New Issues **Rating: Moody's Investors Service: "Aa1"**

In the opinion of Bond Counsel, the interest on the Bonds is includable in gross income for federal income tax purposes under existing law. (See "TAXABILITY OF INTEREST" herein for more information).

DES MOINES AREA COMMUNITY COLLEGE
(MERGED AREA XI)

IN THE COUNTIES OF ADAIR, AUDUBON, BOONE, CARROLL, CASS, CLARKE, CRAWFORD, DALLAS, GREENE, GUTHRIE, HAMILTON, HARDIN, JASPER, LUCAS, MADISON, MAHASKA, MARION, MARSHALL, POLK, POWESHIEK, SHELBY, STORY AND WARREN (THE "MERGED AREA"), STATE OF IOWA.

$4,425,000 Taxable New Jobs Training Certificates (Multiple Projects 51-A)
$3,075,000 Taxable New Jobs Training Certificates (Multiple Projects 51-B)

Dated: Date of Delivery (January 5, 2021) **Principal Due:** June 1 as shown inside front cover

The $4,425,000 Taxable New Jobs Training Certificates (Multiple Projects 51-A) (the "Series A Bonds") are being issued pursuant to Chapter 260E of the Code of Iowa and the $3,075,000 Taxable New Jobs Training Certificates (Multiple Projects 51-B) (the "Series B Bonds") are being issued pursuant to Section 15A.7 of the Code of Iowa. Proceeds of the Series A Bonds and the Series B Bonds (collectively the "Bonds") will be used to finance the training of workers (the "Projects"), including interest reserves and administrative expenses, in new jobs at the companies (the "Companies") listed herein, and to pay the costs of issuance of the Bonds. The Projects are undertaken pursuant to Industrial New Jobs Training Agreements between Des Moines Area Community College (the "College") and each of the Companies. The Bonds constitute valid and binding obligations of the College, payable from a new jobs credit from withholding taxes (in the case of the Series A Bonds) or a supplemental new jobs credit from withholding taxes (in the case of the Series B Bonds) to be received or derived from new employment resulting from the Projects. In the event that revenues from the new jobs credit from withholding are insufficient for the payment of debt service on the Series A Bonds, the Series A Bonds are also payable from a special standby tax levied upon all taxable property in the territory of the College without limitation as to rate or amount as provided by Chapter 260E, Code of Iowa, as amended; in the event that revenues from the supplemental new jobs credit from withholding are insufficient for the payment of debt service on the Series B Bonds, the Series B Bonds are also payable from a special standby tax levied upon all taxable property in the territory of the College without limitation as to rate or amount as provided by Section 15A.7, Code of Iowa, as amended.

The Bonds will be issued as fully registered Bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of $5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. UMB Bank, N.A., West Des Moines, Iowa as the College's designated paying agent (the "Paying Agent"), will pay principal of the Bonds, payable annually on each June 1, and interest on the Bonds, payable initially on June 1, 2021, and thereafter on each December 1 and June 1 to DTC which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the registrar as of the 15th day of the month preceding such interest payment date (the "Record Date").

The Bonds are subject to optional redemption as provided herein.

MATURITIES, INTEREST RATES, AND YIELDS ON THE INSIDE FRONT COVER

The Bonds are offered, subject to prior sale, withdrawal or modification, when, as and if issued and subject to the legal opinion of Davis, Brown, Koehn, Shors & Roberts, P.C., Bond Counsel, of Des Moines, Iowa, to be furnished upon delivery of the Bonds. It is expected that the Bonds will be available for delivery on or about January 5, 2021.

OFFICIAL STATEMENT DATED DECEMBER 9, 2020

DES MOINES AREA COMMUNITY COLLEGE
(MERGED AREA XI)

MATURITY SCHEDULES

$4,425,000 Taxable New Jobs Training Certificates (Multiple Projects 51-A)

Year June 1	Maturity Amount	Interest Rate	Bond Yield	CUSIP 250097	Year June 1	Maturity Amount	Interest Rate	Bond Yield	CUSIP 250097
2022	$100,000	1.000%	%	X56	2027	$570,000	1.000%	%	Y22
2023	$300,000	1.000%	%	X64	2028	$580,000	1.000%	%	Y30
2024	$560,000	1.000%	%	X72	2029	$590,000	1.100%	%	Y48
2025	$560,000	1.000%	%	X80	2030	$600,000	1.200%	%	Y55
2026	$565,000	1.000%	%	X98					

INTEREST: June 1, 2021 and semiannually thereafter.

REDEMPTION: Series A Bonds due on or after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on June 1, 2028 or on any date thereafter at the option of the College, upon terms of par plus accrued interest to date of call.

$3,075,000 Taxable New Jobs Training Certificates (Multiple Projects 51-B)

Year June 1	Maturity Amount	Interest Rate	Bond Yield	CUSIP 250097	Year June 1	Maturity Amount	Interest Rate	Bond Yield	CUSIP 250097
2022	$100,000	1.000%	%	Y63	2027	$390,000	1.000%	%	Z39
2023	$225,000	1.000%	%	Y71	2028	$395,000	1.000%	%	Z47
2024	$380,000	1.000%	%	Y89	2029	$405,000	1.100%	%	Z54
2025	$385,000	1.000%	%	Y97	2030	$410,000	1.200%	%	Z62
2026	$385,000	1.000%	%	Z21					

INTEREST: June 1, 2021 and semiannually thereafter.

REDEMPTION: Series B Bonds due on or after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on June 1, 2028 or on any date thereafter at the option of the College, upon terms of par plus accrued interest to date of call.

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the College to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of fact. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the College since the date hereof.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION DESCRIBED HEREIN BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COLLEGE AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains statements that are "forward-looking statements" as defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this Official Statement, the words "estimate," "intend," "expect" and similar expressions are intended to identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Official Statement.

CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN, OR OTHERWISE AFFECT THE PRICE OF THE BONDS.

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DES MOINES AREA COMMUNITY COLLEGE

$4,425,000 Taxable New Jobs Training Certificates (Multiple Projects 51-A)
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INTRODUCTION

This Official Statement contains information relating to the Des Moines Area Community College (Merged Area XI), Iowa (the "College" or the "Issuer") and its issuance of $4,425,000 Taxable New Jobs Training Certificates (Multiple Projects 51-A) (the "Series A Bonds") and $3,075,000 Taxable New Jobs Training Certificates (Multiple Projects 51-B) (the "Series B Bonds") (collectively the "Bonds"). This Official Statement has been executed on behalf of the College by its Controller and may be distributed in connection with the sale of the Bonds authorized therein. Inquiries may be directed to Independent Public Advisors, LLC, 8805 Chambery Blvd, Suite 300, #114, Johnston, Iowa 50131, or by telephoning (515) 259-8193. Information can also be obtained from Ben J. Voaklander, Controller, Des Moines Area Community College, 2006 South Ankeny Blvd, Ankeny, Iowa 50023, or by telephoning (515) 964-6628.

AUTHORITY AND PURPOSE

The College is an area community college and a body politic organized and existing under the laws of the State of Iowa (the "State"). The Series A Bonds are being issued pursuant to Chapter 260E of the Code of Iowa (the "Act") and the Series B Bonds are being issued pursuant to Section 15A.7 of the Code of Iowa (the "Supplemental Act"). In addition, the Bonds will be issued pursuant to a resolution to be adopted by the Board of Directors of the College on December 14, 2020 (the "Bond Resolution"). Under the Act, the College is authorized and empowered to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State. Under the Supplemental Act, the College is further authorized and empowered to issue New Jobs Training Certificates payable from a supplemental new jobs credit from withholding authorized under the Supplemental Act and to use the proceeds from the sale of said Certificates to fund the program services for an additional New Jobs Training Program.

The proceeds of the issuance of the Bonds will be used to finance the training of workers, including the costs of the issuance of the Bonds, interest reserves and administrative expenses, in new jobs at the following Companies at the following locations and in the amounts set forth for each Company:

COMPANY	IOWA LOCATION	TOTAL AMOUNT OF BONDS ALLOCATED TO
Accu-Mold LLC	1711 SE Oralabor Road Ankeny, IA 50021	$270,000
Allegiant Air, LLC	5800 Fleur Drive Des Moines, IA 50321	730,000
Amcor Rigid Packaging USA, LLC	520 Bell Avenue Ames, IA 50010	160,000
Ankeny Facility, LLC	3401 SE Convenience Blvd. Ankeny, IA 50021	380,000
Burke Marketing Corporation	1516 South D Ave. P.O. Box 209 Nevada, IA 50201	735,000
Casey's Retail Company	1 SE Convenience Blvd. Ankeny, IA 50021	1,875,000
eWay Corp.	5721 Merle Hay Rd. #22 Johnston, IA 50131	75,000
Fidelity & Guaranty Life Business Services, Inc.	601 Locust Street Floor 14 Des Moines, IA 50309	1,015,000
GKAT Reclamation, LLC	1745 NE 58th Avenue Des Moines, IA 50313	100,000
GlobalVetLink, L.C.	2604 Northridge Parkway Ames, IA 50010	150,000
Gross-Wen Technologies, Inc.	404 Main Street Slater, IA 50244	70,000
IGOR, Inc.	2700 Westown Parkway Suite 400 West Des Moines, IA 50266	540,000

JDSO, Inc.	1300 SE Little Beaver Dr. Suite 101 Grimes, IA 50111	35,000
LenderClose, Inc.	3001 Westown Parkway #200 West Des Moines, IA 50266	100,000
Midland National Life Insurance Company	4350 Westown Parkway West Des Moines, IA 50266	420,000
Mid-States Material Handling & Fabrication, Inc.	1113 South D Avenue Nevada, IA 50201	45,000
Mid-States Millwright & Builders, Inc.	1116 South B Avenue Nevada, IA 50201	195,000
Navigate Wellness, LLC	140 S. 68th Street Suite 2200 West Des Moines, IA 50266	190,000
Oakland Corporation	414 Broad Street Story City, IA 50248	75,000
Power Brace, L.L.C.	5153 NE 17th Street Des Moines, IA 50313	110,000
U.S. Engineered Wood, Inc.	927 North 19th Avenue Newton, IA 50208	75,000
Webspec Design, LLC	5907 Meredith Drive Urbandale, IA 50322	155,000

SOURCES AND USES

The estimated Sources and Uses of the proceeds of the Bonds are as follows:

	Series A Bonds	Series B Bonds
Sources of Funds		
Par Amount	$4,425,000	$3,075,000
Premium	49,263.60	34,309.55
Total	4,474,263.60	3,109,309.55
Uses of Funds		
New Jobs Training	$3,387,407.12	$2,353,960.88
Reserve Fund	93,004.23	64,038.92
State Administration Fee	44,250.00	30,750.00
College Administration Fee	862,875.00	599,625.00
Underwriter's Discount	37,352.25	25,997.50
Cost of Issuance	49,375.00	34,937.25
Total	$4,474,263.60	$3,109,309.55

THE BONDS

GENERAL

The Bonds will be dated the date of their delivery. Interest on the Bonds will be payable on June 1, 2021 and semiannually on the 1st day of each December and June thereafter until the principal on the Bonds is paid in full. Principal of the Bonds is payable as shown on the inside cover of this Official Statement. Interest and principal shall be paid to the registered holder of a Bond as shown on the records of ownership maintained by the registrar as of the 15th day of the month preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION OF THE BONDS

The Series A Bonds and Series B Bonds due on or after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on June 1, 2028 or on any date thereafter at the option of the College, upon terms of par plus accrued interest to date of call. Notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

PAYMENT OF AND SECURITY FOR THE BONDS

The Series A Bonds are secured by a special fund of the College into which are deposited a new jobs credit from withholding taxes authorized under the Act and to be received or derived from new employment resulting from the Projects. The Series B Bonds are secured by a special fund of the College into which are deposited a supplemental new jobs credit from withholding taxes authorized under the Supplemental Act and to be received or derived from new employment resulting from the Projects. In addition, the Bonds are secured by a special standby tax assessed upon all taxable property within the territory of the College to the extent necessary to pay principal and interest on the Bonds.

FUTURE FINANCING

The College regularly issues New Jobs Training Certificates.

LITIGATION

There is no litigation now pending or, to the knowledge of College officials, threatened which questions the validity of the Bonds or of any proceedings of the College taken with respect to the issuance of sale thereof.

It is the opinion of the College's attorney, based upon the past experience of the payment of claims and judgment amounts, that there are presently no outstanding claims, litigation, impending litigation or contingent liabilities which would exceed the funds accumulated for this purpose and funds currently appropriated by the Board of Directors for these purposes, and that outstanding claims and suits would not materially affect the financial position of the College as of the date of this Official Statement.

DEBT PAYMENT HISTORY

The College knows of no instance in which, through the fault of the College, it has defaulted in the payment of principal or interest on its debt. Due to an administrative error by the paying agent, the interest on two series of the College's New Jobs Training Certificates was paid twelve days late on June 13, 2018.

INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE BONDS SHOULD BE AWARE THAT THERE ARE CERTAIN INVESTMENT CONSIDERATIONS ASSOCIATED WITH THE BONDS. EACH PROSPECTIVE PURCHASER OF THE BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY, AND TO GIVE PARTICULAR ATTENTION TO THE CONSIDERATIONS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE PAYMENT OF DEBT SERVICE

AND THE MARKET PRICE ON THE BONDS. THE FOLLOWING STATEMENTS REGARDING CERTAIN INVESTMENT CONSIDERATIONS SHOULD NOT BE CONSIDERED A COMPLETE DESCRIPTION OF ALL CONSIDERATIONS IN THE DECISION TO PURCHASE THE BONDS.

Source of Payment: The Series A Bonds are secured by a special fund of the College into which are deposited a new jobs credit from withholding taxes authorized under the Act and to be received or derived from new employment resulting from each of the Projects. The Series B Bonds are secured by a special fund of the College into which are deposited a supplemental new jobs credit from withholding taxes authorized under the Supplemental Act and to be received or derived from new employment resulting from most of the Projects. In addition, each series of Bonds is secured by a special standby tax assessed upon all taxable property within the Merged Area to the extent necessary to pay principal and interest on the Bonds.

COVID-19: The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "COVID-19 Virus"), was declared a pandemic by the World Health Organization on March 11, 2020 and was declared a national emergency by the President of the United States on March 13, 2020. In response to the outbreak of the COVID-19 Virus, on March 9, 2020 the Governor of the State issued a Proclamation of Disaster Emergency and on March 17, 2020 issued a Proclamation of Public Health Disaster Emergency, the first two of a series of proclamations limiting non-essential travel, promoting telecommuting, closing non-essential businesses, limiting public gatherings, and taking other actions intended to limit the spread of the COVID-19 Virus. The outbreak of the COVID-19 Virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide.

The College has taken various actions intended to minimize the spread of the COVID-19 Virus, including moving to online classes, remote working, and limiting access to College buildings. For a more complete discussion of the impact of the COVID-19 Virus on the College and its finances, see APPENDIX A-INFORMATION ABOUT THE COLLEGE-THE COLLEGE-COVID-19 Virus.

Additional Indebtedness: The College reserves the right to issue additional bonds payable from the same sources and ranking on a parity with each series of the Bonds.

Investment Rating: The rating assigned to the Bonds by Moody's Investors Service, Inc. (the "Rating Agency") reflects only the Rating Agency's view of the likelihood the Bondholders will receive payments of interest when due and principal on the Bonds on their respective maturity dates. There is no assurance that the rating will remain for any given period of time or that the rating will not be lowered, suspended or withdrawn by the Rating Agency if, in the Rating Agency's judgment, circumstances so warrant based upon factors prevailing at the time. The lowering, suspension or withdrawal of the investment rating initially assigned to the Bonds could adversely affect the market price and the market for the Bonds.

Secondary Market: Although the College anticipates that the Underwriter will make a market for the Bonds, such market making may be discontinued at any time. There can be no assurance that there will be a secondary market for the Bonds, and the absence of such a market could result in investors not being able to resell their Bonds should they need or wish to do so.

Redemption of Bonds: The Bonds due on or after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on June 1, 2028 or on any date thereafter at the option of the College, upon terms of par plus accrued interest to date of call. The redemption of the Bonds prior to their stated maturity may subject Bondholders to the risk of reinvestment at a time when comparable returns are not available.

Factors Affecting the College: Although the Bonds are payable from a new jobs credit from withholding taxes and are further secured by a special standby tax assessed upon all taxable property within the Merged Area so that the financial performance of the College should not impact payment of the Bonds, the occurrence of unanticipated factors or events could adversely affect the College's operations in ways which would have an impact on the timeliness of payments on the Bonds. These factors include but are not limited to damage or destruction of the College's facilities or other interruptions of the College's operations, changes in the key administrative personnel at the College, and financial setbacks from changes in student enrollment or decreased State or other support that are significant enough to impact the operations of the College.

Legislation: From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for taxes levied by the College or have an adverse impact on the future tax collections of the College. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation. Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation debt: "The governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding the applicable period of time specified in section 76.1. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full." Iowa Code section 76.1 provides that the annual levy shall be sufficient to pay the interest and approximately such portion of the principal of the bonds as will retire them in a period not exceeding twenty years from the date of issue, except for certain bonds issued for disaster purposes and bonds issued to refund or refinance bonds issued for such disaster purposes which may mature and be retired in a period not exceeding thirty years from date of issue.

FINANCIAL STATEMENTS

The College's June 30, 2020 Independent Auditor's Report as prepared by a certified public accountant is reproduced as APPENDIX D. The College's certified public accountant has not consented to distribution of the audited financial statement and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the College's prior Independent Auditor's Reports may be obtained from the College's Municipal Advisor, Independent Public Advisors, LLC.

RATING

The Bonds are rated 'Aa1' by Moody's Investors Service, Inc. ("Moody's"). In addition, Moody's currently rates the College's Outstanding General Obligation Debt as 'Aa1'. Such ratings reflect only the view of the rating agencies and any explanation of the significance of such rating may only be obtained from the respective rating agency. There is no assurance that such ratings will continue for any period of time or that they will not be revised or withdrawn. Any revision or withdrawal of the ratings may have an effect on the market price of the Bonds.

LEGALITY

Legal matters incident to the authorization and issuance of the Bonds are subject to the opinions of Davis, Brown, Koehn, Shors & Roberts, P.C., of Des Moines, Iowa, Bond Counsel, as to validity and tax status. The opinions, which will be substantially in the forms set forth in APPENDIX A attached hereto, will accompany the Bonds. Bond Counsel has had limited participation in the preparation of this Official Statement and expresses no opinion as to its completeness or accuracy.

TAXABILITY OF INTEREST

The following discussion is a summary of certain Federal income tax consequences relating to the purchase, ownership, and disposition of the Bonds, based on certain relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code"). This discussion does not purport to deal with all aspects of Federal income taxation that may affect particular investors in light of their individual circumstances and is limited to investors who hold the Bonds as capital assets under Section 1221 of the Code, which generally means property held for investment. Prospective investors, particularly those subject to special rules, should consult their tax advisors regarding the consequences of purchasing, owning, and disposing of the Bonds for Federal income tax purposes, and for State and local tax purposes.

Interest Income Taxable: In general, interest on the Bonds is includable in the gross income of the owners thereof as ordinary interest income for Federal and State of Iowa income tax purposes. Except for original issue discount, which accrues under special rules, interest income on the Bonds is also included in the gross income of the owners when accrued or received in accordance with the owner's regular method of Federal tax accounting.

Sale, Exchange, or Other Disposition: In general, upon the sale, exchange, or redemption of a bond, an owner will recognize taxable gain or loss in an amount equal to the difference between the amount realized and the owner's adjusted tax basis in the Bonds. An owner's adjusted tax basis in a bond generally will equal the owner's initial cost of the Bonds, plus any accrued original issue discount and accrued market discount previously included in the owner's taxable income. Such gain or loss generally will be capital gain or loss. Such gain or loss generally will be long-term capital gain or loss if the owner has held the Bonds for more than one year. Subject to various special rules, the Code currently provides preferential treatment for certain net long-term capital gains realized by individuals and generally limits the use by any taxpayer of capital losses to reduce ordinary income.

Backup Withholding and Information Reporting: In general, information reporting requirements will apply to non-corporate owners of Bonds with respect to payments of the principal of and interest on the Bonds and proceeds of sale of such Bonds before maturity. Backup withholding at a rate of 28% generally will apply to such payments unless the owner: (i) is a corporation or other exempt recipient and, when required, demonstrates that fact, or (ii) provides a correct taxpayer identification number, certifies under penalties of perjury when required that such owner is not subject to backup withholding, and has not been notified by the IRS that it has failed to report all interest and dividends required to be shown on its Federal income tax returns.

