



**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A FIDUCIARY COMPONENT UNIT OF THE STATE OF ILLINOIS**

**REPORT ON THE ALLOCATION OF
OTHER POST EMPLOYMENT BENEFIT AMOUNTS**

For the Year Ended June 30, 2022

**Performed as Special Assistant Auditors
For the Auditor General, State of Illinois**



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**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
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OTHER POST EMPLOYMENT BENEFIT AMOUNTS
For the Year Ended June 30, 2022**

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
For the Year Ended June 30, 2022

AGENCY OFFICIALS

Director (Acting) (1/21/2023 – Present)	Ms. Raven DeVaughn
Director (Acting) (6/13/2022 – 1/20/2023)	Mr. Anthony Pascente
Director (7/1/2021 – 6/12/2022)	Ms. Janel Forde
Assistant Director (5/6/2023 – Present)	Vacant
Assistant Director (3/28/2022 – 5/5/2023)	Mr. Mark Mahoney
Assistant Director (Acting) (7/1/2021 – 3/27/2022)	Mr. Mark Mahoney
Assistant Director (1/21/2023 – Present)	Vacant
Assistant Director (Acting) (9/7/2021 – 1/20/2023)	Ms. Raven DeVaughn
Chief of Staff (2/16/2023-Present)	Patrick Nolan
Chief of Staff (6/13/2022 – 2/15/2023)	Vacant
Chief of Staff (7/1/2021 - 6/12/2022)	Mr. Anthony Pascente
Chief Administrative Officer	Ms. Sarah Kerley
Chief Operating Officer (Acting) (4/16/2023 – Present)	Sean Neuert
Chief Operating Officer (1/21/2023 – 4/15/2023)	Vacant
Chief Operating Officer (7/1/2021 – 1/20/2023)	Ms. Aysegul Kalaycioglu
Chief Financial Officer	Ms. Karen Pape
General Counsel (Acting) (5/16/20223 – Present)	Ms. CoreyAnne Gulkewicz
General Counsel (7/1/2021 – 5/15/2023)	Mr. Terrence Glavin
Chief Internal Auditor (6/16/2023 – Present)	Vacant
Chief Internal Auditor (Acting) (5/16/2023 – 6/15/2023)	Mr. Jack Rakers
Chief Internal Auditor (7/1/2021 – 5/15/2023)	Mr. Jack Rakers

Agency main offices are located at:

State of Illinois Building
555 W. Monroe Street
Chicago, Illinois 60661

William G. Stratton Building
401 S. Spring Street
Springfield, Illinois 62706

**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
REPORT ON THE ALLOCATION OF
OTHER POST EMPLOYMENT BENEFIT AMOUNTS
For the Year Ended June 30, 2022**

SUMMARY

The audit of the accompanying Schedule of Employer Allocations and the Schedule of Other Post Employment Benefit Amounts by Employer (Schedules) of the Department of Central Management Services (Department), the Community College Health Insurance Security Fund (Fund), a fiduciary component unit of the State of Illinois, was performed by Sikich LLP.

Based on their audit, the auditors expressed an unmodified opinion on the Community College Health Insurance Security Fund's Schedules.

EXIT CONFERENCE

The Department waived an exit conference in a correspondence from Amy Lange, Audit Liaison, on June 8, 2023.

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INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Schedules

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the accompanying Schedule of Employer Allocations of the Department of Central Management Services, Community College Health Insurance Security Fund (Fund), a fiduciary component unit of the State of Illinois, as of and for the year ended June 30, 2022, and the related Notes to the Schedules. We have also audited the total for all employers of the columns titled June 30, 2022, Other Post Employment Benefit (OPEB) liability, total deferred outflows of resources, total deferred inflows of resources and total employer expense (specified column totals) included in the accompanying Schedule of OPEB Amounts by Employer (Schedules) of the Department as of and for the year ended June 30, 2022, and the related Notes to the Schedules, as listed in the table of contents.

