

**KASKASKIA COLLEGE
REPORT ON THE STATE-OF-THE-COLLEGE
TO THE FACULTY, STAFF, COLLEGE BOARD OF TRUSTEES,
KC FOUNDATION BOARD OF DIRECTORS AND TRUSTEES,
AND COLLEGE ADVISORY MEMBERS**

**BY: DR. JIM UNDERWOOD, PRESIDENT
JANUARY 6, 2010**

Introduction: As we enter the year 2010 it is my sincere pleasure to wish everyone a “Happy New Year” and to thank all those associated with the College for a very productive and successful 2009. In this report we will reflect on the major accomplishments over the past decade and focus on the institutional plans for the new year. We have achieved much over the years at KC by working collectively, in the spirit of teamwork, in moving the institution forward as a proud, dynamic, and effective community college. It will be through this spirit of teamwork that we will continue to sustain and enhance the greatness of this dynamic institution. Our image and reputation as an ethical, high quality, student-centered, learning-oriented, and cost effective institution of higher education is impeccable. To continue to be the cornerstone of our strengths are the adopted core values by which we operate of “Honesty, Respect, Fairness, Compassion, and Responsibility for both the institution and individuals.” These core values are at the heart of who we are as an organization. Again, thanks to everyone for the role you have and are serving in supporting this great institution. We are looking forward to a successful 2010 and will meet the challenges we have before us. In addition to this report, each college division has prepared their respective spring semester report that may be found on the College web site at www.kaskaskia.edu and on the home page just click on the President’s Page and then check the contents section.

Historical Significance: I believe that most will agree that over the past 10 years we have further developed and are sustaining an effective institutional image and reputation. We have a proud tradition starting back in 1940 as Centralia Junior College and then expanding to a multi-county comprehensive community college in 1966 when we began operating as Kaskaskia College. The College has the distinction of being the first institution organized under the 1965 state of Illinois Community College Act; thus, becoming “Community College District #501.” Our history has provided us with the foundation and framework that others have prepared for us in which to advance the institution into the future, and for this we are grateful.

Buildings and Grounds: It is so appropriate to place at the beginning of this report an acknowledgement of the great job our physical plant, grounds, maintenance, and custodial staff members are doing. Our grounds are standing-tall throughout the year as you can sense the pride our grounds-keeper leader and staff have for the appearance of the campus. This is also true with the cleanliness and care of our facilities as our buildings are maintained at the highest standards. Additionally, our Education Centers, Crisp Technology Center, and Workforce Center, are all maintained with a strong sense of pride.

Enrollments: As reflected in the following two charts on unduplicated enrollments and credit hours generated, it is with pride that KC is leading the state in enrollment growth. This is occurring because of the hard work of a very dedicated faculty and staff, an active and committed Board of Trustees, engaged Foundation members, College Advisory members, and a very supportive public. (see Appendix A on last page of this report).

**CHART 1 – UNDUPLICATED HEADCOUNT ENROLLMENTS
(Credit and Non-Credit)**

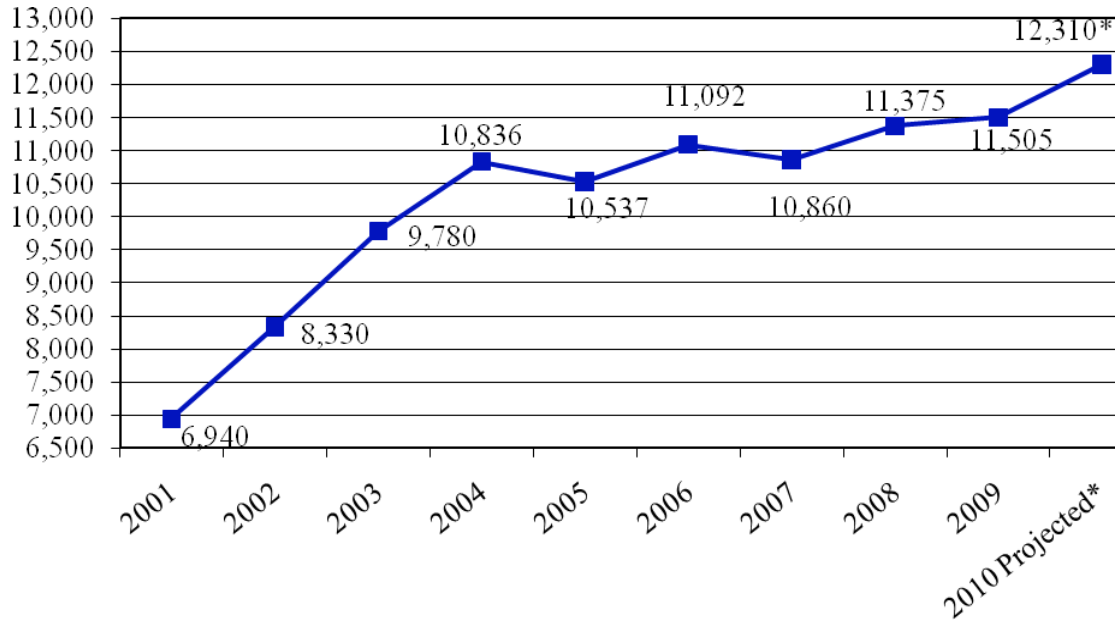
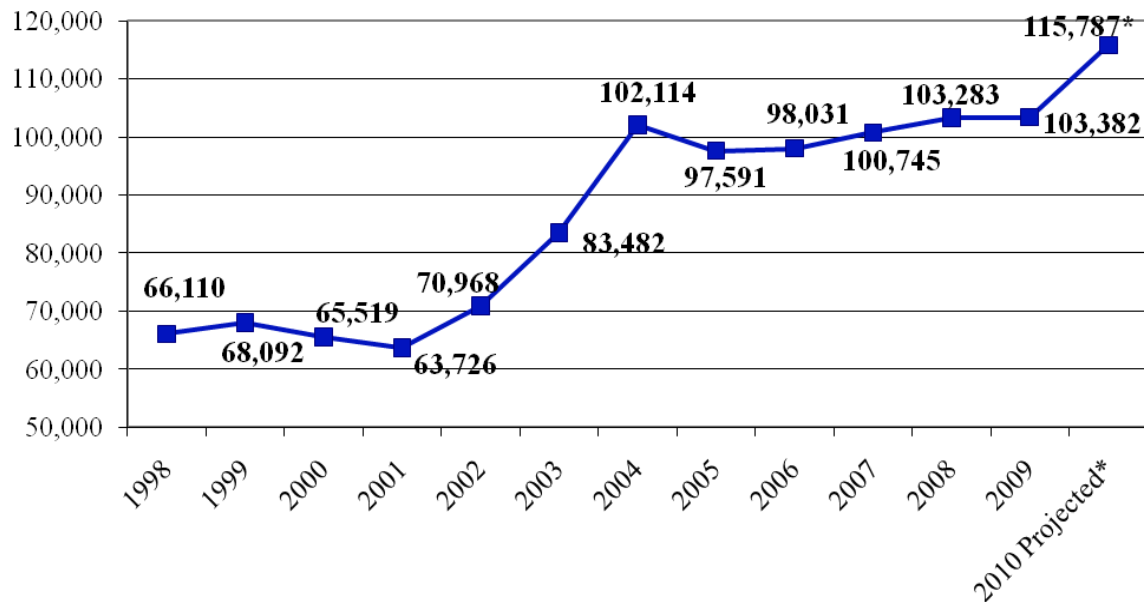


