

Ilisagvik College

Presentation of Financial Information June 30, 2021

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Independent Auditor's Report

Board of Trustees
Ilisagvik College
Utqiagvik, Alaska

Opinion

We have audited the accompanying financial statements of Ilisagvik College, a component unit of the North Slope Borough, Alaska, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Ilisagvik College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of Ilisagvik College, as of June 30, 2021, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.



**Pages 6 - 11 are the
Management's Discussion and Analysis**

Ilisagvik College
(A Component Unit of the North Slope Borough, Alaska)
Statements of Net Position
(With Summarized Comparative Amounts for 2020)

<i>June 30,</i>	2021	2020
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	\$ 2,034,193	\$ 6,010,971
Accounts receivable, net	501,887	470,762
Grants and contracts receivable	2,030,761	943,158
Prepaid items	197,882	209,246
Inventories	153,246	131,680
Investments	28,953,352	12,931,843
Total Current Assets	33,871,321	20,697,660
Noncurrent Assets		
Capital assets, net of accumulated depreciation	1,782,777	1,082,726
Net other postemployment benefit asset	860,681	71,635
Total Noncurrent Assets	2,643,458	1,154,361
Total Assets	36,514,779	21,852,021
Deferred Outflows of Resources		
Pension related	1,262,712	1,434,423
Other postemployment benefits related	561,051	1,011,647
Total Deferred Outflows of Resources	1,823,763	2,446,070
Total Assets and Deferred Outflows of Resources	\$ 38,338,542	\$ 24,298,091
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 286,731	\$ 319,074
Unearned revenue	8,047,357	943,998
Accrued payroll and related liabilities	752,660	779,613
Current portion note payable from direct borrowing	-	837,147
Total Current Liabilities	9,086,748	2,879,832
Noncurrent Liabilities		
Note payable from direct borrowing	-	1,144,640
Net pension liability	10,298,476	11,876,217
Net other postemployment benefits liability	22,898	410,880
Total Noncurrent Liabilities	10,321,374	13,431,737
Total Liabilities	19,408,122	16,311,569
Deferred Inflows of Resources		
Pension related	546,417	175,814
Other postemployment benefits related	714,170	394,907
Total Deferred Inflows of Resources	1,260,587	570,721
Net Position		
Investment in capital assets	1,782,777	1,082,726
Restricted for foundation	4,364,868	4,000,000
Unrestricted	11,522,188	2,333,075
Total Net Position	17,669,833	7,415,801
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 38,338,542	\$ 24,298,091

\$14 million increase in assets. Most increase were in investments and capital assets.

\$3.1 million increase in liabilities, mostly from Unearned revenue from Federal funding.



See accompanying notes to basic financial statements.

Ilisagvik College
(A Component Unit of the North Slope Borough, Alaska)
Statements of Revenues, Expenses, and Changes in Net Position
(With Summarized Comparative Amounts for 2020)

<i>Year Ended June 30,</i>	2021	2020
Operating Revenues		
Tuition and fees, net of scholarships	\$ 405,853	\$ 512,542
Auxiliary enterprises revenue	398,792	619,643
Intergovernmental grants	7,220,098	4,713,926
Contracts	4,162	8,832
Other operating revenues	132,128	48,091
Total Operating Revenues	8,161,033	5,903,034
Operating Expenses		
Instruction	4,110,159	4,484,138
Institution	4,613,602	3,508,159
Auxiliary enterprises	135,057	573,682
Academic support	1,852,051	2,260,119
Operations and maintenance	3,949,063	4,236,837
Student services	1,321,294	2,418,580
Depreciation	311,518	270,228
Total Operating Expenses	16,292,744	17,751,743
Operating loss	(8,131,711)	(11,848,709)
Nonoperating Revenues		
Contribution from North Slope Borough	10,128,837	9,186,058
In-kind rent contribution	2,794,633	2,693,622
Private grants and gifts	671,727	730,641
PERS on-behalf - State of Alaska	550,295	628,241
Investment income	2,258,464	93,825
PPP loan forgiveness revenue	1,981,787	-
Total Nonoperating Revenues	18,385,743	13,332,387
Change in net position	10,254,032	1,483,678
Net Position, beginning of year	7,415,801	5,932,123
Net Position, end of year	\$ 17,669,833	\$ 7,415,801

**\$2.3 million
increase in
revenue, mostly
from Grants.**

Ilisagvik College
(A Component Unit of the North Slope Borough, Alaska)
Statements of Cash Flows
(With Summarized Comparative Amounts for 2020)