In our opinion, the accompanying Schedules referred to above present fairly, in all material respects, the employer allocations as of and for the year ended June 30, 2022, OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense for the total of all participating community colleges in the Fund as of and for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the Department, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Schedules

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

Auditor's Responsibilities for the Audit of the Schedules

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedules.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedules.

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

Other Matters

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Fund as of and for the year ended June 30, 2022, and our report thereon, dated March 17, 2023, expressed an unmodified opinion on those financial statements.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Schedule of Employer Allocations and the total for all employers of the columns titled June 30, 2021 OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total employer expense (specified column totals) included in the accompanying Schedule of OPEB Amounts by Employer (Schedules) as of and for the year ended June 30, 2021, and our report, dated June 9, 2022, expressed an unmodified opinion on those schedules.

Restricted Use of this Auditor's Report

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, Department management, Community Colleges and their auditors and is not intended to be, and should not be, used by anyone other than these specified parties.

SIGNED ORIGINAL ON FILE

Springfield, Illinois
June 28, 2023

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE PROGRAM
A Fiduciary Component Unit of the State of Illinois
SCHEDULE OF EMPLOYER ALLOCATIONS

Employer Name	As of June 30, 2022		As of June 30, 2021	
	Fiscal Year 2022 Contributions	Proportionate Share	Fiscal Year 2021 Contributions	Proportionate Share
Black Hawk College	\$ 89,776	0.951978%	\$ 87,354	0.939499%
Carl Sandburg College	42,934	0.455265%	43,240	0.465047%
College Of Dupage	431,117	4.571532%	423,828	4.558324%
College Of Lake County	315,511	3.345661%	304,605	3.276063%
Danville Area Community College	62,298	0.660603%	60,918	0.655186%
Elgin Community College	225,996	2.396445%	223,513	2.403908%
Heartland Community College	95,235	1.009864%	90,609	0.974511%
Highland Community College	48,686	0.516260%	49,542	0.532831%
Il Community College Trustees Assoc	953	0.010110%	933	0.010040%
Il Eastern Community College	80,678	0.855499%	74,807	0.804555%
Illinois Central College	159,409	1.690357%	159,213	1.712357%
Illinois Valley Community College	59,843	0.634574%	60,898	0.654964%
John A Logan College	92,291	0.978650%	92,522	0.995086%
John Wood Community College	42,606	0.451796%	42,707	0.459315%
Joliet Junior College	278,903	2.957467%	269,828	2.902032%
Kankakee Community College	66,386	0.703957%	66,926	0.719793%
Kaskaskia College	71,918	0.762611%	70,645	0.759798%
Kishwaukee College	59,942	0.635616%	60,007	0.645383%
Lake Land College	115,655	1.226396%	119,271	1.282778%
Lewis And Clark Community College	103,007	1.092283%	107,844	1.159877%
Lincoln Land Community College	157,614	1.671324%	151,107	1.625175%
Mchenry College	118,812	1.259878%	117,593	1.264728%
Moraine Valley Community College	245,627	2.604612%	240,679	2.588539%
Morton College	76,712	0.813449%	80,006	0.860476%
Oakton Community College	212,095	2.249040%	210,998	2.269311%
Parkland College	160,596	1.702953%	161,662	1.738700%
Prairie State College	89,223	0.946118%	93,253	1.002947%
Rend Lake College	50,784	0.538511%	48,891	0.525833%
Richland Community College	57,700	0.611845%	57,015	0.613206%
Rock Valley College	126,881	1.345434%	128,555	1.382625%
Sauk Valley College	46,764	0.495882%	43,987	0.473085%
Shawnee College	32,384	0.343393%	31,155	0.335073%
South Suburban College	91,865	0.974135%	96,461	1.037455%
Southeastern Illinois College	27,997	0.296879%	26,508	0.285098%
Southwestern Illinois College	134,936	1.430858%	133,235	1.432963%
Spoon River College	32,958	0.349483%	30,473	0.327738%
Triton College	138,222	1.465693%	137,354	1.477256%
Waubonsee Community College	161,727	1.714943%	155,607	1.673570%
Wm. Rainey Harper College	309,191	3.278645%	295,196	3.174875%
Subtotal Community Colleges	4,715,231	50.000000%	4,648,945	50.000000%
Total State Appropriation	4,715,231	50.000000%	4,648,945	50.000000%
Grand Total *	\$ 9,430,463	100.000000%	\$ 9,297,889	100.000000%