CHART 2 – CREDIT HOURS GENERATED



Also, noteworthy is the fact that we are enrolling individuals of all backgrounds and levels of preparation. As a College of open-access we are proud to be serving individuals of all ages under our commitment to “lifelong learning”. People are comfortable at KC because of the positive personalized environment created by our faculty and staff. We practice the theme “at KC Everyone is Someone” and it is through this theme that all students are treated with dignity and respect and helped to succeed. It is also important to note that 67 percent of the recent high school graduates (from high schools totally within the KC district) who go on to higher education enroll at KC. This statistic is nearly double what you would normally find at a community college.

CHART 3 – HIGH SCHOOL GRADUATES ENROLLING AT KC

NAME OF HIGH SCHOOL	2009 HIGH SCHOOL GRADS	ENROLLED AT KC FALL 2009	% ENROLLED AT KC FALL 2009	% of College Bound Students	COLLEGE BOUND 2009 H.S. GRADS***	% COLLEGE BOUND GRADS ENROLLED AT KC
	<i>High School Grads</i>	<i>Fall KC Enrollment</i>	<i>Fall KC Enrollment/All Grads</i>	<i>% Per IACAC</i>	<i>College Bound Grads</i>	<i>Fall KC Enrollment/College Bound Grads</i>
CARLYLE	95	50	53%	46%	44	114%
CENTRAL	120	50	42%	90%	108	46%
CENTRALIA	207	115	56%	65%	135	85%
MULBERRY GROVE	35	21	60%	90%	32	67%
NASHVILLE	132	56	42%	75%	99	57%
ODIN	25	13	52%	67%	17	78%
PATOKA	18	11	61%	55%	10	111%
SALEM	178	75	42%	81%	144	52%
SANDOVAL	37	18	49%	55%	20	88%
TOTALS--KC In-District	847	409	48%	72%	608	67%
BOND CO /GREENVILLE*	118	31	26%	70%	83	38%
CHRIST OUR ROCK LHS	14	9	64%	100%	14	64%
MATER DEI*	126	34	27%	95%	120	28%
OKAWVILLE*	63	19	30%	95%	60	32%
SOUTH CENTRAL*	48	13	27%	55%	26	49%
VANDALIA*	125	61	49%	82%	103	60%
WESCLIN*	88	20	23%	83%	73	27%
WOODLAWN**	47	7	15%	52%	24	29%
TOTALS (* and **)	629	194	31%	80%	503	39%
GRAND TOTALS	1,476	603	41%	75%	1,110	54%

*Not all students live in KC district

**Majority of students live out of KC district

***% College-Bound Students Reported to IACAC by high schools (IL Association of College Admissions Counselors)

Significant are the dual-credit high school enrollment increases over the past decade. In FY 02 we served an unduplicated annual enrollment of 843 students and in FY 09 we served 2,722 students. As a result, credit hours increased from 4,171 in FY 02 to 19,111 in FY 09. Also, the number of courses offered increased from 66 in FY 02 to 429 in FY 09. Our instructional leadership and faculty are to be commended for making these learning opportunities available for our area high school students. A special thank you is extended to Cheryl Boehne for coordinating and leading this important function. Additionally, I want to thank each KC faculty member for working with the high school faculty members for ensuring the quality and consistent learning outcomes. The tuition savings for high school parents is considerable and over the past four years the total savings were \$4.6 million.

