)	(620,807)
Net Unrealized Gain (Loss) on Investments	307,119	784,990	-	1,092,109	(264,857)
Change in Value of Split-Interest Agreement	-	2,795	-	2,795	6,161
Net Assets Released from Restrictions	607,132	(607,132)	-	-	-
Total Revenues	2,653,167	879,643	1,698,848	5,231,658	3,325,930
Expenses					
Program					
Scholarships Granted	504,992	-	-	504,992	471,699
Awards Granted	12,800	-	-	12,800	12,983
Cash Gifts to College of DuPage	1,276,416	-	-	1,276,416	1,399,965
Noncash Gifts to College of DuPage	271,880	-	-	271,880	110,760
College In-Kind Distributions	166,420	-	-	166,420	172,315
Other	25,204	-	-	25,204	199
Total Program	2,257,712	-	-	2,257,712	2,167,921
Management and General					
College In-Kind Distributions	60,667	-	-	60,667	94,065
Other	222,010	-	-	222,010	228,009
Total Management and General	282,677	-	-	282,677	322,074
Fundraising					
College In-Kind Distributions	213,800	-	-	213,800	232,460
Other	18,293	-	-	18,293	68,136
Total Fundraising	232,093	-	-	232,093	300,596
Total Expenses	2,772,482	-	-	2,772,482	2,790,591
Change in Net Assets	(119,315)	879,643	1,698,848	2,459,176	535,339
Net Assets, Beginning of Year	2,502,079	4,945,527	7,115,392	14,562,998	14,027,659
Net Assets, End of Year	$ 2,382,764	$ 5,825,170	$ 8,814,240	$ 17,022,174	$ 14,562,998

See accompanying notes to financial statements.

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of College of DuPage - Community College District Number 502 (the College) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to government units and Illinois community colleges, as well as those prescribed by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The College's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the significant accounting policies.

A. Reporting Entity

The College is a municipal corporation governed by an elected seven-member Board of Trustees. GASB Statement No.14, *The Financial Reporting Entity,* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34,* established standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body *and* either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Pursuant to the standards established in GASB Statement No. 14, *The Financial Reporting Entity,* the College is considered a primary government since it is fiscally independent. The College has determined that the College of DuPage Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14,* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, because of the nature and significance of the Foundation's relationship with the College, which has resulted in the College of DuPage Foundation being reported as a discretely presented component unit of the College. The College of DuPage Foundation is a legally separate not-for-profit established under Internal Revenue Code Section 501(c)(3). Separately issued financial statements of the Foundation are available from the Foundation's Executive Director, 425 Fawell Blvd, Glen Ellyn, Illinois 60137.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

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

C. Property Taxes

The College's property taxes are levied each calendar year on all taxable real property located in the District. Property taxes are recorded on the accrual basis of accounting. Pursuant to guidance from the ICCB, and the College Board of Trustees resolution, property tax levies are allocated fifty percent for each of the two fiscal years after the levy year. Accordingly, the College estimates 50 percent of property taxes extended for the 2016 tax year and collected in 2017 are recorded as revenue in fiscal year 2017. The remaining 50 percent of revenues related to tax year 2016 has been deferred and will be recorded as revenue in fiscal year 2018. The 50 percent allocation is an approximation based on tax collections in prior years.

Each County Assessor is responsible for assessment of all taxable real property within each county except for certain railroad property that is assessed directly by the state. Reassessment is on a three-year schedule for Cook County and on a four-year schedule for DuPage and Will Counties, as established by their respective Assessors. Each County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the taxing bodies their respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, generally on June 1st and September 1st. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1, immediately following the levy year. Tax bills are levied in December by passage of a Tax Levy Ordinance. Public Act 89-1 placed limitations on the annual growth of most local government's property tax collections. Currently the limitation is the lesser of five percent or the rate of inflation, measured by the Consumer Price Index.

The statutory maximum tax rates and the respective final rates for the past five tax years per $100 of assessed valuation is presented below. The tax year levy is payable to the College in the next calendar year (e.g. the 2016 tax levy is payable in calendar year 2017).

	Maximum Authority	2016	2015	2014	2013	2012
Education	$ 0.7500	$ 0.1735	$ 0.1812	$ 0.1958	$ 0.1941	$ 0.1818
Operations and Maintenance	0.1000	0.0287	0.0299	0.0322	0.0317	0.0298
Bond and Interest	none	0.0639	0.0675	0.0695	0.0698	0.0565
Total		$ 0.2661	$ 0.2786	$ 0.2975	$ 0.2956	$ 0.2681

The 2017 tax levy, which will attach as an enforceable lien on property as of January 1, 2018, has not been recorded as a receivable as of June 30, 2017 as the tax has not yet been levied by the counties within the College's district and will not be levied until December 2017 and, therefore, the levy is not measurable at June 30, 2017.

D. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets such as roads, parking lots, and sidewalks. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of donation. Costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are defined by the College as assets with an initial unit cost greater than or equal to the College's dollar defined capitalization thresholds, and having an estimated useful life of at least one year. Capital assets of the College, other than land, art, and construction-in-progress which are non-depreciable assets, are depreciated using the straight-line method over the following useful lives. See Note 3 for more information.

Capital Asset	Dollar Threshold	Useful Life (Years)
Buildings	$100,000	50
Building Improvements	$50,000	20
Land	All	Non-Depreciable
Land Improvements	$50,000	20
Infrastructure	$50,000	20
Artwork	$5,000	Non-Depreciable
Equipment	$5,000	6
Vehicles	$5,000	4
IT Equipment	$5,000	4

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capitalized Interest: Since 2003, the College has issued General Obligation Bonds to fund various projects on campus such as new buildings, equipment, parking facilities, and renovations of existing buildings of the College. A portion of the interest cost incurred on this borrowing can be capitalized and has been included as part of the historical cost of the assets and depreciated over the useful life of the assets.

There was no capitalized interest in fiscal year 2017 or 2016 since the major construction and renovation projects were completed by August 2016.

E. Cash and Cash Equivalents

Cash includes deposits held at financial institutions and small amounts maintained for change and petty cash funds. Cash equivalents are defined as highly liquid investments readily converted to cash with original maturities of three months or less. Cash equivalents could include amounts held in overnight repurchase agreements, Illinois Funds, Illinois School District Liquid Asset Fund Money Market, Illinois Institutional Investors Trust, and amounts held in banks as trust assets.

F. Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* nonnegotiable certificates of deposit and investments with a maturity of less than one year at date of purchase are stated at amortized cost, which approximates fair value. All other investments are stated at fair value.

G. Inventories

Inventories consist of items purchased for resale in the restaurant, automotive services, information technology special services, law enforcement, and student activities areas. Inventory is stated at lower of cost (first-in, first-out) or market.

H. Compensated Absences

The College records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. The College has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System pension plan (see Note 5 for more information).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Unearned Revenue

Unearned revenues include: amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that are related to the subsequent fiscal year; and amounts received from grants and contract sponsors that have not been earned.

J. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a reduction of net position (equity) that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. The College has two items that qualify for reporting in this category; the deferred charge on bond refunding and the deferred charge for SURS contributions reported in the statement of net position. A deferred charge on bond refunding results when the carrying value of the refunded debt is less than the reacquisition price (loss on refunding); the loss from the refunding is deferred and amortized over the shorter of the life of the refunded bonds or the new bonds issued. The deferred contributions to SURS represents the federal, trust or grant contributions made by the College to SURS subsequent to the pension liability measurement date. The contributions will be recognized as an expense in the next fiscal year.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time. The College has one item that qualifies for reporting in this category: deferred property tax revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Net Position

The College's net position is classified as follows:

Net investment in capital assets – this represents the College's total investment in capital assets, net of accumulated depreciation and net of any debt issued to acquire the capital asset, plus unspent bond proceeds.

Restricted for:

Debt service – this represents the amount that has been set aside for payments of bond principal and interest.

Working cash – this represents the principal balance of the Working Cash Fund, which pursuant to College Board of Trustees resolution and Illinois law, is held in perpetuity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unspent grant proceeds – this represents unspent grant receipts in the Restricted Purposes fund.

In addition to the restrictions presented on the financial statements, the Board of Trustees has approved six additional reservations of net position which total $91,250,000: $33,000,000 for a new Teaching and Learning Center facility; $14,000,000 to fund retiree healthcare costs; $17,000,000 to fund future pension payments to the State of Illinois; $16,000,000 to fund annual maintenance costs which are expected to increase with the expansion of the College's physical plant; $6,250,000 for the required match of 25% of Capital Development Board funding the College may receive; and $5,000,000 for future Information Technology Plan costs identified in the Information Technology Strategic Plan.

Unrestricted – This includes the remaining resources derived from student tuition and fees, state appropriations, sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose. Sometimes the College will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the College's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

L. Long-Term Obligations

Long-term obligations are reported as liabilities in the applicable financial statements. Bonds payable are reported net of the applicable premium or discount. Bond premiums and discounts are amortized over the life of the bonds. Bond issuance costs are expensed at the time of the bond issuance. Arbitrage liabilities, if any, are recorded as interest expense in the year the potential liability is incurred.

M. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions, such as student tuition and fees, net of scholarship discounts and allowances, and sales and services of auxiliary enterprises. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as local property taxes; state appropriations; most federal, state, and local grants; contracts and federal appropriations; gifts; and contributions. Operating expenses are those expenses directly attributable to the operations of the College.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Federal Financial Assistance Programs

The College participates in federally funded programs providing Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, Federal Direct Loans Program, and support for other grant programs not related to student financial aid. Federal programs are audited in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The following table represents the amounts expended for the past two fiscal years from federally funded programs:

	Fiscal Year	
	2017	2016
Pell Grants	$ 21,004,956	$ 23,666,222
SEOG	419,120	436,258
Federal Work-Study	249,519	227,849
Federal Direct Student Loans	16,402,588	20,032,506
Carl Perkins Grants	1,250,791	841,371
Federal Adult Education	848,035	760,788
Other Federal Support	639,291	453,863
Totals	$ 40,814,300	$ 46,418,857

O. On-Behalf Payments for Fringe Benefits and Salaries

The College recognizes as revenues and expenses contributions made by the State of Illinois to the State Universities Retirement System and the Community College Health Insurance Security Fund on behalf of the College's employees. In fiscal years 2017 and 2016, the state made contributions of $63,395,937 and $48,459,288 respectively. See Note 4 for more information.

P. Pensions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

Q. Use of Estimates

In order to prepare these financial statements in conformity with GAAP, management has made a number of estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; the reported amounts of revenues and expenses; and gains and losses during the reporting period. Actual results could differ from these estimates.

2. CASH DEPOSITS AND INVESTMENTS

The Illinois Public Community College Act and the Investment of the Public Funds Act authorize the College to invest in obligations issued by the United States Government, investments constituting direct obligations of any bank, short-term commercial paper of U.S. corporations with assets exceeding $500 million, short-term obligations issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share accounts of credit unions chartered in the United States with their principal office located in Illinois and securities issued by the Illinois Funds.

The College of DuPage Board of Trustees has adopted an investment policy (Policy 10-55) which governs the investment of College funds. It is the policy of the College to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the College and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety (preservation of capital and protection of investment principal), liquidity, and return.

The investments which the College may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (5) fully collateralized repurchase agreements; (6) the State Treasurer's Illinois and Prime Funds; and (7) money market accounts and certain other instruments.

2. CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold. These investments are not required to be categorized based on custodial risk in accordance with GASB Statement No. 40 because they are not securities. The relationship between the College and the Illinois Funds is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership. For the College's reporting purposes, Illinois Funds are considered cash equivalents.

A. Deposits with Financial Institutions

The College's investment policy does not allow uninsured or uncollateralized deposits at any financial institution. Funds may be deposited in certificates of deposit, money market accounts, time deposits, or savings accounts, and only with banks, savings banks and savings and loan associations which are insured by the FDIC (Bank Insurance Fund or Savings Association Insurance Fund) or the National Credit Union Share Insurance Fund (NCUSIF). The deposits must be collateralized or insured at levels acceptable to the College in excess of the current maximum limit provided by the FDIC. At June 30, 2017 and 2016, the College had no bank balances on deposit which were uninsured and uncollateralized out of total bank balances on deposit of $17,554,533, and $13,377,596, respectively. In addition, as of June 30, 2017, the College had $10,341,058 in money market mutual funds, which were not subject to collateralization and are considered cash equivalents for the College's reporting purposes. The amount for June 30, 2016 was $20,699,316. As of June 30, 2017 and 2016 the carrying value of cash on hand was $26,957,802 and $33,302,511, respectively.

B. Investments

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

2. CASH DEPOSITS AND INVESTMENTS (CONTINUED)

The College has the following recurring fair value measurements as of June 30:

June 30, 2017 Investment	Total Fair Value (Level 1)	Total Fair Value (Level 2)	Duration Less Than 1 Year	Duration 1 to 5 Years
U.S. Treasury Bond / Notes	$ 26,853,402	$ -	$ 13,195,359	$ 13,658,043
Commercial Paper	-	46,528,738	46,528,738	-
Federal Agency Bond / Notes	-	169,366,408	147,229,083	22,137,325
Municipal/State Bond	-	11,735,261	5,839,324	5,895,937
	$ 26,853,402	$ 227,630,407	$ 212,792,504	$ 41,691,305

June 30, 2016 Investment	Total Fair Value (Level 1)	Total Fair Value (Level 2)	Duration Less Than 1 Year	Duration 1 to 5 Years
U.S. Treasury Bond / Notes	$ 27,483,714	$ -	$ 17,967,331	$ 9,516,383
Commercial Paper	-	46,669,706	46,669,706	-
Federal Agency Bond / Notes	-	135,745,264	113,188,307	22,556,957
Municipal/State Bond	-	28,279,339	18,724,304	9,555,035
	$ 27,483,714	$ 210,694,309	$ 196,549,648	$ 41,628,375

Credit Risk: The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the U.S. government or securities issued by agencies of the U.S. government, limiting its investments in commercial paper to no more than 20% of the overall portfolio and limiting investments in mutual funds to the ten highest classifications established by a recognized rating service with no more than 5% of the portfolio invested in this fashion. At June 30, 2017, the College had 23% of its overall investment portfolio invested in Federal Home Loan Bank Notes, 19% each in Federal Home Loan Bank Bonds and Federal Farm Credit Banks, 18% in Commercial Papers, 11% in U.S. Treasury, 5% each in State/Municipal Bonds and Federal National Mortgage Association. At June 30, 2016, the College had 28% of its overall investment portfolio invested in Federal Home Loan Bank Notes, 20% in Commercial Papers, 12% in Federal Home Loan Bank Bonds, 12% in State/Municipal Bonds, 7% in U.S. Treasury Notes, and 7% in Federal Farm Credit Banks.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty to the investment, the College will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the College's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the College's agent separate from where the investment was purchased. Additionally, financial institutions must collateralize all deposits in excess of the maximum limit provided by the FDIC to 102% of market value. Acceptable collateral includes the following:

a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017 AND 2016

2. CASH DEPOSITS AND INVESTMENTS (CONTINUED)

b. Bonds, notes or other securities constituting the direct and general obligations of any agency or instrumentality of the United States, the interest and principal of which is guaranteed by the United States;

c. Bonds issued by College of DuPage;

d. Obligations of United States Government agencies; and

e. Certain surety bonds or letters of credit as approved by the Treasurer.

At June 30, 2017 the Federal Agency Bond/Note investments held by the College were all rated AA+/Aaa by Standard and Poors (S&P) and Moody's, respectively. The commercial papers were rated AA- to AAA by S&P and Aa3 to Aaa by Moody's. The state/municipal bonds were rated BBB+ to AAA by S&P and Baa1 to Aaa by Moody's.

At June 30, 2016 the federal agency bond/note investments held by the College were all rated AA+/Aaa by Standard and Poors (S&P) and Moody's, respectively. The commercial papers were rated A-1+ by S&P and P-1 by Moody's. The state/municipal bonds were rated A- to AAA by S&P and A3 to Aaa by Moody's.

At June 30, 2017 and 2016, the College's investment balances totaled $254,483,809 and $238,178,023, respectively. All required investments were insured or collateralized. Included in the investment balance at June 30, 2017 and 2016 were unspent bond funds of $3,516,931 and $4,726,254, respectively.

3. CAPITAL ASSETS

A summary of changes in capital assets for the fiscal year ended June 30, 2017 is as follows:

	Balance June 30, 2016	Additions	Retirements	Transfers	Balance June 30, 2017
Capital Assets, not being depreciated					
Land	$ 4,786,881	$ -	$ -	$ -	$ 4,786,881
Art Collection	687,966	146,200	-	-	834,166
Construction in Progress	71,718	1,563,207	-	(364,922)	1,270,003
Total Capital Assets, not being depreciated	5,546,565	1,709,407	-	(364,922)	6,891,050
Capital Assets being depreciated					
Land Improvements	89,893,544	-	-	249,626	90,143,170
Buildings	277,262,447	-	-	-	277,262,447
Building Improvements	290,263,020	-	-	115,296	290,378,316
Equipment	53,718,047	2,737,131	(1,064,711)	-	55,390,467
Total Capital Assets being depreciated	711,137,057	2,737,131	(1,064,711)	364,922	713,174,400
Total Cost	716,683,623	4,446,538	(1,064,711)	-	720,065,450
Accumulated Depreciation					
Land Improvements	(31,256,508)	(7,276,056)	-	-	(38,532,564)
Buildings	(67,546,803)	(5,562,058)	-	-	(73,108,861)
Building Improvements	(67,874,165)	(14,127,488)	-	-	(82,001,653)
Equipment	(36,463,883)	(4,994,417)	1,053,777	-	(40,404,523)
Total Accumulated Depreciation	(203,141,359)	(31,960,019)	1,053,777	-	(234,047,601)
Net Capital Assets	$ 513,542,264	$ (27,513,481)	$ (10,934)	$ -	$ 486,017,849

3. CAPITAL ASSETS (CONTINUED)

A summary of changes in capital assets for the fiscal year ended June 30, 2016 is as follows:

	Balance June 30, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
Capital Assets, not being depreciated					
Land	$ 4,786,881	$ -	$ -	$ -	$ 4,786,881
Art Collection	687,966	-	-	-	687,966
Construction in Progress	18,881,273	2,168,535	-	(20,978,090)	71,718
Total Capital Assets, not being depreciated	24,356,120	2,168,535	-	(20,978,090)	5,546,566
Capital Assets being depreciated					
Land Improvements	89,665,714	9,717	-	218,113	89,893,544
Buildings	261,028,996	-	-	16,233,451	277,262,447
Building Improvements	289,990,772	-	-	272,248	290,263,020
Equipment	55,410,879	2,793,984	8,741,095	4,254,278	53,718,047
Total Capital Assets being depreciated	696,096,361	2,803,701	8,741,095	20,978,090	711,137,057
Total Cost	720,452,481	4,972,236	8,741,095	-	716,683,623
Accumulated Depreciation					
Land Improvements	(23,974,147)	(7,282,361)	-	-	(31,256,508)
Buildings	(62,120,024)	(5,426,779)	-	-	(67,546,803)
Building Improvements	(53,694,130)	(14,180,035)	-	-	(67,874,165)
Equipment	(40,774,128)	(4,421,884)	(8,732,130)	-	(36,463,883)
Total Accumulated Depreciation	(180,562,429)	(31,311,060)	(8,732,130)	-	(203,141,359)
Net Capital Assets	$ 539,890,052	$ (26,338,823)	$ 8,965	$ -	$ 513,542,264

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS

A. State Universities Retirement System of Illinois

Plan Description. The College of DuPage contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

the state's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided. A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2016 can be found in the System's comprehensive annual financial report (CAFR) Notes to the Financial Statements.

Contributions. The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section l5-l55(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2016 and 2017 respectively, was 12.69% and 12.53% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15-l 55(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Net Pension Liability
At June 30, 2016, SURS reported a net pension liability (NPL) of $25,965,271,744. The net pension liability was measured as of June 30, 2015.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Employer Proportionate Share of Net Pension Liability
The amount of the proportionate share of the net pension liability to be recognized for College of DuPage is $0. The proportionate share of the State's net pension liability associated with the College of DuPage is $637,415,682.34 or 2.4549%. This amount should not be recognized in the financial statement. The net pension liability and total pension liability as of June 30, 2016 was determined based on the June 30, 2015 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2016.

Pension Expense
At June 30, 2016 SURS reported a collective net pension expense of $2,566,164,865.

Employer Proportionate Share of Pension Expense
The employer proportionate share of collective pension expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2016. As a result, College of DuPage recognized on-behalf revenue and pension expense of $62,996,210.65 for the fiscal year ended June 30, 2017.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 14,215,882	$ 2,298,574
Changes in assumption	655,463,758	-
Net difference between projected and actual earnings on pension plan investments	1,431,081,306	635,552,976
Total	$ 2,100,760,946	$ 637,851,550

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

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

Year Ending June 30	Net Deferred Outflows of Resources
2017	$ 539,536,680
2018	275,426,885
2019	401,520,624
2020	246,425,207
2021	-
Thereafter	-
Total	$ 1,462,909,396

Employer Deferral of Fiscal Year 2017 Pension Expense
The College paid $121,585.39 in federal, trust or grant contributions for the fiscal year ended June 30, 2017. These contributions were made subsequent to the pension liability date of June 30, 2016 and are recognized as Deferred Outflows of Resources as of June 30, 2017.

Assumptions and Other Inputs:
Actuarial assumptions. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period June 30, 2010 - 2014. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.75%
- Salary increases: 3.75 to 15.00%, including inflation
- Investment rate of return: 7.25% beginning with the actuarial valuation as of June 30, 2014

Mortality rates were based on the RP2014 Combined Mortality Table with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2016, these best estimates are summarized in the following table:

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
U.S. Equity	23%	6.08%
Private Equity	6%	8.73%
Non-U.S. Equity	19%	6.95%
Global Equity	8%	6.78%
Fixed Income	19%	1.17%
Treasury-Inflation Protected Securities	4%	1.41%
Emerging Market Debt	3%	4.44%
Real Estate REITS	4%	5.75%
Direct Real Estate	6%	4.62%
Commodities	2%	4.23%
Hedged Strategies	5%	4.00%
Opportunity Fund	1%	6.54%
Total	100%	5.09%
Inflation		2.75%
Expected Arithmetic Return		**7.84%**

Discount Rate. A single discount rate of 7.010% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 7.250% and a municipal bond rate of 2.85% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2073. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2073, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.01%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

1% Decrease 6.01%	Current Single Discount Rate Assumption 7.01%	1% Increase 8.01%
$ 31,348,831,631	$ 25,965,271,744	$ 21,502,421,700

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

B. Retiree Health Plan - Health coverage is currently available to eligible retirees through a state program – The College Insurance Program (CIP).