* The sum of the values by employer may differ from the plan totals due to rounding.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT AMOUNTS BY EMPLOYER

Employer	June 30, 2021 OPEB Liability	June 30, 2022 OPEB Liability	Prior Year Proportionate Share	Current Year Proportionate Share
Black Hawk College	\$ 16,305,315	\$ 6,516,864	0.939499%	0.951978%
Carl Sandburg College	8,071,050	3,116,559	0.465047%	0.455265%
College Of Dupage	79,111,219	31,294,888	4.558324%	4.571532%
College Of Lake County	56,857,154	22,903,063	3.276063%	3.345661%
Danville Area Community College	11,370,963	4,522,226	0.655186%	0.660603%
Elgin Community College	41,720,615	16,405,110	2.403908%	2.396445%
Heartland Community College	16,912,956	6,913,123	0.974511%	1.009864%
Highland Community College	9,247,458	3,534,113	0.532831%	0.516260%
Il Community College Trustees Assoc	174,242	69,208	0.010040%	0.010110%
Il Eastern Community College	13,963,316	5,856,409	0.804555%	0.855499%
Illinois Central College	29,718,515	11,571,513	1.712357%	1.690357%
Illinois Valley Community College	11,367,123	4,344,040	0.654964%	0.634574%
John A Logan College	17,270,036	6,699,449	0.995086%	0.978650%
John Wood Community College	7,971,568	3,092,815	0.459315%	0.451796%
Joliet Junior College	50,365,719	20,245,639	2.902032%	2.957467%
Kankakee Community College	12,492,243	4,819,010	0.719793%	0.703957%
Kaskaskia College	13,186,537	5,220,534	0.759798%	0.762611%
Kishwaukee College	11,200,835	4,351,172	0.645383%	0.635616%
Lake Land College	22,263,031	8,395,420	1.282778%	1.226396%
Lewis And Clark Community College	20,130,047	7,477,336	1.159877%	1.092283%
Lincoln Land Community College	28,205,439	11,441,217	1.625175%	1.671324%
Mchenry College	21,949,778	8,624,620	1.264728%	1.259878%
Moraine Valley Community College	44,924,938	17,830,139	2.588539%	2.604612%
Morton College	14,933,848	5,568,547	0.860476%	0.813449%
Oakton Community College	39,384,640	15,396,028	2.269311%	2.249040%
Parkland College	30,175,704	11,657,741	1.738700%	1.702953%
Prairie State College	17,406,473	6,476,748	1.002947%	0.946118%
Rend Lake College	9,126,001	3,686,430	0.525833%	0.538511%
Richland Community College	10,642,398	4,188,446	0.613206%	0.611845%
Rock Valley College	23,995,913	9,210,308	1.382625%	1.345434%
Sauk Valley College	8,210,540	3,394,613	0.473085%	0.495882%
Shawnee College	5,815,293	2,350,732	0.335073%	0.343393%
South Suburban College	18,005,375	6,668,537	1.037455%	0.974135%
Southeastern Illinois College	4,947,966	2,032,314	0.285098%	0.296879%
Southwestern Illinois College	24,869,545	9,795,081	1.432963%	1.430858%
Spoon River College	5,688,009	2,392,422	0.327738%	0.349483%
Triton College	25,638,270	10,033,550	1.477256%	1.465693%
Waubonsee Community College	29,045,355	11,739,817	1.673570%	1.714943%
Wm. Rainey Harper College	55,101,003	22,444,294	3.174875%	3.278645%
Subtotal Of Community Colleges	\$ 867,766,432	\$ 342,280,076	50.000000%	50.000000%
Total State Appropriation	867,766,432	342,280,076	50.000000%	50.000000%
Grand Total *	\$ 1,735,532,863	\$ 684,560,152	100.000000%	100.000000%

