

CENTRAL OREGON COMMUNITY COLLEGE

FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

CENTRAL OREGON COMMUNITY COLLEGE

DISTRICT OFFICIALS

JUNE 30, 2020

Chairperson

Laura Craska Cooper
Zone 2

Vice Chairperson

Erica Skatvold
Zone 4

Board Members

Joe Krenowicz
Zone 1

Alan Unger
Zone 3

Jim Clinton
Zone 5

Bruce Abernethy
Zone 6

Oliver Tatom
Zone 7

President

Dr. Laurie Chesley

Chief Financial Officer

David Dona

CENTRAL OREGON COMMUNITY COLLEGE

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Wesley B. Price III, CPA
Kara L. Pardue, CPA
Adam M. Barnett, CPA
Heather McMeekin, CPA

INDEPENDENT AUDITORS' REPORT

Board of Officials
Central Oregon Community College
Bend, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Central Oregon Community College and Central Oregon Community College Foundation, its discretely presented component unit, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Central Oregon Community College's basic financial statements as 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 audit. We conducted our audit 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.

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 entity'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 entity'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Central Oregon Community College and Central Oregon Community College Foundation 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 management's discussion and analysis and other information starting on page 4, be presented to supplement the basic financial statements. Such information, although not 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 management's discussion and analysis in accordance 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Central Oregon Community College's basic financial statements. The budgetary comparison information and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.


The budgetary comparison information and the Schedule of Expenditures of Federal Awards is the responsibility of management and was 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 budgetary comparison information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic 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 January 4, 2021, on our consideration of Central Oregon Community College's internal control over financial reporting and 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 Central Oregon Community 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 and should be considered in assessing the results of our audit.

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued a report titled "Independent Auditors' Report Required by State Regulations" dated January 4, 2021, which is also a required part of the financial statements. The purpose of the report is to address specific matters required by the State of Oregon.

Price Fronk & Co.
Certified Public Accountants & Consultants

By: 
Wesley B. Price III – a partner

January 4, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

This section of Central Oregon Community College District (the College) Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activities during the fiscal year ended June 30, 2020. The purpose of the MD&A is to assist readers in understanding the accompanying financial statements by providing an analysis of the College's financial activity based on currently known facts and conditions. Management prepares this discussion, and is responsible for the completeness and reliability of the information. This discussion should be read in conjunction with the financial statements and related footnote disclosures.

Accounting Standards

The financial statements have been prepared in accordance with Governmental Accounting Standards Board Statement Number 35 (Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities), adopted the fiscal year ended June 30, 2003. The financial statements also include discrete presentations of financial activities for the College's independent Foundation in accordance with Governmental Accounting Standards Board Statement Number 39 (Determining Whether Certain Organizations Are Component Units) and Governmental Accounting Standards Board Statement Number 61 (The Financial Reporting Entity: Omnibus). The College implemented Governmental Accounting Standards Board Number 68 (Accounting and Financial Reporting for Pensions) for the fiscal year ended June 30, 2015.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the College's basic financial statements, which are prepared in accordance with the accrual basis of accounting. The entity-wide presentation is designed to provide readers with a broad overview of the College's finances, in a manner similar to a private sector business. These statements focus on the financial condition of the College, the results of its operations and its cash flows. The entity-wide statements are comprised of the following:

- *The Statement of Net Position* presents information on the College's financial position at the end of the fiscal year and includes all assets and liabilities with the net difference reported as net position. Over time, increases or decreases in the net position are an indicator of the improvement or deterioration of the College's financial health. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation.
- *The Statement of Revenues, Expenses, and Changes in Net Position* presents the revenues earned and the expenses incurred during the year. Revenues and expenses are generally reported using the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of when cash is exchanged. Thus, revenues and expenses are reported in this statement for some items that will affect cash flows in future fiscal periods. Utilization of long-term capital assets is reported in the financial statements as depreciation expense, which amortizes the cost of assets over their estimated useful lives. Revenues and expenses are reported as either operating or non-operating. The primary sources of operating revenues include tuition, fees, and grants. State appropriations and property taxes

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss.

- *The Statement of Cash Flows* presents information on cash flows from operating activities, noncapital financial activities, capital financing activities and investment activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists the reader in evaluating the College's financial viability and its ability to meet financial obligations as they become due.
- *The Notes to the Basic Financial Statements* provides additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

Financial Highlights

- The College's financial position as of June 30, 2020, consists of total assets and deferred outflows of \$156.4 million, liabilities and deferred inflows of \$108.3 million, and net position of \$48.1 million, a decrease of \$3.8 million from the prior year. GASB Statement Nos. 68 requires the College to accrue pension assets, liabilities and related deferred inflows and deferred outflows of resources. Due to changes in the actuarial assumptions, pension assets decreased by \$313 thousand and pension liabilities increased by \$5.3 million, resulting in a \$5.8 million operating expense adjustment. Unrestricted fund balance is now reported as a \$7.1 million deficit balance compared to last year's deficit balance of \$4.6 million.
- Student credit enrollment decreased by 7.5% from the prior year. Declining enrollment impacted bookstore, food services, and residence hall revenues, resulting in a 41.1% percent decrease in Auxiliary Enterprise revenues.
- Property tax revenues for operations increased \$1.3 million due to increasing property values and new construction. Other impacts on property taxes include voter approved Measure 5 and Measure 50. Measure 5 limits the maximum allowable tax to \$5 for each \$1,000 of real market value on property assessed by all public school districts including community colleges. Measure 50 further limits future annual property tax growth to 3.0 percent of assessed value. The total property taxes received of \$21.8 million by the college district includes taxes for the annual debt service for the voter approved general obligation bonds issued in June 2010.
- The State Aid for student reimbursement increased \$4.4 million due to the State's deferral of the biennium's 8th quarter community college support fund payment for 2019-20 received in 2019-20. State Aid payments were historically made quarterly in August, October, January and April each year. In 2003, the Oregon Legislature began delaying the eighth quarter payment in each biennium until July of the following fiscal year. The Oregon local budget law was amended to allow community colleges to accrue the delayed payment, which is reported within the budgetary basis statements. The basic financial statements, which are prepared using the full accrual accounting basis, report the eighth quarter delayed

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

payment as revenue in the year received. This reporting timing difference between the two sets of statements is illustrated below.

<u>Fiscal Year</u>	<u>Number of State Aid Payments</u>		<u>Amount (in thousands, 000's)</u>	
	<u>Full Accrual Statements</u>	<u>Budgetary Basis Statements</u>	<u>Full Accrual Statements</u>	<u>Budgetary Basis Statements</u>
2011-12	5	4	6,865	5,333
2012-13	3	4	3,545	4,819
2013-14	5	4	8,013	6,739
2014-15	3	4	5,721	7,577
2015-16	5	4	11,266	9,411
2016-17	3	4	6,958	9,321
2017-18	5	4	11,662	9,299
2018-19	3	4	6,012	7,847
2019-20	5	4	10,704	8,868

Analysis of the Statement of Net Position

The Statement of Net Position includes all assets and liabilities of the College using the accrual basis of accounting. Net position is the difference between assets and liabilities and is one measure of the College's financial condition.

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

The comparative Statement of Net Position is provided below:

STATEMENT OF NET POSITION

<i>In thousands of dollars (000's)</i>	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Assets				
Current assets	\$ 35,339	\$ 32,227	\$ 3,112	8.8%
Capital assets, net depreciation	94,973	98,282	(3,309)	-3.5%
Non-depreciable assets	4,005	3,957	48	1.2%
Other noncurrent assets	<u>8,318</u>	<u>8,700</u>	<u>(382)</u>	<u>-4.6%</u>
Total Assets	142,635	143,166	(531)	-0.4%
Deferred outflows of resources				
Net pension deferred outflows	<u>13,721</u>	<u>14,406</u>	<u>(685)</u>	<u>-5.0%</u>
Total Assets and Deferred Outflows	\$ 156,356	\$ 157,572	\$ (1,216)	-0.8%
Liabilities				
Current liabilities	\$ 8,378	\$ 8,380	\$ (2)	0.0%
Net pension liability	40,558	35,258	5,300	13.1%
Noncurrent liabilities	<u>56,803</u>	<u>59,564</u>	<u>(2,761)</u>	<u>-4.9%</u>
Total Liabilities	105,739	103,202	2,537	2.4%
Deferred inflows of resources				
Pension related	2,458	2,512	(54)	-2.2%
OPEB related	<u>84</u>	<u>84</u>	<u>84</u>	<u>100.0%</u>
Total Liabilities and Deferred Inflows	108,281	105,714	2,567	2.4%
Net Position				
Net investment in capital assets	48,230	49,090	(860)	-1.8%
Restricted	6,953	7,477	(524)	-7.5%
Unrestricted	<u>(7,108)</u>	<u>(4,709)</u>	<u>(2,399)</u>	<u>33.8%</u>
Total Net Position	48,075	51,858	(3,783)	-7.9%
Total Liabilities and Net Position	\$ 156,356	\$ 157,572	\$ (1,216)	-0.8%

Current assets, which consist of pooled cash and investments, accounts receivable, and inventory, increased \$3.1 million from the prior year. Cash balances increased by \$3.4 million and accounts receivable decreased by \$236

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

thousand. Property taxes receivable increased slightly from prior year, while prepaid assets decreased by \$96 thousand. Capital assets consist of land, buildings, equipment and land improvements net of accumulated depreciation. Capital assets decreased \$3.3 million due to reduced capital spending and accumulated depreciation. Other noncurrent assets include a pension prepayment and the beneficial interest in a perpetual trust.

Current liabilities consist of accounts payable, interest payable, accrued expenses, unearned revenue and the current portion of long-term debt. Accounts payable decreased \$141 thousand, and the current portion of long term debt increased \$188 thousand. Included in the noncurrent liabilities are long-term obligations in the form of full faith & credit bonds, pension obligation bonds, general obligation bonds, capital leases, net pension liability and other post-employment benefits (OPEB). The net pension liability increased \$5.3 million due to changes in actuarial assumptions, offset by a \$2.9 million decrease in noncurrent liabilities due to debt service payments.

The college implemented GASB Statement Nos. 68 in 2015, which requires the College to recognize deferred inflows, and deferred outflows of resources and the associated pension liability as long-term obligations. The net pension liability represents the College's proportionate share of the Oregon Public Employees Retirement System (PERS). The asset net pension deferred outflows decreased \$685 thousand and net pension liabilities (net of deferred inflows) increased \$7.9 million resulting in an increase in operating expenses of \$6.0 million. These changes do not have a long-term impact on the budgetary basis statements where the college reports actual pension payments made to PERS.

Net position is the difference between total assets and total liabilities. The College reports investment in capital assets (land, buildings, and major equipment) at historical cost, net of accumulated depreciation and less any debt used to acquire those assets. The College has \$48 million (101%) of total net position invested in capital assets, \$6.6 million (13%) is restricted primarily for construction, and negative \$7.1 million (-14%) is unrestricted.

Analysis of Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the combination of operating and non-operating revenue and expenses during the year, with the difference increasing or decreasing the College's net position. GASB standards require the College to categorize revenues as either operating or non-operating. Operating revenues include tuition, fees, grants, contracts and sales and services of various self-supporting operations. Although property taxes and State appropriations are budgeted as operating revenues, under GASB standards these funding sources are reported as non-operating revenues.

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

The comparative Statement of Revenues, Expenses and Changes in Net Position is provided below.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
<i>In thousands of dollars (000's)</i>				
Operating Revenue				
Student tuition and fees	\$ 12,588	\$ 11,335	\$ 1,253	10.0%
Grants and contracts	2,451	2,054	397	16.2%
Sales of goods and services	5,225	6,203	(978)	-18.7%
Other operating revenue	1,380	843	537	38.9%
Auxiliary enterprises	3,516	4,960	(1,444)	-41.1%
Total Operating Revenues	<u>25,160</u>	<u>25,395</u>	<u>(235)</u>	<u>-0.9%</u>
Non-operating Revenues				
Federal appropriations	10,061	7,994	2,067	20.5%
State appropriations	14,413	9,983	4,430	30.7%
Property taxes	21,827	20,521	1,306	6.0%
Investment earnings	555	737	(182)	-32.8%
Total Non-Operating Revenues	<u>46,856</u>	<u>39,235</u>	<u>7,621</u>	<u>16.3%</u>
Total Revenues	<u>\$ 72,016</u>	<u>\$ 64,630</u>	<u>\$ 7,386</u>	<u>10.3%</u>
Operating Expenses				
Instruction	\$ 29,337	\$ 28,119	\$ 1,218	4.2%
Instructional support services	5,074	4,384	690	13.6%
Student services	13,539	11,979	1,560	11.5%
College support service	8,205	8,046	159	1.9%
Plant operations and maintenance	5,188	4,710	478	9.2%
Information and technology services	4,514	4,742	(228)	-5.1%
Depreciation	4,226	4,243	(17)	-0.4%
Auxiliary enterprise	2,657	2,898	(241)	-9.1%
Total Operating Expenses	<u>72,740</u>	<u>69,121</u>	<u>3,619</u>	<u>5.0%</u>
Non-operating Expenses				
Loss on disposal of capital assets		9	(9)	
Interest expense	3,059	3,082	(23)	-0.8%
Total Non-operating Expenses	<u>3,059</u>	<u>3,091</u>	<u>(32)</u>	<u>-1.0%</u>
Total Expenses	<u>75,799</u>	<u>72,212</u>	<u>3,587</u>	<u>4.7%</u>
Decrease in net position	<u>(3,783)</u>	<u>(7,582)</u>	<u>3,799</u>	<u>-100.4%</u>
Net position - beginning of year	<u>51,858</u>	<u>59,440</u>	<u>(7,582)</u>	<u>-14.6%</u>
Net position - end of year	<u>\$ 48,075</u>	<u>\$ 51,858</u>	<u>\$ (3,783)</u>	<u>-7.9%</u>

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

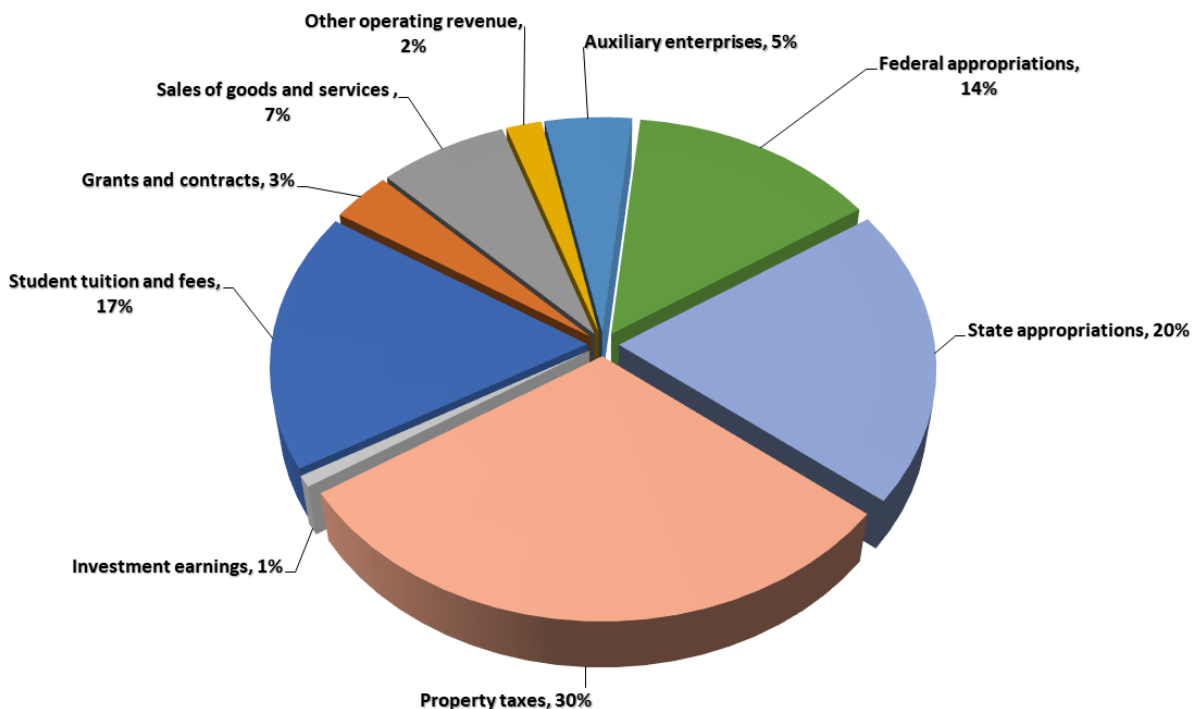
Revenues

Operating revenues decreased by \$235 thousand from the prior fiscal year. Tuition and fee revenues increased \$1.3 million due to an increase in the technology fee. Sales of goods and services decreased \$978 thousand, offset by a \$537 thousand increase in other operating revenues. With the closure of dorms and food service in the Spring of 2020, in addition to a decline in student enrollment and lower bookstore sales auxiliary enterprise revenues decreased \$1.4 million in the current year.

Non-operating revenues increased \$7.6 million from the prior year. Federal appropriations increased \$2.1 million financial aid in the form of CARES funding. State appropriations increased \$4.4 million due to the timing differences in State reimbursement payments. The College received three State Aid payments in 2019 and five payments in 2020, a timing difference of \$5.6 million. This also includes an increase of \$622 thousand in state grants. Property tax revenue increased \$1.3 million from increasing property values and new building construction. Total investment earnings decreased \$182 thousand due to decreased investment performance.

The following graph illustrates the total revenue sources for the College for the 2020 fiscal year. Federal appropriations now represent 14% of College revenues compared to 12% last year. State appropriations increased to 20% from 15% while property taxes decreased from 32% to 30%. Student tuition and fees decreased by 1% from the prior year, while grants and contracts, sales of goods and services, auxiliary enterprises, and other revenue remained relatively flat from the prior year as a percentage of total revenues.

