

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2007**

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**DISTRICT OFFICIALS**

**JUNE 30, 2007**

*CHAIRPERSON*

Don Reeder  
Zone 1

*BOARD MEMBERS*

Joyce L. Garrett  
Zone 2

Connie Lee  
Zone 5

J. Anthony Dorsch  
Zone 3

Dana L. Bratton  
Zone 6

Ron Foerster  
Zone 4

John Overbay  
Zone 7

*PRESIDENT*

James E. Middleton

*VICE PRESIDENT AND CHIEF FINANCIAL OFFICER*

James R. Jones

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

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**BEND, OREGON**

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Central Oregon Community College

# KERKOCH KATTER & NELSON, LLP

*Certified Public Accountants*

45 Hawthorne Square • Bend, Oregon 97701 • Phone (541) 382-3468 • Fax (541) 382-0533

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## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Oregon Community College District, (the College), Bend, Oregon, as of and for the year ended June 30, 2007, which collectively comprise the College's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the College, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2007, on our consideration of the 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 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 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 read in conjunction with this report in considering the results of our audit.

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

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The management's discussion and analysis as listed in the table of contents is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental information as listed on pages 47-96 is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. This supplemental information and the schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



By: Stuart D. Katter - a partner  
Bend, Oregon

October 15, 2007

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(UNAUDITED)

## Management's Discussion and Analysis

This section of Central Oregon Community College's annual financial report presents management's discussion and analysis (MD&A) of the College's financial performance during the two fiscal years ended June 30, 2007 and 2006. The purpose of the MD&A is to assist readers in understanding the accompanying financial statements by providing an objective and understandable analysis of the College's financial activity based on currently known facts, decisions, and conditions. Management prepares this discussion, and is responsible for the completeness and fairness of the information. This discussion should be read in conjunction with the financial statements and related footnote disclosures.

### Using the Financial Statements

This annual report consists of separate but interrelated financial statements which are prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as amended by GASB Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities.

The College-wide statements (on pages 12 and 13) provide information on Central Oregon Community College as a whole, rather than focusing on individual funds, and present a long-term view of the College's finances. The financial information is presented in a way that helps to measure the College's financial health, or financial position.

The required statements, the Statement of Net Assets and the Statement of Activities, divide the College into three kinds of activities:

- Governmental activities – Most of the College's basic activities are accounted for and reported here, including the general fund, auxiliary fund, grants and contracts, financial aid, construction and renovation, non-expendable trust activity, and debt service. Property taxes, state and federal appropriations, tuition, and fees financed most of these activities.

- Business-type activities – The College charges fees and sales revenues to cover the costs of these activities. The two largest functions reflected in this area are the Residence Hall and Bookstore operations.
- Component units – These statements include one separate legal entity—the Central Oregon Community College Foundation. Although legally separate, this component unit is included in these statements because of the integral nature of the Foundation's mission and the College's mission.

The fund financial statements start on page 14. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the College's operations in more detail than the government-wide statements by providing information about the College's most significant funds. The remaining statements provide financial information about the College's proprietary fund activities. Some funds are required to be established by State law and accounting convention, while others are established to meet various bond covenants and the College's legal responsibilities for using certain taxes, grants, and other monies. The College's two kinds of funds—governmental and proprietary—use different accounting approaches.

Governmental funds – most of the College's basic activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the College's general activities and services. Governmental fund information helps you determine whether there are more or fewer financial resources available in the near future to finance the College's programs. The relationship (or differences) between Governmental fund activities and College-wide statements in the Statement of Net Assets and the Statement of Activities is described in a reconciliation at the bottom of the fund financial statements.

Proprietary funds – when the College charges students and other customers for services where the overall purpose is to operate with some degree of profit, these activities are generally reported in proprietary funds. The College's proprietary funds (Bookstore and Residence Hall) are the same as the business-type activities that are reported in the College-wide statements but provide more detail.

## Financial Highlights

- The Colleges' financial position remains strong at June 30, 2007 with total current assets of \$39.8 million as compared to \$38.3 million at June 30, 2006. The College has set aside approximately one-half of the needed funds to build a new campus center building.
- Program revenues remain relatively flat while general revenues declined by \$2.4 million. The college is receiving less funding from the state each year due to changes in the funding formula while continued growth in imposed property taxes in Central Oregon is offsetting the decline. Timing of the receipt of State Aid payments results in a \$2.8 million general revenue reduction. Program expenses have increased by \$1.1 million over the prior year primarily due to inflationary increases in wages and benefits.

## Analysis of the Statement of Net Assets

The Statement of Net Assets includes all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are one indicator of whether the Colleges' financial health is improving or deteriorating. Current and other assets consist of cash, accounts receivable, inventory, and net pension assets. Other liabilities consist primarily of accounts payable and unearned tuition revenue. The following table summarizes the consolidated financial position of the College's governmental and business type activities

Summary of Net Assets (000's)			
	<u>June 2007</u>	<u>June 2006</u>	<u>Increase (Decrease) 2007-06</u>
<u>Assets</u>			
Current and other assets	\$ 39,778	\$ 38,386	\$ 1,392
Capital Assets	<u>29,664</u>	<u>30,194</u>	<u>(530)</u>
Total Assets	<u>69,442</u>	<u>68,580</u>	<u>862</u>
<u>Liabilities</u>			
Other liabilities	3,838	4,104	(266)
Long-term debt outstanding	<u>21,320</u>	<u>23,576</u>	<u>(2,256)</u>
Total Liabilities	<u>25,158</u>	<u>27,680</u>	<u>(2,522)</u>
<u>Net Assets</u>			
Investment in capital assets,			
Net of debt	17,171	15,819	1,352
Restricted	13,307	10,380	2,927
Unrestricted	<u>13,806</u>	<u>14,701</u>	<u>(895)</u>
Total Net Assets	<u>\$ 44,284</u>	<u>\$ 40,900</u>	<u>\$ 3,384</u>

Current and other assets have increased \$1.4 million dollars between 2006 and 2007, primarily in cash and cash equivalents. The college set aside \$1 million this year towards the construction of a new building. Long-term debt decreased by \$2.3 million reflecting payment of obligations as they came due.

Net assets are the difference between total assets and total liabilities. The College reports capital assets (i.e. land, buildings, and equipment) at historical cost less any debt used to acquire those assets. The College has a \$17 million investment in capital assets or 39 percent of total net assets. Approximately 29 percent of the remaining net asset balance is restricted primarily for construction, leaving 32 percent unrestricted.

#### Analysis of Statement of Revenues, Expenses, and Changes in Net Assets

The Statement of Activities presents revenues earned and expenses incurred during the year, with the difference either adding to or reducing the Colleges' assets. GASB standards require the College to categorize revenues as either operating or non-operating. Operating revenues include tuition, grants and contracts, and sales and services of various self-supporting operations. Although the College relies significantly on property taxes and state appropriations, under GASB standards this funding source is considered non-operating revenue along with financial aid. The statement of activities reflects all current year revenues and expenses regardless of when cash is received or paid. The following table is a summary of the Colleges' revenues and expenses comparing 2006 and 2007.

Program Revenues and Expenses (000's)			
	June 2007	June 2006	Increase (Decrease) 2007-06
Program Revenues			
Governmental Activities	\$ 11,216	\$ 10,716	\$ 500
Business-type Activities	2,273	2,301	(28)
Total Revenues	<u>13,489</u>	<u>13,017</u>	<u>472</u>
Program Expenses			
Governmental Activities	31,451	30,304	1,147
Business-type Activities	2,181	2,191	(10)
Total Expenses	<u>33,632</u>	<u>32,495</u>	<u>1,137</u>
Primary Government profit/(loss)	\$ (20,143)	\$ (19,478)	(665)
General Revenues	23,527	25,897	(2,370)
Change in Net Assets	<u>\$ 3,384</u>	<u>\$ 6,419</u>	<u>\$(3,035)</u>

The following table compares general revenues and program revenues by major source for 2007 and 2006.

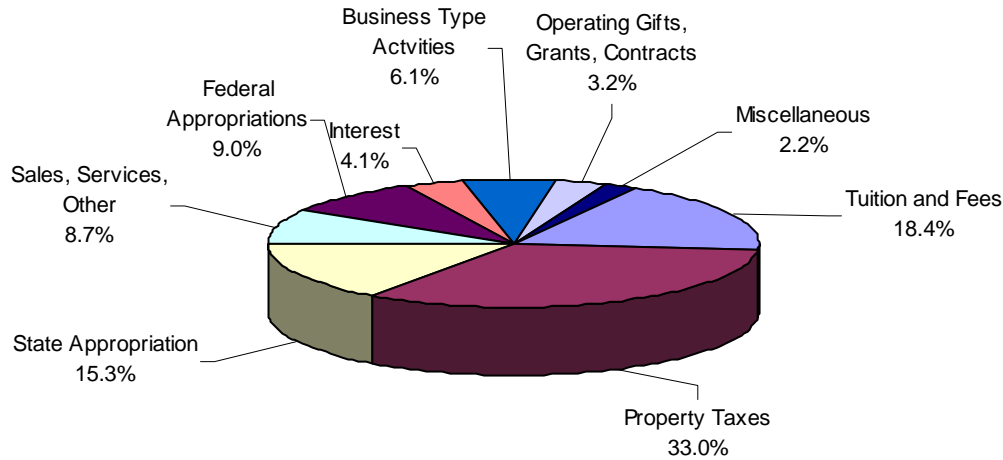
Sources of Revenue

	<u>June 2007</u>	<u>June 2006</u>
Program Revenues		
Tuition and Fees	\$ 6,801,399	\$ 6,710,481
Sales, Services, Other	3,233,859	2,842,806
Operating Gifts, Grants, Contracts	1,180,650	1,162,685
Business Type Activities	2,273,372	2,300,817
Total Program Revenues	<u>13,489,280</u>	<u>13,016,789</u>
General Revenues		
Property Taxes	12,200,654	11,182,455
State Appropriation	5,670,107	9,640,869
Federal Appropriations	3,315,713	3,551,454
Miscellaneous	830,374	429,955
Interest	1,510,327	1,091,970
Total General Revenues	<u>23,527,175</u>	<u>25,896,703</u>
Total Program and General Revenues	<u>\$ 37,016,455</u>	<u>\$ 38,913,492</u>

There were no significant changes in program revenues between the two fiscal years, while general revenues declined by \$2.4 million. Central Oregon continues to experience strong growth in new construction resulting in an increase in property tax collections of \$1 million. Total State Appropriations are down \$4 million due to timing in the receipt of State Aid payments that occurred with the State of Oregon Legislature's decision to defer the final payment at the end of each biennium. State appropriation revenues have been reduced by \$1 million in 2007 due to deferral of the payment while 2006 revenues are higher by \$1.8 million due to inclusion of the deferred payment from 2005. The balance of the decrease, \$1.1 million, is a product of the State funding formula that is reducing the College's share of State appropriations. The college received a gift of \$300,000 in 2007 that is included in miscellaneous revenues. Investment rates have improved significantly from 2006 to 2007 increasing the interest earnings by \$419,000.

The following graph illustrates the allocation of both operating and non-operating revenue sources for the College for the 2006-07 fiscal year. Property taxes are now 33 percent of College revenues compared to 29 percent last year. State appropriations have declined to 15 percent compared to 25 percent last year. Tuition increased by only 1 percent compared to the prior year. The College experienced a 3 percent decline in enrollment, offset by an increase in tuition rates.

## Total Revenue Sources 2006-07



## Program Expenses

### Summary of Expenses by Function

	June 2007	June 2006
Governmental activities		
Instruction	\$ 12,820,435	\$ 12,619,237
Instructional Support	1,854,328	1,818,649
Student Services	4,743,938	4,819,886
College Support Services	5,308,262	4,720,765
Plant Operations and Maintenance	2,988,845	2,742,952
Information Technology	1,513,399	1,373,869
Depreciation	1,158,488	1,110,862
Interest	1,062,790	1,097,302
Subtotal	<u>31,450,485</u>	<u>30,303,522</u>
Business-type activities		
College Bookstore	1,935,395	1,889,796
Dorm Operations	246,066	301,310
	<u>2,181,461</u>	<u>2,191,106</u>
Total Primary Government	<u>\$ 33,631,946</u>	<u>\$ 32,494,628</u>

Program expenses increased \$1.1 million between 2006 and 2007 due mainly to inflationary increases in salaries and benefits.

## General Fund Budgetary Highlights

Total general fund revenues were less than one percent below budget for the fiscal year. General fund expenses are under budget by approximately \$1.3 million due to salary and benefit savings from unfilled positions and savings in the area of outside services. During the year, the College chose to transfer an additional \$200,000 to the Construction fund. The funding of the construction fund caused general fund transfers to exceed their original budget authority.

## Capital Assets

The College records all assets at historical cost with associated accumulated depreciation. The College added \$700,000 of new equipment and building improvements during the fiscal year. The schedule below identifies the following capitalization categories for the College.

### Summary of Capital Assets

	June 2007	June 2006
Governmental Activities		
Site and site improvements	\$ 5,560,405	\$ 5,560,405
Buildings	32,795,706	32,510,122
Equipment	2,022,600	1,688,153
Library Books	1,649,679	1,564,985
Works of Art	222,995	222,995
	<u>42,251,385</u>	<u>41,546,660</u>
Accumulated depreciation	<u>(13,457,836)</u>	<u>(12,299,348)</u>
Net Assets	<u>\$28,793,549</u>	<u>\$29,247,312</u>
Business Type Activities		
Buildings	\$ 1,698,010	\$ 1,698,010
Equipment	140,989	140,989
	<u>1,838,999</u>	<u>1,838,999</u>
Accumulated depreciation	<u>(968,825)</u>	<u>(891,903)</u>
Net Assets	<u>\$ 870,174</u>	<u>\$ 947,096</u>

## Debt Administration

As of June 30, 2007, the College had \$23,508,324 in outstanding debt. The following table summarizes these amounts by type of debt instrument.

### Outstanding Debt as of June 30, 2007

General Obligation Bonds	\$ 3,305,000
Full Faith & Credit Bonds	8,655,000
Pension Obligation Bonds	11,015,708
Capital Lease	<u>532,616</u>
	<u>\$ 23,508,324</u>

## Economic Factors That Will Affect the Future

The financial position of the College continues to be influenced by three main factors. The first factor is the overall economic health of the State and its impact on State revenues and resultant appropriation for community colleges. The second factor is the economic vitality and health of the College district as this directly impacts new construction levels and ensuing property tax revenue. Finally, enrollment and the resulting tuition and fee income is the third factor in evaluating the overall economic and financial health of the College.

Currently, the State of Oregon is moving from a robust economic picture to one of greater uncertainty. The downturn in the housing sector, combined with the effects of the subprime mortgage market, rising energy costs and drop in job creation have created economic concerns. Governor Kulongoski has proposed a 10 percent increase in community college funding for his 2009-11 biennium budget. One item that will continue to mitigate the increase in State resources for COCC is the distribution formula of State appropriations. The primary attribute of this formula is an equalization component of "Total Public Resources" per FTE for all community colleges. The six-year implementation period for the distribution formula will continue to decrease State funds to Central Oregon Community College as it enjoys above average property taxes per FTE compared to the rest of the State. Thus, the variability of FTE growth, local property tax growth, and State appropriation for community colleges continues to impact the amount and distribution of State funds to COCC.

The economic growth of Central Oregon continues to have a significant impact on the revenues of COCC. The District is seeing imposed property tax growth, however at rates below the recent past. This is occurring not only in Deschutes County but also in Jefferson and Crook Counties. Collection rates must also be closely monitored as property foreclosures increase. This pattern of slower growth is expected to continue for the foreseeable future.

Finally, one of the items that is hardest to predict is enrollment and tuition revenue. Tuition revenue is approximately 35 percent of general fund revenues. Through the next biennium, tuition is projected to grow as a primary source of general fund revenue, offsetting decreasing State funding. Currently, the College has seen a significant increase in enrollment with a resulting positive impact on tuition and fee income. The College is presently in the development phase of its Strategic Enrollment Management Plan (SEM). The purpose of SEM is to address and manage all aspects of enrollment.

#### Contacting the College's Financial Management

This financial report is designed to provide our citizens, taxpayers, students, investors, and creditors with a general overview of the College's finances and to show the College's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Fiscal Services department at 2600 NW College Way, Bend, Oregon, 97701.