**The sum of the values by employer may differ from the plan totals due to rounding.*

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT AMOUNTS BY EMPLOYER

Deferred Outflows of Resources

Employer	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments	Changes in Proportion and Differences between Employer Contributions and Share of Contributions	Total Deferred Outflows of Resources
Black Hawk College	\$ 51,482	\$ -	\$ -	\$ 232,251	\$ 283,733
Carl Sandburg College	24,620	-	-	159,918	184,538
College Of Dupage	247,225	-	-	903,034	1,150,259
College Of Lake County	180,931	-	-	3,306,326	3,487,256
Danville Area Community College	35,725	-	-	584,102	619,827
Elgin Community College	129,598	-	-	3,071,993	3,201,591
Heartland Community College	54,613	-	-	1,065,092	1,119,704
Highland Community College	27,919	-	-	684,181	712,100
Il Community College Trustees Assoc	547	-	-	5,632	6,179
Il Eastern Community College	46,265	-	-	954,092	1,000,357
Illinois Central College	91,413	-	-	9,580	100,993
Illinois Valley Community College	34,317	-	-	232,597	266,914
John A Logan College	52,925	-	-	407,278	460,202
John Wood Community College	24,433	-	-	214,206	238,639
Joliet Junior College	159,937	-	-	2,386,465	2,546,402
Kankakee Community College	38,069	-	-	7,893	45,962
Kaskaskia College	41,241	-	-	717,553	758,795
Kishwaukee College	34,374	-	-	45,219	79,593
Lake Land College	66,323	-	-	929,575	995,897
Lewis And Clark Community College	59,070	-	-	21,271	80,341
Lincoln Land Community College	90,384	-	-	2,197,706	2,288,090
Mchenry College	68,133	-	-	73,840	141,973
Moraine Valley Community College	140,855	-	-	891,772	1,032,627
Morton College	43,991	-	-	1,265,383	1,309,374
Oakton Community College	121,626	-	-	455,448	577,075
Parkland College	92,094	-	-	67,135	159,229
Prairie State College	51,165	-	-	632,444	683,609
Rend Lake College	29,122	-	-	371,747	400,869
Richland Community College	33,088	-	-	601,753	634,841
Rock Valley College	72,760	-	-	1,013,166	1,085,926
Sauk Valley College	26,817	-	-	1,120,532	1,147,349
Shawnee College	18,570	-	-	210,991	229,562
South Suburban College	52,680	-	-	146,174	198,855
Southeastern Illinois College	16,055	-	-	277,631	293,686
Southwestern Illinois College	77,380	-	-	25,710	103,090
Spoon River College	18,900	-	-	1,224,545	1,243,444
Triton College	79,263	-	-	8,622	87,886
Waubonsee Community College	92,743	-	-	1,046,999	1,139,741
Wm. Rainey Harper College	177,306	-	-	2,201,713	2,379,020
Subtotal Of Community Colleges	2,703,959	-	-	29,771,570	32,475,530
Total State Appropriation	2,703,959	-	-	1,068,046	3,772,006
Grand Total *	\$ 5,407,919	\$ -	\$ -	\$ 30,839,617	\$ 36,247,536

*The sum of the values by employer may differ from the plan totals due to rounding.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT AMOUNTS BY EMPLOYER