Plan Description: In addition to the pension plan described previously, the College contributes to CIP, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of Illinois. CIP provides health, vision and dental benefits to retired staff and dependent beneficiaries of participating community colleges. The benefits, employer, employee, retiree and state contributions are dictated by ILCS through the State Group Insurance Act of 1971 (Act) and can only be changed by the Illinois General Assembly.

Separate financial statements, including required supplementary information, may be obtained from the Department of Healthcare and Family Services, 201 South Grand Avenue East, Springfield, Illinois 62763.

The Act requires every active contributor (employee) of SURS to contribute 0.5% of covered payroll and every community college district to contribute 0.5% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State of Illinois to make an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers and retires. The result is pay-as-you-go financing of the plan.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

The employer contributions to the CIP made by the College and the State of Illinois are as follows:

Year Ended June 30	College's Contribution*	College of DuPage	State of Illinois
2017	100%	$ 399,726	$ 399,726
2016	100%	388,231	388,231
2015	100%	384,521	384,521
2014	100%	373,672	373,672
2013	100%	367,300	367,300
2012	100%	382,479	382,479

*As a percentage of required contribution.

The State contribution to the pension plan and the CIP plan is reported as an "on-behalf-payment" in accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance.*

C. Termination Benefits

The College had provided compensation payments to its eligible benefited employees to encourage early retirement. Recently, the College has terminated this benefit going forward for employees. Termination benefit payments were available to administrators, managers, classified staff, and faculty. The long-term liability for the payments, which is payable in installments up to a maximum of three years subsequent to retirement, was recorded in the fiscal year of election for retirement. The liability shown are for employees who were eligible for this benefit and elected to retire prior to termination date of this benefit under the terms of the labor contracts.

The expected future payments for administrators, managers, classified and faculty that were eligible for this benefit prior to the end of the previous labor contracts at June 30, 2017 and 2016 are as follows:

Fiscal year 2018 payments	$ -
Value of payments beyond fiscal year 2018	-
Total Liability as of June 30, 2017	$ -
Fiscal year 2017 payments	$ 86,210
Value of payments beyond fiscal year 2017	-
Total Liability as of June 30, 2016	$ 86,210

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

A summary of changes in participants for past three fiscal years is as follows:

	2017	2016	2015
Participants Beginning of the Year	2	12	33
Additions	-	-	-
Deletions	(2)	(10)	(21)
Participants End of the Year	-	2	12

D. Other Post-Employment Benefits (OPEB)

In addition to the retiree healthcare coverage provided by SURS, the College provides fixed healthcare coverage reimbursements for insurance premiums capped at a fixed dollar amount. Any administrative costs for the plan are paid by the College.

This post-employment benefit plan is a single-employer plan. The amount of reimbursement provided to the retiree is dependent on the retirement notice date and age of the retiree. The College is not required to and currently does not advance funds to the cost of benefits that will become due and payable in the future. The College's most recent actuarial valuation was performed for the plan as of July 1, 2015 to determine the employer's annual required contribution (ARC) as of June 30, 2016.

Schedule of Funding Progress

Fiscal Year Ended June 30	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2017	$ -	N/A	N/A	N/A	N/A	N/A
2016	-	$ 11,894,865	$ 11,894,865	0.0%	$ 106,814,733	11.1%
2015	-	N/A	N/A	N/A	N/A	N/A

N/A – Actuarial study not performed in that year.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation

	June 30, 2017	June 30, 2016	June 30, 2015
Annual Required Contribution	$ 852,247	$ 852,247	$ 924,194
Interest on Net OPEB Obligation	-	(2,891)	-
Adjustment to Annual Required Obligation	4,181	4,181	(1,493)
Annual OPEB Cost	856,428	853,537	922,701
Contributions Made	856,428	924,488	922,701
Increase (Decrease) in Net OPEB Obligation	-	(70,951)	-
Net OPEB Obligation beginning of year	(143,231)	(72,280)	(72,280)
Net OPEB Obligation (Asset) end of year	$ (143,231)	$ (143,231)	$ (72,280)
Percentage of OPEB Cost Contributed	100.0%	108.3%	100.0%

Three-Year Trend Information

Fiscal Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2017	$ 856,428	100.0%	$ (143,231)
2016	853,537	108.3%	(143,231)
2015	922,701	100.0%	(72,280)

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Funding Policy and Actuarial Assumptions

	June 30, 2014	June 30, 2016
Contribution Rates		
College	Fixed dollar amounts	Fixed dollar amounts
Plan Members	0.00%	0.00%
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization period	Open, Level % of pay	Open, Level % of pay
Remaining Amortization Period	30 years	30 years
Asset valuation method	Market	Market
Actuarial assumptions		
Investment rate of return	2.00% (includes 2% inflation)	4.00% (includes 2.5% inflation)
Projected salary increases	5.00%	5.00%
Healthcare inflation rate (Healthcare benefit is capped at a fixed specified dollar amount and not subject to annual increases)		
Initial	8.00%	7.50%
Ultimate	5.00%	4.50%
Mortality rate	RP-2000 Combined Healthy Tables, projected generationally with Scale AA	RP-2014 White Collar Healthy Tables, projected generationally with Scale MP-2015
Turnover & Retirement rates	Same rates utilized for SURS	Same rates utilized for SURS
Percentage of active employees assumed to elect benefit	90%	90%
Employer Provided Benefit		
Retirement to age 65	Fixed Reimbursement; varies by employee depending on date of retirement notice. $1,400 - $3,600 per year.	Fixed Reimbursement; varies by employee depending on date of retirement notice. $1,400 - $3,600 per year.
After age 65	Fixed Reimbursement; varies by employee depending on date of retirement notice. $900 - $1,600 per year.	Fixed Reimbursement; varies by employee depending on date of retirement notice. $900 - $1,600 per year.

The first actuarial evaluation for the plan was performed as of June 30, 2009 and updated for June 30, 2010, June 30, 2012, June 30, 2014, and June 30, 2016. Data for years before 2009 is not available. The College will have actuarial evaluations performed once every two years. The fiscal years 2011, 2013, 2015 and 2017 calculations for Annual OPEB Cost and Net OPEB Obligation were prepared by the College. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective.

The schedule of funding progress follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

5. COMPENSATED ABSENCES

The College records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. As of June 30, 2017 and 2016, employees had earned but not taken annual vacation leave which, at salary rates then in effect, aggregated approximately $ 2,501,763 and $2,600,959, respectively.

Fiscal Year	Beginning Balance July 1	Issuances	Retirements	Ending Balance June 30
2017	$ 2,600,959	$ 3,098,644	$ 3,197,840	$ 2,501,763
2016	2,680,747	2,989,580	3,069,368	2,600,959
2015	2,521,679	2,985,121	2,826,053	2,680,747

The ending balances as of June 30, 2017, and 2016 are reported in the financial statements as follows:

Fiscal Year	Current Portion	Long-term Portion	Total
2017	$ 1,931,310	$ 570,453	$ 2,501,763
2016	2,010,839	590,120	2,600,959

In FY2013, the College adopted a new policy which reduced the number of vacation days employees can carryover. Each employee group has its own vacation day carryover provisions, below is a summary of the changes in days employees can carryover:

	Carryover (Days)		
Employee Group	Current	Prior	Change
Administrators	40	40	0
Managerial	25	40	(15)
Classified	20	40	(20)
Police	40	40	0
Operating Engineers	20	40	(20)

5. COMPENSATED ABSENCES (CONTINUED)

The College has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System.

6. LONG-TERM DEBT

A. A summary of long-term debt transactions for the years ended June 30, 2017 and 2016 is as follows:

June 30, 2017	Balance July 1, 2016	Issuances	Retirements/ Refunding	Balance June 30, 2017	Current Portion	LT portion
General Obligation Bonds						
Series 2007	$ 51,560,000	$ -	$ 6,410,000	$ 45,150,000	$ 12,775,000	$ 32,375,000
Series 2011A	60,405,000	-	6,255,000	54,150,000	5,025,000	49,125,000
Series 2013A	81,205,000	-	3,750,000	77,455,000	5,115,000	72,340,000
Alternative Revenue Source						
Series 2006	7,505,000	-	1,770,000	5,735,000	1,840,000	3,895,000
Series 2009B	55,665,000	-	3,525,000	52,140,000	3,625,000	48,515,000
Series 2011B	6,345,000	-	-	6,345,000	-	6,345,000
Subtotal	262,685,000	-	21,710,000	240,975,000	28,380,000	212,595,000
Bond Premiums						
Series 2007	1,011,900	-	257,126	754,774	-	754,774
Series 2011A	5,551,863	-	731,316	4,820,547	-	4,820,547
Series 2013A	9,828,415	-	1,153,980	8,674,435	-	8,674,435
Alternative Revenue Source						
Series 2006	7,162	-	1,946	5,216	-	5,216
Series 2009B	16,756	-	1,006	15,750	-	15,750
Series 2011B	511,839	-	84,132	427,707	-	427,707
Subtotal	16,927,935	-	2,229,506	14,698,429	-	14,698,429
Total G.O. Bonds	279,612,935	-	23,939,506	255,673,429	28,380,000	227,293,429
Termination Benefits	86,210	-	86,210	-	-	-
Compensated Absences	2,600,959	3,098,644	3,197,840	2,501,763	1,931,310	570,453
Total Long-Term Debt	$ 282,300,104	$ 3,098,644	$ 27,223,556	$ 258,175,192	$ 30,311,310	$ 227,863,882

6. LONG-TERM DEBT (CONTINUED)

June 30, 2016	Balance July 1, 2015	Issuances	Retirements/ Refunding	Balance June 30, 2016	Current Portion	LT portion
General Obligation Bonds						
Series 2007	$ 61,910,000	$ -	$ 10,350,000	$ 51,560,000	$ 6,410,000	$ 45,150,000
Series 2011A	63,250,000	-	2,845,000	60,405,000	6,255,000	54,150,000
Series 2013A	83,710,000	-	2,505,000	81,205,000	3,750,000	77,455,000
Alternative Revenue Source						
Series 2006	7,560,000	-	55,000	7,505,000	1,770,000	5,735,000
Series 2009B	59,100,000	-	3,435,000	55,665,000	3,525,000	52,140,000
Series 2011B	7,930,000	-	1,585,000	6,345,000	-	6,345,000
Subtotal	283,460,000	-	20,775,000	262,685,000	21,710,000	240,975,000
Bond Premiums						
Series 2007	1,322,890	-	310,990	1,011,900	-	1,011,900
Series 2011A	6,306,459	-	754,596	5,551,863	-	5,551,863
Series 2013A	11,014,439	-	1,186,024	9,828,415	-	9,828,415
Alternative Revenue Source						
Series 2006	9,033	-	1,871	7,162	-	7,162
Series 2009B	17,716	-	960	16,756	-	16,756
Series 2011B	614,608	-	102,769	511,839	-	511,839
Subtotal	19,285,145	-	2,357,210	16,927,935	-	16,927,935
Total G.O. Bonds	302,745,145	-	23,132,210	279,612,935	21,710,000	257,902,935
Termination Benefits	341,027	-	254,817	86,210	86,210	-
Compensated Absences	2,680,747	2,989,580	3,069,368	2,600,959	2,010,839	590,120
Total Long-Term Debt	$ 305,766,919	$ 2,989,580	$ 26,456,395	$ 282,300,104	$ 23,807,049	$ 258,493,055

B. The long-term debt of the College outstanding at June 30, 2017 is as follows:

General Obligation Bonds (Alternate Revenue Source) – Series 2006
On October 31, 2006, the College issued the Series 2006 refunding bonds in the amount of $7,890,000. The proceeds were used to advance refund, through an in-substance defeasance, $7,375,000 of the Series 2003B bonds and to pay the cost of issuing the bonds. The $7,375,000 Series 2003B defeased bonds were called and paid on January 1, 2013. The Series 2006 refunding bonds were issued with interest rates ranging from 3.75% to 4.00% with payment dates of July 1 and January 1 each year through January 1, 2020. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ 1,840,000	$ 217,010	$ 2,057,010
2019	1,910,000	148,010	2,058,010
2020	1,985,000	75,430	2,060,430
Total	$ 5,735,000	$ 440,450	$ 6,175,450

6. LONG-TERM DEBT (CONTINUED)

General Obligation Bonds – Series 2007

On February 13, 2007, the College issued the Series 2007 bonds in the amount of $78,840,000. The proceeds derived from the issuance of these bonds were used by the College to build and equip new buildings, renovate existing facilities and to pay the cost of issuing the bonds. The bonds were issued with interest rates ranging from 4.00% to 5.00% with payment dates of June 1 and December 1 each year through June 1, 2023. The College levies an annual property tax for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ 12,775,000	$ 2,173,321	$ 14,948,321
2019	7,515,000	1,247,821	8,762,821
2020	7,895,000	1,134,925	9,029,925
2021	2,555,000	740,175	3,295,175
2022	8,700,000	612,425	9,312,425
2023	5,710,000	242,675	5,952,675
Total	$ 45,150,000	$ 6,151,342	$ 51,301,342

General Obligation Bonds (Alternative Revenue Source) – Series 2009B

On May 4, 2009, the College issued the Series 2009B bonds in the amount of $62,450,000. The proceeds derived from the issuance of these bonds were used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The bonds were issued with interest rates ranging from 3.75% to 5.75% with payment dates of July 1 and January 1 each year through January 1, 2029. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ 3,625,000	$ 2,736,396	$ 6,361,396
2019	3,730,000	2,568,740	6,298,740
2020	3,850,000	2,386,903	6,236,903
2021	3,965,000	2,208,840	6,173,840
2022	4,095,000	2,010,590	6,105,590
2023	4,230,000	1,801,745	6,031,745
2024	4,370,000	1,579,670	5,949,670
2025	4,525,000	1,345,875	5,870,875
2026	4,680,000	1,099,263	5,779,263
2027	4,845,000	841,863	5,686,863
2028	5,020,000	575,388	5,595,388
2029	5,205,000	299,288	5,504,288
Total	$ 52,140,000	$ 19,454,561	$ 71,594,561

6. LONG-TERM DEBT (CONTINUED)

These bonds are Build America Bonds and 35% of the interest paid each year by the College is supposed to be reimbursed by the U.S. Department of Treasury. As a result of the Federal government's budget sequestration, the College did not receive the full amount that it was entitled to under the terms of the Build America Bond program for the past two fiscal years. The College received reductions of 6.9% and 6.8% in FY2017 and FY2016, respectively. The College will receive a reduction in payments that will continue into future years barring any intervening U.S. Congressional action.

Fiscal Year	Amount Owed to College	Amount Paid to College	Shortfall
2017	$ 1,011,716	$ 916,781	$ (94,935)
2016	1,059,806	965,566	(94,240)

General Obligation Bonds – Series 2011A

On August 10, 2011, the College issued the Series 2011A bonds in the amount of $95,440,000, of which $84,000,000 was used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The $84 million represented the first issuance of the November 2010 voter approved referendum for $168 million. The remaining $11,440,000 was issued to advance refund $11,375,000 of General Obligation Bonds Series 2003A. The refunded 2003A bonds were subsequently called and are no longer outstanding. The 2011A bonds were issued with interest rates ranging from 3.00% to 5.25% with payment dates of June 1 and December 1 each year through June 1, 2031. The College levies an annual property tax for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ 5,025,000	$ 2,715,800	$ 7,740,800
2019	3,935,000	2,464,550	6,399,550
2020	2,915,000	2,267,800	5,182,800
2021	1,840,000	2,122,050	3,962,050
2022	725,000	2,030,050	2,755,050
2023	2,905,000	1,994,800	4,899,800
2024	7,785,000	1,849,550	9,634,550
2025	6,960,000	1,460,300	8,420,300
2026	6,110,000	1,094,900	7,204,900
2027	5,200,000	789,400	5,989,400
2028	4,245,000	529,400	4,774,400
2029	3,240,000	317,150	3,557,150
2030	2,185,000	155,150	2,340,150
2031	1,080,000	45,900	1,125,900
Total	$ 54,150,000	$ 19,836,800	$ 73,986,800

6. LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Alternative Revenue Source) – Series 2011B
On August 10, 2011, the College issued the Series 2011B bonds in the amount of $9,460,000. The proceeds derived from the issuance of these bonds were used by the College to advance refund $9,780,000 of General Obligation Bonds Series 2003B. The bonds were issued with interest rates ranging from 4.00% to 4.75% with payment dates of July 1 and January 1 each year through January 1, 2023. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ -	$ 286,200	$ 286,200
2019	-	286,200	286,200
2020	-	286,200	286,200
2021	2,025,000	286,200	2,311,200
2022	2,110,000	205,200	2,315,200
2023	2,210,000	104,975	2,314,975
Total	$ 6,345,000	$ 1,454,975	$ 7,799,975

General Obligation Bonds – Series 2013A
On April 30, 2013, the College issued the Series 2013A bonds in the amount of $84,000,000. The proceeds will be used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The $84 million represented the second and final issuance of the November 2010 voter approved referendum for $168 million. The bonds were issued with interest rates ranging from 3.15% to 5.00% with payment dates of June 1 and December 1 each year through June 1, 2031. The College levies an annual property tax for the repayment of these bonds.

Fiscal Year	Principal	Interest	Total
2018	$ 5,115,000	$ 3,458,930	$ 8,573,930
2019	4,180,000	3,203,180	7,383,180
2020	4,350,000	3,035,980	7,385,980
2021	4,565,000	2,818,480	7,383,480
2022	4,795,000	2,590,230	7,385,230
2023	4,995,000	2,388,980	7,383,980
2024	5,240,000	2,146,730	7,386,730
2025	5,500,000	1,884,730	7,384,730
2026	5,775,000	1,609,730	7,384,730
2027	6,065,000	1,320,980	7,385,980
2028	6,370,000	1,017,730	7,387,730
2029	6,570,000	817,075	7,387,075
2030	6,830,000	554,275	7,384,275
2031	7,105,000	281,075	7,386,075
Total	$ 77,455,000	$ 27,128,105	$ 104,583,105

6. LONG-TERM DEBT (CONTINUED)

Bond Discounts, Premiums, and Deferred Amounts on Refunding

Bonds payable are reported net of the applicable bond premium or discount. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method or a method that approximates the effective interest rate method. The deferred amounts on refunding are reported as deferred outflows of resources (losses from refunding bonds).

Termination Benefits

A liability for termination benefits is recorded in the amount of $0 and $86,210 at June 30, 2017 and 2016, respectively, for expected future retirement benefit payments to administrators, managers, classified, and faculty. The current portion of the termination benefits liability at June 30, 2017 and 2016 were $0 and $86,210, respectively.

	Administrators		Full-Time Faculty		Managerial Classified		Total	
Year Ended June 30,	No. of Participants	Total Liability	No. of Participants	Total Liability	No. of Participants	Total Liability	No. of Participants	Total Liability
2017	-	$ -	-	$ -	-	$ -	-	$ -
2016	-	-	2	86,210	-	-	2	86,210

C. Pledges of Future Revenues

The College has pledged future tuition and fee revenues to repay Series 2006, Series 2009B, and Series 2011B bonds. Annual principal and interest payments on the Series 2006, Series 2009B, and Series 2011B bonds are 27.1% of the total debt services of all the College's bonds. Proceeds from the Series 2006, Series 2009B, and Series 2011B bonds provided financing for the construction of parking facilities, new buildings, renovating existing facilities, related site improvements, and the purchase of equipment. The bonds are payable solely from tuition and fees revenues and are payable through years ended June 30, 2020, 2023, and 2029. Annual principal and interest payments on the bonds are expected to require less than 15 percent of tuition and fees revenues. The total principal and interest remaining to be paid on the bonds is $85,569,983. Principal and interest paid for the current year was $8,759,625; and total tuition and fees revenues for the current year were $7,061,120.

7. OPERATING LEASES AND OTHER AGREEMENTS

A. BOOKSTORE LEASE

In January 2017, the College extended its lease for bookstore management services with Follett Higher Education Group of Oak Brook, Illinois, through March 31, 2019. Under the terms of the agreement, Follett will operate the bookstore on campus and guarantees the College a total minimum of $2,200,000 in rental payments over the two-year term, or a minimum of $1,100,000 each year beginning April 1, 2017. Commissions are paid monthly, in arrears, based on a percentage of gross revenue. If the College's full-time equivalent enrollment decreases by more than 5% from the previous academic year or store sales decrease by more than 10% due to major technological changes or competition, the College will only be entitled to receive the applicable percentages of gross revenue and not the guaranteed annual minimum. Follett agrees to pay the College 12.75% of annual gross revenue up to $5,000,000; plus 13.25% of annual gross revenue between $5,000,000 and $8,000,000; plus 14.25% of annual gross revenue over $8,000,000. For the year ended June 30, 2017, the College recognized $1,215,419 in revenue which included a one-time $100,000 contract renewal payment; for the year ended June 30, 2016, the College recognized $1,203,711 in revenue.

B. DINING SERVICES AND VENDING

In December 2013, the College extended its agreement with Sodexo America, LLC, of Gaithersburg, Maryland, through June 30, 2016, to operate the cafeteria, Starbucks Coffee, and Einstein Bros. Bagels and to provide catering services to the College. Under the terms of the agreement, Sodexo shall retain surplus, if any, of up to 5% of net sales. Fifty percent of the excess surplus shall be distributed to the College within 30 days after the end of each contract year or within 30 days after the date the agreement is terminated. In addition, Sodexo will provide the College with an annual gift of $20,000, payable on July 1st each year, from 2013 through 2015. In May 2016, the College renewed its agreement with Sodexo for an additional three years, beginning on July 1, 2016, and ending on June 30, 2019, with no changes to the compensation terms. For the years ended June 30, 2017, and 2016, the College received $39,942 and $20,000, respectively from Sodexo.

The College also has agreements with outside companies to provide vending machine services. In March 2015, the College renewed its agreement with Canteen Vending Services, Inc. (formerly Ace Coffee Bar) of Charlotte, North Carolina, through December 31, 2019, to provide food and select beverage vending options on campus. Under the terms of the agreement, Canteen agrees to pay commissions at rate of 26.5% of sales, payable monthly, and guarantees the College a calendar year minimum of $50,000 in revenue. For the years ended June 30, 2017, and 2016, the College recognized commission revenue under this agreement of $57,510 and $54,476, respectively.

In September 2015, the College renewed its agreement with Pepsi Beverages Company of Schaumburg, Illinois, through December 31, 2019. Under the terms of the agreement, Pepsi Beverages Company agrees to pay monthly commissions at an average rate of 33% of sales.