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF NET ASSETS**

**JUNE 30, 2007**

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
<b>ASSETS</b>				
Pooled cash and investments	\$ 23,990,361	\$ 946,333	\$ 24,936,694	\$ 10,595,033
Cash with county treasurers	147,690		147,690	
Property taxes receivable	518,689		518,689	
Accounts receivable	1,245,120	262,572	1,507,692	1,755,425
Allowance for uncollectible accounts	(384,693)		(384,693)	
Prepays and advances	61,918		61,918	
Student loans receivable	8,477		8,477	
Inventory	1,183	273,122	274,305	
Beneficial interest in perpetual trust	1,692,258		1,692,258	992,507
Pension prepayment	11,015,708		11,015,708	
Fixed assets				
Land and improvements	5,560,405		5,560,405	14,939
Buildings	32,795,706	1,698,010	34,493,716	
Equipment	3,895,274	140,989	4,036,263	47,177
Accumulated depreciation	(13,457,836)	(968,825)	(14,426,661)	(41,378)
<i>Total assets</i>	<u>\$ 67,090,260</u>	<u>\$ 2,352,201</u>	<u>\$ 69,442,461</u>	<u>\$ 13,363,703</u>
<b>LIABILITIES</b>				
Deficit in pooled cash and investments	\$ 45,073	\$	\$ 45,073	\$
Accounts payable	1,125,773	32,547	1,158,320	611,887
Interest payable	41,456		41,456	
Accrued expenses	349,818		349,818	
Unearned revenue	55,201		55,201	
Noncurrent liabilities				
Due within one year				
Notes & capital lease payable	44,280		44,280	
Bonds payable	2,144,454		2,144,454	
Due in more than one year				
Notes & capital lease payable	488,336		488,336	
Bonds payable	20,831,254		20,831,254	
<i>Total liabilities</i>	<u>25,125,645</u>	<u>32,547</u>	<u>25,158,192</u>	<u>611,887</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	16,300,933	870,174	17,171,107	5,799
Restricted for:				
Capital projects	11,031,343		11,031,343	
Permanent non-expendable endowment	1,992,258		1,992,258	9,567,957
Debt service	283,071		283,071	
Unrestricted	12,357,010	1,449,480	13,806,490	3,178,060
<i>Total net assets</i>	<u>\$ 41,964,615</u>	<u>\$ 2,319,654</u>	<u>\$ 44,284,269</u>	<u>\$ 12,751,816</u>

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2007**

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges for Services</i>		<i>Operating Gifts, Grants, and Contracts</i>
		<i>Tuition and Fees</i>	<i>Sales Services, and Other Revenues</i>	
<b>PRIMARY INSTITUTION</b>				
<b>Governmental activities:</b>				
Instruction (net of scholarship allowances of \$1,244,775)	\$ 12,820,435	\$6,801,399	\$ 3,233,859	\$ 1,180,650
Instruction support	1,854,323			
Student services	4,743,938			
College support services	5,308,262			
Plant operations and maintenance	2,988,845			
Information technology services	1,513,399			
Depreciation	1,158,488			
Interest	1,062,790			
<i>Total governmental activities</i>	<i>31,450,480</i>	<i>6,801,399</i>	<i>3,233,859</i>	<i>1,180,650</i>
<b>Business-type activities:</b>				
College bookstore	1,935,395		1,976,558	
Residence Hall	246,066		296,814	
<i>Total business-type activities</i>	<i>2,181,461</i>		<i>2,273,372</i>	
<b>Total primary government</b>	<b>\$ 33,631,941</b>	<b>\$ 6,801,399</b>	<b>\$ 5,507,231</b>	<b>\$ 1,180,650</b>
<b>Component unit:</b>				
Foundation	\$ 1,053,277	\$ -	\$ -	\$ 2,441,482
		<b>General revenues:</b>		
		Property taxes		
		State appropriations		
		Federal appropriations		
		Interest		
		Miscellaneous		
		Investment earnings		
		Transfers		
		<i>Total general revenues and transfers</i>		
		<b>CHANGE IN NET ASSETS</b>		
		<b>NET ASSETS - beginning</b>		
		<b>NET ASSETS - ending</b>		

*Net Revenues (Expenses)  
and Changes in Net Assets*

<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
\$ (1,604,527)	\$	\$ (1,604,527)	\$
(1,854,323)		(1,854,323)	
(4,743,938)		(4,743,938)	
(5,308,262)		(5,308,262)	
(2,988,845)		(2,988,845)	
(1,513,399)		(1,513,399)	
(1,158,488)		(1,158,488)	
(1,062,790)		(1,062,790)	
(20,234,572)		(20,234,572)	
	41,163	41,163	
	50,748	50,748	
	91,911	91,911	
(20,234,572)	91,911	(20,142,661)	
			1,388,205
12,200,654		12,200,654	
5,670,107		5,670,107	
3,315,713		3,315,713	
1,210,721	50,729	1,261,450	
830,374		830,374	(47,161)
248,877		248,877	1,508,488
200,000	(200,000)		
23,676,446	(149,271)	23,527,175	1,461,327
3,441,874	(57,360)	3,384,514	2,849,532
38,522,741	2,377,014	40,899,755	9,902,284
\$ 41,964,615	\$ 2,319,654	\$ 44,284,269	\$ 12,751,816

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College

## **FUND FINANCIAL STATEMENTS**

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

**JUNE 30, 2007**

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>	<i>Reserve Fund</i>
<b>Assets</b>				
Pooled cash and investments	\$ 3,192,976	\$	\$ 5,578,260	\$ 3,329,356
Cash with county treasurers	119,416			
Property taxes receivable	448,853			
Accounts receivable	1,842,847	62,901	81,163	
Allowance for doubtful accounts	(384,693)			
Student loans receivable				
Inventory		1,183		
Beneficial interest in perpetual trust				
Prepaid items				
<i>Total assets</i>	<u>\$ 5,219,399</u>	<u>\$ 64,084</u>	<u>\$ 5,659,423</u>	<u>\$ 3,329,356</u>
<b>Liabilities</b>				
Deficit in pooled cash and investments	\$	\$ 45,073	\$	\$
Accounts payable	1,006,784	2,063	15,013	
Accrued expenses	349,818			
Deferred revenue	299,896		3,995	
<i>Total liabilities</i>	<u>1,656,498</u>	<u>47,136</u>	<u>19,008</u>	
<b>Fund Balance</b>				
Reserved for:				
Debt service fund				
Retiree benefits				1,666,782
PERS reserve				1,662,574
Permanent endowments				
Unreserved, reported in:				
General fund	3,562,901			
Special revenue fund		16,948	5,640,415	
Capital projects fund				
<i>Total fund balance</i>	<u>3,562,901</u>	<u>16,948</u>	<u>5,640,415</u>	<u>3,329,356</u>
<i>Total liabilities and fund balance</i>	<u>\$ 5,219,399</u>	<u>\$ 64,084</u>	<u>\$ 5,659,423</u>	<u>\$ 3,329,356</u>

<i>Financial Aid Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
\$ 10,272	\$ 157,667	\$ 11,095,229	\$ 346,184	\$ 23,709,944
	28,274			147,690
	69,836			518,689
210,167				2,197,078
				(384,693)
8,477				8,477
				1,183
			1,692,258	1,692,258
	61,918			61,918
<u>\$ 228,916</u>	<u>\$ 317,695</u>	<u>\$ 11,095,229</u>	<u>\$ 2,038,442</u>	<u>\$ 27,952,544</u>
\$	\$	\$	\$	\$ 45,073
		63,886	37,911	1,125,657
				349,818
35,845	34,624			374,360
<u>35,845</u>	<u>34,624</u>		<u>37,911</u>	<u>1,894,908</u>
	283,071			283,071
				1,666,782
				1,662,574
			1,992,258	1,992,258
				3,562,901
193,071			8,273	5,858,707
		11,031,343		11,031,343
<u>193,071</u>	<u>283,071</u>	<u>11,031,343</u>	<u>2,000,531</u>	<u>26,057,636</u>
<u>\$ 228,916</u>	<u>\$ 317,695</u>	<u>\$ 11,031,343</u>	<u>\$ 2,038,442</u>	<u>\$ 27,952,544</u>

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET ASSETS**

**JUNE 30, 2007**

Total Fund Balance	\$ 26,057,636
Capital assets are not financial resources and therefore are not reported in governmental funds.	28,793,549
A portion of the College's revenues are collected after year-end but are not available soon enough to pay for the current years operation, and therefore, are not reported as revenue in the governmental funds.	319,159
State appropriations receivable are not considered to be revenue in the statement of net assets.	(951,958)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.	280,301
The net pension asset established to pay off a portion of unfunded Oregon public employee retirement service UAL liability are not reported in the governmental funds assets.	11,015,708
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	
Interest payable	(41,456)
Long-term debt	<u>(23,508,324)</u>
Net assets of governmental activities	<u>\$ 41,964,615</u>

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**

**YEAR ENDED JUNE 30, 2007**

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>
<b>Revenues</b>			
Property taxes	\$ 10,421,469	\$	\$
Charges for services	8,046,174	53,608	2,134,538
Interest	262,198		379,538
Investment earnings			
Grants		51,750	
State	5,201,590	56,333	719,077
Federal		812,245	
Other revenues	14,827	75	493,463
<i>Total revenues</i>	<u>23,946,258</u>	<u>974,011</u>	<u>3,726,616</u>
<b>Expenditures</b>			
Current			
Instruction	10,237,172	821,344	1,761,919
Instructional support	1,614,841		239,482
Student services	2,084,153		191,604
College support services	2,993,255	89,733	1,301,390
Plant operations and maintenance	2,212,909		
Information technology services	1,513,399		
Financial aid			
Capital outlay		74,106	237,402
Debt service			
Principal			
Interest and other charges			
<i>Total expenditures</i>	<u>20,655,729</u>	<u>985,183</u>	<u>3,731,797</u>
Excess of revenues over (under) expenditures	3,290,529	(11,172)	(5,181)
<b>Other financing sources (uses)</b>			
Transfers in		15,125	1,424,940
Transfers out	(5,558,119)		(4,496,497)
<i>Total other financing sources (uses)</i>	<u>(5,558,119)</u>	<u>15,125</u>	<u>(3,071,557)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,267,590)	3,953	(3,076,738)
<b>FUND BALANCES - beginning</b>	<u>5,830,491</u>	<u>12,995</u>	<u>8,717,153</u>
<b>FUND BALANCES - ending</b>	<u>\$ 3,562,901</u>	<u>\$ 16,948</u>	<u>\$ 5,640,415</u>

<i>Reserve Fund</i>	<i>Financial Aid Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
\$	\$	\$ 1,686,877	\$	\$	\$ 12,108,346
178,330		618,625	8,733		11,040,008
	40,369	34,730	471,559	8,273	1,196,667
				248,877	248,877
	563,397	483,761	81,742		1,180,650
	645,065				6,622,065
	2,503,468				3,315,713
	22,340			300,000	830,705
<u>178,330</u>	<u>3,774,639</u>	<u>2,823,993</u>	<u>562,034</u>	<u>557,150</u>	<u>36,543,031</u>
					12,820,435
					1,854,323
					2,275,757
164,302	174,023			116,539	4,839,242
					2,212,909
					1,513,399
	3,712,956				3,712,956
			1,169,152		1,480,660
		2,135,634			2,135,634
		1,067,492			1,067,492
<u>164,302</u>	<u>3,886,979</u>	<u>3,203,126</u>	<u>1,169,152</u>	<u>116,539</u>	<u>33,912,807</u>
14,028	(112,340)	(379,133)	(607,118)	440,611	2,630,224
3,315,328	139,000	388,223	5,092,000		10,374,616
-	(120,000)				(10,174,616)
<u>3,315,328</u>	<u>19,000</u>	<u>388,223</u>	<u>5,092,000</u>		<u>200,000</u>
3,329,356	(93,340)	9,090	4,484,882	440,611	2,830,224
	286,411	273,981	6,546,461	1,559,920	23,227,412
<u>\$ 3,329,356</u>	<u>\$ 193,071</u>	<u>\$ 283,071</u>	<u>\$ 11,031,343</u>	<u>\$ 2,000,531</u>	<u>\$ 26,057,636</u>

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE TO THE STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2007**

Net change in fund balances \$ 2,830,224

Amounts reported for governmental activities in the Statement  
of Activities are different because:

Property taxes that do not meet the measurable and available  
criteria are not recognized as revenue in the current year  
in the governmental funds. In the Statement of Revenues,  
Expenditures and Changes in Net Assets property taxes are  
recognized as revenue when levied. 92,308

State appropriations receivable are not considered to be  
revenue in the statement of activities. (951,958)

In the Statement of Revenues, Expenses and Changes in Net  
Assets interest is accrued on long-term debt, whereas in the  
governmental funds it is recorded as interest expense when due. 4,702

In the Statement of Revenues, Expenses and Changes in Net  
Assets the pension asset established to pay off the UAL is  
accrued but it is not reported in the governmental fund assets. (252,555)

Governmental funds report capital outlay as an expenditure, in the  
Statement of Activities, the cost of those assets is allocated  
over their estimated useful lives as depreciation expense.  
Capital outlay 704,724  
Depreciation - governmental activities (1,158,488)

Governmental funds report debt principal repayment as an  
expenditure and proceeds from long-term debt as an other  
financing source, whereas governmental funds do not.  
Long-term debt principal repayment 2,135,634

Internal service funds are used by management to charge the  
costs of certain activities to individual funds. The net  
revenue of the internal service funds is reported with  
governmental activities. 37,283

*Change in net assets of governmental activities* \$ 3,441,874

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**

**JUNE 30, 2007**

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 726,855	\$ 219,478	\$ 946,333	\$ 280,417
Accounts receivable	172,895	89,677	262,572	
Inventories	273,122		273,122	
<i>Total current assets</i>	<u>1,172,872</u>	<u>309,155</u>	<u>1,482,027</u>	<u>280,417</u>
Noncurrent assets:				
Capital assets				
Equipment	1,247,128	591,871	1,838,999	
Less accumulated depreciation	<u>(469,967)</u>	<u>(498,858)</u>	<u>(968,825)</u>	
Capital assets, net	<u>777,161</u>	<u>93,013</u>	<u>870,174</u>	
<i>Total assets</i>	<u>1,950,033</u>	<u>402,168</u>	<u>2,352,201</u>	<u>280,417</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	<u>21,541</u>	<u>11,006</u>	<u>32,547</u>	<u>116</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	777,161	93,013	870,174	
Unrestricted	<u>1,151,331</u>	<u>298,149</u>	<u>1,449,480</u>	<u>280,301</u>
<i>Total net assets</i>	<u>\$ 1,928,492</u>	<u>\$ 391,162</u>	<u>\$ 2,319,654</u>	<u>\$ 280,301</u>

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**

**YEAR ENDED JUNE 30, 2007**

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Operating revenues:</b>				
Charges for services	\$ 1,976,558	\$ 296,814	\$ 2,273,372	\$ 240,025
<b>Operating expenses:</b>				
Salaries	263,024		263,024	61,801
Payroll assessments	121,148		121,148	36,691
Materials and services	1,474,885	221,306	1,696,191	118,304
Capital outlay	14,376	9,800	24,176	
Depreciation	61,962	14,960	76,922	
<i>Total operating expenses</i>	<u>1,935,395</u>	<u>246,066</u>	<u>2,181,461</u>	<u>216,796</u>
Operating income (loss)	<u>41,163</u>	<u>50,748</u>	<u>91,911</u>	<u>23,229</u>
<b>Nonoperating revenues:</b>				
Interest income	<u>36,215</u>	<u>14,514</u>	<u>50,729</u>	<u>14,054</u>
<i>Income before transfers</i>	<u>77,378</u>	<u>65,262</u>	<u>142,640</u>	<u>37,283</u>
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(200,000)</u>	
<b>CHANGE IN NET ASSETS</b>	<u>(22,622)</u>	<u>(34,738)</u>	<u>(57,360)</u>	<u>37,283</u>
<b>NET ASSETS - beginning</b>	<u>1,951,114</u>	<u>425,900</u>	<u>2,377,014</u>	<u>243,018</u>
<b>NET ASSETS - ending</b>	<u>\$ 1,928,492</u>	<u>\$ 391,162</u>	<u>\$ 2,319,654</u>	<u>\$ 280,301</u>

The accompanying notes are an integral part  
of these financial statements

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

**YEAR ENDED JUNE 30, 2007**

	<i>Business-Type Activities - Enterprise Enterprise funds</i>			<i>Governmental Activities Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Cash flows from</b>				
<b>operating activities:</b>				
Cash received for services	\$ 1,978,040	\$ 231,862	\$ 2,209,902	\$ 240,025
Cash payments for goods and services	(1,440,197)	(237,169)	(1,677,366)	(118,251)
Cash payments to employees	(384,172)		(384,172)	(98,492)
<i>Net cash provided (used)</i> <i>by operating activities</i>	<u>153,671</u>	<u>(5,307)</u>	<u>148,364</u>	<u>23,282</u>
<b>Cash flows from</b>				
<b>noncapital financing activities:</b>				
Transfers to other funds	(100,000)	(100,000)	(200,000)	
<i>Net cash provided (used)</i> <i>by noncapital financing activities</i>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(200,000)</u>	
<b>Cash flows from</b>				
<b>investing activities:</b>				
Interest on investments	36,215	14,514	50,729	14,054
<i>Net cash provided (used)</i> <i>by investing activities</i>	<u>36,215</u>	<u>14,514</u>	<u>50,729</u>	<u>14,054</u>
<b>Net increase (decrease)</b> <b>in cash and cash equivalents</b>	89,886	(90,793)	(907)	37,336
<b>Balances - beginning of year</b>	<u>636,969</u>	<u>310,271</u>	<u>947,240</u>	<u>243,081</u>
<b>Balances - end of year</b>	<u>\$ 726,855</u>	<u>\$ 219,478</u>	<u>\$ 946,333</u>	<u>\$ 280,417</u>
<b>Reconciliation of operating income</b> <b>(loss) to net cash provided (used)</b> <b>by operating activities:</b>				
Operating income (loss)	\$ 41,163	\$ 50,748	\$ 91,911	\$ 23,229
Adjustments to reconcile operating income:				
Depreciation expense	61,962	14,960	76,922	
Change in assets and liabilities:				
Accounts receivable	1,482	(64,952)	(63,470)	
Inventories	38,815		38,815	
Accounts payable	10,249	(6,063)	4,186	53
<i>Net cash provided by</i> <i>operating activities</i>	<u>\$ 153,671</u>	<u>\$ (5,307)</u>	<u>\$ 148,364</u>	<u>\$ 23,282</u>

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*The District*

Central Oregon Community College District, located in Bend, Oregon, is an accredited two-year Oregon community college serving the residents of Central Oregon. The District 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 financial statements of Central Oregon Community College District 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. The College follows the "Governmental and Business-type Activities" reporting requirements of GASB Statement No. 35 that provides a comprehensive multi-column format of the college activities.