Employer	Deferred Inflows of Resources				
	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments	Changes in Proportion and Differences between Employer Contributions and Share of Contributions	Total Deferred Inflows of Resources
Black Hawk College	\$ 2,714,476	\$ 8,784,530	\$ 337	\$ 735,567	\$ 12,234,910
Carl Sandburg College	1,298,144	4,201,025	161	321,422	5,820,752
College Of Dupage	13,035,291	42,184,533	1,618	1,550,100	56,771,543
College Of Lake County	9,539,836	30,872,614	1,184	312,530	40,726,164
Danville Area Community College	1,883,647	6,095,819	234	14,261	7,993,961
Elgin Community College	6,833,237	22,113,576	848	598,214	29,545,876
Heartland Community College	2,879,530	9,318,674	357	318,513	12,517,075
Highland Community College	1,472,068	4,763,874	183	643,375	6,879,499
Il Community College Trustees Assoc	28,827	93,290	4	135,096	257,216
Il Eastern Community College	2,439,376	7,894,256	303	495,330	10,829,265
Illinois Central College	4,819,894	15,598,039	598	1,541,833	21,960,364
Illinois Valley Community College	1,809,428	5,855,631	225	465,149	8,130,432
John A Logan College	2,790,528	9,030,648	346	403,024	12,224,546
John Wood Community College	1,288,253	4,169,018	160	281,884	5,739,316
Joliet Junior College	8,432,937	27,290,490	1,047	377,904	36,102,377
Kankakee Community College	2,007,267	6,495,876	249	1,053,897	9,557,289
Kaskaskia College	2,174,514	7,037,116	270	17,495	9,229,395
Kishwaukee College	1,812,398	5,865,245	225	1,085,711	8,763,579
Lake Land College	3,496,953	11,316,764	434	1,809,542	16,623,694
Lewis And Clark Community College	3,114,542	10,079,216	387	1,962,333	15,156,479
Lincoln Land Community College	4,765,622	15,422,404	592	491,894	20,680,511
Mchenry College	3,592,422	11,625,719	446	643,424	15,862,011
Moraine Valley Community College	7,426,806	24,034,471	922	44,874	31,507,073
Morton College	2,319,472	7,506,227	288	879,473	10,705,461
Oakton Community College	6,412,923	20,753,366	796	456,742	27,623,828
Parkland College	4,855,811	15,714,271	603	1,959,956	22,530,640
Prairie State College	2,697,766	8,730,454	335	1,054,700	12,483,256
Rend Lake College	1,535,512	4,969,192	191	195,476	6,700,371
Richland Community College	1,744,618	5,645,895	217	233,270	7,623,999
Rock Valley College	3,836,379	12,415,208	476	1,177,097	17,429,160
Sauk Valley College	1,413,962	4,575,832	176	50,380	6,040,349
Shawnee College	979,153	3,168,714	122	336,583	4,484,572
South Suburban College	2,777,653	8,988,980	345	2,284,764	14,051,742
Southeastern Illinois College	846,522	2,739,495	105	238,235	3,824,357
Southwestern Illinois College	4,079,955	13,203,464	507	3,096,381	20,380,306
Spoon River College	996,518	3,224,910	124	855,545	5,077,097
Triton College	4,179,284	13,524,912	519	1,129,976	18,834,691
Waubonsee Community College	4,889,998	15,824,907	607	1,003,845	21,719,356
Wm. Rainey Harper College	9,348,745	30,254,209	1,161	1,351,160	40,955,274
Subtotal Of Community Colleges	142,570,264	461,382,864	17,700	31,606,955	635,577,784
Total State Appropriation	142,570,264	461,382,864	17,700	769,102	604,739,931
Grand Total *	\$ 285,140,529	\$ 922,765,728	\$ 35,400	\$ 32,376,057	\$ 1,240,317,715

*The sum of the values by employer may differ from the plan totals due to rounding.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT AMOUNTS BY EMPLOYER