2020 Total Revenues



CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

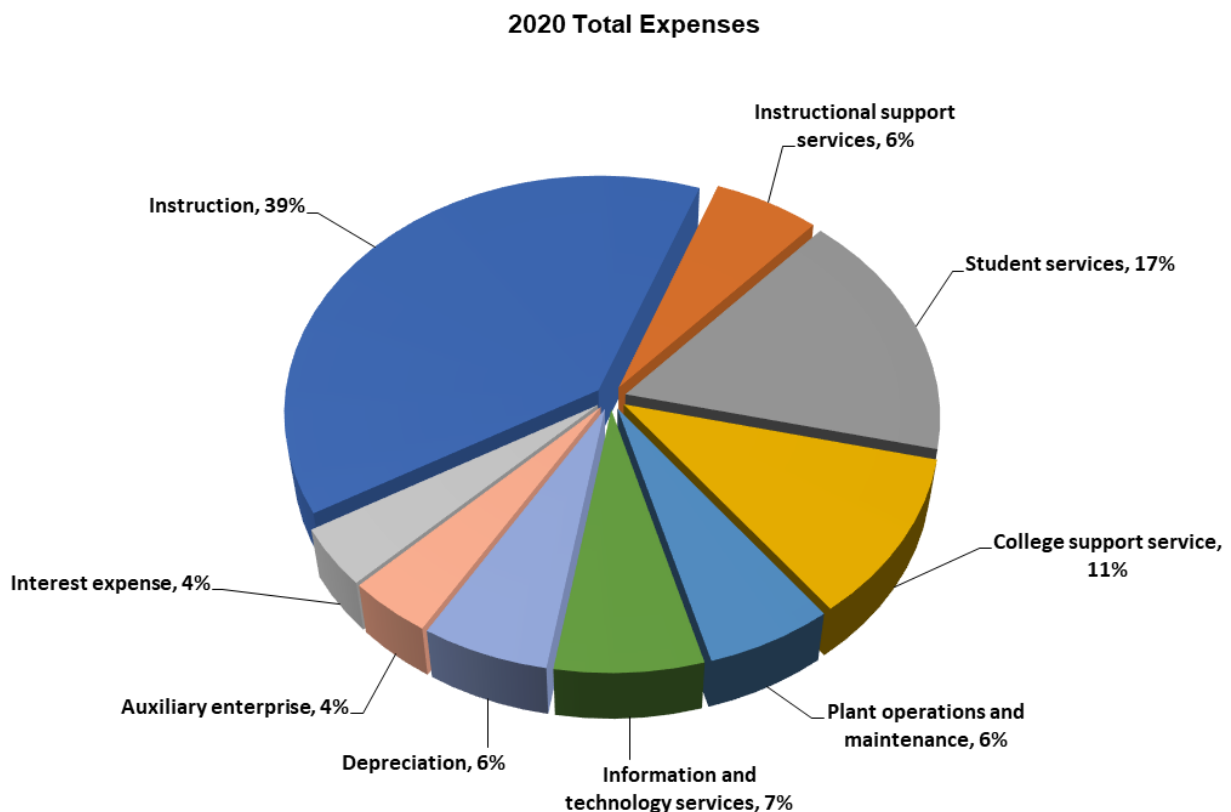
JUNE 30, 2020

Expenses

Operating expenses consist of salaries and payroll assessments, materials and services, utilities, grants and scholarships, and depreciation. Total operating expenses increased \$3.6 million from the prior year due to an increase in the pension liability adjustment of \$5.8 million, which is spread across all related payroll expense categories. Offsetting the increase in the pension liability is a decrease in outside services activities and repairs.

Non-operating expenses remain flat from the prior year.

The following graph illustrates the total expenditures for the College for the 2020 fiscal year. Total expenses increased by \$3.6 million, however percentages by category did not change.



Analysis of the Statement of Cash Flows

This statement provides a measurement of the College's financial health by providing information on the sources and uses of cash. It provides the user information on cash receipts and cash payments to help assess the College's ability to generate net cash flows, its ability to meet its obligations as they become due, and its need for external financing. The Statement of Cash Flows presents information on cash flows from operating activities, noncapital financial activities, capital financing activities, and investment activities. It provides the net increase

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

or decrease in cash between the beginning and end of the fiscal year. This statement is reported using the direct method in accordance with Governmental Accounting Standards Board Statement Number 35 (Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities).

The comparative Statement of Cash Flows is provided below:

STATEMENT OF CASH FLOW

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Cash flows from operating activities	\$ (36,705)	\$ (35,091)	\$ (1,614)	4.4%
Cash flows from noncapital financing activities	45,133	37,284	7,849	17.4%
Cash flows from capital financing activities	(5,562)	(5,032)	(530)	9.5%
Cash flows from investing activities	<u>555</u>	<u>737</u>	<u>(182)</u>	<u>-32.8%</u>
Net increase (decrease) in cash and investments	3,421	(2,102)	5,523	161.4%
Cash and pooled investments - beginning of year	<u>27,667</u>	<u>29,769</u>	<u>(2,102)</u>	<u>-7.6%</u>
Cash and pooled investments - end of year	<u>\$ 31,088</u>	<u>\$ 27,667</u>	<u>\$ 3,421</u>	<u>11.0%</u>

The largest sources of cash from operating activities include student tuition and fees, auxiliary enterprises and financial aid. Major uses of operating cash include payments for employees, facilities, and materials and supplies. Current accounting standards now require that cash payments from property taxes, state appropriations and federal appropriations be classified as noncapital financing activities even though colleges budget these revenues for operations. Other noncapital components include long-term debt service payments, change in other post-employment benefits payable, and changes in pension obligations. The use of cash from capital financing activities reflect the capital related long-term debt service payments, major equipment and building construction.

General Fund Budgetary Highlights

The general fund is the College's primary operating fund. It accounts for operational activities of the College except those designated or restricted activities accounted for in other funds. The general fund's actual ending fund balance totaled \$6.5 million, an increase of \$888 thousand over the beginning balance. The \$1.1 million negative variance in total revenue reflects reductions to transfers-in (\$2.2 million), lower than budgeted tuition and fees (\$564 thousand). The reductions are offset by higher than budgeted state appropriations (\$1.4 million) and positive revenue changes for property taxes (\$271 thousand).

The budgetary savings in total expenditures of \$4.6 million are instruction \$1.7 million, student services \$782 thousand, college support services \$253 thousand, plant operations and maintenance \$750 thousand, information and technology services \$863 thousand and \$300 thousand operating contingency. Across all

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

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appropriation categories salaries were under budget by \$1.5 million, payroll assessments by \$1.3 million, materials and services by \$2.5 million and operating contingency by \$300 thousand.

GENERAL FUND SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE SUMMARY

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget Over (Under)</u>	<u>% Variance</u>
<i>In thousands of dollars (000's)</i>				
Resources				
Local:				
Property taxes	\$ 18,261	\$ 18,532	\$ 271	1.5%
Tuition and fees	17,763	17,199	(564)	-3.2%
Investment earnings	30	63	33	110.0%
Other operating revenue	120	69	(51)	-42.5%
Intergovernmental:				
State appropriations	7,510	8,868	1,358	18.1%
Transfer-in from other funds	2,160		(2,160)	-100.0%
Total Resources	<u>45,844</u>	<u>44,731</u>	<u>(1,113)</u>	<u>-2.4%</u>
Expenditures				
Instruction and instructional support services	26,861	25,171	(1,690)	-6.3%
Student services	5,037	4,255	(782)	-15.5%
College support services	5,893	5,640	(253)	-4.3%
Plant operations and maintenance	4,926	4,176	(750)	-15.2%
Information and technology services	4,689	3,826	(863)	-18.4%
Financial aid	295	275	(20)	-6.8%
Operating contingency	800	500	(300)	-37.5%
Total Expenditures	<u>48,501</u>	<u>43,843</u>	<u>(4,658)</u>	<u>-9.6%</u>
Beginning fund balance	<u>5,685</u>	<u>5,591</u>	<u>(94)</u>	<u>-1.7%</u>
Ending fund balance	<u>\$ 3,028</u>	<u>\$ 6,479</u>	<u>\$ 3,451</u>	<u>114.0%</u>

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

Capital Assets

The College records all capital assets at historical cost with associated accumulated depreciation. The College added \$964 thousand in capital assets before depreciation this fiscal year. The comparative Summary of Capital Assets presented below identifies the capital assets by categories and amounts.

SUMMARY OF CAPITAL ASSETS

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Land and land improvements	\$ 11,109,890	\$ 10,753,215	\$ 356,675	3.2%
Construction work in progress	60,601	16,150	44,451	73.4%
Buildings	128,806,800	128,604,988	201,812	0.2%
Equipment/library books/art	<u>11,725,158</u>	<u>11,363,243</u>	<u>361,915</u>	<u>3.1%</u>
Change in capital assets	151,702,449	150,737,596	964,853	0.6%
Accumulated depreciation	<u>(52,724,211)</u>	<u>(48,498,327)</u>	<u>(4,225,884)</u>	<u>8.0%</u>
Net Capital Assets	<u>\$ 98,978,238</u>	<u>\$ 102,239,269</u>	<u>\$ (3,261,031)</u>	<u>-3.3%</u>

Debt Administration

As of June 30, 2020, the College had \$57.8 million in outstanding long-term debt, a decrease of \$2.7 million from the prior year. The decrease reflects the long-term debt principal payments. The Oregon Revised Statutes limits bonded indebtedness to 1.5 percent of real market value of property within the college district for the outstanding principal amount of general obligation bonds. The College may levy property taxes in the amount required to pay annual debt service of general obligation bonds. The College has an underlying credit rating of AA issued by Standard & Poor's. The following table summarizes the long-term debt by type of debt instrument and amount.

OUTSTANDING LONG-TERM DEBT AS OF JUNE 30, 2020

Full Faith & Credit Bonds	\$ 19,208,280
Pension Obligation Bonds	7,066,401
General Obligation Bonds	31,539,941
Capital Lease	<u>24,022</u>
	<u>\$ 57,838,644</u>

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

Future Economic Outlook

The College relies on three primary sources of annual operating revenue and support; 1) State Aid support from the State's community college support fund; 2) current and prior year property taxes; and 3) student tuition and fees.

Oregon's economy is suffering from the continued impacts of COVID-19 pandemic as we head into the 2021-23 biennium. The economic shock associated with the COVID-19 outbreak has been unlike anything the regional economy has experienced before and will strain the 2021-23 State budget. The State recovery has been encouraging to date, and despite severe job losses, average income levels have yet to fall. As a result, state government revenues have yet to take a significant hit and consumer spending has been surprisingly robust.

Over the summer months, the state received \$14 billion in federal aid, which helped increase income and spending. In addition to federal aid, levels of income and spending have been supported by stability among households with high incomes. To date, this recession has disproportionately affected workers with low incomes. Much of the economic impact of COVID-19 has fallen on brick and mortar retail and service firms that pay relatively low wages. Income inequality and rising unemployment will increase the need for a wide range of public services and aid programs in the 2021-23 biennium. While the recovery has been surprisingly strong to date, Oregon has 140,000 fewer jobs than before the pandemic began. Such a significant economic shock will eventually cause more households and businesses to lose income and state tax revenues to weaken.

Levels of employment and corporate earnings are particularly important to the State as they represent the largest sources of revenue for the State's general fund. The State's 2021-23 biennium budget process has started with the release of the Governor's Recommended Budget (GRB). The Governor's Recommended Budget provides for a \$640.9 million budget appropriation for the community college support fund (CCSF) which represents no change from the prior biennium. The Oregon Higher Education Coordinating Commission (HECC) has requested \$673.1 million, an increase of \$32.2 million (5.0%) over the current CCSF funding level. Community colleges are hopeful that as the State's budget process continues, the CCSF appropriation amount will increase. The State uses its funding formula to distribute State Aid from the community college support fund to Oregon's 17 community colleges. Numerical elements such as property taxes and student enrollment within the funding formula will affect the amount each college receives. State Aid to COCC now represents 17 percent of the College's current general fund budget revenue.

Property tax revenue represents 40 percent of the current year's general fund budgeted revenue and the largest single source of revenue for general operations. The financial health, economic vitality and population growth of the College district impacts property values and associated property taxes. The college district is large covering 10,000 square miles and encompasses all of Crook, Deschutes and Jefferson counties, as well as parts of Wasco, Lake, and Klamath counties. The State Legislature is currently reviewing a proposal from Lake County to move from Central Oregon Community College District to the Klamath Community College District. If approved, Central Oregon Community College District will lose the \$138 thousand (0.7%) of property tax support for operations. Like most areas throughout the country, the college district is diverse with communities experiencing different

CENTRAL OREGON COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

levels of economic impact due to the COVID-19 pandemic. However, property tax revenue for the current year operations is projected to increase to \$19.2 million, an increase of \$688 thousand (4.0%) from the prior fiscal year. Property tax revenue is anticipated to continue increasing for the next decade due to the district's population growth from inward migration, rising real estate values, and new construction.

The College experienced unprecedented student enrollment increases during the period of 2008-2012, with credit enrollment growing 110 percent during the great recession. This student enrollment growth behavior is typical, as community colleges tend to be countercyclical with the economy. The 7.5 percent enrollment decline for fiscal year 2020 was the eighth year of enrollment decline since reaching the peak enrollment year of 2012. Given the impacts of shifting to remote instruction and operations to comply with COVID-19 safety guidelines, this student enrollment decline is expected to continue for fiscal year 2021.

Requests for Information

This financial report is designed to provide citizens, taxpayers, students, creditors and other stakeholders with a general overview of the College's financial position, accountability of resources, and stewardship of facilities. If you have questions or would like to request additional information, contact the Fiscal Services Department at 2600 NW College Way, Bend, Oregon, 97703.

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

CENTRAL OREGON COMMUNITY COLLEGE

STATEMENT OF NET POSITION

JUNE 30, 2020

	College	Foundation
ASSETS		
Current Assets		
Pooled cash and investments	\$ 31,087,780	\$ 24,196,647
Cash surrender value of life insurance benefit		44,752
Cash with county treasurers	170,889	
Property taxes receivable	609,885	
Accounts receivable	3,525,072	
Allowance for uncollectible accounts	(329,078)	
Prepays and advances	7,750	
Inventory	266,223	
Total current assets	35,338,521	24,241,399
Noncurrent Assets		
Beneficial interest in perpetual trust	1,252,461	1,137,085
Pension prepayment	7,066,401	
Land	3,327,690	
Construction work in process	60,601	
Other non-depreciable assets	616,595	
Capital assets - net of accumulated depreciation	94,973,352	
Total noncurrent assets	107,297,100	1,137,085
Deferred Outflows of Resources		
Pension related	13,720,578	
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 156,356,199	\$ 25,378,484
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 4,645,287	\$ 49,491
Interest payable	131,312	
Accrued expenses	668,497	
Unearned revenue	168,593	
Current portion of bonds and notes payable	2,764,767	
Total current liabilities	8,378,456	49,491
Noncurrent Liabilities		
Other post employment benefits payable	1,729,099	
Net pension liability	40,558,330	
Bonds and notes payable - net of current portion	55,073,877	
Total noncurrent liabilities	97,361,306	
TOTAL LIABILITIES	105,739,762	49,491
Deferred Inflows of Resources		
Pension related	2,457,753	
OPEB related	84,290	
Total deferred inflows of resources	2,542,043	
TOTAL LIABILITIES AND DEFERRED INFLOWS	108,281,805	49,491
NET POSITION		
Net Investments in Capital Assets	48,230,017	
Restricted		
Capital projects	5,080,826	
Permanent non-expendable endowment	1,549,733	
Student scholarships		22,103,140
Debt service	322,239	
Unrestricted	(7,108,421)	3,225,853
TOTAL NET POSITION	48,074,394	25,328,993
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 156,356,199	\$ 25,378,484

See notes to the basic financial statements

CENTRAL OREGON COMMUNITY COLLEGE

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED JUNE 30, 2020

	College	Foundation
Operating Revenue		
Tuition and fees	\$ 12,587,641	\$
Operating gifts, grants and contracts	2,450,907	2,101,274
Sales and other services	5,224,683	
Other operating revenue	1,380,365	169,564
Auxiliary Enterprises		
College Bookstore	1,160,304	
Food Service Operations	995,389	
Residence Hall	1,360,458	
Total operating revenue	25,159,747	2,270,838
Operating Expenses		
Instruction	29,337,443	
Instruction support	5,074,485	
Student services	13,538,615	
College support services	8,205,024	2,536,409
Plant operations and maintenance	5,188,049	
Information technology services	4,513,649	
Depreciation	4,225,884	
Auxiliary Enterprises		
College Bookstore	1,486,711	
Food Service Operations	581,855	
Residence Hall	588,483	
Total operating expense	72,740,198	2,536,409
TOTAL OPERATING LOSS	(47,580,451)	(265,571)
Non-operating Revenue (Expenses)		
Federal appropriations	10,060,797	
State appropriations	14,412,648	
Property taxes	21,827,460	
Investment earnings	555,189	562,690
Interest expense	(3,059,415)	
Net Non-operating Revenue	43,796,679	562,690
Increase (decrease) in net position	(3,783,772)	297,119
Net position - beginning of year	51,858,166	25,031,874
Net position - end of year	\$ 48,074,394	\$ 25,328,993

See notes to the basic financial statements

CENTRAL OREGON COMMUNITY COLLEGE

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2020

	College
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 25,346,439
Cash payments for goods and services	(25,354,653)
Cash payments to employees	(36,697,041)
Net cash used by operating activities	(36,705,255)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash received from federal appropriation	10,060,797
Cash received from state appropriation	14,412,648
Cash received from property taxes	21,818,890
Change in beneficial interest in perpetual trust	67,284
Principal paid on long-term debt	(313,325)
Interest paid on long-term debt	(913,218)
Net cash provided by noncapital financing activities	45,133,076
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of buildings, improvements and equipment	(961,353)
Principal paid on capital - related long-term debt	(2,263,105)
Interest paid on capital - related long-term debt	(2,338,209)
Net cash used by capital financing activities	(5,562,667)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	555,189
Net cash provided by investing activities	555,189
Net increase in cash and pooled investments	3,420,343
Cash and pooled investments - beginning of year	27,667,437
Cash and pooled investments - end of year	\$ 31,087,780
Reconciliation of operating loss to net cash flows from operating activities:	
Operating loss	\$ (47,580,451)
Adjustments to reconcile operating loss to net cash provided by (used) by operating activities:	
Depreciation	4,225,884
(Increase) decrease in:	
Receivables	244,048
Prepaid expenses	96,015
Inventory	29,851
Pension prepayment	313,325
Deferred OPEB outflows of resources	101,148
Deferred pension outflows of resources	584,589
Increase (decrease) in:	
Accounts payable	(168,775)
Accrued expenses	10,179
Unearned revenue	(57,356)
Other post employment benefits payable	165,495
Net pension liability	5,300,251
Deferred OPEB inflows of resources	84,290
Deferred pension inflows of resources	(53,748)
Net Cash Used By Operating Activities	\$ (36,705,255)

See notes to the basic financial statements

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Central Oregon Community College, (the College), located in Bend, Oregon, is an accredited two-year Oregon community college serving the residents of Central Oregon. The College encompasses all of Crook, Deschutes, and Jefferson counties and portions of Klamath, Lake, and Wasco counties. Founded in 1949 as an extension of Deschutes County School District No. 1, the College was separated from School District No. 1, extended to cover its present geographic area, and established as an independent taxing District in 1962.

The accompanying financial statements present the College and its component unit (COCC Foundation), an entity whose primary purpose is for the financial benefit of the College. The Foundation is a legally separate nonprofit 501(c)(3) corporation with the purpose of providing funds to support the mission and students of the College. Although the Foundation selects its Board of Directors independently of the College, the Foundation is a component unit as defined in Governmental Accounting Standards Board Statement No. 39 because of the nature and significance of its financial relationship with the College and its students.