The College applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The College has elected not to apply FASB pronouncements issued after November 30, 1989 to its business-type activities or enterprise funds.

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements display information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the College as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Assets and the Statement of Activities.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Currently, the College has only governmental and proprietary type funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column within each fund type in the financial statements and are detailed in the supplemental information.

The financial transactions of the College are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The GASB 34 model sets forth minimum criteria (percentage of the assets liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The College reports the following major governmental funds:

- *General Fund*

This is the College's primary operating fund. It accounts for all the financial operations of the College except those required to be accounted for in another fund. Principal sources of revenue are property taxes, state tax allocations and charges for services. Primary expenditures are for college instructional programs and general administration.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

• *Grants and Contracts Fund*

Revenues are from contracts and grants for special programs operated by the District.

• *Auxiliary Activities Fund*

Revenues are from charges for services for special programs operated by the District.

• *Reserve Fund - Retiree Benefit Liability and PERS Reserve Fund*

This fund accounts for retiree benefits and PERS Reserve. The major source of revenue is from transfers and internal charges.

• *Financial Aid Fund*

Revenues are from grants and District matching funds for student financial aid.

• *Debt Service*

The debt service revenues are from property taxes and fund transfers. Payment of special obligations, bonds and interest are made out of this fund.

• *Capital Projects Fund*

The capital projects fund accounts for the resources used for major construction and improvement projects of the District. The major source of revenue is from transfers, bond proceeds and earnings on investments.

• *Permanent Fund*

The College has one permanent fund a non-expendable trust fund. The fund accounts for resources that are legally restricted in that only earnings, and not principal, may be used to support the College's programs. The fund accounts for two permanently restricted endowments.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The College reports each of its proprietary funds as major funds. These funds are entirely or predominantly self-supported through user charges to customers. The College reports the following proprietary funds:

- *Bookstore Fund*

This fund accounts for the activities of the District's bookstore. The principal source of revenue is from sales of books and materials to students. This revenue is used to replenish inventory and pay for the administration of the bookstore.

- *Residence Hall*

This fund accounts for the operations of the District's residence hall. The principal source of revenue is contract service revenue. This revenue is used for the contracted administration and maintenance of the residence hall.

The Government-wide Financial Statements and the Proprietary Funds 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 assets) 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.

Additionally, the College reports Internal Service Fund activities to account for centralized printing and copier services charged on a cost reimbursement basis to other departments.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

Governmental Funds and Permanent Fund Financial Statements are presented on a modified accrual basis of accounting with a current financial resource measurement focus. This measurement focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Similar to the connection between an economic resource measurement focus and full accrual accounting, a current financial resource measurement focus is inseparable from a modified accrual basis of accounting. Under modified accrual accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the College considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under full accrual accounting.

A deferred revenue liability arises in the Governmental Funds Balance Sheet when potential revenue does not meet both the measurable and available criteria for recognition in the current period. This unavailable deferred revenue consists primarily of uncollected property taxes and assessments not deemed available to finance operation of the current period. In the Government-wide Statement of Activities, with a full accrual basis of accounting, revenue must be recognized as soon as it is earned regardless of its availability. Thus, the liability created on the Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Note that deferred revenues also arise outside the scope of measurement focus and basis of accounting, such as when the College receives resources before it has a legal claim to them for instance, when grant monies are received prior to the incurrence of qualifying expenditures.

Similar to the way its revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Principal and interest on general long-term debt are recorded as fund liabilities only when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Vested compensated absences are recorded as expenditures only to the extent that they are expected to be liquidated with expendable financial resources. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government must be recognized. Thus, the expense and related accrued liability for long term portions of debt and compensated absences must be included.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is part of the financial statements.

Amounts reported as program revenues include 1) charges for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish 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 for enterprise funds 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.

*Investments*

State statutes authorize the District 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 District's investments as of June 30, 2007, consist of deposits in the State of Oregon Local Government Investment Pool, which is managed and monitored by the Oregon State Treasurer, U.S. Treasury obligations, its agencies and instrumentalities. Investments are recorded at cost, which approximates market value. The fair value of the position of the pool approximates the fair value of pool shares.

*Inventory*

Inventories are stated using the cost (first-in/first-out) method. Inventories are recorded as expenditures when purchased in the governmental funds.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Pooled cash and investments*

Cash and cash equivalents include amounts in demand deposits as well as short-term investments. Cash is stated at cost. Investments are stated at cost, which approximates market value.

*Restricted Assets*

Assets whose use is restricted for construction, debt service or by other agreement are segregated on the Government-wide Statement of Net Assets and the Proprietary Fund Statement of Net Assets.

*Receivables and Payables*

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as deferred revenue because it is not deemed available to finance operations of the current period. 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.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of an allowance for uncollectible accounts.

*Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements, and capitalized in the proprietary fund statements. 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 and an estimated useful life of greater than one year. Additions or improvements and other capital outlays 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 DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Capital Assets (Continued)*

Depreciation is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
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.

*Long-Term Debt*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year of issue and are shown as other financing uses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Fund Equity*

Tentative plans for utilization of fund balances in future periods are recorded as a designation of fund balance in the fund-level financial statements. Planned expenditures include future debt service and other commitments.

*Compensated Leave*

Accumulated vacation leave is recorded in the fund obligated for such benefits. Compensated leave is recorded as an expense and liability of the funds as benefits accrue to the employee. Sick pay does not vest and is recognized in all funds when leave is taken.

*Interfund Transactions*

Transactions that constitute reimbursement for a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reduction of the expenditures/expenses in the fund that is reimbursed.

All other interfund transactions are reported as transfers.

*Use of Estimates*

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

*Operating Revenues and Expenses*

Operating revenues and expenses generally result from providing services to students. Principal operating revenues include tuition, federal and state grants, charges for services and sales of educational material. Operating expenses include the cost of faculty, administration and bookstore operations and depreciation. All other revenues, including state educational support and expenses not meeting this definition are reported as non-operating revenues and expenses.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*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.

*Federal Financial Assistance Program*

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 the Single Audit Act, the U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and the Compliance Supplement.

*Net Assets*

GASB Statement No. 34 reports equity as "Net Assets" rather than "Fund Balance". Net assets are classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Expendable restricted net assets represent funds held in federal loan programs.

**NOTE 2 - BUDGET COMPLIANCE**

The District 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.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 2 - BUDGET COMPLIANCE (CONTINUED)**

The District 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. A supplemental budget was not required for the 2006-07 fiscal year.

In accordance with state law, all appropriations terminate on June 30. Goods and services delivered during the ensuing year must be charged against the ensuing year's appropriations. Consequently, encumbrances are not reported in the financial statements.

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.

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.

*Difference Between the Budgetary Basis and Modified Accrual Basis of Accounting*

The District has one difference between the budgetary basis and modified accrual basis of accounting. Under the budgetary basis, in conformity with Oregon budget law, the District records a receivable for the state school support received in July because it relates to amounts appropriated by the state legislature for the subsequent year's operations.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 3 - POOLED CASH AND INVESTMENTS**

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Investments". The pool includes cash, deposits, and investments.

The District'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 Statutes require that all bank deposits in excess of the FDIC or FSLIC insurance amounts be collateralized with securities held by the bank. The bank balance of all deposits was entirely covered by federal depository insurance or by certificates of participation held and confirmed by the District's custodial bank as of June 30, 2007. The District invested in authorized investments during the year. The investments are carried at cost, which approximates market value at June 30, 2007.

Cash and investments at June 30, 2007 consist of the following:

	<u>Security</u>	
Cash and cash equivalents		
Petty cash	N/A	\$ 11,690
Demand deposits	FDIC & Collateral	<u>3,556,911</u>
		<u>3,568,601</u>
Investments		
Oregon State Treasurer's Investment Pool	N/A	<u>21,323,020</u>
		<u>21,323,020</u>
		<u>\$ 24,891,621</u>
Statement of Net Assets		
Pooled cash and investments		\$ 24,936,694
Deficit in pooled cash and investments		<u>(45,073)</u>
		<u>\$ 24,891,621</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 3 - POOLED CASH AND INVESTMENTS (CONTINUED)**

*Deposits with Financial Institutions*

District deposits with financial institutions are insured up to \$100,000 by the Federal Depository Insurance Corporation (FDIC). To provide the additional security required by Oregon Revised Statutes, Chapter 295, the District obtains collateral certificates. Securities in the District's name having a value of not less than 25% of the amount of the certificates are held by the custodian of the pooled collateral, who is considered to be the District's agent. At June 30, 2007, the carrying amount of the District's deposits in a financial institution was \$3,556,911 and the balance per the bank statements was \$4,055,085. Of this amount, \$100,000 was covered by FDIC, and \$3,955,085 was collateralized by securities held by financial institutions acting as agents of the District.

*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 District's investment policy requires that investment portfolios have maturities of 18 months or less.

*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 District investment policy does not further limit its investment choices. At June 30, 2007, the District 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 District will not be able to recover the value of its investments that are in the possession of an outside party. At June 30, 2007, the District does not have investments exposed to custodial credit risk.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 4 - PROPERTY TAXES**

On November 6, 1990, Oregon voters approved Measure 5, a state constitutional limit on property taxes for schools and non-school governmental entities. Under the provisions of the limitation, tax revenues are separated into those for the public school system, including community colleges and education service districts, 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 market value assessed on property by all public school systems, including community colleges and education service districts, effective with the 1991-92 fiscal years.

The Measure 5 limitation applies to all local taxes and charges on property except for the following:

- incurred charges for goods or services received at the owner's option;
- assessments for capital construction that provides a special benefit to the property and can be paid off over at least ten years;
- taxes to repay bonded debt authorized by the state constitution;
- taxes to repay existing bonded debt for capital construction, and;
- taxes to repay new bonded debt for capital construction, if approved by voters.

In November 1996, Oregon voters approved a constitutional amendment, Measure 47, to further limit property taxes. On May 20, 1997, Oregon voters approved Ballot Measure 50, a constitutional amendment that in effect rewrote Oregon's property tax system. Key components of Measure 50 are as follows:

- repealed Measure 47.
- replaced tax limit with tax rate and taxable assessed value limit. For the 1997-98 tax year, property values were rolled back to their 1995-96 assessed value less ten percent. Future growth of taxable assessed values of each property is then limited to 3% per year.
- reduced levies are converted into permanent tax rate limits for 1998-99 and beyond. This, combined with the value limit, limits property tax revenue growth to a maximum of 3% per year plus property tax revenue from new construction.
- allows voters to approve limited levies outside cap. Permanent levies are not allowed outside of cap, with certain exceptions, and all levies must be approved at either a general election or an election at which there is at least a 50% turnout.
- preserves Measure 5 overall rate limits (\$5 per \$1,000 on schools, \$10 per \$1,000 on non-school) but restricts the type of debt exempt from Measure 5 limits. The Measure 5 overall limit is determined by calculating tax rates utilizing the real market value of properties rather than the taxable assessed value on a property by property basis.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**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 District's boundaries. The levy for 2006-07, by county, is as follows:

Deschutes County	\$10,358,560
Jefferson County	840,592
Crook County	990,762
Klamath County	182,669
Lake County	79,478
Wasco County	<u>3,927</u>
 Total	 <u><u>\$12,455,988</u></u>

Property taxes receivable, as shown on the balance sheet, represent amounts uncollected at year end. Property taxes receivable that are not measurable and available at year end are recorded as deferred revenue.

**NOTE 5 - RECEIVABLES**

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.

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 DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 6 - CAPITAL ASSETS**

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

	<i>Balance</i> <i>July 1, 2006</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2007</i>
Capital Assets				
Land and improvements	\$ 5,560,405	\$	\$	\$ 5,560,405
Buildings	32,510,122	285,584		32,795,706
Equipment	3,476,134	419,140		3,895,274
	41,546,661	<u>\$ 704,724</u>	<u>\$ -</u>	42,251,385
Accumulated depreciation	<u>(12,299,348)</u>	<u>\$ (1,158,488)</u>	<u>\$ -</u>	<u>(13,457,836)</u>
	<u>\$ 29,247,313</u>			<u>\$ 28,793,549</u>

For the year ended June 30, 2007, depreciation expense in the amount of \$1,158,488 was directly charged to Plant Operations and Maintenance.

The changes in the District's capital assets for business-type activities are as follows:

	<i>Balance</i> <i>July 1, 2006</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2007</i>
Buildings	\$ 1,698,010	\$	\$	\$ 1,698,010
Equipment	140,989			140,989
	1,838,999	<u>\$ -</u>	<u>\$ -</u>	1,838,999
Accumulated depreciation	<u>(891,903)</u>	<u>\$ (76,922)</u>	<u>\$ -</u>	<u>(968,825)</u>
	<u>\$ 947,096</u>			<u>\$ 870,174</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 7 - LONG-TERM DEBT**

All long-term liabilities are related to governmental activities of the College.

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

The District 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 District employees under PERS and the asset value available to pay for them. The pension obligation payments will be expensed to funds with payroll costs.

*Refinancing Activity*

In October 2001, the District issued series 2001 general obligation bonds with interest rates ranging from 4.0% to 5.0%. This issue was for the purpose of advance refunding of outstanding 1995 Series Bonds in the amount of \$10,300,000, with interest rates ranging from 4.7% to 5.9%. Net bond proceeds along with other resources were used to purchase U.S. Government Obligations. These securities were deposited in an irrevocable escrow account through an independent escrow agent to provide all future debt service on the refunded 1995 series bonds. As a result, the 1995 series bond is considered defeased, and the District has removed the liability from its accounts. The defeased bonds were redeemed by the escrow agent on October 24, 2001 for \$11,064,294 and therefore the outstanding principal of the defeased bonds was zero at June 30, 2007.

The advance refunding reduced total debt service payments by \$392,232 resulting in an economic gain of \$364,094.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

The following is a summary of the bond transactions for the year ended June 30, 2007:

*General and Special Obligation Bond Issues*

*General Obligation Bond*

October 15, 2001 Issue, original Issue was \$10,810,000, interest rate of 4.0 to 5.0 percent payable semiannually, principal paid annually.	\$ 3,305,000
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*Full Faith and Credit Obligations*

November 1, 1996 Issue, original Issue was \$900,000, interest rate of 4.0 to 5.9 percent payable semiannually, principal paid annually.	580,000
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October 1, 1997 Issue, original Issue was \$2,000,000, interest rate of 4.05 to 5.9 percent payable semiannually, principal paid annually.	1,365,000
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May 1, 2001 Issue, original Issue was \$7,365,000, interest rate of 4.7 to 5.3 percent payable semiannually, principal paid annually.	6,710,000
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*Pension Obligation Bonds*

April 23, 2003 Issue, original Issue was \$11,535,638, interest rate of 2.04 to 6.25 percent payable semiannually, principal paid annually.	<u>11,015,708</u>
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\$ 22,975,708

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

<u>Issue</u>	<u>Principal</u>			<u>Ending Balance June 30, 2007</u>
	<u>Beginning Balance July 1, 2006</u>	<u>Matured</u>	<u>Paid</u>	
November 1, 1996	\$ 620,000	\$ 40,000	\$ 40,000	\$ 580,000
October 1, 1997	1,455,000	90,000	90,000	1,365,000
May 1, 2001	6,855,000	145,000	145,000	6,710,000
October 15, 2001	4,775,000	1,470,000	1,470,000	3,305,000
April 23, 2003	11,268,263	252,555	252,555	11,015,708
	<u>\$ 24,973,263</u>	<u>\$ 1,997,555</u>	<u>\$ 1,997,555</u>	<u>\$ 22,975,708</u>

<u>Issue</u>	<u>Interest</u>			<u>Outstanding June 30, 2007</u>
	<u>Outstanding July 1, 2006</u>	<u>Matured</u>	<u>Paid</u>	
November 1, 1996	\$	\$ 34,960	\$ 34,960	\$
October 1, 1997		70,128	70,128	
May 1, 2001		344,590	344,590	
October 15, 2001		208,150	208,150	
April 23, 2003		383,987	383,987	
	<u>\$</u>	<u>\$ 1,041,815</u>	<u>\$ 1,041,815</u>	<u>\$</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

<u>Year</u>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements October 15, 2001 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 264,454	\$ 402,088	\$ 1,590,000	\$ 149,350
2008-09	279,220	427,322	1,715,000	85,750
2009-10	287,694	453,848		
2010-11	296,439	485,103		
2011-12	306,586	519,956		
Years Thereafter	9,581,315	9,921,423		
<i>Totals</i>	<u>\$ 11,015,708</u>	<u>\$ 12,209,740</u>	<u>\$ 3,305,000</u>	<u>\$ 235,100</u>

<u>Year</u>	<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>		<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 150,000	\$ 337,340	\$ 95,000	\$ 65,895
2008-09	160,000	329,840	100,000	61,360
2009-10	165,000	321,840	105,000	56,490
2010-11	175,000	313,590	110,000	51,220
2011-12	185,000	304,840	115,000	45,595
Years Thereafter	5,875,000	3,405,940	840,000	135,345
<i>Totals</i>	<u>\$ 6,710,000</u>	<u>\$ 5,013,390</u>	<u>\$ 1,365,000</u>	<u>\$ 415,905</u>

<u>Year</u>	<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 45,000	\$ 32,569
2008-09	45,000	30,038
2009-10	50,000	27,366
2010-11	50,000	24,485
2011-12	55,000	21,388
Years Thereafter	335,000	51,479
<i>Totals</i>	<u>\$ 580,000</u>	<u>\$ 187,325</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

The District has entered into a contract with Citimortgage, Inc. for \$575,988. Payments are \$16,206 a quarter at 3.98 percent. \$ 532,616

Future maturities of the note payable are as follows:

Year ended June 30, 2008	\$ 44,280
2009	46,069
2010	47,930
2011	49,866
2012	51,881
Years Thereafter	<u>292,590</u>
	\$ <u>532,616</u>

The following changes in general long-term debt occurred for the year ended June 30, 2007.