<u>Employer</u>	<u>OPEB Expense</u>		
	Proportionate Share of Plan OPEB Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Expense
Black Hawk College	\$ (2,727,080)	\$ (436,495)	\$ (3,163,575)
Carl Sandburg College	(1,304,171)	(66,697)	(1,370,868)
College Of Dupage	(13,095,816)	794,956	(12,300,860)
College Of Lake County	(9,584,131)	1,313,205	(8,270,926)
Danville Area Community College	(1,892,393)	239,867	(1,652,526)
Elgin Community College	(6,864,965)	623,419	(6,241,546)
Heartland Community College	(2,892,900)	274,334	(2,618,567)
Highland Community College	(1,478,903)	66,716	(1,412,187)
Il Community College Trustees Assoc	(28,961)	(44,059)	(73,020)
Il Eastern Community College	(2,450,702)	19,269	(2,431,433)
Illinois Central College	(4,842,273)	(198,895)	(5,041,169)
Illinois Valley Community College	(1,817,829)	(38,540)	(1,856,369)
John A Logan College	(2,803,485)	(396,562)	(3,200,047)
John Wood Community College	(1,294,235)	49,711	(1,244,524)
Joliet Junior College	(8,472,092)	1,181,489	(7,290,603)
Kankakee Community College	(2,016,587)	(338,487)	(2,355,074)
Kaskaskia College	(2,184,611)	(102,590)	(2,287,201)
Kishwaukee College	(1,820,813)	(419,351)	(2,240,164)
Lake Land College	(3,513,190)	10,829	(3,502,360)
Lewis And Clark Community College	(3,129,004)	(360,479)	(3,489,483)
Lincoln Land Community College	(4,787,749)	510,035	(4,277,714)
Mchenry College	(3,609,102)	(215,080)	(3,824,182)
Moraine Valley Community College	(7,461,289)	862,957	(6,598,333)
Morton College	(2,330,242)	393,655	(1,936,587)
Oakton Community College	(6,442,699)	345,851	(6,096,848)
Parkland College	(4,878,357)	(543,932)	(5,422,288)
Prairie State College	(2,710,292)	336,018	(2,374,275)
Rend Lake College	(1,542,642)	(80,037)	(1,622,679)
Richland Community College	(1,752,718)	8,631	(1,744,088)
Rock Valley College	(3,854,192)	(306,556)	(4,160,747)
Sauk Valley College	(1,420,527)	334,417	(1,086,110)
Shawnee College	(983,699)	(57,824)	(1,041,524)
South Suburban College	(2,790,550)	(565,598)	(3,356,148)
Southeastern Illinois College	(850,452)	(111,826)	(962,278)
Southwestern Illinois College	(4,098,899)	(1,194,460)	(5,293,359)
Spoon River College	(1,001,145)	143,964	(857,180)
Triton College	(4,198,690)	(429,722)	(4,628,412)
Waubonsee Community College	(4,912,703)	450,028	(4,462,674)
Wm. Rainey Harper College	(9,392,152)	523,736	(8,868,417)
Subtotal Of Community Colleges	(143,232,239)	2,575,896	(140,656,344)
Total State Appropriation	(143,232,240)	(3,461,356)	(146,693,596)
Grand Total *	\$ (286,464,479)	\$ (885,461)	\$ (287,349,940)

*The sum of the values by employer may differ from the plan totals due to rounding.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMMUNITY COLLEGE HEALTH INSURANCE SECURITY FUND
A Fiduciary Component Unit of the State of Illinois
NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS
AND OTHER POST EMPLOYMENT BENEFIT AMOUNTS BY EMPLOYER
For the Year Ended June 30, 2022

The Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program, “CIP”) was established under the State Employees Group Insurance Act of 1971, as amended, 5 ILCS 375/6.9 (f), which became effective July 1, 1999. The purpose of the CCHISF is to receive and record all revenues from the administration of health benefit programs under Article 15 of the Illinois Pension Code.

The Community College Health Insurance Security Fund is a cost-sharing, multiple-employer, defined benefit OPEB Trust Fund due to the following criteria:

1. Plan assets are pooled and may be used to pay employee benefits of any employer participating in the plan.
2. OPEB is provided to the employees of more than one employer.
3. Benefits plan members will receive at or after separation from employment are defined by specific benefit terms as noted in 5 ILCS 375/6 and 5 ILCS 375/6.1.