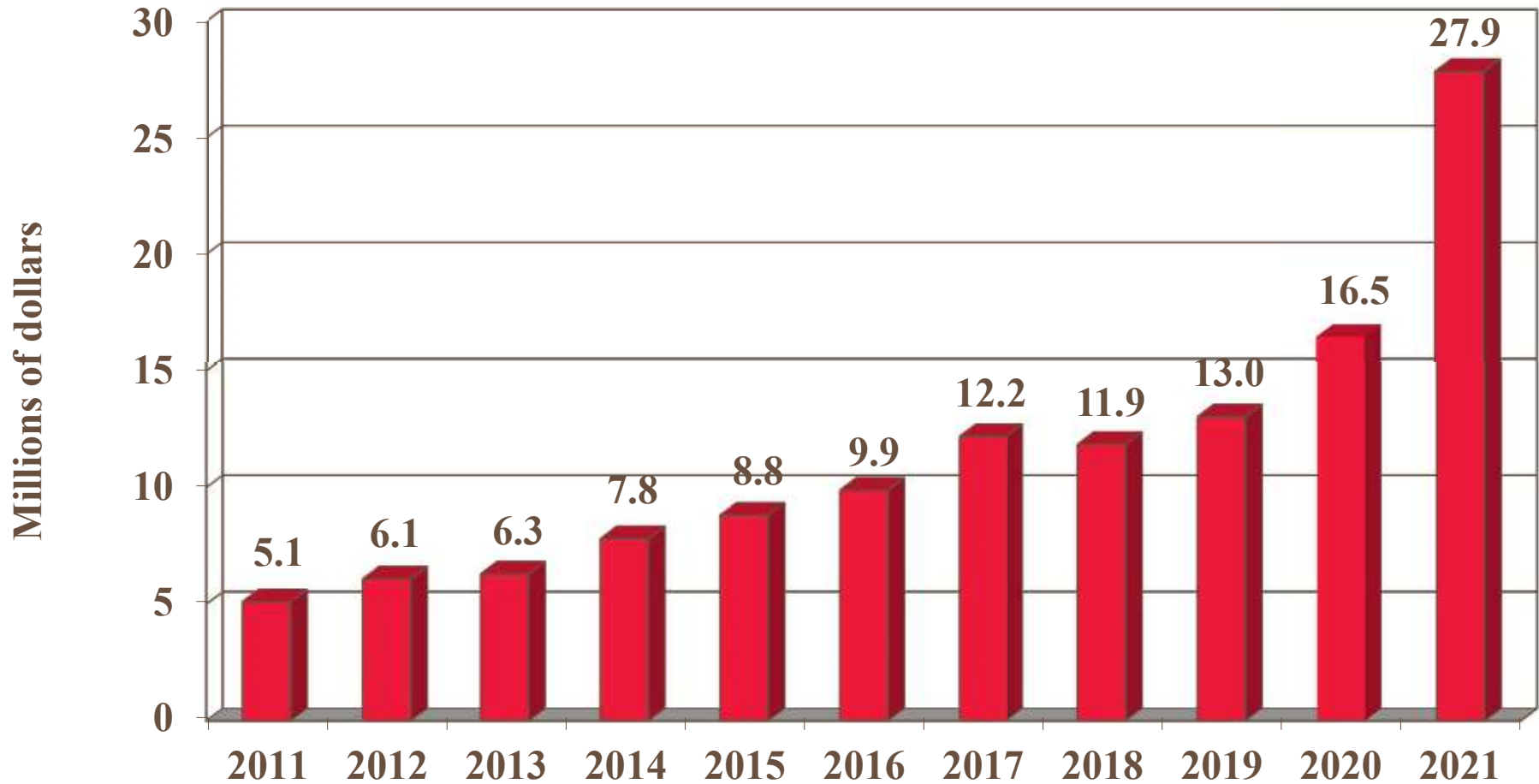
<i>Year Ended June 30,</i>	2021	2020
Cash Flows for Operating Activities		
Provided from tuition and fees	\$ 405,853	\$ 512,542
Provided from grants and contracts	13,240,016	4,910,702
Provided from sales and services	499,795	675,345
Paid to suppliers	(3,529,636)	(3,995,626)
Paid to employees for payroll and benefits	(10,618,756)	(10,212,824)
Net cash flows for operating activities	(2,728)	(8,109,861)
Cash Flows from Noncapital Financing Activities		
Received from North Slope Borough	10,128,837	9,186,058
Proceeds from note payable direct borrowing	-	1,981,787
Received from private grants and gifts	671,727	730,641
Net cash flows from noncapital financing activities	10,800,564	11,898,486
Cash Flows for Capital and Related Financing Activities		
Purchase of capital assets	(1,011,569)	(86,886)
Cash Flows for Investing Activities		
Investment income	2,258,464	93,825
Unrealized loss (gains)	(1,649,241)	230,452
Realized gains	(374,473)	(52,068)
Purchase of investments	(20,432,495)	(9,973,673)
Proceeds from sale of investments	6,434,700	9,405,228
Net cash flows for investing activities	(13,763,045)	(296,236)
Net increase (decrease) in cash and cash equivalents	(3,976,778)	3,405,503
Cash and Cash Equivalents, beginning of year	6,010,971	2,605,468
Cash and Cash Equivalents, end of year	\$ 2,034,193	\$ 6,010,971

Ilisagvik College
(A Component Unit of the North Slope Borough, Alaska)
Schedule of Functional Expenses

<i>Year Ended June 30, 2021</i>	Salaries and Benefits	Services	Supplies	Facilities	Travel	Other	Totals
Instruction	\$ 3,811,577	\$ 87,206	\$ 127,597	\$ 16,499	\$ 39,505	\$ 27,775	\$ 4,110,159
Institution	2,881,568	538,139	421,794	26,974	53,160	691,967	4,613,602
Auxiliary enterprises	95,684	3,332	35,523	-	-	518	135,057
Academic support	1,283,187	97,030	470,120	-	1,233	481	1,852,051
Operations and maintenance	469,638	8,347	36,626	3,434,046	-	406	3,949,063
Student services	1,157,848	150	67,146	28,249	44,978	22,923	1,321,294
Depreciation	-	-	-	-	-	311,518	311,518
Totals	\$ 9,699,502	\$ 734,204	\$ 1,158,806	\$ 3,505,768	\$ 138,876	\$ 1,055,588	\$ 16,292,744

