

JOLIET JUNIOR COLLEGE FOUNDATION
Joliet, Illinois

Consolidated Financial Statements
and
Independent Auditor's Report

Year Ended June 30, 2009

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Joliet Junior College Foundation
Joliet, Illinois

We have audited the accompanying consolidated statement of financial position of Joliet Junior College Foundation (a nonprofit organization) and subsidiary as of June 30, 2009, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Joliet Junior College Foundation and subsidiary as of June 30, 2009 and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Slattery, Noonan & Co. LLC

Joliet, Illinois
September 15, 2009

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2009

ASSETS

Current assets:	
Cash and cash equivalents	\$ 649,103
Investments, at fair value	12,127,314
Pledges receivable	5,000
Other receivables	43,252
Prepaid expenses	12,643
Total current assets	<u>12,837,312</u>
Property and equipment, net	9,924,767
Other	<u>905</u>
Total assets	<u><u>\$ 22,762,984</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 78,852
Accrued expenses	45,805
Accrued interest	3,050,838
Deposits	38,953
Other	29,532
Short-term debt	14,581,276
Total current liabilities	<u>17,825,256</u>
Long-term debt	<u>994,212</u>
Total liabilities	<u>18,819,468</u>
Net assets:	
Unrestricted	(6,187,119)
Temporarily restricted	857,076
Permanently restricted	9,273,559
Total net assets	<u>3,943,516</u>
Total liabilities and net assets	<u><u>\$ 22,762,984</u></u>

The accompanying notes are an integral part of this statement.

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

Revenues:	
Contributions	\$ 780,960
Special events	48,450
Rental	1,307,790
Dividends and interest	378,625
Miscellaneous	141,268
Total revenues	<u>2,657,093</u>
Expenses:	
Salaries	318,750
Contractual services	114,321
Scholarships	712,509
Program services	190,767
Repairs and maintenance	158,073
Utilities	215,109
Insurance	29,306
Marketing and leasing fees	2,934
Management fees	119,339
Management and general	167,449
Investment fees	79,640
Depreciation	381,955
Total expenses	<u>2,490,152</u>
Excess of revenues over expenses	166,941
Interest expense	(1,034,050)
Net realized and unrealized (loss) on investments	(2,904,167)
Change in net assets	<u>(3,771,276)</u>
Net assets	
July 1, 2008	<u>7,714,792</u>
June 30, 2009	<u><u>\$ 3,943,516</u></u>

The accompanying notes are an integral part of this statement.

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended June 30, 2009

Cash flows from operating activities	
Interest and dividends received	\$ 380,116
Deposits received	11,449
Rent received	1,318,564
Contributions received	792,900
Other sources	189,718
Cash paid to employees, suppliers and servicers	(2,103,478)
Net cash provided by operating activities	<u>589,269</u>
Cash flows from investing activities	
Net change in cash resulting from investment transactions	<u>59,358</u>
Net cash provided by investing activities	<u>59,358</u>
Cash flows from financing activities	
Interest payments on debt	<u>(338,044)</u>
Net cash (used in) financing activities	<u>(338,044)</u>
Net increase in cash and cash equivalents	310,583
Cash and cash equivalents at beginning of year	<u>338,520</u>
Cash and cash equivalents at end of year	<u><u>\$ 649,103</u></u>
Reconciliation of excess of revenues over expenses to	
net cash provided by operating activities	
Excess of revenues over expenses	\$ 166,941
Adjustments to reconcile excess of revenues over expenses	
to net cash provided by operating activities:	
Depreciation	381,955
Decrease in receivables	13,899
(Increase) in prepaid expenses	(2,852)
(Decrease) in accounts payable	(3,523)
Increase in accrued expenses	11,326
Increase in deposits	11,449
Increase in other liabilities	10,074
Net cash provided by operating activities	<u><u>\$ 589,269</u></u>

The accompanying notes are an integral part of this statement.