MUNICIPAL ADVISOR

The College has retained Independent Public Advisors, LLC, Johnston, Iowa as municipal advisor (the "Municipal Advisor") in connection with the preparation of the issuance of the Bonds. In preparing the Official Statement, the Financial Advisor has relied on government officials, and other sources to provide accurate information for disclosure purposes. The Financial Advisor is not obligated to undertake, and has not undertaken, an independent verification of the accuracy, completeness, or fairness of the information contained in the Official Statement. Independent Public Advisors, LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE

In order to permit bidders for the Bonds and other Participating Underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the College will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in the resolution authorizing the issuance of the Bonds and the Continuing Disclosure Certificate, to provide annual reports of specified information and notice of the occurrence of certain material events as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, the events as to which notice is to be given, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth as APPENDIX B to this Official Statement.

In 2017, the College became aware of late filings. Specifically, the College did not timely file disclosure related to its now-redeemed Student Housing Revenue Bonds (fiscal year 2012), its now-matured 2004 Plant Fund Capital Notes (fiscal years 2012-2014) and its 2015 Plant Fund Capital Notes (fiscal years 2015 and 2016). Although all information required by the related disclosure agreements was submitted and available to the MSRB through the EMMA repository prior to the established deadline, only the CUSIPs related to the College's New Job's Training Certificates were associated with the filings. Required filings to provide the association have been subsequently made, and steps have been taken to avoid future mis-filings.

Due to an administrative error by the paying agent, the interest on two series of the College's New Jobs Training Certificates was paid twelve days late on June 13, 2018.

Subject to the foregoing, the College represents that it has not failed to provide the annual financial information with respect to the College required under any other agreements or resolutions of the College entered into in connection with the issuance of bonds by the College.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Bonds or the Bond Resolution. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the College to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

SALE AT COMPETITIVE BIDDING

After competitive bids were received on December 9, 2020, the Series A Bonds were awarded to Robert W. Baird & Co., Inc. for an aggregate price of $4,436,911.35 and the Series B Bonds were awarded to Robert W. Baird & Co., Inc. for an aggregate price of $3,083,312.05.

CERTIFICATION

Independent Public Advisors, LLC has served as municipal advisor to the College in connection with the Bonds and has assisted the College in drafting certain portions of this Official Statement for the sale of the Bonds. The municipal advisor has participated in the compilation and editing of this Official Statement but has not, however, independently verified the factual information contained in this Official Statement nor conducted an investigation of the affairs of the College for the purpose of determining the accuracy or completeness of any of the information contained herein. The municipal advisor has relied on the diligence and accuracy of the College which has certified that this Official Statement contains no material misstatement or omission of information.

The Board of Directors of the College has authorized the execution and delivery of this Official Statement for use in connection with the initial sale of the Bonds. The College has reviewed the information contained herein which relates to it and has approved all such information for use within this Official Statement. The execution and delivery of this Official Statement has been duly authorized by the College.

DES MOINES AREA COMMUNITY COLLEGE
ANKENY, IOWA

/s/ Ben J. Voaklander
Controller

APPENDIX A-INFORMATION ABOUT THE COLLEGE

APPENDIX A - INFORMATION ABOUT THE ISSUER

DES MOINES AREA COMMUNITY COLLEGE

Board of Directors

Board Member	District	Term Expiration
Joseph Pugel, Chair	5	2021
Kevin Halterman, Vice Chair	4	2021
Fred Buie	9	2021
Felix Gallagher	8	2023
Fred Greiner	2	2023
Jim Knott	3	2021
Cheryl Langston	1	2023
Dennis Presnall	6	2023
Madelyn Tursi	7	2023

Administration

Robert Denson	President
Greg Martin	Board Treasurer
MD Isley	Vice President Academic Affairs
Shelli Allen	Vice President Enrollment & Student Services
Ben Voaklander	Controller
Carolyn Farlow	Board Secretary

Bond Counsel

Davis, Brown, Koehn, Shors & Roberts, P.C.
Des Moines, Iowa

Municipal Advisor

Independent Public Advisors, LLC
West Des Moines, Iowa

PROPERTY VALUES

IOWA PROPERTY VALUATIONS

In compliance with Section 441.21 of the Code of Iowa, the State Director of Revenue annually directs the county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The assessments finalized as of January 1 of each year are applied to the following fiscal year. The 2019 final Actual Values were adjusted by the Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren County Auditors. The reduced values, determined after the application of rollback percentages, are the Taxable Values subject to tax levy. For assessment year 2019, the Taxable Value rollback rate was 55.0743% of Actual Value for residential property; 81.4832% of Actual Value for agricultural property; 90% of Actual Value for commercial, industrial, and railroad property; 71.2500% of Actual Value for multiresidential property; and 100% of Actual Value for utility property.

The Legislature's intent has been to limit the growth of statewide taxable valuations for most classes of property to 3% annually; utility taxable valuation growth is limited to 8%. Political subdivisions whose taxable values are thus reduced or are unusually low in growth are allowed to appeal the valuations to the State Appeal Board, in order to continue to fund present services.

1/1/2019 VALUATIONS (Taxes payable July 1, 2020 through June 30, 2021)

	100% Actual Value	Taxable Value (With Rollback)
Residential	$55,848,955,792	$30,229,493,268
Ag. Land	4,235,417,740	3,450,547,389
Ag. Buildings	197,829,792	161,096,135
Commercial	11,884,315,785	10,421,221,635
Industrial	1,613,232,828	1,408,900,112
Multiresidential	2,146,748,558	1,487,824,548
Railroad	328,204,948	295,384,461
Utilities w/o Gas & Electric	855,503,254	855,503,254
Other	389,110	389,110
Gross valuation	$77,110,597,807	$48,310,359,912
Less military exemption	(53,530,320)	(53,530,320)
Net valuation	$77,057,067,487	$48,256,829,592
TIF increment (used to compute debt service levies and constitutional debt limit)	$5,012,728,162 [1]	$4,894,386,904 [1]
Taxed separately		
Utilities – Gas & Electric	$3,096,702,414	$1,056,618,125

Source: Iowa Department of Management

[1] *Excludes $205,572 of military exemption.*

2019 GROSS TAXABLE VALUATION BY CLASS OF PROPERTY[2]

	Taxable[3] Valuation	Percent Total
Residential	$30,229,493,268	61.23%
Ag. Land & Ag. Buildings	3,611,643,524	7.32%
Commercial, Industrial, Other, Railroad & Utility	12,981,398,572	26.30%
Multiresidential	1,487,824,548	3.01%
Utilities – Gas & Electric	1,056,618,125	2.14%
Total Gross Taxable Valuation	$49,366,978,037	100.00%

Source: Iowa Department of Management

TREND OF VALUATIONS

The 100% Actual Valuations, before rollback and after reduction of military exemption, include Ag. Land, Ag. Buildings, TIF Increment, and Gas & Electric Utilities. The Net Taxable Valuations, with the rollback and after the reduction of military exemption, exclude the Taxable TIF Increment and include Gas & Electric Utilities. Iowa colleges certify operating levies against Net Taxable Valuation excluding the Taxable TIF Increment and debt service levies are certified against Net Taxable Valuations including the Taxable TIF Increment.

Assessment Year	Payable Fiscal Year	100% Actual Valuation	Net Taxable Valuation (With Rollback)	Taxable TIF Increment
2015	2016-17	$68,279,421,427	$38,713,545,198	$3,587,936,877
2016	2017-18	70,390,951,844	40,334,906,157	3,847,217,466
2017	2018-19	76,145,635,218	43,418,648,007	4,266,787,372
2018	2019-20	79,371,472,507	46,130,784,718	4,373,612,033
2019	2020-21	85,166,498,063	49,313,447,717	4,894,386,904

Source: Iowa Department of Management

[2] *Before military exemption, and exclusive of Taxable TIF Increment.*
[3] *Excludes Taxable TIF Increment.*

LARGER TAXPAYERS

The table below represents fifteen larger taxpayers of Merged Area XI from Dallas, Polk, and Story counties, wherein over 76% of the College's taxable valuation is located. The table is based on tax entity, not based on ownership. A listing of aggregate holdings based on ownership may vary to some extent.

Taxpayer	Business	County	1/1/2019 Taxable Valuation	% Total Valuation
MidAmerican Energy	Utility	Polk	$594,792,120	1.10%
Microsoft Corporation	Technology	Polk	217,851,732	0.40%
Wells Fargo Home Mortgage Inc	Finance	Dallas	206,668,683	0.38%
GPC Jordan Creek LLC	Retail	Dallas	182,673,828	0.34%
Polk County	Government	Polk	169,679,223	0.31%
Principal Life Insurance Company	Insurance	Polk	168,637,320	0.31%
Nationwide Mutual Insurance Company	Insurance	Polk	158,979,240	0.29%
Northern Natural Gas Co	Utility	Dallas	151,604,210	0.28%
Principal Mutual Life Insurance Company	Insurance	Polk	134,365,230	0.25%
Wellmark Inc	Insurance	Polk	118,143,900	0.22%
Wells Fargo Properties Inc	Finance	Polk	109,635,300	0.20%
MidAmerican Energy Co	Utility	Dallas	108,784,915	0.20%
Employers Mutual Casualty Company	Insurance	Polk	91,449,000	0.17%
Linden Street Investments LLC	Finance	Polk	82,260,000	0.15%
Magellan Pipeline Co	Utility	Polk	77,710,409	0.14%

Source: Dallas, Polk, and Story County Iowa Auditor's Offices.

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INDEBTEDNESS

DEBT LIMIT

Article XI, Section 3 of the State of Iowa Constitution limits the amount of debt outstanding at any time of any county, municipality or other political subdivision to no more than 5% of the actual value of all taxable property within the corporate limits, as taken from the last state and county tax list. For the purpose of computing the limitation, the actual value of taxable property is used, including tax increment, without application of rollback, and after the deduction of military exemption on taxable property. The debt limit for the College, based on its 2019 Actual Valuation currently applicable to the fiscal year 2020-21, is as follows:

2019 Actual Valuation of Property	$85,166,498,063
Less: Military Exemption	(53,324,748)
Net Valuation	$85,166,498,063
Constitutional Debt Percentage	5.00%
Constitutional Debt Limit	$4,258,324,903
Less: Applicable General Obligation Debt	(111,200,000)
Constitutional Debt Margin	$4,147,124,903

DIRECT DEBT

Date of Issue	Original Amount	Purpose	Final Maturity	Principal Outstanding As of 11/01/20
05/14	$5,435,000	Jobs Training	6/23	$2,095,000
05/14	3,690,000	Jobs Training	6/23	1,435,000
06/15	4,210,000	Jobs Training	6/25	2,370,000
06/15	2,950,000	Jobs Training	6/25	1,700,000
07/15	30,265,000	Capital Improvements	6/25	16,490,000
06/16	8,045,000	Jobs Training	6/26	5,015,000
06/16	5,480,000	Jobs Training	6/26	3,420,000
12/16	4,590,000	Jobs Training	6/26	3,670,000
12/16	3,240,000	Jobs Training	6/26	2,550,000
12/17	5,025,000	Jobs Training	6/27	4,225,000
12/17	3,040,000	Jobs Training	6/27	2,555,000
12/18	7,410,000	Jobs Training	6/28	7,210,000
12/18	4,445,000	Jobs Training	6/28	4,245,000
07/19	40,000,000	Capital Improvements	6/29	36,000,000
11/19	6,115,000	Jobs Training	6/29	6,115,000
11/19	4,605,000	Jobs Training	6/29	4,605,000
01/21	4,425,000	Jobs Training[4]	6/30	4,425,000
01/21	3,075,000	Jobs Training[4]	6/30	3,075,000
Total General Obligation Debt Subject to Debt Limit:				**$111,200,000**

[4] *This issue.*

ANNUAL FISCAL YEAR DEBT SERVICE PAYMENTS

General Obligation Debt Supported by Property Taxes (Includes the Bonds)

	Current Outstanding G.O. Debt Paid by Taxes		**Series A Bonds**		**Series B Bonds**		**Total G.O. Debt Paid by Taxes**	
Fiscal Year	Principal	Principal and Interest	Principal	Principal and Interest	Principal	Principal and Interest	Principal	Principal and Interest
FY 2020-21	$13,640,000	$15,343,636		$18,672		$12,968	$13,640,000	$15,375,276
FY 2021-22	14,320,000	17,298,374	$100,000	146,040	$100,000	131,975	14,520,000	17,576,389
FY 2022-23	14,740,000	17,267,798	300,000	345,040	225,000	255,975	15,265,000	17,868,813
FY 2023-24	13,960,000	16,004,801	560,000	602,040	380,000	408,725	14,900,000	17,015,566
FY 2024-25	14,635,000	16,215,309	560,000	596,440	385,000	409,925	15,580,000	17,221,674
FY 2025-26	10,660,000	11,752,055	565,000	595,840	385,000	406,075	11,610,000	12,753,970
FY 2026-27	8,330,000	9,083,335	570,000	595,190	390,000	407,225	9,290,000	10,085,750
FY 2027-28	7,500,000	7,969,860	580,000	599,490	395,000	408,325	8,475,000	8,977,675
FY 2028-29	5,915,000	6,122,875	590,000	603,690	405,000	414,375	6,910,000	7,140,940
FY 2029-30			600,000	607,200	410,000	414,920	1,010,000	1,022,120
Total	$103,700,000	$117,058,043	$4,425,000	$4,709,642	$3,075,000	$3,270,488	$111,200,000	$125,038,173

INDIRECT DEBT

The Des Moines Area Community College property valuations comprise a major portion of 11 counties (including all of Dallas, Guthrie, Polk, and Warren counties), and a minor portion of another 12 counties throughout central Iowa. The College's indirect debt is calculated by attributing the debt of counties, school districts, and cities within College boundaries based on the percentage of the 1/1/2019 net taxable valuation of each jurisdiction that is shared by the College. Debt figures are as reported in the most recent publicly available audited financial statements or official statement related to the issuance of debt.

Jurisdiction Type	Debt Within College Boundaries[5]
Counties	227,516,732
School Districts	1,152,756,108
Cities	1,639,266,712
Total	$3,019,539,552

DEBT RATIOS

	Debt	Debt/Actual Market Value[6] $85,166,498,063	Debt/Taxable Value[7] $54,207,834,621
Direct Debt Secured by Taxes	$111,200,000	0.131%	0.205%
Direct and Indirect Debt Secured by Taxes	3,130,739,561	3.676%	5.775%
Net Direct Debt Secured by Taxes	52,490,000[8]	0.062%	0.097%
Direct and Indirect Debt Secured by Taxes	3,072,029,561	3.607%	5.667%

LEVIES AND TAX COLLECTIONS

Year	Taxes Levied	Current Collections	Collections as a % of Levies
2015-16	24,900,919	24,905,166	100.00%
2016-17	28,003,213	27,996,242	99.98%
2017-18	27,209,143	27,282,408	100.27%
2018-19	30,162,230	30,152,549	99.97%
2019-20	30,099,739	30,589,953	101.63%
2020-21	31,330,156	--in process of collection--	

After the assessment of property in a calendar year, taxes are levied for collection in the following fiscal year. Taxes are certified to the County Auditor in March. The County Treasurer collects taxes for all taxing entities in the County. Statutory dates for payment without penalty are September 30 for the first installment and March 31 for the second installment. Penalty rates are established by State law at 1.5% per month.

[5] *Debt outstanding as of November 1, 2020 based on most recent publicly available audits and official statements.*

[6] *Based on the College's 2019 Actual Valuation of Property less military exemption, and includes Ag. Land, Ag. Buildings, all Utilities and Taxable TIF Increment.*

[7] *Based on the College's 2019 Taxable Valuation of Property less military exemption, and includes Ag. Land, Ag. Buildings, all Utilities and Taxable TIF Increment.*

[8] *Excludes $50,545,000 in self-supporting debt.*

TAX RATES

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
		Tax Rates (Per $1,000 of Taxable Value)			
Operating Fund	0.20250	0.20250	0.20250	0.20250	0.20250
Plant Fund	0.20250	0.20250	0.20250	0.20250	0.20250
Other[9]	0.31834	0.26958	0.28968	0.24750	0.23033
Total	0.72334	0.67458	0.69468	0.65250	0.63533

FUNDS ON HAND (Cash and Investments as of September 30, 2020)

Cash and Investments	
General, Auxiliary, & Plant Funds	$50,482,591
Job Training Fund	40,741,818
Total	$91,224,409

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[9] *Includes equipment replacement levies, tort and non-tort insurance levies, and early retirement and unemployment levies.*

THE COLLEGE

COMMUNITY COLLEGE

Des Moines Area Community College (the "College") is a publicly supported two-year institution serving the Des Moines metropolitan area and the surrounding counties. The College was officially created on March 18, 1966. A nine-member Board of Directors was elected and formally installed the same year. Today, the College has six campuses and seven other educational locations. DMACC offers over 200 educational and short-term certificate programs. The College has an operational budget of approximately $115 million. It employs 861 full-time staff and approximately 1,100 part-time staff.

The College is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The College has maintained full accreditation status through PEAQ, the AQIP Pathway, and most recently the reaffirmation of accreditation in the Open Pathway provided by the Higher Learning Commission's Institutional Actions Council on February 27, 2017. The College is also approved by both the Iowa Department of Education and the U.S. Department of Education.

Campuses and Facilities:
The College encompasses 461 acres, 62 buildings and over 2 million square feet of space. Facilities include campuses in the cities of Ankeny, Boone, Carroll, Des Moines, Newton, and West Des Moines, as well as career academies in Ames, Des Moines, Newton, and Perry. The total depreciated value of the College's land, buildings, equipment, and other infrastructure is $174,798,694.

Construction Projects and Initiatives:
The College is nearing completion of three major construction projects. The first is a remodel and expansion of the Automotive Technology Building on the Ankeny Campus, the second is a new Student Center Building on the Urban Campus, and the third is a new Student Activity Center on the Boone Campus.

Construction of a new addition to the Carroll Campus began in the spring of 2020 and will be completed during 2021. The new addition will house a new welding facility, classrooms and office space.

Several other projects are either underway or will be starting in the near future including; a new Criminal Justice Training Facility on the Ankeny Campus, an expansion of the Betts Building and a remodel of Building 1 on the Urban Campus, HVAC updates to the Carroll Campus, and roof project at the Southridge Center.

The College has entered into an agreement with Ellucian, the College's ERP (Banner) software solution partner, to move its ERP to the Cloud, implement the most recent version of the Self-Service module, and install several new Ellucian solutions. The project began in September 2020 and is scheduled to be completed in late 2022.

COVID-19 Virus:
The outbreak of novel coronavirus (the "COVID-19 Virus" or "COVID-19") was declared a pandemic by the World Health Organization on March 11, 2020 and was declared a national emergency by the President of the United States on March 13, 2020. The United States government and the Federal Reserve Board have taken various legislative and regulatory actions in an attempt to mitigate the impact of the COVID-19 Virus pandemic.

In response to the outbreak of the COVID-19 Virus pandemic, on March 9, 2020 the Governor of the State issued a Proclamation of Disaster Emergency and on March 17, 2020 issued a Proclamation of Public Health Disaster Emergency (the "March 17 Proclamation"), the first two of a series of proclamations limiting non-essential travel, promoting telecommuting, closing non-essential businesses, limiting public gatherings, and taking other actions intended to limit the spread of the COVID-19 Virus.

Developments with respect to the COVID-19 Virus pandemic and governmental and regulatory responses are rapidly changing. The State is unable to predict (i) the duration the COVID-19 Virus pandemic, (ii) the duration or extent of restrictions and business closures as a result of efforts to restrict the spread of the COVID-19 Virus, or (iii) the impact of the COVID-19 Virus pandemic on the State's economy. In the event of a worsening of the COVID-19 Virus pandemic, the State may be forced to re-implement some or all of the business closures originally mandated.

In an effort to minimize the risk of the spread of COVID-19 at the College, all academic courses were moved to an online format effective March 23, 2020. In addition, student housing at the Boone and Carroll Campuses was closed. Prorated housing refunds were issued to students. All College buildings were closed to the public on March 17th and an emergency remote work policy was initiated for College staff. Essential functions of the College continued to be performed on premises by staff identified as essential.