	<i>Balance</i> <i>July 1, 2006</i>	<i>Additions</i>	<i>Principal</i> <i>Payments</i>	<i>Balance</i> <i>June 30, 2007</i>
General and special obligation bonds	\$ 24,973,263	\$	\$ 1,997,555	\$ 22,975,708
Notes payable	95,518		95,518	
Capital lease	<u>575,177</u>	<u></u>	<u>42,561</u>	<u>532,616</u>
<i>Totals</i>	<u>\$ 25,643,958</u>	<u>\$</u>	<u>\$ 2,135,634</u>	<u>\$ 23,508,324</u>

The District is in compliance with all significant debt restrictions and limitations. The district is not obligated for special assessment debt.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 8 - PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM**

*Plan Description*

The District is a participating employer in the Oregon Public Employees Retirement System (PERS), an agent multiple-employer public employee retirement system, established under Oregon Revised Statutes 238.600 that acts as a common investment and administrative agent for public employers in the State of Oregon. PERS provides defined benefit and defined contribution pension plans that provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. All District employees are eligible to participate in PERS after six months of employment. Benefits are established by state statute. PERS is a component unit of the State of Oregon and issues a comprehensive annual financial report which may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700 or by calling (503) 598-7377.

*Funding Policy*

For the fiscal year ended June 30, 2007, the District was required by the rules applicable to PERS to contribute 10.82% of Tier One and Tier Two employees' salaries to PERS. Central Oregon Community College District made a lump sum payment to PERS after the valuation date reducing the current rate to 7.57% of salary covered under the plan without the 6% pickup. Employees entering the system subsequent to August 2003 are covered under the Oregon Public Service Retirement Plan (OPSRP). The effective rate for OPSRP employees is 4.22%. The contribution rate is determined based on actuarial valuations, which are performed by PERS periodically. Covered employees are required by state statute to contribute 6% of their annual salary to the system, but the employer is allowed to pay any or all of the employees' contribution in addition to the required employers' contribution. The District has elected to contribute the 6% "pick-up" of the employees' contribution in-lieu of a 6% pay increase.

*Annual Pension Cost*

For fiscal year ended June 30, 2007, the District's annual pension cost for PERS was equal to the District's required and actual contributions, and consisted of \$1,640,256 for the District's required share. Employer contributions are calculated in conformance with the provision of GASB Statement 27 as a percentage of covered payroll. Therefore, the contributions transmitted to PERS are equal to the Annual Required Contributions (ARC) and there is no Net Pension Obligation (NPO) necessary to amortize any unmade contributions.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 8 - PARTICIPATION IN PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONTINUED)**

*Annual Pension Cost (Continued)*

The actuarial assumptions include a rate of return on investment of present and future assets 8.0% per year net of investment and administrative expenses, projected salary increases of 3.75% excluding merit and longevity increases and future interest credits of 8.5% for Tier One and 8.0% for Tier Two employees. Investment return and projected salary increases include an inflation component of 2.75%.

The actuarial value of PERS assets are at fair value on the valuation date less a reserve equal to a prorated portion of the investment gains (losses) over the four-year period ending on the valuation date. The unfunded actuarial liability as of December 31, 2005, valuation is amortized on a level percentage of covered payroll on a closed fixed term method over a 22-year period through December 31, 2027.

<i>Three-Year Trend Information</i>			
<i>Fiscal Year Ended</i>	<i>Annual Pension Cost (APC)</i>	<i>Percentage of APC Contributed</i>	<i>Pension Prepayment</i>
6/30/2005	1,271,538	100%	\$ 11,502,157
6/30/2006	1,342,873	100	11,268,263
6/30/2007	1,640,256	100	11,015,708

AVA: Actuarial Value of Assets

AAL: Actuarial Accrued Liability

UAAL: Unfunded Actuarial Accrued Liability

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 9 - RISK MANAGEMENT**

The District 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 District pays annual insurance premiums to a commercial supplier. Limitations on claims are as follows: general liability of \$1,000,000; excess liability of \$5,000,000; property coverage of \$60,213,544 and fidelity bonds of \$100,000. The District 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 - SEGMENT INFORMATION**

The District maintains two proprietary enterprise funds which are self-supporting through sales. Financial segment information as of and for the year ended June 30, 2007, is presented as follows:

	<u>Bookstore</u>	<u>Residence Hall</u>	<u>Total</u>
Operating revenue	\$1,976,558	\$ 296,814	\$2,273,372
Depreciation expense	61,962	14,960	76,922
Operating income (loss)	41,163	50,748	91,911
Change in net assets	(22,622)	(34,738)	(57,360)
Net working capital	1,151,331	298,149	1,449,480
Total assets	1,950,033	402,168	2,352,201
Total equity	1,928,492	391,162	2,319,654

**NOTE 11 - INTERFUND ACTIVITY**

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund. Transfers during the year ended June 30, 2007, were as follows:

Transfers out:

General Fund	\$ 5,558,119
Auxiliary Activities Fund	4,496,497
Financial Aid Fund	120,000
Proprietary Fund	<u>200,000</u>
Total transfers out	<u>\$10,374,616</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 11 - INTERFUND ACTIVITY (CONTINUED)**

Transfers in:

Grants and Contracts Fund	\$ 15,125
Auxiliary Activities Fund	1,424,940
Financial Aid Fund	139,000
Reserve Fund	3,315,328
Debt Service Fund	388,223
Capital Projects Fund	<u>5,092,000</u>

Total transfers in	<u>\$10,374,616</u>
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**NOTE 12 - ORGANIZATION**

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

**NOTE 13 - POST-EMPLOYMENT BENEFITS**

In addition to the pension benefits described in note 8, the District provides medical insurance for those employees who retire and meet certain conditions. The retiree must be a regular employee of the college for 15 consecutive years prior to retirement, be a PERS retiree, and be at least 55 years of age, but not over 65 years of age. The retiree cannot be eligible for Medicare benefits. Currently twenty two retirees meet the eligibility requirements. During the year, District expenditures for the early retirement health plan amounted to \$164,302.

As of June 30, 2002 the College has placed a cap on these benefits. Employees with twelve to fourteen years of service with the College, as of July 1, 2004, are eligible to receive \$300 per month; employees with fifteen plus years of employment are eligible to receive \$500 per month. Current retirees were capped at \$550 per month. Employees must meet the above requirements to receive these benefits. Management estimates the present value of future post-employment benefits to be \$1,521,559. As of June 30, 2007 the College had \$1,666,782 reserved for post-employment benefits.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007**

**NOTE 14 - BENEFICIAL INTEREST IN PERPETUAL TRUST**

The District is a beneficiary of an irrevocable trust created by a donor, the assets of which are not in the possession of the District. The District has an irrevocable right to receive the income from the trust's assets in perpetuity. Net interest income is paid annually to the District to be used for educational purposes. Effective the first business day of January 2001, the District 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, 2007 of the beneficial interests was \$1,692,258.

**NOTE 15 - COMMITMENTS AND CONTINGENCIES**

*Grant Audit*

The District 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 District's management, such disallowances, if any will not be significant.

**NOTE 16 - 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 1957 to provide grants, loans, and endowments for the education of the students of Central Oregon Community College. The Foundations primary transaction with the College was \$567,754 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 97701.

### **GENERAL FUND**

The general fund accounts for financial resources, for the District, 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 DISTRICT**  
**BEND, OREGON**

**COMPARATIVE BALANCE SHEET**  
**BUDGETARY BASIS**  
**GENERAL FUND**

**JUNE 30, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 3,192,976	\$ 6,447,826
Cash with county treasurers	119,416	122,142
Property taxes receivable	448,853	352,724
Accounts receivable	1,842,847	1,049,196
Allowance for doubtful accounts	<u>(384,693)</u>	<u>(384,918)</u>
 <i>Total assets</i>	 <u><u>\$ 5,219,399</u></u>	 <u><u>\$ 7,586,970</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 1,006,784	\$ 1,222,548
Accrued compensated leave	349,818	319,984
Deferred revenue	<u>299,896</u>	<u>213,947</u>
 <i>Total liabilities</i>	 <u>1,656,498</u>	 <u>1,756,479</u>
 <b>Fund balance:</b>		
Reserved for capital projects		2,000,000
Unreserved - undesignated	<u>3,562,901</u>	<u>3,830,491</u>
 <i>Total fund balance</i>	 <u>3,562,901</u>	 <u>5,830,491</u>
 <i>Total liabilities and fund balance</i>	 <u><u>\$ 5,219,399</u></u>	 <u><u>\$ 7,586,970</u></u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND**

**YEAR ENDED JUNE 30, 2007**

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 10,258,000	\$ 10,258,000	\$ 10,421,469	\$ 163,469
Tuition and fees	8,361,000	8,361,000	8,046,174	(314,826)
Interest	150,000	150,000	262,198	112,198
Other	25,000	25,000	14,827	(10,173)
<b>Intergovernmental:</b>				
State	5,295,000	5,295,000	5,201,590	(93,410)
<b>Total revenue</b>	24,089,000	24,089,000	23,946,258	(142,742)
<b>Beginning fund balance</b>	5,600,000	5,600,000	5,830,491	230,491
<b>Total available for         appropriation</b>	<u>\$ 29,689,000</u>	<u>\$ 29,689,000</u>	<u>\$ 29,776,749</u>	<u>\$ 87,749</u>
<b>Expenditures</b>				
<b>Instruction:</b>				
Humanities office	\$ 45,181	\$ 45,181	\$ 31,854	\$ 13,327
Writing-literature	1,171,642	1,116,642	1,091,767	24,875
Foreign language	330,769	334,002	317,935	16,067
Philosophy	15,981	15,981	18,374	(2,393)
Social science	50,173	50,173	51,223	(1,050)
Addiction studies	83,277	83,277	77,037	6,240
Anthropology	70,168	71,333	77,742	(6,409)
Criminal justice	111,416	113,130	108,211	4,919
Economics	102,732	103,244	103,168	76
Education	103,800	63,800	49,355	14,445
Geography	83,049	83,049	71,225	11,824
History	210,247	211,614	200,405	11,209
Human development	49,269	49,269	39,984	9,285
Political science	6,340	6,340	6,902	(562)
Psychology	243,739	243,739	234,571	9,168
Sociology	117,543	120,978	110,879	10,099
Oregon leadership institute	17,090	17,090	18,859	(1,769)
Speech	271,811	273,823	264,182	9,641
Music	198,678	200,947	211,368	(10,421)
Art	375,042	375,042	323,186	51,856
Theater arts	39,291	39,542	38,995	547

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b>Instruction - continued</b>				
Fine arts office	\$ 67,045	\$ 67,045	\$ 58,643	\$ 8,402
Business administration	420,701	445,702	413,840	31,862
Culinary program	98,523	98,523	114,549	(16,026)
Grandview office	32,015	32,015	32,011	4
Hospitality, tourism & recreation	4,718	4,718	4,258	460
Office administration	5,991	5,991		5,991
Regional services & Redmond	260,612	200,612	206,781	(6,169)
Manufacturing processes	181,433	181,433	161,584	19,849
Apprenticeship	53,808	53,808	33,781	20,027
Redmond campus instruction	122,314	62,314	63,429	(1,115)
Ponderosa office	47,323	47,323	46,226	1,097
Forestry technology	302,623	309,312	310,157	(845)
Automotive	173,495	174,179	165,124	9,055
Wildland fire management	60,228	60,228	54,376	5,852
Aviation program	47,377	47,377	43,028	4,349
Composites program	18,351	18,351	12,096	6,255
Mathematics	997,622	941,715	927,547	14,168
Pioneer Hall office	46,242	46,242	46,113	129
Computer information systems	765,691	750,989	752,260	(1,271)
Geographical information	123,300	123,869	113,077	10,792
Engineering & engineering tech.	16,135	16,135	13,931	2,204
Ochoco office	59,005	59,005	57,972	1,033
Biological science	598,085	605,338	593,289	12,049
Chemistry	206,544	210,732	199,561	11,171
Physics and engineering	132,028	132,654	125,210	7,444
Geology	91,047	91,950	95,806	(3,856)
Health and human				
performance office	74,972	74,972	86,144	(11,172)
Health and human performance	543,058	543,058	562,297	(19,239)
HHP: Exercise science	9,482	9,482	9,605	(123)
HHP: Health classes	29,261	29,261	9,457	19,804
HHP: Recreation	93,090	93,090	75,864	17,226
Allied health	132,385	82,385	70,701	11,684
Licensed massage therapy	188,753	194,162	148,942	45,220
Emergency medical service	217,816	161,173	143,861	17,312
Dental assisting	163,817	166,248	172,676	(6,428)
Medical assisting	80,967	82,324	76,554	5,770
Dietary management	16,178	16,402	14,745	1,657
Health information technology	182,436	184,869	164,527	20,342
Structural fire science	58,183	58,183	46,162	12,021

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

continued from page 49

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b>Instruction - continued</b>				
Nursing	\$ 546,052	\$ 477,052	\$ 470,673	\$ 6,379
Nursing office	40,729	40,729	37,264	3,465
Library skills	59,395	59,819	55,829	3,990
Instruction transfers	1,071,000	1,071,000	1,071,000	
<b>Total instruction</b>	<u>12,137,068</u>	<u>11,749,965</u>	<u>11,308,172</u>	<u>441,793</u>
<b>Instructional support:</b>				
Office of the Vice President of instruction	373,368	284,199	270,855	13,344
Library	800,343	801,615	764,235	37,380
Catalog and class schedule	26,394	26,394	29,892	(3,498)
Commencement & convocation	15,465	15,465	21,217	(5,752)
Tutoring and testing	157,165	157,165	163,203	(6,038)
Academic computing support	102,383	102,383	103,072	(689)
Instructional deans	304,678	279,678	262,367	17,311
Instructional support transfers	198,400	698,400	718,400	(20,000)
<b>Total instructional support</b>	<u>1,978,196</u>	<u>2,365,299</u>	<u>2,333,241</u>	<u>32,058</u>
<b>Student services:</b>				
Admissions	273,335	273,335	271,036	2,299
Counseling center	44,947	44,947	26,123	18,824
Student life	121,521	121,521	104,300	17,221
Financial aid	456,443	456,443	451,969	4,474
Career services and job placement	105,423	105,423	88,393	17,030
Student outreach and contact	136,982	136,982	135,688	1,294
Registrar	351,305	351,305	316,041	35,264
Intramurals	68,363	66,113	66,225	(112)
Club sports	60,713	60,713	61,658	(945)
Enrollment cashiering	54,206	54,206	53,366	840
Disability services	161,179	161,179	124,889	36,290
Office of the Dean of student & enrollment services	209,320	169,320	164,173	5,147
Advising	226,613	226,613	220,292	6,321
Student service transfers	1,000	43,250	43,250	
<b>Total student services</b>	<u>2,271,350</u>	<u>2,271,350</u>	<u>2,127,403</u>	<u>143,947</u>

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b><i>College support services:</i></b>				
Governing board	\$ 71,840	\$ 71,840	\$ 54,567	\$ 17,273
President's office	287,218	287,218	274,057	13,161
Fiscal services	458,550	458,550	423,933	34,617
Campus safety and security	197,045	197,045	195,336	1,709
Human resources	294,454	294,454	293,350	1,104
Mail services	192,786	192,786	137,102	55,684
College relations	396,342	396,342	333,432	62,910
Vice President and Chief Financial Officer	259,928	259,928	259,111	817
Legal and audit services	84,503	84,503	90,520	(6,017)
Elections			16,974	(16,974)
General institutional support	714,487	606,374	503,041	103,333
Liability and other insurance	40,320	40,320	52,035	(11,715)
Institutional research/grant offic	182,919	182,919	116,583	66,336
Office of the Vice President for institutional advancement	269,498	269,498	240,838	28,660
Organizational development	6,000	6,000	2,176	3,824
Diversity activities	21,815	21,815	200	21,615
College support transfers	82,000	140,113	305,401	(165,288)
<i>Total college support services</i>	<u>3,559,705</u>	<u>3,509,705</u>	<u>3,298,656</u>	<u>211,049</u>
<b><i>Plant operations and maintenance:</i></b>				
Custodial services	700,870	700,870	606,313	94,557
Utilities	434,919	434,919	498,326	(63,407)
Fire and boiler insurance	116,231	116,231	85,905	30,326
Maintenance of grounds	167,411	167,411	167,285	126
Maintenance of buildings	479,842	479,842	472,500	7,342
Plant administration	226,525	226,525	231,965	(5,440)
Redmond campus infrastructure	141,670	141,670	150,615	(8,945)
Plant operations transfers	2,933,068	2,933,068	2,973,068	(40,000)
<i>Total plant operations and maintenance</i>	<u>5,200,536</u>	<u>5,200,536</u>	<u>5,185,977</u>	<u>14,559</u>