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies

Organization: The Joliet Junior College Foundation (Foundation) is an Illinois non-profit corporation located in Joliet, Illinois. It was formed to assist in developing and increasing the educational opportunities at Joliet Junior College (College) by encouraging gifts and grants and to receive, hold, and administer these gifts. In addition, the Foundation is the sole member of Foundation Housing, LLC, a limited liability company that also serves and benefits the College. Foundation Housing, LLC has been consolidated in the Foundation's financial statements. The Foundation is not responsible for the debts of Foundation Housing, LLC, and the creditors do not have recourse against the Foundation for liabilities incurred by this entity.

Foundation Housing, LLC (Foundation Housing) is an Illinois limited liability company, organized on April 20, 2001. Foundation Housing was created specifically for the purpose of participating in the issuance of bonds and applying the proceeds thereof to acquire, construct, and equip a 284-bed student housing facility adjacent to the campus of Joliet Junior College. The facility was completed in August 2002. The main purpose of Foundation Housing is to provide rental housing to students, faculty, and other persons engaged in academic programs at the College.

Summary of Significant Accounting Policies:

Principles of Consolidation: The consolidated financial statements include the activities of Foundation Housing, LLC, a limited liability company. All significant intercompany transactions have been eliminated.

Fund Accounting: To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, the funds are combined, and fund balances with similar characteristics are combined and reported.

The financial statements follow the recommendations of Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation reports its fund balances as net assets. Net assets are classified into one of three classes of net assets based on the existence or absence of donor-imposed restrictions. The following is a description of each class:

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies – continued

Unrestricted: Unrestricted net assets include all net assets, which are neither temporarily or permanently restricted.

Temporarily Restricted: Temporarily restricted net assets include contributed net assets for which donor imposed time and purpose restrictions have not been met and the ultimate purpose of the contributions is not permanently restricted.

Permanently Restricted: Permanently restricted net assets include contributed net assets, which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

Cash and Cash Equivalents: Cash and cash equivalents include checking accounts, savings accounts, and repurchase agreements with maturity dates of 90 days or less.

Concentration of Credit Risk: The Foundation and Foundation Housing maintain cash balances in banks located in Joliet, Illinois. The balances for these accounts at times exceed \$250,000, the amount insured by the Federal Deposit Insurance Corporation (FDIC).

The Foundation and Foundation Housing have repurchase agreements with a bank. The fair market values of the pledged securities exceed the balances in the accounts at June 30, 2009.

Investments: Investments are composed of publicly traded securities, which are carried at fair value and certificates of deposits, which are carried at cost, but which approximates fair value.

Donated Property: Donated property is recorded at its fair value at the date of donation. If donors stipulate how long the assets must be used or held, the contributions are recorded as restricted support. In absence of such stipulations, contributions of property are recorded as unrestricted support.

Accounting Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Advertising: Advertising costs are expensed as incurred and are included in operating costs. Advertising expense amounted to \$2,934 for the year ended June 30, 2009.

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies – continued

Endowment: The Foundation's endowment consists of many funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation 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) accumulations to the permanent endowment made in accordance with the directions 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 purposes of the Foundation and the donor-restricted endowment fund.

The Foundation has authorized that the amount to be allocated to operations from the endowment fund be determined by applying a spending rate determined annually based on investment income. For fiscal 2009, this rate was 4%.

Note 2: Investments

Investments consist of the following as of June 30, 2009:

	<u>Cost</u>	<u>Market</u>
Money market funds	\$ 939,834	\$ 939,834
Certificate of deposits	300,025	300,025
U.S. Treasury and governmental agency obligations	802,431	805,106
Corporate and other obligations	2,797,480	2,893,528
Common stock and equity funds	<u>8,340,668</u>	<u>7,188,821</u>
Total investments	<u>\$13,180,438</u>	<u>\$12,127,314</u>

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 2: Investments – continued

For the year ended June 30, 2009, the Foundation's investments incurred an unrealized loss of \$1,411,471 and a realized loss of \$1,492,696.