CHART 4 – DUAL-CREDIT UNDUPLICATED ENROLLMENT

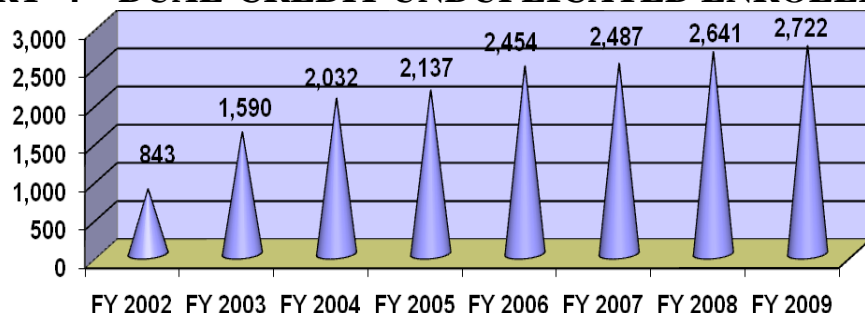


CHART 5 – DUAL-CREDIT CREDIT HOURS

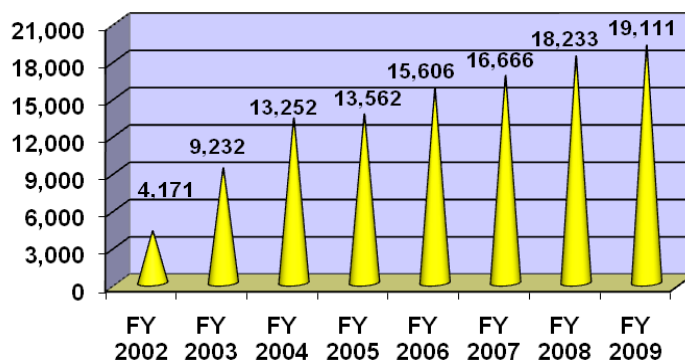
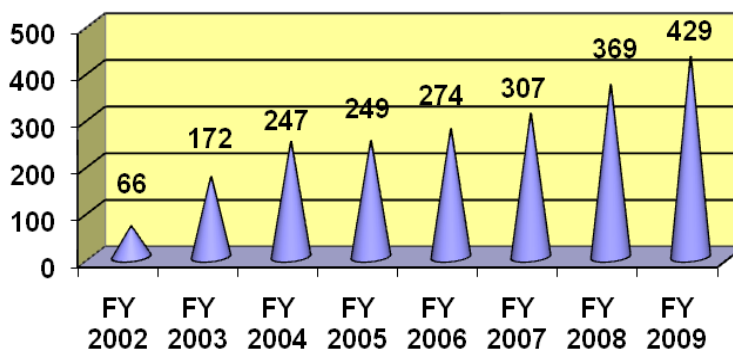
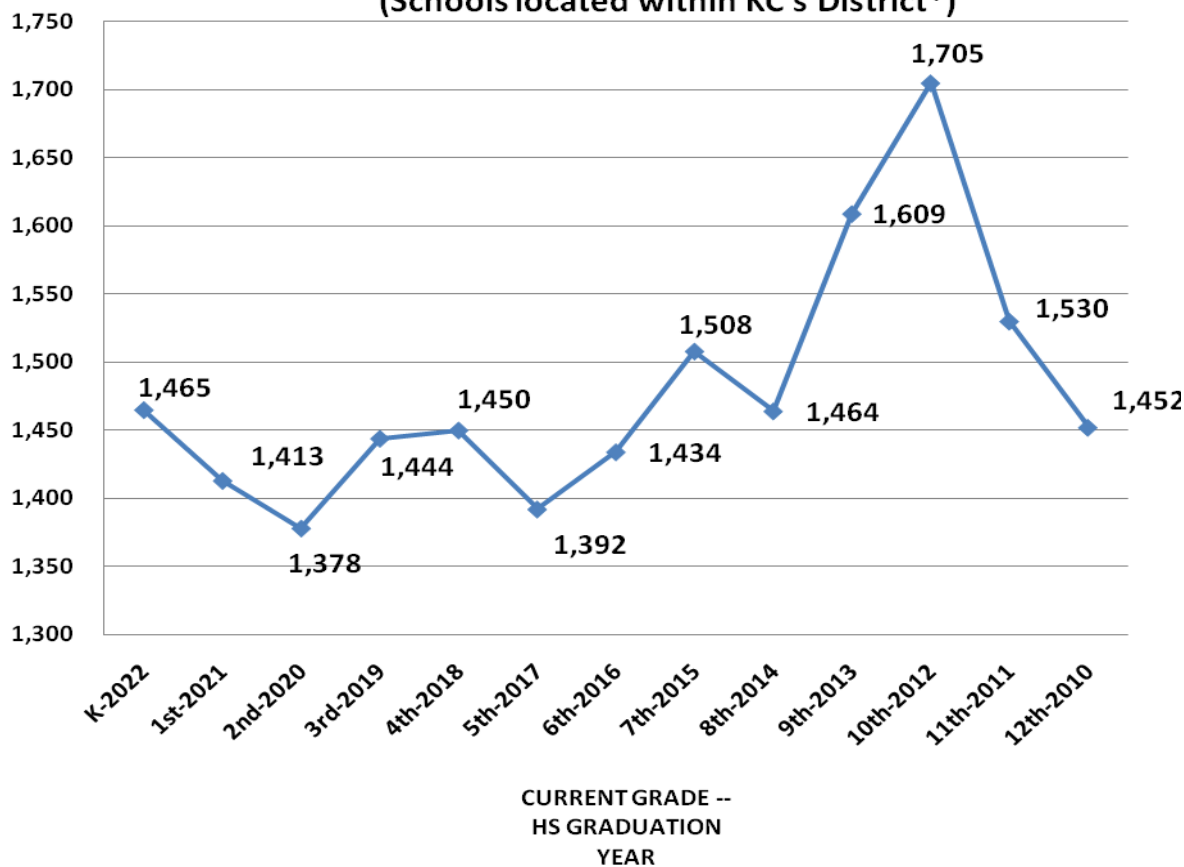


CHART 6 – DUAL-CREDIT COURSES OFFERED



In planning for the future our effort to sustain these enrollment numbers will be intensified because of the declining number of high school graduates starting in 2013. However, in 2010, 2011, and 2012 we will see the number of graduates increasing within the KC district prior to the expected 2013 fall in numbers.

CHART 7 – PROJECTED HIGH SCHOOL ENROLLMENTS
(Schools located within KC's District*)

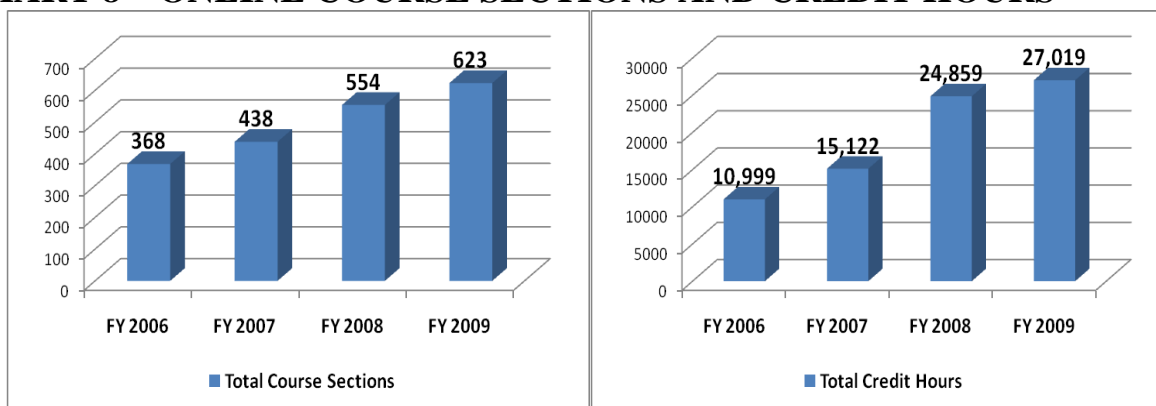


*Schools included: Carlyle, Wesclin, Breese/Central, St. Rose, Aviston, Willow Grove, Bartelso, Germantown, Damiansville, Albers, N. Wamac, Raccoon, Kell, Iuka, Selmaville, Patoka, Salem, Odin, Central City, Centralia, S. Central, Sandoval, Oakdale, Okawville, Irvington, Ashley, Hoyleton, Nashville, Mater Dei, All Saints, Trinity Hoffman, CORLHS, Trinity Centralia, St. Ann, St. Michael, Immanuel, Trinity Hoyleton, Trinity-St. John, New Horizon, Mulberry Grove, Bond Co., Vandalia.

Source: ROE for Clinton, Marion & Washington Counties and OKAW Area Vocational Center.

Also, significant in recent years are the growth in enrollments for online instruction. Our research shows that a large percentage of our online enrollments are current students attending classes at the main campus or at one of our Education Centers who are working into their schedule one or two additional classes through online offerings. Additionally, we are reaching those who are place-bound and time-bound. We appreciate and thank our faculty for teaching the extremely large online workloads. Our research also shows that our online instruction is of high quality and our student satisfaction results show very positive marks.