Basis of Presentation

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis of Public College and Universities*, issued in June and November, 1999, as amended by Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, issued June 2011. The College follows the “business-type activities” reporting requirements of GASB Statement No. 35 that provides a comprehensive one-column look at the College’s financial activities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles.

Basis of Accounting

The financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus. All transactions and events that affect the total economic resources (net position) during the period are reported. An economic resources measurement focus is inextricably connected with full accrual accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Basis of Accounting – Continued

The College distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and overheads, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Resources

It is the College's policy to first apply unrestricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net position is available.

Cash, Cash Equivalents and Investments

Cash and cash equivalents includes amounts in demand deposits, the Oregon Local Government Investment Pool and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the College to invest in obligations of the U.S. Treasury and U.S. Government agencies, commercial paper, repurchase agreements and the State of Oregon Local Government Investment Pool.

The College's investments as of June 30, 2020, consist of certificates of deposit and deposits in the State of Oregon Local Government Investment Pool, which is managed and monitored by the Oregon State Treasurer. Investments are recorded at cost, which approximates market value. The carrying value of the pool approximates the fair value of pool shares.

Receivables

All accounts, grants and property taxes receivable are shown net of an allowance for uncollectible accounts. Accounts receivable included amounts due from local, state and federal agencies for programs and from students for the balance of tuition and fees.

Property taxes receivable at year end are recognized as revenue. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Inventory

Inventories are stated using the cost (first-in/first-out) method. Inventories consist of books and supplies and are charged to expense when sold or used.

Restricted Assets

Assets whose use is restricted for construction, debt service or by other agreement are segregated by category in the Statement of Net Assets.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then.

Capital Assets

Capital assets consist of land, buildings, improvements and equipment. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair value as of the date of the donation. Capital assets are defined by the College as assets with an initial, individual cost of \$5,000 or more for machinery and equipment and a cost of \$25,000 or more for improvements and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Capital Assets – Continued

Depreciation is recorded as an expense in the Statement of Revenue, Expenses and Changes in Net Position with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

	Years
Buildings and improvements	40
Improvements other than buildings	15-20
Machinery and equipment	3-15

A prorated amount of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period. In the fund financial statements, acquisition of capital assets is reported as an expenditure.

Compensated Leave

Accumulated vacation leave is recorded in the fund obligated for such benefits. Compensated leave is recorded as an expense and liability as benefits accrue to the employee.

Pensions

Public Employees Retirement System. 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 Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Postemployment Healthcare Benefits Obligation (OPEB)

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

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, Federal Direct Lending, and Perkins Loans programs. Federal programs are audited in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

Scholarship Allowances

Financial aid to students is reported in the basic financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid such as loans, funds provided to students as awarded by third parties, and Federal Direct Lending is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the basic 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 college basis by allocating the cash payments to students, excluding payment for services, on the ratio of total aid to the aid not considered to be third party aid. The following operating expenses are shown net of scholarship allowances in the amount of:

Student services	\$ 4,051,505
Auxillary enterprises	
College bookstore	91,315
Food service operations	205,688
Residence hall	<u>263,336</u>
Total Scholarship Allowance	<u>\$ 4,611,844</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 2 – BUDGET COMPLIANCE

The College is subject to provisions of the Oregon Revised Statutes which set forth local budget procedures. A budget is prepared for each governmental fund type on the modified accrual basis of accounting. Proprietary fund types and non-expendable trusts are budgeted on the full accrual basis of accounting. Expenditure budgets are appropriated at the program level. Budgeted expenditures at the appropriation level may not be legally overspent. Budgetary information is presented in the Required Supplemental Information section of this report as listed in the table of contents.

The College may, however, approve additional appropriations for reimbursable grant expenditures, which could not be reasonably estimated at the time the budget was adopted. Additionally, budgets may be modified during the fiscal year by the use of appropriation transfers between legal categories. Such transfers require the approval of the Board of Directors.

A supplemental budget may be approved if an occurrence or need exists which had not been ascertained at the time the budget was adopted. Budget amounts shown in the financial statements include the original budget and budget transfers.

Transfers of general operating contingency appropriations which in aggregate during a fiscal year exceed fifteen percent of the total appropriations of the fund may only be made after adoption of a supplemental budget prepared for that purpose.

When the estimated total expenditures contained in a supplemental budget for a fiscal year result in an amount of estimated total expenditures, by the municipal corporation for that fiscal year, that differs by ten percent or more of any individual fund contained in the regular budget for that fiscal year, the supplemental budget, or summary thereof, shall be published. The governing body shall then hold a public hearing on the supplemental budget prior to adoption.

Transfers of appropriations from one fund to another or from one appropriation level to another must be authorized by official resolution or ordinance of the governing body. The resolution or ordinance must state the need for the transfer, the purpose for the authorized expenditures and the amount of the appropriation transferred.

NOTE 3 – POOLED CASH AND INVESTMENTS

The College's investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in bank accounts, general obligation issues of the United States, its agencies, and certain states, commercial paper and certain guaranteed investments issued by banks. The College invested in authorized investments during the year. The Oregon State Treasurer's Investment Pool is carried at cost, which approximates market value at June 30, 2020. The Oregon State Treasurer's Investment Pool is characterized as a Level 2 fair value measurement in the Oregon Short Term Fund's audited financial report.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 3 – POOLED CASH AND INVESTMENTS – CONTINUED

The College and Foundation’s cash and investments at June 30, 2020, consist of the following:

	Security	College	Foundation
Cash and cash equivalents			
Cash on hand and other	N/A	\$ 12,350	\$
Demand deposits	FDIC & Collateral	295,168	2,070,233
		307,518	2,070,233
Investments			
Oregon State Treasurer's			
Investment Pool - Level 2	N/A	30,780,262	
Commonfund Investments			22,126,414
CSV New York Life			44,752
		30,780,262	22,171,166
Cash and investments, as reported in statement of net position		\$ 31,087,780	\$ 24,241,399

Deposits with Financial Institutions

The College and Foundation’s deposits with financial institutions are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The College policy, in compliance with State Statutes, requires that deposits be covered by the FDIC and deposited in a qualified depository for public funds. Certain financial institutions have pledged they will cover deposits of public funds in any one of the group’s banks. The banks that have joined this group have been identified by the State Treasurer. The College only deposit funds in banks that have been approved by the Office of the State Treasurer. At June 30, 2020, the carrying amount of deposits in financial institutions was \$295,170 and \$2,070,233 and the balance per the bank statements was \$961,711 and \$2,068,284 for the College and Foundation, respectively. Of this amount, \$250,000 was covered by FDIC for each, the College and the Foundation, and \$45,170 and \$1,820,233 was collateralized by securities held by financial institutions acting as agents of the College and Foundation, respectively.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the College’s investment policy requires that investment portfolios have maturities of 18 months or less.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 3 – POOLED CASH AND INVESTMENTS – CONTINUED

Credit Risk

Oregon Revised Statutes limit investments in commercial paper and corporate bonds to those rated at least A-1 and AA respectively by a nationally recognized rating agency. The College investment policy does not further limit its investment choices. At June 30, 2020, the College was in compliance with the above state limitations. The State of Oregon Local Government Pool is unrated.

The Local Government Investment Pool is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. The Oregon Short Term Fund Board and the Oregon Investment Council regulate OSTF investments (ORS 294.805 to 294.895).

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of failure of counterparty, the College will not be able to recover the value of its investments that are in the possession of an outside party. The College did not have investments exposed to custodial credit risk at June 30, 2020.

NOTE 4 – PROPERTY TAXES

The College is currently subject to constitutional property tax limitation on property taxes for schools and non-school government entities. Under the provisions of the limitation, tax revenues are separated into those for public school systems, including community colleges and education service Colleges, and those for local government entities other than the public school system. The limitation specifies \$5 is the maximum allowable tax for each \$1,000 of real property value assessed on a property by all public school systems, including community colleges and education service districts. The limitation does not include taxes to repay bonded debt or certain special assessments.

Under the constitutional limitation, the maximum taxable assessed value of property for 1997-98 was reduced to 90% of each property's assessed value for the 1995-96 year. Increases to the assessed value are limited to 3% per year, with exceptions for new property and certain improvements. For the 1997-98 tax year, the total of most taxing district operating levies in the state were reduced by approximately 17%.

For subsequent years, the tax rates for each taxing district are permanently fixed based on the 1997-98 levy. Voters of a local taxing district may approve special levies limited to five years exceeding this limitation. Elections related to tax levies or bond measures require 50% of the registered voters to cast ballots to be valid except in May and November elections.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 4 – PROPERTY TAXES – CONTINUED

Taxes may be paid by the property owner by November 15 to receive a three percent discount. The installment method can also be used by the property owner, with one-third due November 15, February 15, and May 15, following the date of the lien. Unpaid taxes become subject to foreclosure four years after they become a lien on the property. Tax collections and foreclosure are the responsibility of the county tax collector and treasurer.

The Deschutes County assessor allocates property tax levies to the other counties included in the College's boundaries. The levy for the year ended June 30, 2020, by county, is as follows:

Deschutes County	\$ 18,588,507
Jefferson County	1,311,070
Crook County	1,691,691
Klamath County	252,864
Lake County	141,411
Wasco County	<u>8,419</u>
	<u>\$ 21,993,962</u>

NOTE 5 – RECEIVABLES

Accounts Receivable

All accounts, student loans, grants and property taxes receivable are shown net of an allowance for uncollectible accounts. Student loans receivable are recorded as tuition is assessed, or as amounts are advanced to students, under various federal student financial assistance programs. Allowance for uncollectible accounts is \$329,078 as of June 30, 2020.

Unreimbursed expenses from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as deferred revenue.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 6 – CAPITAL ASSETS

The changes in the College's capital assets for governmental activities are as follows:

	<u>Balance</u> <u>June 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2020</u>
Capital Assets not being depreciated				
Land	\$ 3,327,690	\$	\$	\$ 3,327,690
Construction work in progress	16,150	60,601	(16,150)	60,601
Art and collectibles	613,802	2,793		616,595
	<u>3,957,642</u>	<u>63,394</u>	<u>(16,150)</u>	<u>4,004,886</u>
Capital Assets being depreciated				
Improvements	7,425,525	356,675		7,782,200
Buildings	128,604,988	201,812		128,806,800
Equipment and other	10,749,441	359,122		11,108,563
	<u>146,779,954</u>	<u>917,609</u>		<u>147,697,563</u>
Accumulated depreciation	<u>(48,498,327)</u>	<u>(4,225,884)</u>		<u>(52,724,211)</u>
	<u>\$ 102,239,269</u>	<u>\$ (3,244,881)</u>	<u>\$ (16,150)</u>	<u>\$ 98,978,238</u>

The changes in the Foundation's capital assets for governmental activities are as follows:

	<u>Balance</u> <u>June 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2020</u>
Computer equipment	\$ 2,282	\$	\$	\$ 2,282
Furniture and equipment	4,975		(4,975)	
	7,257		(4,975)	2,282
Accumulated depreciation	<u>(7,257)</u>		<u>4,975</u>	<u>(2,282)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM DEBT

The College issued general obligation bonds to provide funds for the construction of capital facilities as approved by the electorate. The College is also obligated under full faith and credit obligations for the construction of capital facilities.

The College issued pension obligation bonds to offset a portion of the unfunded Oregon Public Employees Retirement Service (PERS) UAL liability. The unfunded liability is the difference between the retirement benefits that have accrued to College employees under PERS and the asset value available to pay for them. The pension obligation payments will be expensed to funds with payroll costs.

The following is a summary of the bond transactions and capital lease transactions for the year ended June 30, 2020:

Full Faith and Credit Obligations	
April 16, 2014, original issue was \$20,965,000, interest rate of 4% to 5% payable semiannually, principal paid annually; including unamortized premium of \$362,791.	\$ 19,208,280
General Obligation Bonds	
June 17, 2010 Issue, original issue was \$41,580,000, interest rate of 2% to 4.75% payable semiannually, principal paid annually; including unamortized premium of \$1,616,935.	31,539,941
Pension Obligation Bonds	
April 23, 2003 Issue, original issue was \$11,535,638, interest rate of 2.04% to 6.25% payable semiannually, principal paid annually.	7,066,402
Capital Lease	
The College has entered into a contract with Financial Pacific Leasing, Inc. for \$94,325. Payments are \$24,976 per year at 3.97%.	<u>24,022</u>
	<u>\$ 57,838,645</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM DEBT – CONTINUED

The following changes in long-term debt occurred for the year ended June 30, 2020.

<i>Principal</i>						
<u>Issue</u>	<u>Beginning Balance July 1, 2019</u>	<u>Issued</u>	<u>Matured</u>	<u>Paid</u>	<u>Ending Balance June 30, 2020</u>	<u>Due Within One Year</u>
April 23, 2003	\$ 7,379,725	\$	\$ 313,324	\$ 313,324	\$ 7,066,401	\$ 310,745
June 17, 2010	31,855,000		1,785,000	1,785,000	30,070,000	1,955,000
April 16, 2014	19,315,000		455,000	455,000	18,860,000	475,000
Capital lease	47,127		23,105	23,105	24,022	24,022
	<u>58,596,852</u>		<u>2,576,429</u>	<u>2,576,429</u>	<u>56,020,423</u>	<u>\$ 2,764,767</u>
Unamortized premium	1,979,727			(161,506)	1,818,221	
Totals	<u>\$ 60,576,579</u>	<u>\$ -</u>	<u>\$ 2,576,429</u>	<u>\$ 2,414,923</u>	<u>\$ 57,838,644</u>	<u>\$ 2,764,767</u>

<i>Interest</i>				
<u>Issue</u>	<u>Outstanding Issued</u>	<u>Matured</u>	<u>Paid</u>	<u>Outstanding June 30, 2020</u>
April 23, 2003	\$	\$ 913,218	\$ 913,218	\$
June 17, 2010		1,530,350	1,530,350	
April 16, 2014		805,988	805,988	
Capital lease		1,871	1,871	
		<u>\$ -</u>	<u>\$ 3,251,427</u>	<u>\$ -</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM DEBT – CONTINUED

Future maturities of long-term debt as are follows:

<u>Year Ended</u>	<u>Future Principal and Interest Requirements April 23, 2003 Issue</u>		<u>Future Principal and Interest Requirements June 17, 2010 Issue</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 310,745	\$ 975,797	\$ 1,955,000	\$ 1,457,525
2022	308,180	1,038,362	2,150,000	1,364,663
2023	307,476	1,104,066	2,360,000	1,262,538
2024	1,135,000	346,542	2,580,000	1,150,438
2025	1,270,000	282,301	2,815,000	1,027,888
2026-2030	3,735,000	381,932	18,210,000	2,809,202
	<u>\$ 7,066,401</u>	<u>\$ 4,129,000</u>	<u>\$ 30,070,000</u>	<u>\$ 9,072,254</u>

<u>Year Ended</u>	<u>Future Principal and Interest Requirements April 16, 2014 Issue</u>		<u>Future Principal and Interest Requirements Capital Lease</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 475,000	\$ 787,788	\$ 24,022	\$ 954
2022	490,000	768,787		
2023	510,000	749,188		
2024	530,000	728,787		
2025	550,000	707,588		
2026-2030	3,125,000	3,170,038		
2031-2035	3,890,000	2,414,038		
2036-2040	4,745,000	1,550,213		
2041-2044	4,545,000	493,213		
	<u>\$ 18,860,000</u>	<u>\$ 11,369,640</u>	<u>\$ 24,022</u>	<u>\$ 954</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM DEBT – CONTINUED

Year Ended	Future Principal and Interest Totals Requirements	
	Principal	Interest
2021	\$ 2,764,767	\$ 3,222,064
2022	2,948,180	3,171,812
2023	3,177,476	3,115,792
2024	4,245,000	2,225,767
2025	4,635,000	2,017,777
2026-2030	25,070,000	6,361,172
2031-2035	3,890,000	2,414,038
2036-2040	4,745,000	1,550,213
2041-2044	4,545,000	493,213
	\$ 56,020,423	\$ 24,571,848

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description

General Information about the Pension Plan

The Oregon Public Employees Retirement Systems (PERS or the System) provides statewide defined benefit and defined contribution plans for eligible employers such as units of state government, political subdivisions, community colleges and school districts. For the District and other eligible employers that have joined the State and Local Government Rate Pool, PERS is a cost-sharing, multiple-employer system. PERS is administered under Oregon Revised Statutes (ORS) Chapter 238, 238A and Internal Revenue Code Section 401(a) by the Public Employees Retirement Board. The Board has the authority under state statutes to amend the Plan's benefits and contribution rates. PERS issues publicly available financial reports that include financial statements and required supplementary information. The reports can be obtained from the Oregon Public Employees Retirement System, PO Box 23700, Tigard, Oregon 97281-3700 or by calling 1-503-598-7377 or at www.oregon.gov/pers. The Plan currently covers 145,863 retired plan members (or their beneficiaries) receiving benefits, 32,687 inactive members not receiving benefits, 13,306 inactive plan members not eligible for refund or retirement, and 175,997 active members.

The Plans offer retirement and disability benefits, post-employment healthcare benefits, annual cost of living increases and death benefits to Plan members and beneficiaries. Benefits differ depending upon employee entry date. PERS Tier One/Tier Two plans and the Oregon Public Service Employee's Retirement Plan (OPSRP)

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Plan Description – Continued

General Information about the Pension Plan – Continued

established for employees hired after August 29, 2003, are established by state statutes to provide benefits for state and local governments and their employees. The authority to establish and amend the benefit provisions of the Plan rests with the Oregon Legislature.

Benefits Provided

Tier one/tier two retirement benefit ORS Chapter 238

Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum payouts. The basic benefit is based on years of service and final average salary. A percentage (2.0% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under a formula plus annuity (for members who were contributing before August 21, 1981), or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible for retirement after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Benefits Provided – Continued

Tier one/tier two retirement benefit ORS Chapter 238 – Continued

Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes. After retirement members may choose to continue participation in a variable equities investment account and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2%.

OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping. OPERS contracts with VOYA Financial to maintain IAP participant records.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Individual Account Program

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for OPERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive OPERS members who return to employment following a six month or greater break in service. The new plan consists of the defined benefit pension plans and a defined contribution pension plan (the Individual Account Program or IAP). Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to the creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment. Members of OPERS and OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The College makes this contribution on behalf of its employees.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017, actuarial valuation, which became effective July 1, 2019. The State of Oregon and certain schools, community colleges and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020, were \$5,752,765, excluding amounts to fund employer specific liabilities.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the College reported a net pension liability of \$40,558,330 for its proportionate share of the net pension liability. The 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 December 31, 2017. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the College's proportionate share was .234% up from .233% in the prior year.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued

For the year ended June 30, 2020, the College recognized pension expense of \$5,868,700. At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,236,672	\$
Changes in assumptions	5,502,200	
Net difference between actual and expected earnings in investments		1,149,787
Changes in proportionate share	196,449	471,868
Differences between employer contributions and employer's proportionate share of system contributions	32,492	836,098
College contributions subsequent to measurement date	5,752,765	
Total	\$ 13,720,578	\$ 2,457,753

Deferred outflow of resources will be recognized by year as follows:

<u>Year Ended June 30,</u>	
2021	\$ 3,533,891
2022	83,205
2023	1,006,606
2024	841,023
2025	45,335
Total	\$ 5,510,060

Actuarial assumptions

The employer contribution rates effective July 1, 2019, through June 30, 2020, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Actuarial assumptions – Continued

amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Projected salary increase	3.50 percent based on overall payroll growth
Cost of living adjustment (COLA)	A blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with the Moro decision, blended based on service.
Mortality	Mortality rates based on healthy retirees and beneficiaries using RP-2014 healthy annuitant, sex-distinct, generational with Unisex, social security data scale, with collar adjustments and set-backs as described in the valuation. For active members RP-2014 healthy annuitant, sex-distinct, generational with Unisex, social security data scale, with collar adjustments and set-backs as described in the valuation. Disabled retiree mortality rates using RP-2014 disabled retirees, sex-distinct, generational with Unisex, social security data scale.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Actuarial assumptions – Continued

Actuarial valuations of an ongoing plan involve estimates of value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of long-term expected rate of return assumptions, in July 2017 the PERS board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's investment advisors. The table below shows Milliman's assumptions for each asset class in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Long-term Expected Rate of Return – Continued

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leverage loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Foreign Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equities	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.87%	5.62%
Farmland	1.87%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.87%	3.84%
Total	100.00%	
Assumed Inflation - Mean		2.50%

The discount rate used to measure the total pension liability was 7.20% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Sensitivity to the College's Proportion 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 7.20%, as well as what the College's proportionate share of the net pension liability should be if it were calculated using a discount rate that was 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
College's proportionate share of the net pension liability/(asset)	\$ 64,950,566	\$ 40,558,330	\$ 20,145,388

Pension plan fiduciary net position

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected rate of return on plan investments may be used to discount liabilities to the extent that the Plan's Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 often requires that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of solvency; it is left to professional judgement.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the Plan to a 100% funded position by the end of the amortization period if future experiences follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume the Plan assets earn the assumed rate of return and there are not future changes in the Plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the Plan's funded position.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM – CONTINUED

Pension plan fiduciary net position – Continued

Based on these circumstances, it is the PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows and outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2018, the following deferred items are reported:

- Difference between expected and actual experience
- Changes in assumptions
- Net difference between projected and actual earnings on investments
- Changes in employer proportion since the prior measurement date
- Difference between employer contributions and proportionate share of contributions
- Employer contributions made after the measurement date

Difference between expected and actual experience, changes in assumptions, changes in employer proportion and changes between employer contributions and proportionate share of contributions are amortized over the remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period. The average remaining service lives determined at the beginning of each measurement period are:

- Year ended June 30, 2019 – 5.2 years
- Year ended June 30, 2018 – 5.2 years
- Year ended June 30, 2017 – 5.3 years
- Year ended June 30, 2016 – 5.3 years
- Year ended June 30, 2015 – 5.4 years
- Year ended June 30, 2014 – 5.6 years

The net difference between projected and actual earnings attributable to each measurement period is amortized over a closed five-year period.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 9 – RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce the risk of incurring material losses related to the above, the College pays annual insurance premiums to a commercial supplier. Limitations on claims are as follows: general liability of \$15,000,000; excess liability of \$30,000,000 and property coverage of \$100,000,000. The College also carries commercial insurance for workers' compensation and employee health and accident insurance. Settled claims from those risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 10 – ORGANIZATION

The College is organized with a board of directors consisting of seven elected members. The board is charged with the affairs of the College and employs an administrative staff headed by the president of the college to manage the College's activities. The administrative staff is responsible for incorporating the various board actions and policies into the daily affairs of the College.

NOTE 11 – BENEFICIAL INTEREST IN PERPETUAL TRUST

The College is a beneficiary of an irrevocable trust created by a donor, the assets of which are not in the possession of the College. The College has an irrevocable right to receive the income from the trust's assets in perpetuity. Net interest income is paid annually to the College to be used for educational purposes. Effective the first business day of January 2001, the College shall receive an amount equal to the greater of five percent of the net fair value of the Trust assets or 85 percent of the net income of the Trust. Gains or losses related to the beneficial interests are reported as a net gain (loss) on perpetual trust, in the non-expendable trust fund, based on explicit donor stipulations. The fair value at June 30, 2020, of the beneficial interests was \$1,252,461.

The Foundation is a beneficiary of irrevocable trusts created by donors, the assets of which are not in the possession of the Foundation. The Foundation has an irrevocable right to receive the income from the trust's assets in perpetuity. Net realized and unrealized gains (losses) related to the beneficial interests are reported as changes in permanently restricted net assets based on explicit donor stipulations. The fair value at June 30, 2020, of the beneficial interests was \$1,137,085.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Grant Audit

The College receives grants from various federal, state, and local agencies that are subject to review and audit by these agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the College's management, such disallowances, if any will not be significant.

Legal Proceedings

The College is involved in various legal proceedings. Management believe that any losses arising from these actions will not materially affect the College's financial position.

NOTE 13 – COMPONENT UNITS

The discretely presented component unit is reported in a separate column in the government-wide statements to emphasize that it is legally separate from the primary government. The Central Oregon Community College Foundation is a separate non-profit organization established in 1955 to provide grants, loans and endowments for the education of the students of Central Oregon Community College. The Foundation's primary transaction with the College was \$1,500,819 in scholarships made during the year. Complete financial statements for the Central Oregon Community College Foundation may be obtained at the entity's administrative offices located at 2600 NW College Way, Bend, Oregon 97703.

NOTE 14 – POST-EMPLOYMENT BENEFITS

General Information about the Stipend Benefits Plan

Plan description – The College maintains a single employer stipend benefit program for its employees. This program covers all full-time PERS eligible employees employed by the College with at least 12 years of service as of June 30, 2002, and retire after attaining age 55 with at least 15 years of continuous service. Benefits are paid until the earlier of the participant's age 65, or until one year after the participant's death (one year after death if the stipend is used as a reimbursement of health premiums). The benefit amount is \$500 per month if the participant has 15 or more years of service at June 30, 2002, and \$300 per month if the participant has 12 to 14 years of service as of June 30, 2002, (certain names early retirees are grandfathered into a \$550 per month level).

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

General information about the PERS OPEB Plan

Oregon Public Employees Retirement System (PERS or the System) administers the Retirement Health Insurance Account (RHIA) cost-sharing, multiple-employer defined benefit Other Postemployment Benefit (OPEB) plan (the Plan) for units of state government, political subdivisions, community colleges and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan. Contributions are mandatory for each employer that is a member of PERS. As of June 30, 2019, there were 801 participating employers.

PERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage the System. All members of the Board are appointed by the governor and confirmed by the State Senate. The governor designates the chairperson. One member must be a public employer manager or a local elected official, one member must be a union-represented public employee or retiree and three members must have experience in business management, pension management or investing.

Contributions

Contributions for employers are recognized on the accrual basis of accounting. Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. These are amounts normally included in the employer statements cut off as of the fifth of the following month.

Plan Membership

RHIA was established by ORS 238.420. The plan was closed to new entrants hired on or after August 29, 2003. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

As of June 30, 2020, the inactive RHIA plan participants currently receiving benefits totaled 44,208, and there were 45,598 active and 11,347 inactive members who meet the requirements to receive RHIA benefits when they retire.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the College reported a net OPEB liability of \$1,729,099 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019. The Employer's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. As of the measurement date amounts paid by the College to the RHIA fund of the Oregon PERS, which represents its contributions to OPEB, were included in the College's deferred outflow of resources related to pensions. For the year ended June 30, 2020, the Employer recognized OPEB income of \$165,495.

Actuarial assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown below are based on the 2018 Experience Study, which reviewed experience for the four-year period ended on December 31, 2018.

The total OPEB liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method – Entry Age Normal, level percent of salary
- Interest rate for discount future liabilities – 3.50% per year, based on all years discounted at municipal bond rate (based on Bond Buyer 20-Bond General Obligation Index as of June 30, 2019).
- Inflation – 2.5%
- Salary scale – 2.5% per year plus the Salary Merit Scale
- Salary Merit Scale – total payroll increase is overall payroll growth plus a salary merit scale. Sample rates are as follows:

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

Actuarial assumptions – Continued

Duration	Rate
0	3.53%
5	2.01%
10	0.82%
15	-0.07%
20	-0.67%
25	-0.91%
30+	-0.94%

- Annual premium increase rate:

Year	Rate
2019-20	5.0%
2020-21	2.2%
2021-22	6.0%
2022-23	6.6%
2023-24	6.5%
2024-25	6.4%
2025-26	6.3%
2026-27	6.2%
2027-28	6.1%
2028-29	6.0%
2029-30	2.9%
2030-31	5.8%
2032-33	5.6%
2034+	5.0%

- Mortality rates: Male and female – Basic table: RP 2014 employee/healthy annuitant, sex distinct, generational; Improvement scale: Unisex social security data scale (60 year average); Active employee/retiree adjustments: white collar adjustment, set back 12 months; Blended adjustments: Blended 50% blue collar/50% white collar, set back 12 months for males, no set back for females.
- Turnover rates – as developed for the valuation of benefits under Oregon PERS. For the current school year, it is assumed that terminations are reflected in the census data provided.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

Actuarial assumptions – Continued

Years of Service	Male	Female
0	16.6%	13.5%
5	6.9%	7.1%
10	3.3%	3.9%
15	2.3%	2.7%
20	1.6%	2.0%
25	1.2%	1.5%
30+	1.2%	1.5%

- Disability rates – As developed for the valuation of benefits under Oregon PERS. Sample rates are as follows:

Age	Rate
30	0.0230%
35	0.0352%
40	0.0567%
45	0.0930%
50	0.1608%

- Retirement rates – as developed for the valuation of benefits under Oregon PERS. For the current school year, it is assumed that retirements are reflected in the census data provided. It is also assumed employees will retire by the time both employee and dependent have reached age 65, the age at which they can no longer receive subsidized health benefits.
- Participation – of the active employees currently enrolled in a medical plan 70% are assumed to remain enrolled at retirement until Medicare eligibility.
- Plan enrollment – current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled, if any.
- Marital status – 50% of future retirees electing coverage are assumed to cover a spouse as well. Males are assumed to be three years older than their female spouses. Actual marital status as of the valuation date is used for current retirees.
- Coverage of eligible Children – assumed no impact of dependent children on the implicit subsidy.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

Actuarial assumptions – Continued

- Health care claims costs – 2018-19 claims costs for an age 64 retiree or spouse are assumed to be:

		<u>MODA</u>		<u>MODA</u>
				<u>Synergy/Summit</u>
A	\$		\$	14,059
B		13,205		12,441
C		12,229		11,521
D		11,271		10,619
E		10,089		9,506
F		9,987		9,410

- Aging factors – gaining factors are used to adjust the age 64 per capita claims costs:

	<u>Attained Age</u>	<u>Factor Per Year</u>
	Under 40	4.00%
	40-44	3.75%
	45-49	3.50%
	50-54	3.00%
	55-64	3.25%

- Dental and vision costs – no assumed implicit subsidy due to dental or vision costs.
- Changes since prior valuation – Premium increase rates were modified to reflect anticipated experience and current Oregon Law. Demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS.

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2019, and June 30, 2020, was 3.50%. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – POST-EMPLOYMENT BENEFITS – CONTINUED

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. More information on the Plan’s portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means are included in the PERS’ audited financial statements.

Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the Plan as of June 30, 2020, calculated using the discount rate of 3.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
District's proportionate share of the net pension liability/(asset)	\$ 1,863,675	\$ 1,729,099	\$ 1,675,640

Deferred Inflows of Resources and Deferred Outflows of Resources

Deferred inflows of resources and deferred outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2020, there were:

- Differences between expected and actual experience.
- Differences due to changes of assumptions.

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period “layers” attributable to each measurement period.

The average remaining service life determined as of the beginning of the June 30, 2020, measurement period is 3.7 years.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 15 – FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgement exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The Oregon State Treasurer's Investment Pool is characterized as a Level 2 fair value measurement in the Oregon Short-Term Fund's audited financial report for the College.

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 15 – FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY – CONTINUED

The following table sets forth by level, within the fair value hierarchy, assets at fair value as of June 30, 2020, for the Foundation:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Commonfund investments	\$ 3,306,056	\$ 19,957,356	\$ 87	\$ 23,263,499
CSV New York Life	44,752			44,752
	<u>\$ 3,350,808</u>	<u>\$ 19,957,356</u>	<u>\$ 87</u>	<u>\$ 23,308,251</u>

The fair value of assets is displayed in the Statement of Financial Position as follows:

Investments	\$ 22,126,414
Cash surrender value of life insurance benefit	44,752
Beneficial interest in perpetual trust	<u>1,137,085</u>
	<u>\$ 23,308,251</u>

NOTE 16 – RISK AND UNCERTAINTIES

As a result of the COVID-19 pandemic, the College converted to remote learning during spring term. Students living on campus received credits for their unused housing through the end of the academic year, resulting in lost revenue of approximately \$590 thousand, which would have been included in Auxiliary enterprises on the Statement of Activities for the fiscal year ended June 30, 2020.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act Higher Education Emergency Relief Fund allocated funding of \$3.1 million to the College. It was required that at least half of this funding be distributed directly to students as emergency aid for expenses related to the disruption of campus operations during the pandemic. The remaining portion of this funding was allocated to support institutional expenses incurred as a result of shifting students to remote learning and faculty and employees to remote work. During the year ended June 30, 2020, \$1.4 million was disbursed to qualifying students. The College expects to disburse the remainder of these funds during the fiscal year ending June 30, 2021.

REQUIRED SUPPLEMENTAL INFORMATION

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS YEAR ENDED JUNE 30, 2020

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Fiscal Year Ending June 30,	Employer's proportion of the net pension liability (NPL)	Employer's proportionate share of the net pension liability (NPL)	Employer's covered payroll	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of total pension
2020	0.023%	\$ 40,558,330	\$ 23,952,475	169.33%	80.20%
2019	0.022%	\$ 35,258,079	\$ 22,428,063	157.21%	82.10%
2018	0.024%	\$ 31,355,843	\$ 24,169,944	129.73%	83.10%
2017	0.027%	\$ 36,737,387	\$ 22,203,147	165.50%	80.50%
2016	0.024%	\$ 14,167,747	\$ 20,733,321	68.30%	91.10%

Note: The schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend has been compiled, information is presented only for the years which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ending June 30,	Statutorily required contribution	Contributions in relations to the statutorily required contributions	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 5,752,765	\$ 5,752,765	\$ -	\$ 23,952,475	24.02%
2019	\$ 4,767,935	\$ 4,767,935	\$ -	\$ 22,428,063	21.26%
2018	\$ 4,932,234	\$ 4,932,234	\$ -	\$ 24,169,944	20.41%
2017	\$ 4,085,379	\$ 4,085,379	\$ -	\$ 22,203,147	18.40%
2016	\$ 4,001,531	\$ 4,001,531	\$ -	\$ 20,733,321	19.30%

Note: The schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend has been compiled, information is presented only for the years which the required supplementary information is available.

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND SCHEDULE OF CONTRIBUTIONS OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM OPEB PLAN YEAR ENDED JUNE 30, 2020

SCHEDULE OF PROPORTIONATE SHARE OF THE OPERS NET OPEB LIABILITY

Fiscal Year Ending June 30,	Employer's proportion of the net OPEB liability (NPL)	Employer's proportionate share of the net OPEB liability/(asset)	Employer's covered payroll	NOPEB liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.217%	\$ 1,729,099	\$ 23,952,475	7.22%	144.4%
2019	0.230%	\$ 1,563,604	\$ 22,428,063	6.97%	124.0%
2018	0.220%	\$ 1,530,125	\$ 24,169,944	6.33%	-108.90%
2017	0.240%	\$ 1,438,007	\$ 22,203,147	6.48%	94.20%

Note: The schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend has been compiled, information is presented only for the years which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ending June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 84,290	\$ 84,290	\$ -	\$ 23,952,475	0.35%
2019	\$ 149,002	\$ 149,002	\$ -	\$ 22,428,063	0.66%
2018	\$ 117,319	\$ 117,319	\$ -	\$ 24,169,944	0.49%
2017	\$ 110,126	\$ 110,126	\$ -	\$ 22,203,147	0.50%

Note: The schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend has been compiled, information is presented only for the years which the required supplementary information is available.

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF CHANGES IN THE COLLEGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS EARLY RETIREMENT PLAN YEAR ENDED JUNE 30, 2020

	June 30, 2020	June 30, 2019
TOTAL OPEB LIABILITY		
Service Cost	\$ 158,284	\$ 126,943
Interest on total OPEB liability	75,939	57,422
Differences between expected and actual experience		(3,301)
Changes of assumptions or other input		(114,705)
Benefit payments	(68,728)	(32,880)
Net Change in total OPEB liability	165,495	33,479
Total OPEB liability - beginning	1,563,604	1,530,125
TOTAL OPEB LIABILITY - ENDING	\$ 1,729,099	\$ 1,563,604
Covered employee payroll	\$ 23,952,475	\$ 22,428,063
Total OPEB liability - ending as a percentage of covered employee payroll	7.22%	6.97%

Note: The schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend has been compiled, information is presented only for the years which the required supplementary information is available.

SUPPLEMENTARY INFORMATION

General Fund

The general fund accounts for financial resources, for the College, which are not accounted for in any other fund. The principal revenues are property taxes, tuition and state support. The purpose of the expenditures is education.