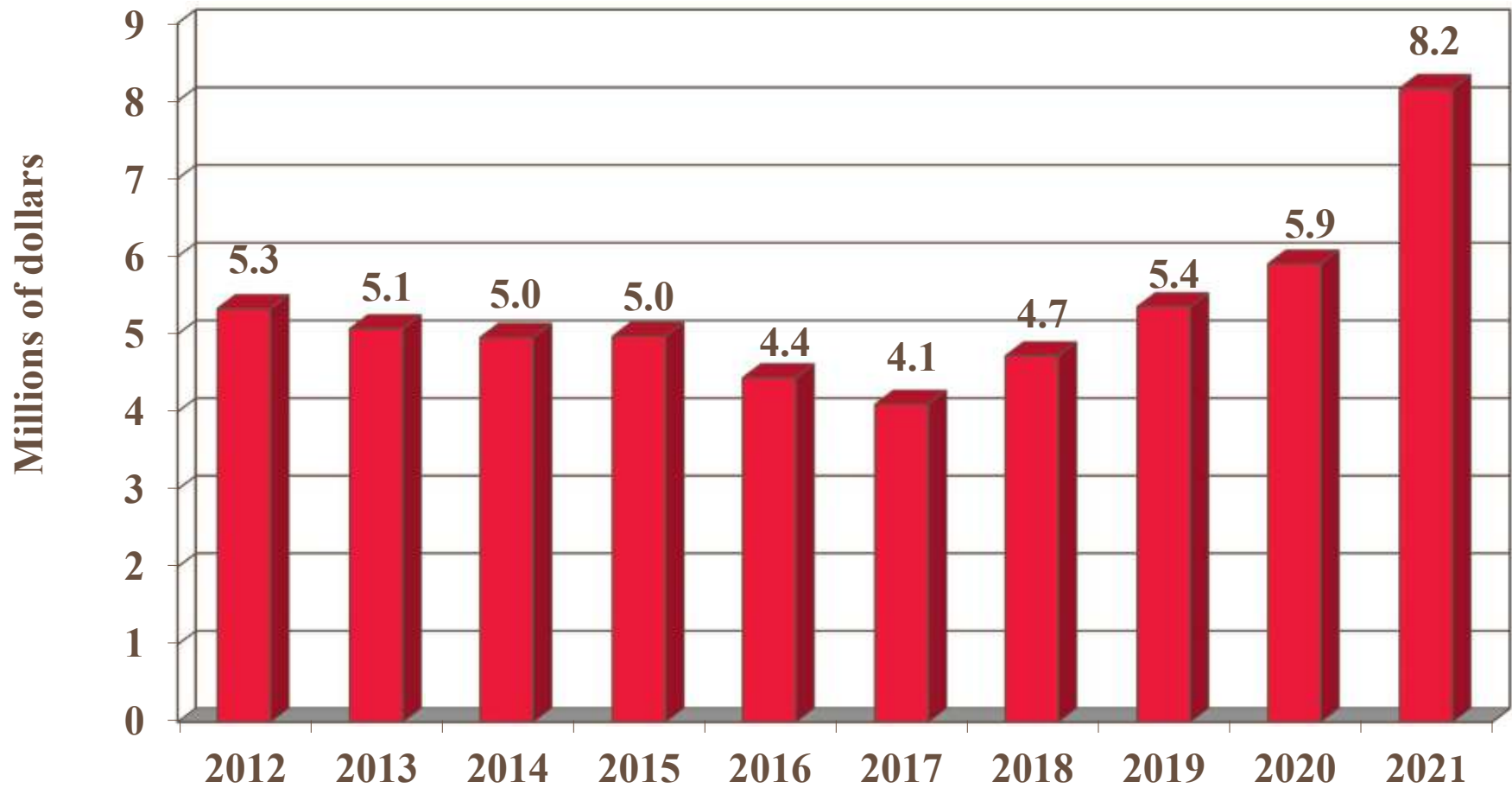
Total Assets

(College - excluding the Foundation)