In June, the College brought students back to campus to complete spring course work that required a face to face component. The College initiated COVID-19 mitigation strategies to limit the spread of the virus at that time. Summer course work was moved online for June with select in-person summer classes resuming in July with COVID-19 mitigation strategies in place.

For the fall term the College continued to deliver online classes with in-person courses on-campus as needed. With the exception of academic buildings hosting in-person courses all other building remained closed to the public. College staff continued to work primarily remotely. A decision was made by the College to begin offering some on-campus services with limited staff at all campuses starting in October. The College will continue to evaluate the COVID-19 climate as it relates to bringing back additional services and staff to its campuses.

For FY20, the College was not adversely affected financially. While the College did see revenue decreases in the areas of online technology fees, non-credit revenues and auxiliary revenues, summer enrollment was flat compared to the previous year and state aid was not reduced. Expenditures also decreased in the in the areas of part-time wages, travel, utilities and materials and supplies. The College received a CARES Act allocation of $7,345,999, with half of the allocation going directly to student grants for COVID-19 related situations. The other half of the allocation was for the College to use to offset costs related to the disruption of instruction caused by COVID-19. The College has used the funds to support increased technology needs, increased cleaning protocols, PPE and other expenses related to the disruption of instruction caused by COVID-19.

For the fall of FY21, the College did see a 6.9% decrease in enrollment. The College had anticipated a 2% decrease in enrollment during its budget development for the new fiscal year. The additional 4.9% decrease extrapolated over the spring and summer enrollments reduced budgeted tuition revenues by $2.3 million. The College does not anticipate any significant decreases in its State Aid appropriation or its property tax collections for FY21. These two revenue sources along with tuition account for a majority of the Colleges operating revenue. The College has addressed the $2.3 million reduction in tuition revenue by holding open positions, reducing part-time staff employed by the College, eliminating travel, and reducing other operating expenses. CARES Act funding will also be available in FY21 to help offset any increased costs associated with COVID-19 disruptions. The College will continue to monitor enrollments to determine if additional cuts will be needed.

ENROLLMENT

Fall college credit enrollment for academic years 2016/17 through 2020/21 is presented below.

Fall College Credit Enrollment

School Year	Students
2016-17	22,446
2017-18	22,982
2018-19	23,474
2019-20	23,258
2020-21	18,201

TEACHERS' CONTRACTS

The College recognizes the following associations as its bargaining representatives on wages, hours, and conditions of employment for all certified employees engaged in teaching. Current contracts expire as shown below.

Bargaining Unit	Contract Expires
Des Moines Area Community College Educational Services Association	06/30/2021
Des Moines Area Community College Higher Education Association	08/14/2021

EMPLOYEES, PENSIONS AND OPEB

The College contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the College can elect to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the College being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The IPERS Comprehensive Annual Financial Report for its fiscal year ended June 30, 2019 (the "IPERS CAFR") indicates that as of June 30, 2019, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 83.7%, and the unfunded actuarial liability was $6.477 billion. The IPERS CAFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321. See "APPENDIX D —AUDITED FINANCIAL STATEMENTS OF THE ISSUER" for additional information on IPERS.

The following table sets forth certain information about the funding status of IPERS that has been extracted from the IPERS CAFR. According to IPERS, as of the end of fiscal year 2019, there were approximately 368,292 total members participating in IPERS, including city employees. Assumptions used in calculating funding status are identified in the IPERS CAFR.

Fiscal Year Ended June 30	Actuarial Value of Assets [a]	Actuarial Accrued Liability [b]	Unfunded Actuarial Accrued Liability (UAAL) [b] – [a]	Funded Ratio [a] / [b]	Covered Payroll [c]	UAAL as a % of Covered Payroll ([b]-[a]) /[c]
2016	29,033,696,587	34,619,749,147	5,586,052,560	83.86%	7,556,515,720	73.92%
2017	30,472,423,914	37,440,382,029	6,967,958,115	81.39%	7,863,160,443	88.62%
2018	31,827,755,864	38,642,833,653	6,815,077,789	82.36%	7,983,219,527	85.37%
2019	33,324,327,606	39,801,388,797	6,477,011,191	83.73%	8,151,043,468	79.46%

Source: IPERS Comprehensive Annual Financial Report (Fiscal Year 2019)

Bond Counsel, the Municipal Advisor and the College undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS website.

In fiscal year 2020, the College's IPERS contribution totaled approximately $3,649,709 compared to a contribution in fiscal year 2019 of $3,436,953.

The College also contributes to the Teachers Insurance and Annuity Association (TIAA) retirement program, which is a defined contribution plan. TIAA administers the retirement plan for the College. The defined contribution retirement plan provides individual annuities for each plan participant. As required by the Code of Iowa, all eligible College employees must participate in a retirement plan from the date they are employed. Contributions made by both employer and employee vest immediately. As specified by the contract with TIAA, each employee is to contribute 6.29% and the College is required to contribute 9.44%. The College recognized a pension expense related to TIAA for the years ended June 30, 2020, 2019, and 2018 were $2,982,379, $2,968,410, and $2,904,432 respectively, equal to the required contribution for each year.

The College administers an early retirement cash benefit plan providing a one-time cash benefit to retired employees under certain conditions. The College finances the early retirement cash benefit plan on a pay-as-you-go basis. See “APPENDIX D – AUDITED FINANCIAL STATEMENTS” for additional information on the plan.

The College operates a single-employer retiree benefit plan which provides health care benefits including medical, prescription drug, and dental benefits for retirees and their spouses and dependents. There are 817 active and 142 retired members in the plan. Participants must be age 55 or older at retirement.

The medical and prescription drug coverage is provided through a self-funded insurance plan and is administered by a third party. The dental plan is self-insured and is administered by a third party. The College pays the cost of the single medical premium, until the retiree qualifies for Medicare, for retirees who elect to remain in one of the College’s group plans. This results in an Other Post Employment Benefit, “OPEB”) liability. The contribution requirements of plan members are established and may be amended by the College. The College currently finances the retiree benefit plan on a pay-as-you-go basis. See “APPENDIX D – AUDITED FINANCIAL STATEMENTS” for additional information on OPEB.

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GENERAL INFORMATION

LOCATION AND TRANSPORTATION

Des Moines Area Community College serves the Des Moines metropolitan area and surrounding counties. In total, the merged area of the College encompasses 6,560 square miles or about eleven percent of the area of the State and more than twenty-five percent of the State's population. The merged area includes all or major portions of eleven counties and minor parts of twelve adjacent counties.

AVERAGE ANNUAL LABOR FORCE DATA

	Dallas County		Polk County		Story County		State of Iowa
Calendar Year	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Unemployment Rate
2015	43,600	2.9%	255,300	3.7%	57,300	2.5%	3.8%
2016	45,700	2.6%	256,700	3.5%	56,800	2.3%	3.6%
2017	46,700	2.1%	258,800	3.1%	57,000	2.0%	3.1%
2018	48,700	1.8%	264,100	2.7%	57,900	1.7%	2.6%
2019	50,400	2.0%	273,600	2.8%	59,200	1.9%	2.7%

Source: 2019 non-seasonally adjusted data from Iowa Workforce Development, Labor Market Information Division, Local Area Unemployment Statistics program. Data accessed October 25, 2020.

U.S. CENSUS DATA

The major counties served by the College, their 2019 population estimates according to the U.S. Census Bureau, and county seats are listed below.

County	Population	County Seat
Audubon	5,496	Audubon
Boone	26,234	Boone
Carroll	20,165	Carroll
Dallas	93,453	Adel
Guthrie	10,689	Guthrie Center
Jasper	37,185	Newton
Madison	16,338	Winterset
Marion	33,253	Knoxville
Polk	490,161	Des Moines
Story	97,117	Nevada
Warren	51,466	Indianola

The table below shows the populations of the major cities of Ames, Ankeny, Des Moines, and West Des Moines within the Merged Area, as recorded by the U.S. Census Bureau.

Major City Populations - Merged Area XI

Census Year	City of Ames	City of Ankeny	City of Des Moines	City of West Des Moines
1980	45,775	15,429	191,003	21,894
1990	47,198	18,482	193,187	31,702
2000	50,731	27,117	198,682	46,403
2010	58,965	45,582	203,433	56,609
2019 Est.	66,258	67,355	214,237	67,899

Source for both tables above: U.S. Census Bureau.

FINANCIAL STATEMENTS

The College's June 30, 2020 Independent Auditor's Report as prepared by a certified public accountant is reproduced as APPENDIX D. The College's certified public accountant has not consented to distribution of the audited financial statement and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the College's prior Independent Auditor's Reports may be obtained from the College's Municipal Advisor, Independent Public Advisors, LLC.

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APPENDIX B: FORMS OF LEGAL OPINIONS

January __, 2021

We have acted as Bond Counsel in connection with the issuance by Des Moines Area Community College (Merged Area XI) (the "College") of $4,425,000 in aggregate principal amount of Taxable New Jobs Training Certificates (Multiple Projects 51-A) (the "Bonds") dated their date of delivery. The Bonds are being issued to finance job training programs (the "Projects") pursuant to agreements with the following companies (the "Companies") at the following locations:

Company	Project Location
Accu-Mold LLC	1711 S.E. Oralabor Road Ankeny, IA 50021
Allegiant Air, LLC	5800 Fleur Drive Des Moines, IA 50321
Amcor Rigid Packaging USA, LLC	520 Bell Avenue Ames, IA 50020
Ankeny Facility, LLC	3401 S.E. Convenience Blvd. Ankeny, IA 50021
Burke Marketing Corporation	1516 South D. Avenue Nevada, IA 50201
Casey's Retail Company	1 SE Convenience Blvd. Ankeny, IA 50021
eWay Corp.	5721 Merle Hay Rd., #22 Johnston, IA 50131
Fidelity & Guaranty Life Business Services, Inc.	601 Locust Street, Floor 14 Des Moines, IA 50309

GKAT Reclamation Reclamation, LLC	1745 NE 58th Avenue Des Moines, IA 50313
GlobalVetLink, L.C.	2604 Northridge Parkway Ames, IA 50010
Gross-Wen Technologies, Inc.	404 Main Street Slater, IA 50244
Igor, Inc.	2700 Westown Pkwy, Suite 400 West Des Moines, IA 50266
JDSO, Inc.	1300 SE Little Beaver Dr., Suite 101 Grimes, IA 50111
Lenderclose, Inc.	3001 Westown Parkway, #200 West Des Moines, IA 50266
Midland National Life Insurance Company	4350 Westown Pkwy West Des Moines, IA 50266
Mid-States Material Handling & Fabrication	1113 South D Ave. Nevada, IA 50201
Mid-States Millwright & Builders, Inc.	1116 South B Ave. Nevada, IA 50201
Navigate Wellness, LLC	140 S. 68th Street, Suite 2200 West Des Moines, IA 50266
Oakland Corporation	414 Broad Street Story City, IA 50248
Power Brace, L.L.C.	5153 NE 17th St. Des Moines, IA 50313
U.S. Engineered Wood, Inc.	927 North 19th Ave. Newton, IA 50208
Webspec Design, LLC	5907 Meredith Dr. Urbandale, IA 50322

We have examined the law and such certified proceedings and other papers as we deemed necessary in order to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion relating thereto.

Based upon our examinations, we are of the opinion, as of the date hereof, that:

1. Under the laws of the State of Iowa now in force, the Bonds are valid and binding obligations of the College payable from a special fund into which are deposited a new jobs credit from withholding taxes to be received or derived from new employment resulting from the Projects. In addition, the Bonds are secured by a special standby tax assessed upon all taxable property within the area comprising the College (the "Merged Area") to the extent necessary to pay principal and interest on the Bonds.

2. All taxable property in the Merged Area is subject to taxation to the extent necessary to pay principal and interest on the Bonds without limitation as to rate or amount. The College is required by law to certify to each of the County Auditors in the Merged Area the amounts necessary to pay the principal of and interest on the Bonds as they become due, and the County Auditors are required by law to include these amounts in the annual tax levy against all taxable property within the Merged Area, to the extent the necessary funds are not provided from other sources.

3. The amount of indebtedness to be incurred by the issuance of the Bonds does not exceed any limitation of indebtedness as fixed by law.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

Very truly yours,

DAVIS, BROWN, KOEHN, SHORS & ROBERTS, P.C.

January __, 2021

We have acted as Bond Counsel in connection with the issuance by Des Moines Area Community College (Merged Area XI) (the "College") of $3,075,000 in aggregate principal amount of Taxable New Jobs Training Certificates (Multiple Projects 51-B) (the "Bonds") dated their date of delivery. The Bonds are being issued to finance job training programs (the "Projects") pursuant to agreements with the following companies (the "Companies") at the following locations:

Company	Project Location
Accu-Mold LLC	1711 S.E. Oralabor Road Ankeny, IA 50021
Allegiant Air, LLC	5800 Fleur Drive Des Moines, IA 50321
Amcor Rigid Packaging USA, LLC	520 Bell Avenue Ames, IA 50020
Ankeny Facility, LLC	3401 S.E. Convenience Blvd. Ankeny, IA 50021
Burke Marketing Corporation	1516 South D. Avenue Nevada, IA 50201
Casey's Retail Company	1 SE Convenience Blvd. Ankeny, IA 50021
eWay Corp.	5721 Merle Hay Rd., #22 Johnston, IA 50131
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GKAT Reclamation Reclamation, LLC	1745 NE 58th Avenue Des Moines, IA 50313
GlobalVetLink, L.C.	2604 Northridge Parkway Ames, IA 50010
Gross-Wen Technologies, Inc.	404 Main Street Slater, IA 50244
Igor, Inc.	2700 Westown Pkwy, Suite 400 West Des Moines, IA 50266
JDSO, Inc.	1300 SE Little Beaver Dr., Suite 101 Grimes, IA 50111
Lenderclose, Inc.	3001 Westown Parkway, #200 West Des Moines, IA 50266
Midland National Life Insurance Company	4350 Westown Pkwy West Des Moines, IA 50266
Mid-States Material Handling & Fabrication	1113 South D Ave. Nevada, IA 50201
Mid-States Millwright & Builders, Inc.	1116 South B Ave. Nevada, IA 50201
Navigate Wellness, LLC	140 S. 68th Street, Suite 2200 West Des Moines, IA 50266
Oakland Corporation	414 Broad Street Story City, IA 50248
Power Brace, L.L.C.	5153 NE 17th St. Des Moines, IA 50313
U.S. Engineered Wood, Inc.	927 North 19th Ave. Newton, IA 50208
Webspec Design, LLC	5907 Meredith Dr. Urbandale, IA 50322

We have examined the law and such certified proceedings and other papers as we deemed necessary in order to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion relating thereto.

Based upon our examinations, we are of the opinion, as of the date hereof, that:

1. Under the laws of the State of Iowa now in force, the Bonds are valid and binding obligations of the College payable from a special fund into which are deposited a supplemental new jobs credit from withholding taxes to be received or derived from new employment resulting from the Projects. In addition, the Bonds are secured by a special standby tax assessed upon all taxable property within the area comprising the College (the "Merged Area") to the extent necessary to pay principal and interest on the Bonds.

2. All taxable property in the Merged Area is subject to taxation to the extent necessary to pay principal and interest on the Bonds without limitation as to rate or amount. The College is required by law to certify to each of the County Auditors in the Merged Area the amounts necessary to pay the principal of and interest on the Bonds as they become due, and the County Auditors are required by law to include these amounts in the annual tax levy against all taxable property within the Merged Area, to the extent the necessary funds are not provided from other sources.

3. The amount of indebtedness to be incurred by the issuance of the Bonds does not exceed any limitation of indebtedness as fixed by law.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

Very truly yours,

DAVIS, BROWN, KOEHN, SHORS & ROBERTS, P.C.

APPENDIX C: FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated as of January __, 2021 (the "Continuing Disclosure Certificate") is executed and delivered by Des Moines Area Community College (the "College"), in connection with the issuance of Taxable New Jobs Training Certificates, Multiple Projects 50-A in the principal amount of $4,425,000 and Multiple Projects 50-B in the principal amount $3,075,000 (the "Bonds"). The Bonds were issued pursuant to a Resolution approved by the College on December 14, 2020 (the "Resolution").

(a) (1) The College hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided, to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB, the following annual financial information and operating data (commencing with the fiscal year ending June 30, 2021):

(i) audited financial statements prepared in accordance with generally accepted accounting principles; and

(ii) tables, schedules or other information showing the type of information contained in the following tables of the official statement of the College used in connection with the sale of the Bonds (the "Official Statement"), under the following captions:

Trend of Valuations
Direct Debt
Levies and Tax Collections
Tax Rates
Funds on Hand (Cash and Investments as of September 30, 2020)

All of such annual financial information and operating data may be provided by cross reference to other documents, primarily other official statements, to be provided to the MSRB. If information is provided by cross reference to a final official statement, such final official statement must be available from the MSRB. The College reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the College; provided that, the College agrees that any such modification will be done in a manner consistent with the Rule.

(2) Such annual information and operating data described above is expected to be available on or before January 1 of each year for the fiscal year ending on the preceding June 30 and will be made available, in addition to the MSRB, to each holder of Bonds who makes request for such information; provided that, audited financial statements need not be provided until the later of January 1 of each year or thirty (30) days after receipt of such audited financial statements by the College.

(b) The College agrees to provide or cause to be provided, in a timely manner not in excess of ten business days from occurrence, to the MSRB, notice of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves, if any, reflecting financial difficulties;

(4) unscheduled draws on credit enhancements, if any, reflecting financial difficulties;

(5) substitution of credit or liquidity providers, if any, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series A Certificates, or other material events affecting the tax status of the Series A Certificates;

(7) modifications to rights of Bondholders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar events of the College;

(13) consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation of the College, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the College, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the College, any of which reflect financial difficulties.

As used herein, the term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board ("MSRB") consistent with the Rule.

As used herein, "material" means a fact to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, the information disclosed under this Section, or information generally available to the public. Notwithstanding the foregoing sentence, a fact is "material" if it is an event or condition that would be deemed "material" for purposes of the purchase or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event or condition.

The College may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of the College, such other event is a material fact with respect to the Bonds, but the College does not undertake to commit to provide any such notice of the occurrence of any material fact except those events listed above.

(c) The College agrees to provide or cause to be provided, in a timely manner, to the MSRB, notice of a failure by the College to provide the annual financial information with respect to the College described in Section (a) above on or prior to the dates set forth in Section (a) above.

(d) The College reserves the right to terminate its obligation to provide annual financial information and notices of the events set forth above, if and when, in the opinion of Bond Counsel, the College no longer remains an obligated person with respect to the Bonds within the meaning of the Rule; the College will provide notice of such termination to the MSRB.

(e) The College agrees that its undertaking pursuant to the Rule as set forth in this Continuing Disclosure Certificate is intended to be for the benefit of the holders of the Bonds and shall be enforceable by the holders of the Bonds; provided that, the right of the holders of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the College's obligations hereunder and any failure by the College to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds under Section 16 hereof.

(f) In 2017, the College became aware of late filings. Specifically, the College did not timely file disclosure related to its Student Housing Revenue Bonds (fiscal year 2012), its now-matured 2004 Plant Fund Capital Notes (fiscal years 2012-2014) and its 2015 Plant Fund Capital Notes (fiscal years 2015 and 2016). Although all information required by the related disclosure agreements was submitted and available to the MSRB through the EMMA repository prior to the established deadline, only the CUSIPs related to the College's New Job's Training Certificates were associated with the filings. Required filings to provide the association have been subsequently made, and steps have been taken to avoid future mis-filings.

Due to an administrative error by the paying agent, the interest on two series of the College's New Jobs Training Certificates was paid twelve days late on June 13, 2018.

Subject to the foregoing, the College represents that it has not failed to provide the annual financial information with respect to the College required under any other agreements or resolutions of the College entered into in connection with the issuance of bonds by the College.

This Continuing Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Iowa.

DES MOINES AREA COMMUNITY COLLEGE

By: ______________________________
President of the Board of Directors

Address: 2006 South Ankeny Boulevard
Ankeny, Iowa 50023

APPENDIX D: JUNE 30, 2020 INDEPENDENT AUDITOR'S REPORT

Des Moines Area Community College

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

TABLE OF CONTENTS

Des Moines Area Community College
OFFICIALS

Name	Title	Term expires
	Board of Directors	
Joe Pugel	President	2021
Kevin Halterman	Vice President	2021
Fred Buie	Member	2021
James Knott	Member	2021
Felix Gallagher	Member	2023
Cheryl Langston	Member	2023
Denny Presnall	Member	2023
Fred Greiner	Member	2023
Madelyn Tursi	Member	2023
	Community College	
Robert Denson	President/CEO	
MD Isley	Vice President, Academic Affairs	
Shelli Allen	Vice President, Enrollment Services	
Ben Voaklander	Controller	
Carolyn Farlow	Board Secretary	
Greg Martin	Board Treasurer	

DENMAN
& COMPANY, LLP

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Des Moines Area Community College
Ankeny, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Des Moines Area Community College (the College), and its discretely presented component unit as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the College's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the component unit were not audited in accordance with *Government Auditing Standards*.