7. OPERATING LEASES AND OTHER AGREEMENTS (CONTINUED)

In addition, Pepsi Beverages Company agreed to pay an annual sponsorship fee of $51,000 within sixty days of the successful execution of the agreement and also at the commencement of each contract year thereafter. For the years ended June 30, 2017, and 2016, the College recognized commission revenue of $86,045 and $97,800, respectively, and received one $51,000 sponsorship payment in FY2017.

C. FACILITIES LEASE

The College has entered into operating leases for several off-campus facilities. The leases are for various terms with the longest term expiring on June 30, 2026. Total rental costs on these facilities were $447,039 for fiscal year 2017 and $438,156 for fiscal year 2016. The future minimum rental payments on these leases are as follows:

Fiscal Year	Minimum Rental Payments
2018	418,027
2019	208,168
2020	212,540
2021	217,003
2022	221,560
2023	226,213
2024	230,963
2025	235,813
2026	240,766
Total	$ 2,211,052

D. EQUIPMENT LEASES

In October 2014, the College entered into a five-year agreement with Xerox for Managed Print Services. The College currently pays rental fees on the leased equipment, a monthly charge for help desk, personnel, and other services, and "per click" charges based on equipment usage. Total costs were $727,094 for fiscal year 2017 and $700,075 for fiscal year 2016. The future estimated minimum rental payments for the agreement are as follows:

Fiscal Year	Minimum Rental Payments
2018	537,763
2019	537,763
2020	537,763
2021	268,882
Total	$ 1,882,172

8. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts, theft of, damage to, or destruction of property, injuries to employees and natural disasters. The College is a member of the Illinois Community College Risk Management Consortium (the "Consortium"). The Consortium is a public entity risk pool operating as a common risk management and insurance program for 14 local community colleges. Each college pays an annual premium to the Consortium as its pro rata share for property and casualty insurance coverage. The Agreement for Formation of the Consortium provides that the Consortium will be self-sustaining through member premiums and will reinsure through commercial companies. The College continues to carry commercial insurance coverage for sports accident insurance.

The College participates in the Consortium, which was established in 1981 by several Chicago area community colleges as a means of reducing the cost of property, liability, and workers' compensation insurance. The main purpose of the Consortium is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Coverage includes all property, liability, re-insurance ($30,000,000), and workers' compensation. No settlement has exceeded coverage since establishment of the Consortium. The College joined the consortium in fiscal year 1982. Since the Consortium requests initial payments to cover substantially any losses to be incurred for that policy year, the College anticipates no future liabilities for incurred losses. The policy is annual and renewable on July 1. The College's level of coverage has not changed for the past three years, and the amount of settlements has not exceeded insurance coverage in each of the past three years.

On January 1, 2012 the College joined the Community College Health Care Consortium which provides employees insurance coverage for medical and prescription drugs. The College pays the Community College Health Care Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College maintains self-insurance coverage through a third-party administrator for its dental insurance. The College currently allocates all expenses associated with the employee health plans to each of the College's individual departments. Claims and expenses are reported when incurred and an estimate is made for incurred but not reported claims. The College's level of coverage has not changed for the past three years, and the amount of settlements has not exceeded insurance coverage in each of the past three years.

The College's estimate of liability for claims incurred but not reported for the past three fiscal years is as follows:

Fiscal Year	Claims Payable Beginning of Year	Claims Incurred	Claims Paid	Claims Payable End of Year
2017	$ 1,014,474	$ 12,127,539	$ 12,119,492	$ 1,022,521
2016	993,447	11,212,405	11,191,378	1,014,474
2015	1,632,891	9,827,771	10,467,215	993,447

9. LITIGATION AND INVESTIGATIONS

From time to time, the College is party to various pending claims and legal proceedings. Although the outcome cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the College's financial position or results of operations.

The College is currently under federal and state criminal grand jury investigations. Although the outcome cannot be forecast with certainty, based on information known at the time of the completion of the College's 2017 Comprehensive Annual Financial Report management believes that the likelihood is remote that any finding as a result of the investigations will have a material adverse effect on the College's financial position or results of operations.

10. NEW ACCOUNTING PRONOUNCEMENTS

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This Statement replaces the requirements of Statement No. 45 and requires governments to report a liability on the face of the financial statements for the Other Postemployment Benefits (OPEB) that they provide. Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. This Statement is effective for the College's fiscal year ended June 30, 2018.

The College is currently evaluating the impact of adopting GASB Statement No. 75.

11. DISCRETELY PRESENTED COMPONENT UNIT

A - NATURE OF OPERATIONS

College of DuPage Foundation (the "Foundation") is a not-for-profit organization which was formed to promote the educational development and general education welfare of the College of DuPage, Community College District Number 502 (the “College”).

B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Foundation operates and maintains the Foundation within the College. The Foundation is a legally separate entity whose Board is elected by the Foundation Trustees. As required by accounting principles generally accepted in the United States of America (“GAAP”), these financial statements present the Foundation and any existing component units. The Foundation does not have any component units. However, pursuant to the standards established in Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity, and GASB Statements No. 14 and No. 34*, the College is considered a primary government since it is fiscally independent. The College has determined that the College of DuPage Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organization Are Component Units, an amendment of GASB Statement 14*, and GASB Statement No. 61, T*he Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, because of the nature and significance of the Foundation’s relationship with the College, which has resulted in the College of DuPage Foundation being reported as a discretely presented component unit of the College.

BASIS OF PRESENTATION

The Foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

The financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted, or unrestricted. Accordingly, net assets and changes therein are classified as follows:

Permanently Restricted Net Assets
Net assets subject to donor-imposed restrictions that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

Temporarily Restricted Net Assets
Net assets subject to donor imposed restrictions that will be met by actions of the Foundation and/or passage of time.

Unrestricted Net Assets
Net assets not subject to donor imposed restrictions.

Revenues are reported as increases in either unrestricted net assets classification unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in unrestricted net assets as appropriate. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between temporary and unrestricted classes of net assets.

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

CONTRIBUTIONS

Contributions, including unconditional promises to give, are recognized as revenue in the period awarded. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their fair value. Contributions from unconditional promises to give that are to be received after one year are discounted at an appropriate discount rate; based on the Federal Funds rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions is provided based upon management’s judgment including such factors as prior collection history, type of contribution, and nature of fundraising activity.

Revenues received through contributions from private fundraising for WDCB-FM radio station are accounted for in the Foundation’s financial statements. Disbursements of these contributions to the radio station are included in the Cash Gifts to College of DuPage expense line. In fiscal year 2017, total contributions for WDCB-FM radio station accounted for in the Foundation were $945,176, and disbursements recorded as Cash Gifts to College of DuPage were $904,330 compared to $908,582 contribution revenue and $886,828 of disbursements in fiscal year 2016.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

INCOME FROM PERMANENTLY RESTRICTED NET ASSETS

Contributions, investment income, and realized and unrealized net gains on investments of permanently restricted net assets are reported as follows:

- As increases in permanently restricted net assets if the terms of the gift require that they be added to the principal of permanently restricted net assets;
- As increases in temporarily restricted net assets if amounts have not been appropriated for expenditure; and
- As increases in unrestricted net assets in all other cases.

CASH AND CASH EQUIVALENTS

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

INVESTMENTS AND INCOME RECOGNITION

Investment securities are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gains and losses on investments are reported as increases or decreases in unrestricted net assets, unless their use is restricted by explicit donor stipulations or by law.

ART COLLECTION

The Foundation's art collection consists of approximately 334 pieces. Works of art are held for public exhibition, and education, in furtherance of public service rather than for financial gain. The works of art are kept un-encumbered, cared for and preserved, and subject to the donor agreement that requires the proceeds of items that are sold be used to further develop the cultural experience at the College. Additions to the collection are recorded at cost when purchased or at fair value when contributed. In-kind contributions of art are reflected as revenue in the statement of activities and changes in net assets.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

ESTIMATES

In order to prepare these financial statements in conformity with GAAP, management has made a number of estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; the reported amounts of revenues and expenses; and gains and losses during the reporting period. Actual results could differ from these estimates.

ALLOCATIONS OF EXPENSES

Expenses are identified as either program, management and general or fundraising. Expenses not directly identifiable in one of the three categories have been allocated one of the three classifications by the Foundation's management based on time spent or activity performed.

PRIOR YEAR SUMMARIZED COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior year summarized comparative financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

SUBSEQUENT EVENTS

The Foundation has evaluated all significant events or transactions through September 29, 2017, the date that these financial statements were available to be issued, and determined that there were no significant nonrecognized subsequent events through that date.

C - CHARITABLE REMAINDER TRUST

The Foundation administers a charitable remainder trust (the "Trust"). A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the Trust's term. Obligations to the beneficiaries are limited to the Trust's assets. At the end of the Trust's term, the remaining assets are available for the Foundation's use. Assets are recorded at fair value when received and a liability is recorded for the net present value of the estimated future payments to the beneficiaries. The portion of the Trust attributable to the net present value of the future benefits to be received by the Foundation was recorded in the statement of activities and changes in net assets as a temporarily restricted contribution in the period the Trust was established. Assets held in the Trust totaled $57,379 at June 30, 2017 and are reported at fair value in the Foundation's statement of financial position.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

D - INCOME TAXES

The Foundation was determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code pursuant to a determination letter issued in September 1969. Accordingly, no provision for income tax is included in the financial statements.

The Foundation adopted FASB ASC 740-10, Accounting for Uncertainty in Income Taxes. The Internal Revenue Service determined that the Foundation is a tax exempt, not-for-profit organization as defined in Section 501(c)(3) of the Internal Revenue Code ("IRC"). As such, the Foundation is generally not subject to federal or state income taxes except for certain income derived from unrelated business activities as defined by the IRC. The Foundation has no unrelated business income. GAAP prescribes recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits would be recognized only if the tax position is more-likely-than-not to be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized would be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. Management has concluded that they are unaware of any tax benefits or liabilities to be recognized at June 30, 2017. The Foundation does not expect the total amount of unrecognized tax benefits to significantly change in the next twelve months. The Foundation would recognize interest and penalties related to unrecognized tax benefits in interest and income tax expense, respectively. The Foundation has no amounts accrued to interest or penalties as of June 30, 2017. The Foundation's income tax returns are subject to examination by federal and state taxing authorities. There are currently no examinations underway or expected.

E - INVESTMENTS

Investment securities, at fair value, are comprised of the following as of June 30, 2017:

Money Market Funds	$ 14,089
Equities	23,927
Equity Funds	9,925,496
Equity Mutual Funds	12,974
Total Short-Term Investments	9,976,486
Bond Funds	5,112,314
Total Long-Term Investments	5,112,314
Total Investments	$15,088,800

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

Investment income is reported net of investment advisory fees. Investment income is comprised of the following as of June 30, 2017:

Gross investment income	$ 492,830
Investment advisory fees	(67,476)
Net Investment Income	$ 425,354
Investment Returns Consist of:	
Net investment income	$ 425,354
Net realized gain (loss) on sale of investments	(125,045)
Net unrealized gain (loss) on investments	1,092,109
Change in value of split-interest agreement	2,795
Total Investment Returns	$1,395,213

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

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

Level 2
Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3
Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies for the year ended June 30, 2017.

Equities
Valued at the closing price reported on the active market on which the individual equity is traded.

Mutual Funds
Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

Fair value measurements recorded on a recurring basis at June 30, 2017 were as follows:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Equities	$ 23,927	$ --	$ --	$ 23,927
Mutual Funds:				
Bond Funds	5,112,314	--	--	5,112,314
Equity Funds	9,925,496	--	--	9,925,496
Money Market Funds	14,089	--	--	14,089
Equity Mutual Funds	12,974	--	--	12,974
Total	$ 15,088,800	$ --	$ --	$ 15,088,800

There were no transfers between levels during the year ended June 30, 2017.

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

F - COLLEGE IN-KIND CONTRIBUTIONS AND DISTRIBUTIONS

The College provides accounting and other administrative services without charge to the Foundation. College officials estimate the value of these services for the year ended June 30, 2017 to be $440,887 which is reflected in the statement of activities and changes in net assets as unrestricted College In-kind contribution revenue and allocated to the following expense categories:

	Categorization of Contributed Services	% of Total
Program	$166,420	37.7%
Management and general	60,667	13.8
Fundraising	213,800	48.5
Total	$440,887	100%

G - PLEDGES RECEIVABLE

The Foundation receives pledges fluctuating in dollar amount and throughout the year. The Foundation records these pledges based on timing and intent of the gift.

Receivable due in less than one year	$99,324
Receivable due in more than one year	15,519
Total Unconditional Promises to Give	$114,843

H - NET ASSETS RELEASED FROM RESTRICTIONS

The sources of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by donors for the year ended June 30, 2017 were comprised of the following:

Scholarship to College Students	$277,132
Gifts to the College McAninch Arts Center	46,842
Gifts to the Cleve Carney Art Gallery	184,570
Gifts to the College Business and Technology Programs	63,044
Gifts to the College Health and Science Programs	10,638
Gifts to the College Fine Arts Programs	6,762
Gifts to the College International Studies Program	6,050
Gifts to the College Athletics/Red Grange Bowl	3,000
Gifts to the College FUEL Pantry Support	4,723
Gifts to the College life Long Learning Program	4,371
Total	$607,132

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

The net assets released from restriction are reported as unrestricted expenses in the program and fundraising categories, in the statement of activities and changes in net assets.

I - NET ASSETS

Temporarily restricted net assets as of June 30, 2017 are available for the following purposes:

Programs	$3,853,313
Scholarships	1,971,857
Total Temporarily Restricted Net Assets	$5,825,170

Permanently restricted net assets consist of investments held in perpetuity, the income from which is expendable to support programs and scholarships. Permanently restricted net assets are restricted for the following purposes:

Programs	$2,998,374
Scholarships	5,815,866
Total Permanently Restricted Net Assets	$8,814,240

J - CONCENTRATIONS OF CREDIT RISK

The Foundation maintains its cash in a bank deposit account as well as has a sweep function with their banking institution, which transfers excess funds into a money market account if the daily balance exceeds federally insured deposit limits. The Foundation has not experienced any losses in such accounts, and has implemented safeguards with its financial institutions to mitigate any potential loss. Management believes it is not exposed to any significant credit risk on cash.

K - ENDOWMENT

The Foundation's endowment currently consists of donor-restricted endowment funds and artwork, but could also include funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c)

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

Endowment net asset composition by type of fund as of June 30, 2017:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted	$ --	$3,484,398	$8,814,240	$12,298,638

During the year ended June 30, 2017, the Foundation had the following endowment related activities:

	Permanently Restricted Endowment Funds	Temporarily Restricted Endowment Funds
Endowment Net Assets - Beginning	$7,115,392	$2,477,595
Investment Return		
Net appreciation (realized and unrealized)	--	1,060,830
Total Investment Return	--	1,060,830
Contributions to perpetual endowment	1,698,848	241,948
Appropriate of endowment assets	--	(295,975)
Endowment Net Assets - Ending	$8,814,240	$3,484,398

11. DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

From time-to-time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were $0 as of June 30, 2017.

In fiscal year 2014 the Foundation changed the allocation policy for investments related to the permanently restricted endowment funds. Temporarily restricted accounts were established for each permanently restricted endowment fund, and the net investment earnings were allocated to the temporarily restricted accounts. The net investment earnings were spent in accordance with the Board approved annual spending rate from the temporarily restricted accounts.

L - CONTRIBUTIONS – REVENUE CONCENTRATION

Approximately 42% of the Foundation's total contributions were provided by one contributor.

M - RELATED PARTY TRANSACTIONS

During the year ended June 30, 2017, the Foundation received donations of approximately $22,573 from members of management and the board of directors.

N - CONTINGENCIES

In the ordinary course of business, the Foundation is subject to litigation, claims, regulatory and administrative proceedings. The Foundation will accrue liabilities if it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Foundation will disclose litigation, claims and administrative actions if there is a reasonable possibility that a loss has been incurred or if the loss is probable but the amount cannot be reasonably estimated.

A company has filed a petition seeking reimbursement of attorney fees from the College and Foundation. The petition relates to a claim that was settled during the year ended June 30, 2017. The Foundation has not paid, or recorded an accrued liability as of June 30, 2017 with respect to these costs. In the judgment of Foundation management and legal counsel, the Foundation is not liable for these costs.

12. SUBSEQUENT EVENTS

Subsequent to year-end, the College entered into various agreements totaling approximately $3,397,165 for the purpose of construction and renovation of buildings and facilities, supply purchases, and service contracts. As of June 30, 2017, the College had outstanding purchase orders of $2,536,884.

Subsequent to year-end, on July 1, 2017, the College extinguished a portion of its Series 2007 bonds early. The College had funds on hand and legally available to pay the principal of $5,735,000, originally due on June 1, 2021.

Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College will recognize these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. The amounts to be recognized as revenue in fiscal year 2018 are:

APPROPRIATION	AMOUNT
Base Operating Grant	$ 7,546,803
Monetary Assistance Program	2,260,657
Adult Education State Funding	1,434,260
CTE Formula Grant	1,326,240
Illinois Veteran Grant	63,730
Total	$ 12,631,690

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COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

Required Supplementary Information

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COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2017	$ -	N/A	N/A	N/A	N/A	N/A
June 30, 2016	-	$ 11,894,865	$ 11,894,865	0.0%	$ 106,814,733	11.1%
June 30, 2015	-	N/A	N/A	N/A	N/A	N/A
June 30, 2014	-	15,056,291	15,056,291	0.0%	79,618,107	18.9%
June 30, 2013	-	N/A	N/A	N/A	N/A	N/A
June 30, 2012	-	14,598,947	14,598,947	0.0%	78,633,037	18.6%
June 30, 2011	-	N/A	N/A	N/A	N/A	N/A
June 30, 2010	-	12,013,103	12,013,103	0.0%	74,656,269	16.1%
June 30, 2009	-	11,357,994	11,357,994	0.0%	76,769,160	14.8%

N/A - Information not available. Actuarial study was not performed in that year.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

REQUIRED SUPPLEMENTARY INFORMATION
PENSION BENEFITS

Schedule of Employer's Share of Net Pension Liability

	A	B	C	D	E	F	G
Fiscal Year Ended	Proportion Percentage of the Collective Net Pension Liability	Proportion Amount of the Collective Net Pension Liability	Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with the College	Total (B + C)	Employer DB Covered payroll	Proportion of Collective Net Pension Liability associated with the College as a percentage of DB covered payroll (D / E)	SURS Plan Net Position as a percentage of Total Pension Liability
June 30, 2016	0.00%	$ -	$ 637,415,682	$ 637,415,682	$ 88,728,278	718.39%	39.57%
June 30, 2015	0.00%	-	572,546,237	572,546,237	87,795,309	652.14%	42.37%
June 30, 2014	0.00%	-	502,273,193	502,273,193	83,640,423	600.51%	44.39%

Schedule of Employer's Contributions

	A	B	C	D	E
Fiscal Year Ended	Federal, Trust, Grant and Other Contribution	Contribution in relation to Required Contribution	Contribution Deficiency (Excess) (A -B)	Employer Covered payroll	Contributions as a percentage of covered payroll (A / D)
June 30, 2017	$ 121,585	$ 121,585	$ -	108,340,384	0.11%
June 30, 2016	59,101	59,101	-	105,993,446	0.06%
June 30, 2015	152,999	152,999	-	105,547,434	0.14%
June 30, 2014	129,591	129,591	-	100,100,521	0.13%

On-Behalf Payments for Community College Health Insurance Program

Fiscal Year Ended	
June 30, 2017	$ 399,726
June 30, 2016	$ 388,231
June 30, 2015	$ 384,521
June 30, 2014	$ 373,672

NOTE: SURS implemented GASB 68 in FY2015. The information above is presented for as many years available. The schedules ultimately will show information for 10 years.

Fiscal Year 2017 Total DB (Defined Benefit) Contributions: $7,259,139.02
Fiscal Year 2017 Total SMP (Self Managed Plan) Contributions: $1,395,358.52

1. CHANGES OF BENEFIT TERMS

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2016.

2. CHANGES OF ASSUMPTIONS

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2010 to June 30, 2014 was performed in February 2015, resulting in the adoption of new assumptions as of June 30, 2015.

- Mortality rates. Change from the RP 2000 mortality table projected to 2017, sex distinct, to the RP-2014 mortality tables with projected generational mortality improvement. Change to a separate mortality assumption for disabled participants.
- Salary increase. Change assumption to service-based rates, ranging from 3.75% to 15.00% based on years of service, with underlying wage inflation of 3.75%.
- Normal retirement rates. Change to retirement rates at ages younger than 60, age 66, and ages 70-79 to reflect observed experiences.
- Early retirement rates. Change to a slight increase to the rates at ages 55 and 56.
- Turnover rates. Change to produce lower expected turnover for members with less than 10 years of service and higher turnover for members with more than 10 years of service than the currently assumed rates.
- Disability rates. Decrease rates and have separate rates for males and females to reflect observed experience.
- Dependent assumption. Maintain the current assumption on marital status that varies by age and sex and the assumption that males are three years older than their spouses.

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III. STATISTICAL SECTION

Values

Integrity:	*We expect the highest standard of moral character and ethical behavior.*
Honesty:	*We expect truthfulness and trustworthiness.*
Respect:	*We expect openness to difference and to the uniqueness of all individuals.*
Responsibility:	*We expect fulfillment of obligations and accountability.*

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATISTICAL SECTION CONTENTS
JUNE 30, 2017

This section of the College of DuPage's Comprehensive Annual Financial Report presents additional historical perspective, context, and detailed information to assist the reader in using the information in the financial statements, note disclosures, and required supplementary information to understand and assess the College's overall economic condition.

Contents

Financial Trends

Tabular information is presented to demonstrate changes in the College's financial position over time.

Revenue Capacity

These tables contain information to assist the reader in understanding and assessing the College's ability to generate its most significant local revenue sources - real estate taxes, tuition and fees.

Debt Capacity

Data are shown to disclose the College's current level of outstanding debt and to indicate the College's ability to issue additional debt.

Demographic and Economic Information

These tables offer information about the socioeconomic environment within which the College operates. Data are provided to facilitate comparisons of financial statement information over time and between the College and other community colleges.

Operating Information

Non-financial information about the College's operations and resources is provided in these tables to facilitate the reader's use of the College's financial statement information to understand and assess the College's economic condition.