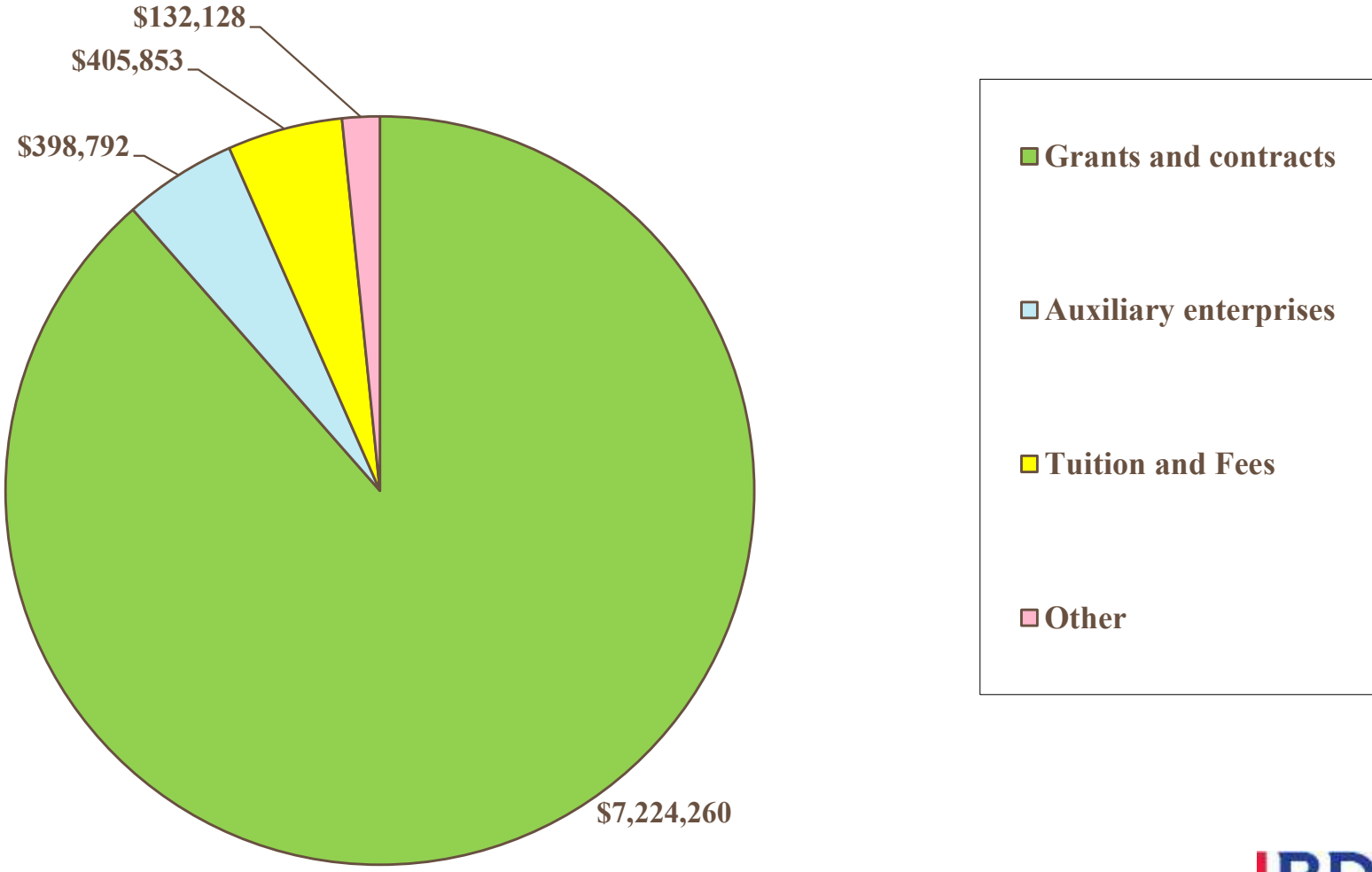


Operating Revenues

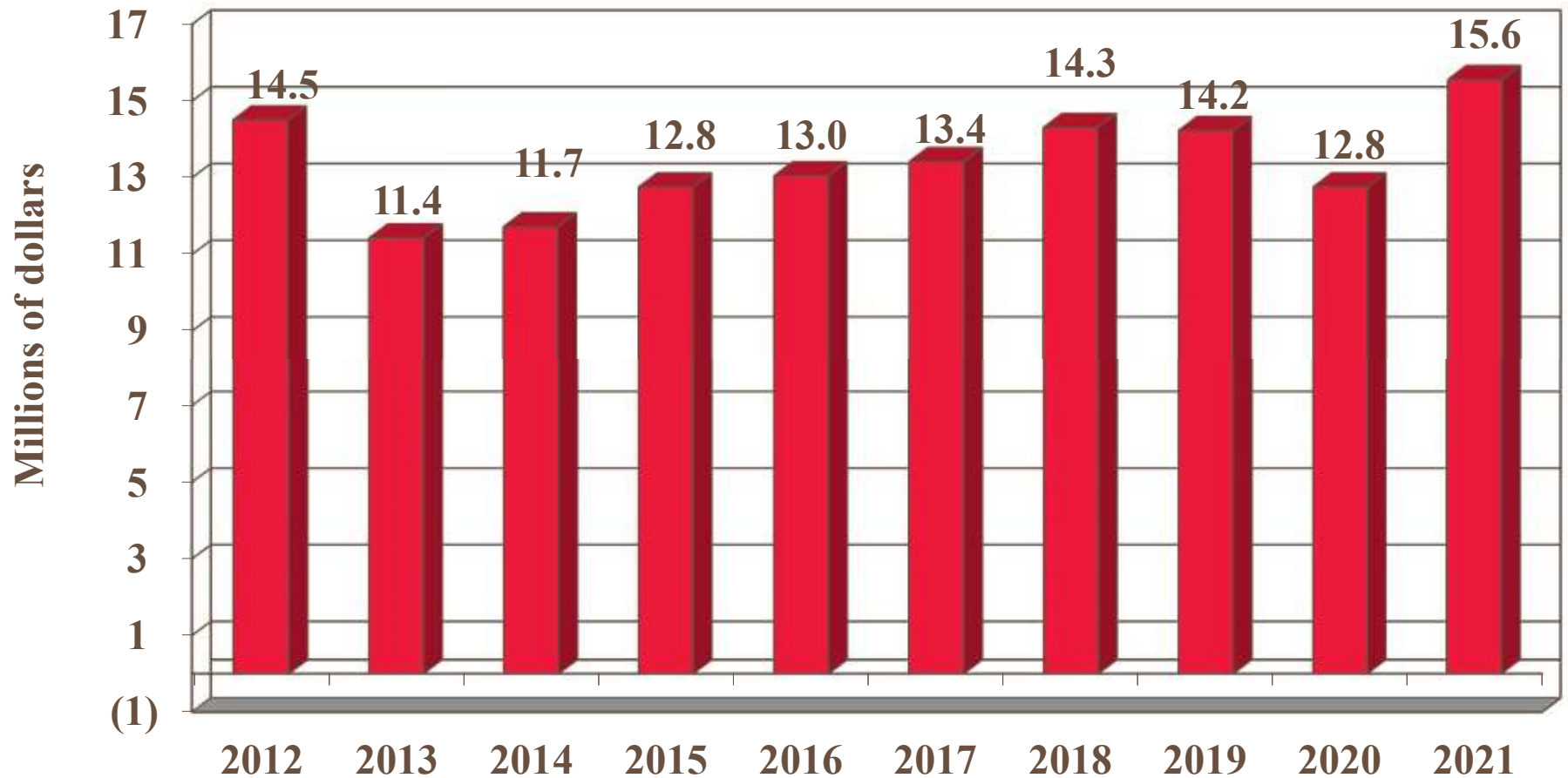
(College - excluding the Foundation)