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

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

1601 22nd Street, Suite 400 ■ West Des Moines, Iowa 50266 ■ Phone 515.225.8400 ■ Fax 515.225.0149 ■ denman-cpa.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Des Moines Area Community College and its discretely presented component unit as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 15, and the schedule of the College's proportionate share of the net pension liability, the schedule of College contributions, the schedule of College's early retirement pension liability and the schedule of changes in College's total OPEB liability, related ratios and notes on pages 47 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2019 (none of which are presented herein) and expressed unmodified opinions on those financial statements. Other supplementary information included in Schedules 1 through 11, including the schedule of expenditures of federal awards required by Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of the College's management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2020, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Denman & Company, LLP

DENMAN & COMPANY, LLP

West Des Moines, Iowa
November 2, 2020

Management of Des Moines Area Community College provides this Management's Discussion and Analysis of the College's annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2020. We encourage readers to consider this information in conjunction with the College's financial statements, which follow.

FINANCIAL HIGHLIGHTS

- College operating revenues decreased approximately $6.3 million or 7.9%. The decrease was the result of tuition and fee revenue decreasing by $2.4 million or 5.6%. The College saw a .53% decrease in enrollment and waived all online technology fees for the summer term due to COVID. The College also saw COVID related tuition and fee decreases in its non-credit offerings, as many of those courses were canceled or postponed during the spring term. Federal appropriations increased by $2.4 million or 50% due to CARES funding being awarded to the College. Training revenues to the College under the Iowa Industrial New Jobs Training Program decreased by $430,000 or 4.3%. The decrease can be attributed to the fluctuation in recognizing training revenues from the College's ongoing multiple projects. Companies have three years to utilize their training dollars from the bond sales and the College recognizes the revenues when the companies are reimbursed for their training. Miscellaneous revenues decreased by $5.8 million or 28%. The decrease in miscellaneous revenues can be attributed to the College receiving several large donations from its Foundation for building projects during FY2019.
- College operating expenses increased by $2.7 million or 1.7%. Liberal Arts, Career Education, and Adult Education increased by $1.2 million or 1.5%. Cooperative services decreased $600,000 million or 8.5%. The Cooperative services decrease was related to the timing of training reimbursements made from the Iowa Industrial New Jobs Training Program. Student Services increased by $1 million or 8.8%, Physical Plant costs remained relatively flat. Administration and Learning Resources also saw small operating expense increases. General institution increased by $1.1 million or 6%. As the result of COVID, the College did see decreases in many of its operating expenses due to the College facilities being closed and employees working remotely. The College's net pension liability adjustments remained relatively unchanged. Due to the nature of the pension liabilities the College may see large fluctuations in its operating expenses in the future.
- The College's net position increased by approximately $242,429. The net investment in capital assets decreased by $13 million. The decrease is related to the College selling bonds and that debt offsetting the construction increases. The unrestricted net position increased by $11.9 million due to the Colleges borrowing in the Plant Fund and the construction still being in progress. The College's restricted net position increased $1.4 million.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the College's financial activities.

The Basic Financial Statements consist of a statement of net position, a statement of revenues, expenses and changes in net position and a statement of cash flows. These provide information about the activities of the College as a whole and present an overall view of the College's finances.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information presents the College's proportionate share of the net pension liability and related contributions, the College's early retirement pension liability and the changes in total OPEB liability and related ratios and notes.

Other Supplementary Information provides detailed information about the individual funds. The Budgetary Comparison Schedule of Expenditures – Budget to Actual further explains and supports the financial statements with a comparison of the College's budget for the year. The Schedule of Expenditures of Federal Awards provides details of the various federal programs benefiting the College.

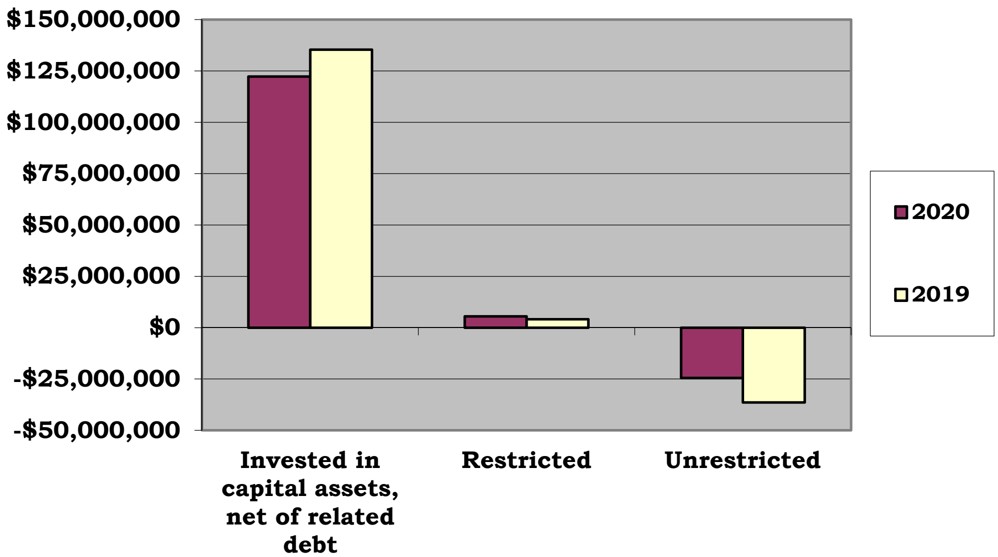
REPORTING THE COLLEGE FINANCIAL ACTIVITIES

The Statement of Net Position

The Statement of Net Position presents financial information on all of the Colleges assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. The Statement of Net Position is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the College to the readers of the financial statements. The Statement of Net Position includes year-end information concerning current and noncurrent assets, deferred outflows of resources, current and noncurrent liabilities, deferred inflows of resources, and net position. Over time, readers of the financial statements will be able to determine the College's financial position by analyzing the increases and decreases in net position. This statement is also a good source for readers to determine how much the College owes to outside vendors and creditors. The statement also presents the available assets that can be used to satisfy those liabilities.

	June 30	
	2020	2019
Current assets	$ 164,024,697	$ 133,850,437
Other assets	29,770,428	29,985,792
Capital assets, net of accumulated depreciation	174,798,694	154,869,744
Total assets	368,593,819	318,705,973
Deferred outflows of resources	12,605,191	13,899,308
Current liabilities	65,428,971	54,388,609
Noncurrent liabilities	176,132,603	142,566,878
Total liabilities	241,561,574	196,955,487
Deferred inflows of resources	36,330,090	32,584,877
Net position:		
Net investment in capital assets	122,308,694	135,404,744
Restricted	5,491,695	4,093,159
Unrestricted	(24,493,043)	(36,432,986)
Total net position	$ 103,307,346	$ 103,064,917

Comparison of Net Position



The largest portion of the College's net position is invested in capital assets (e.g., land, buildings, and equipment), less the related debt. The debt related to the capital assets is liquidated with resources (property tax receipts and rental revenue) other than capital assets. The restricted portion of the net position includes resources that are subject to external restrictions. The remaining net position is the unrestricted net position that can be used to meet the College's obligations as they come due. The unrestricted negative net position is the result of the following liabilities. Without these liabilities included in the net position the College would have a positive unrestricted net position.

Governmental Accounting Standards Board Statement No. 68, **Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27** was implemented during fiscal year 2015. The net pension liability as of June 30, 2020 was $27,734,671. In the past, pension expense was the amount of the employer contribution. Current reporting provides a more comprehensive measure of pension expense which is more reflective of the amounts employees earned during the year. The negative net position as a result of the net pension liability is reported against the unrestricted net position.

Governmental Accounting Standards Board Statement No. 73 **Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB No. 68** was implemented during fiscal year 2017. The early retirement pension liability as of June 30, 2020 was $16,894,653. The College provides a Retirement Cash Benefit Plan to retired employees meeting certain conditions, which is not within the scope of GASB No. 68. The Retirement Cash Benefit Plan is funded by a property tax levy. The negative net position as a result of the early retirement pension liability is reported against the unrestricted net position.

Governmental Accounting Standards Board Statement No. 75 **Accounting and Financial Reporting for Postemployment Benefits other than Pensions** was implemented during fiscal year 2018. The OPEB liability as of June 30, 2020 was $21,246,563. The College operates a single-employer health benefit plan for employees, retirees and their dependents. The retiree portion of the liability is funded by a property tax levy. The negative net position as a result of the OPEB liability is reported against the unrestricted net position.

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position as reflected in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues earned by the College, both operating and nonoperating, and the expenses incurred by the College, operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the College.

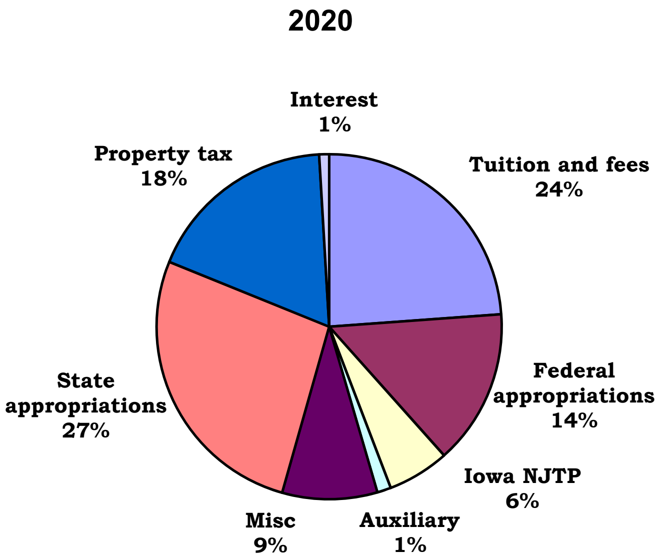
In general, a public college, such as Des Moines Area Community College, will report an operating loss since the financial reporting model classifies state appropriations, Pell grants and property tax as nonoperating revenues. Operating revenues are received for providing goods and services to the students, customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. Nonoperating revenues are revenues received for which goods and services are not provided. The utilization of capital assets is reflected in the financial statements as depreciation, which allocates the cost of an asset over its expected useful life.

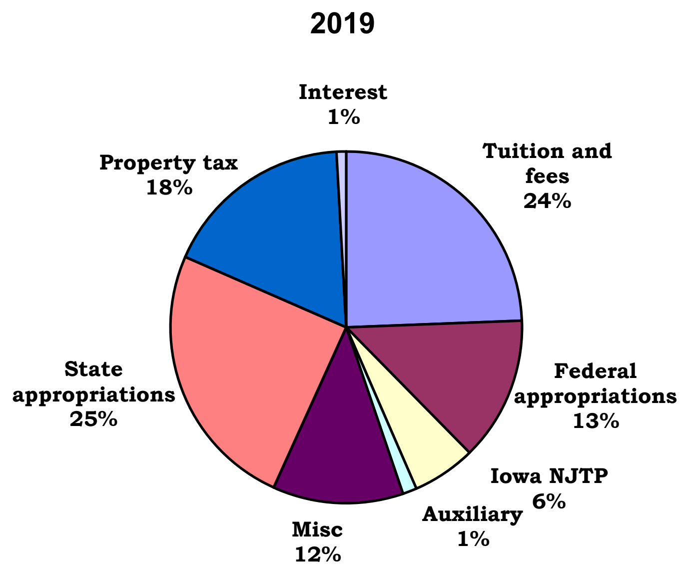
Changes in Net Position

	Year ended June 30	
	2020	2019
Operating revenues:		
Tuition and fees	$ 39,544,227	$ 41,907,117
Federal appropriations	7,274,799	4,836,788
Iowa Industrial New Jobs Training Program	9,599,482	10,030,932
Auxiliary enterprises revenue	2,134,048	2,231,801
Miscellaneous	14,783,308	20,635,132
Total operating revenues	73,335,864	79,641,770
Total operating expenses	162,564,213	159,897,792
Operating loss	(89,228,349)	(80,256,022)
Nonoperating revenues, (expenses) and transfers		
State appropriations	44,314,541	42,568,572
Pell grant	16,849,387	17,897,726
Property tax	29,741,933	30,152,549
Interest and investment income	1,538,925	1,526,333
Loss on disposition of capital assets	(21,061)	(1,793,279)
Interest on indebtedness	(2,980,793)	(2,021,636)
Transfers from agency funds	27,846	29,717
Net nonoperating revenues and transfers	89,470,778	88,359,982
Increase in net position	242,429	8,103,960
Net position beginning of year	103,064,917	94,960,957
Net position end of year	$ 103,307,346	$ 103,064,917

The Statement of Revenues, Expenses and Changes in Net Position reflects a positive year, with an increase in net position of $242,429 at the end of the fiscal year. This increase is the net result of an $11.9 million increase in the general unrestricted funds, a $1.4 million increase in the general restricted funds, and a $13 million decrease in capital assets net of related debt.

Total Revenues by Source





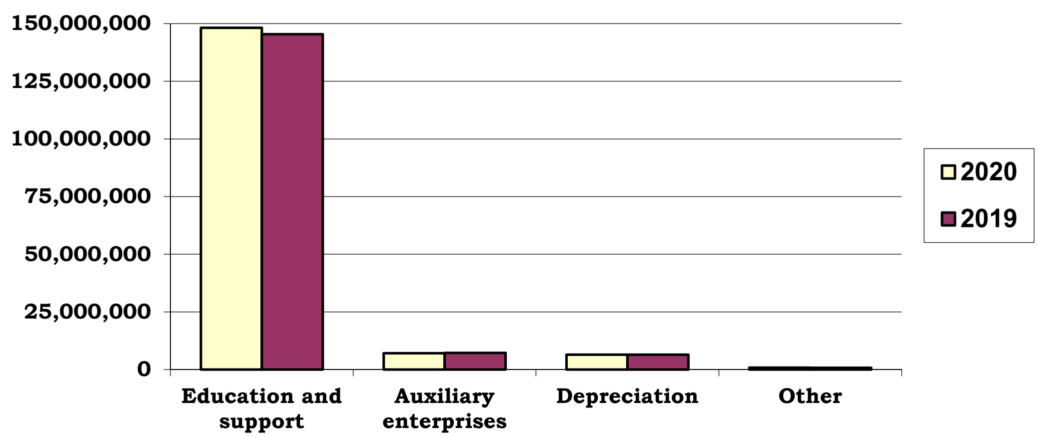
In fiscal year 2020, operating revenues decreased by approximately $6.3 million or 7.9%. The decrease was primarily a result of the following changes:

- Tuition and fees, net of scholarship allowances, decreased approximately $2.4 million or 5.6%. The decrease can be attributed to a slight enrollment decrease and COVID related issues including; waived technology fees for the summer term and the cancellation or postponement of non-credit classes in the spring and early summer. Scholarship allowances that decrease the student's tuition and fees cost increased by $483,416 or 2.5%. For financial reporting purposes, scholarship allowances reduce tuition revenue.
- The College facilitates training to new employees of area businesses under the Iowa Industrial New Jobs Training Program. The revenue from these training projects decreased $431,450 or 4.3%. The College sold $10.72 million in New Jobs Training Certificates during the fiscal year.
- Miscellaneous revenue decreased $5.8 million or 28%. The College saw a decrease in Foundation donations for building projects that were received in FY2019.
- Federal appropriations increased approximately $2.4 million or 50%. The College received CARES Act awards in FY2020.
- Auxiliary revenues remained relatively flat.
- Interest income remained steady. The College anticipates that interest income will decrease in FY2021.

Operating Expenses

	Year ended June 30	
	2020	2019
Education and support:		
Liberal arts and sciences	$ 30,562,445	$ 29,624,332
Career and technical	38,368,978	35,940,464
Adult education	13,309,851	15,433,318
Cooperative services	6,539,414	7,147,718
Administration	3,865,317	3,920,798
Student services	13,341,325	12,257,411
Learning resources	3,565,741	3,255,537
Physical plant	18,976,573	19,300,192
General institution	19,651,591	18,545,592
Auxiliary enterprises	7,051,735	7,250,541
Loan cancellations and bad debts	679,423	656,691
Administrative and collection costs	167,398	112,724
Depreciation	6,484,422	6,452,474
Total	$ 162,564,213	$ 159,897,792

Total Expenses



In fiscal year 2020, operating expenses increased by approximately $2.7 million or 1.7%. The following factors explain some of the change:

- Faculty and staff received a 3.25% salary increase in FY2020.
- Auxiliary enterprise expense decreased by $200,000 or 2.7%. Many auxiliary activities were disrupted by COVID.
- Net pension liability adjustments were relatively flat. The nature of these liabilities may cause large operating expense fluctuations in the future.
- Due to COVID and the College closing facilities and moving employees to remote work status in March 2020, the College saw significant operating expense savings during the final three months of the fiscal year.

Statement of Cash Flows

A statement included in Des Moines Area Community College's basic financial statements is the Statement of Cash Flows. The Statement of Cash Flows is an important tool in helping users assess the College's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing. The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital and related financing, and investing activities.

Cash Flows

	Year ended June 30	
	2020	2019
Cash provided by (used in):		
Operating activities	$ (76,439,013)	$ (74,293,976)
Noncapital financing activities	91,779,575	90,954,140
Capital and related financing activities	8,932,939	(14,631,486)
Investing activities	5,538,925	(1,473,667)
Net increase in cash	29,812,426	555,011
Cash and short-term pooled investments, beginning of the year	68,065,245	67,510,234
Cash and short-term pooled investments, end of the year	$ 97,877,671	$ 68,065,245

Cash used in operating activities includes tuition, fees, grants and contracts, net of payments to employees and to suppliers. Cash provided by noncapital financing activities includes state appropriations, Pell grants, local property tax receipts, the proceeds from New Jobs Training Programs debt, and the principal and interest payments on New Jobs Training Programs debt. Cash used in capital and related financing activities represents the proceeds from plant fund debt, the principal and interest payments on plant fund debt and the purchase of capital assets. Cash provided by investing activities includes investment income received and the purchase and sale of investments.

Cash used in operating activities increased by $2 million.

Cash provided by noncapital financing activities increased by $825,000. Increases in state appropriations, accounted for the increase in noncapital financing activities.

Cash used in capital and related financing activities increased by $23.5 million. The College had several construction projects ongoing during the fiscal year and sold Plant Fund bonds.

The cash provided by investing activities increased by $7 million. As the result of the Plant Fund bond sale, pooled investments increased during FY2020.

CAPITAL ASSETS

At June 30, 2020, the College had approximately $174.8 million invested in capital assets, net of accumulated depreciation of $94.9 million. Depreciation charges totaled $6.5 million for FY2020. Details of capital assets are shown below.

Capital Assets, Net, at Year-End

	June 30 2020	June 30 2019
Land	$ 8,892,253	$ 8,892,253
Buildings	125,737,495	128,700,636
Construction in progress	26,621,695	4,829,453
Improvements other than buildings	7,400,094	6,519,669
Equipment and vehicles	6,147,157	5,927,733
Total	$ 174,798,694	$ 154,869,744

The College appropriates approximately $1.7 million annually for computer equipment and technology upgrades for the computer labs, networks and classrooms. The College also plans to spend an estimated $1.7 million annually for maintenance on the buildings and grounds.

The College has an approved $.09 per thousand levy for instructional equipment. This levy results in the College receiving an additional $4.5 million per year for instructional equipment.

DEBT

At June 30, 2020, the College had $103.7 million in debt outstanding, an increase of $35.69 million from FY2019. The table below summarizes these amounts by type.

Outstanding Debt

	June 30 2020	June 30 2019
Certificates payable	$ 51,210,000	$ 48,545,000
Plant fund capital notes payable	52,490,000	19,465,000
Total	$ 103,700,000	$ 68,010,000

The College also anticipates selling $7.5 million of New Job Training Program certificates in late 2020.