CHART 8 – ONLINE COURSE SECTIONS AND CREDIT HOURS



Our Education Centers and Branch Campus at Vandalia are all reflecting growth as we are reaching more and more students that we were previously not serving. Because of having accessible educational offerings, we are now doing a great job of serving the entire KC District with affordable and accessible higher education programs. As an example, our new Branch Campus at Vandalia was projected to serve 1,500 students annually and we will reach or exceed this goal this year. With the newly renovated Centers at Greenville and Salem, we are doubling our projected enrollments for each of these locations. Our Centers in Nashville and Trenton continue to serve those areas of our district with sustained and modest growth in leased facilities.

Business and Industry training continues to be very effective in serving and establishing partnerships. This is a major component of our mission in conducting training and re-training of the workforce. Additionally, our B&I Division is leading many economic development initiatives to include the formation and operations of the five-county “South Central Illinois Growth Alliance”. The Illinois Small Business Development Center and the International Trade Center at KC were both active and highly successful operations in support of economic development. We are very proud of the work of our B&I operations.

The KC Continuing Education Division continues to expand in serving our community education mission along with many non-credit offerings. We are pleased with the training that is occurring with accessible offerings for certifications and licensing requirements of practioners, senior citizens, KICK program, along with many other program offerings. Our Continuing Education mission is effectively being met.

Our Adult-Education Division is doing a remarkable job of serving record numbers in ABE, ESL, GED, Even Start, Family Success, and Literacy programs. The staff are to be commended for writing successful grant proposals for a bridge curriculum development grant and an implementation grant. Overall, Adult Ed program enrollments are up six percent over last year. Additionally, there is a significant increase in the total number of people served through the division programs. We are very proud of the work of our Adult Education Division. The need continues to be great and sustained funding is imperative. When it was announced by the state that funding for adult education would be cut by 50 percent for FY 10, we took a very positive approach to educate the state decision makers on the tremendous need for adult education. As a result, the funding cut was rescinded. KC personnel and students played a major leadership role in the successful re-instatement of these funds.

Facilities: Over the past decade we have made much progress with capital improvements. This progress includes new facilities and major renovations at the main campus, including boiler and chiller replacements and science lab renovations. Also, several projects have been completed at off-campus sites. A listing of these major projects follows:

1. After an effort for many years, funding for replacing the 35-year-old temporary buildings was announced in 2002 with a state appropriation of \$7.6 million. However, the appropriated funds were not released by our former Governor until 2004, and the release only occurred after he received an outpouring of support for the College from area citizens and organizations encouraging the release of funds. The temporary buildings were replaced with the construction of the Health and Professional Careers Building (HPC) including the Children's Learning Center, and the Lifelong Learning Center. Additionally, the Jerry and Mildred Rakers Clock Tower and plaza area were constructed (with private funds) and stand as a symbol of excellence in higher education. Within the Lifelong Learning Center is the Dee and Sue Boswell Art Gallery and the Clinton Wedekemper Board Room, as both were funded with private funds. A total of approximately \$2 million in private funds was raised for the HPC Building and the Lifelong Learning Center.

2. The main campus chillers and boilers were replaced; and air conditioning units were installed throughout the campus. Other completed projects include: expansion of the Student Center, renovation of the Cafeteria, expansion and renovations of the Jane Knight Auditorium, expansion and redecorating of the Library, renovations of the Enrollment Center, renovations of the Science Labs, rehabilitation of HB first floor restrooms, renovation of Gymnasium lights and floor, rehabilitation of Gymnasium locker rooms and restrooms, and new lighting throughout the campus. In addition, most campus roofs have been replaced.

3. The College acquired 42 acres and constructed the new Branch Campus at Vandalia. This project was made possible by nearly \$3 million raised through a private capital campaign. A second building is being planned given the appropriation of \$5.6 million from the state along with approximately \$1.7 million in gifts recently received. Additionally, the College received a very nice gift of a private lakeside residence on a wooded acreage on the north side of Vandalia that will be used as a conference and training facility.

4. Facilities for Education Centers at Salem and Greenville were recently acquired, renovated and dedicated. Leased facilities continue to be used for our Education Centers in Nashville and Trenton.

5. A KC Workforce Center in downtown Centralia was created by acquiring and renovating a vacant facility. This newly renovated facility is home to our Continuing Education Division, SBDC (Small Business Development Center), ITC (International Trade Center), and Business Incubators. Organizations leasing space include the Illinois Employment Office and the Dislocated Workers Program of WIB 23.

6. The KC Crisp Technology Center (on Airport Road in Centralia) has been renovated to accommodate Construction Technology, Industrial Technology, Electronics, Electrical, and HVAC programs as well as computer labs and a distance education classroom. A new

electronic sign was also installed along with other outside signage. Additionally, a new well-lighted parking lot was constructed.

7. The Sports and Wellness Complex is a major initiative with the following projects now completed: improvements to the Larry Smith Baseball Field, a new Softball Field, a new Concession & restrooms Building (including new road, sidewalks, and commons plaza), a new Soccer Field, and new Tennis Courts. This complex also includes a new walkway connecting Shattuc Road and the west parking lot. The project also includes a new campus electronic message sign. Projects in process or expected to be completed in the near future include: a Training Facility for all sports and student activities, a new Fitness and Wellness Trail, and a new Fitness Center. Private funds and grants have been acquired to help support these projects. The Fitness Center construction is funded through Revenue Bonds that will be retired from student fees and facility usage fees.

8. The College constructed a new steel building adjacent to the Auto Collision Building that is being used for an Art Lab, storage, and Maintenance offices. This facility was home to our Children's Learning Center during construction of their new facility in the HPC Building.

9. Currently under construction are new entrances to the front of the Main Campus and the main entrance to the Gymnasium. The front entrance was in need of major repair because of corrosion of the metal frames and inefficient glass resulting in excessive energy loss. The Gymnasium needed a main entrance as plans for such were never achieved over the years.

10. The west parking lot on the main campus was expanded to meet our increased enrollment. Also, the Truck Driving Range was reinforced due to excessive wear. We also installed a number of irrigation systems for watering the grounds.

11. On Arbor Day 2009, the College announced that 110 new trees were privately purchased in memory or honor of individuals. This project was successful with some 20 student clubs and organizations supporting the campaign at \$100 per tree. This nearly doubled the College Arboretum of a total of 118 trees planted over the previous 18 years or since inception of the program in 1991.