Note 3: Other Receivables

Other receivables are comprised of the following amounts at June 30, 2009:

Interest and dividends receivable on the Foundation's investments.	\$ 37,885
Residential rentals due Foundation Housing. At June 30, 2009, total rent receivables are \$348,352; this amount is reduced by an allowance for uncollectible rents of \$346,758.	1,594
Deposit on utility accounts due Foundation Housing	<u>3,773</u>
Total other receivables	<u>\$ 43,252</u>

The allowance for uncollectible rents was established by the management of Foundation Housing, and it represents rents which are thirty days or more past due. Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for uncollectible rents, and the amount is removed from rent receivable.

Foundation Housing had gross rental revenue of \$1,346,174 for the year ended June 30, 2009. This amount was reduced by \$38,384 in uncollectible rents to reflect net rental revenue of \$1,307,790.

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 4: Property and Equipment

Property and equipment are stated at cost. Buildings and improvements are depreciated over 30-50 years on a straight-line basis. All other assets are depreciated on a straight-line basis over their useful lives estimated from 5 to 10 years. A summary of changes in property and equipment for the year ended June 30, 2009 is as follows:

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Land	\$ 1,075,932	\$ -	\$ -	\$ 1,075,932
Buildings and improvements	11,458,681	-	-	11,458,681
Furniture and equipment	<u>273,036</u>	<u>-</u>	<u>-</u>	<u>273,036</u>
Total property and equipment	<u>12,807,649</u>	<u>-</u>	<u>-</u>	<u>12,807,649</u>
Less: accumulated depreciation				
Buildings and improvements	(2,227,891)	(381,955)	-	(2,609,846)
Furniture and equipment	<u>(273,036)</u>	<u>-</u>	<u>-</u>	<u>(273,036)</u>
Total accumulated depreciation	<u>(2,500,927)</u>	<u>(381,955)</u>	<u>-</u>	<u>(2,882,882)</u>
Net property and equipment	<u>\$10,306,722</u>	<u>(\$381,955)</u>	<u>\$ -</u>	<u>\$9,924,767</u>

Note 5: 2002 Series Revenue Bonds

In May 2002, \$14,455,000 of Revenue Bonds were issued by the County of Will, Illinois and the proceeds loaned to Foundation Housing, LLC to provide permanent financing for the student housing facility. The bond offering consisted of \$13,985,000 Student Housing Revenue Bonds Series 2002A and \$470,000 Student Housing Revenue Bonds Taxable Series 2002B. The bonds were issued at a discount of \$401,906. The interest rate on the bonds varies from 6.375% to 7.75%. The bonds are secured by the student housing land and buildings and are payable from the revenues generated by the facility.

In 2003 and 2004 Foundation Housing used debt service reserves to meet debt service requirements. On March 1, 2005, as a result of certain actions of Bondholders and a firm representing the Bondholders, the Trustee for the 2002 Series Revenue Bonds did not make the March 1, 2005 interest payments, which resulted in an Event of Default. On June 15, 2005, Foundation Housing entered into a Forbearance Agreement with the Bondholders of the 2002 Series Revenue Bonds.

Under the Forbearance Agreement, the Trustee would not exercise any remedies available under the Bond Document as a result of any past or future defaults. Payments due on September 1, 2005, March 1, 2006, September 1, 2006, March 1, 2007, September

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 5: 2002 Series Revenue Bonds – continued

1, 2007, March 1, 2008, September 1, 2008 and March 1, 2009 were not made as scheduled. Partial payments of interest have been made as follows:

<u>Date</u>	<u>Scheduled Debt Service</u>		<u>Interest Due</u>	<u>Actual Interest due and Payments</u>		
	<u>Principal</u>	<u>Interest</u>		<u>Payment Date</u>	<u>Amount</u>	<u>Unpaid Interest</u>
9/1/05	\$50,000	\$484,750	\$484,750	3/1/06	\$194,630	\$ -
				9/1/06	120,000	
				2/15/07	170,120	
3/1/06	-	482,812	484,750	2/15/07	179,880	-
				8/23/07	217,000	
				3/3/08	87,870	
9/1/06	80,000	482,813	484,750	3/3/08	292,130	
				3/2/09	192,620	-
3/1/07	-	479,712	484,750	3/2/09	145,425	339,325
9/1/07	120,000	479,713	484,750		-	484,750
3/1/08	-	475,062	484,750		-	484,750
9/1/08	160,000	475,063	484,750		-	484,750
3/1/09	-	468,862	484,750		-	484,750

On June 15, 2008 the Forbearance Agreement terminated, and the 2002 Series Revenue Bonds were in an Event of Default. Under the bond trust indenture, the bonds became due immediately in the event of default. As a result, the 2002 Series Revenue Bonds with a balance payable of \$14,435,000 are classified as short-term debt.