ECONOMIC FACTORS

There are many economic factors and challenges that will affect the future operations of Des Moines Area Community College. Some of the issues that may impact the College are:

- In an effort to minimize the risk of the spread of COVID at the College, all academic courses were moved to an online format on March 23, 2020. In addition, student housing at the Boone and Carroll Campuses was closed. All College buildings were closed to the public on March 17, 2020 and an emergency remote work policy was initiated for College staff. Essential functions of the College continued to be performed on premises by staff identified as essential. Since that time, the College has gradually reintroduced in-person classes with appropriate mitigation strategies. The in-person classes are primarily in the areas of career education and the sciences. Other classes continue to be offered in online formats. Recently, the College began to bring staff back in a limited number to support on-campus student services. The College will continue to monitor the situation as it plans to return more staff back to campus. The College was not adversely affected financially by COVID during FY2020. While it did see some decreases in revenues, its primary revenue sources of tuition, state aid and property taxes did not decrease significantly. The revenue decreases were offset by decreases in expenditures related to part-time wages, travel, utilities and materials and supplies, as the result of having facilities closed and staff working remotely. The College did also receive a CARES Act allocation from the federal government to be used to offset costs related to the disruption of instruction due to COVID and to provide grants to students adversely effected by COVID.
- The Iowa Legislative support for Community Colleges has remained steady during the last two fiscal years. For the fiscal year ending June 30, 2020, the College received $35 million. For fiscal year 2021, the College will receive $35 million in state general aid. For future budget years, the College is not overly optimistic regarding state general aid. Aggressive and prudent budget management and pre-planning for anticipated expense reductions have allowed the College to deal with revenue losses without significant impact on operations that would affect the student experience.
- In the fiscal year ended June 30, 2020, the College experienced an enrollment decrease of .53%. For the fall term of the fiscal year ending June 30, 2021, the College experienced a 6.9% enrollment decrease. The enrollment decrease is being attributed to the current COVID situation. The current fiscal year budget had been adopted with 2% decrease in enrollment during budget development. The College initiated budget reductions of $2.3 million to offset the decrease in tuition revenues. The College will continue to monitor the situation and make any needed adjustments to its budget.
- There continues to be positive indicators for business and workforce growth in central Iowa and good prospects for job growth and interest from new industry; banking and financial services continue to expand the workforce as evidenced by the College's new jobs training activity; and there is potential to provide additional training to area business and industry. Iowa Industrial New Jobs Training projects totaled over $10.72 million for 2020.
- Facilities at the College require constant expansion, maintenance, and upkeep. The College has several ongoing building projects that will be completed during the upcoming fiscal year. The projects include; a Student Center at the Urban Campus, a remodel and addition to the Automotive Building on the Ankeny Campus, a Student Activity Center at the Boone Campus and an addition to its Carroll Campus.. As the economy grows, the need for additional capacity is a major concern of the College. The College consistently informs business leaders and state legislators of this concern and will continue to address the facility issues.
- Technology continues to expand and current technology becomes outdated rapidly, presenting an ongoing challenge to maintain up-to-date technology at a reasonable cost. The College has partnered with Ellucian, the College's ERP solution provider, to move the ERP to the cloud, update the self-service module to the latest iteration and to integrate new Ellucian solutions.

The College anticipates the current fiscal year (FY2021) will be a challenging year due to COVID. The College will continue to monitor its financial situation and respond accordingly.

CONTACTING THE COLLEGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our customers, taxpayers in the community college district and our creditors with a general overview of the College's finances and to demonstrate the College's accountability for the resources it receives. If you have questions about the report or need additional financial information, contact Des Moines Area Community College, 2006 South Ankeny Blvd., Ankeny, Iowa 50023.

BASIC FINANCIAL STATEMENTS

Exhibit A

DES MOINES AREA COMMUNITY COLLEGE

Statement of Net Position

June 30, 2020

		College		Foundation
Assets				
Current assets:				
Cash and short-term pooled investments (Note 2)	$	97,877,671	$	3,862,706
Pooled investments (Note 2)		-		18,706,172
Receivables:				
Accounts, net of allowance of $313,785		23,190,636		1,269,531
Succeeding year property tax		31,330,156		-
Iowa Industrial New Jobs Training Program		7,913,873		-
Due from other governments		2,988,854		-
Inventories (Note 3)		275,450		-
Prepaid expenses		448,057		102,525
Total current assets		164,024,697		23,940,934
Noncurrent assets:				
Receivables				
Iowa Industrial New Jobs Training Program		29,770,428		-
Capital assets, net of accumulated depreciation (Note 4)		174,798,694		-
Total noncurrent assets		204,569,122		-
Total assets		368,593,819		23,940,934
Deferred outflows of resources				
Pension related deferred outflows		11,201,003		
OPEB related deferred outflows		1,404,188		-
Total deferred outflows of resources		12,605,191		-

Exhibit A

DES MOINES AREA COMMUNITY COLLEGE

Statement of Net Position (Continued)

June 30, 2020

	College	Foundation
Liabilities		
Current liabilities		
Accounts payable	$ 5,077,126	$ -
Payable to Des Moines Area Community College	-	4,495,995
Salaries and benefits payable	4,594,386	-
Self-funded health claims payable	8,412,634	-
Accrued interest payable	273,678	-
Unearned revenue:		
Tuition	14,258,355	-
Iowa Industrial New Jobs Training Program	13,845,479	-
Net pension liability (Notes 5, 8 & 10)	986,961	-
OPEB liability payable (Notes 5 & 11)	693,533	
Deposits held in custody for others	2,918,566	-
Certificates payable (Note 5)	6,625,243	-
Plant fund capital loan notes payable (Note 5)	7,743,010	-
Total current liabilities	65,428,971	4,495,995
Noncurrent liabilities (Note 5):		
Compensated absences	2,194,100	-
Unearned revenue, Iowa Industrial New Jobs Training Program	15,063,106	-
Net pension liability (Notes 8 & 10)	43,642,363	-
OPEB liability payable (Note 11)	20,553,030	-
Certificates payable (Note 5)	44,770,108	-
Plant fund capital loan notes payable (Note 5)	49,909,896	-
Total noncurrent liabilities	176,132,603	-
Total liabilities	241,561,574	4,495,995
Deferred inflows of resources		
Unavailable property tax revenue	31,330,156	-
Pension related deferred inflows	4,683,235	
OPEB related deferred inflows	316,699	-
Total deferred inflows of resources	36,330,090	-
Net position		
Net investment in capital assets	122,308,694	-
Restricted:		
Nonexpendable:		
Cash reserve	755,088	-
Scholarships and fellowships	-	6,337,151
Expendable:		
Scholarships and fellowships	275,350	-
Loans	51,969	-
Other	4,409,288	11,663,617
Unrestricted	(24,493,043)	1,444,171
Commitments (Note 4 & 6)		
Total net position	$ 103,307,346	$ 19,444,939

See notes to financial statements.

Exhibit B

DES MOINES AREA COMMUNITY COLLEGE

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2020

	College	Foundation
Operating revenues:		
Tuition and fees, net of scholarship allowances of $19,489,475	$ 39,544,227	$ -
Federal appropriations	7,274,799	-
Iowa Industrial New Jobs Training Program	9,599,482	-
Auxiliary enterprises revenue	2,134,048	-
Contributions	-	4,803,570
Miscellaneous	14,783,308	-
Total operating revenues	73,335,864	4,803,570
Operating expenses:		
Education and support		
Liberal arts and sciences	30,562,445	-
Career and technical	38,368,978	-
Adult education	13,309,851	-
Cooperative services	6,539,414	-
Administration	3,865,317	69,161
Student services	13,341,325	-
Learning resources	3,565,741	-
Physical plant	18,976,573	-
General institution	19,651,591	-
Auxiliary enterprises	7,051,735	-
Scholarships and grants	-	3,226,642
Fund raising	-	108,800
Loan cancellations and bad debts	679,423	-
Administrative and collection costs	167,398	-
Depreciation	6,484,422	-
Total operating expenses	162,564,213	3,404,603
Operating income (loss)	(89,228,349)	1,398,967
Nonoperating revenues (expenses):		
State appropriations	44,314,541	-
Pell grant	16,849,387	-
Property tax	29,741,933	-
Interest and investment income	1,538,925	647,079
Loss on disposition of capital assets	(21,061)	-
Interest on indebtedness	(2,980,793)	-
Net nonoperating revenues (expenses)	89,442,932	647,079
Change in net position	214,583	2,046,046
Transfers from agency funds	27,846	-
Total change in net position	242,429	2,046,046
Net position, beginning of year	103,064,917	17,398,893
Net position, end of year	$ 103,307,346	$ 19,444,939

See notes to financial statements.

Exhibit C

DES MOINES AREA COMMUNITY COLLEGE

Statement of Cash Flows

Year Ended June 30, 2020

Cash flows from operating activities:	
Tuition and fees	$ 38,686,352
Federal appropriations	5,761,977
Iowa Industrial New Jobs Training Program	11,476,061
Payments to employees for salaries and benefits	(103,873,604)
Payments to suppliers for goods and services	(45,408,295)
Auxiliary enterprise receipts	2,134,048
Other receipts	14,784,448
Net cash used in operating activities	(76,439,013)
Cash flows from noncapital financing activities:	
State appropriations	44,038,178
Pell grant	16,849,387
Property tax	29,741,933
Net agency fund activity	(43,794)
Proceeds from certificates payable	10,720,000
Principal paid on debt	(8,055,000)
Interest paid	(1,471,129)
Net cash provided by noncapital financing activities	91,779,575
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(26,434,433)
Proceeds from issuance of debt	44,397,800
Principal paid on debt	(6,975,000)
Interest paid	(2,055,428)
Net cash provided by capital and related financing activities	8,932,939
Cash flows from investing activities	
Interest on investments	1,538,925
Net change in pooled investments	4,000,000
Net cash provided by investing activities	5,538,925
Net increase in cash and short-term pooled investments	29,812,426
Cash and short-term pooled investments at beginning of year	68,065,245
Cash and short-term pooled investments at end of year	$ 97,877,671

See notes to financial statements.

Exhibit C

DES MOINES AREA COMMUNITY COLLEGE

Statement of Cash Flows (Continued)

Year Ended June 30, 2020

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (89,228,349)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	6,484,422
Changes in assets and liabilities:	
Increase in accounts receivable	(865,664)
Increase in Iowa Industrial New Jobs Training Program receivables	(139,807)
Increase in due from and due to other governments	(1,512,822)
Increase in prepaid expenses	(151,705)
Decrease in inventories	30,309
Increase in accounts payable	1,842,527
Increase in salaries and benefits payable	1,791,436
Increase in unearned revenues	2,024,175
Decrease in net pension liability	(985,688)
Increase in OPEB liability	462,100
Decrease in deferred outflows of resources	1,294,117
Increase in deferred inflows of resources	2,514,796
Decrease in deposits held in custody for others	1,140
Total Adjustments	12,789,336
Net cash used in operating activities	$ (76,439,013)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS

Organization and Function

Des Moines Area Community College (the College) is a publicly supported, post-secondary, two-year institution established and operated as an area community college by Merged Area XI, as provided in Chapter 260C of the Code of Iowa. The College offers programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, pre-professional or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree. It also offers up to two years of vocational or technical education, training or retraining to persons who are preparing to enter the labor market. The College maintains campuses in Ankeny, Boone, Carroll, Des Moines, Newton, and West Des Moines and has its administrative offices in Ankeny. The College is governed by a Board of Directors whose members are elected from each director district within Merged Area XI.

In fulfilling the responsibilities assigned to it by law, the College offers a comprehensive educational program and support services to fulfill local and state needs. The College serves primarily students from the state of Iowa.

Reporting Entity

For financial reporting purposes, the College has included all funds, organizations, agencies, boards, commissions, and authorities. The College has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (a) the ability of the College to impose its will on that organization or (b) the potential for the organization to provide specific benefits to or impose specific financial burdens on the College.

The Des Moines Area Community College Foundation (the Foundation) qualifies as a component unit according to the Governmental Accounting Standards Board criteria. The Foundation is a nonprofit corporation controlled by a separate board of directors whose goal is to provide support to the College. Although the College does not control the timing or amount of the receipts from the Foundation, the majority of the resources that are held by the Foundation are used for the benefit of the College.

The Foundation is a non-profit organization which reports under accounting standards established by the Financial Accounting Standards Board (FASB). The Foundation's financial statements were prepared in accordance with the provisions of the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting for these differences. The Foundation reports net assets, which is equivalent to net position reported by the College. Copies of the Foundation's financial statements may be obtained by contacting the Foundation.

These financial statements present the College (the primary government) and the Foundation (its component unit). Certain disclosures about the Foundation are not included because the Foundation has been audited separately and a report has been issued under separate cover.

Financial Statement Presentation

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires resources to be classified for accounting and reporting purposes into the following net position categories:

Net Investment in Capital Assets: Capital assets, net of accumulated depreciation and outstanding debt obligations attributable to the acquisition, construction or improvement of those assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS (continued)

Financial Statement Presentation (continued)

Restricted Net Position:

Nonexpendable – Net position subject to externally imposed stipulations that they be maintained permanently by the College.

Expendable – Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time.

Unrestricted Net Position: Net position not subject to externally imposed stipulations. Examples include: student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. Resources may be designated for specific purposes by action of management or by the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

The basic financial statements (i.e. the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows) report information on all of the activities of the College. For the most part, the effect of interfund activity has been removed from these statements.

Other Supplementary Information

The supplementary information of the College is presented on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures. For reporting purposes, funds that have similar characteristics have been combined into fund groups. The various fund groups and their designated purposes are as follows:

Current Funds – The Current Funds are utilized to account for those economic resources that are expendable for the purpose of performing the primary and supporting missions of the College and consist of the following:

Unrestricted Fund – The Education and Support subgroup of the Unrestricted Fund accounts for the general operations of the College. All property tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this subgroup. From this subgroup are paid the general operating expenses, the fixed charges and the expenditures for plant assets that are not paid from other funds.

The Auxiliary Enterprises subgroup accounts for activities which are intended to provide non-instructional services for sales to students, staff and/or institutional departments, and which are supplemental to the educational and general objectives of the College. In addition, it accounts for activities which provide instructional and laboratory experiences for students and which incidentally create goods and services that may be sold to students, faculty, staff and the general public.

Restricted Fund – The Restricted Fund is used to account for resources that are available for the operation and support of the educational program but which are restricted as to their use by donors or outside agencies.

Loan Funds – The Loan Funds are used to account for loans to students, and are financed primarily by the student government.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS (continued)

Other Supplementary Information (continued)

Plant Funds – The Plant Funds are used to account for transactions relating to investment in the College properties, and consist of the following self-balancing subfunds:

Unexpended – This subfund is used to account for the unexpended resources derived from various sources for the acquisition or construction of plant assets.

Retirement of Indebtedness – This subfund is used to account for the accumulation of resources for principal and interest payments on plant indebtedness.

Investment in Plant – This subfund is used to account for the excess of the carrying value of plant assets over the related liabilities.

Agency Funds – The Agency Funds are used to account for assets held by the College in a custodial capacity or as an agent for others. Agency Funds' assets equal liabilities. Transactions of the Agency Funds represent charges or credits to the individual asset and liability accounts and do not involve measurement of revenues or expenditures.

The Budgetary Comparison Schedule of Expenditures – Budget to Actual provides a comparison of the budget to actual expenditures for those funds and/or levies required to be budgeted. Since the College uses Business Type Activities reporting this budgetary comparison information is included as supplementary information.

Measurement Focus and Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The College's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

Schedules presented in the supplementary information are reported using the current financial resources measurement focus and the modified accrual basis of accounting with modifications for depreciation and other items included in the adjustments column. The schedule of revenues, expenditures and changes in fund balances is a schedule of financial activities related to the current reporting period. It does not purport to present the results of operations or net income or loss for the period as would a statement of income or a statement of revenues and expenses.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

Cash and Pooled Investments – Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust, which is valued at amortized cost, and nonnegotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to a known amount of cash and, at the day of purchase, have a maturity date no longer than three months.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

Property Tax Receivable – Property tax receivable is recognized on the levy or lien date, which is the date that the tax asking is certified by the Board of Directors to the appropriate County Auditors. The succeeding year property tax receivable represents taxes certified by the Board of Directors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Directors is required to certify its budget to the County Auditor by June 1 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

Receivable for Iowa Industrial New Jobs Training Program (NJTP) – This represents the amount to be remitted to the College for training projects entered into between the College and employers under the provisions of Chapter 260E of the Code of Iowa. The receivable amount is based on expenditures incurred through June 30, 2020 on NJTP projects, including interest incurred on NJTP certificates, less revenues received to date.

Due from Other Governments – This represents state aid, grants and reimbursements due from the State of Iowa and grants and reimbursements due from the federal government.

Inventories – Inventories are valued at lower of cost (first-in, first-out method) or market. The cost is recorded as an expense at the time individual inventory items are consumed.

Capital Assets – Capital assets, which include land, buildings and improvements, and equipment and vehicles, are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repair that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are defined by the College as assets with initial, individual costs in excess of $5,000 and estimated useful lives in excess of two years.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15-40
Improvements other than buildings	10-40
Equipment and vehicles	4-10

The College does not capitalize or depreciate library books. The value of each book falls below the capital asset threshold and the balance was deemed immaterial to the financial statements.

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the College after the measurement date but before the end of the College’s reporting period.

Salaries and Benefits Payable – Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

Unearned Revenue – Unearned revenue represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets have not been spent for their intended purpose. Unearned revenue consists of unspent grant proceeds, the succeeding year property tax receivable, advanced student tuition, and deferred administrative and training revenue for NJTP projects.

Compensated Absences – College employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. Amounts representing the cost of compensated absences are recorded as liabilities. These liabilities have been computed based on rates of pay in effect at June 30, 2020.

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

Tuition and Fees – Tuition and fees revenues are reported net of scholarship allowances, while stipends and other payments made directly to students are presented as scholarship and fellowship expenses.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied, unrecognized items not yet charged to pension expense and the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

Auxiliary Enterprise Revenues – Auxiliary enterprise revenues primarily represent revenues generated by the career education, central stores and athletics funds.

Income Taxes – The College is exempt from federal income taxes under the provisions of Section 115 of the Internal Revenue Code as a political subdivision of the State of Iowa. As such, the College is subject to federal income taxes only on any net unrelated business income under the provisions of Section 511 of the Internal Revenue Code.

Insurance Coverage – The College does not participate in a public entity risk pool. The College does carry commercial insurance coverage associated with all applicable risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Operating and Non-operating Activities – Operating activities, as reported in the Statement of Revenues, Expenses and Changes in Net Position, are transactions that result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Non-operating activities include state appropriations, Pell grants, property tax and interest income.

Scholarship Allowances and Student Aid – Financial aid to students is reported in the financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total College basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third party aid.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 2 CASH AND POOLED INVESTMENTS

The College's cash and deposits (money market accounts and certificates of deposit) at June 30, 2020 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The College is authorized by statute to invest public funds in obligations of the United States government, its agencies, and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

As of June 30, 2020, the College's cash and short-term pooled investments are as follows:

Deposits	
Cash	$ 33,005,148
Investments	
Nonnegotiable certificates of deposit, short term	13,000,000
Iowa Schools Joint Investment Trust Diversified Portfolio and Money Market	51,872,523
Total cash and short-term pooled investments	$ 97,877,671

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

The investments in Iowa Schools Joint Investment Trust (ISJIT) are valued at an amortized cost. There were no limitations or restrictions on withdrawals for the ISJIT investments.

Foundation

The College Foundation (Foundation) categorizes its fair value measurements within the fair value hierarchy established by the generally accepted accounting principles. The Foundation has the following recurring fair value measurements as of June 30, 2020:

NOTE 2 CASH AND POOLED INVESTMENTS (continued)

Foundation (continued)

Investments	Fair Value
Cash and cash equivalents	$ 3,862,706
Money market funds	2,410,622
Mutual funds	15,375,591
Corporate bonds and notes	919,959
	$ 22,568,878

Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The investments listed above have quoted prices in active markets and are Level 1 inputs.

Interest rate risk. The College's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the College.

Credit risk. The College's investments in the Iowa Schools Joint Investment Trust were rated AAAm by Standard & Poor's Financial Services.

Concentration of credit risk. The College's investment policy limits the amount of prime eligible bankers acceptances and commercial paper that may be invested in any one issuer to 5% of the College's investment portfolio at the time of purchase. Investments other than prime eligible bankers acceptances and commercial paper are not subject to the 5% limitation.