12. Planned for the future are two major projects in which funding that has been requested from the state Legislature. First, is a new Agriculture Lab/Classroom and Arena Facility. Second, is an expansion to the east of the Lifelong Learning Center for a Nursing Building. Both of these projects are contingent upon state funding. Also, during Spring 2010, renovation of the anatomy and physiology labs and the cadaver room will be completed. In addition, we plan to expand the Bookstore into HB 157 and 158.

13. Several new security enhancements have been made including inside locks on all Main Campus rooms, external speakers, emergency telephones, Children's Learning Center security, and many more. Training and drills have been conducted to prepare our personnel for emergencies.

14. A Veterans Tribute at KC is being planned and a fund-raising campaign is currently underway. The location is being addressed by the Board. The project is being designed in three phases with the total cost projected at \$700,000, of which all will be funded with private funds.

Planning at KC: The College engaged in a major planning initiative in developing the Vision 2020 Strategic Plan and created an inclusive model for all planning activities. This model included 26 town hall meetings throughout the district, a public survey on perceptions and support for the College, and a fully participatory process involving the trustees, faculty, staff, and students. Several subsidiary plans were generated out of this process. Dean Nancy Kinsey and her staff direct our successful planning process.

Educational Programs: As a dynamic and comprehensive community college the development of new programs, expansion of programs, and creation of increased options are critical for institution to be responsive to the ever changing environment. Further, the updating of the curricula and technology is critical for ensuring our graduates are well prepared for successful employment. As indicated by the following, KC is doing a great job of keeping current:

New or Expanded Programs over the last decade

Construction Technology	Culinary Arts	HVAC
Pre-Engineering	Horticulture	Commercial Custodial
Green Construction Tech	Surgical Tech	Health Information Tech
Medical Lab Tech	Occupational Therapy Asst	ERC
Massage Therapy	LPN (East St Louis)	LPN (Vandalia Campus)
Theater/Drama	Visual Arts	Speech Competition
Teacher Ed	Vocal Music expansion	Instrumental Music expansion
Online & Hybrid courses	Agriculture offerings	Drafting technology expansion
Automotive certification	CISCO	Nail Tech
Diagnostic Sonography	Truck Driver Training	Coal Mining Technology

Education Centers: Created within the past 10 years are Education Centers at Salem, Greenville, and Nashville. The Education Center at Vandalia was expanded into our first Branch Campus. Our Education Center at Trenton was on the decline nine years ago and has since been revitalized with sustained growth under the leadership of Arlene Covington. A new Workforce Center in downtown Centralia has been created along with a rental agreement with SCT on the use of the former Centralia Tech Center. Our Even Start program is utilizing the basement of the 2nd Baptist Church in Centralia. Also, the KC Crisp Technology Center in Centralia has been renovated and expanded within the past decade.

AQIP Accreditation: The College proposed three years ago to become an AQIP institution, which was subsequently approved by the Higher Learning Commission. As a result, the College has completed its initial action projects and has others in the process of being completed. Further, the College generated its first Portfolio that has been approved by the HLC. Additionally, in 2009 the College received full HLC accreditation and approval for each of our Education Centers and the Crisp Technology Center. Work continues on continuous improvement projects throughout the institution.

Technology: A major computer hardware and software conversion project was launched three years ago with the implementation of the Datatel system. It was essential to upgrade our financial and student systems as the previous system was outdated and no longer supported by the vendor. This \$1.5 million project was successfully launched and new software applications continue to be implemented in accordance with plans. The IT staff and each department's staff are to be commended for the implementation and for undergoing the necessary training. Our institution is now better equipped and prepared to manage and conduct institutional research given the new systems. With the restricted budgets, we are now upgrading our student computer labs every four years, which was previously every three years. We now maintain a four-year technology plan that we work hard at funding in order to keep our technology current. This is a major challenge given the rapid advances in technology and the delays in state funding.

The merger of the Information Technology and Information Systems Departments has improved technology systems by increasing communications, collaboration, and levels of service support while using existing staff resources. Our IT Director, Gina Glotfelty, and her staff are doing an excellent job of leading our College technology. I need to mention that the Main Campus is now a wireless environment, which is a great service for our students. Also, we have installed cell phone amplifiers to make telephone usage possible and service more reliable on campus. Blackboard 8 has been adopted and implemented as the online platform in support of our expanded online offerings.

Funding/Finance: For each of the past 10 years the College has received unqualified audit opinions from an independent audit of the finances, enrollments, and grants of the institution. Further, the College received its first ever Certificate of Achievement for Excellence in Financial Reporting from the National Governmental Accounting and Reporting Board in 2009. There are only a few educational institutions in Illinois that have achieved this honorable distinction. KC can also be very proud of the fact that we are the 5th lowest unit cost community college of the 39 Illinois Community College Districts.. Thus, the Board, staff, and faculty continue to be highly accountable to the taxpayers for the wise and prudent use of institutional funds. The following chart is a list of the institutions ranked by the lowest cost:

**CHART 9 – LOWEST COST ILLINOIS COMMUNITY COLLEGES
NET INSTRUCTIONAL UNIT COST**

		FY 2008	FY 2007	FY 2006	FY 2005	FY 2004
536	LEWIS & CLARK	\$83.38	\$172.57	\$175.72	\$166.11	\$158.28
540	HEARTLAND	\$90.90	\$163.99	\$166.76	\$158.14	\$94.33
529	ILLINOIS EASTERN	\$127.98	\$123.59	\$120.11	\$123.46	\$121.93
517	LAKE LAND	\$138.17	\$148.18	\$151.27	\$164.01	\$133.75
501	KASKASKIA	\$157.54	\$151.74	\$156.33	\$152.59	\$132.87
521	REND LAKE	\$157.72	\$161.17	\$156.04	\$147.94	\$159.09
524	MORAIN VALLEY	\$171.59	\$157.71	\$166.78	\$161.13	\$166.50
530	LOGAN	\$179.68	\$176.52	\$174.96	\$167.87	\$168.31
504	TRITON	\$189.37	\$178.55	\$168.37	\$173.22	\$176.50
		FY 2008	FY 2007	FY 2006	FY 2005	FY 2004
514	ILLINOIS CENTRAL	\$190.27	\$177.62	\$211.39	\$195.16	\$200.28
506	SAUK VALLEY	\$202.10	\$210.86	\$223.38	\$226.06	\$228.31