As of June 30, 2009, total accrued interest for the 2002 Series Revenue Bonds is \$2,601,492.

Note 6: Long-Term Debt

Mortgage Payable: Foundation Housing entered into an agreement with the College to purchase 15.048 acres of land to construct the student housing facility. As consideration for the land, Foundation Housing has agreed to pay the College \$1,075,932 and interest at 6% per annum. At June 30, 2009, total debt of \$1,140,488 includes capitalized interest of \$64,556. The principal and interest shall be payable solely from net cash flows, if any, that exceed 120% of the debt service for the preceding year. The payments are to be made in 30 annual installments of \$78,165 beginning on October 1, 2003. Net cash flow is defined as the excess, if any, of gross revenues less annual expenses. No payments have been made as of June 30, 2009.

Current maturities on the Mortgage Payable for the next five years ending June 30 and thereafter are as follows:

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 6: Long-Term Debt - continued

Year ended June 30,	Interest	Principal	Total
2010	\$ 64,355	\$ 146,276	\$ 210,631
2011	63,526	14,639	78,165
2012	62,648	15,517	78,165
2013	61,717	16,448	78,165
2014	60,730	17,435	78,165
Thereafter	<u>925,761</u>	<u>930,173</u>	<u>1,855,934</u>
Total	<u>\$1,238,737</u>	<u>\$1,140,488</u>	<u>\$2,379,225</u>

Total accrued interest for the mortgage payable is \$449,346 at June 30, 2009.

Note 7: Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

Income taxes or credits resulting from earnings or losses that are payable by the Foundation's subsidiary are not included in the accompanying financial statements. It is the intent of the Foundation and its wholly owned subsidiary, Foundation Housing, LLC to avoid any action that would jeopardize the tax status of the Foundation.

Note 8: Related Parties

The College provides personnel and general operating costs of the Foundation. The College paid \$369,050 for salary, benefits, and operating costs for the year ended June 30, 2009.

As explained in Note 6, Foundation Housing has a mortgage payable to the College with a balance of \$1,140,488 at June 30, 2009.

Note 9: Commitments and Contingencies

On June 17, 2005, Foundation Housing entered into a property management agreement with Campus Advantage, Inc. (Campus). The agreement with Campus terminates on May 31, 2010 and will automatically renew on a month-to-month basis until terminated by either party by a 30-day written notice. The property management fee is \$5,000 per month through May 31, 2010. In addition to the fixed monthly fee, Campus is entitled to an incentive fee based on meeting certain revenue targets. The incentive fee for each

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 9: Commitments and Contingencies - continued

fiscal year (September 1 through August 31) shall be equal to the lesser of 10% of the gross receipts in excess of \$1,000,000 or the following:

<u>Year Ended</u> <u>August 31,</u>	<u>Maximum</u> <u>Incentive Fee</u>
2009	54,500
2010	56,000
2011	57,500

Payment of management fees is the responsibility of Foundation Housing and is without recourse to the Foundation.

Note 10: Changes to Endowment Net Assets

Changes in the endowment net assets for the year ended June 30, 2009 are as follows:

	<u>Unrestricted</u>	<u>Temporarily</u> <u>Restricted</u>	<u>Permanently</u> <u>Restricted</u>	<u>Total</u>
Investment return:				
Investment income	\$ 179,556	\$ 197,301	\$ -	\$ 376,857
Net depreciation realized and unrealized	<u>(2,031,072)</u>	<u>(873,095)</u>	-	<u>(2,904,167)</u>
	(1,851,516)	(675,794)	-	(2,527,310)
Contributions	15,834	505,547	259,579	780,960
Special event	48,450	-	-	48,450
Appropriation of endowment assets for expenditure	(247,209)	(771,271)	-	(1,018,480)
Other changes:				
Board allocation to endowment scholarships	<u>(100,000)</u>	-	100,000	-
Total changes in net assets	(2,134,441)	(941,518)	359,579	(2,716,380)
Endowment net assets, beginning of year	<u>\$ 4,503,569</u>	<u>\$ 1,798,594</u>	<u>\$ 8,913,980</u>	<u>\$ 15,216,143</u>
Endowment net assets, end of year	<u>\$ 2,369,128</u>	<u>\$ 857,076</u>	<u>\$ 9,273,559</u>	<u>\$ 12,499,763</u>

JOLIET JUNIOR COLLEGE FOUNDATION
Notes to the Consolidated Financial Statements

Note 11: Fund Balances

The composition of Net assets by fund balance at June 30, 2009 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor restricted endowment funds	(1,247,398)	857,076	9,273,559	8,883,237
Board designated endowment funds	<u>3,616,526</u>	<u>-</u>	<u>-</u>	<u>3,616,526</u>
Endowment net assets	2,369,128	857,076	9,273,559	12,499,763
Member equity – Foundation Housing	<u>(8,556,247)</u>	<u>-</u>	<u>-</u>	<u>(8,556,247)</u>
Net assets	<u>\$ (6,187,119)</u>	<u>\$ 857,076</u>	<u>\$ 9,273,559</u>	<u>\$ 3,943,516</u>

Note 12: Subsequent Event

On September 1, 2009 Foundation Housing made a partial interest payment of \$87,255 to the Trustee on the Student Housing Revenue Bond Series 2002A and 2002B. This interest payment is being distributed to the bondholders as a partial payment on the March 1, 2007 interest due.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITOR'S REPORT
ON THE SUPPLEMENTARY INFORMATION**

To the Board of Directors of
Joliet Junior College Foundation
Joliet, Illinois

Our report on our audit of the consolidated basic financial statements of Joliet Junior College Foundation for the year ended June 30, 2009 appears on page 1. That audit was conducted for the purpose of forming an opinion on the consolidated basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated basic financial statements taken as a whole.

Slattery, Noonan + Co. LLC

Joliet, Illinois
September 15, 2009

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2009

	JJC Foundation	Foundation Housing	Eliminations	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 377,220	\$ 271,883	\$ -	\$ 649,103
Investments, at fair value	12,081,331	45,983	-	12,127,314
Pledges receivable	5,000	-	-	5,000
Other receivables	37,885	5,367	-	43,252
Prepaid expenses	-	12,643	-	12,643
Total current assets	<u>12,501,436</u>	<u>335,876</u>	<u>-</u>	<u>12,837,312</u>
Property and equipment:				
Land	-	1,075,932	-	1,075,932
Buildings and improvements	-	11,458,681	-	11,458,681
Furniture and equipment	-	273,036	-	273,036
	-	12,807,649	-	12,807,649
Accumulated depreciation	-	(2,882,882)	-	(2,882,882)
	-	<u>9,924,767</u>	-	<u>9,924,767</u>
Other	<u>905</u>	<u>-</u>	<u>-</u>	<u>905</u>
Total assets	<u><u>\$ 12,502,341</u></u>	<u><u>\$ 10,260,643</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,762,984</u></u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	\$ 702	\$ 78,150	\$ -	\$ 78,852
Accrued expenses	-	45,805	-	45,805
Accrued interest	-	3,050,838	-	3,050,838
Deposits	-	38,953	-	38,953
Other	1,876	27,656	-	29,532
Short-term debt	-	14,581,276	-	14,581,276
Total current liabilities	<u>2,578</u>	<u>17,822,678</u>	<u>-</u>	<u>17,825,256</u>
Long-term debt	<u>-</u>	<u>994,212</u>	<u>-</u>	<u>994,212</u>
Total liabilities	<u>2,578</u>	<u>18,816,890</u>	<u>-</u>	<u>18,819,468</u>
Net assets:				
Unrestricted	2,369,128	(8,556,247)	-	(6,187,119)
Temporarily restricted	857,076	-	-	857,076
Permanently restricted	9,273,559	-	-	9,273,559
Total net assets	<u>12,499,763</u>	<u>(8,556,247)</u>	<u>-</u>	<u>3,943,516</u>
Total liabilities and net assets	<u><u>\$ 12,502,341</u></u>	<u><u>\$ 10,260,643</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,762,984</u></u>