Sources: Unless otherwise noted, the information in these tables is derived from the College's Comprehensive Annual Financial Reports for the relevant years

TABLE 1

FINANCIAL TRENDS

NET POSITION/NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS

Net Position/Net Assets	2017	2016	2015*	2014	2013	2012	2011	2010	2009	2008
Net Investment in Capital Asset	$ 245,130,173	$ 248,727,053	$ 250,118,908	$ 248,770,684	$ 234,639,592	$ 221,164,380	$ 185,096,593	$ 162,345,893	$ 152,771,172	$ 144,249,896
Restricted										
Debt service	11,810,915	11,917,088	12,442,812	13,247,859	16,484,678	18,021,452	20,233,785	21,225,545	23,149,967	19,594,285
Working cash	8,455,152	8,403,883	8,362,959	8,321,799	8,283,842	8,262,954	8,229,678	8,123,977	8,034,976	8,034,976
Other purposes	(1,405,496)	24,870	202,648	321,794	568,337	74,224	-	461,414	554,107	1,375,089
Unrestricted	222,823,355	211,452,174	200,476,052	173,714,323	147,895,808	128,576,028	124,682,137	99,925,517	66,190,745	55,186,492
Total Net Position/Net Assets	$ 486,814,099	$ 480,525,068	$ 471,603,379	$ 444,376,459	$ 407,872,257	$ 376,099,038	$ 338,242,193	$ 292,082,346	$ 250,700,967	$ 228,440,738

Source: College of DuPage Comprehensive Annual Financial Reports.

Notes:
*As restated
1. The College implemented GASB Statements No. 63 and 65 for the year ended June 30, 2013. Fiscal year 2012 was restated to comply with these two new GASB pronouncements.

TABLE 2

FINANCIAL TRENDS

CHANGES IN NET POSITION/NET ASSETS
LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
OPERATING REVENUES										
Student tuition and fees	$ 61,178,153	$ 65,289,259	$ 67,640,163	$ 65,918,716	$ 62,113,934	$ 59,100,863	$ 61,990,141	$ 54,420,351	$ 59,160,813	$ 51,276,425
Chargeback revenue	115,129	394,500	557,633	754,539	764,431	673,262	662,258	775,955	517,541	508,217
Sales and service fees:										
Bookstore	1,215,419	1,203,711	1,542,204	1,039,265	1,176,945	1,118,558	1,114,289	1,584,230	1,006,692	926,332
Other	2,597,746	2,450,351	3,298,951	2,121,041	1,766,040	2,707,160	2,788,269	5,148,296	4,881,123	5,113,412
Other operating revenue	1,235,414	1,309,644	1,653,423	1,257,863	934,162	1,147,097	1,226,179	1,771,906	452,813	296,539
Total operating revenues	66,341,861	70,647,465	74,692,374	71,091,424	66,755,512	64,746,940	67,781,136	63,700,738	66,018,982	58,120,925
OPERATING EXPENSES										
Instruction	112,588,939	105,288,900	100,574,125	93,280,995	93,393,300	88,951,878	83,385,917	84,295,911	84,091,655	76,609,450
Academic support	12,122,201	11,263,661	10,071,433	10,078,118	10,030,258	9,366,021	9,528,488	10,131,827	9,872,388	9,483,446
Student services	21,090,411	19,767,623	17,902,682	16,018,220	13,729,284	11,120,268	12,377,424	13,789,957	13,665,668	12,529,969
Public services	2,700,955	2,557,640	2,633,364	2,787,075	2,202,396	1,895,427	1,683,103	2,109,646	2,485,325	2,623,898
Independent operations	-	-	3,106	9,923	7,973	316,150	233,934	550,549	423,550	154,873
Operation and maintenance of plant	19,639,513	19,245,711	19,150,108	18,358,900	17,178,800	17,202,087	15,946,733	16,013,297	15,126,330	15,312,683
General administration	17,407,855	15,221,859	16,008,432	13,951,158	13,806,523	13,357,056	12,898,568	13,057,232	11,562,070	10,658,353
General institutional	24,187,921	22,619,028	20,839,665	21,834,358	20,130,613	22,131,912	22,219,537	6,283,201	14,420,488	14,019,867
Auxiliary enterprises	11,360,772	11,104,988	10,732,897	9,974,369	9,895,502	12,505,598	10,907,689	11,908,173	13,147,779	14,320,304
Scholarship expense	6,854,898	8,316,420	10,862,684	11,092,632	10,847,045	12,492,032	12,215,817	6,578,760	6,920,889	4,602,028
Depreciation expense	31,959,911	31,311,232	29,656,996	24,071,416	19,929,800	14,417,172	7,741,061	6,444,716	5,653,926	5,399,659
Total operating expenses	259,913,376	246,697,062	238,435,492	221,457,164	211,151,494	203,755,601	189,138,271	171,163,269	177,370,068	165,714,530
Operating income (loss)	(193,571,515)	(176,049,597)	(163,743,118)	(150,365,740)	(144,395,982)	(139,008,661)	(121,357,135)	(107,462,531)	(111,351,086)	(107,593,605)
NON-OPERATING REVENUES (EXPENSES)										
Real estate taxes	107,232,185	108,715,095	107,996,843	106,110,511	99,822,644	107,807,680	104,425,923	95,138,277	87,171,790	82,100,987
Corporate personal property replacement taxes	1,679,128	1,520,291	1,660,637	1,544,222	1,526,489	1,494,002	1,624,041	1,252,327	1,814,989	1,794,791
State appropriations	71,627,721	54,712,381	57,175,880	54,690,039	50,695,312	42,633,843	38,742,103	34,000,077	30,848,507	29,087,797
Federal grants and contracts	26,328,946	28,297,826	30,541,565	31,111,335	30,349,795	29,415,386	26,175,510	20,018,562	13,024,642	10,167,590
Non-governmental gifts and grants	1,302,432	1,394,821	1,249,566	1,086,146	1,125,049	1,363,232	1,561,341	1,318,726	1,329,712	1,302,882
Investment income	1,606,832	1,197,182	(854,727)	2,235,615	(29,307)	727,102	1,315,742	2,024,357	7,762,177	10,517,209
Other non-operating revenues	-	-	-	-	-	-	-	1,187,737	711,228	157,391
Interest on capital asset-related debt	(10,206,045)	(10,986,174)	(9,968,060)	(9,948,113)	(7,363,226)	(5,824,138)	(6,342,263)	(6,272,077)	(9,217,940)	(7,934,169)
Gain (loss) on disposal of capital assets	56,839	56,439	94	40,187	42,445	98,660	14,585	175,924	(109,040)	(60,167)
Net non-operating revenues (expenses)	199,628,038	184,907,861	187,801,798	186,869,942	176,169,201	177,715,767	167,516,982	148,843,910	133,336,065	127,134,311
Net income before capital contributions	6,056,523	8,858,264	24,058,680	36,504,202	31,773,219	38,707,106	46,159,847	41,381,379	21,984,979	19,540,706
CAPITAL CONTRIBUTIONS										
Capital gifts and grants	232,508	63,425	135,160	-	-	-	-	-	275,250	59,438
Total capital contributions	232,508	63,425	135,160	-	-	-	-	-	275,250	59,438
CHANGE IN NET POSITION/NET ASSETS	$ 6,289,031	$ 8,921,689	$ 24,193,840	$ 36,504,202	$ 31,773,219	$ 38,707,106	$ 46,159,847	$ 41,381,379	$ 22,260,229	$ 19,600,144

Sources: College of DuPage Comprehensive Annual Financial Reports and general ledger reports.

Notes: (1) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year-to-year is limited to the lesser of 5% or the consumer price index for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.
(2) The College implemented GASB Statements No. 63 and 65 for the year ended June 30, 2013. Fiscal year 2012 was restated to comply with these two new GASB pronouncements.

TABLE 3

REVENUE CAPACITY

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN LEVY YEARS

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Other (1) Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate (3) (4)	Estimated Actual Taxable Value	Percentage of Estimated Actual Taxable Value
2016	$ 28,803,963,806	$ 5,960,325,340	$ 2,671,714,577	$ 2,945,196	$ 38,046,858	$ 3,027,393,289	$ 40,504,389,066	0.2661	$ 121,513,167,198	33.333%
2015 (2)	29,109,144,297	6,081,103,597	2,770,289,990	2,976,206	54,771,654	-	38,018,285,744	0.2786	114,054,857,232	33.333%
2014	28,070,893,318	5,830,708,367	2,684,767,261	3,051,553	50,191,541	-	36,639,612,040	0.2975	109,918,836,120	33.333%
2013	28,157,335,069	5,760,566,268	2,834,793,372	3,130,424	48,587,683	-	36,804,412,816	0.2956	110,413,238,448	33.333%
2012	29,659,837,065	6,084,070,636	2,974,967,448	3,057,663	41,448,234	-	38,763,381,046	0.2681	116,290,143,138	33.333%
2011	32,222,147,558	6,528,100,751	3,224,250,962	2,952,530	39,691,367	-	42,017,143,168	0.2495	126,051,429,504	33.333%
2010	35,225,106,750	6,775,696,972	3,332,260,318	2,798,434	35,924,625	-	45,371,787,099	0.2349	136,115,361,297	33.333%
2009	37,968,146,247	6,766,483,282	3,122,083,730	2,601,938	23,832,039	-	47,883,147,236	0.2127	143,649,441,708	33.333%
2008	36,713,653,475	7,283,415,255	3,777,183,933	3,036,702	20,340,507	-	47,797,629,872	0.1858	143,392,889,616	33.333%
2007	34,322,119,068	6,913,153,224	3,471,113,723	2,700,325	18,185,431	-	44,727,271,771	0.1888	134,181,815,313	33.333%

Data Sources:
Offices of the County Clerks for DuPage, Cook, and Will Counties; DuPage County comprises approximately 90% of College of DuPage District 502.

Notes :
Property in the College's district is reassessed each year. Property is assessed at 33% of actual value. The direct tax rates reported for the College are those of DuPage County.

(1) In levy year 2016, this column includes assessed values from Cook County, as the breakdown by type of property is not yet available at the time the CAFR is prepared. This will be adjusted each year as the information becomes available.
(2) The breakdown by type of property for 2015 was adjusted from the previous year CAFR due to the receipt of the final Cook County property values which was received after the printing of the FY2016 CAFR.
(3) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage County, as it comprises approximately 90% of College of DuPage District 502.
(4) The total direct tax rate increased from 0.1874 to 0.1929 in 2006 due to (a) issuance of $78,840,000 in general obligation bonds for building and equipping new buildings and renovation of existing College facilities and (b) a direct tax levy to pay the debt service on those general obligation bonds.
(5) The assessed valuation for tax year 2016 increased from 2015. Valuations increased by 6.5% in 2016 after a 3.8% increase in 2015, a 0.4% decrease in 2014, a 5.1% decrease in 2013, 7.7% decrease in 2012, 7.4% and 5.2% in levy years 2011 and 2010, respectively. Calendar year 2010 was the first year DuPage County experienced a decrease in assessed valuations.

TABLE 4

REVENUE CAPACITY

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN LEVY YEARS

Levy Year	Legal Limit	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
College of DuPage (1) (2)											
Educational Purposes	$ 0.7500	$ 0.1735	$ 0.1812	$ 0.1958	$ 0.1941	$ 0.1818	$ 0.1611	$ 0.1483	$ 0.1337	$ 0.1321	$ 0.1285
Audit	0.0050	-	-	-	-	-	-	-	-	-	0.0003
Operations and Maintenance	0.1000	0.0287	0.0299	0.0322	0.0317	0.0298	0.0263	0.0242	0.0217	0.0211	0.0213
Liability Protection and	None	-	-	-	-	-	-	-	-	-	0.0023
Social Security and Medicare	None	-	-	-	-	-	-	-	-	-	0.0031
Bond and Interest	None	0.0639	0.0675	0.0695	0.0698	0.0565	0.0621	0.0624	0.0573	0.0326	0.0333
Total		0.2661	0.2786	0.2975	0.2956	0.2681	0.2495	0.2349	0.2127	0.1858	0.1888
Overlapping Rates (3)											
County		N/A	0.1971	0.2057	0.2040	0.1929	0.1773	0.1659	0.1554	0.1557	0.1651
Cities and Villages		N/A	0.7680	0.7909	0.7653	0.7115	0.6498	0.6102	0.5695	0.5350	0.5430
High Schools		N/A	1.3112	1.3445	1.3061	1.2130	1.0714	0.9819	0.8955	0.8839	0.8916
Unit District		N/A	2.2324	2.2684	2.2509	2.0643	1.8319	1.6717	1.5236	1.4890	1.4978
Grade Schools		N/A	2.0079	2.0638	2.0184	1.8637	1.6539	1.5243	1.4000	1.3802	1.4032
Junior Colleges		N/A	0.2882	0.3043	0.3092	0.2774	0.2579	0.2405	0.2186	0.1910	0.1940
Townships		N/A	0.1297	0.1334	0.1326	0.1188	0.1112	0.1023	0.0930	0.0922	0.0931
Sanitary District		N/A	0.0035	0.0036	0.0035	0.0032	0.0028	0.0026	0.0024	0.0023	0.0023
Park Districts		N/A	0.4094	0.4172	0.4083	0.3770	0.3364	0.3090	0.2797	0.2736	0.2790
Library		N/A	0.0874	0.0904	0.0877	0.0819	0.0723	0.0661	0.0535	0.0528	0.0542
Forest Preserve		N/A	0.1622	0.1691	0.1657	0.1542	0.1414	0.1321	0.1217	0.1206	0.1187
Fire Protection		N/A	0.3296	0.3362	0.3255	0.3009	0.2698	0.2471	0.2243	0.2229	0.2248
Service Areas		N/A	0.0235	0.0242	0.0233	0.0193	0.0181	0.0159	0.0153	0.0177	0.0157
Other Special Districts		N/A	0.0222	0.0232	0.0212	0.0199	0.0196	0.0183	0.0170	0.0183	0.0191

Data Sources:
College of DuPage property tax records.
DuPage County property tax records as of November, 2016.

Notes:
(1) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage County, as it comprises approximately 90% of College of DuPage District 502.

(2) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year to year is limited to the lesser of 5% or the Consumer Price Index for the state as determined by the Illinois Department of Revenue, and the rate for certain levy components are limited to maximums established by Illinois Compiled Statutes.

(3) DuPage County overlapping rates for levy year 2016 were not available at the time the CAFR was prepared.

TABLE 5

REVENUE CAPACITY

PRINCIPAL PROPERTY TAXPAYERS CURRENT LEVY YEAR AND NINE YEARS AGO

	2016 Levy Year			2007 Levy Year		
Taxpayer (a)	Assessed Value (a) (000s)	Rank	Percentage of Total District 502 Assessed Valuation (b)	Assessed Value (a) (000s)	Rank	Percentage of Total District 502 Assessed Valuation (b)
Hamilton Partners, Inc.	$ 142,092	1	0.35%	$ 97,435	3	0.22%
BRE Properties	136,691	2	0.34%	-	-	0.00%
Oakbrook Shopping Center	99,118	3	0.24%	106,954	1	0.24%
AMB Property Corp	91,949	4	0.23%	-	-	0.00%
Prologis, Inc.	57,945	5	0.14%	-	-	0.00%
Friedkin Realty Group	50,127	6	0.12%	-	-	0.00%
Ryan LLC	47,228	7	0.12%	-	-	0.00%
UBS Realty Investors, Inc.	43,813	8	0.11%	-	-	0.00%
Navistar, Inc.	38,360	9	0.09%	-	-	0.00%
York Town Center	34,366	10	0.08%	-	-	0.00%
AMB Prop RE Tax CO	-	-	0.00%	105,144	2	0.24%
AIMCO	-	-	0.00%	91,756	4	0.21%
Long Ridge Office	-	-	0.00%	83,821	5	0.19%
NS-MPG Inc. (Alcatel-Lucent)	-	-	0.00%	83,107	6	0.19%
Real Estate Tax Advisors	-	-	0.00%	72,606	7	0.16%
AMLI	-	-	0.00%	62,918	8	0.14%
Wells Real Estate	-	-	0.00%	54,731	9	0.12%
Amoco	-	-	0.00%	48,082	10	0.11%
Total Assessed Value for Top 10 Businesses	$ 741,689		1.831%	$ 806,554		1.803%
Equalized Assessed Value of District	$ 40,504,389,066			$ 44,727,271,771		

Data Sources:
(a) DuPage County CAFR dated November 30, 2016; approximately 90% of College of DuPage District 502 lies in DuPage County.
(b) Assessed evaluation percentage is calculated by taking the assessed value of the taxpayers by total EAV of the District.

TABLE 6

REVENUE CAPACITY

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN LEVY YEARS

Levy Year	Assessed Valuation	Direct Tax Rate (1)	Taxes Extended (2)	Total Collected Through June 30, 2016	Collected During Year Ended June 30, 2017 (3)	Total Collected Through June 30, 2017 (4)	Percent of Taxes Extended Collected Through June 30, 2017	Tax Cap Limit (5)
2016	$ 40,504,389,066	0.2661	$ 107,576,816	$ -	$ 54,618,067	$ 54,618,067	50.77%	2.10%
2015	38,018,285,744	0.2791	106,603,379	53,879,636	52,634,027	106,513,663	99.92%	0.70%
2014	36,639,612,040	0.3014	109,556,200	109,029,666	51,908	109,081,574	99.57%	0.80%
2013	36,804,412,816	0.2955	109,567,598	109,110,198	(34,589)	109,075,609	99.55%	1.50%
2012	38,763,381,046	0.2648	104,007,287	103,152,405	(20,635)	103,131,770	99.16%	1.70%
2011	42,017,143,168	0.2456	104,753,164	104,253,330	(17,867)	104,235,463	99.51%	3.00%
2010	45,371,787,099	0.2315	105,572,929	104,980,604	(10,988)	104,969,616	99.43%	2.70%
2009	47,883,147,236	0.2127	101,210,205	100,699,966	(4,725)	100,695,241	99.49%	0.10%
2008	47,797,629,872	0.1882	89,022,240	88,684,331	(348)	88,683,983	99.62%	4.10%
2007	44,727,271,771	0.1897	85,075,829	84,330,860	-	84,330,860	99.12%	2.50%

Data Sources:
College of DuPage property tax records.
DuPage County property tax records as of end of November.

Notes:

(1) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage, Cook and Will Counties.

(2) Taxes extended represent the total final extensions for DuPage, Cook and Will Counties.

(3) The column represents total cash collection during the fiscal year and not the total revenue recognized during the fiscal year.

(4) Taxes are generally due on June 1st and September 1st of the calendar year subsequent to the levy year.

(5) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year-to-year is limited to the lesser of 5% or the consumer price index for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates by Illinois Compiled Statutes.

TABLE 7

REVENUE CAPACITY

ENROLLMENT, TUITION AND FEE RATES, CREDIT HOURS, AND TUITION AND FEE REVENUES GENERATED LAST TEN FISCAL YEARS

	---- Fall Term 10th Day Enrollment ----			------------- Tuition and Fee Rates -------------			Fall Term	------------------ Tuition and Fee Revenues (1) ------------------		
Fiscal Year	FTEs Credit Courses	Headcount Credit Courses	Headcount Noncredit Courses	In-District Tuition and Fees per Semester Hour	Out-of-District Tuition and Fees per Semester Hour	Out-of-State Tuition and Fees per Semester Hour	Total Student Credit Hours 10th Day FTEs	Education Purposes and Operations and Maintenance Purposes Subfunds	Auxiliary Enterprises Other Subfunds	Total All Subfunds
2017	15,133	26,901	1,477	$ 135.00	$ 322.00	$ 392.00	226,995	$ 74,551,060	$13,943,589	$88,494,649
2016	16,310	28,678	920	135.00	322.00	392.00	244,650	80,742,043	14,302,459	95,044,502
2015	16,858	29,476	598	140.00	327.00	397.00	252,870	85,929,123	14,501,819	100,430,942
2014	16,565	28,627	701	140.00	327.00	397.00	248,475	83,162,423	13,123,092	96,285,515
2013	15,393	26,156	879	136.00	323.00	393.00	230,895	78,068,948	13,011,000	91,079,948
2012	15,175	26,209	877	132.00	319.00	389.00	227,625	70,373,718	14,154,098	84,527,816
2011	15,902	26,722	1,001	129.00	316.00	386.00	238,530	70,336,737	16,296,420	86,633,157
2010	16,036	27,083	736	116.00	305.00	370.00	240,540	62,131,406	13,956,074	76,087,480
2009	14,913	25,668	2,562	108.00	296.00	359.00	223,695	62,869,007	13,205,703	76,074,710
2008	14,601	25,768	2,593	103.00	292.00	305.00	219,015	53,409,218	12,815,622	66,224,840

Data Sources: College of DuPage records and Comprehensive Annual Financial Reports.

Notes:

(1) Tuition and fee revenues presented in Table 7 differ from the amounts shown on Statement 2 because this table presents amounts before adjustments for scholarship allowance.

TABLE 8

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year Ended	A General Obligation Bonds (1)	A-1 General Obligation Bonds Premiums (Discounts)	B General Obligation Alternate Revenue Source Bonds (1)	B-1 General Obligation Alternate Revenue Source Premiums (Discounts)	C (A + A-1 + B + B-1) Total Net Outstanding Debt (2)	D Less: Amounts Available for Debt Service (3)	E (A + A-1 - D) Net General Bonded Debt (2)	F District 502 Estimated Actual Taxable Property Value	G (= C / F) Percentage of Total Outstanding Debt to Estimated Actual Taxable Property Value	H District Population (4)	I (C / H) Total Outstanding Debt Per Capita	J (= E / F) Percentage of Net General Bonded Debt to Estimated Actual Taxable Property Value	K (= E / H) Net General Bonded Debt Per Capita
2017	$ 176,755,000	$ 14,249,756	$ 64,220,000	$ 448,673	$ 255,673,429	$ 14,148,292	$ 176,856,464	$ 121,513,167,198	0.21%	1,067,589	$ 239.49	0.15%	$ 165.66
2016	193,170,000	16,392,178	69,515,000	535,757	279,612,935	14,406,755	195,155,423	114,054,857,232	0.25%	1,061,506	263.41	0.17%	183.85
2015	208,870,000	18,643,788	74,590,000	641,357	302,745,145	15,093,436	212,420,352	109,918,836,120	0.28%	1,061,506	285.20	0.19%	200.11
2014	223,940,000	24,026,441	79,525,000	791,994	328,283,435	16,045,414	231,921,027	110,413,238,448	0.30%	1,061,506	309.26	0.21%	218.48
2013	238,105,000	25,500,225	84,320,000	954,419	348,879,644	19,740,455	243,864,770	116,290,143,138	0.30%	1,061,506	328.66	0.21%	229.73
2012	171,980,000	13,777,907	89,000,000	1,177,485	275,935,392	20,772,501	164,985,406	126,051,429,504	0.22%	1,061,506	259.95	0.13%	155.43
2011	109,740,000	6,979,601	93,875,000	492,056	211,086,657	22,823,375	93,896,226	135,992,734,653	0.16%	1,091,387	193.41	0.07%	86.03
2010	131,030,000	8,290,546	98,320,000	609,173	238,249,719	23,939,727	115,380,819	143,373,661,827	0.17%	1,091,387	218.30	0.08%	105.72
2009	140,050,000	9,545,832	99,670,000	723,029	249,988,861	23,149,967	126,445,865	141,726,749,436	0.18%	1,088,000	229.77	0.09%	116.22
2008	144,945,000	9,506,741	25,975,000	241,074	180,667,815	19,594,285	134,857,456	133,605,244,137	0.14%	1,058,023	170.76	0.10%	127.46
2007	150,655,000	7,702,474	27,210,000	250,669	185,818,143	14,584,822	143,772,652	124,769,962,116	0.15%	1,018,743	182.40	0.12%	141.13

Data Sources: College of DuPage records, Comprehensive Annual Financial Reports, and DuPage County records.