CENTRAL OREGON COMMUNITY COLLEGE

COMPARATIVE SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE GENERAL FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 6,448,674	\$ 3,656,573
Cash with county treasurers	154,466	99,888
Property taxes receivable	517,876	507,909
Accounts receivable	4,274,621	6,370,735
Allowance for doubtful accounts	(329,078)	(321,507)
Prepays	7,750	103,765
	\$ 11,074,309	\$ 10,417,363
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 3,587,052	\$ 3,801,753
Accrued compensated leave	668,497	658,318
	4,255,549	4,460,071
<i>Total liabilities</i>		
Deferred inflows of resources unavailable property taxes	339,735	365,901
 Fund balance:		
Unreserved	6,479,025	5,591,391
	6,479,025	5,591,391
<i>Total fund balance</i>		
<i>Total liabilities and fund balance</i>	\$ 11,074,309	\$ 10,417,363

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET

GENERAL FUND BUDGETARY BASIS

YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenue				
<i>Local:</i>				
Property taxes	\$ 18,261,000	\$ 18,261,000	\$ 18,532,099	\$ 271,099
Tuition and fees	17,763,100	17,763,100	17,199,485	(563,615)
Interest	30,000	30,000	62,544	32,544
Other	120,000	120,000	68,633	(51,367)
<i>Intergovernmental:</i>				
State	7,510,000	7,510,000	8,868,175	1,358,175
<i>Transfer from other funds</i>	2,160,000	2,160,000		(2,160,000)
 <i>Total revenue</i>	 45,844,100	 45,844,100	 44,730,936	 (1,113,164)
 Beginning fund balance	 5,685,000	 5,685,000	 5,591,391	 (93,609)
 <i>Total available for appropriation</i>	 \$ 51,529,100	 \$ 51,529,100	 \$ 50,322,327	 \$ (1,206,773)
 Expenditures				
<i>Instruction:</i>				
Humanities office	\$ 65,527	\$ 65,527	\$ 51,383	\$ (14,144)
Writing/literature	1,905,084	1,906,584	1,582,460	(324,124)
Foreign languages	523,632	523,632	568,864	45,232
Speech	557,215	557,715	546,291	(11,424)
Social science office	71,971	71,971	66,660	(5,311)
Music	403,011	403,211	397,188	(6,023)
Art	684,073	684,073	563,350	(120,723)
Theater arts	58,601	58,601	42,604	(15,997)
Fine arts and communication office	78,429	78,429	59,014	(19,415)
Business administration	752,997	752,997	739,377	(13,620)
Culinary program	898,639	898,639	784,047	(114,592)
Business administration office	61,645	61,645	39,093	(22,552)
Journalism	6,219	6,219		(6,219)
Culinary program office	65,876	65,876	32,319	(33,557)
World languages and cultures office	48,422	48,422	49,892	1,470
Philosophy	18,894	18,894	32,987	14,093
Addiction studies	143,291	143,291	146,504	3,213
Anthropology	263,927	263,927	264,828	901
Criminal justice	266,018	266,018	220,687	(45,331)
Economics	119,681	119,681	117,608	(2,073)
Education	312,936	312,936	298,823	(14,113)
Geography	136,069	136,069	109,294	(26,775)
History	237,941	237,941	244,131	6,190
Human development	205,548	205,548	214,610	9,062
Political science	21,798	21,798	31,879	10,081
Psychology	478,605	478,605	463,139	(15,466)
Sociology	282,814	282,814	260,815	(21,999)
AVANZA	77,018	77,018	44,040	(32,978)
Regional services & R.C. operations	272,395	272,395	193,336	(79,059)
Regional services & M.C. operations	226,326	226,326	224,688	(1,638)
Regional services & P.C. operations	231,239	231,239	232,336	1,097

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET GENERAL FUND (CONTINUED) BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>Instruction - continued</i>				
Engineering and engineering tech.	179,131	179,131	167,884	(11,247)
Science office	77,315	77,315	75,345	(1,970)
Mathematics	1,851,020	1,852,520	1,779,068	(73,452)
Biological science	1,234,675	1,234,675	1,174,435	(60,240)
Chemistry	554,111	554,111	520,273	(33,838)
Physics	226,627	226,627	226,893	266
Geology	96,150	98,350	100,566	2,216
Nursing	1,221,257	1,221,457	1,137,978	(83,479)
Health and human performance office	149,373	149,373	153,054	3,681
Health and human performance	1,036,748	1,036,748	853,087	(183,661)
Math office	77,252	77,252	82,344	5,092
Allied health	6,685	41,461	60,443	18,982
Computer information systems	1,194,910	1,194,910	1,079,376	(115,534)
Licensed massage therapy	244,080	244,080	240,113	(3,967)
Emergency medical service	342,304	343,304	352,854	9,550
Dental assisting	263,118	263,118	256,530	(6,588)
Medical assisting	233,156	198,380	147,695	(50,685)
Allied health office	71,984	71,984	71,216	(768)
Pharmacy technician	124,284	124,284	108,301	(15,983)
Veterinary technician program	251,949	251,949	229,463	(22,486)
CIS Office	63,614	63,614	56,055	(7,559)
Nursing office	75,993	75,993	81,424	5,431
HHP: Health classes	4,649	4,649		(4,649)
HHP: Recreation (O.R.L.T.)	224,514	224,514	226,166	1,652
Ponderosa office	107,724	107,724	80,964	(26,760)
Forestry technology	489,980	489,980	454,251	(35,729)
Automotive	419,734	419,734	380,168	(39,566)
Health information technology	270,341	270,341	225,196	(45,145)
Manufacturing processes	360,633	360,633	357,575	(3,058)
Apprenticeship	17,466	17,466	23,891	6,425
Wildland fire management	87,705	87,705	76,221	(11,484)
Structural fire science	97,923	97,923	184,811	86,888
Geographical information systems	113,092	113,092	124,739	11,647
Aviation program	358,138	358,138	318,471	(39,667)
Military science	1,250	1,250	599	(651)
Non-destructive testing	960	960		(960)
Regional credit instruction - Madras	5,940	4,360	3,148	(1,212)
Regional credit instruction - Prineville	4,977	3,465	1,331	(2,134)
Regional credit instruction - Redmond	11,409	8,040	(516)	(8,556)
Library skills	37,300	37,300	37,615	315
Instruction transfers	896,659	896,659	896,659	
<i>Total instruction</i>	<u>22,561,971</u>	<u>22,562,610</u>	<u>20,967,933</u>	<u>(1,594,677)</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET GENERAL FUND (CONTINUED) BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Expenditures - continued				
<i>Instructional support:</i>				
Office of the Vice President of instruction	380,265	380,826	375,584	(5,242)
Library	1,282,879	1,282,879	1,186,843	(96,036)
Commencement and convocation	31,271	31,271	9,123	(22,148)
Tutoring and testing	576,231	576,231	600,883	24,652
eLearning and academic technology	371,938	407,438	465,434	57,996
Instructional deans	924,881	923,681	887,414	(36,267)
Curriculum and assessment	231,830	231,830	240,985	9,155
ITS-instructional software	249,208	213,708	178,391	(35,317)
Instructional support transfers	250,276	250,276	258,276	8,000
<i>Total instructional support</i>	<u>4,298,779</u>	<u>4,298,140</u>	<u>4,202,933</u>	<u>(95,207)</u>
<i>Student services:</i>				
Admissions	1,032,604	1,032,604	941,360	(91,244)
Counseling center	76,458	76,458	63,512	(12,946)
Student life	342,986	342,986	272,802	(70,184)
Financial aid	748,286	748,286	644,377	(103,909)
Career services and job placement	138,061	138,061	123,849	(14,212)
Student outreach and contact	294,197	294,197	188,465	(105,732)
Multicultural activities	262,844	262,844	251,937	(10,907)
Club sports	268,663	268,663	172,932	(95,731)
Enrollment cashiering	86,833	86,833	89,160	2,327
Disability services	311,194	311,194	259,772	(51,422)
Office of the Dean of student and enrollment services	492,247	492,247	474,895	(17,352)
Advising	607,699	607,699	456,960	(150,739)
Placement testing	108,739	108,739	65,849	(42,890)
First year experience	221,969	221,969	205,742	(16,227)
ITS-student services software	43,325	43,325	42,225	(1,100)
Student service transfers	1,250	1,250	1,250	
<i>Total student services</i>	<u>5,037,355</u>	<u>5,037,355</u>	<u>4,255,087</u>	<u>(782,268)</u>
<i>College support services:</i>				
Governing board	98,362	98,362	104,215	5,853
President's office	423,952	423,952	420,861	(3,091)
Fiscal services	673,911	673,911	659,354	(14,557)
Campus public safety	946,906	946,906	838,074	(108,832)
Human resources	620,586	620,586	597,592	(22,994)
Mail services	192,171	192,171	125,685	(66,486)
College relations	784,916	784,916	817,890	32,974
Chief Financial Officer	531,605	531,605	521,150	(10,455)
Legal, audit, and professional services	83,183	83,183	84,375	1,192
Elections	29,355	29,355		(29,355)
General institutional support	422,071	422,071	453,420	31,349
Liability and other insurance	129,737	129,737	104,759	(24,978)
Institutional effectiveness	354,352	354,352	287,961	(66,391)

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET GENERAL FUND (CONTINUED) BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>College support services continued:</i>				
Vice President for Administration	376,855	376,855	395,797	18,942
Community College Development	6,590	6,590	10,722	4,132
College support transfers	217,916	217,916	217,916	
<i>Total college support services</i>	5,892,468	5,892,468	5,639,771	(252,697)
<i>Plant operations and maintenance:</i>				
Custodial services	1,352,382	1,352,382	1,012,632	(339,750)
Utilities	1,114,935	1,114,935	990,806	(124,129)
Fire and boiler insurance	139,739	139,739	139,088	(651)
Maintenance of grounds	632,281	632,281	652,206	19,925
Maintenance of buildings	993,614	993,614	835,550	(158,064)
Plant administration	373,778	373,778	326,134	(47,644)
Campus shuttle	101,897	101,897	1,703	(100,194)
Plant operations transfers	217,793	217,793	217,793	
<i>Total plant operations and maintenance</i>	4,926,419	4,926,419	4,175,912	(750,507)
<i>Information technology services:</i>				
Information technology services	1,433,666	1,433,666	1,120,101	(313,565)
Management information systems	722,121	722,121	555,880	(166,241)
User services	895,243	895,243	796,553	(98,690)
Enterprise computing services	559,740	559,740	481,322	(78,418)
Network/Telecom and media services	605,318	605,318	561,647	(43,671)
Web development	120,321	120,321	117,038	(3,283)
Regional IT services - Madras			1,135	1,135
Regional IT services - Prineville	77,058	77,058		(77,058)
Project management	141,105	141,105	62,460	(78,645)
Information security	134,138	134,138	130,439	(3,699)
<i>Total information technology services</i>	4,688,710	4,688,710	3,826,575	(862,135)
Financial aid transactions:				
Financial aid transactions	112,897	112,897	92,909	(19,988)
Other financial aid	182,182	182,182	182,182	
<i>Total financial aid transactions</i>	295,079	295,079	275,091	(19,988)
Operating contingency				
Operating contingency	800,000	800,000		(800,000)
Operating contingency transfer			500,000	500,000
<i>Total operating contingency transactions</i>	800,000	800,000	500,000	(300,000)
<i>Total expenditures</i>	\$ 48,500,781	\$ 48,500,781	\$ 43,843,302	\$ (4,657,479)

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET GENERAL FUND (CONTINUED) BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Expenditures - continued				
General Fund Summary				
Total revenue	\$ 45,844,100	\$ 45,844,100	\$ 44,730,936	\$ (1,113,164)
Beginning fund balance	<u>5,685,000</u>	<u>5,685,000</u>	<u>5,591,391</u>	<u>(93,609)</u>
<i>Total available for appropriations</i>	<u>51,529,100</u>	<u>51,529,100</u>	<u>50,322,327</u>	<u>(1,206,773)</u>
Expenditures:				
Instruction	22,561,971	22,562,610	20,967,933	(1,594,677)
Instructional support	4,298,779	4,298,140	4,202,933	(95,207)
Student services	5,037,355	5,037,355	4,255,087	(782,268)
College support services	5,892,468	5,892,468	5,639,771	(252,697)
Plant operations and maintenance	4,926,419	4,926,419	4,175,912	(750,507)
Information technology service	4,688,710	4,688,710	3,826,575	(862,135)
Financial aid	295,079	295,079	275,091	(19,988)
Operating contingency	<u>800,000</u>	<u>800,000</u>	<u>500,000</u>	<u>(300,000)</u>
<i>Total expenditures</i>	<u>48,500,781</u>	<u>48,500,781</u>	<u>43,843,302</u>	<u>(4,657,479)</u>
Ending fund balance	<u>\$ 3,028,319</u>	<u>\$ 3,028,319</u>	<u>\$ 6,479,025</u>	<u>\$ 3,450,706</u>

Special Revenue Funds

These funds account for proceeds of specific revenue sources that are restricted to expenditures for that specific purpose.

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE

SPECIAL REVENUE FUNDS

BUDGETARY BASIS

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Contracts and Grants	Auxiliary	Reserve
ASSETS			
Current Assets			
Pooled cash and investments	\$	\$ 12,175,116	\$ 1,422,696
Accounts receivable	644,804	32,259	
	644,804	32,259	
Total assets	\$ 644,804	\$ 12,207,375	\$ 1,422,696
LIABILITIES AND FUND EQUITY			
Liabilities			
Deficit in pooled cash and investments	\$ 57,126	\$	\$
Accounts payable	26,226	242,065	
Deferred revenue		2,097,167	
	83,352	2,339,232	
Total current liabilities	83,352	2,339,232	
Fund Equity			
Fund balance			
Reserved			
Retiree benefits			471,057
PERS reserve			951,639
COVID			
Unreserved - undesignated	561,452	9,868,143	
	561,452	9,868,143	
Total fund balance	561,452	9,868,143	1,422,696
Total liabilities and fund equity	\$ 644,804	\$ 12,207,375	\$ 1,422,696

<u>Financial Aid</u>	<u>Totals</u>	
	<u>2020</u>	<u>2019</u>
\$ 889,960	\$ 14,487,772	\$ 13,135,388
40,310	717,373	537,910
<u>\$ 930,270</u>	<u>\$ 15,205,145</u>	<u>\$ 13,673,298</u>
\$ 59,087	\$ 57,126	\$ 302,940
8,301	327,378	1,859,236
<u>67,388</u>	<u>2,105,468</u>	<u>1,859,236</u>
	471,057	459,227
	951,639	933,700
181,736	181,736	
<u>681,146</u>	<u>11,110,741</u>	<u>10,118,195</u>
<u>862,882</u>	<u>12,715,173</u>	<u>11,511,122</u>
<u>\$ 930,270</u>	<u>\$ 15,205,145</u>	<u>\$ 13,673,298</u>

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

BUDGETARY BASIS

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Contracts and Grants	Auxiliary	Reserve
Revenue			
Local			
Charges for services	\$ 10,560	\$ 3,848,095	\$
Interest		290,720	26,791
Grants	974,798	21,653	
Other		1,224,442	
Intergovernmental			
State	469,971		
Federal	2,102,095		
Total Revenue	3,557,424	5,384,910	26,791
Expenditures			
Current			
Instruction	1,818,454	4,432,075	
Instructional support	782	430,541	
Student services	86,381	196,807	
College support services	236,264	930,468	(2,978)
Financial aid	150,561	23,662	
Capital outlay	127,970	365,844	
Total Expenditures	2,420,412	6,379,397	(2,978)
Excess of revenue over (under) expenditures	1,137,012	(994,487)	29,769
Other financing sources (uses)			
Transfer in	50,978	2,071,027	
Transfer out	(1,132,049)	(198,728)	
	(1,081,071)	1,872,299	
Excess of revenue and other sources over (under) expenditures and other uses	55,941	877,812	29,769
FUND BALANCE - beginning of year	505,511	8,990,331	1,392,927
FUND BALANCE - end of year	\$ 561,452	\$ 9,868,143	\$ 1,422,696

Financial Aid	Totals	
	2020	2019
\$	\$	\$
35,000	3,858,655	4,619,414
1,454,456	352,511	395,805
16,480	2,450,907	2,058,539
	1,240,922	1,089,275
3,239,017	3,708,988	3,967,187
7,958,702	10,060,797	7,994,343
<u>12,703,655</u>	<u>21,672,780</u>	<u>20,124,563</u>
	6,250,529	6,096,941
	431,323	417,379
164,957	448,145	540,255
	1,163,754	1,414,376
12,480,351	12,654,574	11,459,852
	493,814	355,725
<u>12,645,308</u>	<u>21,442,139</u>	<u>20,284,528</u>
58,347	230,641	(159,965)
220,173	2,342,178	1,974,897
(37,991)	(1,368,768)	(2,076,373)
<u>182,182</u>	<u>973,410</u>	<u>(101,476)</u>
240,529	1,204,051	(261,441)
622,353	11,511,122	11,772,563
<u>\$ 862,882</u>	<u>\$ 12,715,173</u>	<u>\$ 11,511,122</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION GRANTS AND CONTRACTS FUND BUDGETARY BASIS JUNE 30, 2020

	Sub-Fund Number	Beginning Balance	Revenue	Expenditures	Ending Balance
ABE - Special Projects	31100	\$ 8,405	\$ 289,049	\$ 278,020	\$ 19,434
Carl Perkins	31101		45,308	45,308	
SBA Grant	31105		33,000	33,000	
SBA Grant Match	31108		40,000	40,000	
SBA Portable Assistance Project	31109		16,235	16,235	
Strengthening Institutions Program	31161		345,816	345,816	
NSF - NEVTX2 Grant	31162		180,363	180,363	
OEM-CERT Training Grant	31163		16,388	16,388	
OEM-Homeland Security Grant	31167		32,500	32,500	
Better Together HSEP	31168		15,126	15,126	
CARES Grant	31169		995,874	995,874	
SBA CARES Grant	31170		30,000	30,000	
COVID-19 Library Grant	31171		2,996	2,996	
OBDD	32226		72,000	72,000	
Scale Oregon Grant	32255	935	19,000	19,935	
ABS Pathways Grant	32257	40,213	48,752	88,965	
Oregon Develop Education Work Grant	32261	1,347			1,347
Student Success Grant	32268	32,910		32,910	
East Cascades Works	32276	70,646	175,467	246,113	
Pathways to Opportunity	32278	11,265	18,750	18,990	11,025
ECW-Construction Training Cohort	32279	17,000	33,000	50,000	
ECW-GED	32280		2,652	2,652	
First Generation Student Success	32281		34,832	15,147	19,685
ABE Professional Development	32282		15,000	10,154	4,846
SCALE Program Mgmt	32283		12,000	12,000	
Capital Access Team Grant	32284		7,500	7,500	
ECW - CNA Training	32285		33,670		33,670
Cascade Health Services Support	33332	16,000			16,000
Veteran-Partnership to End Poverty	33342	8,518		1,229	7,289
Regional Promise Grant	33350		5,808	5,808	
Meyer Memorial-Latino & Native American	33355	66,258		45,924	
Deer Ridge Entrepreneurship Program	33363	17,128		21,021	(3,893)
Ford Family Latinx & Native Prep	33366	100,000	85,000	2,346	182,654
Portland CC STEP	33367	23,416	53,840		77,256
Electric Vehicle Charging Station	33368		69,642	69,642	
Walmart - GANAS	33369		5,000	5,000	
ECW-Allied Health Programs	33370		42,449	42,449	
Oregon Humanities Red Door Project	33371		1,000	1,000	
St. Charles Red Door Project	33372		2,000	2,000	
D.C.C. Red Door Project	33373		2,900	2,900	
T.E.C. Rethink Waste Project	33374		2,000		2,000
Deer Ridge Correctional Institution	34355	32,855	522,578	477,067	78,366
OCF - GANAS	34361		2,500	2,500	
WEBCO-Partners in Practice	34363		91,602	91,602	
Deer Ridge Correctional Institution-WBE	34365	58,615	201,805	168,981	91,439
HDESD-Migrant Ed Summer School	34366		5,000	5,000	
		<u>\$ 505,511</u>	<u>\$ 3,608,402</u>	<u>\$ 3,552,461</u>	<u>\$ 541,118</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT GRANTS AND CONTRACTS FUND