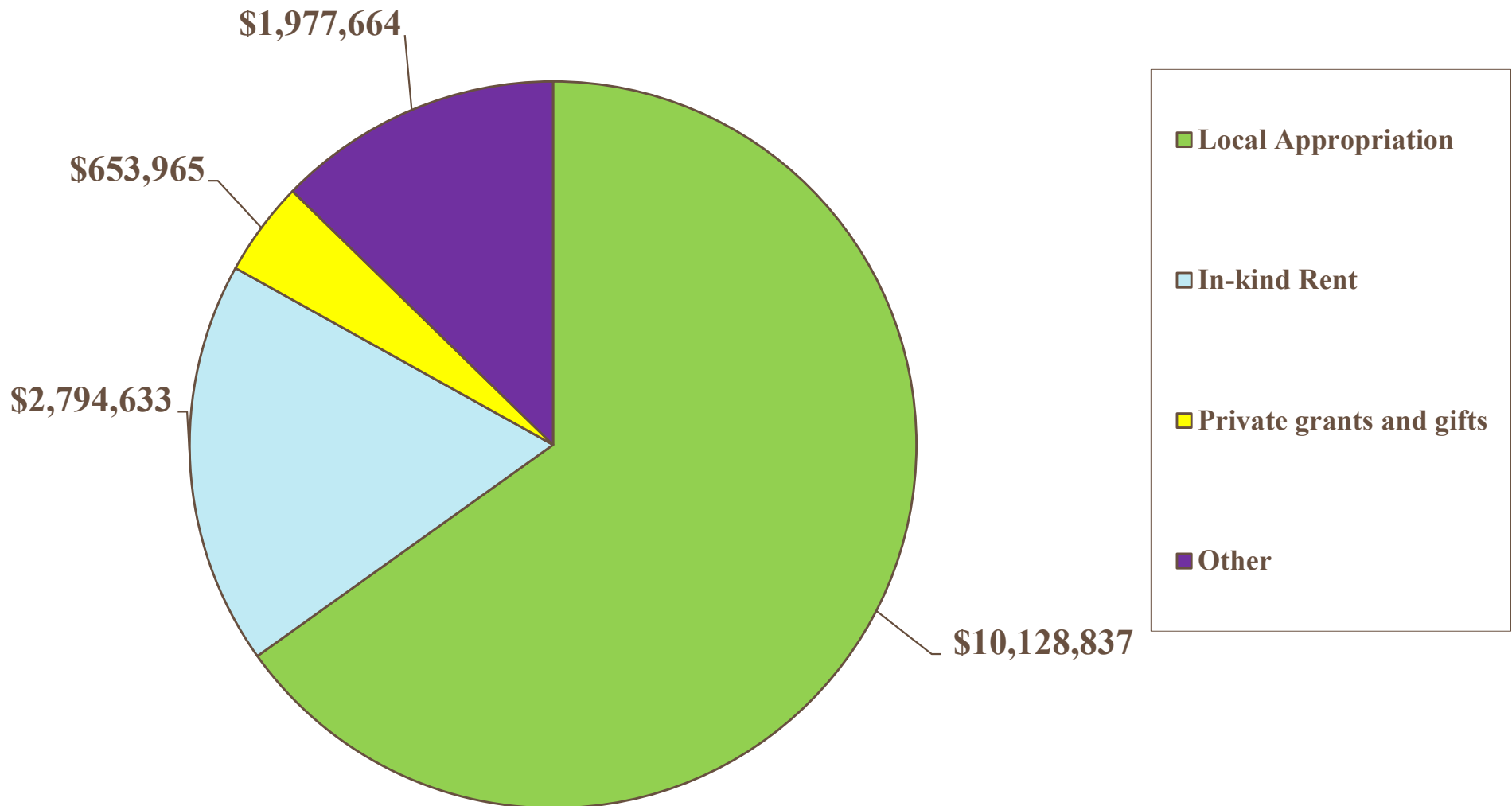
Operating Revenues



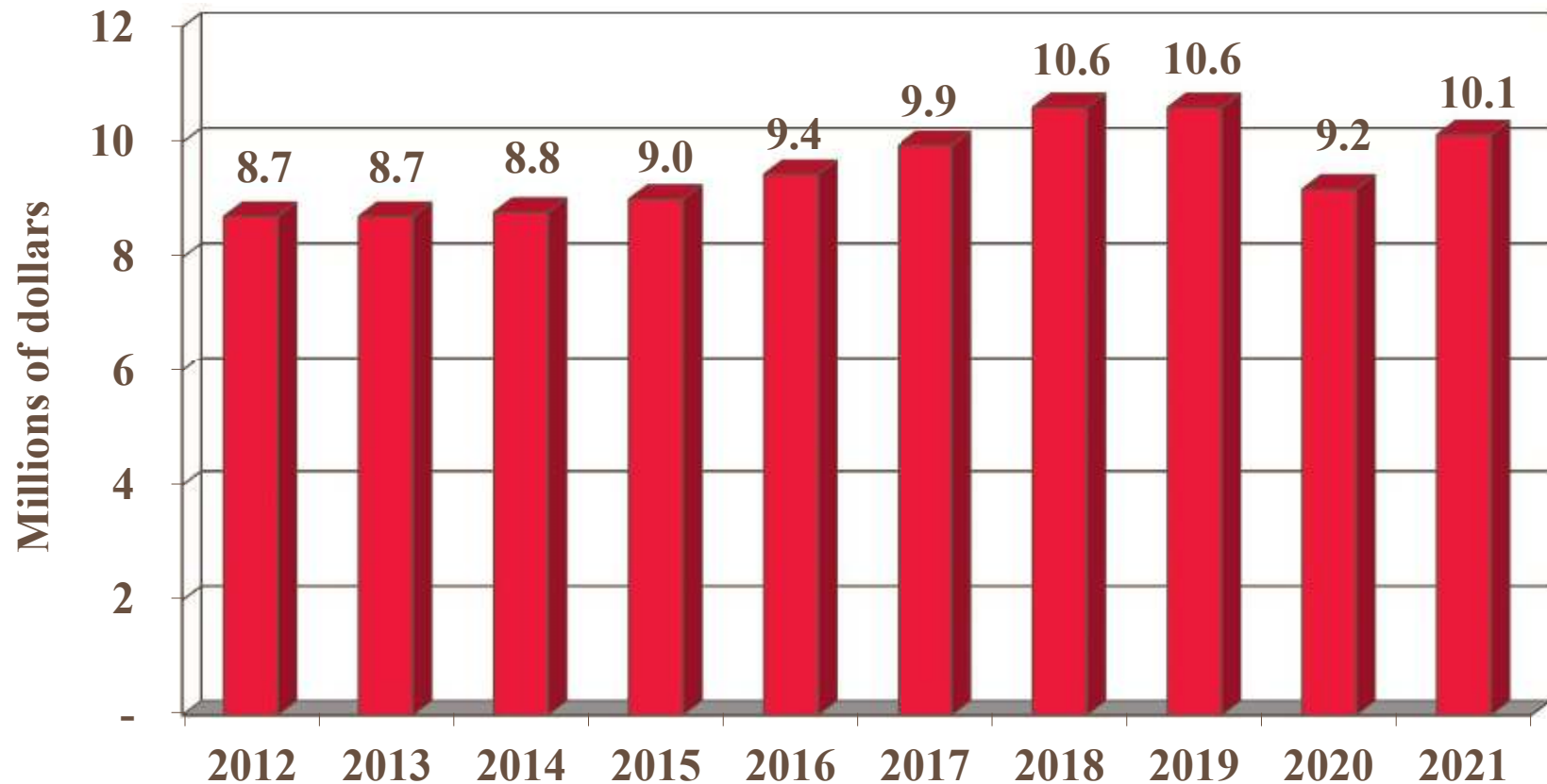
Non-operating Revenues (Excludes PERS)



Non-operating Revenues (Excludes PERS)