Notes:
(1) Balances include current and non-current portions of bond principal outstanding.
(2) Details of the College s outstanding debt can be found in the notes to the financial statements.
(3) Amounts equal the equity in the College s bond and interest fund.
(4) Estimated population figures are compiled by the College of DuPage Research and Planning Office.

TABLE 9

DEBT CAPACITY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2017

District	Total Gross Debt Outstanding [3]		Percentage of Debt Applicable to DuPage County [2]	DuPage County Share of Debt [1]
County	$ 221,573,337		100.00%	$ 221,573,337
Forest Preserve	147,625,546		100.00%	147,625,546
Cities and Villages	10,690,122,394	(1)	7.66%	818,631,754
Parks	1,236,165,014	(1)	25.14%	310,785,440
Fire Protection	15,980,000		100.00%	15,980,000
Library	60,045,000		15.80%	9,486,868
Special Service	21,661,000		97.30%	21,076,093
Grade Schools	344,385,675		95.60%	329,242,492
High Schools	338,049,207		95.90%	324,195,326
Unit Schools	919,818,248		57.87%	532,326,291
Subtotal Overlapping Debt	13,995,425,421			2,730,923,147
College of DuPage - Direct [4]	176,755,000		90.00%	159,079,500
Total Direct and Overlapping Debt	$ 14,172,180,421			$ 2,890,002,647
College's Assessed Valuation	$ 40,504,389,066			

Data Sources:
DuPage County Illinois Comprehensive Annual Financial Report dated November 30, 2016, Computation of Direct and Overlapping Debt, pg. 287, and College of DuPage records.

Notes:
(1) Data includes City of Chicago, a minor portion of which overlaps DuPage County. The Chicago Park District taxing boundaries are coterminous with the City of Chicago.

(2) Debt percentage applicable to DuPage County is calculated by applying the ratio of assessed value of the specific district to that portion which is in DuPage County. Percentages have been rounded to the nearest hundredth.

(3) Represents direct debt for governmental activities, as reported by various governments. Overlapping governments without direct debt are not shown. Some data is an estimation and was compiled by a review of the bonded debt information filed with the DuPage County Clerk.

(4) Approximately 90% of College of DuPage District 502 lies in DuPage County.

TABLE 10

DEBT CAPACITY

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value	Debt Limit Rate	Debt Limit (Assessed Value X Debt Limit Rate)	Net Debt Applicable to Debt Limit [1]	Legal Debt Margin	Net Debt Applicable to Debt Limit as a Percentage of Debt Limit [2]
2017	$ 40,504,389,066	2.875%	$ 1,164,501,186	$ 162,606,708	$ 1,001,894,478	13.96%
2016	38,018,285,744	2.875%	1,093,025,715	178,763,245	914,262,470	16.35%
2015	36,639,612,040	2.875%	1,053,388,846	193,776,563	859,612,283	18.40%
2014	36,804,412,816	2.875%	1,058,126,868	207,894,586	850,232,282	19.65%
2013	38,763,381,046	2.875%	1,114,447,205	218,364,545	896,082,660	19.59%
2012	42,017,143,168	2.875%	1,207,992,866	151,207,499	1,056,785,367	12.52%
2011	45,371,787,099	2.875%	1,304,438,879	86,916,625	1,217,522,254	6.66%
2010	47,883,147,236	2.875%	1,376,640,483	107,090,273	1,269,550,210	7.78%
2009	47,797,629,872	2.875%	1,358,214,682	116,900,033	1,241,314,649	8.61%
2008	44,727,271,771	2.875%	1,285,909,063	125,350,715	1,160,558,348	9.75%
2007	41,586,227,017	2.875%	1,195,604,027	136,070,178	1,059,533,849	11.38%

Data Sources: College of DuPage records, Comprehensive Annual Financial Reports, and DuPage County records.

Notes:

[1] Balances include current and non-current portions of Series 2007, Series 2011A, and Series 2013A bond principal outstanding, less amount available in debt service subfund. Series Series 2006, Series 2009B, and Series 2011B bonds do not count against the legal debt limitation unless taxes are extended to pay debt service thereon. Details of the College's outstanding debt can be found in the notes to the financial statements.

[2] The increase from 2011 is attributable to the decline in assessed valuations in DuPage County and the issuance of $168 million in bonds.

TABLE 11

DEBT CAPACITY

PLEDGED REVENUE COVERAGE
SERIES 2006 BONDS
SERIES 2009B BONDS
SERIES 2011B BONDS
LAST TEN FISCAL YEARS (1)

Levy Year	Fiscal Year Ending June 30	Restricted Pledged Revenues (2)	Principal and Interest	Coverage
2016	2017	$ 7,061,120	$ 8,759,625	0.81
2015	2016	6,588,538	8,742,625	0.75
2014	2015	6,818,825	8,791,650	0.78
2013	2014	5,727,395	8,843,450	0.65
2012	2013	5,628,851	8,850,060	0.64
2011	2012	5,284,224	8,816,482	0.60
2010	2011	5,584,192	8,880,436	0.63
2009	2010	5,143,233	4,651,412	1.11
2008	2009	5,297,488	2,362,046	2.24
2007	2008	4,770,360	2,376,543	2.01
TOTAL DEBT SERVICE			$ 71,074,329	

Data Source: College of DuPage records.

Notes:

(1) Series 2006 General Obligation Bonds (Alternate Revenue Source) were issued November 1, 2006. Series 2009B General Obligation Bonds (Alternative Revenue Source) were issued May 4, 2009. Series 2011B General Obligation Bonds (Alternative Revenue Source) were issued August 10, 2011.

(2) Restricted pledged revenues represent the portion of tuition and fees that are designated for the payment of debt service in the bond and interest subfund.

(3) Additional information regarding historical tuition and fees can be found in Table 7 - Enrollment, Tuition and Fee Rates, Credit Hours, and Tuition and Fee Revenues Generated.

(4) Details of the College s outstanding debt can be found in the notes to the financial statements.

(5) Series 2009A General Obligation Bonds were retired in 2014.

TABLE 12

DEMOGRAPHIC AND ECONOMIC INFORMATION

PERSONAL INCOME PER CAPITA LAST TEN CALENDAR YEARS

Calendar Year	DuPage County Population **(1)**	DuPage County Total Personal Income (2009 $) **(2)**	DuPage County Per Capita Personal Income (2009 $) **(3)**	DuPage County Unemployment Rate **(4)**
2017	948,928	$ 57,396,930,000	$ 60,486	4.2%
2016	940,981	56,073,970,000	59,591	5.1%
2015	933,736	54,608,570,000	58,484	5.1%
2014	933,769	52,125,660,000	55,823	5.8%
2013	932,096	50,499,790,000	54,179	8.6%
2012	927,997	50,592,760,000	54,518	7.9%
2011	924,462	49,037,860,000	53,045	9.0%
2010	918,145	47,699,480,000	51,952	8.9%
2009	912,732	47,313,740,000	51,837	6.4%
2008	909,798	49,842,440,000	54,784	5.0%

Data Sources:

(1) Population figures are provided by Woods Poole Economics, Inc., 2017, Washington, D.C., Copyright 2017.

(2) DuPage County Total Personal Income figures are provided by Woods Poole Economics, Inc., 2017, Washington, D.C., Copyright 2017, and are based on 2009 dollars using the Consumer Price Index.

(3) DuPage County Per Capita Personal Income figures are provided by Woods Poole Economics, Inc., 2017, Washington, D.C., Copyright 2017, and are based on 2009 dollars using the Consumer Price Index.

(4) DuPage County unemployment data was provided by the Illinois Department of Employment Security (IDES), Local Area Unemployment Statistics (LAUS). Rates presented are as of June 30th each fiscal year.

Note: Approximately 90% of College of DuPage District 502 lies in DuPage County.

TABLE 13

DEMOGRAPHIC AND ECONOMIC INFORMATION

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

2016					2007				
Employer	City	Number of Jobs	Rank	Percent of Total DuPage County Employment	Employer	City	Number of Jobs	Rank	Percent of Total DuPage County Employment
Edward Hospital	Naperville	7,900	1	1.01%	Lucent Technologies, Inc.	Naperville	4,250	1	0.58%
Heartland Food Corporation	Downers Grove	5,000	2	0.64%	Edward Hospital	Naperville	4,247	2	0.57%
Abercrombie & Kent Inc	Downers Grove	3,300	3	0.42%	Central DuPage Hospital	Winfield	4,000	3	0.54%
Readerlink Distribution	Oak Brook	3,245	4	0.42%	BP America, Inc.	Warrenville	3,200	4	0.43%
Footprint Acquisition	Lisle	3,200	5	0.41%	Elmhurst Memorial Hospital	Elmhurst	3,156	5	0.43%
Argonne National Lab	Lemont	3,190	6	0.41%	College of DuPage	Glen Ellyn	3,111	6	0.42%
DuPage County	Wheaton	2,785	7	0.36%	DuPage County	Wheaton	2,900	7	0.39%
McDonald's Corporation	Oak Brook	2,600	8	0.33%	Argonne National Lab	Lemont	2,800	8	0.38%
Tellabs Inc	Naperville	2,000	9	0.26%	Advocate Good Samaritan	Downers Grove	2,525	9	0.34%
Advocate Good Samaritan	Downers Grove	2,000	10	0.26%	Nalco	Naperville	2,400	10	0.32%
Total		35,220		4.51%	Total		32,589		4.41%
	Total number of jobs in DuPage County	780,818				Total number of jobs in DuPage County	738,623		

Data Sources:
Primary Employers, DuPage County CAFR dated November 30, 2016

Notes:
(1) Approximately 90% of College of DuPage District 502 lies in DuPage County.
(2) The total number of jobs in DuPage County as of November 30, 2016, is obtained from data from the Bureau of Economic Analysis and is one year in arears.

TABLE 14

DEMOGRAPHIC AND ECONOMIC INFORMATION

STUDENT ENROLLMENT DEMOGRAPHIC STATISTICS BY CATEGORY
LAST TEN FISCAL YEARS

Calendar		Fall Enrollment				Gender		Attendance		Enrollment Status *					In-District	Mean	Median
		Headcount															
Year		Credit	Non-Credit	Total	FTE	M	F	FT	PT	Cont	New	Transfer	Readmit	Other	Residency	Age	Age
2016	*	26,901	1477	28,378	15,133	47%	52%	33%	67%	50%	20%	5%	9%	17%	83%	26	22
2015	*	28,678	920	29,598	16,310	46%	53%	34%	66%	48%	20%	5%	10%	17%	83%	26	22
2014	*	29,476	598	30,074	16,858	46%	53%	34%	66%	48%	21%	5%	10%	16%	83%	27	22
2013	*	28,627	701	29,328	16,565	46%	52%	35%	65%	49%	22%	5%	10%	13%	85%	27	22
2012	*	26,156	879	27,035	15,397	47%	52%	37%	63%	53%	22%	4%	11%	10%	90%	28	23
2011	*	26,209	877	27,086	15,175	47%	53%	36%	64%	53%	20%	5%	11%	11%	90%	28	23
2010	*	26,722	1,001	27,723	15,902	47%	53%	39%	61%	49%	21%	6%	12%	12%	90%	28	23
2009	*	27,083	736	27,819	16,036	46%	54%	39%	61%	47%	21%	3%	21%	11%	91%	28	23
2008		25,668	2,562	28,230	14,913	45%	55%	38%	62%	56%	17%	7%	15%	5%	90%	29	23
2007		25,768	2,593	28,361	14,601	45%	55%	36%	64%	56%	16%	8%	15%	5%	90%	30	23

Note -The above statistics reflect tenth day total enrollment (credit) for fall terms of year listed.
The College operates on a fiscal year starting July 1 and ending June 30.

Data Source: Fall 10th Day Reports, College of DuPage Office of Research; for Fall 2016, Enrollment Status, Residency, Mean & Median Age are from ICCB E1 Submission; for prior years Enrollment Status, Residency, and age statistics were derived from MIS 7005 reports.

* - Starting in 2009 both pre-college enrollees and college degree holders were classified as "Other." In prior years, pre-college was classified as "Other" and college degree holders were distributed throughout the remaining categories.

Legend:
FTE (Full-Time Equivalent), M (Male), F (Female), FT (Full-Time), PT (Part-Time), Cont (Continuing Student), Readmit (Readmission)

TABLE 15

DEMOGRAPHIC AND ECONOMIC INFORMATION

STUDENT ENROLLMENT SEMESTER CREDIT HOURS
LAST TEN FISCAL YEARS

ICCB Funding Category	2017	2016	2015	2014	2013	2012	2011 (1)	2010	2009	2008
Baccalaureate	286,220	298,802	303,646	301,080	296,011	288,838	292,005	303,824	280,907	268,645
Business Occupational	38,990	48,161	47,231	48,411	46,789	43,914	41,319	43,601	39,235	38,319
Technical Occupational	51,876	51,042	49,584	49,086	44,629	43,252	43,077	45,003	42,065	40,415
Health Occupational	26,841	27,378	29,038	29,716	29,449	28,169	28,849	29,590	27,563	27,322
Remedial Developmental	28,441	33,748	37,008	38,771	33,838	32,623	33,681	35,475	38,252	38,439
Adult Basic/Secondary Education	27,882	27,451	31,498	30,365	31,615	28,271	36,664	46,975	44,805	41,354
Total Credit Hours	460,250	486,582	498,004	497,429	482,331	465,067	475,595	504,468	472,827	454,493

Data Source: College reports for all semesters of Certified Reimbursable Credit Hours submitted to the Illinois Community College Board (ICCB).

Notes
(1) FY2011 figures revised in FY2012

TABLE 16

DEMOGRAPHIC AND ECONOMIC INFORMATION

STATE CREDIT HOUR GRANT FUNDING PER SEMESTER CREDIT HOUR BY INSTRUCTIONAL CATEGORY LAST TEN FISCAL YEARS

Fiscal Year		Baccalaureate	Business	Technical	Health	Remedial	ABE/ASE (1)	State Average	State Average Annual Percentage Increase or Decrease	College of DuPage Average	College of DuPage Average Annual Percentage Increase or Decrease
2017		$ 22.93	$ 33.75	$ 35.57	$ 56.20	$ 7.21	$ 64.42	$ 32.89	45.98%	$ 28.75	47.23%
2016		15.78	23.15	24.39	38.43	5.08	43.86	22.53	-28.61%	19.53	-29.06%
2015	(4)	21.95	31.52	32.49	53.02	9.74	64.51	31.56	-1.28%	27.53	0.29%
2014		21.98	35.66	31.80	54.87	9.66	57.49	31.97	1.43%	27.45	0.77%
2013	(3)	21.26	34.96	30.96	58.91	7.03	58.71	31.52	-19.65%	27.24	-5.78%
2012	(2)	13.13	46.98	49.45	101.94	9.51	80.27	39.23	0.00%	28.91	-1.47%
2011		13.13	46.98	49.45	101.94	9.51	80.27	39.23	-0.03%	29.34	-0.61%
2010		19.41	29.96	55.39	90.56	14.40	56.45	39.24	18.77%	29.52	1.37%
2009		19.26	23.78	63.81	100.59	16.57	53.22	33.04	0.52%	29.12	3.48%
2008		18.61	22.98	61.65	97.19	16.01	51.42	32.87	2.82%	28.14	-0.85%

(1) Adult Basic Education / Adult Secondary Education.

(2) The State of Illinois did not publish credit hour grant rates for FY2012. The College received the same credit hour grant reward as in FY2011.

(3) In FY2013, the state implemented a loss limit on the Base Operating Grant, following FY2012 in which rates were frozen.

(4) In FY2015, the state reduced its Operating Grant funding to the College by 2.25%

Data Source: College Records.

TABLE 17

OPERATING INFORMATION

EMPLOYEE HEADCOUNT AND CLASSIFICATION LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
TOTAL HEADCOUNT	2,174	2,236	2,264	2,234	2,199	2,290	2,129	2,176	2,213	2,182
Classification										
Administrators	42	44	49	46	47	45	44	45	56	46
Classified	764	745	753	732	688	735	785	816	857	844
Managerial	125	118	122	120	106	104	-	-	-	-
Faculty	1,045	1,090	1,111	1,086	1,131	1,169	1,065	1,035	1,000	977
Professionals	19	19	20	21	21	20	23	20	26	25
Students	179	220	209	229	206	217	212	260	274	290
Total	2,174	2,236	2,264	2,234	2,199	2,290	2,129	2,176	2,213	2,182
Classification Broken From Part to Full Time										
Classified Full-Time	462	463	437	419	411	412	481	503	530	490
Classified Part-Time	302	282	316	313	277	323	304	313	327	354
Total	764	745	753	732	688	735	785	816	857	844
Managerial Full-Time	125	118	122	120	105	100	-	-	-	-
Managerial Part-Time	-	-	-	-	1	4	-	-	-	-
Total	125	118	122	120	106	104	-	-	-	-
Faculty Full-Time	272	263	259	252	260	262	265	268	284	290
Faculty Part-Time	773	827	852	834	871	907	800	767	716	687
Total	1,045	1,090	1,111	1,086	1,131	1,169	1,065	1,035	1,000	977
Professionals Full-Time	19	19	20	21	21	20	23	20	26	25
Professionals Part-Time	-	-	-	-	-	-	-	-	-	-
Total	19	19	20	21	21	20	23	20	26	25

Data Source: College records, which represents the June Employee Submission Report, for total employee headcount, as of June 30th, submitted to the Department of Labor by the College's Human Resources division.

Notes:
(1) The student counts do not include students that are part of the Federal Work Study Program.
(2) All counts are based on Headcounts.
(3) Managerial group was created in FY2012. In previous years, the managers were reported with the Classified staff.

TABLE 18

OPERATING INFORMATION

OPERATING INDICATORS LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual Credit Hour Enrollment (Credit)	532,068	560,732	578,951	565,005	544,320	530,976	549,755	561,330	521,882	508,998
Annual FTEs (Credit)	35,471	37,382	38,597	37,667	36,288	35,398	36,650	37,422	34,792	33,933
Annual Credit Head Count (1)	70,294	72,891	74,496	72,904	70,730	70,575	71,467	73,730	70,436	69,425
Annual Non-Credit Head Count (2)	5,437	4,340	3,437	3,253	3,566	4,167	4,871	4,049	8,783	13,089
Fall 10th Day (3)										
Head Count (Credit)	26,901	28,678	29,476	28,627	26,156	26,209	26,722	27,083	25,668	25,768
Head Count (Non-Credit)	1,477	920	598	701	879	877	1,001	736	2,562	2,593
	28,378	29,598	30,074	29,328	27,035	27,086	27,723	27,819	28,230	28,361
Seat Count (Credit)	69,288	74,628	76,699	76,674	70,838	69,881	73,065	73,661	68,636	67,067
Seat Count (Non-Credit)	2,393	1,332	722	719	1,068	1,046	1,175	900	3,516	3,704
FTEs (Credit)	15,133	16,310	16,858	16,565	15,397	15,175	15,902	16,036	14,913	14,601
Credit Students Only Head Count (3)										
Full-Time	9,004	9,811	10,022	9,908	9,628	9,465	10,331	10,591	9,882	9,382
Part-Time	17,897	18,867	19,454	18,719	16,528	16,744	16,391	16,492	15,786	16,386
	26,901	28,678	29,476	28,627	26,156	26,209	26,722	27,083	25,668	25,768
Male	12,530	13,228	13,557	13,063	12,293	11,964	12,390	12,430	11,648	11,518
Female	13,970	15,060	15,501	14,873	13,650	13,516	14,148	14,622	14,020	14,250
Unreported	401	390	418	691	213	729	184	31	-	-
	26,901	28,678	29,476	28,627	26,156	26,209	26,722	27,083	25,668	25,768
American Indian/Alaskan	57	61	65	75	51	70	62	75	74	81
Asian or Pacific Islander	2,973	2,866	3,024	2,832	2,535	2,353	2,503	2,681	2,908	2,871
Black, Non-Hispanic	1,897	2,066	2,224	2,233	2,105	1,869	1,813	1,725	1,655	1,597
Hispanic	6,172	6,225	6,315	5,616	4,654	3,013	2,982	3,179	3,813	3,753
White, Non-Hispanic	14,323	15,460	16,126	16,076	15,227	15,546	16,060	16,260	16,884	17,164
Other/Unknown	1,479	2,000	1,722	1,795	1,584	1,050	723	631	334	302
Unreported	-	-	-	-	-	2,308	2,579	2,532	-	-
	26,901	28,678	29,476	28,627	26,156	26,209	26,722	27,083	25,668	25,768
Prior Education (4)										
Bachelors Degree or Higher	1,949	2,011	2,183	2,184	2,485	2,840	3,231	3,150	3,986	4,150
Some College through Certificate and Associates Degree	4,981	5,371	5,665	5,721	5,693	5,788	5,931	5,936	6,487	6,742
HS/GED	13,832	14,552	14,809	14,826	14,108	13,577	13,416	13,003	14,064	13,808
< HS	805	944	1,106	1,181	1,272	1,504	1,893	3,005	2,403	2,631
Unknown *	6,811	6,720	6,311	5,416	3,477	3,377	3,252	2,725	1,290	1,030
	28,378	29,598	30,074	29,328	27,035	27,086	27,723	27,819	28,230	28,361
Within-Term Retention, Fall ** (5)	N/A	N/A	N/A	N/A	91%	91%	92%	92%	95%	94%

* Starting in FY2014, the College stopped tracking non-credit headcount for prior education. The non-credit headcount is included in the Unknown category.
** Starting in FY2014, the College stopped tracking within-term retention.

Data Source: College records and ICCB Annual Enrollment and Completion submission (A1; submitted to ICCB September 1, 2017)

Notes:
(1) Credit headcount--Fall, Spring, and Summer terms based on tenth day reports.
(2) Non-credit headcount--Fall, Spring, and Summer terms based on tenth day reports.
(3) Data represents the Fall 10th Day Reports.
(4) Total Headcount, Fall 10th Day thru 2012; credit headcount.
(5) Within-Term retention based on percentage of Full-Time Equivalent of credit students at Midterm.