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

	JJC Foundation	Foundation Housing	Eliminations	Total
Revenues:				
Contributions	\$ 780,960	\$ -	\$ -	\$ 780,960
Special events	48,450	-	-	48,450
Rental	-	1,307,790	-	1,307,790
Dividends and interest	376,857	1,768	-	378,625
Miscellaneous	-	141,268	-	141,268
Total revenues	1,206,267	1,450,826	-	2,657,093
Expenses:				
Salaries	-	318,750	-	318,750
Contractual services	-	114,321	-	114,321
Scholarships	712,509	-	-	712,509
Program services	190,767	-	-	190,767
Repairs and maintenance	-	158,073	-	158,073
Utilities	-	215,109	-	215,109
Insurance	-	29,306	-	29,306
Marketing and leasing fees	-	2,934	-	2,934
Management fees	35,564	83,775	-	119,339
Management and general	-	167,449	-	167,449
Investment fees	79,640	-	-	79,640
Depreciation	-	381,955	-	381,955
Total expenses	1,018,480	1,471,672	-	2,490,152
Excess (deficiency) of revenues over expenses	187,787	(20,846)	-	166,941
Interest expense	-	(1,034,050)	-	(1,034,050)
Net realized and unrealized (loss) on investments	(2,904,167)	-	-	(2,904,167)
Change in net assets	(2,716,380)	(1,054,896)	-	(3,771,276)
Net assets				
July 1, 2008	15,216,143	(7,501,351)	-	7,714,792
June 30, 2009	<u>\$ 12,499,763</u>	<u>\$ (8,556,247)</u>	<u>\$ -</u>	<u>\$ 3,943,516</u>

JOLIET JUNIOR COLLEGE FOUNDATION
CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended June 30, 2009

	JJC	Foundation		
	Foundation	Housing	Eliminations	Total
Cash flows from operating activities				
Interest and dividends received	\$ 378,348	\$ 1,768	\$ -	\$ 380,116
Deposits (returned)	-	11,449	-	11,449
Rent received	-	1,318,564	-	1,318,564
Contributions received	792,900	-	-	792,900
Other sources	48,450	141,268	-	189,718
Cash paid to employees, suppliers and servicers	(1,073,837)	(1,029,641)	-	(2,103,478)
Net cash provided by operating activities	145,861	443,408	-	589,269
Cash flows from investing activities				
Net change in cash resulting from investment transactions	99,220	(39,862)	-	59,358
Net cash (used in) investing activities	99,220	(39,862)	-	59,358
Cash flows from financing activities				
Interest payments on long-term debt	-	(338,044)	-	(338,044)
Net cash (used in) financing activities	-	(338,044)	-	(338,044)
Net increase in cash and cash equivalents	245,081	65,502	-	310,583
Cash and cash equivalents at beginning of year	132,139	206,381	-	338,520
Cash and cash equivalents at end of year	\$ 377,220	\$ 271,883	\$ -	\$ 649,103
Reconciliation of excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities				
Excess (deficiency) of revenues over expenses	\$ 187,787	\$ (20,846)	\$ -	\$ 166,941
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities:				
Depreciation	-	381,955	-	381,955
Decrease in receivables	13,431	468	-	13,899
Increase in prepaid expenses	-	(2,852)	-	(2,852)
Increase (decrease) in accounts payable	(55,125)	51,602	-	(3,523)
Increase in accrued expenses	-	11,326	-	11,326
Increase in deposits	-	11,449	-	11,449
Increase (decrease) in other liabilities	(232)	10,306	-	10,074
Net cash provided by operating activities	\$ 145,861	\$ 443,408	\$ -	\$ 589,269