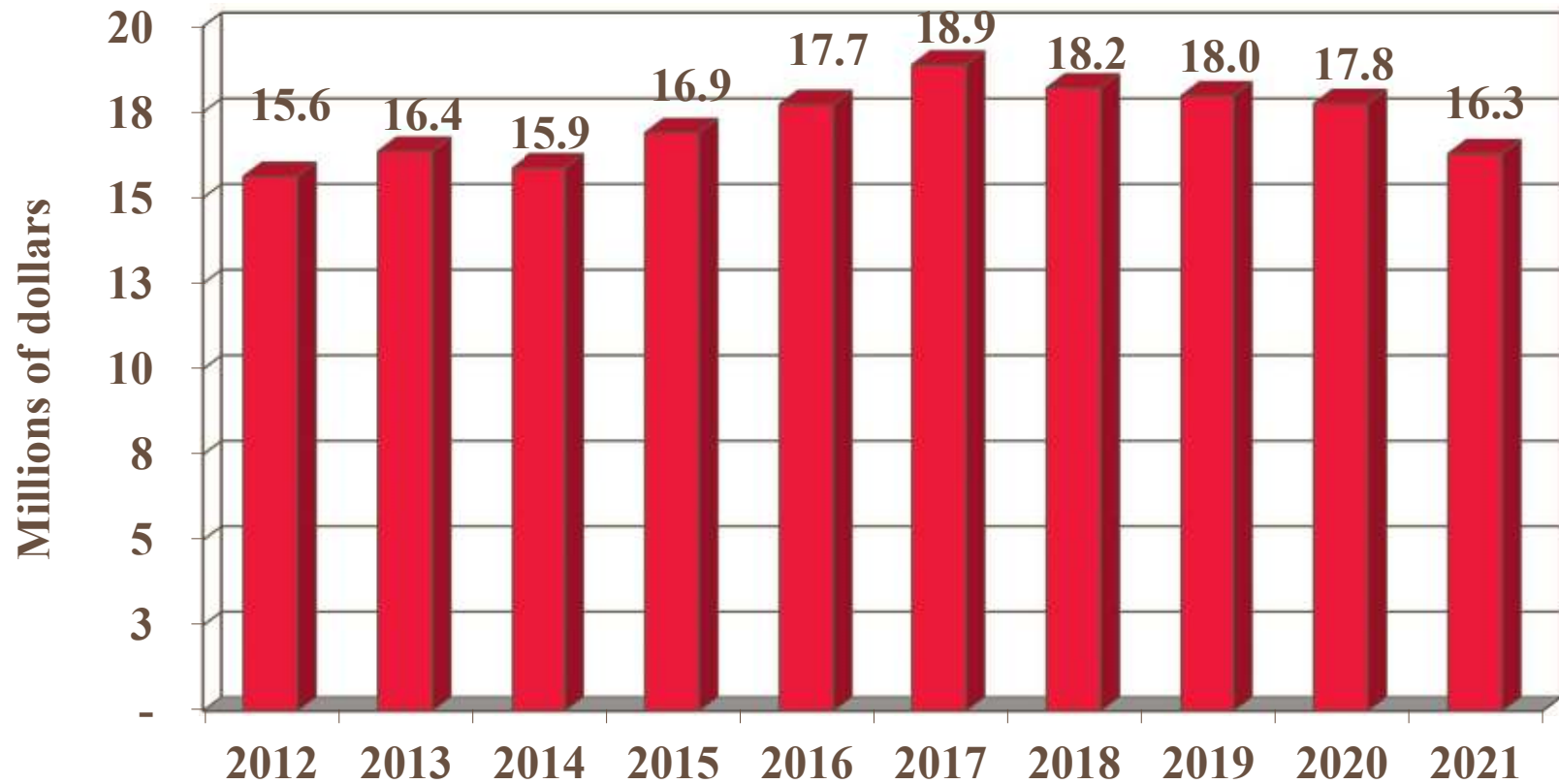


North Slope Borough Contribution (Excludes In-kind Rent)