TABLE 19

OPERATING INFORMATION

CAPITAL ASSET STATISTICS LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Acreage - Main Campus	283.92	283.92	283.92	283.92	283.92	283.92	283.92	283.92	283.92	283.92
Total Acreage - Regional Sites	11.53	11.53	11.53	11.53	11.53	11.53	11.53	11.53	11.53	11.53
Gross Square Feet - Owned Main Campus	1,895,159	1,843,141	1,803,427	1,787,159	1,957,565	1,968,255	1,752,621	1,778,642	1,373,929	1,358,343
Gross Square Feet - Owned Off Campus	52,489	55,127	55,127	55,157	55,157	54,661	55,157	55,157	55,157	55,157
Gross Square Feet - Leased On/Off Campus	24,413	18,665	17,065	18,025	27,525	93,389	74,501	64,881	37,363	34,520
Total Number of Buildings - Owned Main Campus (2)	14	13	13	13	17	16	16	13	15	15
Total Number of Buildings - Owned Off Campus	3	3	3	3	3	3	3	3	3	3
Total Number of Buildings - Leased On/Off Campus	2	2	2	2	3	7	8	6	6	6
Total Number of Computer Labs	155	155	155	155	155	154	150	150	150	140
Total Number of Parking Spaces	7,923	7,921	7,885	7,941	8,080	6,142	7,000	6,142	7,000	7,000

Data Source: Research and Analytics Department, College records

Notes:
(1) All figures are as of June 30th each year.
(2) FY2010 - FY2013 figures revised in FY2014 based on campus maps provided by Facilities.

IV. SPECIAL REPORTS

Philosophy

"College of DuPage believes in the power of teaching and learning...is committed to excellence...values diversity...promotes participation in planning and decision making...the needs of our students and communities are central to all we do."

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

Supplemental Financial Information

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COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

The following special reports are required by the Illinois Community College Board (ICCB).

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EXHIBIT 1

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
ALL SUBFUNDS SUMMARY
FOR THE YEAR ENDED JUNE 30, 2017

	Education Purposes	Operations and Maintenance Purposes	Operations and Maintenance Subfunds (Restricted)	Bond Interest Subfund	Auxiliary Enterprises Subfunds	Restricted Purposes Subfunds	Working Cash Subfund	GASB 34-35 Adjustments	Total
Net Position July 1, 2016	$ 166,679,787	$ 30,604,327	$ 21,209,213	$ 14,406,755	$ 9,927,951	$ 24,870	$ 8,403,883	$ 229,268,282	$ 480,525,068
Revenues									
Local tax revenue	69,798,703	11,522,721	-	25,910,761	-	-	-	-	107,232,185
CPPRT	1,679,128	-	-	-	-	-	-	-	1,679,128
All other local revenue	115,129	-	-	-	-	-	-	-	115,129
ICCB grants	15,371,450	-	-	-	-	77,853	-	-	15,449,303
All other state revenue	-	101,940	-	-	-	68,708,168	-	-	68,810,108
Federal revenue	-	-	-	916,781	-	25,412,165	-	-	26,328,946
Student tuition and fees	72,062,865	2,488,195	1,161,573	7,061,120	5,631,866	89,030	-	(27,316,496)	61,178,153
All other revenue	2,375,304	210,094	128,812	117,805	4,981,007	173,086	51,269	188,791	8,226,168
Total Revenues	161,402,579	14,322,950	1,290,385	34,006,467	10,612,873	94,460,302	51,269	(27,127,705)	289,019,120
Expenditures									
Instruction	73,265,419	-	-	-	-	39,532,229	-	(208,709)	112,588,939
Academic support	8,520,469	-	-	-	-	3,526,471	-	75,261	12,122,201
Student services	14,811,124	-	-	-	-	6,315,967	-	(36,680)	21,090,411
Public service	1,496,603	-	-	-	-	1,208,376	-	(4,024)	2,700,955
Auxiliary services	201	-	-	-	7,722,102	2,287,889	-	1,356,205	11,366,397
Operations and maintenance	5,975,990	9,361,836	-	-	-	4,316,675	-	(14,988)	19,639,513
General administration	12,516,020	-	-	-	651,956	4,894,549	-	(660,295)	17,402,230
General institutional	18,808,398	2,269,410	1,563,206	34,264,930	698,637	5,796,413	-	2,931,861	66,332,855
Scholarship expense	9,021,562	-	-	-	-	27,354,429	-	(27,260,436)	9,115,555
Total Expenditures	144,415,786	11,631,246	1,563,206	34,264,930	9,072,695	95,232,998	-	(23,821,805)	272,359,056
Net Transfers	(1,177,742)	769,105	-	-	(431,683)	840,320	-	-	-
Net Position June 30, 2017	$ 182,488,838	$ 34,065,136	$ 20,936,392	$ 14,148,292	$ 11,036,446	$ 92,494	$ 8,455,152	$ 225,962,382	$ 497,185,132

Notes:

1. Revenues and expenditures in the Restricted Purposes Subfund include State on-behalf contributions to SURS of $63,395,936

2. The Audit and Liability Protection & Settlement Subfunds have been excluded from this exhibit. The activity for these subfunds were consolidated into the Education Purposes Subfund in FY2011.

3. Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College recognized these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. For ICCB purposes, however, these amounts are recorded in FY2017. See Note 12 for more information.

EXHIBIT 2

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
SUMMARY OF CAPITAL ASSETS AND LONG-TERM DEBT
FOR THE YEAR ENDED JUNE 30, 2017

	Capital Assets/ Long-Term Debt July 1, 2016	Additions	Deletions	Transfers	Capital Assets/ Long-Term Debt June 30, 2017
Capital Assets					
Cost					
Land	$ 4,786,881	$ -	$ -	$ -	$ 4,786,881
Land Improvements	89,893,544	-	-	249,626	90,143,170
Buildings	277,262,447	-	-	-	277,262,447
Building Improvements	290,263,020	-	-	115,296	290,378,316
Equipment	53,718,047	2,737,131	1,064,711	-	55,390,467
Art Collection	687,966	146,200	-	-	834,166
Construction in Progress	71,718	1,563,207	-	(364,922)	1,270,003
Total Cost	716,683,623	4,446,538	1,064,711	-	720,065,450
Accumulated Depreciation					
Land Improvements	(31,256,508)	(7,276,056)	-	-	(38,532,564)
Buildings	(67,546,803)	(5,562,058)	-	-	(73,108,861)
Building Improvements	(67,874,165)	(14,127,488)	-	-	(82,001,653)
Equipment	(36,463,883)	(4,994,417)	(1,053,777)	-	(40,404,523)
Total Accumulated Depreciation	(203,141,359)	(31,960,019)	(1,053,777)	-	(234,047,601)
Net Capital Assets	$ 513,542,264	$ (27,513,481)	$ 10,934	$ -	$ 486,017,849
Long-Term Debt					
Bonds Payable	$ 279,612,935	$ -	$ 23,939,506	$ -	$ 255,673,429
Other Long-Term Liabilities	2,687,169	3,098,644	3,284,050	-	2,501,763
Total Long-Term Debt	$ 282,300,104	$ 3,098,644	$ 27,223,556	$ -	$ 258,175,192

EXHIBIT 3

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
OPERATING SUBFUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017

(Page 1 of 2)

	Education Purposes	Operations and Maintenance Purposes	Total
Operating Revenues By Source			
Local government			
Local taxes	$ 69,798,703	$ 11,522,721	$ 81,321,424
Chargeback revenue	115,129	-	115,129
Corporate personal property replacement tax	1,679,128	-	1,679,128
Total local government	71,592,960	11,522,721	83,115,681
State government			
Illinois Community College Board	12,922,689	-	12,922,689
ICCB-Career and Technical Education	2,448,761	-	2,448,761
Other State Grants	-	101,940	101,940
Total state government:	15,371,450	101,940	15,473,390
Federal government			
Other	-	-	-
Total federal government	-	-	-
Student tuition and fees			
Tuition	66,645,515	2,488,195	69,133,710
Fees	5,417,350	-	5,417,350
Total student tuition and fees	72,062,865	2,488,195	74,551,060
Other Sources			
Facilities Revenue	-	-	-
Investment revenue	1,044,747	194,574	1,239,321
Other	1,330,557	15,520	1,346,077
Transfers from non-operating subfunds	-	769,105	769,105
Total other sources	2,375,304	979,199	3,354,503
Total Revenue and Transfers	161,402,579	15,092,055	176,494,634
Less: non-operating items			
Chargeback revenue	(115,129)	-	(115,129)
Transfers from non-operating subfunds	-	(769,105)	(769,105)
Adjusted Revenue	$ 161,287,450	$ 14,322,950	$ 175,610,400

Notes:

1. Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College recognized these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. For ICCB purposes, however, these amounts are recorded in FY2017. See Note 12 for more information.

EXHIBIT 3

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
OPERATING SUBFUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017
(CONTINUED)

(Page 2 of 2)

	Education Purposes	Operations and Maintenance Purposes	Total
Operating Expenditures By Program			
Instruction	$ 73,265,419	$ -	$ 73,265,419
Academic support	8,520,469	-	8,520,469
Student services	14,811,124	-	14,811,124
Public service	1,496,603	-	1,496,603
Operations and maintenance of plant	5,975,990	9,361,836	15,337,826
General administration	12,516,221	-	12,516,221
General institutional	18,808,398	2,269,410	21,077,808
Scholarships, student grants, and waivers	9,021,562	-	9,021,562
Transfers	1,177,742	-	1,177,742
Total Operating Expenditures and Transfers By Program	145,593,528	11,631,246	157,224,774
Less non-operating items			
Tuition chargeback	(40,667)	-	(40,667)
Transfers to non-operating subfunds	(1,177,742)	-	(1,177,742)
Adjusted Expenditures and Transfers	$ 144,375,119	$ 11,631,246	$ 156,006,365
By Object			
Salaries	$ 100,773,239	$ 3,146,405	$ 103,919,644
Employee benefits	15,614,115	632,634	16,246,749
Contractual services	6,508,167	1,691,947	8,200,114
General materials and supplies	7,516,629	426,229	7,942,858
*Library materials**	*918,667*	-	*918,667*
Conference and meeting	1,130,710	2,337	1,133,047
Fixed charges	1,502,018	637,173	2,139,191
Utilities	150,501	4,217,228	4,367,729
Capital outlay	1,917,958	871,782	2,789,740
Other	9,302,449	5,511	9,307,960
*Student grants and scholarships**	*9,021,562*	-	*9,021,562*
Transfers	1,177,742	-	1,177,742
Total Expenditures and Transfers	145,593,528	11,631,246	157,224,774
Less non-operating items			
Tuition chargeback	(40,667)	-	(40,667)
Transfers to non-operating subfunds	(1,177,742)	-	(1,177,742)
Adjusted Expenditures and Transfers	$ 144,375,119	$ 11,631,246	$ 156,006,365

* Per ICCB reporting requirements, Library Materials and Student Grants and Scholarships of $918,667 and $9,021,562, respectively, are included in this exhibit as memo only figures and are not added into the total expenditures amount.

EXHIBIT 4

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
RESTRICTED PURPOSES SUBFUND REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017

(Page 1 of 2)

Revenue By Source	
State government	
ICCB - State Adult Education and Family Literacy Restricted Funds	$ 1,434,260
ICCB - Career and Technical Education - Program Improvement Grant	77,853
ISAC	3,294,718
Financial aid	442,549
Other grants	63,536,641
Total state government	68,786,021
Federal government	
Department of Education	
College Work Study Grants	249,519
Pell Grants	21,004,957
Supplemental Educational Opportunity Grants	419,121
Perkins Grants	1,225,791
Adult Education	799,480
English Literacy and Civics	48,555
Department of Labor	149,442
Other	1,515,300
Total Federal government	25,412,165
Other sources	
Tuition and fees	89,030
Other	173,086
Total other sources	262,116
Transfers - Net	840,320
Total Restricted Purposes Fund Revenues	$ 95,300,622

Notes:

1. Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College recognized these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. For ICCB purposes, however, these amounts are recorded in FY2017. See Note 12 for more information.

EXHIBIT 4

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
RESTRICTED PURPOSES SUBFUND REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017
(CONTINUED)

(Page 2 of 2)

Expenditures By Program	
Instruction	$ 39,532,229
Academic support	3,526,471
Student services	6,315,967
Public service	1,208,376
Operations and maintenance	4,316,675
General administration	7,182,438
General institutional	5,796,413
Scholarships, student grants, and waivers	27,354,429
Total Expenditures By Program	$ 95,232,998
Expenditures By Object	
Salaries	$ 2,736,500
Employee benefits	63,755,984
Contractual services	250,501
General materials and supplies	444,275
Conference and meeting	154,315
Fixed charges	-
Capital outlay	365,791
Scholarships, student grants, and waivers	27,354,429
Other	171,203
Total Expenditures By Object	$ 95,232,998

Notes:

1. Revenues and expenditures in the Restricted Purposes Subfund include state on-behalf contributions to SURS of $63,395,936.

EXHIBIT 5

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
CURRENT SUBFUNDS* EXPENDITURES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017

Instruction	
Instructional programs	$ 112,797,648
Total instruction	112,797,648
Public Service	2,705,180
Academic Support	
Library	4,987,287
Other academic support	7,059,653
Total academic support	12,046,940
Student Services Support	
Admissions and records	2,114,533
Counseling and career services	3,727,982
Financial aid administration	1,554,410
Other student services support	13,730,166
Total student services support	21,127,091
Operations and Maintenance of Plant	
O M administration	989,314
Custodial services	3,351,720
Building maintenance	3,585,434
Grounds maintenance	960,988
Plant utilities	4,278,832
Security	2,083,920
Transportation	87,618
Other O M	4,316,675
Total operations and maintenance of plant	19,654,501
General Administration	
Executive office	880,734
Business office	4,694,676
General administrative services	1,778,000
Community relations	1,679,656
Other general administration	9,029,459
Total general administration	18,062,525
Institutional Support	
Board of trustees	52,634
General institutional support	15,107,730
Data processing	12,412,494
Total institutional support	27,572,858
Scholarships, Student Grants And Waivers	36,375,991
Auxiliary Services	10,009,991
Total Current Funds Expenditures	$ 260,352,725

Notes:

* Current Subfunds include the Education; Operation and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection and Settlement subfunds.

2. Revenues and expenditures in the Restricted Purposes Subfund include state on-behalf contributions to SURS of $63,395,936.

3. Subsequent to year-end, on July 6, 2017, the State of Illinois General Assembly passed Public Act 100-0021, authorizing several appropriations for costs incurred through June 30, 2017. The College recognized these amounts as revenues in its fiscal year 2018 due to the fact that the appropriations did not exist at the date of these financial statements. For ICCB purposes, however, these amounts are recorded in FY2017. See Note 12 for more information.

EXHIBIT 6

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
CERTIFICATION OF CHARGEBACK REIMBURSEMENT
FOR THE YEAR ENDED JUNE 30, 2017

All non-capital audited operating expenditures from the following funds		
Education fund		$ 142,497,828
Operations and maintenance fund		10,759,464
Bond and interest fund		-
Restricted purpose funds		31,471,271
Audit fund		-
Liability, protection and settlement fund		-
Total non-capital expenditures		184,728,563
Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid from sources other than state and federal funds)		31,959,911
Total costs included		$ 216,688,474
Total certified semester credit hours		460,250
Per capita cost		$ 470.81
All fiscal year 2017 state and federal operating grants for non-capital expenditures except ICCB grants	$ 28,221,375	
Fiscal year 2017 state and federal operating grants per semester credit hour		$ 61.32
District's average ICCB grant rate for fiscal year 2018		$ 27.11
District's student tuition and fee rate per semester credit hour for fiscal year 2018		$ 135.00
Chargeback reimbursement per semester credit hour		$ 247.38

Approved: Brian W. Caputo 9/29/17
Chief Fiscal Officer Date

Approved: Ann E. Rondeau 9/29/17
Chief Executive Officer Date

See Accompanying Independent Auditor's Report.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2017

Other Supplemental Financial Information

EXHIBIT A

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN SUBFUND BALANCES ALL SUBFUNDS AND ACCOUNT GROUPS
FOR THE YEAR ENDED JUNE 30, 2017

	Education Subfund	O & M Subfund	Capital Projects Subfund	Bond & Interest Subfund	Auxiliary Enterprises Subfund	Restricted Purposes Subfund
Revenues						
Local government sources:						
Real estate taxes	$ 69,798,703	$ 11,522,721	$ -	$ 25,910,761	$ -	$ -
Corporate personal property replacement tax	1,679,128	-	-	-	-	-
Chargeback revenue	115,129	-	-	-	-	-
Total Local government sources	71,592,960	11,522,721	-	25,910,761	-	-
State government sources:						
ICCB base operating grant	5,375,886	-	-	-	-	-
ICCB Career and Technical Education grant	1,122,521	-	-	-	-	77,853
Other grants	-	101,940	-	-	-	64,949,521
Total state government sources	6,498,407	101,940	-	-	-	65,027,374
Federal government sources	-	-	-	916,781	-	25,412,165
Student tuition and fees	72,062,865	2,488,195	1,161,573	7,061,120	5,631,866	89,030
Sales and service fees	623,564	-	-	-	3,209,408	-
Interest on investments	1,044,747	194,574	128,812	117,805	69,625	-
Other revenue						
Rentals	243,649	-	-	-	414,297	-
Non government gifts and grants	9,671	-	-	-	1,119,675	173,086
Indirect cost recoveries	-	-	-	-	-	-
Other	417,857	15,520	-	-	168,002	-
Total other revenue	671,177	15,520	-	-	1,701,974	173,086
Total revenues	152,493,720	14,322,950	1,290,385	34,006,467	10,612,873	90,701,655
Expenses						
Current:						
Instruction	73,265,419	-	-	-	-	39,532,229
Academic support	8,520,469	-	-	-	-	3,526,471
Student services	14,811,124	-	-	-	-	6,315,967
Public service	1,496,603	-	-	-	-	1,208,376
Independent operations	-	-	-	-	648,650	-
Operation and maintenance of plant	5,975,990	9,361,836	-	-	-	4,316,675
General administration	12,516,020	-	-	-	3,306	4,894,549
General institutional	18,808,399	2,269,410	1,563,206	2,050	698,637	5,796,413
Auxiliary enterprises	201	-	-	-	7,722,102	2,287,889
Scholarships, student grants & waivers	9,021,562	-	-	-	-	25,093,772
Depreciation expense	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	21,710,000	-	-
Interest	-	-	-	12,552,880	-	-
Total expenses	144,415,787	11,631,246	1,563,206	34,264,930	9,072,695	92,972,341
Excess (deficiency) of revenues over expenses	8,077,933	2,691,704	(272,821)	(258,463)	1,540,178	(2,270,686)
Other financing sources (uses)						
Gain (loss) on disposal of fixed assets	35,817	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Transfers in	-	769,105	-	-	337,422	840,320
Transfers out	(1,177,742)	-	-	-	(769,105)	-
Total other financing sources (uses):	(1,141,925)	769,105	-	-	(431,683)	840,320
Net change in fund balances	6,936,008	3,460,809	(272,821)	(258,463)	1,108,495	(1,430,366)
Fund Balances at Beginning of Year	166,679,787	30,604,327	21,209,213	14,406,755	9,927,951	24,870
Fund Balances at End of Year	$ 173,615,795	$ 34,065,136	$ 20,936,392	$ 14,148,292	$ 11,036,446	$ (1,405,496)
Fund Balance Restricted for:						
Future pension obligations	$ 17,000,000	$ -	$ -	$ -	$ -	$ -
Information technology plan	5,000,000	-	-	-	-	-
Capital Development Board 25% match	6,250,000	-	-	-	-	-
Retiree OPEB liability	14,000,000	-	-	-	-	-
New Teaching and Learning Center	33,000,000	-	-	-	-	-
Funded depreciation	16,000,000	-	-	-	-	-
Total Restricted Fund Balance	91,250,000	-	-	-	-	-
Unrestricted	82,365,795	34,065,136	20,936,392	14,148,292	11,036,446	(1,405,496)
Total Fund Balance	$ 173,615,795	$ 34,065,136	$ 20,936,392	$ 14,148,292	$ 11,036,446	$ (1,405,496)