503	BLACK HAWK	\$205.90	\$214.21	\$194.91	\$192.77	\$180.32
513	ILLINOIS VALLEY	\$211.82	\$205.93	\$185.95	\$184.28	\$171.23
511	ROCK VALLEY	\$214.06	\$209.30	\$191.32	\$181.01	\$182.45
534	SPOON RIVER	\$215.67	\$227.23	\$241.26	\$189.71	\$201.79
520	KANKAKEE	\$216.22	\$216.86	\$218.53	\$193.45	\$165.41
522	SOUTHWESTERN	\$216.88	\$200.39	\$182.40	\$182.56	\$168.39
527	MORTON	\$217.66	\$222.40	\$206.65	\$216.75	\$234.48
523	KISHWAUKEE	\$222.30	\$212.55	\$204.67	\$196.03	\$195.62
537	RICHLAND	\$222.71	\$234.79	\$202.37	\$219.77	\$194.09
526	LINCOLN LAND	\$223.02	\$244.29	\$229.69	\$220.57	\$210.86
507	DANVILLE	\$224.06	\$229.36	\$249.65	\$217.80	\$209.05
525	JOLIET	\$224.81	\$219.95	\$226.18	\$211.63	\$198.15
518	SANDBURG	\$226.93	\$209.75	\$202.88	\$193.23	\$181.17
516	WAUBONSEE	\$230.27	\$231.63	\$215.67	\$197.41	\$191.56
519	HIGHLAND	\$230.37	\$237.78	\$223.36	\$193.55	\$183.48
531	SHAWNEE	\$232.62	\$231.58	\$220.28	\$194.90	\$154.90
539	WOOD	\$234.16	\$223.30	\$204.97	\$185.08	\$196.27
508	CHICAGO	\$236.11	\$219.98	\$207.81	\$189.34	\$171.26
502	DUPAGE	\$236.29	\$245.24	\$234.52	\$219.25	\$204.01
505	PARKLAND	\$246.01	\$221.88	\$210.83	\$209.08	\$193.83
528	MC HENRY	\$246.49	\$251.40	\$263.93	\$251.91	\$232.52
532	LAKE COUNTY	\$254.52	\$248.67	\$236.28	\$231.72	\$225.02
512	HARPER	\$273.19	\$251.90	\$253.37	\$243.86	\$229.12
510	SOUTH SUBURBAN	\$275.40	\$303.76	\$270.66	\$252.23	\$227.07
515	PRAIRIE STATE	\$281.83	\$242.98	\$224.94	\$247.85	\$220.33
535	OAKTON	\$287.44	\$274.46	\$261.65	\$256.12	\$233.22
509	ELGIN	\$294.04	\$303.97	\$279.73	\$228.60	\$232.42
533	SOUTHEASTERN	DNS	\$161.35	\$168.77	\$150.06	\$156.37
	STATE AVERAGES	\$217.92	\$214.92	\$208.43	\$198.39	\$186.63

Evidence of another accountable measure is that the College has the 10th lowest tuition and fee rate of all the community college districts in Illinois. As an element of our philosophy, we are maintaining our tuition and fees rate at an affordable level. When just considering tuition alone, we have the 7th lowest rate in the state.

CHART 10 – LOWEST TUITION AND FEES RATES OF ILLINOIS COMMUNITY COLLEGES

IL COMMUNITY COLLEGE	In-District		
	Fall FY2010 (calendar 2009)		
	Tuition	Fee	Total
ILLINOIS EASTERN	\$ 62.00	\$ 5.00	\$ 67.00
ILLINOIS VALLEY	\$ 62.50	\$ 7.25	\$ 69.75
MORTON	\$ 64.00	\$ 16.00	\$ 80.00
ROCK VALLEY	\$ 66.00	\$ 8.00	\$ 74.00
JOLIET	\$ 67.00	\$ 26.00	\$ 93.00
LAKE LAND	\$ 67.50	\$ 17.30	\$ 84.80
KASKASKIA	\$ 70.00	\$11.00	\$ 81.00
TRITON	\$ 72.00	\$ -	\$ 72.00
KISHWAUKEE	\$ 75.00	\$ 8.00	\$ 83.00
KANKAKEE	\$ 76.00	\$ 8.00	\$ 84.00
LOGAN	\$ 76.00	\$ -	\$ 76.00
SHAWNEE	\$ 77.00	\$ -	\$ 77.00
SOUTHEASTERN	\$ 77.00	\$ 2.00	\$ 79.00
RICHLAND	\$ 78.50	\$ 4.50	\$ 83.00
SPOON RIVER	\$ 78.50	\$ 10.50	\$ 89.00
CHICAGO	\$ 79.00	\$ 12.50	\$ 91.50
DANVILLE	\$ 79.00	\$ 12.00	\$ 91.00
LINCOLN LAND	\$ 79.00	\$ 11.00	\$ 90.00
REND LAKE	\$ 79.00	\$ -	\$ 79.00
LEWIS & CLARK	\$ 80.00	\$ 14.00	\$ 94.00
MC HENRY	\$ 80.00	\$ 9.00	\$ 89.00
BLACK HAWK	\$ 81.00	\$ 8.50	\$ 89.50
LAKE COUNTY	\$ 81.00	\$ 14.00	\$ 95.00
PRAIRIE STATE	\$ 83.00	\$ 9.00	\$ 92.00
HIGHLAND	\$ 84.00	\$ 7.00	\$ 91.00
SAUK VALLEY	\$ 84.00	\$ 5.00	\$ 89.00
SOUTHWESTERN	\$ 85.00	\$ -	\$ 85.00
WAUBONSEE	\$ 85.00	\$ 5.00	\$ 90.00
OAKTON	\$ 86.00	\$ 2.60	\$ 88.60
ILLINOIS CENTRAL	\$ 87.00	\$ -	\$ 87.00
MORAIN VALLEY	\$ 87.00	\$ 5.00	\$ 92.00
HEARTLAND	\$ 88.00	\$ 7.00	\$ 95.00
PARKLAND	\$ 89.00	\$ 3.00	\$ 92.00
HARPER	\$ 90.00	\$ 14.00	\$ 104.00
SOUTH SUBURBAN	\$ 90.00	\$ 13.75	\$ 103.75
ELGIN	\$ 91.00	\$ -	\$ 91.00
DUPAGE	\$ 92.15	\$ 23.85	\$ 116.00
WOOD	\$ 97.00	\$ 10.00	\$ 107.00
SANDBURG	\$ 131.00	\$ -	\$ 131.00
State Average	\$ 80.93	\$ 7.94	\$ 88.87

*Standard fees paid by all students / Source: ICCB – November 2009

The revenue breakdown for college operations for the current year reflects: Tuition and Fees 43%, State Appropriations 40%, Local Taxes 16%, and other 1%. As to total revenue, the College receives only 16% of our budget from local taxes, which is the sixth lowest in the state. The tax levy rate has been certified by the Board at 54.20 cents per \$100 of equalized assessed valuations. This is up only 1.75% from the 2008 rate of 53.27 cents. The impact on the new tax rate for a taxpayer with a home valued at \$60,000 is 16 cents per month. A comparison of local tax rates for regional community colleges are:

CHART 11 – 2008 REGIONAL AND PEER COMMUNITY COLLEGES LOCAL TAX RATES

Southeastern College	\$78.50
Shawnee College	\$67.00
Rend Lake College	\$64.61
Danville Area College	\$59.71
John A. Logan College	\$54.54
Kishwaukee College	\$53.74
Kaskaskia College	\$53.27
Lakeland College	\$49.99
Illinois Eastern College	\$39.82

In short, the College has a tax cap on most all funds as set by the taxpayers back in 1966. Thus, in general, the only way in which tax amounts increase to the College is due to new property added to taxable property or upward reassessments. There are those who support reducing the tax rate to the extent of the new property values added to the tax roles. They place emphasis on reducing property taxes regardless of our need to meet our educational mission. Conversely, there are those who support applying the tax levy rate on new property because they recognize the need for the College to maintain quality with new technology and to serve the demands of record enrollments. As to the importance in maintaining our legal tax levy rate, it is imperative that we honor our commitments to include our three multi-year collective bargaining agreements that were mutually negotiated in good faith. It is also important that we continue to provide quality programs and services to the record enrollments of individuals entering our doors for gaining the knowledge and skills for career opportunities. The College is to many individuals, the hope of a successful quality of life and we cannot let them down. Our College is also considered the engine for economic development in creating a trained and vital workforce. As such, we must continue to advance the institution and not regress if we are to meet our mission responsibilities.

State Appropriations: For this decade, each year KC has received a larger piece of the appropriations pie because of our enrollment growth. Suffice to say, our enrollment growth has been significantly larger than the state average growth. As a result, the College is now receiving 40% of its budget in state appropriations. We are now receiving our fair-share of state appropriations. The current issue is the delay in the state payments. Typically, the state distributes the allocated appropriations at the mid-point of each calendar quarter. Therefore, four quarterly payments are made each fiscal year. The good news is that we have received the first quarterly payment for this fiscal year and the bad news is that we have not received the second quarterly payment that is now 60 days past due. We have been informed that we will probably

not receive the 2nd, 3rd, or 4th quarterly payments until well into the next fiscal year. The state is now running 150 days behind in paying its bills. The following table shows the payments due:

CHART 12 – STATE APPROPRIATIONS DUE KC

FY 10

<u>Quarter</u>	<u>Amount Due</u>	<u>Amount Paid</u>	<u>Amount Outstanding</u>
Jul, Aug, Sept	\$2.35M	\$2.35M	-0-
Oct, Nov, Dec	\$2.35M	-0-	\$2.35M
Jan, Feb, Mar	\$2.35M	-0-	\$2.35M
Apr, May, June	<u>\$2.35M</u>	<u>-0-</u>	<u>\$2.35M</u>
Total	\$9.40M	\$2.35M	\$7.05M
	=====	=====	=====

In order to compensate for the delay in state payments, the College is delaying one-time equipment purchases, holding off on replacing vacant positions when possible, delaying supply purchases to the degree possible, reducing travel funds, monitoring closely low enrollment classes, etc. Further, the College will be using cash reserves and the Working Cash Funds for helping meet the cash requirements given the delay in state appropriation payments. We do not intend to cut full-time or regular part-time personnel currently employed, nor do we intend to initiate furloughs or reduce raises and salaries promised and contracted for this fiscal year. We are hopeful the state will be making the payments due the College by the end of this fiscal year; however, if they do not, then we will have to engage in further actions for the next fiscal year.

KC Foundation: In 2004, the KC Foundation amended its by-laws to create a new structure of three classes of Foundation trustees consisting of 50 trustees per class. In addition, the new structure set out the role of the trustees as College ambassadors and the role of the board of directors. The Foundation has been very successful over the past decade in raising more than \$7.5 million for capital projects and scholarships. Additionally, the Foundation has just recently announced some \$1.7 million in gifts that will soon be distributed through estates. Also, functioning under the Foundation are three relatively new organizations raising funds and friends for the institution. These organizations are: the Friends of the Fine Arts Association, the KC Sports Association, and the Alumni and Friends Association. All three are doing an effective job of gaining members and raising funds for college projects, scholarships, and operations.

Title III Grant: In the fall of 2009 the College received word from the Federal Government that \$2 million has been awarded to the College under a five-year plan. This grant proposal was developed over five years. The purpose of the grant is for the improvement of instruction and student services. A part of the grant is an allocation of \$225K for creating an endowed scholarship fund that must be matched with private funds. A campaign is being developed for raising the matching funds. Credit is to be extended to Mike Loomis, Nancy Kinsey and Kellie Henegar for leading the effort in gaining this grant. A few years ago, the College created a Grants Office to help develop grant proposals, and this office has been very successful in acquiring many grants to supplement the College’s operations budget.

Visual & Performing Arts: We have expanded the Arts at KC considerably in the last decade. We established a Theater/Drama program and expanded and renovated the Auditorium, a new Visual Arts program now with an Art Lab and a new Art Gallery, a new competitive Speech

Team was formed, we reinstated the “Scroll” College newspaper, established a Vocal Music program, and expanded the Instrumental Music program. These successful developments are led by Department Chair Cliff Jourdan and Dean Kellie Henegar. Concerts and performances are well attended and bring great recognition to the institution.

A “Season of Entertainment” program was also created in the past decade. This program was established for providing a variety of family-oriented and affordable performances on KC’s Main Campus for faculty, staff, students, and our public. This initiative has been received well with annual memberships increasing each year under the leadership of Mike Loomis, our Grants Facilitator, and Travis Henson, our Director of Marketing. Mike and Travis are coordinating this program in addition to their regular jobs and have built this program to be very effective.

Student Services: The enrollment processes including admissions, financial aid, retention, Success Center, advising, student records, and many more functions have been completely reorganized and are operating very effectively. They are focused on “systems thinking” and are “process-oriented” which has allowed the various offices to process and serve record enrollments with little additional staff. A major new initiative this past year was the implementation of a student loan program that has been well-utilized by our students.

Athletics, Fitness Trail, and Fitness Center: New team sports added at KC within the past 10 years include: men’s and women’s golf, cross country, and soccer; men’s tennis; and women’s tennis is planned for the future; these are in addition to men’s and women’s basketball; women’s softball and volleyball; and, men’s baseball. We are extremely proud of our women’s basketball team this last year for winning the conference and region and finishing 4th in the national tournament. They made us all very proud. We also are very pleased with the number of academic All-American Teams. Banners are on display in the Gymnasium for not only athletic success but for also academic success.