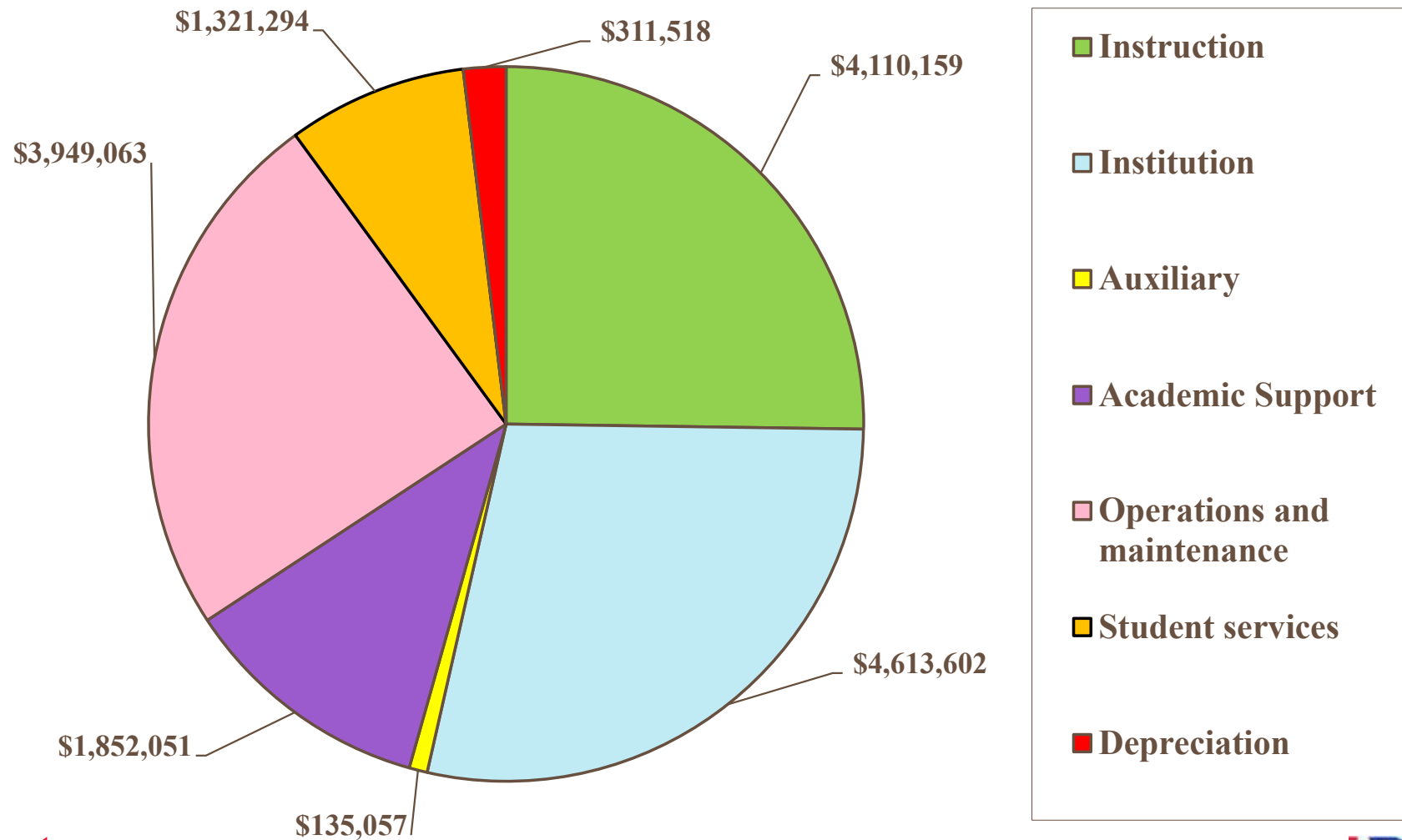


Operating Expenses

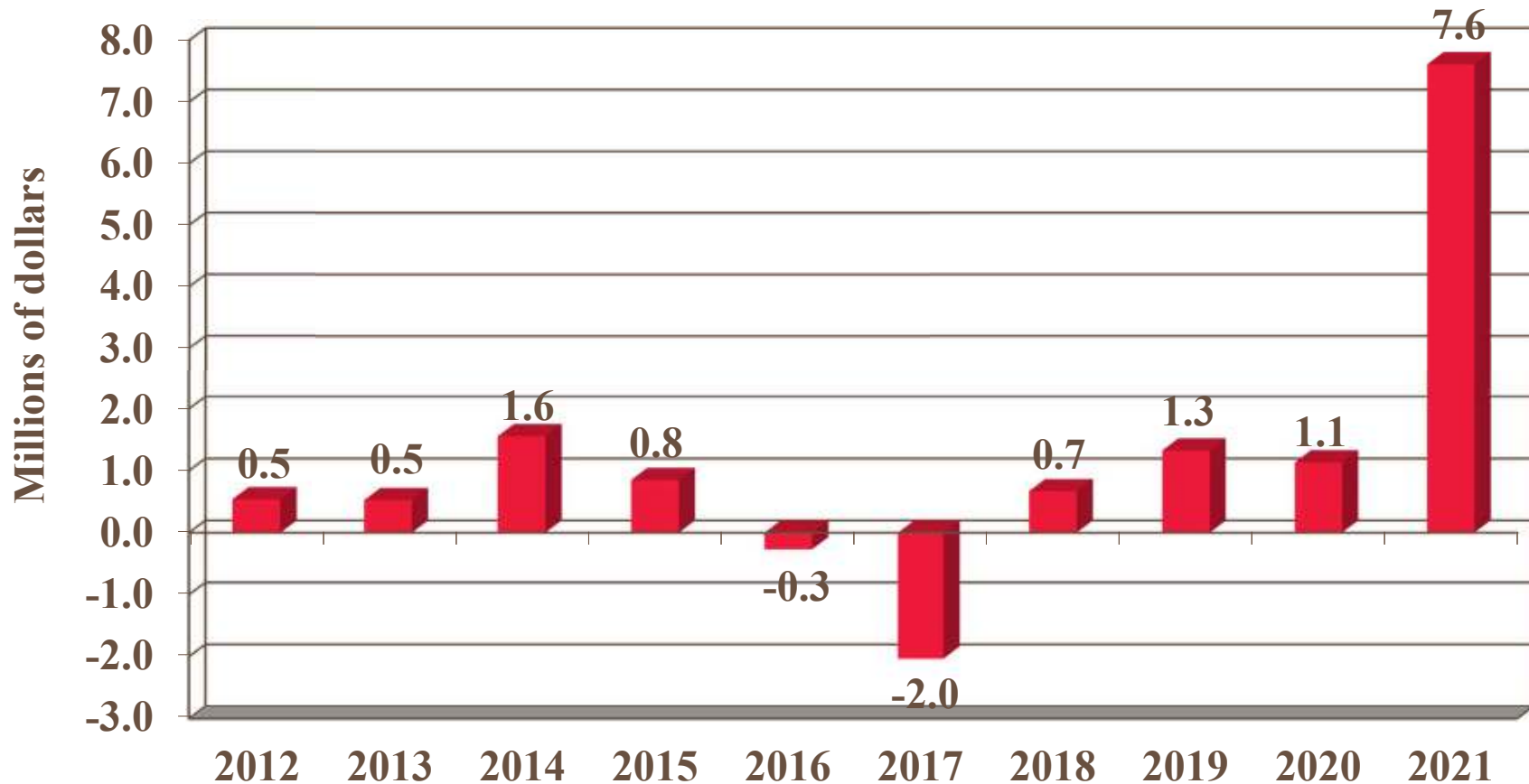
(College - excluding the Foundation)