NOTE 3 INVENTORIES

The College's inventories at June 30, 2020 are as follows:

Type	Amount
Supplies and materials	$ 40,786
Merchandise held for resale	234,664
Total	$ 275,450

NOTE 4 CAPITAL ASSETS

A summary of the change in capital assets for the year ended June 30, 2020 is as follows:

	Balance beginning of year	Additions	Transfers	Deletions	Balance end of year
Capital assets not being depreciated					
Land	$ 8,892,253	$ -	$ -	$ -	$ 8,892,253
Construction in progress	4,829,453	24,615,076	(2,822,834)	-	26,621,695
Total capital assets not being depreciated	13,721,706	24,615,076	(2,822,834)	-	35,513,948
Capital assets being depreciated					
Buildings	192,071,520	1,708,750	-	-	193,780,270
Improvements other than buildings	18,909,217	1,299,489	-	-	20,208,706
Equipment and vehicles	18,918,079	1,633,952	-	378,228	20,173,803
Total capital assets being depreciated	229,898,816	4,642,191	-	378,228	234,162,779
Less accumulated depreciation for					
Buildings	63,370,884	4,671,891	-	-	68,042,775
Improvements other than buildings	12,389,548	419,064	-	-	12,808,612
Equipment and vehicles	12,990,346	1,393,467	-	357,167	14,026,646
Total accumulated depreciation	88,750,778	6,484,422	-	357,167	94,878,033
Total capital assets being depreciated, net	141,148,038	(1,842,231)	-	21,061	139,284,746
Capital assets, net	$ 154,869,744	$ 22,772,845	$ (2,822,834)	$ 21,061	$ 174,798,694

Construction in progress at June 30, 2020 includes the remodel and expansion of the Automotive Building on the Ankeny Campus; the new Student Center and Remodel of Building 1 on the Urban Campus; the Multi-Purpose Recreation Facility expansion on the Boone Campus; as well as other miscellaneous smaller projects. The College has entered into agreements for these projects totaling approximately $31,300,000 of which approximately $26,000,000 has been completed.

NOTE 5 CHANGES IN NONCURRENT LIABILITIES

A summary of changes in noncurrent liabilities for the year ended June 30, 2020 is as follows:

	Compensated absences	Unearned revenue, NJTP and other	OPEB liability	Early Retirement and Net Pension Liability	Certificates Payable	Plant Fund Capital Loan Notes Payable	Total
Balance, beginning of year	$ 1,820,500	$ 26,892,199	$ 20,784,463	$ 45,615,012	$ 48,545,000	$ 19,465,000	$ 163,122,174
Additions	373,600	14,137,413	1,995,225	-	10,720,000	40,000,000	67,226,238
Reductions	-	12,121,027	1,533,125	985,688	8,055,000	6,975,000	29,669,840
	2,194,100	28,908,585	21,246,563	44,629,324	51,210,000	52,490,000	200,678,572
Plus net unamortized premium	-	-	-	-	185,351	5,162,906	5,348,257
Balance, end of year	2,194,100	28,908,585	21,246,563	44,629,324	51,395,351	57,652,906	206,026,829
Less current portion	-	13,845,479	693,533	986,961	6,625,243	7,743,010	29,894,226
Total noncurrent liabilities	$ 2,194,100	$ 15,063,106	$ 20,553,030	$ 43,642,363	$ 44,770,108	$ 49,909,896	$ 176,132,603

Plant Fund Capital Loan Notes Payable

The College has issued revenue bonds and notes payable for the purchase and construction of College properties as allowed by Section 260C.19 and Section 260C.58 of the Code of Iowa. Details of the scheduled maturities for the College's revenue bonds and notes payable at June 30, 2020 are as follows:

Year ending June 30	Principal	Interest	Total
2021	$ 7,065,000	$ 2,068,400	$ 9,133,400
2022	7,175,000	1,801,125	8,976,125
2023	7,285,000	1,530,000	8,815,000
2024	7,415,000	1,238,600	8,653,600
2025	7,550,000	942,000	8,492,000
2026-2029	16,000,000	1,600,000	17,600,000
Total	$ 52,490,000	$ 9,180,125	$ 61,670,125

NOTE 5 CHANGES IN NONCURRENT LIABILITIES (continued)

Plant fund capital loan notes payable consisted of the following at June 30, 2020:

Plant fund capital loan notes payable dated July 30, 2015 and July 30, 2019 with interest rates between 2.00% and 4.00%	$ 52,490,000
Total	$ 52,490,000

The plant fund capital loan notes totaling $52,490,000 are payable over nine years. The proceeds of the notes were used to pay for the various costs of the building projects for the College. Interest on the notes payable is payable semiannually, while principal payments are due annually.

Total interest cost on the plant fund capital loan notes payable during the year ended June 30, 2020 was $2,055,428.

Certificates Payable

Pursuant to agreements dated from 2012 to 2020, the College issued certificates totaling $51,210,000 at June 30, 2020 with interest rates ranging from 0.60% to 3.50% per annum. The debt was issued to fund the development and training costs incurred relative to implementing Chapter 260E of the Code of Iowa. Iowa Industrial New Jobs Training Program's (NJTP's) purpose is to provide tax-aided training for employees of industries which are new or are expanding their operations within the state of Iowa. Interest is payable semiannually, while principal payments are due annually. Amounts due will be paid from anticipated job credits from withholding taxes, and, in the case of default, standby property taxes collected pursuant to Chapter 260E. The certificates will mature as follows:

Year ending June 30	Principal	Interest	Total
2021	$ 6,575,000	$ 1,338,873	$ 7,913,873
2022	7,145,000	1,177,249	8,322,249
2023	7,455,000	997,798	8,452,798
2024	6,545,000	806,201	7,351,201
2025	7,085,000	638,309	7,723,309
2026-2029	16,405,000	923,125	17,328,125
Total	$ 51,210,000	$ 5,881,555	$ 57,091,555

Since inception, the College has administered 800 projects, with 110 currently receiving project funding. Of the remaining projects, 585 have been completed and closed and 105 have been completed with only repayment of the certificates left. In cases where projects exceed the budgeted amounts, the College intends to obtain additional withholding revenue from the companies.

Total interest costs on the certificates during the year ended June 30, 2020 was $1,405,428.

NOTE 6 OPERATING LEASES

The College leases certain property under operating leases which expire at varying dates. Most of the operating leases provide the College with the option after the initial lease term either to renew the lease at the then fair rental value for one additional five-year period or to purchase the property at the then fair value. Generally, management expects that the leases will be renewed or replaced by other leases in the normal course of business. Minimum payments for operating leases having initial or remaining non-cancelable terms in excess of one year are as follows:

Year ending June 30	Amount
2021	$ 203,040
2022	203,040
2023	197,040
2024	100,000
2025	100,000
2026-2029	250,000
Total	$ 1,053,120

NOTE 7 RENT INCOME

All leases are classified as operating leases.

The future revenue from the minimum rent required under the operating leases, in the aggregate, is as follows:

Year ending June 30	Amount
2021	$ 454,854
2022	289,043
2023	255,110
2024	64,661
Total	$ 1,063,668

Total rent income for all operating leases was approximately $503,900 for the year ended June 30, 2020.

NOTE 8 IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (IPERS)

Plan Description – IPERS membership is mandatory for employees of the College except for those covered by another retirement system. Employees of the College are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member's highest five-year average salary. For members with service before June 30, 2012, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.

NOTE 8 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS) (continued)

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2020, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the College contributed 9.44% of covered payroll, for a total rate of 15.73%.

The College's contributions to IPERS for the year ended June 30, 2020 were $3,649,709.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the College reported a liability of $27,734,671 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2019, the College's proportion was 0.475760%, which was an increase of 0.028294% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the College recognized pension expense of $5,395,780. At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 8 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS) (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 76,888	$ 997,194
Changes of assumptions	2,970,780	
Net difference between projected and actual earnings on IPERS' investments		3,125,364
Changes in proportion and differences between College contributions and the College's proportionate share of contributions	1,791,303	9,678
College contributions subsequent to the measurement date	3,649,709	
Total	$ 8,488,680	$ 4,132,236

$3,649,709 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30	Amount
2021	$ 1,079,769
2022	(252,738)
2023	(45,716)
2024	(164,509)
2025	89,929
Total	$ 706,735

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

NOTE 8 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS) (continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2019 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22%	5.60%
International equity	15.0	6.08
Global smart beta equity	3.0	5.82
Core plus fixed income	27.0	1.71
Public credit	3.5	3.32
Public real assets	7.0	2.81
Cash	1.0	(0.21)
Private equity	11.0	10.13
Private real assets	7.5	4.76
Private credit	3.0	3.01
Total	100.0%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the College will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1 % Decrease (6.00%)	Discount Rate (7.00%)	1 % Increase (8.00%)
College's proportionate share of the net pension liability	$ 49,247,822	$ 27,734,671	$ 9,689,676

IPERS Fiduciary Net Position – Detailed information about the IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

NOTE 9 TEACHERS INSURANCE AND ANNUITY ASSOCIATION

As required by Chapter 97B.42 of the Code of Iowa, all eligible College employees must participate in a retirement plan from the date they are employed. In lieu of participating in IPERS, eligible employees may participate in the Iowa Association of Community College Trustees 403(a) plan, which is a defined contribution pension plan administered by the Teachers Insurance and Annuity Association (TIAA). The defined contribution retirement plan provides individual annuities for each plan participant.

Benefit terms, including contribution requirements, for TIAA are established and specified by the plan with TIAA and in accordance with the Code of Iowa. For each employee in the pension plan, the College is required to contribute 9.44% of annual salary, including overtime pay, to an individual employee account. Each employee is required to contribute 6.29%. Contributions made by both the College and employees vest immediately. For the year ended June 30, 2020 employee contributions totaled $1,987,200 and the College recognized pension expense of $2,982,379.

NOTE 10 PENSION COSTS - EARLY RETIREMENT

Plan Administration – The College administers an Early Retirement Cash Benefit Plan (Plan) providing a one-time cash benefit to retired employees under certain conditions. The College does not issue a separate report that includes financial statements and required supplementary information for the Plan.

Benefits Provided – Individuals who are employed by Des Moines Area Community College are eligible to receive a one-time cash benefit upon retirement if they are at least 55 years old and have been employed for a minimum of ten years prior to retirement. Upon initial eligibility, the employee has an eligibility period that ends after seven years. The benefit is 70% of the employee's annual salary during the year of retirement, plus an additional 2% of salary for each year of service beyond ten.

Plan Membership – as of July 1, 2019, plan membership consisted of the following:

Inactive members currently receiving benefits	41
Active members	817
Total	858

Investment Policy – The College's obligation is unfunded at June 30, 2020. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73.

Sensitivity of the Total Pension Liability to Changes in the Discount Rate – The following presents the total pension liability, calculated using the current discount rate of 3.87%, as well as the total pension liability calculated using a discount rate that is 1% lower (2.87%) or 1% higher (4.87%) than the current rate:

	1 % Decrease 2.87%	Current Discount Rate 3.87%	1 % Increase 4.87%
Total Pension Liability	$ 17,626,888	$ 16,894,653	$ 16,205,944

NOTE 10 PENSION COSTS - EARLY RETIREMENT(continued)

Pension Expense

Pension Expense	Measurement Period Ended June 30, 2020
Service Cost	$ 1,091,353
Interest on Total Pension Liability	636,220
Recognition of Deferred (Inflows)/Outflows of Resources	
Economic/Demographic (Gains)/Losses	64,725
Assumption Changes	(20,677)
Pension Expense	1,771,621

Expected Remaining Service Lives – Under GASB 73, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total Pension liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. The amortization period is calculated as the weighted average of expected remaining service lives assuming zero years for all inactive members.

The amortization period for the July 1, 2018 to June 30, 2019 measurement period was determined as follows:

As of July 1, 2018	Number of Members	Expected Remaining Service Lives
Active Members	817	7.150
Inactive Members	41	0.000
Weighted Average Rounded to the Nearest Tenth		6.8

Deferred Inflows and Outflows of Resources – Under GASB 73, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total Pension liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. As of June 30, 2020, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ -	$ 394,555
Changes of assumptions	(550,999)	1,072,914
Total	$ (550,999)	$ 1,467,469

NOTE 10 PENSION COSTS - EARLY RETIREMENT(continued)

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in future years' pension expense as follows:

Year ending June 30:	Annual Recognition
2020	$ 44,048
2021	44,048
2022	44,048
2023	44,048
2024	56,608
Thereafter	683,670
Total	$ 916,470

Schedule of Deferred Inflows and Outflows of Resources

	Original Amount	Date Established (Measurement Date)	Original Recognition Period *	Amount Recognized in Expense June 30, 2020	Balance of Deferred Inflows June 30, 2020	Balance of Deferred Outflows June 30, 2020
Economic/						
Demographic	$ 353,711	6/30/2018	6.8	$ 52,016	-	$ 249,679
(Gains)/Losses	195,712	6/30/2016	15.4	12,709	-	144,876
				$ 64,725	$ -	$ 394,555
Assumption	$ (780,583)	6/30/2018	6.8	$ (114,792)	$ (550,999)	$ -
Changes	1,449,374	6/30/2016	15.4	94,115	-	1,072,914
				$ (20,677)	$ (550,999)	$ 1,072,914

*Economic/demographic (gains) and losses along with assumption changes are recognized over a closed period equal to the weighted average of expected remaining service lives for all active and inactive members.

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Administration – The College administers an Other Postemployment Benefits (OPEB) plan providing medical, prescription drug, and dental benefits to retired employees and their dependents under certain conditions. The College does not issue a separate report that includes financial statements and required supplementary information for the OPEB plan.

Benefits Provided – Individuals who are employed by the College and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement if they are age 55 with 10 years of service or are eligible to receive IPERS or TIAA retirement benefits. Coverage during retirement continues in the group health and dental plans. Employees covered by the plan make contributions toward the plan premiums, but employees participating in the early retirement program may have a single premium paid by the College.

Plan Membership – as of July 1, 2018, plan membership consisted of the following:

Inactive members currently receiving benefits	142
Active members	817
Total	959

Investment Policy – The College's obligation is unfunded at July 1, 2019. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75.

Actuarial Assumptions – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2019)	3.00% per annum.
Rate of salary increase (effective June 30, 2019)	3.50% per annum
Discount rate (effective June 30, 2019)	3.87% per annum
Healthcare cost trend rate (effective June 30, 2019)	5.00% for medical and dental for all years

Discount Rate – The discount rate used to measure the total OPEB liability was 3.87% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA RPH-2017 total dataset mortality table fully generational using Scale MP-2017. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Total OPEB Liability

		As of July 1, 2018
Actuarial Present Value of Future Benefits		
Retired - Employees	$	3,806,271
Retired - Spouses/Dependents		143,748
Actives - Employees		25,501,718
Actives - Spouses/Dependents		375,624
Total	$	29,827,361
Total OPEB Liability		
Retired - Employees	$	3,806,271
Retired - Spouses/Dependents		143,748
Actives - Employees		16,181,939
Actives - Spouses/Dependents		238,027
Total	$	20,369,985

The Total OPEB Liability of the College at June 30, 2020 is projected to be $21,246,563.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, so the Net Fiduciary Position is $0 and the Net OPEB Liability would be equal to the Total OPEB Liability.

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability, calculated using the current healthcare cost trend rate of 5.0%, as well as the total OPEB liability calculated using a rate that is 1% lower (4.0%) or 1% higher (6.0%) than the current rate:

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)(continued)

	1% Decrease to 4.0%	Current Healthcare Cost Trend Rate 5.0%	1% Increase to 6.0%
Total OPEB Liability	$ 19,576,153	$ 21,246,563	$ 23,143,826

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability, calculated using the current discount rate of 3.87%, as well as the total OPEB liability calculated using a discount rate that is 1% lower (2.87%) or 1% higher (4.87%) than the current rate:

	1% Decrease 2.87%	Current Discount Rate 3.87%	1% Increase 4.87%
Total OPEB Liability	$ 22,630,149	$ 21,246,563	$ 19,976,616

OPEB Expense

OPEB Expense	**Fiscal Year Ending June 30, 2020**
Service Cost	$ 1,175,058
Interest on Total OPEB Liability	820,167
Recognition of Deferred (Inflows)/Outflows of Resources	
Economic/Demographic (Gains)/Losses	75,037
Assumption Changes	150,891
OPEB Expense	$ 2,221,153

Expected Remaining Service Lives – Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. The amortization period is calculated as the weighted average of expected remaining service lives assuming zero years for all inactive members.

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)(continued)

The amortization period for the July 1, 2018 to June 30, 2019 measurement period was determined as follows.

As of July 1, 2018	Number of Members	Expected Remaining Service Lives
Active Members	817	9.2
Inactive Members	142	0.0
Weighted Average Rounded to the Nearest Tenth		7.9

Deferred Inflows and Deferred Outflows of Resources Related to OPEB – Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. At June 30, 2020, the College reported deferred inflows and outflows of resources related to OPEB from the following resources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ -	$ 442,715
Changes of assumptions	(316,699)	961,473
Total	$ (316,699)	$ 1,404,188

The amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ending June 30:	Annual Recognition
2021	$ 225,928
2022	225,928
2023	225,928
2024	225,928
2025	164,556
Thereafter	19,221
Total	$ 1,087,489

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)(continued)

Schedule of Deferred Inflows and Outflows of Resources

	Original Amount	Date Established (Measurement Date)	Original Recognition Period *	Amount Recognized in Expense June 30, 2020	Balance of Deferred Inflows June 30, 2020	Balance of Deferred Outflows June 30, 2020
Economic/ Demographic (Gains)/Losses	$ 592,789	6/30/2019	7.9	$ 75,037	$ -	$ 442,715
				$ 75,037	$ -	$ 442,715
Assumption	$ (424,055)	6/30/2019	7.9	$ (53,678)	$ (316,699)	$ -
Changes (Gains)/Losses	1,575,180	6/30/2018	7.7	204,569	-	961,473
				$ 150,891	$ (316,699)	$ 961,473

*Economic/demographic (gains) and losses along with assumption changes are recognized over a closed period equal to the weighted average of expected remaining service lives for all active and inactive members.

NOTE 12 TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

College Tax Abatements – The College provides tax abatements for industrial new jobs training projects with the tax increment financing as provided for in section 403.19 of the Code of Iowa and/or state income tax withholding as provided for in section 260E.5 of the Code of Iowa. For those types of projects, the College enters into agreements with employers which require the College, after employers meet the terms of the agreements, to pay the employers for the costs of on-the-job training not to exceed 50% of the annual gross payroll costs for up to one year of the new jobs. No other commitments were made by the College as part of these agreements.

For the year ended June 30, 2020, the College had no abatements of property tax and $11,615,362 of state income tax withholding under the projects.

NOTE 12 TAX ABATEMENTS (continued)

Tax Abatements of Other Entities – Property tax revenues of the College were reduced by the following amounts for the year ended June 30, 2020 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Altoona	Other tax abatement program	$ 56,203
City of Altoona	Urban renewal and economic development projects	238,890
City of Ames	Other tax abatement program	32,239
City of Ankeny	Other tax abatement program	39,769
City of Ankeny	Urban renewal and economic development projects	192
Audubon County	Other tax abatement program	892
City of Baxter	Other tax abatement program	964
City of Bondurant	Other tax abatement program	769
City of Boone	Other tax abatement program	41
City of Boone	Urban renewal and economic development projects	4,530
Boone County	Urban renewal and economic development projects	18,653
City of Cambridge	Other tax abatement program	8,714
City of Carlisle	Other tax abatement program	1,987
City of Carroll	Other tax abatement program	527
City of Clive	Other tax abatement program	18,828
City of Colo	Other tax abatement program	3,480
City of Coon Rapids	Other tax abatement program	4,008
City of Cumming	Other tax abatement program	2,440
City of Dallas Center	Urban renewal and economic development projects	1,309
City of De Soto	Other tax abatement program	1,676
City of Des Moines	Other tax abatement program	259,120
City of Earlham	Urban renewal and economic development projects	3,359
City of Granger	Other tax abatement program	624
City of Grimes	Other tax abatement program	27,237
City of Halbur	Other tax abatement program	402
Hardin County	Other tax abatement program	1,636
City of Huxley	Other tax abatement program	11,526
City of Johnston	Other tax abatement program	65,653
City of Kellogg	Other tax abatement program	20
City of Knoxville	Other tax abatement program	3,720
City of Luther	Other tax abatement program	4,122
City of Madrid	Other tax abatement program	262
Mahaska County	Other tax abatement program	1,456
City of Manning	Other tax abatement program	799
City of Manning	Urban renewal and economic development projects	51
City of Mitchellville	Other tax abatement program	1,214

NOTE 13 PROSPECTIVE ACCOUNTING CHANGE

The Governmental Accounting Standards Board has issued Statement No. 84, Fiduciary Activities. This statement will be implemented for the fiscal year ending June 30, 2021. The revised requirements of this statement will change the definition of fiduciary activity and establish new financial reporting requirements for state and local governments which report fiduciary activity.