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b><i>Information technology services:</i></b>				
Information technology services	\$ 203,902	\$ 203,902	\$ 216,458	\$ (12,556)
Management information systems	326,062	376,062	338,603	37,459
User services	406,226	406,226	396,911	9,315
Network systems	169,445	169,445	169,333	112
Telecommunications	424,921	424,921	392,094	32,827
Information technology transfers	308,000	308,000	308,000	
 <i>Total information technology services</i>	 1,838,556	 1,888,556	 1,821,399	 67,157
 <b><i>Financial aid transactions:</i></b>				
Other financial aid	139,000	139,000	139,000	
 Operating contingency	 400,000	 400,000		 400,000
 <i>Total expenditures</i>	 <u>\$ 27,524,411</u>	 <u>\$ 27,524,411</u>	 <u>\$ 26,213,848</u>	 <u>\$ 1,310,563</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

<b>General Fund Summary</b>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Total revenue</b>	\$ 24,089,000	\$ 24,089,000	\$ 23,946,258	\$ (142,742)
<b>Beginning fund balance</b>	5,600,000	5,600,000	5,830,491	230,491
<i>Total available for appropriations</i>	<u>29,689,000</u>	<u>29,689,000</u>	<u>29,776,749</u>	<u>87,749</u>
<b>Expenditures:</b>				
Instruction	12,137,068	11,749,965	11,308,172	441,793
Instructional support	1,978,196	2,365,299	2,333,241	32,058
Student services	2,271,350	2,271,350	2,127,403	143,947
College support services	3,559,705	3,509,705	3,298,656	211,049
Plant operations and maintenance	5,200,536	5,200,536	5,185,977	14,559
Information technology service	1,838,556	1,888,556	1,821,399	67,157
Financial aid	139,000	139,000	139,000	
Operating contingency	400,000	400,000		400,000
<i>Total expenditures</i>	<u>27,524,411</u>	<u>27,524,411</u>	<u>26,213,848</u>	<u>1,310,563</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 2,164,589</u>	<u>\$ 2,164,589</u>	<u>\$ 3,562,901</u>	<u>\$ 1,398,312</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 DISTRICT**  
**BEND, OREGON**

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

**JUNE 30, 2007**

**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)**

	<i>Contracts and Grants</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>ASSETS</b>			
Pooled cash and investments	\$	\$ 5,578,260	\$ 3,329,356
Accounts receivable	62,901	81,163	
Student loans receivable			
Inventory	1,183		
	<hr/>	<hr/>	<hr/>
<i>Total assets</i>	\$ 64,084	\$ 5,659,423	\$ 3,329,356
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES AND FUND EQUITY</b>			
<b><i>Liabilities:</i></b>			
Deficit in pooled cash			
and investments	\$ 45,073	\$	\$
Accounts payable	2,063	15,013	
Deferred revenue		3,995	
	<hr/>	<hr/>	<hr/>
<i>Total liabilities</i>	47,136	19,008	
	<hr/>	<hr/>	<hr/>
<b><i>Fund equity:</i></b>			
Fund balance			
Reserved			
Retiree benefits			1,666,783
PERS Reserve			1,662,573
Unreserved - undesignated	16,948	5,640,415	
	<hr/>	<hr/>	<hr/>
<i>Total fund balance</i>	16,948	5,640,415	3,329,356
	<hr/>	<hr/>	<hr/>
<i>Total liabilities and fund equity</i>	\$ 64,084	\$ 5,659,423	\$ 3,329,356
	<hr/>	<hr/>	<hr/>

<i>Financial Aid</i>	<i>Totals</i>	
	<i>2007</i>	<i>2006</i>
\$ 10,272	\$ 8,917,888	\$ 8,895,118
210,167	354,231	268,332
8,477	8,477	12,724
	1,183	6,852
<u>\$ 228,916</u>	<u>\$ 9,281,779</u>	<u>\$ 9,183,026</u>

\$	\$ 45,073	\$ 119,995
	17,076	20,706
<u>35,845</u>	<u>39,840</u>	<u>25,766</u>
<u>35,845</u>	<u>101,989</u>	<u>166,467</u>

	1,666,783	1,739,662
	1,662,573	
<u>193,071</u>	<u>5,850,434</u>	<u>7,276,897</u>
<u>193,071</u>	<u>9,179,790</u>	<u>9,016,559</u>
<u>\$ 228,916</u>	<u>\$ 9,281,779</u>	<u>\$ 9,183,026</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**COMBINING STATEMENT OF REVENUE, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Grants and Contracts</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>Revenue</b>			
<b>Local:</b>			
Charges for services	\$ 53,608	\$ 2,134,538	\$ 178,330
Interest		379,538	
Grants	51,750		
Other	75	493,463	
<b>Intergovernmental:</b>			
State	56,333	719,077	
Federal	812,245		
<b>Total revenue</b>	<u>974,011</u>	<u>3,726,616</u>	<u>178,330</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	821,344	1,761,919	
Instructional support		239,482	
Materials and supplies			
Student services		191,604	
College support services	89,733	1,301,390	164,302
Financial aid			
Capital outlay	74,106	237,402	
<b>Total expenditures</b>	<u>985,183</u>	<u>3,731,797</u>	<u>164,302</u>
Excess of revenue over (under) expenditures	<u>(11,172)</u>	<u>(5,181)</u>	<u>14,028</u>
Other financing sources (uses)			
Transfers in	15,125	1,424,940	3,315,328
Transfers out		(4,496,497)	
<b>Total other financing         sources (uses)</b>	<u>15,125</u>	<u>(3,071,557)</u>	<u>3,315,328</u>
Excess of revenue and other sources over (under) expenditures and other uses	3,953	(3,076,738)	3,329,356
<b>FUND BALANCE - beginning of year</b>	<u>12,995</u>	<u>8,717,153</u>	
<b>FUND BALANCE - end of year</b>	<u>\$ 16,948</u>	<u>\$ 5,640,415</u>	<u>\$ 3,329,356</u>

<i>Financial</i>	<i>Totals</i>	
<i>Aid</i>	<i>2007</i>	<i>2006</i>
\$	\$	\$
40,369	2,366,476	1,979,588
563,397	419,907	477,658
22,340	615,147	618,253
	515,878	429,805
645,065	1,420,475	1,490,614
2,503,468	3,315,713	3,459,654
3,774,639	8,653,596	8,455,572
	2,583,263	2,177,075
	239,482	235,188
	191,604	71,247
174,023	1,729,448	1,353,233
3,712,956	3,712,956	3,870,707
	311,508	240,625
3,886,979	8,768,261	7,948,075
(112,340)	(114,665)	507,497
139,000	4,894,393	1,245,504
(120,000)	(4,616,497)	(1,647,004)
19,000	277,896	(401,500)
(93,340)	163,231	105,997
286,411	9,016,559	8,910,562
\$ 193,071	\$ 9,179,790	\$ 9,016,559



Central Oregon Community College

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES, AND**  
**ENDING BALANCE BY FUNCTION**  
**GRANTS AND CONTRACTS - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Sub-Fund</i> <u>Number</u>	<i>Beginning</i> <u>Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<i>Ending</i> <u>Balance</u>
ABE Special Projects	31100	\$ 10,521	\$ 316,378	\$ 326,899	\$
Carl Perkins	31101	1,782	241,411	243,193	
SBA Grant	31105		45,375	45,375	
Even Start	31127		81,589	81,589	
Health info. Tech grant	31142		44,672	44,672	
Nursing capacity project	31143		128,116	128,116	
Incentive grant - phase II	31144		23,512	23,512	
OEDD	32226		41,333	41,333	
Electronic transcript implem.	32248		15,000	6,096	8,904
Cascade health service support	33332	692	32,000	31,623	1,069
US Bank - SBDC grant	33335		10,000	3,025	6,975
OLI leadership - Braemar grant	34354		9,750	9,750	
		<u>\$ 12,995</u>	<u>\$ 989,136</u>	<u>\$ 985,183</u>	<u>\$ 16,948</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**GRANTS AND CONTRACTS - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Charge for Services</i>	<i>Intergovernmental</i>		<i>Grants and Contracts</i>
		<i>State</i>	<i>Federal</i>	
ABE Special Projects	\$ 53,608	\$	\$ 262,695	\$
Carl Perkins			241,411	
SBA Grant			30,250	
Even Start			81,589	
Health info. Tech grant			44,672	
Nursing capacity project			128,116	
Incentive grant - phase II			23,512	
OEDD		41,333		
Electronic transcript implem.		15,000		
Cascade health services support				32,000
US Bank - SBDC grant				10,000
OLI leadership - Braemar grant				9,750
	<u>\$ 53,608</u>	<u>\$ 56,333</u>	<u>\$ 812,245</u>	<u>\$ 51,750</u>

<i>Other</i>	<i>Transfers In</i>	<i>Total</i>
\$ 75	\$	\$ 316,378
		241,411
	15,125	45,375
		81,589
		44,672
		128,116
		23,512
		41,333
		15,000
		32,000
		10,000
		9,750
<u>\$ 75</u>	<u>\$ 15,125</u>	<u>\$ 989,136</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT**  
**GRANTS AND CONTRACTS - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>
ABE Special Projects	\$ 200,471	\$ 93,115	\$ 33,313	\$
Carl Perkins	95,897	43,662	37,623	66,011
SBA Grant	36,300	9,075		
Even Start	53,677	27,912		
Health info. tech grant	12,555	2,326	29,791	
Nursing capacity project	87,345	28,861	9,910	2,000
Incentive grant - phase II	2,200	406	20,906	
OEDD	33,067	8,266		
Electronic transcript implem				6,096
Cascade health services support	23,908	7,715		
US Bank - SBDC grant	2,121	173	731	
OLI - Leadership - Braemar grant	7,039	2,008	703	
	<u>\$ 554,580</u>	<u>\$ 223,519</u>	<u>\$ 132,977</u>	<u>\$ 74,107</u>

Total

\$	326,899
	243,193
	45,375
	81,589
	44,672
	128,116
	23,512
	41,333
	6,096
	31,623
	3,025
	9,750

\$ 985,183



Central Oregon Community College

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS - GRANTS AND CONTRACTS**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Charges for services	\$ 50,000	\$ 50,000	\$ 53,608	\$ 3,608
Grants and contracts	1,057,000	1,057,000	51,750	(1,005,250)
Other	320,000	320,000	75	320,000
<b>Intergovernmental:</b>				
State	41,333	41,333	56,333	
Federal	810,250	810,250	812,245	1,995
Transfers from other funds	15,125	15,125	15,125	
<i>Total revenue</i>	<i>2,293,708</i>	<i>2,293,708</i>	<i>989,136</i>	<i>(1,304,572)</i>
<b>Beginning fund balance</b>	<u>55,000</u>	<u>55,000</u>	<u>12,995</u>	<u>(42,005)</u>
<i>Total available         for appropriation</i>	<i><u>2,348,708</u></i>	<i><u>2,348,708</u></i>	<i><u>1,002,131</u></i>	<i><u>(1,346,577)</u></i>
<b>Expenditures</b>				
Federal grants	843,013	1,043,013	893,356	149,657
State grants	41,333	56,333	47,428	
Local grants	32,000	52,000	34,648	17,352
Contracts	1,325,000	1,090,000	9,751	1,080,249
<i>Total expenditures</i>	<i><u>2,241,346</u></i>	<i><u>2,241,346</u></i>	<i><u>985,183</u></i>	<i><u>1,256,163</u></i>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 107,362</u>	<u>\$ 107,362</u>	<u>\$ 16,948</u>	<u>\$ (90,414)</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES, AND**  
**ENDING BALANCE BY FUNCTION**  
**AUXILIARY - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
ABE books	61510	\$	\$ 11,684	\$	\$ 11,684
General testing	61511	19,155	5,068	5,527	18,696
Art cards	61512	1,028	4,128	2,116	3,040
Auto and					
industrial fees	61513	6,124	6,412	4,688	7,848
Facilities fees	61514	12,577	30,058	26,121	16,514
Club sports	61516	3,289	21,515	20,262	4,542
College activities	61518	116,892	74,350	3,256	187,986
Classified training	61522	3,669	4,185	4,632	3,222
Parking control	61524	1,598	25,570	27,155	13
Performing arts	61525	24,638	15,602	10,766	29,474
Box office activity	61526	4,685	7,010		11,695
Special programs -					
administration	61528	279,802	84,688	125,043	239,447
ASCOCC payroll account	61529	70	2,770	2,840	
Vehicles	61531	41,902	26,449	16,224	52,127
Physiology lab	61532	60,452	24,681	37,591	47,542
Library books	61534	16,440	10,778	3,321	23,897
PCA wellness	61535	23,932	1,405	550	24,787
Outdoor recreation	61537	5,214	762	156	5,820
Computer center	61540	581	32		613
Diversity conference	61542	10,001	465	10,466	
OD activities	61544	3,525	195		3,720
Enrollment services	61546	49,181	9,994	30,633	28,542
Accreditation	61547	4,720	13,815	7,790	10,745
Redmond campus	61549	876,930	364,404	293,965	947,369
2 + 2 tech. prep.	61550	8,832	12,117	13,665	7,284
Student orientation	61551	1,634	2,590	2,512	1,712
College centers					
technology fund	61556	49,120	2,618	7,387	44,351
Chandler lab					
operations	61559	278,523	120,663	75,885	323,301
Media activities	61561	800	3,909	2,334	2,375
Tutor/testing	61574	18,785	48,404	38,428	28,761
Institutional advancement	61576	60,850	30,207	32,458	58,599
Campus services support	61578	9,745	4,659		14,404
Student honors					
recognition	61581	1,062	2,722	3,118	666

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES, AND**  
**ENDING BALANCE BY FUNCTION**  
**AUXILIARY - SPECIAL REVENUE FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Library microfilm					
equipment	61584	\$ 1,009	\$ 163	\$	\$ 1,172
Allied health lab fees	61586	2,038	5,269	6,589	718
Web based training	61587	2,584		2,584	
Library gifts	61588	16,792	12,537	9,471	19,858
Innovation account	61589	213,956	33,916	57,877	189,995
Mazama lab fees	61592	19,561	40,557	51,632	8,486
Telecommunications	61593	1,046	57		1,103
Tool room deposits	61596	1,215	75	278	1,012
Computer lab printers	61597	14,789	18,409	15,325	17,873
Instructional projects	61598	28,179	21,525	1,563	48,141
Oregon International					
education consortium	61599		100,236	67,294	32,942
Student government	61601		177,966	113,183	64,783
The Broadside	61602		45,395	45,048	347
Blue Sky	61603		32,275	24,146	8,129
Self-sustaining					
activities		<u>2,296,925</u>	<u>1,462,289</u>	<u>1,203,879</u>	<u>2,555,335</u>
Summer Session	62501	275,550	269,542	225,040	320,052
International programs	62558	18,414	13,073	1,422	30,065
BDC program	62564	97,080	146,719	138,691	105,108
Business development					
and training	62575		7,468	2,404	5,064
ABE General Purpose	62576		7,468	2,404	5,064
Community & professional					
education	63502	<u>1,042,998</u>	<u>1,428,427</u>	<u>1,443,579</u>	<u>1,027,846</u>
Non-general fund					
instruction		<u>1,434,042</u>	<u>1,872,697</u>	<u>1,813,540</u>	<u>1,493,199</u>
HHP/Wellness	63541	24,917	15,476	25,491	14,902
Automotive technology	63545	3,200	2,934		6,134
Culinary program	63546	17,724	14,147	14,771	17,100
Business department	63548	19,317	1,020	1,653	18,684
Math department	63550	25,122	1,362	859	25,625
Fine arts	63554	2,566	629	1,843	1,352
CIS enterprise	63557	1,869	536	80	2,325
Forestry	63559	1,306	72		1,378