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, paragraph 18, states, “special funding situations are circumstances in which a non-employer entity is legally responsible for providing financial support for OPEB of the employees of another entity by making contributions directly to an OPEB plan that is administered through a trust that meets the criteria” of trust fund reporting (*GASB 75*, paragraph 4), and either of the following criteria are met: (1) the amount of contributions or benefit payments for which the non-employer entity legally is responsible is not dependent upon one or more events or circumstances unrelated to the OPEB or (2) the non-employer entity is the only entity with a legal obligation to provide financial support directly to an OPEB plan that is used to provide OPEB to employees of another entity.

The CCHISF has a special funding situation as described in 40 ILCS 15/1.4. The State is required by statute to contribute a defined percentage of participant payroll directly to the OPEB plan, which is administered through a trust.

A. Defined Benefit Plan

CCHISF has no component units. CCHISF is considered a fiduciary component unit of the State of Illinois due to fiscal dependency on the State. The financial statements of the CCHISF are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. This fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs.

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

B. Benefit Provisions

A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services.

Summary of Significant Accounting Policies

A. Nature of Schedules

Employers participating in a cost-sharing OPEB plan, and any non-employer contributing entities that meet the definition of a special funding situation, are required to recognize their proportionate share of the collective OPEB amounts for OPEB benefits provided to members through the CCHISF plan.

GASB Statement No. 75, paragraph 59, states that in determining the employer's proportion of the collective total OPEB liability, "the basis for the employer's proportion should be consistent with the manner in which contributions to the OPEB plan, excluding those associated with separately financed specific liabilities of and individual employer to the OPEB plan, are determined." Additionally, paragraph 109, states "if the effective OPEB plan terms define a specific relationship of the contribution requirements of a nonemployer contributing entity to those of the employer and other contributing entities, the employer's proportion should be established in a manner consistent with those terms, notwithstanding differences between the measurement basis used to determine contributions and the measurement basis used to determine the collective total OPEB liability".

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

The Schedule of Employer Allocations presents the actual fiscal year 2022 contributions used within the proportionate share calculation for each employer and respective allocation percentage. For the non-employer contributing entity (State of Illinois) the CCHISF utilized the long-range funding target of 50% as the allocation percentage and respective contribution amount. For the purpose of allocating the beginning total OPEB liability, the CCHISF utilized contributions reported during fiscal year 2021.

The Schedule of OPEB Amount by Employer presents the proportionate share of total OPEB liability (beginning and ending), total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense subject to allocation for all CCHISF employers and the State. The OPEB expense includes the amortization of the differences between expected and actual economic and demographic experience, differences between projected and actual investment earnings (net) on Plan investments, and the impact of changes of assumptions about future economic or demographic factors or other inputs.

Due to the nature of the Schedules, the contributions utilized in the allocation calculation were actual contributions received and not rounded. Therefore, the total amounts reported within the Schedules may not agree to the summation of the individual columns.

B. Measurement Focus and Basis of Accounting

The financial transactions are recorded using the economic resources measurement focus and the accrual basis of accounting. Employer and non-employer contributing entity contributions are recognized as revenue when due pursuant to statutory or contractual requirements.

C. Use of Estimates in the Preparation of the Schedules

The preparation of the CCHISF Schedules in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts, and the changes therein, and disclosures. Actual results could differ from those estimates and differences could be material. CCHISF uses an actuary to determine the total OPEB liability for the defined benefit plan and to calculate the actuarially determined contributions of the State and employers. The actuarial valuation date for the CCHISF schedules was June 30, 2021. The measurement date of the OPEB liability was June 30, 2022.

D. Basis of Allocation

In determining the proportionate share of the total OPEB liability and corresponding employer OPEB amounts for a cost-sharing plan, the basis should be consistent with the manner in which contributions to the CIP Plan (Plan), excluding those to separately finance specific liabilities of an individual employer, are determined. The Plan has determined that the actual employer contributions made to the Plan during fiscal year 2022 are appropriate as the basis because they are representative of future contributions. For the non-employer contribution, the plan has determined to use a 50% share as this is the long-range funding target.