BUDGETARY BASIS

JUNE 30, 2020

	Charge for Services	Intergovernmental		Grants and Contracts	Transfers In	Total
		State	Federal			
ABE - Special Projects	\$ 10,560	\$	\$ 278,489	\$	\$	\$ 289,049
Carl Perkins			45,308			45,308
SBA Grant			33,000			33,000
SBA Grant Match					40,000	40,000
SBA Portable Assistance Project			16,235			16,235
Strengthening Institutions Program			345,816			345,816
NSF - NEVTX2 Grant			180,363			180,363
OEM-CERT Training Grant			16,388			16,388
OEM-Homeland Security Grant			32,500			32,500
Better Together HSEP			15,126			15,126
CARES Grant			995,874			995,874
SBA CARES Grant			30,000			30,000
COVID-19 Library Grant			2,996			2,996
OBDD		72,000				72,000
Scale Oregon Grant		19,000				19,000
ABS Pathways Grant		48,752				48,752
East Cascades Works		175,467				175,467
Pathways to Opportunity		18,750				18,750
ECW-Construction Training Cohort		33,000				33,000
ECW-GED				2,652		2,652
First Generation Student Success		34,832				34,832
ABE Professional Development		15,000				15,000
SCALE Program Mgmt		12,000				12,000
Capital Access Team Grant		7,500				7,500
ECW - CNA Training		33,670				33,670
Regional Promise Grant				5,808		5,808
Ford Family Latinx & Native Prep				85,000		85,000
Portland CC STEP				53,840		53,840
Electric Vehicle Charging Station				58,664	10,978	69,642
Walmart - GANAS				5,000		5,000
ECW-Allied Health Programs				42,449		42,449
Oregon Humanities Red Door Project				1,000		1,000
St. Charles Red Door Project				2,000		2,000
D.C.C. Red Door Project				2,900		2,900
T.E.C. Rethink Waste Project				2,000		2,000
Deer Ridge Correctional Institution			77,000	445,578		522,578
OCF - GANAS				2,500		2,500
WEBCO-Partners in Practice				91,602		91,602
Deer Ridge Correctional Institution-WBE			33,000	168,805		201,805
HDESD-Migrant Ed Summer School				5,000		5,000
	<u>\$ 10,560</u>	<u>\$ 469,971</u>	<u>\$ 2,102,095</u>	<u>\$ 974,798</u>	<u>\$ 50,978</u>	<u>\$ 3,608,402</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT GRANTS AND CONTRACTS FUND BUDGETARY BASIS JUNE 30, 2020

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Total</u>
ABE - Special Projects	\$ 166,772	\$ 78,783	\$ 32,465	\$	\$	\$ 278,020
Carl Perkins	31,083	5,060	3,691	5,474		45,308
SBA Grant	18,945	14,055				33,000
SBA Grant Match	21,895	18,105				40,000
SBA Portable Assistance Project	11,678	4,215	342			16,235
Strengthening Institutions Program	166,493	93,427	69,267	16,629		345,816
NSF - NEVTX2 Grant	38,626	19,786	121,951			180,363
OEM-CERT Training Grant			12,932	3,456		16,388
OEM-Homeland Security Grant			258	32,242		32,500
Better Together HSEP	10,339	4,067	720			15,126
CARES Grant					995,874	995,874
SBA CARES Grant	21,930	8,070				30,000
COVID-19 Library Grant			780	2,216		2,996
OBDD	42,385	29,615				72,000
Scale Oregon Grant	17,856	1,422	657			19,935
ABS Pathways Grant	45,108	35,479	8,378			88,965
Student Success Grant	150	53	32,707			32,910
East Cascades Works	4,685	524	114,804	200	125,900	246,113
Pathways to Opportunity	5,579	4,142	7,640	1,629		18,990
ECW-Construction Training Cohort			39,725		10,275	50,000
ECW-GED			2,652			2,652
First Generation Student Success			15,147			15,147
ABE Professional Development			10,154			10,154
SCALE Program Mgmt	8,863	3,137				12,000
Capital Access Team Grant	5,413	2,087				7,500
Veteran-Partnership to End Poverty			1,229			1,229
Regional Promise Grant	4,085	1,231	492			5,808
Meyer Memorial-Latino & Native American	32,007	(6)	13,923			45,924
Deer Ridge Entrepreneurship Program		20,328	693			21,021
Ford Family Latinx & Native Prep	1,715	631				2,346
Electric Vehicle Charging Station			4,650	64,992		69,642
Walmart - GANAS			5,000			5,000
ECW-Allied Health Programs	27,000	12,480	2,969			42,449
Oregon Humanities Red Door Project			1,000			1,000
St. Charles Red Door Project			2,000			2,000
D.C.C. Red Door Project			2,900			2,900
Deer Ridge Correctional Institution	258,725	174,076	44,266			477,067
OCF - GANAS			2,500			2,500
WEBCO-Partners in Practice	2,404	104	89,094			91,602
Deer Ridge Correctional Institution-WBE	78,347	50,840	38,662	1,132		168,981
HDESD-Migrant Ed Summer School			5,000			5,000
Total Expenditures	\$ 1,022,083	\$ 581,711	\$ 688,648	\$ 127,970	\$ 1,132,049	\$ 3,552,461

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE , REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION GRANTS AND CONTRACTS FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Charges for services	\$ 15,000	\$ 15,000	\$ 10,560	\$ (4,440)
Grants and contracts	1,992,191	1,792,191	974,798	(817,393)
Intergovernmental:				
State	407,724	607,724	469,971	(137,753)
Federal	1,401,920	1,401,920	2,102,095	700,175
Transfers from other funds	40,000	40,000	50,978	10,978
	<u>3,856,835</u>	<u>3,856,835</u>	<u>3,608,402</u>	<u>(248,433)</u>
Total Revenue				
	<u>3,856,835</u>	<u>3,856,835</u>	<u>3,608,402</u>	<u>(248,433)</u>
Beginning fund balance	<u>54,725</u>	<u>54,725</u>	<u>505,511</u>	<u>450,786</u>
Total available for appropriation	<u>3,911,560</u>	<u>3,911,560</u>	<u>4,113,913</u>	<u>202,353</u>
Expenditures				
Federal grants	1,456,920	1,456,920	2,031,626	574,706
State grants	407,724	607,724	573,714	(34,010)
Local grants	221,856	271,856	201,971	(69,885)
Contracts	1,794,254	1,544,254	745,150	(799,104)
	<u>3,880,754</u>	<u>3,880,754</u>	<u>3,552,461</u>	<u>(328,293)</u>
Ending fund balance	<u>\$ 30,806</u>	<u>\$ 30,806</u>	<u>\$ 561,452</u>	<u>\$ 530,646</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION

AUXILIARY FUND

BUDGETARY BASIS

JUNE 30, 2020

	Sub-Fund Number	Beginning Balance (deficit)	Revenue	Expenditures	Ending Balance (deficit)
Medical leave assistance program	61001	\$ 108,906	\$ 17,369	\$	\$ 126,275
Public safety	61003	51,454	8,589	29,505	30,538
Law enforcement testing	61004		2,586	2,012	574
Sustainability fund	61006	30,367	15,089	28,909	16,547
Dental clinic	61007	6,271	2,593	1,927	6,937
Pharmacy tech	61008	2,178	2,651	2,445	2,384
Dental program	61009	18,272	18,283	8,625	27,930
Medical assisting program	61010	(7,651)	3,948	3,945	(7,648)
Teaching and learning center	61011	7,229	10,052	4,818	12,463
Forestry foundation support	61012	11,203	399		11,602
General testing	61511	35,495	17,212	16,282	36,425
Art cards	61512	13,839	2,590	1,416	15,013
Auto and industrial fees	61513	39,127	17,362	7,267	49,222
Facilities fees	61514	114,445	87,047	51,215	150,277
Club sports	61516	62,403	25,544	2,663	85,284
College activities	61518	154,772	27,367	4,233	177,906
Classified training	61522	34,639	15,716	9,712	40,643
Performing arts	61525	2,058	4,097	2,113	4,042
Hybrid vehicle fleet	61527	15,781	5,112	5,717	15,176
Special programs - administration	61528	107,854	105,659	92,259	121,254
Vehicles	61531	107,658	21,213	114,313	14,558
Physiology lab	61532	28,929	7,291	(3,745)	39,965
Library books account	61534	47,518	24,429	40,602	31,345
PCA wellness	61535	856	12	460	408
Outdoor recreation program	61537	4,345	3,728	1,836	6,237
Enrollment services support	61546	22,447	531	100	22,878
Accreditation	61547	4,400	5,080	5,521	3,959
College now	61550	345,072	180,390	212,144	313,318
Salvage sales	61552	16,174	9,466		25,640
CTE Accreditation	61553	2,015	26,876	35,340	(6,449)
Strategic planning fund	61554	101,179	1,463	50,099	52,543
Media activities	61561	48,166	7,859		56,025
Tutoring/Testing	61574	163,121	82,980	67,903	178,198
Institutional advancement	61576	19,332	357	1,491	18,198
Student honors recognition	61581	2,477	1,804	1,100	3,181
Innovation account	61589	209,897	54,418	32,180	232,135
Mazama lab fees	61592	137,116	44,908	33,816	148,208
Tool room deposits	61596	4,276	4,151	5,965	2,462
Computer lab printers	61597	15,746	6,519	6,734	15,531
Instructional projects	61598	154,293	43,111	21,965	175,439
Oregon International education consortium	61599	7,859	155		8,014
Student government	61601	72,360	136,265	150,922	57,703
The Broadside	61602	75,551	39,686	55,687	59,550
Blue Sky	61603	135,290	34,723	28,306	141,707
Elevation gratuity fund	61605	15,261	3,659	1,200	17,720
CIS software	61610	6,478	200		6,678
Bend area transit program	61611	47,939	21,982	7,600	62,321
Student government programs	61613	58,878	67,761	29,864	96,775
Student government reserve	61614	36,773	39,475		76,248
Math contest	61615	669	13		682
Nursing Club	61616		9,235	3,134	6,101

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION AUXILIARY FUND (CONTINUED) BUDGETARY BASIS JUNE 30, 2020

	Sub-Fund Number	Beginning Balance	Revenue	Expenditures	Ending Balance
Redmond campus operations	61700	763,254	359,324	3,981	1,118,597
Chandler lab operations	61701	109,691	2,107		111,798
Prineville campus operations	61702	16,049	6,443		22,492
ITS services support	61703	2,149	41		2,190
Campus services support	61704	59,377	12,933		72,310
Herbarium activity	60705	8,021	132	2,266	5,887
Self-sustaining activities		3,659,258	1,649,985	1,185,847	4,123,396
Summer session	62501	1,902,484	1,217,846	798,105	2,322,225
International programs	62558	44,609	857		45,466
SBDC program	62564	36,809	108,603	127,293	18,119
Business development and training	62575	23,786	56,786	80,338	234
ABE General Purpose	62576	207,685	545,170	430,749	322,106
Outreach centers	62577	152,130	2,923		155,053
Veterinarian tech program	62603	9,968	8,640	8,504	10,104
Culinary foundation fund	62604	63	189,535	189,535	63
EMT practical exam	62610	1,248	7,530		8,778
Contracted credit classes	63501	101,686	42,208	3,792	140,102
Continuing education	63502	105,123	1,480,795	1,718,964	(133,046)
Licensed massage therapy	63572	46,973	17,661	16,557	48,077
Aviation program-simulator fees	63579	882,407	763,545	1,028,281	617,671
Unmanned aerial systems operations	63580	67,038	6,453	16,301	57,190
Non-general fund instruction		3,582,009	4,448,552	4,418,419	3,612,142
Foundation billing	64515	7,150	480,141	473,621	13,670
Partnership collaborations	64573	771,473	23,909		795,382
Automotive Donation	64600		10,094	190	9,904
GED Scholarships	64601		9,741	2,651	7,090
Emergency Fund Donation	64603		4,761	3,628	1,133
Student Relief Fund	64604		20,066	16,759	3,307
Revolving activities		778,623	548,712	496,849	830,486
Faculty professional improvement	65521	133,795	68,402	83,732	118,465
Adjunct faculty professional improvement	65523	46,766	6,885	7,351	46,300
ABE professional development fund	65524	34,642	5,709	450	39,901
Admin professional development and sabbatical	65526	17,077	5,357	2,400	20,034
Sabbatical - faculty	65527	19,842	125,000	178,831	(33,989)
Unemployment reserve	65542	337,205	20,430	42,400	315,235
Insurance reserve deductible	65543	153,447	62,875	11,078	205,244
COVID-19	65561		440,304	61,641	378,663
Keyes educational enhancement fund	65562	227,667	73,726	89,127	212,266
		970,441	808,688	477,010	1,302,119
		\$ 8,990,331	\$ 7,455,937	\$ 6,578,125	\$ 9,868,143

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT AUXILIARY FUND BUDGETARY BASIS JUNE 30, 2020

	Charges for Services	Other	Interest	Federal State and Local Grants	Transfers In	Totals
Medical leave assistance program	\$	\$ 15,131	\$ 2,238	\$	\$	\$ 17,369
Public safety	60	7,746	783			8,589
Law enforcement testing	2,580		6			2,586
Sustainability fund		14,672	417			15,089
Dental clinic	2,520		73			2,593
Pharmacy tech	2,510		141			2,651
Dental program	17,914		369			18,283
Medical assisting program	3,945		3			3,948
Teaching and learning center			52		10,000	10,052
Forestry foundation support			399			399
General testing	16,520		692			17,212
Art cards	2,310		280			2,590
Auto and industrial fees	7,670	8,835	857			17,362
Facilities fees		84,465	2,582			87,047
Club sports	3,235	20,832	1,477			25,544
College activities		24,201	3,166			27,367
Classified training			716		15,000	15,716
Performing arts		3,822	275			4,097
Hybrid vehicle fleet	4,809		303			5,112
Special programs - administration		103,525	2,134			105,659
Vehicles	18,490	1,533	1,190			21,213
Physiology lab	6,635		656			7,291
Library books account	6,454	17,208	767			24,429
PCA wellness			12			12
Outdoor recreation program	3,625		103			3,728
Enrollment services support		100	431			531
Accreditation			80		5,000	5,080
College now	174,125		6,265			180,390
Salvage sales		9,068	398			9,466
CTE Accreditation					26,876	26,876
Strategic planning			1,463			1,463
Media activities	425	6,443	991			7,859
Tutoring/Testing	79,731		3,249			82,980
Institutional advancement			357			357
Student honors recognition		500	54		1,250	1,804
Innovation account			4,418		50,000	54,418
Mazama lab fees	38,370	3,790	2,748			44,908
Tool room deposits		4,087	64			4,151
Computer lab printers		6,222	297			6,519
Instructional projects			3,111		40,000	43,111
Oregon International education consortium			155			155
Student government		135,055	1,210			136,265
The Broadside		38,400	1,286			39,686
Blue Sky		32,088	2,635			34,723
Elevation gratuity fund		3,345	314			3,659
CIS software	10		190			200
Bend area transit program	8,933		1,049		12,000	21,982
Student government programs		24,259	1,502		42,000	67,761
Student government reserve			1,075		38,400	39,475
Math contest			13			13
Nursing Club		3,827	58		5,350	9,235
Redmond campus operations		341,262	18,062			359,324
Chandler lab operations			2,107			2,107
Prineville campus operations		6,076	367			6,443
ITS services support			41			41
Campus services support		11,680	1,253			12,933
Herbarium Activity			132			132
Self-sustaining activities	400,871	928,172	75,066		245,876	1,649,985

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT AUXILIARY FUND (CONTINUED)

BUDGETARY BASIS

JUNE 30, 2020

	Charges for Services	Other	Interest	State and Local Grants	Transfers In	Totals
Summer session	1,152,737		65,109			1,217,846
International programs			857			857
SBDC program	108,016		587			108,603
Business development and training			233		56,553	56,786
ABE General Purpose		129	5,041		540,000	545,170
Outreach centers			2,923			2,923
Veterinarian tech program	8,400		240			8,640
Culinary foundation fund		189,535				189,535
EMT practical exam		7,435	95			7,530
Contracted credit classes	39,907		2,301			42,208
Continuing education	1,035,577		3,937		441,281	1,480,795
Licensed massage therapy	16,707		954			17,661
Aviation program-simulator fees	734,183		29,362			763,545
Unmanned aerial systems operations	5,250		1,203			6,453
Non-general fund instruction	<u>3,100,777</u>	<u>197,099</u>	<u>112,842</u>		<u>1,037,834</u>	<u>4,448,552</u>
Foundation billing	332,225				147,916	480,141
Partnership collaborations			14,909	9,000		23,909
Automotive Donation		10,000	94			10,094
GED Scholarships		9,674	67			9,741
Emergency Fund Donation			11	4,750		4,761
Student Relief Fund		20,035	31			20,066
Revolving activities	<u>332,225</u>	<u>39,709</u>	<u>15,112</u>	<u>13,750</u>	<u>147,916</u>	<u>548,712</u>
Faculty professional improvement			2,402		66,000	68,402
Adjunct faculty professional improvement			885		6,000	6,885
ABE professional development fund			709		5,000	5,709
Admin professional development and abbatical			357		5,000	5,357
Sabbatical - faculty					125,000	125,000
Unemployment reserve	14,222		6,208			20,430
Insurance reserve deductible		59,462	3,413			62,875
COVID-19				7,903	432,401	440,304
Keyes educational enhancement fund			73,726			73,726
Contractual and administrative provisions	<u>14,222</u>	<u>59,462</u>	<u>87,700</u>	<u>7,903</u>	<u>639,401</u>	<u>808,688</u>
	<u>\$ 3,848,095</u>	<u>\$ 1,224,442</u>	<u>\$ 290,720</u>	<u>\$ 21,653</u>	<u>\$ 2,071,027</u>	<u>\$ 7,455,937</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT AUXILIARY FUND BUDGETARY BASIS JUNE 30, 2020