The new Fitness Trail and Fitness Center will be great additions to our sports and wellness programs. We believe strongly in the educational importance of physical fitness and wellness programs in addition to the importance of competitive athletics in an educational institution.

Summary: As we reflect on the major accomplishments of the past 10 years, I am mindful of all the people that it takes to make this institution successful. From our (past and present) students, Trustees, faculty, staff, advisory teams, KC Foundation Board and Trustees, administration, to community supporters, many people have had a role in making KC a success over the years. I am proud to be a part of this dynamic institution and honored to have served as its president for the past nine years. Thanks to everyone for the excellence in service to students. I wish everyone a successful, happy, safe, and healthy 2010.

Dr. Jim Underwood
President

APPENDIX A

ANNUAL CREDIT HOURS GENERATED IN ALL ILLINOIS COMMUNITY COLLEGES

FISCAL YEAR 2001 THROUGH FISCAL YEAR 2008

SORTED BY % CHANGE FY 2001 - FY 2008

Dist #	College	Annual FY 2001 Cr Hrs	Annual FY 2002 Cr Hrs	Annual FY 2003 Cr Hrs	Annual FY 2004 Cr Hrs	Annual FY 2005 Cr Hrs	Annual FY 2006 Cr Hrs	Annual FY 2007 Cr Hrs	Annual FY 2008 Cr Hrs	Variance FY 2001- FY 2008	% Change FY 2001- FY 2008
501	Kaskaskia	63,726	70,968	83,482	102,114	97,591	98,031	100,745	103,283	39,557	62.1%
525	Joliet	186,930	199,110	216,744	223,740	227,220	230,400	248,220	260,332	73,402	39.3%
532	Lake County	186,540	200,610	214,579	225,960	226,770	232,650	244,650	251,461	64,921	34.8%
534	Spoon River	32,250	34,440	35,978	38,640	41,100	39,150	38,310	43,435	11,185	34.7%
521	Rend Lake	69,300	73,050	73,523	84,150	81,030	81,660	84,870	93,254	23,954	34.6%
531	Shawnee	41,610	47,430	48,695	50,010	51,180	51,150	52,530	55,904	14,294	34.4%
516	Waubensee	125,130	136,320	148,141	150,480	159,840	165,780	166,530	166,905	41,775	33.4%
536	Lewis & Clark	91,620	95,430	100,612	106,110	108,840	111,510	116,550	119,422	27,802	30.3%
540	Heartland	67,650	74,790	82,170	81,900	83,610	82,800	85,860	88,111	20,461	30.2%
524	Moraine Valley	234,240	249,330	260,290	287,400	295,740	294,780	289,620	295,656	61,416	26.2%
530	Logan	116,970	115,410	122,526	130,140	138,870	140,400	144,240	146,314	29,344	25.1%
512	Harper	223,440	233,430	242,337	261,540	269,700	274,500	274,980	278,742	55,302	24.8%
507	Danville	43,260	46,380	48,943	51,360	50,790	49,200	51,420	52,949	9,689	22.4%
505	Parkland	145,800	155,460	172,097	177,720	178,860	180,390	175,170	178,446	32,646	22.4%
529	Illinois Eastern Colleges	140,670	143,130	150,618	156,060	158,910	167,490	167,700	170,568	29,898	21.3%
523	Kishwaukee	65,610	69,270	73,533	75,900	78,780	79,080	79,950	79,049	13,439	20.5%
511	Rock Valley	129,870	147,090	158,774	164,520	160,710	156,420	154,500	154,809	24,939	19.2%
528	McHenry	90,780	96,840	103,333	106,770	105,780	107,070	109,170	107,763	16,983	18.7%
527	Morton	65,820	69,090	76,234	75,510	75,690	77,370	80,730	77,817	11,997	18.2%
537	Richland	56,400	60,300	68,503	64,020	59,700	65,040	66,660	66,641	10,241	18.2%
506	Sauk Valley	42,690	51,120	49,968	48,030	48,060	48,840	49,680	49,851	7,161	16.8%
515	Prairie State	81,090	84,780	86,653	85,800	87,750	89,250	91,320	94,152	13,062	16.1%
517	Lake Land	138,030	143,850	153,447	163,260	160,020	161,520	165,000	160,195	22,165	16.1%
522	Southwestern	212,340	223,320	231,019	242,790	243,570	246,240	243,240	245,434	33,094	15.6%
539	Wood	40,650	42,660	45,002	47,730	50,040	48,480	48,210	46,985	6,335	15.6%
514	Illinois Central	187,140	189,960	201,472	213,660	216,210	215,340	215,520	206,130	18,990	10.1%
520	Kankakee	77,010	76,470	87,070	90,750	86,100	79,020	82,560	83,582	6,572	8.5%
513	Illinois Valley	76,530	75,900	77,887	80,790	82,950	83,550	80,040	82,095	5,565	7.3%
509	Elgin	154,050	152,850	156,928	170,160	178,620	166,560	165,510	164,353	10,303	6.7%
502	DuPage	429,030	456,870	479,034	498,540	500,040	449,850	449,940	454,493	25,463	5.9%
526	Lincoln Land	125,880	139,320	133,511	134,490	132,330	133,560	129,150	132,783	6,903	5.5%
510	South Suburban	118,140	124,980	137,206	149,910	149,550	139,530	127,830	124,032	5,892	5.0%
504	Triton	235,980	236,760	243,803	246,450	240,660	243,210	241,350	233,373	-2,608	-1.1%
535	Oakton	210,000	222,120	206,872	209,820	206,790	208,800	199,590	203,755	-6,246	-3.0%
519	Highland	51,000	49,140	50,159	52,560	52,890	51,450	48,810	47,963	-3,037	-6.0%
503	Black Hawk	139,410	145,380	144,077	144,360	144,090	140,910	132,390	128,450	-10,960	-7.9%
533	Southeastern	57,090	56,130	55,158	57,240	63,120	58,260	56,760	52,338	-4,753	-8.3%
508	Chicago City Colleges	1,224,540	1,233,090	1,266,983	1,244,580	1,164,870	1,085,850	1,064,640	1,050,801	-173,739	-14.2%
518	Sandburg	59,520	60,450	67,534	71,760	73,320	68,490	57,420	50,471	-9,050	-15.2%
STATE TOTALS		5,837,730	6,083,040	6,354,889	6,566,730	6,531,690	6,403,590	6,381,360	6,402,089	564,359	9.7%

SOURCE: KC Institutional Research
 Calculated from ICCB annual credit hour claims

H:\Enrollment\cr hrs and heads\cr hrs 01 to 08