GASB Statement No. 75 states that special funding situations are defined as circumstances in which a non-employer entity (State of Illinois) is legally responsible for making contributions directly to CCHISF that is used to provide OPEB to the employees of another entity or entities and the amount of the contributions is not dependent upon one or more events unrelated to OPEB.

The total OPEB liability is the System's total OPEB liability plus the deficit in fiduciary net position. The total OPEB liability was determined by an actuarial valuation as of June 30, 2021 and measured as of June 30, 2022. The CCHISF allocates the total OPEB liabilities to the employers and the State of Illinois, as the non-employer contributing entity, based on the allocation percentages calculated within the Schedule of Employer Allocations.

The actual total employer contributions for fiscal years 2022 and 2021 used as the denominator for the allocation calculation in the Schedule of Employer Allocations can be reconciled to the CCHISF financial statements, as follows:

	2022	2021
Contributions to defined benefit plan		
Employer	\$ 4,715,231	\$ 4,648,945
State	4,715,231	4,648,945
Miscellaneous adjustments	1	(1)
Total Contributions – Schedule of Employer Allocations	\$ 9,430,463	\$ 9,297,889

E. OPEB Expense and Amortization of OPEB Expense

OPEB expense, as well as deferred outflows of resources and deferred inflows of resources related to OPEB, should be recognized for the employers' (and non-employer contributing entity's) proportionate shares of collective OPEB expense and collective deferred outflows of resources and deferred inflows of resources related to OPEB.

Deferred outflows of resources are the consumption of net position by CCHISF that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position. Deferred inflows of resources are the acquisition of net position that is applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position. Other than differences between projected and actual investment earnings, deferred inflows and outflows of resources are recognized in OPEB expense beginning in the current period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active and inactive), determined as of the beginning of the measurement period.

Net deferred inflows (or outflows) of resources pertaining to differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

The OPEB amounts allocated to employers and to the State of Illinois are based on total contributions.

The components of OPEB expense are:

Service Cost	\$ 31,707,850
Interest on the Total OPEB Liability	13,125,903
Current-Period Benefit Changes	-
Active Member Contributions	(4,715,000)
Projected Earning on Plan Investments	-
OPEB Plan Operating Expenses	6,049,000
Other Changes in Plan Fiduciary Net Position	(58,000)
Recognition of Outflow/(Inflow) due to Liability Experience	(67,951,161)
Recognition of Outflow/(Inflow) due to Assumption Changes	(264,592,471)
Recognition of Outflow/(Inflow) due to Investment Experience	(30,600)
Total OPEB Expense	\$ (286,464,479)

At the beginning of the current measurement period, the expected remaining service lives of all active members in the plan was approximately 188,572 years. Additionally, the total plan membership (active, inactive and retired members) was 32,090. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 5.88 years.

F. Total OPEB Liability

The total OPEB liability for CCHISF for fiscal year 2022 is set forth in the following table:

Total OPEB Liability Beginning of Year	\$ 1,735,532,863
OPEB Expense	(286,464,479)
Employer Contributions	(9,430,000)
Change in Liability Experience Outflows/(Inflows) Recognized in Current Liabilities	(163,868,786)
Change in Assumption Changes Experience Outflows/(Inflows) Recognized in Current Liabilities	(591,224,046)
Change in Investment Experience Outflows/(Inflows) Recognized in Current Assets	14,600
Total OPEB Liability End of Year¹	<u>\$ 684,560,152</u>

¹The sum of the value by employer may differ within the schedules from the plan total due to rounding.

Requests for Information

CCHISF has no component units. CCHISF is considered a fiduciary component unit of the State of Illinois due to fiscal dependency on the State. The financial statements of the CCHISF are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. The audit report is available on the office of the Auditor General website at www.auditor.illinois.gov, which includes the financial statements of the Department of Central Management Services. Questions regarding the financial statements can be addressed to the Department of Central Management Services at 401 South Spring, Springfield, Illinois, 62706. A copy of the actuarial valuation report will be made available by the Commission on Government Forecasting and Accountability on its website at <http://cgfa.ilga.gov/>.