	Salaries	Payroll Assessments	Materials and Services	Capital Outlay	Transfers Out	Totals
Public safety	\$	\$	\$ 29,505	\$	\$	\$ 29,505
Law enforcement testing	1,863	149				2,012
Sustainability fund	13,129	2,305	2,497		10,978	28,909
Dental clinic			1,927			1,927
Pharmacy tech			2,445			2,445
Dental program			8,625			8,625
Medical assisting program			3,945			3,945
Teaching and learning center	2,500	564	1,754			4,818
General testing			16,282			16,282
Art cards			1,416			1,416
Auto and industrial fees			7,267			7,267
Facilities fees	25,973	18,996	1,436	4,810		51,215
Club sports			2,663			2,663
College activities	3,000	1,233				4,233
Classified training			9,712			9,712
Performing arts			2,113			2,113
Hybrid vehicle fleet			5,717			5,717
Special programs - administration	50,441	35,749	6,069			92,259
Vehicles	16,590	6,150	26,126	65,447		114,313
Physiology lab	600	48	(4,393)			(3,745)
Library books account	84	68	12,080	28,370		40,602
PCA wellness			460			460
Outdoor recreation program			1,836			1,836
Enrollment services support	100					100
Accreditation	1,688	598	3,235			5,521
College now	90,726	59,967	10,000	1,451	50,000	212,144
CTE Accreditation			35,340			35,340
Strategic planning			42,835	7,264		50,099
Tutoring/Testing	35,619	17,826	14,458			67,903
Institutional advancement			1,491			1,491
Student honors recognition			1,100			1,100
Innovation account	1,703	597	28,855	1,025		32,180
Mazama lab fees	3,363	3,104	27,349			33,816
Tool room deposits			5,965			5,965
Computer lab printers			6,734			6,734
Instructional projects	3,565	5,879	12,521			21,965
Student government	36,557	699	59,666		54,000	150,922
The Broadside	11,616	183	5,488		38,400	55,687
Blue Sky			28,306			28,306
Elevation gratuity fund			1,200			1,200
Bend area transit program			7,600			7,600
Student government programs			24,514		5,350	29,864
Nursing Club			3,134			3,134
Redmond campus operations			3,981			3,981
Herbarium activity	1,300	182	784			2,266
Self-sustaining activities	300,417	154,297	464,038	108,367	158,728	1,185,847
Summer session	601,606	195,440	1,059			798,105
SBDC program	60,055	29,837	37,401			127,293
Business development and training	50,483	25,939	3,704	212		80,338
ABE General Purpose	251,133	176,728	2,888			430,749
Veterinarian tech program			8,504			8,504
Culinary foundation fund			19,825	169,710		189,535

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT AUXILIARY FUND (CONTINUED)

BUDGETARY BASIS

JUNE 30, 2020

	Salaries	Payroll Assessments	Materials and Services	Capital Outlay	Transfers Out	Totals
Contracted credit classes	2,805	987				3,792
Continuing education	765,185	469,518	483,801	460		1,718,964
Licensed massage therapy			12,913	3,644		16,557
Aviation program-simulator fees	406,529	91,571	530,181			1,028,281
Unmanned aerial systems operations			284	16,017		16,301
Non-general fund instruction	2,137,796	990,020	1,100,560	190,043		4,418,419
Foundation billing	291,693	181,928				473,621
Automotive Donation			190			190
GED Scholarships			2,651			2,651
Emergency Fund Donation			3,628			3,628
Student Relief Fund			16,759			16,759
Revolving activities	291,693	181,928	23,228			496,849
Faculty professional improvement	17,876	6,511	24,345		35,000	83,732
Adjunct faculty professional improvement	1,000	351	1,000		5,000	7,351
ABE professional development fund			450			450
Admin professional development and abbatical			2,400			2,400
Sabbatical - faculty	111,223	67,608				178,831
Unemployment reserve		42,400				42,400
Insurance reserve deductible			4,478	6,600		11,078
COVID-19	3,050	668	57,923			61,641
Keyes educational enhancement fund			28,293	60,834		89,127
Contractual and administrative provisions	133,149	117,538	118,889	67,434	40,000	477,010
	\$ 2,863,055	\$ 1,443,783	\$ 1,706,715	\$ 365,844	\$ 198,728	\$ 6,578,125

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE , REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION AUXILIARY FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Charges for services	\$ 5,409,609	\$ 5,409,609	\$ 3,848,095	\$ (1,561,514)
Interest	203,200	203,200	290,720	87,520
State and local	351,526	351,526	77,836	(273,690)
Other	745,272	745,272	1,600,660	855,388
Transfers from other funds	<u>1,450,701</u>	<u>1,450,701</u>	<u>1,638,626</u>	<u>187,925</u>
Total Revenue	<u>8,160,308</u>	<u>8,160,308</u>	<u>7,455,937</u>	<u>(704,371)</u>
Beginning fund balance	<u>8,569,954</u>	<u>8,569,954</u>	<u>8,990,331</u>	<u>420,377</u>
Total available for appropriation	<u>16,730,262</u>	<u>16,730,262</u>	<u>16,446,268</u>	<u>(283,994)</u>
Expenditures				
Self-sustaining activities	2,725,694	2,725,694	1,185,847	(1,539,847)
Non-general fund instruction	6,037,409	6,037,409	4,418,419	(1,618,990)
Revolving activities	930,122	930,122	496,849	(433,273)
Contractual and administrative provisions	<u>700,817</u>	<u>700,817</u>	<u>477,010</u>	<u>(223,807)</u>
	<u>10,394,042</u>	<u>10,394,042</u>	<u>6,578,125</u>	<u>(3,815,917)</u>
Ending fund balance	<u>\$ 6,336,220</u>	<u>\$ 6,336,220</u>	<u>\$ 9,868,143</u>	<u>\$ 3,531,923</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION RESERVE FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Interest	\$ 22,314	\$ 22,314	\$ 26,791	\$ 4,477
Total Revenue	<u>22,314</u>	<u>22,314</u>	<u>26,791</u>	<u>4,477</u>
Beginning fund balance	<u>1,353,223</u>	<u>1,353,223</u>	<u>1,392,927</u>	<u>39,704</u>
<i>Total available for appropriation</i>	<u>1,375,537</u>	<u>1,375,537</u>	<u>1,419,718</u>	<u>44,181</u>
Expenditures				
Materials and Services	25,000	25,000	(2,978)	(27,978)
Transfer out	<u>450,000</u>	<u>450,000</u>	<u> </u>	<u>(450,000)</u>
	<u>475,000</u>	<u>475,000</u>	<u>(2,978)</u>	<u>(477,978)</u>
Ending fund balance	<u>\$ 900,537</u>	<u>\$ 900,537</u>	<u>\$ 1,422,696</u>	<u>\$ 522,159</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES AND ENDING BALANCE BY FUNCTION

FINANCIAL AID FUND

BUDGETARY BASIS

JUNE 30, 2020

	<u>Sub-Fund Number</u>	<u>Beginning Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending Balance</u>
College work study	71802	\$	\$ 146,538	\$ 146,538	\$
SEOG	71803		190,000	190,000	
Pell	71804		6,077,899	6,077,899	
Veteran's fund	71807	26,542	7,465	1,632	32,375
State need	72807		1,573,200	1,573,200	
Private scholarship award	72808		167,592	167,592	
Oregon promise grant	72809		1,498,225	1,498,225	
Foundation	73805		1,565,456	1,565,456	
COCC financial aid program	73809	470,277	79,678	44,150	505,805
Native American trust	75809	125,534	25,939	8,507	142,966
CARES student grant	71809		1,591,836	1,410,100	181,736
		<u>\$ 622,353</u>	<u>\$ 12,923,828</u>	<u>\$ 12,683,299</u>	<u>\$ 862,882</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT FINANCIAL AID FUND BUDGETARY BASIS JUNE 30, 2020

	Interest	Grants	Other	Intergovernmental		Transfers In	Total
				State	Federal		
College work study	\$	\$	\$	\$	\$ 108,547	\$ 37,991	\$ 146,538
SEOG					190,000		190,000
Pell			9,580		6,068,319		6,077,899
Veteran's fund	565		6,900				7,465
State need				1,573,200			1,573,200
Private scholarship award - state				167,592			167,592
Oregon promise grant				1,498,225			1,498,225
Foundation		1,454,456				111,000	1,565,456
COCC financial aid program	8,496					71,182	79,678
Native American trust	25,939						25,939
CARES student grant					1,591,836		1,591,836
	<u>\$ 35,000</u>	<u>\$ 1,454,456</u>	<u>\$ 16,480</u>	<u>\$ 3,239,017</u>	<u>\$ 7,958,702</u>	<u>\$ 220,173</u>	<u>\$ 12,923,828</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT FINANCIAL AID FUND BUDGETARY BASIS JUNE 30, 2020

	Personal Service	Administrative Services	Grants and Loans	Transfers Out	Total
College work study	\$ 146,538	\$	\$	\$	\$ 146,538
SEOG			190,000		190,000
Pell		9,580	6,068,319		6,077,899
Veteran's fund		1,632			1,632
State need			1,573,200		1,573,200
Private scholarship award - state			167,592		167,592
Oregon promise grant			1,498,225		1,498,225
Foundation			1,565,456		1,565,456
COCC financial aid program			6,159	37,991	44,150
Native American trust		7,207	1,300		8,507
CARES student grant			1,410,100		1,410,100
	\$ 146,538	\$ 18,419	\$ 12,480,351	\$ 37,991	\$ 12,683,299

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE FINANCIAL AID FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Interest	\$ 33,370	\$ 33,370	\$ 35,000	\$ 1,630
Grants	1,417,818	1,417,818	1,454,456	36,638
Other	29,000	29,000	16,480	(12,520)
Intergovernmental				
State	3,800,000	3,800,000	3,239,017	(560,983)
Federal	7,832,000	7,832,000	7,958,702	126,702
Transfers from other funds	232,182	232,182	220,173	(12,009)
Total Revenue	<u>13,344,370</u>	<u>13,344,370</u>	<u>12,923,828</u>	<u>(420,542)</u>
Beginning fund balance	<u>528,063</u>	<u>528,063</u>	<u>622,353</u>	<u>94,290</u>
<i>Total available for appropriation</i>	<u>13,872,433</u>	<u>13,872,433</u>	<u>13,546,181</u>	<u>(326,252)</u>
Expenditures				
Federal programs	7,906,000	7,906,000	7,824,537	(81,463)
State programs	3,800,000	3,800,000	3,239,017	(560,983)
Local programs	1,708,975	1,708,975	1,619,745	(89,230)
	<u>13,414,975</u>	<u>13,414,975</u>	<u>12,683,299</u>	<u>(731,676)</u>
Ending fund balance	<u>\$ 457,458</u>	<u>\$ 457,458</u>	<u>\$ 862,882</u>	<u>\$ 405,424</u>

Debt Service Fund

This fund is used to account for the payments of bond principal and interest on the general obligation bond issue.

CENTRAL OREGON COMMUNITY COLLEGE

COMPARATIVE SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE DEBT SERVICE FUND BUDGETARY BASIS

YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 322,239	\$ 304,933
Cash with county treasurers	16,423	18,483
Property taxes receivable	92,009	93,406
	<hr/>	<hr/>
Total assets	<u>\$ 430,671</u>	<u>\$ 416,822</u>
LIABILITIES AND FUND BALANCE		
Deferred inflows of resources		
Unavailable property taxes	\$ 59,598	\$ 66,650
	<hr/>	<hr/>
Fund balance		
Designated for debt service	371,073	350,172
	<hr/>	<hr/>
Total liabilities and fund equity	<u>\$ 430,671</u>	<u>\$ 416,822</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE DEBT SERVICE FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Property taxes	\$ 3,244,061	\$ 3,244,061	\$ 3,328,579	\$ 84,518
Assessment	1,226,542	1,226,542	1,212,023	(14,519)
Interest	2,706	2,706	20,487	17,781
Transfers from other funds	<u>1,261,588</u>	<u>1,261,588</u>	<u>1,261,588</u>	
Total Revenue	<u>5,734,897</u>	<u>5,734,897</u>	<u>5,822,677</u>	<u>87,780</u>
Beginning fund balance	<u>169,902</u>	<u>169,902</u>	<u>350,172</u>	<u>180,270</u>
Total available for appropriation	<u>5,904,799</u>	<u>5,904,799</u>	<u>6,172,849</u>	<u>268,050</u>
Expenditures				
Debt service				
Principal	2,553,324	2,553,324	2,553,324	
Interest	3,249,556	3,249,556	3,248,452	(1,104)
Outside services	<u>600</u>	<u>600</u>	<u>600</u>	<u>(600)</u>
Total Expenditures	<u>5,803,480</u>	<u>5,803,480</u>	<u>5,801,776</u>	<u>(1,704)</u>
Ending fund balance	<u>\$ 101,319</u>	<u>\$ 101,319</u>	<u>\$ 371,073</u>	<u>\$ 269,754</u>

Capital Projects Fund

The capital projects fund account is for the resources and reserves used for major construction and improvement projects of the College.

CENTRAL OREGON COMMUNITY COLLEGE

COMPARATIVE SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE CAPITAL PROJECTS FUND

BUDGETARY BASIS

YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 5,080,826	\$ 5,468,710
Total assets	<u>\$ 5,080,826</u>	<u>\$ 5,468,710</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 102,428	\$ 144,214
Total liabilities	<u>102,428</u>	<u>144,214</u>
Fund equity:		
Undesignated	<u>4,978,398</u>	<u>5,324,496</u>
Total liabilities and fund equity	<u>\$ 5,080,826</u>	<u>\$ 5,468,710</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE CAPITAL PROJECTS FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Interest	\$ 60,749	\$ 60,749	\$ 100,361	\$ 39,612
Other			174,335	174,335
Transfers from other funds	<u>337,193</u>	<u>337,193</u>	<u>837,193</u>	<u>500,000</u>
Total Revenue	<u>397,942</u>	<u>397,942</u>	<u>1,111,889</u>	<u>713,947</u>
Beginning fund balance	<u>4,790,867</u>	<u>4,790,867</u>	<u>5,324,496</u>	<u>533,629</u>
Total available for appropriation	<u>5,188,809</u>	<u>5,188,809</u>	<u>6,436,385</u>	<u>1,247,576</u>
Expenditures				
Capital outlay				
Personnel Services	86,865	86,865	76,566	(10,299)
Material and services	1,640,000	1,640,000	707,519	(932,481)
Capital outlay	2,004,400	2,004,400	573,902	(1,430,498)
Transfers out	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	
Total Expenditures	<u>3,831,265</u>	<u>3,831,265</u>	<u>1,457,987</u>	<u>(2,373,278)</u>
Ending fund balance	<u>\$ 1,357,544</u>	<u>\$ 1,357,544</u>	<u>\$ 4,978,398</u>	<u>\$ 3,620,854</u>

Proprietary Funds (Enterprise and Internal Service Funds)

Enterprise Funds

These funds are used to account for the financial activities of the Bookstore, Food Service Operations, and the Residence Hall.

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND EQUITY ALL ENTERPRISE FUNDS BUDGETARY BASIS JUNE 30, 2020 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Bookstore	Food Service Operations	Wickiup Hall	Juniper Hall	Totals	
					2020	2019
Assets						
Current assets						
Pooled cash and investments	\$ 1,382,158	\$ 1,328,857	\$ 1,255,709	\$ 208,161	\$ 4,174,885	\$ 4,435,652
Accounts receivable	72,516	41,827			114,343	89,836
Inventory	266,223				266,223	296,074
Total current assets	1,720,897	1,370,684	1,255,709	208,161	4,555,451	4,821,562
Capital assets						
Buildings and equipment	1,435,775	16,552	20,048,233	631,871	22,132,431	22,132,430
Accumulated depreciation	(1,003,967)	(15,406)	(2,292,086)	(582,821)	(3,894,280)	(3,380,343)
Net property and equipment	431,808	1,146	17,756,147	49,050	18,238,151	18,752,087
Total Assets	\$ 2,152,705	\$ 1,371,830	\$ 19,011,856	\$ 257,211	\$ 22,793,602	\$ 23,573,649
LIABILITIES AND FUND EQUITY						
Liabilities						
Accounts payable	\$	\$	\$ 1,014	\$	\$ 1,014	\$ 18,112
Deferred revenue		65,500	91,700		157,200	212,041
Total liabilities		65,500	92,714		158,214	230,153
Fund equity						
Contributed capital	20,000				20,000	20,000
Retained earnings - unreserved	2,132,705	1,306,330	18,919,142	257,211	22,615,388	23,323,496
Total fund equity	2,152,705	1,306,330	18,919,142	257,211	22,635,388	23,343,496
Total liabilities and fund equity	\$ 2,152,705	\$ 1,371,830	\$ 19,011,856	\$ 257,211	\$ 22,793,602	\$ 23,573,649

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND EQUITY ALL ENTERPRISE FUNDS BUDGETARY BASIS JUNE 30, 2020 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Bookstore	Food Service Operations	Wickiup Hall	Juniper Hall	Totals	
					2020	2019
Operating revenue						
Charges for services	\$ 1,160,304	\$ 995,389	\$ 1,360,458	\$	\$ 3,516,151	\$ 4,960,571
Total operating revenue	1,160,304	995,389	1,360,458		3,516,151	4,960,571
Operating expenses						
Salaries	281,831	48,385	211,361		541,577	587,686
Payroll assessments	213,417	32,602	150,646		396,665	409,427
Materials and services	959,979	700,630	487,108		2,147,717	2,765,041
Capital outlay		5,926	2,704		8,630	5,020
Depreciation	27,672	5,517	474,138	6,610	513,937	518,223
Total operating expenses	1,482,899	793,060	1,325,957	6,610	3,608,526	4,285,397
Operating income (loss)	(322,595)	202,329	34,501	(6,610)	(92,375)	675,174
Non-operating revenue (expenses)						
Interest income	28,451	24,289	25,718	3,924	82,382	105,476
Operating transfer in			663,473		663,473	502,500
Operating transfer out		(75,000)	(1,286,588)		(1,361,588)	(1,931,919)
Total non-operating revenue (expenses)	28,451	(50,711)	(597,397)	3,924	(615,733)	(1,323,943)
Net income (loss)	(294,144)	151,618	(562,896)	(2,686)	(708,108)	(648,769)
FUND EQUITY - beginning of year	2,446,849	1,154,712	19,482,038	259,897	23,343,496	23,992,265
FUND EQUITY - end of year	\$ 2,152,705	\$ 1,306,330	\$ 18,919,142	\$ 257,211	\$ 22,635,388	\$ 23,343,496

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF CASH FLOWS ALL ENTERPRISE FUNDS BUDGETARY BASIS

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Bookstore	Food Service Operations	Wickiup Hall
Cash flows from operating activities			
Cash received for services	\$ 1,171,751	\$ 943,434	\$ 1,321,617
Cash payments for goods and services	(940,716)	(706,556)	(496,322)
Cash payments to employees	(495,248)	(80,987)	(362,007)
Net cash flows from operating activities	(264,213)	155,891	463,288
Cash flows from non-capital financing activities		(75,000)	(623,115)
Cash flows from investing activities			
Interest earned	28,451	24,289	25,718
Net cash flows from investing activities	28,451	24,289	25,718
Net increase in cash and cash equivalents	(235,762)	105,180	(134,109)
Cash and cash equivalents - beginning of year	1,617,920	1,223,677	1,389,818
Cash and cash equivalents - end of year	\$ 1,382,158	\$ 1,328,857	\$ 1,255,709
Reconciliation of operating income to net cash flows from operating activities			
Operating income (loss)	\$ (322,595)	\$ 202,329	\$ 34,501
Adjustments to reconcile operating income to net cash flows from operating activities			
Depreciation	27,672	5,517	474,138
Decrease in accounts receivable	11,447	(35,955)	
Decrease in inventory	29,851		
Increase (decrease) in accounts payable	(10,588)		(6,510)
Increase (decrease) in deferred revenue	(16,000)	(16,000)	(38,841)
Net cash flows from operating activities	\$ (264,213)	\$ 155,891	\$ 463,288