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES, AND**  
**ENDING BALANCE BY FUNCTION**  
**AUXILIARY - SPECIAL REVENUE FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Science department	63566	\$ 116	\$ 7	\$	\$ 123
Social science	63571	(1,844)	2,052	390	(182)
Licensed massage therapy	63572	6,465	4,625	358	10,732
Aviation program	63579	17,058	37,354	9,373	45,039
Helicopter program	63580		6,361	2,264	4,097
Entrepreneurial instruction		<u>2,594,856</u>	<u>3,387,699</u>	<u>3,314,201</u>	<u>2,668,354</u>
COSA	64505	(1)	4,086		
Foundation billings	64515		192,223	192,223	
Family resource center	64569	22,878	378,795	371,337	30,336
Partnership collaborations	64573	863,674	351,755	494,009	721,420
Cascade Hall minor maintenance	64574	<u>(236)</u>	<u>2,317</u>	<u>4,670</u>	<u>(2,589)</u>
Revolving activities		<u>886,315</u>	<u>929,176</u>	<u>1,062,239</u>	<u>749,167</u>
Faculty professional improvement	65521	115,207	60,774	38,773	137,208
Adjunct faculty prof. improvement	65523	15,362	6,981	1,134	21,209
Administration professional development and sabbatical	65526	139,163	46,329	10,303	175,189
Sabbatical - faculty	65527	24,427	125,692	148,931	1,188
PERS contingent liability	65531	1,575,666		1,575,666	
Retiree benefits	65538	1,739,662		1,739,662	
Unemployment reserve	65542	174,426	15,887	25,237	165,076
Insurance reserve deductible	65543	81,968	5,782	9,737	78,013
Keyes educational enhancement fund	65562	<u>116,174</u>	<u>89,384</u>	<u>103,746</u>	<u>101,812</u>
Contractual and administrative provisions		<u>3,982,055</u>	<u>350,829</u>	<u>3,653,189</u>	<u>679,695</u>
		<u>\$ 11,194,193</u>	<u>\$ 8,002,690</u>	<u>\$ 11,047,048</u>	<u>\$ 8,145,750</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**AUXILIARY - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Charges For</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
	<i>Services</i>					
Medical leave assistance						
program	\$	\$ 313	\$ 6,371	\$	\$ 5,000	\$ 11,684
General testing	4,040	1,028				5,068
Art cards	4,019	109				4,128
Auto and						
industrial fees	6,036	376				6,412
Facilities fees	29,275	783				30,058
Club sports	8,169	246			13,100	21,515
College activities		8,182	66,168			74,350
Classified training		185			4,000	4,185
Parking control	23,420				2,150	25,570
Performing arts	1,579	1,452	12,131	440		15,602
Box office activity	6,259	439	312			7,010
Special programs -						
administration		13,533	71,155			84,688
ASCOCC payroll account			2,770			2,770
Vehicles	23,916	2,533				26,449
Physiology lab	21,783	2,898				24,681
Library books	9,695	1,083				10,778
PCA wellness		1,308	97			1,405
Outdoor recreation	455	307				762
Computer center activities		32				32
Diversity conference		465				465
OD activities		195				195
Enrollment services		1,889	750		7,355	9,994
Accreditation		415			13,400	13,815
Redmond campus	315,023	49,079	302			364,404
College now / tech prep	11,680	437				12,117
Student orientation	2,500	90				2,590
College centers						
technology fund	109	2,509				2,618
Chandler lab						
operations	104,511	16,152				120,663
Media activities	2,423	86	1,400			3,909
Tutor/testing	30,505	1,276	1,093		15,530	48,404
Institutional advancement		3,207			27,000	30,207
Campus services support		649	4,010			4,659
Student honors						
recognition		47	1,675		1,000	2,722

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

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

**YEAR ENDED JUNE 30, 2007**

continued from page 63

	<i>Charges For</i>			<i>State and Local</i>	<i>Transfers</i>	
	<i>Services</i>	<i>Interest</i>	<i>Other</i>	<i>Grants</i>	<i>In</i>	<i>Totals</i>
Library microfilm equipment	\$ 105	\$ 58	\$	\$	\$	\$ 163
Allied health lab fees	4,049	120	1,100			5,269
Library gifts		983	11,554			12,537
Innovation account		10,949	22,967			33,916
Mazama lab fees	37,423	884			2,250	40,557
Telecommunications		57				57
Tool room deposits		60	15			75
Computer lab printers		876	17,533			18,409
Instructional projects		1,525			20,000	21,525
Oregon International Education consortium	90,908	884	8,444			100,236
Student government	121,178	1,753	55,035			177,966
The Broadside	12,109	9	32,085	1,192		45,395
Blue Sky	23,185	290			8,800	32,275
Self-sustaining activities	894,354	129,751	316,967	1,632	119,585	1,462,289
Summer session	253,546	15,996				269,542
International programs	10,836	1,437			800	13,073
BDC program	141,285	5,434				146,719
Business development and training		138			7,330	7,468
ABE general purpose	159	788		1,511	455,000	457,458
Non-general fund instruction	405,826	23,793		1,511	463,130	894,260
Community & professional education	753,605	55,597			619,225	1,428,427
HHP/Wellness	14,392	1,084				15,476
Automotive technology	920	274	1,740			2,934
Culinary program	13,212	935				14,147
Business department		1,020				1,020
Math department		1,362				1,362
Fine arts		105	524			629
CIS enterprise	425	111				536
Forestry		72				72

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

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

**YEAR ENDED JUNE 30, 2007**

continued from page 64

	<i>Charges For Services</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
Science department	\$	\$ 7	\$	\$	\$	\$ 7
Social science			2,052			2,052
Licensed massage therapy	4,164	461				4,625
Aviation program	35,688	1,666				37,354
Helicopter program	6,250	111				6,361
Entrepreneurial instruction	828,656	62,805	4,316		619,225	1,515,002
COSA			4,086			4,086
Foundation billings				192,223		192,223
Family resource center			51,864	326,931		378,795
Partnership collaborations		42,546	112,429	196,780		351,755
Cascade Hall minor maintenance			2,317			2,317
Revolving activities		42,546	170,696	715,934		929,176
Faculty professional improvement		6,774			54,000	60,774
Adjunct faculty prof. improvement		981			6,000	6,981
Administration professional development and sabbatical		8,329			38,000	46,329
Sabbatical - faculty		692			125,000	125,692
Unemployment reserve	5,702	10,185				15,887
Insurance reserve deductible		4,298	1,484			5,782
Keyes educational enhancement fund		89,384				89,384
Contractual and administrative support	5,702	120,643	1,484		223,000	350,829
	<u>\$ 2,134,538</u>	<u>\$ 379,538</u>	<u>\$ 493,463</u>	<u>\$ 719,077</u>	<u>\$ 1,424,940</u>	<u>\$ 5,151,556</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT**  
**AUXILIARY - SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
General testing	\$ 1,028	\$ 50	\$ 4,449	\$	\$	\$ 5,527
Art cards			2,116			2,116
Auto and industrial fees			4,688			4,688
Facilities fees	13,275	7,987	4,859			26,121
Club sports	2,790	472	17,000			20,262
College activities	2,500	671	85			3,256
Classified training			4,632			4,632
Parking control	8,721	8,261	10,173			27,155
Performing arts	5,259	428	5,079			10,766
Special programs - administration	15,720	9,323			100,000	125,043
ASCOCC payroll account	2,725	115				2,840
Vehicles			16,224			16,224
Physiology lab	609	135	6,747	30,100		37,591
Library books			250	3,071		3,321
PCA Wellness			550			550
Outdoor recreation program			156			156
Diversity conference			3,111		7,355	10,466
Enrollment services	2,000	538	2,809	1,286	24,000	30,633
Accreditation	1,004	257	6,529			7,790
Redmond campus			92,615	39,221	162,129	293,965
College now / tech prep	6,724	1,688	5,253			13,665
Student orientation			2,512			2,512
College centers tech fund				7,387		7,387
Chandler lab operations			19,959	55,926		75,885
Media activities			2,334			2,334
Tutor/testing	28,518	3,814	6,096			38,428
Institutional advancement	23,512	8,946				32,458
Student honors recognition	72	20	3,026			3,118
Allied health lab fees	1,050	279	3,973	1,287		6,589
Web based training			2,584			2,584
Library gifts			279	9,192		9,471
Innovation account	6,840	1,755	13,096	20,656	15,530	57,877

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT**  
**AUXILIARY - SPECIAL REVENUE FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

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	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Mazama lab fees	\$ 21,154	\$ 460	\$ 3,110	\$ 26,908	\$	\$ 51,632
Tool room deposits			278			278
Computer lab printers			8,393	6,932		15,325
Instructional programs			1,563			1,563
Oregon International education consortium	5,365	1,099	60,030		800	67,294
Student government	20,850	161	70,272		21,900	113,183
The Broadside	28,944	617	9,519	5,968		45,048
Blue Sky			24,146			24,146
Self-sustaining activities	<u>198,660</u>	<u>47,076</u>	<u>418,495</u>	<u>207,934</u>	<u>331,714</u>	<u>1,203,879</u>
Summer session	179,802	43,723	1,515			225,040
International programs			1,422			1,422
BDC program	32,863	27,379	74,475	3,974		138,691
Business development and training	1,919	485				2,404
ABE general purpose	<u>287,563</u>	<u>134,766</u>	<u>14,355</u>			<u>436,684</u>
Non-general fund instruction	<u>502,147</u>	<u>206,353</u>	<u>91,767</u>	<u>3,974</u>		<u>804,241</u>
Community & profess. education	460,957	185,490	273,679	998	522,455	1,443,579
HHP/Wellness	3,060	1,825	20,606			25,491
Culinary program			12,922	1,849		14,771
Business department			153	1,500		1,653
Math department			859			859
Fine arts	154	13	1,676			1,843
CIS enterprise			80			80
Social science			390			390
Licensed massage therapy			358			358
Aviation program	7,841	788	744			9,373
Helicopter program	<u>333</u>	<u>27</u>	<u>1,904</u>			<u>2,264</u>
Entrepreneurial instruction	<u>472,345</u>	<u>188,143</u>	<u>313,371</u>	<u>4,347</u>	<u>522,455</u>	<u>1,500,661</u>

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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT**  
**AUXILIARY - SPECIAL REVENUE FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2007**

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>	<i>Capital Outlay</i>	<i>Transfers Out</i>	<i>Totals</i>
COSA	\$	\$	\$ 4,085	\$	\$	\$ 4,085
Foundation billings	135,564	56,659				192,223
Family resource center	161,418	58,397	151,522			371,337
Partnership						
collaborations	107,601	50,716	35,692		300,000	494,009
Cascade Hall minor						
maintenance			4,670			4,670
Revolving						
activities	404,583	165,772	195,969		300,000	1,066,324
Faculty professional						
improvement	11,219	2,915	24,639			38,773
Adjunct faculty	500	134	500			1,134
prof. improvement						
Administration						
professional						
development and						
sabbatical			10,303			10,303
Sabbatical - faculty	106,955	41,976				148,931
PERS contingent						
liability					1,575,666	1,575,666
Retiree benefits					1,739,662	1,739,662
Unemployment reserve		25,237				25,237
Insurance reserve						
deductible			7,336	2,401		9,737
Keyes educational						
enhancement fund			58,000	18,746	27,000	103,746
Contractual and						
administrative						
provisions	118,674	70,262	100,778	21,147	3,342,328	3,653,189
	<u>\$ 1,696,409</u>	<u>\$ 677,606</u>	<u>\$ 1,120,380</u>	<u>\$ 237,402</u>	<u>\$ 4,496,497</u>	<u>\$ 8,228,294</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS – AUXILLARY**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Revenue</b>				
<b>Local:</b>				
Charges for services	\$2,278,000	\$2,278,000	\$2,134,538	\$ (143,462)
Interest	117,100	117,100	379,538	262,438
Other	596,300	596,300	493,463	(102,837)
<b>Intergovernmental:</b>				
State	1,030,000	1,030,000	719,077	(310,923)
<b>Transfers from other funds</b>	<u>1,374,000</u>	<u>1,374,000</u>	<u>1,424,940</u>	<u>50,940</u>
Total revenue	5,395,400	5,395,400	5,151,556	(243,844)
<b>Beginning fund balance</b>	<u>7,935,864</u>	<u>7,935,864</u>	<u>8,717,153</u>	<u>781,289</u>
Total available for appropriation	<u>13,331,264</u>	<u>13,331,264</u>	<u>13,868,709</u>	<u>537,445</u>
<b>Expenditures</b>				
Self-sustaining activities	2,071,278	1,906,278	1,203,879	702,399
Non-general fund instruction	1,053,806	1,053,806	804,241	249,565
Entrepreneurial instruction	1,910,726	1,910,726	1,500,661	410,065
Revolving activities	1,258,713	1,258,713	1,066,324	192,389
Contractual and administrative provisions	<u>3,607,100</u>	<u>3,772,100</u>	<u>3,653,189</u>	<u>118,911</u>
Total expenditures	<u>9,901,623</u>	<u>9,901,623</u>	<u>8,228,294</u>	<u>1,673,329</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$3,429,641</u>	<u>\$3,429,641</u>	<u>\$5,640,415</u>	<u>\$ 2,210,774</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS - RESERVE**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Interest	\$ 122,000	\$ 122,000	\$ 178,330	\$ 56,330
<b>Transfers from other funds</b>	<u>3,150,000</u>	<u>3,150,000</u>	<u>3,315,328</u>	<u>165,328</u>
<b>Total revenue</b>	<b>3,272,000</b>	<b>3,272,000</b>	<b>3,493,658</b>	<b>221,658</b>
<b>Beginning fund balance</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total available             for appropriation</b>	<u>3,272,000</u>	<u>3,272,000</u>	<u>3,493,658</u>	<u>221,658</u>
<b>Expenditures</b>				
Materials and supplies	<u>200,000</u>	<u>200,000</u>	<u>164,302</u>	<u>35,698</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u><u>\$3,072,000</u></u>	<u><u>\$3,072,000</u></u>	<u><u>\$3,329,356</u></u>	<u><u>\$ 257,356</u></u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

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

**FINANCIAL AID**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Sub-Fund</i>	<i>Beginning</i>			<i>Ending</i>
	<i>Number</i>	<i>Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Balance</i>
		<i>(Deficit)</i>			<i>(Deficit)</i>
Perkins	71801	\$ 23,838	\$ 761	\$ 6,382	\$ 18,217
College work study	71802		138,610	138,610	
SEOG	71803		138,398	138,398	
Pell	71804		2,269,455	2,269,455	
Academic competitiveness grant	71806		9,716	9,716	
Federal education					
loan program	72805		5,042,790	5,042,790	
State need	72807		588,325	588,325	
Private scholarship award	72808		56,740	56,740	
Foundation	73805		645,822	645,822	
COCC financial aid program	73809	141,664	29,656	120,000	51,320
Native American trust	75809	120,909	36,156	33,531	123,534
		<u>\$ 286,411</u>	<u>\$ 8,956,429</u>	<u>\$ 9,049,769</u>	<u>\$ 193,071</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**FINANCIAL AID**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<u>Interest</u>	<u>Grants</u>	<u>Other</u>
Perkins	\$	\$	\$ 761
College work study			15,328
SEOG			
Pell			5,620
Academic competitiveness grant			
Federal education loan program			
State need			
Private scholarship award			
Foundation		563,397	
COCC financial aid program	4,513		331
Native American trust	35,856		300
	<u>\$ 40,369</u>	<u>\$ 563,397</u>	<u>\$ 22,340</u>

<i>Intergovernmental</i>		<i>Transfers</i>	
<i>State</i>	<i>Federal</i>	<i>In</i>	<i>Total</i>
\$	\$	\$	\$
	91,519	31,763	761
	138,398		138,610
	2,263,835		138,398
	9,716		2,269,455
	5,042,790		9,716
588,325			5,042,790
56,740			588,325
		82,425	56,740
		24,812	645,822
			29,656
			36,156
<u>\$ 645,065</u>	<u>\$ 7,546,258</u>	<u>\$ 139,000</u>	<u>\$ 8,956,429</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT**  
**FINANCIAL AID**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Materials and Services</i>				
	<i>Personal</i>	<i>Administrative</i>	<i>Grants</i>	<i>Transfers</i>	
	<i>Service</i>	<i>Services</i>	<i>and</i>	<i>Out</i>	<i>Total</i>
			<i>Loans</i>		
Perkins	\$	\$ 6,382	\$	\$	\$ 6,382
College work study	123,282	15,328			138,610
SEOG			138,398		138,398
Pell			2,269,455		2,269,455
Academic compet-					
itiveness grant			9,716		9,716
Federal education					
loan program			5,042,790		5,042,790
State need			588,325		588,325
Private					
scholarship award			56,740		56,740
Foundation			645,822		645,822
COCC financial					
aid program				120,000	120,000
Native American trust	21,344	7,687	4,500		33,531
	<u>\$ 144,626</u>	<u>\$ 29,397</u>	<u>\$ 8,755,746</u>	<u>\$ 120,000</u>	<u>\$ 9,049,769</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS - FINANCIAL AID**  
**SPECIAL REVENUE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Interest	\$ 37,500	\$ 37,500	\$ 40,369	\$ 2,869
Grants	300,000	300,000	563,397	263,397
Other	19,000	19,000	22,340	3,340
<b>Intergovernmental:</b>				
State	580,000	580,000	645,065	65,065
Federal	4,410,000	4,410,000	2,503,468	(1,906,532)
<b>Transfers from other funds</b>	<u>171,596</u>	<u>171,596</u>	<u>139,000</u>	<u>(32,596)</u>
Total revenue	5,518,096	5,518,096	3,913,639	(1,604,457)
<b>Beginning fund balance</b>	<u>206,000</u>	<u>206,000</u>	<u>286,411</u>	<u>80,411</u>
Total available for appropriation	<u>5,724,096</u>	<u>5,724,096</u>	<u>4,200,050</u>	<u>(1,524,046)</u>
<b>Expenditures</b>				
Federal programs	4,473,150	4,013,150	2,562,561	1,450,589
State programs	580,000	670,000	645,065	24,935
Local programs	465,096	715,096	679,353	35,743
Transfers out	<u>37,596</u>	<u>157,596</u>	<u>120,000</u>	<u>37,596</u>
Total expenditures	<u>5,555,842</u>	<u>5,555,842</u>	<u>4,006,979</u>	<u>1,548,863</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 168,254</u>	<u>\$ 168,254</u>	<u>\$ 193,071</u>	<u>\$ 24,817</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 DISTRICT**  
**BEND, OREGON**