REQUIRED SUPPLEMENTARY INFORMATION

Des Moines Area Community College
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Iowa Public Employees' Retirement System
For the Last Six Years*
(In Thousands)

Required Supplementary Information

	2020	2019	2018	2017	2016	2015
College's proportion of the net pension liability	0.475760%	0.447466%	0.435891%	0.436377%	0.434554%	0.413451%
College's proportionate share of the net pension liability	$ 27,735	$ 28,308	$ 28,776	$ 27,214	$ 21,604	$ 16,733
College's covered-employee payroll	$ 38,662	$ 36,408	$ 33,654	$ 32,243	$ 31,037	$ 29,980
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	71.74%	77.75%	85.51%	84.40%	69.61%	55.81%
IPERS' net position as a percentage of the total pension liability	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is completed, the College will present information for those years for which information is available.

See accompanying independent auditor's report.

DES MOINES AREA COMMUNITY COLLEGE

Schedule of College Contributions

Iowa Public Employee's Retirement System

For the Last Ten Years

(In Thousands)

Required Supplementary Information

	Years ended June 30,									
	2020	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
Statutory required contribution	$ 3,650	3,437	3,005	2,879	2,772	2,677	2,466	2,377	2,158	1,766
Contributions in relation to the statutorily required contribution	(3,650)	(3,437)	(3,005)	(2,879)	(2,772)	(2,677)	(2,466)	(2,377)	(2,158)	(1,766)
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
College's covered-employee payroll	$ 38,662	36,408	33,654	32,243	31,037	29,980	27,613	27,414	26,743	25,406
Contributions as a percentage of covered-employee payroll	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%	8.67%	8.07%	6.95%

See accompanying independent auditor’s report.

CHANGES OF BENEFIT TERMS:

There are no significant changes in benefit terms.

CHANGES OF ASSUMPTIONS:

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of a quadrennial experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30 year amortization period to a closed 30 year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

Des Moines Area Community College
Schedule of the College's Early Retirement Pension Liability

Early Retirement
For the Last Four Years *
(In Thousands)

Required Supplementary Information

	2020	2019	2018	2017
Total pension liability	$ 16,895	$ 17,307	$ 18,021	$ 18,701
College's covered-employee payroll	$ 55,460	$ 53,585	$ 53,765	$ 51,947
Total pension liability as a percentage of the covered-employee payroll	30.46%	32.30%	33.52%	36.00%

* In accordance with GASB Statement No. 73, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Note: GASB Statement No. 73 requires ten years of information to be presented in this table However, until a full 10 year trend is completed, the College will present information for those years for which information is available.

Des Moines Area Community College
Schedule of Changes in College's Total OPEB Liability, Related Ratios and Notes
For the Last Three Years

Required Supplementary Information

	2020	2019	2018
Service cost	$ 1,175,058	$ 1,135,322	$ 1,157,330
Interest cost	820,167	802,774	723,101
Difference between expected and actual experiences	-	592,789	-
Changes in assumptions	-	(424,055)	1,575,180
Benefit payments	(1,533,125)	(1,523,618)	(1,440,371)
Net change in total OPEB liability	462,100	583,212	2,015,240
Total OPEB liability beginning of year, as restated	20,784,463	20,201,251	18,186,011
Total OPEB liability end of year	$ 21,246,563	$ 20,784,463	$ 20,201,251
Covered-Employee payroll	$ 55,460,366	$ 53,584,895	$ 53,765,153
Total OPEB liability as a percentage of the covered-employee payroll	38.31%	38.79%	37.57%

CHANGES OF BENEFIT TERMS:

There were no significant changes in benefit terms.

CHANGES OF ASSUMPTIONS:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2020	3.87%
Year ended June 30, 2019	3.87%
Year ended June 30, 2018	3.58%
Year ended June 30, 2017	5.00%

OTHER SUPPLEMENTARY INFORMATION

Schedule 1

Des Moines Area Community College

BUDGETARY COMPARISON SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL

Year ended June 30, 2020

Funds/Levy	Original budget	Actual	Variance between actual and budget
Unrestricted	$ 113,723,614	$ 110,172,544	$ 3,551,070
Restricted			
Unemployment	120,000	32,261	87,739
Insurance	8,525,000	6,001,916	2,523,084
Early retirement	1,720,000	1,583,899	136,101
Equipment replacement	4,151,771	3,633,761	518,010
Other	38,124,092	30,038,277	8,085,815
Total restricted	52,640,863	41,290,114	11,350,749
Total unrestricted/restricted	166,364,477	151,462,658	14,901,819
Plant	58,292,306	38,478,096	19,814,210
Total	$ 224,656,783	$ 189,940,754	$ 34,716,029

Note to Budgetary Reporting:

The Board of Directors annually prepares a budget designating the proposed expenditures for operation of the College on a basis consistent with U.S. generally accepted accounting principles. Following required public notice and hearing, and in accordance with Chapter 260C of the Code of Iowa, the Board of Directors certifies the approved budget to the appropriate county auditors and then submits the budget to the State Board of Education for approval. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control is based on total operating expenditures.

Budgets are not required to be adopted for the Auxiliary Enterprises subgroup, Workforce Investment Act, Scholarships and Grants Accounts, Loan Funds, Endowment Funds and Agency Funds.

For the year ended June 30, 2020, the College’s expenditures did not exceed the amount budgeted.

Schedule 2

DES MOINES AREA COMMUNITY COLLEGE

Assets, Liabilities and Fund Balances

June 30, 2020

	Current funds		Nonoperating funds					
				Plant Funds				
Assets	**General unrestricted funds**	**General restricted funds**	**Loan funds**	**Unexpended**	**Investment in plant**	**Agency funds**	**Adjustments**	**Totals**
Cash and short-term pooled investments	$ 18,880,189	$ 54,869,805	$ 34,292	$ 21,131,061	$ -	$ 2,962,324	$ -	$ 97,877,671
Pooled investments	-	-	-	-	-	-	-	-
Receivables:								
Accounts, net of allowance of $313,785	16,385,529	2,242,561	17,677	4,536,199	-	8,670	-	23,190,636
Succeeding year property tax	9,985,973	11,358,210		9,985,973	-	-	-	31,330,156
Iowa Industrial New Jobs Training Program	-	37,684,301	-	-	-	-	-	37,684,301
Due from other governments	314,802	2,674,052	-	-	-	-	-	2,988,854
Inventories	275,450	-	-	-	-	-	-	275,450
Prepaid expenses	126,748	321,309	-	-	-	-	-	448,057
	45,968,691	109,150,238	51,969	35,653,233	-	2,970,994	-	193,795,125
Capital assets:								
Land	-	-	-	-	8,892,253	-	-	8,892,253
Buildings	-	-	-	-	193,780,270	-	-	193,780,270
Improvements other than buildings	-	-	-	-	20,208,706	-	-	20,208,706
Equipment and vehicles	-	-	-	-	20,173,803	-	-	20,173,803
Construction in progress	-	-	-	-	26,621,695	-	-	26,621,695
Accumulated depreciation	-	-	-	-	-	-	(94,878,033)	(94,878,033)
Total assets	45,968,691	109,150,238	51,969	35,653,233	269,676,727	2,970,994	(94,878,033)	368,593,819
Deferred outflows of resources:								
Pension related deferred outflows	-	-	-	-	-	-	11,201,003	11,201,003
OPEB related deferred outflows	-	-	-	-	-	-	1,404,188	1,404,188
Total deferred outflows	-	-	-	-	-	-	12,605,191	12,605,191
Total assets and deferred outflows of resources	$ 45,968,691	$ 109,150,238	$ 51,969	$ 35,653,233	$ 269,676,727	$ 2,970,994	$ (82,272,842)	$ 381,199,010

DES MOINES AREA COMMUNITY COLLEGE

Assets, Liabilities and Fund Balances (Continued)

June 30, 2020

	Current funds		Nonoperating funds					
				Plant Funds				
Liabilities, Deferred Inflows of Resources and Fund Balances	General unrestricted funds	General restricted funds	Loan funds	Unexpended	Investment in plant	Agency funds	Adjustments	Totals
Liabilities:								
Accounts payable	$ 663,103	$ 879,723	$ -	$ 3,466,351	$ -	$ 67,949	$ -	$ 5,077,126
Salaries and benefits payable	4,420,086	172,000	-	2,300	-	-	-	4,594,386
Self-funded health claims payable	-	8,412,634	-	-	-	-	-	8,412,634
Accrued interest payable	-	109,788	-	163,890	-	-	-	273,678
Unearned revenue:								
Other	14,258,355	28,908,585	-	-	-	-	-	43,166,940
Early retirement pension costs payable	-	986,961	-	-	-	-	15,907,692	16,894,653
Deposits held in custody for others	24,921	-	-	-	-	2,893,645	-	2,918,566
Compensated absences	1,920,150	234,600	-	29,950	-	9,400	-	2,194,100
Certificates payable	-	51,395,351	-	-	-	-	-	51,395,351
Plant fund capital loan notes payable	-	-	-	5,162,906	52,490,000	-	-	57,652,906
Net pension liability	-	-	-	-	-	-	27,734,671	27,734,671
Net OPEB liability	-	2,303,571	-	-	-	-	18,942,992	21,246,563
Total liabilities	21,286,615	93,403,213	-	8,825,397	52,490,000	2,970,994	62,585,355	241,561,574
Deferred inflows of resources								
Succeeding year property tax	9,985,973	11,358,210	-	9,985,973	-	-	-	31,330,156
Pension related deferred inflows							4,683,235	4,683,235
OPEB related deferred inflows	-	-	-	-	-	-	316,699	316,699
Total deferred inflows of resources	9,985,973	11,358,210	-	9,985,973	-	-	4,999,934	36,330,090
Fund balances:								
Net investment in capital assets	-	-	-	-	217,186,727	-	(94,878,033)	122,308,694
Restricted:								
Nonexpendable:								
Cash reserve	-	755,088	-	-	-	-	-	755,088
Expendable:								
Scholarships and fellowships	-	275,350	-	-	-	-	-	275,350
Loans	-	-	51,969	-	-	-	-	51,969
Other	-	4,409,288	-	-	-	-	-	4,409,288
Unrestricted	14,696,103	(1,050,911)	-	16,841,863	-	-	(54,980,098)	(24,493,043)
Total fund balances	14,696,103	4,388,815	51,969	16,841,863	217,186,727	-	(149,858,131)	103,307,346
Total liabilities, deferred inflows or resources and fund balances	$ 45,968,691	$ 109,150,238	$ 51,969	$ 35,653,233	$ 269,676,727	$ 2,970,994	$ (82,272,842)	$ 381,199,011

Schedule 3

DES MOINES AREA COMMUNITY COLLEGE

Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2020

	Current operating funds				Plant Funds				
	Unrestricted	Restricted	Total	Loan funds	Unexpended	Retirement of indebtedness	Investment in plant	Adjustments	Totals
Revenues and other additions:									
Tuition and fees	$ 57,613,432	$ 1,418,068	$ 59,031,500	$ -	$ 2,202	$ -	$ -	$ (19,489,475)	$ 39,544,227
Federal appropriations	398,645	23,725,541	24,124,186	-	-	-	-	-	24,124,186
Iowa Industrial New Jobs Training Program	-	9,599,482	9,599,482	-	-	-	-	-	9,599,482
State appropriations	35,575,035	7,601,211	43,176,246	-	1,138,295	-	-	-	44,314,541
Property tax	9,219,740	11,285,186	20,504,926		686,642	8,550,365		-	29,741,933
Auxiliary enterprises revenue	2,174,523	-	2,174,523	-	-	-	-	(40,475)	2,134,048
Interest and investment income	322,228	741,266	1,063,494	-	475,431	-	-	-	1,538,925
Expended for plant assets (including $1,302,975 in current operating fund expenditures)	-	-	-	-	-	-	26,434,433	(26,434,433)	-
Retirement of indebtedness	-	-	-	-	-	-	6,975,000	(6,975,000)	-
Proceeds from sale of bonds	-	-	-	-	40,000,000	-	-	(40,000,000)	-
Miscellaneous	7,720,641	5,607,448	13,328,089	-	1,678,691	-	-	(223,472)	14,783,308
Total revenues and other additions	113,024,244	59,978,202	173,002,446	-	43,981,261	8,550,365	33,409,433	(93,162,855)	165,780,650
Expenditures and other deductions:									
Education and support:									
Liberal arts and sciences	29,637,414	-	29,637,414	-	-	-	-	925,031	30,562,445
Vocational technical	34,522,065	2,685,603	37,207,668	-	-	-	-	1,161,310	38,368,978
Adult education	5,470,116	7,436,887	12,907,003	-	-	-	-	402,848	13,309,851
Cooperative services	-	6,341,487	6,341,487	-	-	-	-	197,927	6,539,414
Administration	3,781,179	-	3,781,179	-	-	-	-	84,138	3,865,317
Student services	12,211,435	726,091	12,937,526	-	-	-	-	403,799	13,341,325
Learning resources	3,457,816	-	3,457,816	-	-	-	-	107,925	3,565,741
Physical plant	8,415,777	5,519,185	13,934,962	-	4,796,272	-	-	245,339	18,976,573
General institution	11,457,136	8,234,930	19,692,066	-	-	-	-	(40,475)	19,651,591
Scholarships and grants	-	19,489,475	19,489,475	-	-	-	-	(19,489,475)	-
Total education and support	108,952,938	50,433,658	159,386,596	-	4,796,272	-	-	(16,001,633)	148,181,235
Auxiliary enterprises	7,051,735	-	7,051,735	-	-	-	-	-	7,051,735
Expended for plant assets	397,009	905,966	1,302,975	-	25,131,458	-	-	(26,434,433)	-
Administrative and collection costs	167,398	-	167,398	-	-	-	-	-	167,398
Retirement of indebtedness	-	-	-	-	-	6,975,000	-	(6,975,000)	-
Loan cancellations and bad debts	667,299	-	667,299	12,124	-	-	-	-	679,423
Interest on indebtedness	-	1,405,428	1,405,428	-	-	1,575,365	-	-	2,980,793
Depreciation	-	-	-	-	-	-	-	6,484,422	6,484,422
Disposition of capital assets	-	-	-	-	-	-	378,228	(357,167)	21,061
Total expenditures and other deductions	117,236,379	52,745,052	169,981,431	12,124	29,927,730	8,550,365	378,228	(43,283,811)	165,566,067
Excess(deficiency) of revenues over(under) expenditures	(4,212,135)	7,233,150	3,021,015	(12,124)	14,053,531	-	33,031,205	(49,879,044)	214,583
Transfers among funds:									
Non-mandatory transfers	3,286,162	(5,994,920)	(2,708,758)	5,000	2,731,604	-	-	-	27,846
Net increase (decrease) for the year	(925,973)	1,238,230	312,257	(7,124)	16,785,135	-	33,031,205	(49,879,044)	242,429
Fund balances at beginning of year	15,622,076	3,150,585	18,772,661	59,093	56,728	-	254,420,519	(170,244,084)	103,064,917
Fund balances at end of year	$ 14,696,103	$ 4,388,815	$ 19,084,918	$ 51,969	$ 16,841,863	$ -	$ 287,451,724	$ (220,123,128)	$ 103,307,346

Schedule 4

DES MOINES AREA COMMUNITY COLLEGE

Revenues, Expenditures, and Changes in Fund Balances - Unrestricted Fund

Year ended June 30, 2020

	Education			Support					
	Liberal Arts and Sciences	**Vocational Technical**	**Adult Education**	**Adminis-tration**	**Student Services**	**Learning Resources**	**Physical Plant**	**General Institution**	**Education and Support Total**
Revenues:									
Tuition and fees	$ 36,426,683	$ 16,596,012	$ 4,577,014	$ 888	$ 12,835	$ -	$ -	$ -	$ 57,613,432
Federal appropriations	-		-	26,195	-	-	-	372,450	398,645
State appropriations	-	31,294	197,018	-	-	5,436	-	35,341,287	35,575,035
Property tax	-	-	-	-	-	-		9,219,740	9,219,740
Interest income	-	-	-	-	-	-	-	322,228	322,228
Miscellaneous	359,606	327,050	104,170	176,922	62,479	2,754	248,944	2,391,793	3,673,718
	36,786,289	16,954,356	4,878,202	204,005	75,314	8,190	248,944	47,647,498	106,802,798
Allocation of support services	29,838,782	13,649,583	4,695,586	(204,005)	(75,314)	(8,190)	(248,944)	(47,647,498)	-
Total revenues	66,625,071	30,603,939	9,573,788	-	-	-	-	-	106,802,798
Expenditures:									
Salaries and benefits	28,223,100	32,146,846	2,977,601	2,849,826	11,382,054	3,133,895	5,512,193	7,983,141	94,208,656
Services	368,406	499,126	2,032,674	852,528	498,902	58,440	1,744,381	2,005,673	8,060,130
Materials and supplies	832,468	1,625,933	415,092	60,264	230,043	262,826	1,149,297	1,278,874	5,854,797
Travel	172,468	208,354	38,583	17,476	36,892	2,655	8,986	82,283	567,697
Expended for plant assets	-	1,400	114,500	-	-	-	163,801	105,208	384,909
Scholarships		-	-	-	36,894	-	-	2,500	39,394
Bad debt	485,282	182,017	-	-	-	-	-	-	667,299
Miscellaneous	40,972	41,806	6,166	168,483	26,650	-	920	104,665	389,662
	30,122,696	34,705,482	5,584,616	3,948,577	12,211,435	3,457,816	8,579,578	11,562,344	110,172,544
Allocation of support services	24,621,943	11,263,170	3,874,637	(3,948,577)	(12,211,435)	(3,457,816)	(8,579,578)	(11,562,344)	-
Total expenditures	54,744,639	45,968,652	9,459,253	-	-	-	-	-	110,172,544
Excess (deficiency) of revenues over (under) expenditures	11,880,432	(15,364,713)	114,535	-	-	-	-	-	(3,369,746)
Transfers:									
Non-mandatory transfers	1,362	14,311	(184)	-	171,320	-	3,582,529	(69,256)	3,700,082
Total transfers	1,362	14,311	(184)	-	171,320	-	3,582,529	(69,256)	3,700,082
Net increase (decrease) for the year	$ 11,881,794	$ (15,350,402)	$ 114,351	$ -	$ 171,320	$ -	$ 3,582,529	$ (69,256)	330,336
Fund balances at beginning of year									11,889,383
Fund balances at end of year									$ 12,219,719

Schedule 5

DES MOINES AREA COMMUNITY COLLEGE

Revenues, Expenditures, and Changes in Fund Balances - Auxiliary Enterprises

Year ended June 30, 2020

	Career Education	Vending	Student Housing	Athletics	Newton Leased Space	Trail Point	Other	Total
Revenues and other additions:								
Sales and services	$ 681,099	$ 86,874	$ 850,506	$ 11,019	$ 324,046	$ 105,893	$ 115,086	$ 2,174,523
Student fee allocations	488,604	-	71,982	483,223	7,627	-	66,412	1,117,848
State support	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-		-
Federal appropriations	-	-	-	-	-	-	-	-
Miscellaneous	428,183	139,820	8,877	1,320	183	2,085,651	265,041	2,929,075
Total revenues and other additions	1,597,886	226,694	931,365	495,562	331,856	2,191,544	446,539	6,221,446
Expenditures and other deductions:								
Salaries and benefits	697,498	20,937	196,558	228,973	206,686	1,387,350	202,181	2,940,183
Services	575,868	23,768	214,876	53,869	670,180	451,866	188,402	2,178,829
Materials and supplies	248,913	10,963	37,341	107,724	72,401	62,008	51,774	591,124
Travel	50,765	50	-	85,446	-	3,302	8,757	148,320
Purchases for resale	263,842	23,624	-				-	287,466
Expended for plant assets	6,100	-	-	-	-	-	6,000	12,100
Bad debts	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-
Miscellaneous	248,180	116,165	-	32,805	3,369	60,753	444,541	905,813
Total expenditures and other deductions	2,091,166	195,507	448,775	508,817	952,636	1,965,279	901,655	7,063,835
Excess(deficiency) of revenues over(under) expenditures	(493,280)	31,187	482,590	(13,255)	(620,780)	226,265	(455,116)	(842,389)
Transfers among funds (non-mandatory)	441,845	3,517	(350,000)	13,255	-	(187,257)	(335,279)	(413,919)
Net increase (decrease) for the year	(51,435)	34,704	132,590	-	(620,780)	39,008	(790,395)	(1,256,308)
Fund balances at beginning of year	704,471	331,921	226,333	-	(973,332)	164,897	3,278,403	3,732,693
Fund balances at end of year	$ 653,036	$ 366,625	$ 358,923	$ -	$ (1,594,112)	$ 203,905	$ 2,488,008	$ 2,476,385