1. Revenues and expenses in the Restricted Purposes Subfund include state on-behalf contributions to SURS of $63,395,936

	Permanent Subfund Working Cash	Capital Assets Account Group	Long-term Debt Account Group	Agency Subfund	Totals	Adjustments for GAAP	GAAP Totals
Revenues							
Local government sources:							
Real estate taxes	$ -	$ -	$ -	$ -	$ 107,232,185	$ -	$ 107,232,185
Corporate personal property replacement tax	-	-	-	-	1,679,128	-	1,679,128
Chargeback revenue	-	-	-	-	115,129	-	115,129
Total Local government sources	-	-	-	-	109,026,442	-	109,026,442
State government sources:							
ICCB base operating grant	-	-	-	-	5,375,886	-	5,375,886
ICCB Career and Technical Education grant	-	-	-	-	1,200,374	-	1,200,374
Other grants	-	-	-	-	65,051,461	-	65,051,461
Total state government sources	-	-	-	-	71,627,721	-	71,627,721
Federal government sources	-	-	-	-	26,328,946	-	26,328,946
Student tuition and fees	-	-	-	-	88,494,649	(27,316,496)	61,178,153
Sales and service fees	-	-	-	-	3,832,972	(19,807)	3,813,165
Interest on investments	51,269	-	-	-	1,606,832	-	1,606,832
Other revenue							
Rentals	-	-	-	-	657,946	(23,911)	634,035
Non government gifts and grants	-	-	-	-	1,302,432	-	1,302,432
Indirect cost recoveries	-	-	-	-	-	-	-
Other	-	-	-	-	601,379	-	601,379
Total other revenue	-	-	-	-	2,561,757	(23,911)	2,537,846
Total revenues	51,269	-	-	-	303,479,319	(27,360,214)	276,119,105
Expenses							
Current:							
Instruction	-	-	(147,759)	-	112,649,889	(60,950)	112,588,939
Academic support	-	-	76,669	-	12,123,609	(1,408)	12,122,201
Student services	-	-	42,396	-	21,169,487	(79,076)	21,090,411
Public service	-	-	9,598	-	2,714,577	(13,622)	2,700,955
Independent operations	-	-	(2,319)	-	646,331	-	646,331
Operation and maintenance of plant	-	-	(14,988)	-	19,639,513	-	19,639,513
General administration	-	-	(3,415)	-	17,410,460	(654,561)	16,755,899
General institutional	-	(4,181,966)	(66,698)	-	24,889,451	(701,530)	24,187,921
Auxiliary enterprises	-	-	7,320	-	10,017,512	1,348,885	11,366,397
Scholarships, student grants & waivers	-	-	-	-	34,115,334	(27,260,436)	6,854,898
Depreciation expense	-	31,959,911	-	-	31,959,911	-	31,959,911
Debt service:							
Principal retirement	-	-	(21,710,000)	-	-	-	-
Interest	-	-	(2,346,835)	-	10,206,045	-	10,206,045
Total expenses	-	27,777,945	(24,156,031)	-	297,542,119	(27,422,698)	270,119,421
Excess (deficiency) of revenues over expenses	51,269	(27,777,945)	24,156,031	-	5,937,200	62,484	5,999,684
Other financing sources (uses)							
Gain (loss) on disposal of fixed assets	-	21,022	-	-	56,839	-	56,839
Capital Contributions	-	232,508	-	-	232,508	-	232,508
Transfers in	-	-	-	-	1,946,847	-	1,946,847
Transfers out	-	-	-	-	(1,946,847)	-	(1,946,847)
Total other financing sources (uses):	-	253,530	-	-	289,347	-	289,347
Net change in fund balances	51,269	(27,524,415)	24,156,031	-	6,226,547	62,484	6,289,031
Fund Balances at Beginning of Year	8,403,883	513,542,264	(284,333,083)	-	480,465,967	59,101	480,525,068
Fund Balances at End of Year	$ 8,455,152	$ 486,017,849	$ (260,177,052)	$ -	$ 486,692,514	$ 121,585	$ 486,814,099
Fund Balance Restricted for:							
Future pension obligations	$ -	$ -	$ -	$ -	$ 17,000,000	$ -	$ 17,000,000
Information technology plan	-	-	-	-	5,000,000	-	5,000,000
Capital Development Board 25% match	-	-	-	-	6,250,000	-	6,250,000
Retiree OPEB liability	-	-	-	-	14,000,000	-	14,000,000
New Teaching and Learning Center	-	-	-	-	33,000,000	-	33,000,000
Funded depreciation	-	-	-	-	16,000,000	-	16,000,000
Total Restricted Fund Balance	-	-	-	-	91,250,000	-	91,250,000
Unrestricted	8,455,152	486,017,849	(260,177,052)	-	395,442,514	121,585	395,564,099
Total Fund Balance	$ 8,455,152	$ 486,017,849	$ (260,177,052)	$ -	$ 486,692,514	$ 121,585	$ 486,814,099

EXHIBIT B

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
SCHEDULE OF AUXILIARY SUBFUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Subfund Balance July 1, 2016	Revenues	Expenditures	Intrafund Transfers In (Out)	Operating Transfers In (Out)	Subfund Balance June 30, 2017
General Auxiliary:						
Bookstore	$ 4,491,765	$ 1,215,419	$ 19,286	-	$ (696,121)	$ 4,991,777
Dining Services	899,196	235,497	122,987	-	(72,984)	938,722
Campus and Events Scheduling	(5,796)	-	871	-	-	(6,667)
Total General Auxiliary	5,385,165	1,450,916	143,144	-	(769,105)	5,923,832
Student Activities:	221,851	100,604	78,967	-	-	243,488
Specialized Accounts:						
Chaparral Fitness	215,740	365,738	317,157	-	-	264,321
Continuing Education	1,009,687	4,240,573	4,447,502	-	-	802,758
Field Exp. Learning	12,349	1,129,583	1,096,636	-	-	45,296
The Art Center	(750,285)	2,071,655	2,245,914	-	337,422	(587,122)
WDCB Fundraising	2,499,422	1,144,518	698,637	-	-	2,945,303
Miscellaneous	1,334,022	109,286	44,738	-	-	1,398,570
Total Specialized Accounts	4,320,935	9,061,353	8,850,584	-	337,422	4,869,126
Total Auxiliary Enterprises Subfund	$ 9,927,951	$ 10,612,873	$ 9,072,695	$ -	$ (431,683)	$ 11,036,446

Note:

Other costs such as depreciation and general administration have not been allocated to the auxiliary units.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017

History of Assessed Valuation of District

Assessment Year	DuPage County	Cook County	Will County	Total
2016	$ 34,980,981,549	$ 3,027,393,289	$ 2,496,014,228	$ 40,504,389,066
2015	32,769,352,267	2,888,194,626	2,360,738,851	38,018,285,744
2014	31,405,750,165	2,969,341,483	2,264,520,392	36,639,612,040

Source: District records. Assessed value is equal to one-third of estimated actual value.

District Funds and Levy Limits
Levy Rates (per $100 of equalized assessed valuation):

	Max. Auth.	2016	2015	2014
Education	$ 0.7500	$ 0.1735	$ 0.1812	$ 0.1958
Operations & Maintenance	0.1000	0.0287	0.0299	0.0322
Liability, Protection and Settlement	None	None	None	None
Social Security/Medicare	None	None	None	None
Audit	0.0050	None	None	None
Bond and Interest	None	0.0639	0.0675	0.0695
Other	None	None	None	None
Total		$ 0.2661	$ 0.2786	$ 0.2975

Source: District records.

Total Tax Levy by Fund

	2016	2015	2014
Education	$ 70,109,864	$ 69,310,624	$ 72,063,274
Operations & Maintenance	11,587,487	11,431,076	11,842,205
Bond and Interest	25,879,465	25,861,679	25,650,721
Total	$ 107,576,816	$ 106,603,379	$ 109,556,200

Source: District records.

The following chart shows the total tax levies and collections of the District for the past ten years, current as of June 30, 2017.

District Property Tax Levies and Collections

Year of Levy	Tax Collection Year	Total Tax Levy *	Tax Collections	Percent of Levy Collected
2016	2017	$ 107,576,816	$ 54,618,067	50.77%
2015	2016	106,603,379	106,530,997	99.93%
2014	2015	109,556,200	109,081,574	99.57%
2013	2014	109,567,598	109,075,609	99.55%
2012	2013	104,007,287	103,131,770	99.16%
2011	2012	104,753,164	104,235,463	99.51%
2010	2011	105,572,929	104,969,616	99.43%
2009	2010	101,210,205	100,695,241	99.49%
2008	2009	89,022,240	88,683,983	99.62%
2007	2008	85,075,829	84,330,860	99.12%

* Total tax levy amounts represent the total final extensions for DuPage, Cook and Will Counties.

Source: District records.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017
(Continued)

Schedule of Debt Maturities
For the Year Ended June 30, 2017

			Amounts Due During Year			End of Year Unpaid
Fiscal Year	**Bond Series**	Interest Rate	Principal	Interest	Total	Principal Balance
2017	**2006**	4.000%	$ 1,770,000	$ 287,810	$ 2,057,810	$ 5,735,000
2018	**2006**	3.750%	1,840,000	217,010	2,057,010	3,895,000
2019	**2006**	3.800%	1,910,000	148,010	2,058,010	1,985,000
2020	**2006**	3.800%	1,985,000	75,430	2,060,430	-
	Totals		$ 7,505,000	$ 728,260	$ 8,233,260	

Interest is due January 1 and July 1; principal is due January 1

Schedule of Debt Maturities
For the Year Ended June 30, 2017

			Amounts Due During Year			End of Year Unpaid
Fiscal Year	**Bond Series**	Interest Rate	Principal	Interest	Total	Principal Balance
2017	**2007**	5.000%	$ 6,410,000	$ 2,469,925	$ 8,879,925	$ 45,150,000
2018	**2007**	5.000%	12,775,000	2,173,321	14,948,321	32,375,000
2019	**2007**	5.000%	7,515,000	1,247,821	8,762,821	24,860,000
2020	**2007**	5.000%	7,895,000	1,134,925	9,029,925	16,965,000
2021	**2007**	5.000%	2,555,000	740,175	3,295,175	14,410,000
2022	**2007**	4.250%	8,700,000	612,425	9,312,425	5,710,000
2023	**2007**	4.250%	5,710,000	242,675	5,952,675	-
	Totals		$ 51,560,000	$ 8,621,267	$ 60,181,267	

Interest is due December 1 and June 1; principal is due June 1

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017
(Continued)

Schedule of Debt Maturities
For the Year Ended June 30, 2017

Fiscal Year	Bond Series	Interest Rate	Amounts Due During Year Principal	Interest	Total	End of Year Unpaid Principal Balance
2017	**2009B**	4.375%	$ 3,525,000	$ 2,890,615	$ 6,415,615	$ 52,140,000
2018	**2009B**	4.625%	3,625,000	2,736,396	6,361,396	48,515,000
2019	**2009B**	4.875%	3,730,000	2,568,740	6,298,740	44,785,000
2020	**2009B**	4.625%	3,850,000	2,386,903	6,236,903	40,935,000
2021	**2009B**	5.000%	3,965,000	2,208,840	6,173,840	36,970,000
2022	**2009B**	5.100%	4,095,000	2,010,590	6,105,590	32,875,000
2023	**2009B**	5.250%	4,230,000	1,801,745	6,031,745	28,645,000
2024	**2009B**	5.350%	4,370,000	1,579,670	5,949,670	24,275,000
2025	**2009B**	5.450%	4,525,000	1,345,875	5,870,875	19,750,000
2026	**2009B**	5.500%	4,680,000	1,099,263	5,779,263	15,070,000
2027	**2009B**	5.500%	4,845,000	841,863	5,686,863	10,225,000
2028	**2009B**	5.500%	5,020,000	575,388	5,595,388	5,205,000
2029	**2009B**	5.750%	5,205,000	299,288	5,504,288	-
	Totals		$ 55,665,000	$ 22,345,176	$ 78,010,176	

Interest is due January 1 and July 1; principal is due January 1

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017
(Continued)

Schedule of Debt Maturities
For the Year Ended June 30, 2017

Fiscal Year	Bond Series	Interest Rate	Amounts Due During Year Principal	Interest	Total	End of Year Unpaid Principal Balance
2017	**2011A**	4.0-5.0%	$ 6,255,000	$ 3,009,400	$ 9,264,400	$ 54,150,000
2018	**2011A**	5.000%	5,025,000	2,715,800	7,740,800	49,125,000
2019	**2011A**	5.000%	3,935,000	2,464,550	6,399,550	45,190,000
2020	**2011A**	5.000%	2,915,000	2,267,800	5,182,800	42,275,000
2021	**2011A**	5.000%	1,840,000	2,122,050	3,962,050	40,435,000
2022	**2011A**	4.0-5.0%	725,000	2,030,050	2,755,050	39,710,000
2023	**2011A**	5.000%	2,905,000	1,994,800	4,899,800	36,805,000
2024	**2011A**	5.000%	7,785,000	1,849,550	9,634,550	29,020,000
2025	**2011A**	5.250%	6,960,000	1,460,300	8,420,300	22,060,000
2026	**2011A**	5.000%	6,110,000	1,094,900	7,204,900	15,950,000
2027	**2011A**	5.000%	5,200,000	789,400	5,989,400	10,750,000
2028	**2011A**	5.000%	4,245,000	529,400	4,774,400	6,505,000
2029	**2011A**	5.000%	3,240,000	317,150	3,557,150	3,265,000
2030	**2011A**	5.000%	2,185,000	155,150	2,340,150	1,080,000
2031	**2011A**	4.250%	1,080,000	45,900	1,125,900	-
	Totals		$ 60,405,000	$ 22,846,200	$ 83,251,200	

Interest is due December 1 and June 1; principal is due June 1

Schedule of Debt Maturities
For the Year Ended June 30, 2017

Fiscal Year	Bond Series	Interest Rate	Amounts Due During Year Principal	Interest	Total	End of Year Unpaid Principal Balance
2017	**2011B**	-	$ -	$ 286,200	$ 286,200	$ 6,345,000
2018	**2011B**	-	-	286,200	286,200	6,345,000
2019	**2011B**	-	-	286,200	286,200	6,345,000
2020	**2011B**	-	-	286,200	286,200	6,345,000
2021	**2011B**	4.000%	2,025,000	286,200	2,311,200	4,320,000
2022	**2011B**	4.750%	2,110,000	205,200	2,315,200	2,210,000
2023	**2011B**	4.750%	2,210,000	104,975	2,314,975	-
	Totals		$ 6,345,000	$ 1,741,175	$ 8,086,175	

Interest is due January 1 and July 1; principal is due January 1

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017
(Continued)

Schedule of Debt Maturities
For the Year Ended June 30, 2017

Fiscal Year	**Bond Series**	Interest Rate	Amounts Due During Year Principal	Interest	Total	End of Year Unpaid Principal Balance
2017	**2013A**	4.000%	$ 3,750,000	$ 3,608,930	$ 7,358,930	$ 77,455,000
2018	**2013A**	5.000%	5,115,000	3,458,930	8,573,930	72,340,000
2019	**2013A**	4.000%	4,180,000	3,203,180	7,383,180	68,160,000
2020	**2013A**	5.000%	4,350,000	3,035,980	7,385,980	63,810,000
2021	**2013A**	5.000%	4,565,000	2,818,480	7,383,480	59,245,000
2022	**2013A**	2.2-5.0%	4,795,000	2,590,230	7,385,230	54,450,000
2023	**2013A**	2.5-5.0%	4,995,000	2,388,980	7,383,980	49,455,000
2024	**2013A**	5.000%	5,240,000	2,146,730	7,386,730	44,215,000
2025	**2013A**	5.000%	5,500,000	1,884,730	7,384,730	38,715,000
2026	**2013A**	5.000%	5,775,000	1,609,730	7,384,730	32,940,000
2027	**2013A**	5.000%	6,065,000	1,320,980	7,385,980	26,875,000
2028	**2013A**	3.150%	6,370,000	1,017,730	7,387,730	20,505,000
2029	**2013A**	4.000%	6,570,000	817,075	7,387,075	13,935,000
2030	**2013A**	4.000%	6,830,000	554,275	7,384,275	7,105,000
2031	**2013A**	3.375-4.0%	7,105,000	281,075	7,386,075	-
	Totals		$ 81,205,000	$ 30,737,035	$ 111,942,035	

Interest is due December 1 and June 1; principal is due June 1

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
JUNE 30, 2017
(Continued)

Schedule of Legal Debt Margin
For the Year Ended June 30, 2017

Estimated Full Value of Taxable Property	$ 121,513,167,198
Equalized Assessed Valuation of Taxable Property	$ 40,504,389,066
Debt Limit (2.875% of EAV)	$ 1,164,501,186
General Obligation Bonded Debt (including Alternative Revenue Bonds):	$ 240,975,000
Percentage to Full Value of Taxable Property:	0.20%
Percentage to Equalized Assessed Valuation:	0.59%
Net Debt Applicable to Debt Limit (1)	$ 162,606,708
Percentage of Debt Limit (2.875% of EAV): (1)	13.96%
Legal Debt Margin	$ 1,001,894,478

(1) Does not include Alternative Revenue Bonds, which do not count against the legal debt limitation of the District unless taxes are extended to pay debt service thereon.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

BACKGROUND INFORMATION ON STATE GRANT ACTIVITY AND SCHEDULE OF ENROLLMENT DATA
JUNE 30, 2017

The following audit reports are required by the Illinois Community College Board.

Unrestricted Grants

Base Operating Grants – General operating funds provided to colleges based upon credit enrollment.

Restricted Grants/Special Initiatives

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

Restricted Adult Education Grants/State

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

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

Schedule of Enrollment Data and Other Bases upon Which Claims Are Filed

Credit hour grants are to be received for courses for each semester credit hour or equivalent for students who were certified as being in attendance at midterm during each semester of the fiscal year. There are no special restrictions on the use of these funds. The Schedule of Enrollment Data and Other Bases on Which Claims Are Filed provide the information on which such grants are based.

CliftonLarsonAllen LLP
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Independent Auditors' Report on the Adult Education and Family Literacy and Career and Technical Education Restricted Fund Grants

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

Report on the Financial Statements

We have audited the accompanying combining financial statements of the College of DuPage, Community College District Number 502 (the District) State Adult Education and Family Literacy Restricted Fund Grants and the financial statements of the District's Career and Technical Education – Program Improvement Grant (collectively the Grant Programs) which comprise the balance sheets as of June 30, 2017, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the grant policy guidelines of the Illinois Community College Board's Fiscal Management Manual. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College of DuPage, Community College District Number 502 State Adult Education and Family Literacy Restricted Fund Grants and the District's Career and Technical Education – Program Improvement Grant as of June 30, 2017, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The financial statements of the Grant Programs are intended to present the financial position and changes in financial position of only that portion of the business-type activities of the District that is attributable to the Grant Programs. These financial statements do not purport to, and do not, present fairly the statement of net position of the District as of June 30, 2017, or the revenues, expenses, and changes in net position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grant Programs' financial statements. The ICCB Compliance Statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
October 2, 2017

CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Independent Auditors' Report on Compliance

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the College of DuPage, Community College District Number 502 (the District) Adult Education and Family Literacy Restricted Fund Grants and the financial statements of the District's Career and Technical Education – Program Improvement Grant (collectively the Grant Programs) which comprise the balance sheets as of June 30, 2017, and the related statements of revenues, expenditures, and changes in net position for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated October 2, 2017.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the terms or conditions of the grant policy guidelines of the Illinois Community College Board's Fiscal Management Manual, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced terms or conditions of the grant policy guidelines of the Illinois Community College Board's Fiscal Management Manual, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the board of trustees and management of the District and the Illinois Community College Board and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
October 2, 2017

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SCHEDULE 1

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS
COMBINING BALANCE SHEET
JUNE 30, 2017

ASSETS

	State Basic	Performance	Total
Accounts Receivable	$ 1,005,890	$ 428,370	$ 1,434,260
Total assets			$ 1,434,260

LIABILITIES AND FUND BALANCE

	State Basic	Performance	Total
Liabilities			
Accrued payroll	$ 2,152	$ 14,624	$ 16,776
Cash overdraft	1,003,738	413,746	1,417,484
Total liabilities	$ 1,005,890	$ 428,370	1,434,260
Fund balance			-
Total liabilities and fund balance			$ 1,434,260

See Notes to the Financial Statements.

SCHEDULE 2

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

	State Basic	Performance	Total
Revenue			
State grant revenues	$ 1,005,890	$ 428,370	$ 1,434,260
Expenditures by program			
Instruction	944,208	36,978	981,186
Guidance services	-	35,499	35,499
Assessment and testing	36,558	69,449	106,007
Subtotal Instructional and Student Services	980,766	141,926	1,122,692
Improvement of instructional services	14,831	101,165	115,996
General administration	10,293	111,297	121,590
Data and information services	-	73,982	73,982
Subtotal Program Support	25,124	286,444	311,568
Total Expenditures	1,005,890	428,370	1,434,260
Excess of Revenue over (under) Expendiutres	$ -	$ -	-
Fund Balance at Beginning of Year			-
Fund Balance at End of Year			$ -

See Notes to the Financial Statements.

SCHEDULE 3

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS
ICCB COMPLIANCE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY
FOR THE YEAR ENDED JUNE 30, 2017

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	$ 944,208	93.9%
General Administration (15% Maximum Allowed)	$ 10,293	1.0%

SCHEDULE 4

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
CAREER AND TECHNICAL EDUCATION
PROGRAM IMPROVEMENT GRANT
BALANCE SHEET
JUNE 30, 2017

ASSETS

Cash	$	46,872
Total assets	$	46,872

LIABILITIES AND FUND BALANCE

Liabilities		
Deferred revenue	$	46,872
Total liabilities	$	46,872
Fund balance - reserved for encumbrances	$	-
Total fund balance	$	-
Total liabilities and fund balance	$	46,872

See Notes to the Financial Statements.

SCHEDULE 5

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
CAREER AND TECHNICAL EDUCATION
PROGRAM IMPROVEMENT GRANT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Revenue		
State grant revenues	$	77,853
Expenditures		
Instructional supplies		12,148
Capital outlay		65,705
Total expenditures		77,853
Excess of Revenue over (under) Expendiutres		-
Fund Balance at Beginning of Year		-
Fund Balance at End of Year	$	-

See Notes to the Financial Statements.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

STATE ADULT EDUCATION AND FAMILY LITERACY AND
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT GRANT

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. General

The accompanying statements include only those transactions resulting from the Career and Technical Education-Program Improvement and Adult Education Family Literacy Grants programs. These transactions have been accounted for in a Restricted Purposes Fund.

b. Basis of Accounting

The statements have been prepared on the full accrual basis. Expenses include all accounts payable representing liabilities for goods and services actually received as of June 30, 2017. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

c. Fixed Assets

Fixed asset purchases are recorded as capital outlay and not capitalized.

2. PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES

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

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Independent Accountants' Report on Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Semester Credit Hours

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon which Claims are Filed and the Reconciliation of Semester Credit Hours of the College of DuPage, Community College District Number 502 (the District) for the year ended June 30, 2017. Management is responsible for the schedules. Our responsibility is to express an opinion on the schedules based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and guidelines of the Illinois Community College Board's Fiscal Management Manual and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Semester Credit Hours and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the student enrollment and other bases upon which claims are filed and reconciliation of semester credit hours of the District for the year ended June 30, 2017, in accordance with the provisions of the aforementioned guidelines.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
October 2, 2017

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SCHEDULE 6
(Page 1 of 2)

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2017

Total Semester Credit Hours by Term (In-District and Out-of-District Reimbursable)

Categories	Summer		Fall		Spring		Total	
Notes 1 and 2	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	43,516.0	-	123,975.0	-	118,729.0	-	286,220.0	-
Business Occupational	4,570.0	-	16,664.0	-	17,756.0	-	38,990.0	-
Technical Occupational	4,675.0	-	22,348.0	-	24,853.0	-	51,876.0	-
Health Occupational	4,022.0	-	10,752.0	-	12,067.0	-	26,841.0	-
Remedial Development	2,623.0	-	14,825.0	-	10,992.5	-	28,440.5	-
Adult Basic/Secondary Education	4,499.0	-	260.0	10,977.0	300.0	11,846.0	5,059.0	22,823.0
TOTAL	63,905.0	-	188,824.0	10,977.0	184,697.5	11,846.0	437,426.5	22,823.0

NOTE 1) Unrestricted credit hours are supported with 50% or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements
NOTE 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.