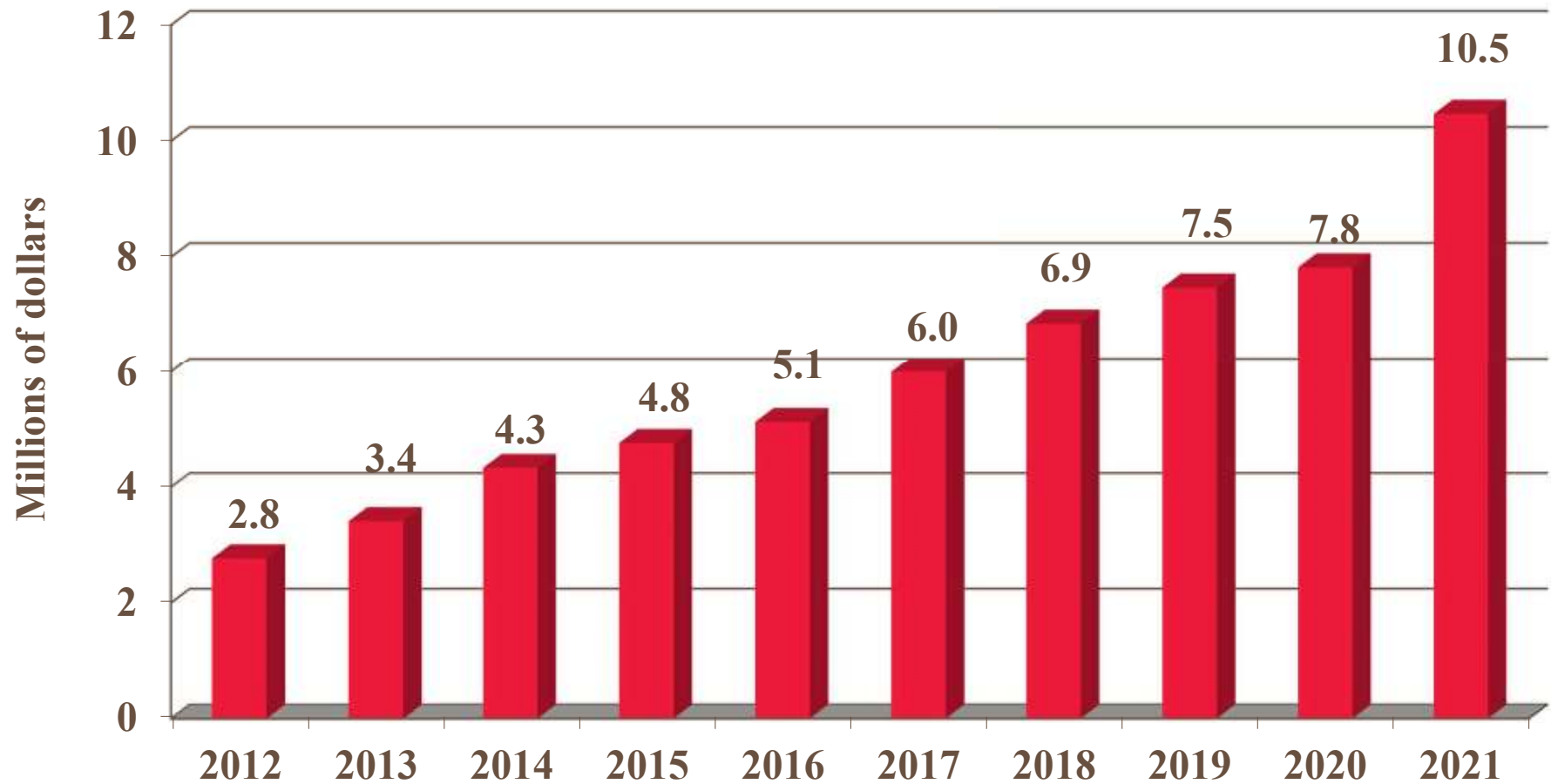
Operating Expenses



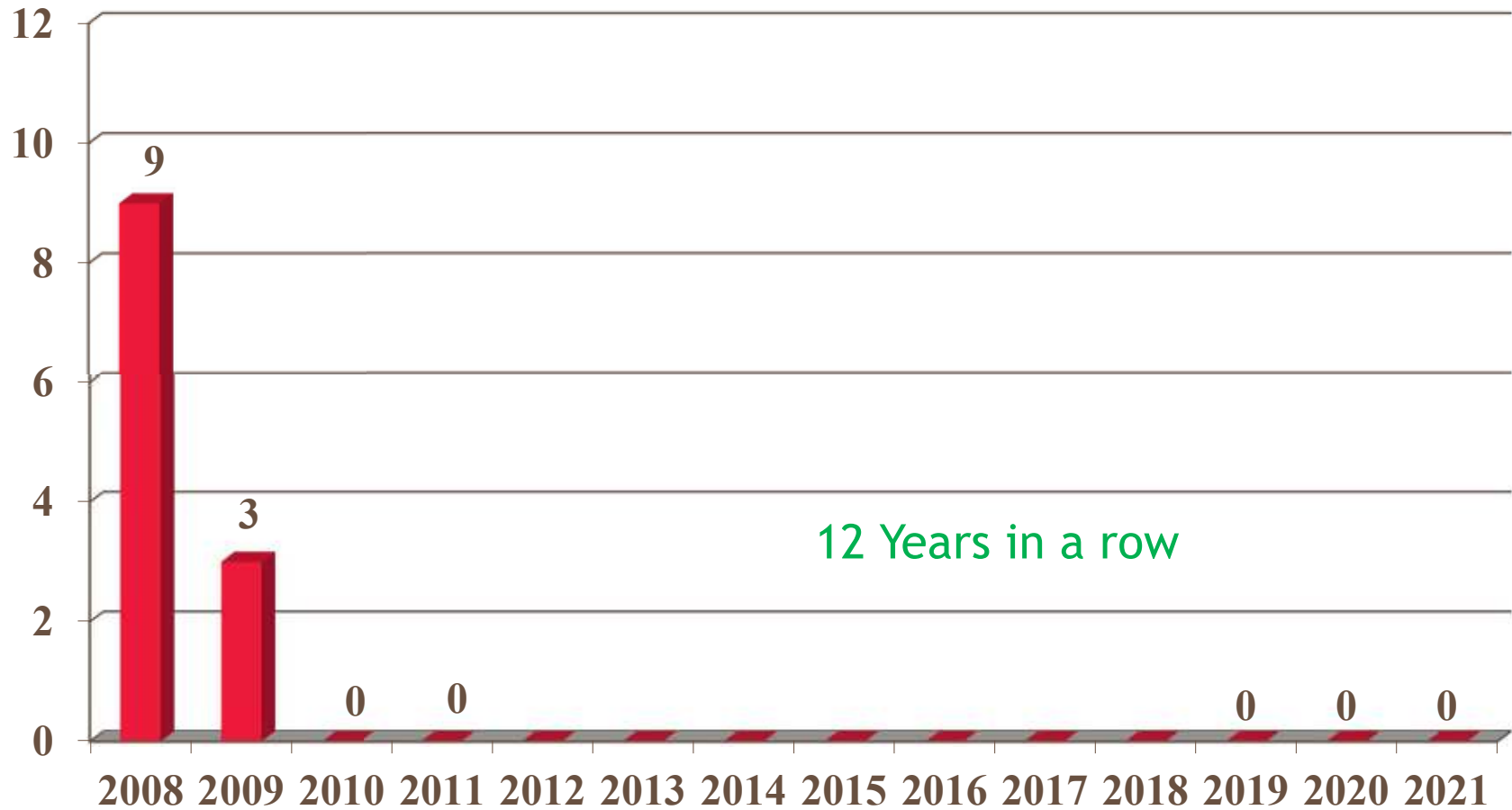
Change in Net Position (College - excluding the Foundation)



Foundation Assets



Compliance Findings



Federal and State Single Audit

Federal	State of Alaska
Funding	Funding
\$ 6,419,028	\$ 1,335,534

- **No reportable conditions**
- **No questioned costs**
- **Unmodified opinion on compliance**

GREAT TEAM

Ilisagvik College
(A Component Unit of the North Slope Borough, Alaska)

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes (none reported)

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes (none reported)

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major federal programs:

Assistance

<i>Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Agency</i>
15.027	Assistance to Tribally Controlled Community Colleges and Universities	U.S. Department of the Interior
15.164	COVID-19 Bureau of Indian Affairs - CARES Act Funds	U.S. Department of the Interior
84.425	Assistance to Tribally Controlled Colleges COVID-19 Education Stabilization Fund Section 2 Higher Education Emergency Relief Fund (HEERF)	U.S. Department of Education

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

State Financial Assistance

Internal control over major state programs:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes (none reported)

Type of auditor's report issued on compliance for major state programs: Unmodified

Dollar threshold used to distinguish a state major program: \$ 75,000





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