Schedule 6

DES MOINES AREA COMMUNITY COLLEGE

Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Restricted Funds

Year ended June 30, 2020

	Scholarship	Equipment Replacement	Iowa Employment Solutions	Insurance and Tort	Early Retirement	Unemployment Compensation	Cash Reserve	Grants and Contracts	Iowa Industrial New Jobs Training Programs	Other	Total
Revenues and other additions:											
Tuition and fees	$ 190,938	$ 9,900	$ -	$ -	$ -	$ -	$ -	$ 752,986	$ 11,929	$ 452,315	$ 1,418,068
Federal appropriations	17,198,548	-	791,731	-	-	-	-	5,735,262	-	-	23,725,541
Iowa Industrial New Jobs Training Program	-	-	-	-	-	-	-	-	9,599,482	-	9,599,482
State appropriations	-	117,020	-	148,378	55,645	708	-	3,633,312	-	3,646,148	7,601,211
Property tax	-	4,105,372	-	5,196,017	1,959,012	24,785	-	-	-	-	11,285,186
Gifts and grants	-	135,646	3,990	-	-	-	-	2,200,288	-	-	2,339,924
Interest and investment income	-	-	-	-	-	-	-	-	741,266	-	741,266
Miscellaneous	171	28,388	11,671	59,333	-	-	-	16,513	-	3,151,448	3,267,524
Total revenues and other additions	17,389,657	4,396,326	807,392	5,403,728	2,014,657	25,493	-	12,338,361	10,352,677	7,249,911	59,978,202
Expenditures and other deductions:											
Salaries and benefits	-	-	471,517	408,890	1,583,899	32,261	-	6,556,962	1,054,925	1,234,995	11,343,449
Services	50	790,843	284,891	5,348,674	-	-	-	1,731,197	6,559,919	327,133	15,042,707
Materials and supplies	1,000	1,760,750	2,494	205,476	-	-	-	939,887	21,741	405,165	3,336,513
Travel	-	-	255	-	-	-	-	82,105	14,647	18,570	115,577
Expended for plant assets	-	582,168	-	38,876	-	-	-	167,794	-	117,128	905,966
Interest on indebtedness	-	-	-	-	-	-	-	-	1,405,428	-	1,405,428
Scholarships and grants	17,659,533	-	-	-	-	-	-	1,705,607	-	124,335	19,489,475
Private scholarships	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	1,093,170	-	12,767	1,105,937
Total expenditures and other deductions	17,660,583	3,133,761	759,157	6,001,916	1,583,899	32,261	-	12,276,722	9,056,660	2,240,093	52,745,052
Excess (deficiency) of revenues over (under) expenditures for the year	(270,926)	1,262,565	48,235	(598,188)	430,758	(6,768)	-	61,639	1,296,017	5,009,818	7,233,150
Transfers among funds:											
Mandatory transfers	-	-	-	-	-	-	-	-	-	-	-
Non-mandatory transfers	210,723	(500,000)	(41,798)	-	-	-	-	(61,639)	(1,296,017)	(4,306,189)	(5,994,920)
Net increase (decrease) for the year	(60,203)	762,565	6,437	(598,188)	430,758	(6,768)	-	-	-	703,629	1,238,230
Fund balances(deficit) at beginning of year	335,553	1,084,358	15,562	(391,381)	(476,282)	108,482	755,088	(15,818)	-	1,735,023	3,150,585
Fund balances(deficit) at end of year	$ 275,350	$ 1,846,923	$ 21,999	$ (989,569)	$ (45,524)	$ 101,714	$ 755,088	$ (15,818)	$ -	$ 2,438,652	$ 4,388,815

DES MOINES AREA COMMUNITY COLLEGE

Schedule 7

Changes in Deposits Held in Custody for Others - Agency Funds

Year ended June 30, 2020

	Student activities	Special funded activities	Iowa Workforce Development	Community College Athletic Conference	Student clubs and organizations	Other	Total
Balance, beginning of year	$ 498,509	$ 363,887	$ -	$ 200,359	$ 384,526	$ 238,506	$ 1,685,787
Additions:							
Tuition and fees	354,275	-	-	-	14,868	-	369,143
State appropriations	-	45,000	-	-	-	-	45,000
Federal funds	-	66,225	370,064	-	-	-	436,289
Sales and services	16,980	2,569	-	-	9,951	-	29,500
Interest on investments	-	-	-	-	-	-	-
Other	111,638	327,348	-	352,719	86,786	33,656	912,147
Transfers in	103,305	62,847	-	-	75,994	-	242,146
Total additions	586,198	503,989	370,064	352,719	187,599	33,656	2,034,225
Deductions:							
Salaries and benefits	10,773	21,954	202,013	191,361	-	19,331	445,432
Services	74,674	318,380	166,359	53,335	54,575	-	667,323
Materials and supplies	138,030	70,105	1,494	11,330	62,027	-	282,986
Travel	5,941	45,189	198	5,545	40,350	-	97,223
Cost of goods sold	28,575	-	-	-	1,577	-	30,152
Scholarships	-	-	-	-	1,873	-	1,873
Expended for plant assets	-	-	-	-	-	-	-
Other	8,738	6,836	-	87,659	4,420	-	107,653
Transfers out	238,540	19,507	-	-	11,946	-	269,993
Total deductions	505,271	481,971	370,064	349,230	176,768	19,331	1,902,635
Net additions and deductions	80,927	22,018	-	3,489	10,831	14,325	131,590
Balances, end of year	$ 579,436	$ 385,905	$ -	$ 203,848	$ 395,357	$ 252,831	$ 1,817,377

Schedule 8

DES MOINES AREA COMMUNITY COLLEGE

Credit and Contact Hours

For the period from August 21, 2019 through August 5, 2020

Category	Credit hours eligible for aid	Contact hours: Eligible for aid	Contact hours: Not eligible for aid	Contact hours: Total
Arts and sciences	310,557	5,718,977	-	5,718,977
Vocational education	116,482	2,616,114	-	2,616,114
Adult education/continuing education	-	867,118	72,413	939,531
Related services and activities	-	-	-	-
Total	427,039	9,202,209	72,413	9,274,622

Schedule 9

DES MOINES AREA COMMUNITY COLLEGE

Taxes and Intergovernmental Revenues

(Excluding the Agency Funds)

For the Last Ten Years

	Years ended June 30,									
	2020	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
Local (property tax)	$ 29,741,933	$ 30,152,549	$ 27,282,408	$ 27,996,241	$ 24,905,167	$ 23,561,603	$ 24,333,253	$ 19,857,656	$ 19,779,534	$ 18,089,665
State	44,314,541	42,568,572	41,790,288	41,942,149	42,447,764	42,315,794	40,541,436	33,037,238	28,720,739	29,051,616
Federal	24,124,186	22,734,514	24,140,494	23,948,913	28,349,064	32,320,757	35,314,471	34,468,787	39,980,889	42,465,427
Total	$ 98,180,660	$95,455,635	$ 93,213,190	$ 93,887,303	$ 95,701,995	$ 98,198,154	$ 100,189,160	$ 87,363,681	$ 88,481,162	$ 89,606,708

Schedule 10

DES MOINES AREA COMMUNITY COLLEGE

Current Fund Revenues by Source

and Expenditures by Function

For the Last Ten Years

	Years ended June 30,									
	2020	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
Revenues:										
Tuition and fees	$ 59,031,500	$ 60,913,176	$ 59,450,084	$ 56,812,281	$ 56,082,724	$ 55,497,150	$ 57,558,044	$ 57,611,546	$ 61,763,642	$ 59,906,044
Property tax	20,504,926	21,351,789	19,086,163	20,155,662	17,440,485	16,305,177	17,197,614	12,980,395	12,989,120	11,550,038
Federal appropriations	24,124,186	22,734,514	24,140,494	23,948,913	28,349,064	32,320,757	35,314,471	34,468,787	39,980,889	42,465,427
State appropriations	43,176,246	41,907,823	41,135,166	41,282,896	41,777,023	41,462,061	39,255,830	31,709,683	28,566,347	28,382,697
Interest income from investments	1,063,494	1,526,333	936,672	407,187	214,866	185,744	165,060	224,557	367,933	712,496
Iowa Industrial New Jobs Training Program	9,599,482	10,030,932	11,593,051	9,652,203	8,047,866	13,635,607	9,922,594	17,253,987	18,214,126	11,466,792
Auxiliary enterprises revenue	2,174,523	2,296,228	2,284,187	2,199,499	1,732,748	2,247,636	2,283,470	2,118,589	2,217,100	2,199,463
Miscellaneous	13,328,089	13,447,949	11,760,590	9,995,537	10,171,523	9,204,026	8,331,727	9,091,623	9,151,754	6,522,268
Total	$173,002,446	$ 174,208,744	$ 170,386,407	$ 164,454,178	$ 163,816,299	$ 170,858,158	$ 170,028,810	$ 165,459,167	$ 173,250,911	$ 163,205,225
Expenditures										
Liberal arts and sciences	$ 30,122,696	$ 29,665,840	$ 29,180,129	$ 28,585,988	$ 28,763,674	$ 29,513,883	$ 29,118,289	$ 28,767,926	$ 28,049,295	$ 26,265,239
Vocational technical	37,633,995	35,715,660	34,883,526	34,607,269	34,127,073	33,531,331	31,629,541	31,404,396	31,177,970	29,734,690
Adult education	13,069,615	15,226,240	14,816,071	14,447,609	15,856,443	17,025,831	16,526,337	12,237,069	11,421,379	10,036,125
Cooperative services	6,341,487	7,042,151	8,915,303	6,766,371	4,553,284	9,447,573	5,232,155	11,348,114	13,536,302	5,929,199
Administration	3,948,577	4,035,187	3,791,371	3,891,486	3,876,910	4,002,173	3,895,909	3,650,186	3,670,320	3,571,180
Student services	12,937,526	12,076,380	11,835,687	11,461,316	11,465,838	11,102,412	11,227,505	9,730,664	8,989,529	8,800,990
Learning resources	3,457,816	3,217,955	3,121,318	3,112,975	3,249,642	3,254,168	3,091,480	3,144,357	3,030,744	2,910,249
Physical plant	14,137,639	14,087,374	13,121,389	12,660,186	12,556,889	12,321,904	12,843,940	12,349,361	12,612,339	10,441,362
General institution	20,385,442	19,501,533	19,650,424	20,191,339	18,440,140	15,867,283	15,744,921	17,823,668	18,205,034	20,267,851
Auxiliary enterprises	7,051,735	7,250,541	6,011,804	4,682,955	3,693,576	3,859,034	3,447,538	3,544,972	3,438,561	3,471,079
Scholarships and grants	19,489,475	19,006,059	19,809,893	18,601,681	20,954,242	24,326,291	26,844,407	28,301,052	33,061,080	34,717,959
Interest on indebtedness	1,405,428	1,268,510	1,323,155	1,445,722	1,460,843	1,959,968	2,426,085	2,926,002	3,258,937	3,391,773
Total	$ 169,981,431	$ 168,093,430	$ 166,460,070	$ 160,454,897	$ 158,998,554	$ 166,211,851	$ 162,028,107	$ 165,227,767	$ 170,451,490	$ 159,537,696

Des Moines Area Community College
Schedule of Expenditures of Federal Awards (SEFA)
Federal Expenditures for July 1, 2019 through June 30, 2020

Grantor	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures	New Loans & New Loan Guarantees
Department of Education				
Direct:				
Federal Supplemental Educational Opportunity Grant	84.007		346,906	-
Federal Work-study Program	84.033		354,715	-
Federal Pell Grant Program	84.063		16,849,387	-
Federal Pell Grant Administrative Fee	84.063		26,195	-
Federal Direct Student Loans	84.268		-	22,472,939
Total Student Financial Assistance Cluster			17,577,203	22,472,939
Direct Trio Grants:				
Student Support Services FY19 Award	84.042		371,411	-
Student Support Services-Grant Aid	84.042		59,300	-
Upward Bound FY19 Award	84.047		283,437	-
Gear Up College Partner FY20 Award	84.334S		4,538	-
Childcare Access Means Parents in School	84.335		119,092	-
Total Trio Grants			837,778	-
Direct CARES Act:				
Higher Education Emergency Relief Fund - Title III - Students	84.425E	P425E200297	1,361,399	
Higher Education Emergency Relief Fund - Institutional	84.425F	P425F200145	1,610,571	
Total CARES Act			2,971,970	-
Indirect through Iowa Department of Education:				
Adult Education-Adult Basic Education	84.002	G70027	317,749	-
Adult Education-Adult Basic Education Teacher Training	84.002	G70027	11,093	-
Adult Education-EL Civics	84.002	G70042	1,135	-
Career and Technical Education-Vocational Education - Perkins Funds	84.048	G80189	880,534	-
Career and Technical Education-Perkins Iowa FCCLA	84.048	SO0519	4,320	-
Career and Technical Education-Perkins Iowa DECA	84.048	SO0219	8,883	-
Career and Technical Education-Perkins Iowa FBLA	84.048	SO0419	11,012	-
Career and Technical Education-Perkins Iowa HOSA	84.048	SO0719	20,358	-
Career and Technical Education-Perkins Iowa Skills USA	84.048	SO0919	21,653	-
Total through Iowa Department of Education			1,276,735	-
Indirect through Iowa Department of Corrections:				
Title I-Newton Correctional Facilty	84.048	50208	20,381	-
Title I-Iowa Women's Institute for Women	84.048	50169	20,000	-
Career and Technical Education-Vocational Education - Perkins Funds NCF	84.048	50208	9,169	-
Career and Technical Education-Vocational Education - Perkins Funds ICIW	84.048	50169	9,200	-
Total through Iowa Department of Corrections			58,750	-
Indirect through Iowa Vocational Rehabilitation Services:				
Vocational Rehabilitation Grants to States	84.126	17-VRIN-01	83,837	-
Total U.S. Department of Education			**22,806,272**	**22,472,939**

Des Moines Area Community College
Schedule of Expenditures of Federal Awards (SEFA)
Federal Expenditures for July 1, 2019 through June 30, 2020

Grantor	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures	New Loans & New Loan Guarantees
Department of Health & Human Services				
Substance Abuse and Mental Health Service Administration	93.243	6H79SM080461-01M002	63,877	-
Total Department of Health & Human Services			**63,877**	**-**
Department of Agriculture Food & Nutrition Services				
Indirect through Team Nutrition Iowa, State of Iowa				
Child and Adult Care Food Program	10.574	201717N350330	291	-
Total Department of Agriculture Food & Nutrition Services			**291**	**-**
Social Security Administration				
Direct:				
Ticket to Work	96.008		370,064	-
Total Social Security Administration			**370,064**	**-**
National Science Foundation				
Direct:				
Education and Human Resources - NSF Scholarships in STEM	47.076	1564795	101,412	-
Indirect through Iowa State University				
Education and Human Resources	47.076	1619654 - 42018089D	21,114	-
Indirect through Northwestern University				
Education and Human Resources	47.076	DUE-1821684	16,064	
Indirect through University of Iowa				
Education and Human Resources	47.076	1852725	2,818	
Total National Science Foundation			**141,408**	**-**

Des Moines Area Community College
Schedule of Expenditures of Federal Awards (SEFA)
Federal Expenditures for July 1, 2019 through June 30, 2020

Grantor	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures	New Loans & New Loan Guarantees
Department of Labor				
Direct:				
YouthBuild 5	17.274		265,286	-
YouthBuild 6	17.274		64,334	-
Total Direct Department of Labor			329,620	-
Indirect through Iowa Workforce Development:				
WIA/WIOA Central Iowa Workforce Development Board				
WIA/WIOA Administration	17.258 & 17.278	17-W-11-WI-OA	63,532	-
Workforce Investment Board	17.258 & 17.278	17-W-11-WI-OA	10,000	-
WIA/WIOA Adult Program	17.258	17-W-11-WI-OA	345,266	-
Workforce Investment Board	17.259	17-W-11-WI-OA	10,000	-
WIA/WIOA Dislocated Workers	17.278	17-W-11-WI-OA	362,933	-
Total Indirect through Iowa Workforce Development			791,731	-
Total Department of Labor			**1,121,351**	**-**
Department of Transportation-Federal Motor Carrier Safety Administration				
Direct:				
FY2017 Commercial Motor Vehicle Operator Safety Training Project	20.235	FM-DTG-0054-17	24,223	-
Total Department of Transportation			**24,223**	**-**
Corporation for National and Community Service				
Indirect through Public Allies, Inc. and Corporation for National Community Service				
AmeriCorp Program, Public Allies Iowa	94.006	18-EDHWI0010020	83,853	-
Total Corporation for National and CommunityService			**83,853**	**-**
Total Federal Expenditures			**$ 24,611,338**	**$ 22,472,939**

Des Moines Area Community College
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2020

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Des Moines Area Community College under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Des Moines Area Community College, it is not intended to and does not present the financial position, changes in financial position or cash flows of Des Moines Area Community College.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Des Moines Area Community College has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 STUDENT FINANCIAL ASSISTANCE

The College is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan Program and, accordingly, these loans are not included in its financial statements. It is not practical to determine the balance of the loans outstanding to students and former students of the College under this program at June 30, 2020.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Des Moines Area Community College
Ankeny, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Des Moines Area Community College (the College) and its discretely presented component unit as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 2, 2020.

<u>Internal Control Over Financial Reporting</u>

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Denman & Company, LLP

DENMAN & COMPANY, LLP

West Des Moines, Iowa
November 2, 2020

DENMAN
& COMPANY, LLP

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Des Moines Area Community College
Ankeny, Iowa

Report on Compliance for Each Major Federal Program

We have audited Des Moines Area Community College's (the College) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2020. The College's major federal programs are identified in the summary of the independent auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

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Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Denman & Company, LLP

DENMAN & COMPANY, LLP

West Des Moines, Iowa
November 2, 2020

Des Moines Area Community College
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2020

Part 1 – Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	**Unmodified opinion**
Internal control over financial reporting:	
➢ Material weakness(es) identified?	______ Yes __X__ No
➢ Significant deficiency(ies) identified?	______ Yes __X__ None Reported
Noncompliance material to financial statements noted?	______ Yes __X__ No

Federal Awards

Internal control over major federal programs:	
➢ Material weakness(es) identified?	______ Yes __X__ No
➢ Significant deficiency(ies) identified?	_____ Yes __X__ None Reported
Type of auditor's report issued on compliance for major federal programs:	**Unmodified opinion**
➢ Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	______ Yes __X__No
Identification of major federal programs:	**CFDA Number 84.007, 84.033, 84.063, 84.268 - Student Financial Assistance Cluster** **CFDA Number 84.425E – Higher Education Emergency Relief Fund - Students** **CFDA Number 84.425F – Higher Education Emergency Relief Fund - Institutional**
Dollar threshold used to distinguish between type A and type B programs:	**$750,000**
Auditee qualified as low-risk auditee?	__X__ Yes ______No

Des Moines Area Community College
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2020

Part II—Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

INTERNAL CONTROL DEFICIENCIES

None

INSTANCES OF NONCOMPLIANCE

No matters noted

Part III—Findings and Questioned Costs for Federal Awards

INTERNAL CONTROL DEFICIENCIES

None

INSTANCES OF NONCOMPLIANCE

No matters noted

APPENDIX E: BOOK-ENTRY-ONLY ISSUANCE

The information contained in the following paragraphs of this subsection "Book-Entry-Only Issuance" has been extracted from a schedule prepared by Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING DTC AND BOOK-ENTRY-ONLY ISSUANCE." The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the College believes to be reliable, but the College takes no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has Standard & Poor's rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from

DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the College as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date identified in a listing attached to the Omnibus Proxy.

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the College or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the College, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the College or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the College or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The College may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.