**COMPARATIVE BALANCE SHEET**  
**DEBT SERVICE FUND**

**JUNE 30, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 157,667	\$ 168,747
Cash with county treasurers	28,274	20,780
Property tax receivable	69,836	57,635
Prepays and advances	<u>61,918</u>	<u>58,042</u>
<i>Total assets</i>	<u>\$ 317,695</u>	<u>\$ 305,204</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Deferred revenue	<u>\$ 34,624</u>	<u>\$ 31,223</u>
<i>Total liabilities</i>	<u>34,624</u>	<u>31,223</u>
<b><i>Fund equity:</i></b>		
Fund balance		
Unreserved		
Designated for debt service	<u>283,071</u>	<u>273,981</u>
<i>Total liabilities             and fund equity</i>	<u>\$ 317,695</u>	<u>\$ 305,204</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**BUDGETARY BASIS - DEBT SERVICE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$1,676,150	\$1,676,150	\$1,686,877	\$ 10,727
Assessment	636,542	636,542	618,625	
Interest	2,000	2,000	34,730	32,730
Grants and contracts	489,590	489,590	483,761	(5,829)
<b>Transfers from other funds</b>	<u>1,132,378</u>	<u>1,132,378</u>	<u>388,223</u>	<u>(744,155)</u>
Total revenue	3,936,660	3,936,660	3,212,216	(724,444)
<b>Beginning fund balance</b>	<u>157,900</u>	<u>157,900</u>	<u>273,981</u>	<u>116,081</u>
Total available for appropriation	<u>4,094,560</u>	<u>4,094,560</u>	<u>3,486,197</u>	<u>(608,363)</u>
<b>Expenditures</b>				
<b>Debt service:</b>				
SELP loan payments	33,108	33,108	99,233	(66,125)
Bond principal	2,724,672	2,724,672	2,040,116	684,556
Interest	<u>1,236,703</u>	<u>1,236,703</u>	<u>1,063,777</u>	<u>172,926</u>
Total expenditures	<u>3,994,483</u>	<u>3,994,483</u>	<u>3,203,126</u>	<u>791,357</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 100,077</u>	<u>\$ 100,077</u>	<u>\$ 283,071</u>	<u>\$ 182,994</u>

### **CAPITAL PROJECTS FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**COMPARATIVE BALANCE SHEET**  
**CAPITAL PROJECTS FUND**

**JUNE 30, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Pooled cash and investments	\$11,095,229	\$6,716,631
<i>Total assets</i>	<u>\$11,095,229</u>	<u>\$6,716,631</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$      63,886	\$     170,170
<b><i>Fund equity:</i></b>		
Fund balance		
Undesignated	<u>11,031,343</u>	<u>6,546,461</u>
<i>Total liabilities</i> <i>and fund equity</i>	<u>\$11,095,229</u>	<u>\$6,716,631</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**CAPITAL PROJECTS FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local</b>				
Donations	\$1,200,000	\$1,200,000	\$	\$ (1,200,000)
Interest	344,000	344,000	471,559	127,559
Bond proceeds	3,500,000	3,500,000		(3,500,000)
Other income	75,000	75,000	90,475	15,475
Transfers from other funds	4,768,000	4,008,000	5,092,000	1,084,000
<i>Total revenue</i>	<i>9,887,000</i>	<i>9,127,000</i>	<i>5,654,034</i>	<i>(3,472,966)</i>
<b>Beginning fund balance</b>	<u>5,505,000</u>	<u>5,505,000</u>	<u>6,546,461</u>	<u>1,041,461</u>
<i>Total available             for appropriation</i>	<i>15,392,000</i>	<i>14,632,000</i>	<i>12,200,495</i>	<i>(2,431,505)</i>
<b>Expenditures</b>				
<b>Capital outlay</b>				
General construction	2,000,000	1,760,000	1,419	1,758,581
Campus center building	5,700,000	5,700,000	225,846	5,474,154
Madras center	1,759,000	1,759,000		1,759,000
Real estate development	50,000	50,000	48,733	1,267
Culinary building		40,000	28,063	11,937
Repair and replacement	624,000	824,000	532,860	291,140
Life cycle technical replacement	396,000	396,000	229,300	166,700
High Ed. & maintenance & repair reserve	223,000	223,000	12,952	210,048
IT Server/infrastructure	98,000	98,000	89,979	8,021
<i>Total expenditures</i>	<i>10,850,000</i>	<i>10,850,000</i>	<i>1,169,152</i>	<i>9,680,848</i>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$4,542,000</u>	<u>\$3,782,000</u>	<u>\$11,031,343</u>	<u>\$ 7,249,343</u>

**PROPRIETARY FUNDS**

**ENTERPRISE FUNDS**

**INTERNAL SERVICE FUND**

### **ENTERPRISE FUNDS**

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

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**COMBINING BALANCE SHEET**  
**ALL ENTERPRISE FUNDS**

**JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>ASSETS</b>		
<b><i>Current assets:</i></b>		
Pooled cash and investments	\$ 726,855	\$ 219,478
Accounts receivable	172,895	89,677
Inventory	273,122	
	<hr/>	<hr/>
<i>Total current assets</i>	1,172,872	309,155
	<hr/>	<hr/>
<b><i>Capital assets</i></b>		
Buildings and equipment	1,247,128	591,871
Accumulated depreciation	(469,967)	(498,858)
	<hr/>	<hr/>
Net property and equipment	777,161	93,013
	<hr/>	<hr/>
<i>Total assets</i>	\$ 1,950,033	\$ 402,168
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 21,541	\$ 11,006
	<hr/>	<hr/>
<b><i>Fund equity:</i></b>		
Contributed capital	20,000	160,098
Retained earnings - unreserved	1,908,492	231,064
	<hr/>	<hr/>
<i>Total fund equity</i>	1,928,492	391,162
	<hr/>	<hr/>
<i>Total liabilities and fund equity</i>	\$ 1,950,033	\$ 402,168
	<hr/> <hr/>	<hr/> <hr/>

<i>Totals</i>	
<i>2007</i>	<i>2006</i>
\$ 946,333	\$ 947,240
262,572	199,102
273,122	311,937
1,482,027	1,458,279
1,838,999	1,838,999
(968,825)	(891,903)
870,174	947,096
<u>\$ 2,352,201</u>	<u>\$ 2,405,375</u>
\$ 32,547	\$ 28,361
180,098	180,098
2,139,556	2,196,916
2,319,654	2,377,014
<u>\$ 2,352,201</u>	<u>\$ 2,405,375</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**COMBINING STATEMENT OF REVENUE, EXPENSES, AND**  
**CHANGES IN RETAINED EARNINGS**  
**ALL ENTERPRISE FUNDS**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>Operating revenue:</b>		
Charges for services	\$ 1,976,558	\$ 296,814
<i>Total operating revenue</i>	<u>1,976,558</u>	<u>296,814</u>
<b>Operating expenses:</b>		
Salaries	263,024	
Payroll assessments	121,148	
Materials and services	1,474,885	221,306
Capital outlay	14,376	9,800
Depreciation	<u>61,962</u>	<u>14,960</u>
<i>Total operating expenses</i>	<u>1,935,395</u>	<u>246,066</u>
Operating income (loss)	<u>41,163</u>	<u>50,748</u>
<b>Non-operating revenue (expenses):</b>		
Interest income	36,215	14,514
Operating transfers out	<u>(100,000)</u>	<u>(100,000)</u>
<i>Total non-operating revenue (expenses)</i>	<u>(63,785)</u>	<u>(85,486)</u>
Net income (loss)	(22,622)	(34,738)
<b>Total fund equity - beginning of year</b>	<u>1,951,114</u>	<u>425,900</u>
<b>Total fund equity - end of year</b>	<u><u>\$ 1,928,492</u></u>	<u><u>\$ 391,162</u></u>

<i>Totals</i>	
<u>2007</u>	<u>2006</u>
\$ <u>2,273,372</u>	\$ <u>2,300,817</u>
<u>2,273,372</u>	<u>2,300,817</u>
263,024	238,478
121,148	114,977
1,696,191	1,760,729
24,176	
<u>76,922</u>	<u>76,922</u>
<u>2,181,461</u>	<u>2,191,106</u>
<u>91,911</u>	<u>109,711</u>
50,729	44,067
<u>(200,000)</u>	<u>(450,000)</u>
<u>(149,271)</u>	<u>(405,933)</u>
(57,360)	(296,222)
<u>2,377,014</u>	<u>2,673,236</u>
<u>\$ 2,319,654</u>	<u>\$ 2,377,014</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**COMBINING STATEMENTS OF CASH FLOWS**  
**ALL ENTERPRISE FUNDS**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>Cash flows from operating activities:</b>		
Cash received for services	\$ 1,978,040	\$ 231,862
Cash payments for goods and services	(1,440,197)	(237,169)
Cash payments to employees	(384,172)	
	<hr/>	<hr/>
<i>Net cash flows from operating activities</i>	<i>153,671</i>	<i>(5,307)</i>
	<hr/>	<hr/>
<b>Cash flows from non-capital financing activities:</b>		
Transfers from (to) other funds	(100,000)	(100,000)
	<hr/>	<hr/>
<b>Cash flows from investing activities:</b>		
Interest earned	36,215	14,514
	<hr/>	<hr/>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>89,886</b>	<b>(90,793)</b>
<b>Cash and cash equivalents - <i>beginning of year</i></b>	<b>636,969</b>	<b>310,271</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents - <i>end of year</i></b>	<b>\$ 726,855</b>	<b>\$ 219,478</b>
	<hr/>	<hr/>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 41,163	\$ 50,748
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	61,962	14,960
Decrease (increase) in accounts receivable	1,482	(64,952)
Decrease (increase) in inventory	38,815	
Increase (decrease) in accounts payable	10,249	(6,063)
	<hr/>	<hr/>
<i>Net cash flows from operating activities</i>	<i>\$ 153,671</i>	<i>\$ (5,307)</i>
	<hr/>	<hr/>



**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN AVAILABLE RESOURCES - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**BOOKSTORE - ENTERPRISE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Sales	\$2,775,000	\$2,775,000	\$1,976,558	\$ (798,442)
Interest	15,000	15,000	36,215	21,215
<i>Total revenue</i>	<i>2,790,000</i>	<i>2,790,000</i>	<i>2,012,773</i>	<i>(777,227)</i>
<b>Beginning available resources</b>	<u>490,000</u>	<u>490,000</u>	<u>1,111,991</u>	<u>621,991</u>
<i>Total available     for appropriation</i>	<i><u>3,280,000</u></i>	<i><u>3,280,000</u></i>	<i><u>3,124,764</u></i>	<i><u>(155,236)</u></i>
<b>Expenditures</b>				
Salaries	316,000	316,000	263,024	52,976
Payroll assessments	160,000	160,000	121,148	38,852
Materials and services	2,199,000	2,199,000	1,474,885	724,115
Capital outlay	15,000	15,000	14,376	624
Transfers to other funds	100,000	100,000	100,000	
<i>Total expenditures</i>	<i><u>2,790,000</u></i>	<i><u>2,790,000</u></i>	<i><u>1,973,433</u></i>	<i><u>816,567</u></i>
<b>Ending available resources</b>	<u>\$ 490,000</u>	<u>\$ 490,000</u>	<u>\$1,151,331</u>	<u>\$ 661,331</u>

Analysis of ending available resources

Current assets	\$1,172,872
Less liabilities	<u>(21,541)</u>
	<u>\$1,151,331</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN AVAILABLE RESOURCES - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**RESIDENCE HALL - ENTERPRISE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Room and board	\$ 375,000	\$ 375,000	\$ 296,814	\$ (78,186)
Interest	12,000	12,000	14,514	2,514
<i>Total revenue</i>	387,000	387,000	311,328	(75,672)
<b>Beginning available resources</b>	<u>270,000</u>	<u>270,000</u>	<u>317,927</u>	<u>47,927</u>
<i>Total available     for appropriation</i>	<u>657,000</u>	<u>657,000</u>	<u>629,255</u>	<u>(27,745)</u>
<b>Expenditures</b>				
Materials and services	348,000	348,000	221,306	126,694
Capital outlay	10,000	10,000	9,800	200
Transfers to other funds	100,000	100,000	100,000	
<i>Total expenditures</i>	<u>458,000</u>	<u>458,000</u>	<u>331,106</u>	<u>126,894</u>
<b>Ending available resources</b>	<u>\$ 199,000</u>	<u>\$ 199,000</u>	<u>\$ 298,149</u>	<u>\$ 99,149</u>

Analysis of ending available resources

Current assets	\$ 309,155
Less liabilities	<u>(11,006)</u>
	<u>\$ 298,149</u>



Central Oregon Community College

### **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 DISTRICT**  
**BEND, OREGON**

**BALANCE SHEET**  
**INTERNAL SERVICE FUND**

**JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)**

	<i>Totals</i>	
	<i>2007</i>	<i>2006</i>
<b>ASSETS</b>		
<b><i>Current assets:</i></b>		
Pooled cash and investments	\$ 280,417	\$ 243,081
<i>Total assets</i>	<u>\$ 280,417</u>	<u>\$ 243,081</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 116	\$ 63
<b><i>Fund equity:</i></b>		
Retained earnings - unreserved	<u>280,301</u>	<u>243,018</u>
<i>Total liabilities and fund equity</i>	<u>\$ 280,417</u>	<u>\$ 243,081</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**INTERNAL SERVICE FUND**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Centralized Services</i>	<i>Copier Activities</i>	<u>Totals</u> <i>2007</i>	<u>2006</u>
<b>Operating revenue:</b>				
Charges for services	\$ 176,298	\$ 63,727	\$ 240,025	\$ 249,940
<b>Operating expenses:</b>				
Salaries	42,968	18,833	61,801	55,400
Payroll assessments	25,256	11,435	36,691	28,202
Materials and services	85,644	32,660	118,304	130,135
Depreciation				2,120
<i>Total operating expenses</i>	<u>153,868</u>	<u>62,928</u>	<u>216,796</u>	<u>215,857</u>
Operating income (loss)	<u>22,430</u>	<u>799</u>	<u>23,229</u>	<u>34,083</u>
<b>Non-operating revenue (expenses):</b>				
Interest income	<u>6,729</u>	<u>7,325</u>	<u>14,054</u>	<u>9,110</u>
<i>Total non-operating revenue (expenses)</i>	<u>6,729</u>	<u>7,325</u>	<u>14,054</u>	<u>9,110</u>
Net income	<u>\$ 29,159</u>	<u>\$ 8,124</u>	<u>37,283</u>	<u>43,193</u>
<b>Fund equity - beginning of year</b>			<u>243,018</u>	<u>199,825</u>
<b>Fund equity - end of year</b>			<u>\$ 280,301</u>	<u>\$ 243,018</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUND**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Totals</i>	
	<i>2007</i>	<i>2006</i>
<b>Cash flows from operating activities:</b>		
Cash received from users	\$ 240,025	\$ 249,940
Cash payments for goods and services	(118,251)	(130,520)
Cash payments to employees	(98,492)	(83,602)
<i>Net cash flows from operating activities</i>	<u>23,282</u>	<u>35,818</u>
<b>Non-operating revenue (expenses):</b>		
Interest earned	<u>14,054</u>	<u>9,110</u>
<i>Total non-operating revenue (expenses)</i>	<u>14,054</u>	<u>9,110</u>
<b>Net increase in cash and cash equivalents</b>	37,336	44,928
<b>Cash and cash equivalents - beginning of year</b>	<u>243,081</u>	<u>198,153</u>
<b>Cash and cash equivalents - end of year</b>	<u><u>\$ 280,417</u></u>	<u><u>\$ 243,081</u></u>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 23,229	\$ 34,083
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation		2,120
Increase (decrease) in accounts payable	<u>53</u>	<u>(385)</u>
<i>Net cash flows from operating activities</i>	<u><u>\$ 23,282</u></u>	<u><u>\$ 35,818</u></u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN AVAILABLE RESOURCES - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**CENTRALIZED SERVICES**  
**INTERNAL SERVICE FUND**

**YEAR ENDED JUNE 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Revenue</b>				
<b>Local:</b>				
User charges	\$ 214,800	\$ 214,800	\$ 176,298	\$ (38,502)
Interest			6,729	6,729
<b>Total revenue</b>	<u>214,800</u>	<u>214,800</u>	<u>183,027</u>	<u>(31,773)</u>
<b>Beginning available resources</b>	<u>75,000</u>	<u>75,000</u>	<u>141,037</u>	<u>141,037</u>
<b>Total available         for appropriation</b>	<u>289,800</u>	<u>289,800</u>	<u>324,064</u>	<u>34,264</u>
<b>Expenditures</b>				
Salaries	51,300	51,300	42,968	8,332
Payroll assessments	29,000	29,000	25,256	3,744
Materials and services	<u>119,500</u>	<u>119,500</u>	<u>85,644</u>	<u>33,856</u>
<b>Total expenditures</b>	<u>199,800</u>	<u>199,800</u>	<u>153,868</u>	<u>45,932</u>
<b>Ending working capital</b>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 170,196</u>	<u>\$ 80,196</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN AVAILABLE RESOURCES - ACTUAL AND BUDGET - BUDGETARY BASIS**