Juniper Hall	Totals	
	2020	2019
\$	\$ 3,436,802	\$ 4,954,672
	(2,143,594)	(2,821,458)
	(938,242)	(997,113)
	354,966	1,136,101
	(698,115)	(1,429,419)
3,924	82,382	105,476
3,924	82,382	105,476
3,924	(260,767)	(187,842)
204,237	4,435,652	4,623,494
\$ 208,161	\$ 4,174,885	\$ 4,435,652
\$ (6,610)	\$ (92,375)	\$ 675,174
6,610	513,937	518,223
	(24,508)	23,767
	29,851	1,556
	(17,098)	(52,953)
	(54,841)	(29,666)
\$ -	\$ 354,966	\$ 1,136,101

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES BOOKSTORE FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Sales	\$ 1,980,000	\$ 1,980,000	\$ 1,160,303	\$ (819,697)
Interest	36,621	36,621	28,451	(8,170)
Total Revenue	2,016,621	2,016,621	1,188,754	(827,867)
Beginning available resources	2,108,090	2,108,090	1,987,370	(120,720)
<i>Total available for appropriation</i>	4,124,711	4,124,711	3,176,124	(948,587)
Expenditures				
Personnel services	543,052	543,052	495,248	(47,804)
Material and services	1,670,950	1,670,950	959,979	(710,971)
Capital outlay	20,000	20,000		(20,000)
Transfers to other funds	300,000	300,000		(300,000)
Total Expenditures	2,534,002	2,534,002	1,455,227	(1,078,775)
Ending available resources	\$ 1,590,709	\$ 1,590,709	\$ 1,720,897	\$ 130,188
Analysis of ending available resources				
Current assets			\$ 1,720,897	
less liabilities				
			\$ 1,720,897	

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES FOOD SERVICES OPERATIONS FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Sales	\$ 1,745,000	\$ 1,745,000	\$ 995,389	\$ (749,611)
Interest	18,266	18,266	24,288	6,022
Total Revenue	1,763,266	1,763,266	1,019,677	(743,589)
Beginning available resources	908,360	908,360	1,148,050	239,690
<i>Total available for appropriation</i>	2,671,626	2,671,626	2,167,727	(503,899)
Expenditures				
Personnel services	78,476	78,476	80,987	2,511
Material and services	1,481,600	1,481,600	700,630	(780,970)
Capital outlay	50,000	50,000	5,926	(44,074)
Transfers out	125,000	125,000	75,000	(50,000)
Total Expenditures	1,735,076	1,735,076	862,543	(822,533)
Ending available resources	\$ 936,550	\$ 936,550	\$ 1,305,184	\$ 318,634
Analysis of ending available resources				
Current assets			\$ 1,370,684	
less liabilities			(65,500)	
			\$ 1,305,184	

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES WICKIUP HALL FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
Room and board	\$ 2,308,288	\$ 2,308,288	\$ 1,360,459	\$ (947,829)
Interest	17,420	17,420	25,718	8,298
Transfer from other funds	100,000	100,000	663,473	563,473
Total Revenue	2,425,708	2,425,708	2,049,650	(376,058)
Beginning available resources	1,005,092	1,005,092	1,251,752	246,660
<i>Total available for appropriation</i>	3,430,800	3,430,800	3,301,402	(129,398)
Expenditures				
Personnel services	446,731	446,731	362,005	(84,726)
Material and services	779,206	779,206	487,108	(292,098)
Capital outlay			2,706	2,706
Transfers to other funds	1,286,588	1,286,588	1,286,588	
Total Expenditures	2,512,525	2,512,525	2,138,407	(374,118)
Ending available resources	\$ 918,275	\$ 918,275	\$ 1,162,995	\$ 244,720
Analysis of ending available resources				
Current assets			\$ 1,255,709	
Less liabilities			(92,714)	
			\$ 1,162,995	

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES JUNIPER HALL FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Interest	\$ 2,258	\$ 2,258	\$ 3,924	\$ 1,666
Total Revenue	<u>2,258</u>	<u>2,258</u>	<u>3,924</u>	<u>1,666</u>
Beginning available resources	<u>190,000</u>	<u>190,000</u>	<u>204,237</u>	<u>14,237</u>
<i>Total available for appropriation</i>	<u>192,258</u>	<u>192,258</u>	<u>208,161</u>	<u>15,903</u>
Expenditures				
Material and services	<u>20,000</u>	<u>20,000</u>	<u></u>	<u></u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u></u>	<u></u>
Ending available resources	<u>\$ 172,258</u>	<u>\$ 172,258</u>	<u>\$ 208,161</u>	<u>\$ 15,903</u>
Analysis of ending available resources				
Current assets			\$ 208,161	
Less liabilities			<u></u>	
			<u>\$ 208,161</u>	

Internal Service Fund

This fund is used to account for the financing of services charged on cost reimbursement basis to other departments.

CENTRAL OREGON COMMUNITY COLLEGE

**SCHEDULE OF ASSETS, LIABILITIES AND FUND EQUITY
INTERNAL SERVICE FUND**

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets		
Pooled cash and investments	\$ 142,933	\$ 210,466
Total current assets	<u>142,933</u>	<u>210,466</u>
Capital Assets		
Building and equipment	83,172	83,172
Accumulated depreciation	<u>(67,621)</u>	<u>(61,872)</u>
Net building and equipment	<u>15,551</u>	<u>21,300</u>
TOTAL ASSETS	<u>\$ 158,484</u>	<u>\$ 231,766</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts payable	\$ 9,173	\$ 1,624
Total liabilities	<u>9,173</u>	<u>1,624</u>
Fund Equity		
Retained earnings - unreserved	<u>149,311</u>	<u>230,142</u>
Total Fund Equity	<u>149,311</u>	<u>230,142</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 158,484</u>	<u>\$ 231,766</u>

CENTRAL OREGON COMMUNITY COLLEGE

COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND EQUITY INTERNAL SERVICE FUND JUNE 30, 2020 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Centralized Services	Copier Activities	Totals	
			2020	2019
Operating revenue				
Charges for services	\$ 70,668	\$ 83,337	\$ 154,005	\$ 205,927
Total operating revenue	<u>70,668</u>	<u>83,337</u>	<u>154,005</u>	<u>205,927</u>
Operating expenses				
Salaries	31,625		31,625	34,348
Payroll assessments	28,729		28,729	25,360
Materials and services	60,511	111,584	172,095	157,934
Depreciation	5,750		5,750	6,210
Total operating expenses	<u>126,615</u>	<u>111,584</u>	<u>238,199</u>	<u>223,852</u>
Operating income (loss)	<u>(55,947)</u>	<u>(28,247)</u>	<u>(84,194)</u>	<u>(17,925)</u>
Non-operating revenue (expenses)				
Interest income	3,020	343	3,363	5,354
Operating transfer out				<u>(30,000)</u>
Total non-operating revenue (expenses)	<u>3,020</u>	<u>343</u>	<u>3,363</u>	<u>(24,646)</u>
Net income (loss)	<u>(52,927)</u>	<u>(27,904)</u>	<u>(80,831)</u>	<u>(42,571)</u>
FUND EQUITY - beginning of year	<u>201,908</u>	<u>28,234</u>	<u>230,142</u>	<u>272,713</u>
FUND EQUITY - end of year	<u>\$ 148,981</u>	<u>\$ 330</u>	<u>\$ 149,311</u>	<u>\$ 230,142</u>

CENTRAL OREGON COMMUNITY COLLEGE

**SCHEDULE OF CASH FLOWS
INTERNAL SERVICE FUND**

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	Totals	
	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Cash received from users	\$ 154,005	\$ 205,927
Cash payments for goods and services	(164,547)	(159,848)
Cash payments to employees	(60,354)	(59,708)
	<u>(70,896)</u>	<u>(13,629)</u>
Cash flows from non-capital financing activities		<u>(30,000)</u>
Cash flows from investing activities		
Interest earned	3,363	5,354
	<u>3,363</u>	<u>5,354</u>
Net decrease in cash and cash equivalents	(67,533)	(38,275)
Cash and cash equivalents - beginning of year	<u>210,466</u>	<u>248,741</u>
Cash and cash equivalents - end of year	<u>\$ 142,933</u>	<u>\$ 210,466</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income (loss)	\$ (84,194)	\$ (17,925)
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	5,750	6,210
Decrease in accounts payable	7,548	(1,914)
	<u>(70,896)</u>	<u>(13,629)</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES CENTRALIZED SERVICES FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
User charges	\$ 102,000	\$ 102,000	\$ 70,668	\$ (31,332)
Interest	3,057	3,057	3,020	(37)
Total Revenue	105,057	105,057	73,688	(31,369)
Beginning available resources	182,000	182,000	180,607	(1,393)
<i>Total available for appropriation</i>	287,057	287,057	254,295	(32,762)
Expenditures				
Personnel services	67,300	67,300	60,354	(6,946)
Material and services	73,000	73,000	60,511	(12,489)
Capital outlay	5,000	5,000		(5,000)
Transfers to other funds	15,000	15,000		(15,000)
Total Expenditures	160,300	160,300	120,865	(39,435)
Ending available resources	\$ 126,757	\$ 126,757	\$ 133,430	\$ 6,673
Analysis of ending available resources				
Current assets			\$ 135,161	
Less liabilities			(1,731)	
			\$ 133,430	

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN AVAILABLE RESOURCES COPIER ACTIVITIES FUND BUDGETARY BASIS YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenue				
Local:				
User charges	\$ 109,000	\$ 109,000	\$ 83,337	\$ (25,663)
Interest	40	40	343	303
Total Revenue	<u>109,040</u>	<u>109,040</u>	<u>83,680</u>	<u>(25,360)</u>
Beginning available resources	<u>2,000</u>	<u>2,000</u>	<u>28,234</u>	<u>26,234</u>
<i>Total available for appropriation</i>	<u>111,040</u>	<u>111,040</u>	<u>111,914</u>	<u>874</u>
Expenditures				
Material and services	108,000	108,000	111,584	3,584
Capital purchases	1,000	1,000		(1,000)
Total Expenditures	<u>109,000</u>	<u>109,000</u>	<u>111,584</u>	<u>2,584</u>
Ending available resources	<u>\$ 2,040</u>	<u>\$ 2,040</u>	<u>\$ 330</u>	<u>\$ (1,710)</u>
Analysis of ending available resources				
Current assets			\$ 7,772	
Less liabilities			<u>(7,442)</u>	
			<u>\$ 330</u>	

Permanent Fund

Permanent funds report resources that are legally restricted in that only earnings, and not principal, may be used to support the government's programs for the benefit of the government or its citizens.

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE

NON-EXPENDABLE TRUST FUND

BUDGETARY BASIS

YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 487,577	\$ 455,715
Beneficial interest in perpetual trust	<u>1,252,461</u>	<u>1,319,745</u>
TOTAL ASSETS	<u>\$ 1,740,038</u>	<u>\$ 1,775,460</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	<u>\$ 102,340</u>	<u>\$ 71,304</u>
TOTAL LIABILITIES	<u>102,340</u>	<u>71,304</u>
Fund Balance:		
Reserved for endowments	1,549,733	1,549,733
Unreserved	<u>87,965</u>	<u>154,423</u>
TOTAL FUND EQUITY	<u>1,637,698</u>	<u>1,704,156</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,740,038</u>	<u>\$ 1,775,460</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE NON-EXPENDABLE TRUST FUND

BUDGETARY BASIS

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	<u>Totals</u>	
	<u>2020</u>	<u>2019</u>
Operating expenses		
Materials and services	\$ 106,805	\$ 92,259
Operating loss	<u>(106,805)</u>	<u>(92,259)</u>
Non-operating revenue		
Interest income	8,684	9,788
Net (loss) gain on perpetual trust	<u>31,663</u>	<u>103,770</u>
Total non-operating revenue	<u>40,347</u>	<u>113,558</u>
Net gain (loss)	(66,458)	21,299
FUND BALANCE - beginning of year	<u>1,704,156</u>	<u>1,682,857</u>
FUND BALANCE - end of year	<u>\$ 1,637,698</u>	<u>\$ 1,704,156</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

NON-EXPENDABLE TRUST FUND

BUDGETARY BASIS

YEAR ENDED JUNE 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Over (Under)</u>
BEGINNING FUND BALANCE	\$ 1,704,156	\$ 384,094	\$ 1,320,062
Revenue			
Interest	8,684	10,499	(1,815)
Net gain on perpetual trust	<u>(67,224)</u>		<u>(67,224)</u>
Total Revenue	<u>(58,540)</u>	<u>10,499</u>	<u>(69,039)</u>
<i>Total available for appropriation</i>	<u>1,645,616</u>	<u>394,593</u>	<u>1,251,023</u>
Expenses			
Materials & Services	<u>7,918</u>	<u>12,000</u>	<u>(4,082)</u>
Total Expenditures	<u>7,918</u>	<u>12,000</u>	<u>(4,082)</u>
ENDING FUND BALANCE	<u>\$ 1,637,698</u>	<u>\$ 382,593</u>	<u>\$ 1,255,105</u>

INDEPENDENT AUDITORS' REPORT REQUIRED BY STATE REGULATIONS

**INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS**

Board of Officials
Central Oregon Community College
Bend, Oregon

We have audited the basic financial statements of Central Oregon Community College (the College), as of and for the year ended June 30, 2020, and have issued our report thereon dated January 4, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment**
- **Budgets legally required (ORS Chapter 294)**
- **Insurance and fidelity bonds in force or required by law**
- **Programs funded from outside sources**
- **Authorized investment of surplus funds (ORS Chapter 294)**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)**

We reviewed the College's procedures for preparation, adoption and execution of its budget for the year ended June 30, 2020, and found them to be in compliance with statutory requirements with the following exceptions:

**INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS – CONTINUED**

- **Expenditures for federal grants in the grants and contracts fund exceeded the appropriation by \$574,706.**

In connection with our testing nothing came to our attention other than the above budget exception, that caused us to believe the College was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

This report is intended solely for the information and use of the management, the audit committee, the Board of Officials, federal awarding agencies and passthrough entities of the College, and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

PRICE FRONK & CO.

Certified Public Accountants & Consultants

By: _____

Wesley B. Price III – a partner

January 4, 2021

SINGLE AUDIT ACT REQUIREMENTS

**INDEPENDENT AUDITORS' 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**

To the Board of Directors
Central Oregon Community College
Bend, Oregon

We have audited, in accordance with the 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 Central Oregon Community College (the College), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated January 4, 2021.

Internal Control over Financial Reporting

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 that are 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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, and therefore material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any

**INDEPENDENT AUDITORS' 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* – CONTINUED**

deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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.

PRICE FRONK & CO.
Certified Public Accountants & Consultants

By: 
Wesley B. Price III – a partner

January 4, 2021



Wesley B. Price III, CPA
Kara L. Pardue, CPA
Adam M. Barnett, CPA
Heather McMeekin, CPA

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

To the Board of Directors
Central Oregon Community College
Bend, Oregon

Report on Compliance for Each Major Federal Program

We have audited Central Oregon 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 auditors' 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.

Auditors' 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.

Unmodified Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE – CONTINUED**

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.

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.

PRICE FRONK & CO.

Certified Public Accountants & Consultants

By:  _____

Wesley B. Price III – a partner

January 4, 2021

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the basic financial statements of Central Oregon Community College (the College).
2. No material weaknesses in internal control over financial reporting were identified during the audit of the financial statements.
3. No instances of noncompliance required to be reported under *Government Auditing Standards* were identified during the audit of the financial statements.
4. No deficiencies in internal control over compliance considered to be material weaknesses were identified during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs for the College expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the College are reported in this Schedule.
7. The programs tested as major programs were:
 - U.S. Department of Education, Student Financial Assistance Cluster, comprising:
 - CFDA # 84.007 – Supplemental Educational Opportunity Grants (SEOG)
 - CFDA # 84.033 – College Work Study Program (CWS)
 - CFDA # 84.063 – Pell Grant Program (PELL)
 - U.S. Department of Education, Higher Education Emergency Relief Fund, comprising:
 - CFDA # 84.425E – HEERF Student Aid Portion
 - CFDA # 84.425F – HEERF Institutional Portion
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The College was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

CENTRAL OREGON COMMUNITY COLLEGE

STATUS OF PRIOR YEAR (2019) FINDINGS
YEAR ENDED JUNE 30, 2020

No prior year findings

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Education				
Student Financial Assistance direct programs:				
Supplemental Educational Opportunity Grants	84.007	N/A	\$ 190,000	\$
College Work Study Program	84.033	N/A	108,546	
Pell Grant Programs	84.063	N/A	<u>6,077,899</u>	
Subtotal Student Financial Assistance Cluster			<u>6,376,445</u>	
Higher Education Institutional Aid	84.031	N/A	345,816	
Passed through the Oregon Department of Education:				
Adult Education - State Grant Program	84.002	19-054B	278,020	
Passed through Better Together Central Oregon:				
Migrant Education High School Equivalency Program	84.141A	1920BTHEP	15,126	
COVID-19 Higher Education Emergency Relief Fund Student Aid Portion	84.425E	N/A	1,410,100	
COVID-19 Higher Education Emergency Relief Fund Institutional Portion	84.425F	N/A	<u>625,113</u>	
Subtotal Higher Education Emergency Relief Fund			<u>2,035,213</u>	
Total Department of Education			<u>9,050,620</u>	
National Science Foundation				
Direct program:				
Education and Human Resources	47.076	N/A	180,363	32,621
Small Business Administration				
Passed through Lane Community College:				
Small Business Development Centers	59.037	C2017428	49,235	
COVID-19 Small Business Development Centers	59.037	SBAHQ-20-C-0074	<u>30,000</u>	
Subtotal Small Business Development Centers			<u>79,235</u>	
Department of Homeland Security				
Passed through Oregon Military Department:				
Homeland Security Grant Program	97.067	18-205	48,888	
Institute of Museum and Library Services				
Passed through the State Library of Oregon:				
COVID-19 Grants to States	45.310	COVID19	<u>2,996</u>	
Total Federal assistance			<u>\$ 9,362,102</u>	<u>\$ 32,621</u>

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2020

Note A - Basis of Presentation

The accompanying schedule of federal awards (the Schedule) includes the federal award activity of Central Oregon Community College (the 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 United States 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 the College it is not intended to and does not present the financial position, change in net assets or cash flows of the College.

Note B - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note C - Indirect Cost Rate

The College has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note D - Federal Loan Programs

In addition to direct financial assistance, federal guaranteed loans in the amount of \$7,682,864 were administered during the year ended June 30, 2020.