	Attending In-District	Attending Out-of-District on Chargeback or a Cooperative/Contractual Agreement	TOTAL
Semester Credit Hours (All Terms)	415,209.5	1,117.0	416,326.5
	Dual Credit	Dual Enrollment	
Reimbursable Semester Credit Hours (All Terms)	23,666.0	0.0	

District Prior Year Equalized Assessed Valuation:	
Cook County	$ 3,027,393,289
DuPage County	34,980,981,549
Will County	2,496,014,228
Total	$ 40,504,389,066

Student Residency Verification Process

College of DuPage only requires that students provide documentation to verify their in-district permanent residence when the address provided by the student is returned by the post office as undeliverable. To prove in-district residency, a student must submit to the Admission Office two items from the following list: valid driver's license, voter registration card, current lease, contract for sale of a home, community library card, current utility bill/insurance/medical/credit card statement, automobile registration, recent in-district high school transcript, tax bill for District 502, imprinted checks, or paycheck stub.

A student must reside within the district for a least 30 days prior to the start of semester classes in order to meet the residency requirement unless they've met the exemptions outlined by ICCB. A student may also qualify for in-district tuition rates if he/she is employed full time at a company within the College of DuPage district and provides a letter from the employer to the Admissions Office.

District Prior Year Equalized Assessed Valuation $ 40,504,389,066

Signature: Ann E. Rondeau
Chief Executive Officer (CEO)

Brian W. Caputo
Chief Financial Officer (CFO)

SCHEDULE 6
(Page 2 of 2)

COLLEGE OF DuPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2017

Categories	Total Unrestricted Hours	Total Unrestricted Hours Certified to the ICCB	Difference	Total Restricted Hours	Total Restricted Hours Certified the ICCB	Difference
Baccalaureate	286,220.0	286,220.0	-	-	-	-
Business Occupational	38,990.0	38,990.0	-	-	-	-
Technical Occupational	51,876.0	51,876.0	-	-	-	-
Health Occupational	26,841.0	26,841.0	-	-	-	-
Remedial Development	28,440.5	28,440.5	-	-	-	-
Adult Basic/Secondary Education	5,059.0	5,059.0	-	22,823.0	22,823.0	-
TOTAL	437,426.5	437,426.5	-	22,823.0	22,823.0	-

RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Difference
In-District Residents	415,209.5	415,209.5	-
Out-of-District on Chargeback or Contractual Agreement	1,117.0	1,117.0	-
Total	416,326.5	416,326.5	-

College of DuPage

The mission of College of DuPage is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education.

College of DuPage
425 Fawell Blvd.
Glen Ellyn, IL 60137 6599
www.cod.edu

FINAN-17 25256(8/16)50

APPENDIX B

DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

1. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

2. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

3. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

4. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the bond registrar and request that copies of notices be provided directly to them.

5. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

6. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the College as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

7. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the College or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the College, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the College or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

8. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the College or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The College may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the College believes to be reliable, but the College takes no responsibility for the accuracy thereof.

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

March 29, 2018

The Board of Trustees of Community
College District No. 502
Glen Ellyn, Illinois

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $30,060,000 General Obligation Refunding Bonds, Series 2018 (the "Bonds") of Community College District No. 502, Counties of DuPage, Cook and Will and State of Illinois (the "District"). The Bonds are authorized and issued pursuant to the provisions of the Public Community College Act, 110 Illinois Compiled Statute 805, and the Omnibus Bond Acts, 35 Illinois Compiled Statutes 70/8, and by virtue of a resolution adopted by the Board of Trustees on March 15, 2018, and entitled: "Resolution Authorizing the Issuance of $30,060,000 General Obligation Refunding Bonds, Series 2018, of Community College District No. 502, Counties of DuPage, Cook and Will and State of Illinois (the "Bond Resolution").

The Bonds are issuable in the form of fully registered bonds in the denominations of $5,000 and any integral multiple thereof. The Bonds delivered on original issuance are dated the date of delivery.

The Bonds mature (without option of redemption prior to maturity) on June 1, in each of the following years in the respective principal amount set opposite each such year in the following table, and the Bonds maturing in each such year bear interest from their date payable on June 1, 2018 and semiannually on June 1 and December 1, at the respective rate of interest per annum set forth opposite such year:

Year	Principal Amount	Interest Rate
2019	$7,140,000	4.00%
2020	7,430,000	5.00
2021	2,065,000	5.00
2022	8,190,000	5.00
2023	5,235,000	5.00

In our opinion, the Bonds are valid and legally binding general obligations of the District, and the District has power and is obligated to levy *ad valorem* taxes upon all the taxable property within the District for the payment of the Bonds and the interest thereon, without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and remedies heretofore and hereafter enacted.

Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for Federal income tax purposes and is not a specific preference item for purposes of the Federal alternative minimum tax. However, for the purpose of computing the alternative minimum tax imposed on certain corporations for taxable years beginning before January 1, 2018, interest on the Bonds will be included in the "adjusted current earnings" of such corporation, and such corporations are required to include in the calculation of alternative minimum taxable income 75 percent of the excess of such corporations' adjusted current earnings over their alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). The opinions set forth in the sentences above are subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for Federal income tax purposes. The District has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Bonds.

The Code contains certain requirements that must be satisfied from and after the date hereof in order to preserve the exclusion from gross income for Federal income tax purposes of interest on the Bonds. These requirements relate to the use and investment of the proceeds of the Bonds, the payment of certain amounts to the United States, the security and source of payment of the Bonds and the use of the property financed with the proceeds of the Bonds. The District has covenanted in the Bond Resolution to comply with these requirements.

Interest on the Bonds is not exempt from Illinois income taxes.

In rendering the foregoing opinion, we have not undertaken to review, nor have we assumed responsibility for the accuracy or completeness of, the disclosure of information to the purchasers of the Bonds. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion, and is not a guaranty of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KUTAK ROCK LLP

APPENDIX D

COMMUNITY COLLEGE DISTRICT NO. 502
COUNTIES OF DUPAGE, COOK AND WILL AND STATE OF ILLINOIS

EXCERPTS OF FISCAL YEAR 2017 AUDITED FINANCIAL STATEMENTS
RELATING TO THE COLLEGE'S PENSION PLANS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Federal Financial Assistance Programs

The College participates in federally funded programs providing Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, Federal Direct Loans Program, and support for other grant programs not related to student financial aid. Federal programs are audited in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The following table represents the amounts expended for the past two fiscal years from federally funded programs:

	Fiscal Year	
	2017	2016
Pell Grants	$21,004,956	$23,666,222
SEOG	419,120	436,258
Federal Work-Study	249,519	227,849
Federal Direct Student Loans	16,402,588	20,032,506
Carl Perkins Grants	1,250,791	841,371
Federal Adult Education	848,035	760,788
Other Federal Support	639,291	453,863
Totals	$40,814,300	$46,418,857

O. On-Behalf Payments for Fringe Benefits and Salaries

The College recognizes as revenues and expenses contributions made by the State of Illinois to the State Universities Retirement System and the Community College Health Insurance Security Fund on behalf of the College's employees. In fiscal years 2017 and 2016, the state made contributions of $63,395,937 and $48,459,288 respectively. See Note 4 for more information.

P. Pensions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

Q. Use of Estimates

In order to prepare these financial statements in conformity with GAAP, management has made a number of estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; the reported amounts of revenues and expenses; and gains and losses during the reporting period. Actual results could differ from these estimates.

2. CASH DEPOSITS AND INVESTMENTS

The Illinois Public Community College Act and the Investment of the Public Funds Act authorize the College to invest in obligations issued by the United States Government, investments constituting direct obligations of any bank, short-term commercial paper of U.S. corporations with assets exceeding $500 million, short-term obligations issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share accounts of credit unions chartered in the United States with their principal office located in Illinois and securities issued by the Illinois Funds.

The College of DuPage Board of Trustees has adopted an investment policy (Policy 10-55) which governs the investment of College funds. It is the policy of the College to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the College and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety (preservation of capital and protection of investment principal), liquidity, and return.

The investments which the College may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (5) fully collateralized repurchase agreements; (6) the State Treasurer's Illinois and Prime Funds; and (7) money market accounts and certain other instruments.

3. CAPITAL ASSETS (CONTINUED)

A summary of changes in capital assets for the fiscal year ended June 30, 2016 is as follows:

	Balance June 30, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
Capital Assets, not being depreciated					
Land	$ 4,786,881	$ -	$ -	$ -	$ 4,786,881
Art Collection	687,966	-	-	-	687,966
Construction in Progress	18,881,273	2,168,535	-	(20,978,090)	71,718
Total Capital Assets, not being depreciated	24,356,120	2,168,535	-	(20,978,090)	5,546,566
Capital Assets being depreciated					
Land Improvements	89,665,714	9,717	-	218,113	89,893,544
Buildings	261,028,996	-	-	16,233,451	277,262,447
Building Improvements	289,990,772	-	-	272,248	290,263,020
Equipment	55,410,879	2,793,984	8,741,095	4,254,278	53,718,047
Total Capital Assets being depreciated	696,096,361	2,803,701	8,741,095	20,978,090	711,137,057
Total Cost	720,452,481	4,972,236	8,741,095	-	716,683,623
Accumulated Depreciation					
Land Improvements	(23,974,147)	(7,282,361)	-	-	(31,256,508)
Buildings	(62,120,024)	(5,426,779)	-	-	(67,546,803)
Building Improvements	(53,694,130)	(14,180,035)	-	-	(67,874,165)
Equipment	(40,774,128)	(4,421,884)	(8,732,130)	-	(36,463,883)
Total Accumulated Depreciation	(180,562,429)	(31,311,060)	(8,732,130)	-	(203,141,359)
Net Capital Assets	$ 539,890,052	$ (26,338,823)	$ 8,965	$ -	$ 513,542,264

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS

A. State Universities Retirement System of Illinois

Plan Description. The College of DuPage contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

the state's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided. A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2016 can be found in the System's comprehensive annual financial report (CAFR) Notes to the Financial Statements.

Contributions. The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section l5-l55(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2016 and 2017 respectively, was 12.69% and 12.53% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15-l 55(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Net Pension Liability
At June 30, 2016, SURS reported a net pension liability (NPL) of $25,965,271,744. The net pension liability was measured as of June 30, 2015.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Employer Proportionate Share of Net Pension Liability
The amount of the proportionate share of the net pension liability to be recognized for College of DuPage is $0. The proportionate share of the State's net pension liability associated with the College of DuPage is $637,415,682.34 or 2.4549%. This amount should not be recognized in the financial statement. The net pension liability and total pension liability as of June 30, 2016 was determined based on the June 30, 2015 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2016.

Pension Expense
At June 30, 2016 SURS reported a collective net pension expense of $2,566,164,865.

Employer Proportionate Share of Pension Expense
The employer proportionate share of collective pension expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2016. As a result, College of DuPage recognized on-behalf revenue and pension expense of $62,996,210.65 for the fiscal year ended June 30, 2017.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 14,215,882	$ 2,298,574
Changes in assumption	655,463,758	-
Net difference between projected and actual earnings on pension plan investments	1,431,081,306	635,552,976
Total	$ 2,100,760,946	$ 637,851,550

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

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

Year Ending June 30	Net Deferred Outflows of Resources
2017	$ 539,536,680
2018	275,426,885
2019	401,520,624
2020	246,425,207
2021	-
Thereafter	-
Total	$ 1,462,909,396

Employer Deferral of Fiscal Year 2017 Pension Expense
The College paid $121,585.39 in federal, trust or grant contributions for the fiscal year ended June 30, 2017. These contributions were made subsequent to the pension liability date of June 30, 2016 and are recognized as Deferred Outflows of Resources as of June 30, 2017.

Assumptions and Other Inputs:
Actuarial assumptions. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period June 30, 2010 - 2014. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.75%
- Salary increases: 3.75 to 15.00%, including inflation
- Investment rate of return: 7.25% beginning with the actuarial valuation as of June 30, 2014

Mortality rates were based on the RP2014 Combined Mortality Table with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2016, these best estimates are summarized in the following table:

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
U.S. Equity	23%	6.08%
Private Equity	6%	8.73%
Non-U.S. Equity	19%	6.95%
Global Equity	8%	6.78%
Fixed Income	19%	1.17%
Treasury-Inflation Protected Securities	4%	1.41%
Emerging Market Debt	3%	4.44%
Real Estate REITS	4%	5.75%
Direct Real Estate	6%	4.62%
Commodities	2%	4.23%
Hedged Strategies	5%	4.00%
Opportunity Fund	1%	6.54%
Total	100%	5.09%
Inflation		2.75%
Expected Arithmetic Return		**7.84%**

Discount Rate. A single discount rate of 7.010% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 7.250% and a municipal bond rate of 2.85% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2073. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2073, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.01%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

1% Decrease 6.01%	Current Single Discount Rate Assumption 7.01%	1% Increase 8.01%
$ 31,348,831,631	$ 25,965,271,744	$ 21,502,421,700

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

B. Retiree Health Plan - Health coverage is currently available to eligible retirees through a state program – The College Insurance Program (CIP).

Plan Description: In addition to the pension plan described previously, the College contributes to CIP, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of Illinois. CIP provides health, vision and dental benefits to retired staff and dependent beneficiaries of participating community colleges. The benefits, employer, employee, retiree and state contributions are dictated by ILCS through the State Group Insurance Act of 1971 (Act) and can only be changed by the Illinois General Assembly.

Separate financial statements, including required supplementary information, may be obtained from the Department of Healthcare and Family Services, 201 South Grand Avenue East, Springfield, Illinois 62763.

The Act requires every active contributor (employee) of SURS to contribute 0.5% of covered payroll and every community college district to contribute 0.5% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State of Illinois to make an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers and retires. The result is pay-as-you-go financing of the plan.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

The employer contributions to the CIP made by the College and the State of Illinois are as follows:

Year Ended June 30	College's Contribution*	College of DuPage	State of Illinois
2017	100%	$ 399,726	$ 399,726
2016	100%	388,231	388,231
2015	100%	384,521	384,521
2014	100%	373,672	373,672
2013	100%	367,300	367,300
2012	100%	382,479	382,479

*As a percentage of required contribution.

The State contribution to the pension plan and the CIP plan is reported as an "on-behalf-payment" in accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance.*

C. Termination Benefits

The College had provided compensation payments to its eligible benefited employees to encourage early retirement. Recently, the College has terminated this benefit going forward for employees. Termination benefit payments were available to administrators, managers, classified staff, and faculty. The long-term liability for the payments, which is payable in installments up to a maximum of three years subsequent to retirement, was recorded in the fiscal year of election for retirement. The liability shown are for employees who were eligible for this benefit and elected to retire prior to termination date of this benefit under the terms of the labor contracts.

The expected future payments for administrators, managers, classified and faculty that were eligible for this benefit prior to the end of the previous labor contracts at June 30, 2017 and 2016 are as follows:

Fiscal year 2018 payments	$ -
Value of payments beyond fiscal year 2018	-
Total Liability as of June 30, 2017	$ -
Fiscal year 2017 payments	$ 86,210
Value of payments beyond fiscal year 2017	-
Total Liability as of June 30, 2016	$ 86,210

COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017 AND 2016

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

A summary of changes in participants for past three fiscal years is as follows:

	2017	2016	2015
Participants Beginning of the Year	2	12	33
Additions	-	-	-
Deletions	(2)	(10)	(21)
Participants End of the Year	-	2	12

D. Other Post-Employment Benefits (OPEB)

In addition to the retiree healthcare coverage provided by SURS, the College provides fixed healthcare coverage reimbursements for insurance premiums capped at a fixed dollar amount. Any administrative costs for the plan are paid by the College.

This post-employment benefit plan is a single-employer plan. The amount of reimbursement provided to the retiree is dependent on the retirement notice date and age of the retiree. The College is not required to and currently does not advance funds to the cost of benefits that will become due and payable in the future. The College's most recent actuarial valuation was performed for the plan as of July 1, 2015 to determine the employer's annual required contribution (ARC) as of June 30, 2016.

Schedule of Funding Progress

Fiscal Year Ended June 30	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2017	$ -	N/A	N/A	N/A	N/A	N/A
2016	-	$ 11,894,865	$ 11,894,865	0.0%	$ 106,814,733	11.1%
2015	-	N/A	N/A	N/A	N/A	N/A

N/A – Actuarial study not performed in that year.

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation

	June 30, 2017	June 30, 2016	June 30, 2015
Annual Required Contribution	$ 852,247	$ 852,247	$ 924,194
Interest on Net OPEB Obligation	-	(2,891)	-
Adjustment to Annual Required Obligation	4,181	4,181	(1,493)
Annual OPEB Cost	856,428	853,537	922,701
Contributions Made	856,428	924,488	922,701
Increase (Decrease) in Net OPEB Obligation	-	(70,951)	-
Net OPEB Obligation beginning of year	(143,231)	(72,280)	(72,280)
Net OPEB Obligation (Asset) end of year	$ (143,231)	$ (143,231)	$ (72,280)
Percentage of OPEB Cost Contributed	100.0%	108.3%	100.0%

Three-Year Trend Information

Fiscal Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2017	$ 856,428	100.0%	$ (143,231)
2016	853,537	108.3%	(143,231)
2015	922,701	100.0%	(72,280)

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

Funding Policy and Actuarial Assumptions

	June 30, 2014	June 30, 2016
Contribution Rates		
College	Fixed dollar amounts	Fixed dollar amounts
Plan Members	0.00%	0.00%
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization period	Open, Level % of pay	Open, Level % of pay
Remaining Amortization Period	30 years	30 years
Asset valuation method	Market	Market
Actuarial assumptions		
Investment rate of return	2.00% (includes 2% inflation)	4.00% (includes 2.5% inflation)
Projected salary increases	5.00%	5.00%
Healthcare inflation rate (Healthcare benefit is capped at a fixed specified dollar amount and not subject to annual increases)		
Initial	8.00%	7.50%
Ultimate	5.00%	4.50%
Mortality rate	RP-2000 Combined Healthy Tables, projected generationally with Scale AA	RP-2014 White Collar Healthy Tables, projected generationally with Scale MP-2015
Turnover & Retirement rates	Same rates utilized for SURS	Same rates utilized for SURS
Percentage of active employees assumed to elect benefit	90%	90%
Employer Provided Benefit		
Retirement to age 65	Fixed Reimbursement; varies by employee depending on date of retirement notice. $1,400 - $3,600 per year.	Fixed Reimbursement; varies by employee depending on date of retirement notice. $1,400 - $3,600 per year.
After age 65	Fixed Reimbursement; varies by employee depending on date of retirement notice. $900 - $1,600 per year.	Fixed Reimbursement; varies by employee depending on date of retirement notice. $900 - $1,600 per year.

The first actuarial evaluation for the plan was performed as of June 30, 2009 and updated for June 30, 2010, June 30, 2012, June 30, 2014, and June 30, 2016. Data for years before 2009 is not available. The College will have actuarial evaluations performed once every two years. The fiscal years 2011, 2013, 2015 and 2017 calculations for Annual OPEB Cost and Net OPEB Obligation were prepared by the College. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include

4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (CONTINUED)

techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective.

The schedule of funding progress follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

5. COMPENSATED ABSENCES

The College records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. As of June 30, 2017 and 2016, employees had earned but not taken annual vacation leave which, at salary rates then in effect, aggregated approximately $ 2,501,763 and $2,600,959, respectively.

Fiscal Year	Beginning Balance July 1	Issuances	Retirements	Ending Balance June 30
2017	$ 2,600,959	$ 3,098,644	$ 3,197,840	$ 2,501,763
2016	2,680,747	2,989,580	3,069,368	2,600,959
2015	2,521,679	2,985,121	2,826,053	2,680,747

The ending balances as of June 30, 2017, and 2016 are reported in the financial statements as follows:

Fiscal Year	Current Portion	Long-term Portion	Total
2017	$ 1,931,310	$ 570,453	$ 2,501,763
2016	2,010,839	590,120	2,600,959

In FY2013, the College adopted a new policy which reduced the number of vacation days employees can carryover. Each employee group has its own vacation day carryover provisions, below is a summary of the changes in days employees can carryover:

	Carryover (Days)		
Employee Group	Current	Prior	Change
Administrators	40	40	0
Managerial	25	40	(15)
Classified	20	40	(20)
Police	40	40	0
Operating Engineers	20	40	(20)

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2017	$ -	N/A	N/A	N/A	N/A	N/A
June 30, 2016	-	$ 11,894,865	$ 11,894,865	0.0%	$ 106,814,733	11.1%
June 30, 2015	-	N/A	N/A	N/A	N/A	N/A
June 30, 2014	-	15,056,291	15,056,291	0.0%	79,618,107	18.9%
June 30, 2013	-	N/A	N/A	N/A	N/A	N/A
June 30, 2012	-	14,598,947	14,598,947	0.0%	78,633,037	18.6%
June 30, 2011	-	N/A	N/A	N/A	N/A	N/A
June 30, 2010	-	12,013,103	12,013,103	0.0%	74,656,269	16.1%
June 30, 2009	-	11,357,994	11,357,994	0.0%	76,769,160	14.8%

N/A - Information not available. Actuarial study was not performed in that year.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

REQUIRED SUPPLEMENTARY INFORMATION
PENSION BENEFITS

Schedule of Employer's Share of Net Pension Liability

	A	B	C	D	E	F	G
Fiscal Year Ended	Proportion Percentage of the Collective Net Pension Liability	Proportion Amount of the Collective Net Pension Liability	Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with the College	Total (B + C)	Employer DB Covered payroll	Proportion of Collective Net Pension Liability associated with the College as a percentage of DB covered payroll (D / E)	SURS Plan Net Position as a percentage of Total Pension Liability
June 30, 2016	0.00%	$ -	$ 637,415,682	$ 637,415,682	$ 88,728,278	718.39%	39.57%
June 30, 2015	0.00%	-	572,546,237	572,546,237	87,795,309	652.14%	42.37%
June 30, 2014	0.00%	-	502,273,193	502,273,193	83,640,423	600.51%	44.39%

Schedule of Employer's Contributions

	A	B	C	D	E
Fiscal Year Ended	Federal, Trust, Grant and Other Contribution	Contribution in relation to Required Contribution	Contribution Deficiency (Excess) (A -B)	Employer Covered payroll	Contributions as a percentage of covered payroll (A / D)
June 30, 2017	$ 121,585	$ 121,585	$ -	108,340,384	0.11%
June 30, 2016	59,101	59,101	-	105,993,446	0.06%
June 30, 2015	152,999	152,999	-	105,547,434	0.14%
June 30, 2014	129,591	129,591	-	100,100,521	0.13%

On-Behalf Payments for Community College Health Insurance Program

Fiscal Year Ended	
June 30, 2017	$ 399,726
June 30, 2016	$ 388,231
June 30, 2015	$ 384,521
June 30, 2014	$ 373,672

NOTE: SURS implemented GASB 68 in FY2015. The information above is presented for as many years available. The schedules ultimately will show information for 10 years.

Fiscal Year 2017 Total DB (Defined Benefit) Contributions: $7,259,139.02
Fiscal Year 2017 Total SMP (Self Managed Plan) Contributions: $1,395,358.52

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