**COPIER ACTIVITIES**  
**INTERNAL SERVICE FUND**

**YEAR ENDED JUNE 30, 2007**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
User charges	\$ 81,500	\$ 81,500	\$ 63,727	\$ (17,773)
Interest	1,500	1,500	7,325	5,825
<i>Total revenue</i>	83,000	83,000	71,052	(11,948)
<b>Beginning available resources</b>	120,000	120,000	101,981	(18,019)
<i>Total available         for appropriation</i>	203,000	203,000	173,033	(29,967)
<b>Expenditures</b>				
Salaries	20,000	20,000	18,833	1,167
Payroll assessments	14,000	14,000	11,435	2,565
Materials and services	84,000	84,000	32,660	51,340
<i>Total expenditures</i>	118,000	118,000	62,928	55,072
<b>Ending working capital</b>	<u>\$ 85,000</u>	<u>\$ 85,000</u>	<u>\$ 110,105</u>	<u>\$ 25,105</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 DISTRICT**  
**BEND, OREGON**

**BALANCE SHEET**  
**NON-EXPENDABLE TRUST**

**JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)**

	<i>Totals</i>	
	<i>2007</i>	<i>2006</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 346,184	\$ 64,071
Accounts receivable		
Beneficial interest in perpetual trust	1,692,258	1,559,920
<i>Total assets</i>	<u>\$ 2,038,442</u>	<u>\$ 1,623,991</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 37,911	\$ 64,071
<i>Total liabilities</i>	<u>37,911</u>	<u>64,071</u>
<b><i>Fund equity:</i></b>		
Fund balance		
Reserved for endowments	1,992,258	1,559,920
Unreserved	8,273	
<i>Total fund equity</i>	<u>2,000,531</u>	<u>1,559,920</u>
<i>Total liabilities and fund equity</i>	<u>\$ 2,038,442</u>	<u>\$ 1,623,991</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND BALANCE**  
**NON-EXPENDABLE TRUST**

**YEAR ENDED JUNE 30, 2007**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<i>Totals</i>	
	<i>2007</i>	<i>2006</i>
<b>Operating expenses:</b>		
Materials and services	\$ 116,539	\$ 113,316
Operating income (loss)	(116,539)	(113,316)
<b>Non-operating revenue:</b>		
Donations	300,000	
Interest	8,273	
Net gain (loss) on perpetual trust	248,877	128,951
Non-operating income (loss)	557,150	128,951
Net gain (loss)	440,611	15,635
<b>FUND BALANCE - beginning of year</b>	1,559,920	1,544,285
<b>FUND BALANCE - end of year</b>	<u>\$ 2,000,531</u>	<u>\$ 1,559,920</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**NON-EXPENDABLE TRUST**

**YEAR ENDED JUNE 30, 2007**

	<u>Actual</u>	<u>Budget</u>	<i>Variance with Final Budget Over (Under)</i>
<b>BEGINNING FUND BALANCE</b>	\$ 1,559,920	\$	\$ 1,559,920
<b>Revenue</b>			
Donations	300,000		300,000
Interest	8,273		8,273
Net gain on perpetual trust	<u>132,338</u>		<u>132,338</u>
 <i>Total available     for appropriation</i>	 <u>2,000,531</u>		 <u>2,000,531</u>
 <b>ENDING FUND BALANCE</b>	 <u>\$ 2,000,531</u>	 <u>\$ -</u>	 <u>\$ 2,000,531</u>

**OTHER SUPPLEMENTAL INFORMATION**

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF POOLED CASH AND INVESTMENTS**

**JUNE 30, 2007**

	<i>Cash</i> <i>Balance</i>
	<hr/>
Petty cash	\$ 11,690
Demand accounts	3,556,911
Investments:	
Oregon State Treasurer's Investment Pool	<hr/> 21,323,020
	<hr/> \$ 24,891,621
	<hr/>
Balance sheet captions:	
Cash and investments	\$ 24,936,694
Cash deficit in bank account	<hr/> (45,073)
	<hr/> \$ 24,891,621
	<hr/>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS BY COUNTY**

**YEAR ENDED JUNE 30, 2007**

<u>Tax Year</u>	<u>2006-07 Levy and Taxes Receivable July 1, 2006</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2007</u>
<b>Deschutes County</b>					
2006-07	\$ 10,358,560	\$ (37,647)	\$ (239,153)	\$ 9,790,099	\$ 291,661
Prior	296,182	(3,258)	25,828	218,901	99,851
<b>Jefferson County</b>					
2006-07	840,592	699	(20,957)	791,841	28,493
Prior	43,744	(475)		24,668	18,601
<b>Crook County</b>					
2006-07	990,762	(9,042)	(23,067)	923,842	34,811
Prior	46,132	(436)		25,195	20,501
<b>Klamath County</b>					
2006-07	182,669	(133)	(4,518)	170,186	7,832
Prior	15,049	204		7,321	7,932
<b>Lake County</b>					
2006-07	79,478	(150)	(1,866)	73,261	4,201
Prior	8,621	(279)	2	3,802	4,542
<b>Wasco County</b>					
2006-07	3,927	(8)	(96)	3,696	127
Prior	631	(66)		428	137
<b>Totals</b>	<u>\$ 12,866,347</u>	<u>\$ (50,591)</u>	<u>\$ (263,827)</u>	12,033,240	<u>\$ 518,689</u>
Tax offsets and other collections				54,316	
<b>Total cash turnover to District</b>				<u>\$ 12,087,556</u>	
<b>By Fund</b>		<u>Cash Turnover</u>	<u>Adjustment for Accrual</u>	<u>Taxes Revenue</u>	<u>Taxes Receivable</u>
General Fund		\$ 10,416,973	\$ 4,496	\$ 10,421,469	\$ 448,853
Debt Service Fund		1,670,583	16,294	1,686,877	69,836
<b>District totals</b>		<u>\$ 12,087,556</u>	<u>\$ 20,790</u>	<u>\$ 12,108,346</u>	<u>\$ 518,689</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS BY TAX YEAR**

**YEAR ENDED JUNE 30, 2007**

<i>Tax Year</i>	<i>2006-07 Levy and Taxes Receivable July 1, 2006</i>	<i>Adjustments</i>	<i>Net Interest (Discount)</i>	<i>Collections</i>	<i>Receivable June 30, 2007</i>
2006-07	\$ 12,455,988	\$ (46,281)	\$ (289,657)	\$ 11,752,925	\$ 367,125
2005-06	258,796	(2,027)	10,129	181,127	85,771
2004-05	81,406	(843)	5,541	46,152	39,952
2003-04	42,630	(596)	5,299	32,702	14,631
2002-03	16,122	(85)	2,914	15,014	3,937
2001-02	3,738	(297)	600	2,092	1,949
2000-01	2,076	(155)	317	899	1,339
Prior	<u>5,591</u>	<u>(307)</u>	<u>1,030</u>	<u>2,329</u>	<u>3,985</u>
<i>Totals</i>	<u>\$ 12,866,347</u>	<u>\$ (50,591)</u>	<u>\$ (263,827)</u>	12,033,240	<u>\$ 518,689</u>
Tax offsets and other collections				<u>54,316</u>	
Total cash turnover to District				12,087,556	
Adjustment for accrual				<u>20,790</u>	
2006-07 tax revenue				<u>\$ 12,108,346</u>	

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS**

**YEAR ENDED JUNE 30, 2007**

*Principal*

<i>Issue</i>	<i>Beginning Balance July 1, 2006</i>	<i>Matured</i>	<i>Paid</i>	<i>Ending Balance June 30, 2007</i>
November 1, 1996	\$ 620,000	\$ 40,000	\$ 40,000	\$ 580,000
October 1, 1997	1,455,000	90,000	90,000	1,365,000
May 1, 2001	6,855,000	145,000	145,000	6,710,000
October 15, 2001	4,775,000	1,470,000	1,470,000	3,305,000
April 23, 2003	11,268,263	252,555	252,555	11,015,708
	<u>\$ 24,973,263</u>	<u>\$ 1,997,555</u>	<u>\$ 1,997,555</u>	<u>\$ 22,975,708</u>

*Interest*

<i>Issue</i>	<i>Outstanding July 1, 2006</i>	<i>Matured</i>	<i>Paid</i>	<i>Outstanding June 30, 2007</i>
November 1, 1996	\$	\$ 34,960	\$ 34,960	\$
October 1, 1997		70,128	70,128	
May 1, 2001		344,590	344,590	
October 15, 2001		208,150	208,150	
April 23, 2003		383,987	383,987	
	<u>\$</u>	<u>\$ 1,041,815</u>	<u>\$ 1,041,815</u>	<u>\$</u>

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF REQUIREMENTS FOR RETIREMENT OF BOND INDEBTEDNESS**

**YEAR ENDED JUNE 30, 2007**

<i>Year</i>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements October 15, 2001 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 264,454	\$ 402,088	\$ 1,590,000	\$ 149,350
2008-09	279,220	427,322	1,715,000	85,750
2009-10	287,694	453,848		
2010-11	296,439	485,103		
2011-12	306,586	519,956		
Years Thereafter	9,581,315	9,921,423		
<i>Totals</i>	<u>\$ 11,015,708</u>	<u>\$ 12,209,740</u>	<u>\$ 3,305,000</u>	<u>\$ 235,100</u>

<i>Year</i>	<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>		<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 150,000	\$ 337,340	\$ 95,000	\$ 65,895
2008-09	160,000	329,840	100,000	61,360
2009-10	165,000	321,840	105,000	56,490
2010-11	175,000	313,590	110,000	51,220
2011-12	185,000	304,840	115,000	45,595
Years Thereafter	5,875,000	3,405,940	840,000	135,345
<i>Totals</i>	<u>\$ 6,710,000</u>	<u>\$ 5,013,390</u>	<u>\$ 1,365,000</u>	<u>\$ 415,905</u>

<i>Year</i>	<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2007-08	\$ 45,000	\$ 32,569
2008-09	45,000	30,038
2009-10	50,000	27,366
2010-11	50,000	24,485
2011-12	55,000	21,388
Years Thereafter	335,000	51,479
<i>Totals</i>	<u>\$ 580,000</u>	<u>\$ 187,325</u>

**ACCOUNTANTS' COMMENTS**  
**AS REQUIRED BY STATE REGULATIONS**

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**ACCOUNTANTS' COMMENTS AS REQUIRED**  
**BY STATE REGULATIONS**

**JUNE 30, 2007**

*Collateral Security*

The amount of collateral security pledged by the depositories to secure funds of the District was reviewed and was in compliance with statutory requirements. The District had pledged collateral sufficient to cover funds held in excess of the FDIC insurance.

*Debt Limitation*

The District has not exceeded its legal debt limitation.

*Internal Control Structure*

We have audited the financial statements of the Central Oregon Community College District, as of and for the year ended June 30, 2007, and issued our Independent Auditors' report dated October 15, 2007. As part of our audit, we have tested the design of the internal control structure. The internal control structure consists of three elements: control environment, accounting system and control procedures. The test of the internal control structure was made to the extent we considered necessary to assess the control risk as required by generally accepted auditing standards. The purpose of the control risk assessment process is to establish a basis for reliance upon the internal control structure to determine the extent of other auditing procedures that are necessary for expressing an opinion on the financial statements.

The management of the District is responsible for establishing and maintaining the internal control structure. The objective of internal control structure is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the internal control structure should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any internal control structure. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes in judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**ACCOUNTANTS' COMMENTS AS REQUIRED**  
**BY STATE REGULATIONS**

**JUNE 30, 2007**

*Internal Control Structure (Continued)*

Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal control structure to future periods is subject to the risk that procedures may not be adequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

Our control risk assessment was not designed for the purpose of expressing an opinion on the internal control structure and would not necessarily disclose all weaknesses in the structure. A weakness is considered material if it results in more than a relatively low risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements of the Central Oregon Community College District may occur and not be detected within a timely period.

Based solely on the procedures described above, we noted no material weaknesses.

*Accounting Records*

We found the condition of the accounting records adequate for audit purposes.

*Budgets*

We have reviewed procedures for the preparation, adoption and execution of the budget for the year ended June 30, 2007, and we have reviewed the preparation and adoption of the budget for the year beginning July 1, 2007, and found them in compliance with statutory requirements. The level of control for appropriations is exercised at the program level.

*Expenditures Compared to Appropriation*

The District makes appropriations in the general fund categories of instruction and instructional support; student services; college support services; information technology, and plant operation and maintenance.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**ACCOUNTANTS' COMMENTS AS REQUIRED**  
**BY STATE REGULATIONS**

**JUNE 30, 2007**

*Insurance Coverage and Fidelity Bonds*

The District administrative staff maintains control of the insurance coverage and fidelity bonds. We examined the District's insurance coverage and fidelity bonds at June 30, 2007, and ascertained that such policies appeared to be in force and comply with legal requirements relating to insurance and fidelity bond coverage. We are not trained to comment on the adequacy of such coverage of District owned property at June 30, 2007.

*Programs Funded From Outside Sources*

The District participated in various federal and state programs during the year. Our examination includes tests of these programs of a nature to allow us to do the reports required under the Single Audit act of 1984. The reports and financial schedules required are included in the following section.

*Investments*

Investments of the District's surplus funds were in compliance with statutory requirements.

*Public Contracts and Purchasing*

The District's procedures for public contracts and purchasing were reviewed and found to be in compliance with statutory requirements.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



By: Stuart D. Katter - a partner  
Bend, Oregon

October 15, 2007

## **SINGLE AUDIT ACT REQUIREMENTS**



Central Oregon Community College

# KERKOC H KATTER & NELSON, LLP

*Certified Public Accountants*

45 Hawthorne Square • Bend, Oregon 97701 • Phone (541) 382-3468 • Fax (541) 382-0533

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## **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**

Central Oregon Community College District  
Bend, Oregon

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Oregon Community College District, as of and for the year ended June 30, 2007, which collectively comprise the Central Oregon Community College District's basic financial statements and have issued our report thereon dated October 15, 2007. 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.

### *Internal Control over Financial Reporting*

In planning and performing our audit, we considered Central Oregon Community College District's internal control over financial reporting as a basis for designing our auditing procedures 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 Central Oregon Community College District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Central Oregon Community College District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Central Oregon Community College District's financial statements that is more than inconsequential will not be prevented or detected by the Central Oregon Community College District's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Central Oregon Community College District's internal control.

**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)**

*Internal Control over Financial Reporting (continued)*

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

*Compliance and Other Matters*

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

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



By: Stuart D. Katter - a partner  
Bend, Oregon

October 15, 2007

# KERKOCCH KATTER & NELSON, LLP

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Central Oregon Community College District  
Bend, Oregon

### *Compliance*

We have audited the compliance of Central Oregon Community College District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. Central Oregon Community College District's major federal programs are identified in the summary of audit results. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Central Oregon Community College District's management. Our responsibility is to express an opinion on Central Oregon Community College District's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Central Oregon Community College District'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. Our audit does not provide a legal determination on Central Oregon Community College District's compliance with those requirements.

In our opinion, Central Oregon Community College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

### *Internal Control Over Compliance*

The management of Central Oregon Community College District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (CONTINUED)**

*Internal Control Over Compliance (Continued)*

In planning and performing our audit, we considered Central Oregon Community College District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Central Oregon Community College District's internal control over compliance.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Central Oregon Community College District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Central Oregon Community College District's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Central Oregon Community College District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management, the board of directors and others within the entity, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



By: Stuart D. Katter - a partner  
Bend, Oregon

October 15, 2007

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2007**

<i>Federal Grantor/ Pass-through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Agency or Pass- through Number</i>	<i>Expenditures 2006-07</i>
<b>Department of Education</b>			
Student financial aid programs			
Supplemental educational opportunity grants	84.007	N/A	\$ 138,398
Perkins grant	84.243	N/A	6,382
College work study program	84.033	N/A	138,610
Academic competitiveness grant	84.375	N/A	9,716
Pell grant programs	84.063	N/A	<u>2,269,455</u>
<i>Total student financial aid</i>			<u>2,562,561</u>
Adult education - State grant program	84.002	N/A	326,899
Vocational education - Basic Grants to			
States - Carl Perkins	84.048	N/A	243,193
Even Start - State educational agencies	84.213	N/A	<u>81,589</u>
<i>Total department of education</i>			<u>651,681</u>
<b>Department of Labor</b>			
Employment and training administration pilots, demonstrations, and research projects	17.261	N/A	128,116
WIA incentive grant	17.267	N/A	44,672
WIA dislocated worker	17.260	N/A	<u>23,512</u>
<i>Total department of labor</i>			<u>196,300</u>
<b>Other programs</b>			
Small business development center - SBA Grant	59.037	N/A	<u>45,375</u>
<i>Total federal financial assistance</i>			<u>\$ 3,455,917</u>

Note: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

In addition to the direct financial assistance, federal guaranteed student loans in the amount of \$5,042,790 were administered during the year ended June 30, 2007.

**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2007**

*Summary of Auditors' Results*

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the Central Oregon Community College District (the District).
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in this Schedule.
3. No instances of noncompliance material to the general purpose financial statements of the District were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance.
5. The auditors' report on compliance with requirements applicable to each major federal program for the District expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the District are reported in this Schedule.
7. The programs tested as major programs were the U.S. Department of Education, Student Financial Aid programs, CFDA #84.007, #84.033 and #84.063 and Adult Education CFDA #84.002.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The District was determined to be a low-risk auditee.
10. There were no findings or questioned costs in the year ended June 30, 2006 Single Audit.

*Findings - Financial Statements Audit*

None

*Findings and Questioned Costs - Major Federal Programs Audit*

None



Central Oregon Community College