

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

DISTRICT OFFICIALS

JUNE 30, 2009

CHAIRPERSON

Ronald E. Foerster
Zone 4

BOARD MEMBERS

Donald V. Reeder
Zone 1

Connie Lee
Zone 5

Anthony J. Dorsch
Zone 3

Charley Miller
Zone 6

Joyce L. Garret
Zone2

John Overbay
Zone 7

PRESIDENT

James E. Middleton

VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

James R. Jones

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BEND, OREGON

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BEND, OREGON

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Central Oregon Community College

KERKCOCH KATTER & NELSON, LLP

Certified Public Accountants

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

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, 2009, 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, 2009, 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 December 7, 2009, 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

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 45-94 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

December 7, 2009

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, 2009 and 2008. 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 page 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 fund types—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 at June 30, 2009 shows assets of \$78,058,017, liabilities of \$23,676,742 and net assets of \$54,381,275, which is an increase of \$3,070,676 from the prior year.

A senate bill passed in 2003 delayed the final quarterly payment to community colleges for the last year of each biennium. The College received only three payments for 2008-09, deferring \$1.4 million in revenue to 2009-10. State aid decreased \$671,141 due to the effects of the state's funding formula used to distribute state aid funds.

Enrollment increased by 24 percent over the prior year resulting in additional tuition and fee revenues of \$907,000. Property taxes increased by \$781,000 due to the allowed 3 percent increase in tax-assessed value allowed each year.

The College earned \$803,000 less in interest during the current year due to the sharp decline in interest rates.

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. The following table summarizes the net assets of the College's governmental and business type activities:

Summary of Net Assets
(000's)

	2009	2008	Increase (Decrease) 2009-08
<u>Assets</u>			
Current and other assets	\$ 39,284	\$ 43,544	\$ (4,260)
Capital Assets	<u>38,774</u>	<u>30,832</u>	<u>7,942</u>
Total Assets	<u>78,058</u>	<u>74,376</u>	<u>3,682</u>
<u>Liabilities</u>			
Other liabilities	5,312	4,091	1,221
Long-term debt outstanding	<u>18,365</u>	<u>18,974</u>	<u>(609)</u>
Total Liabilities	<u>23,677</u>	<u>23,065</u>	<u>612</u>
<u>Net Assets</u>			
Investment in capital assets,			
Net of debt	30,226	20,263	9,963
Restricted	9,945	15,275	(5,330)
Unrestricted	<u>14,210</u>	<u>15,773</u>	<u>(1,563)</u>
Total Net Assets	<u>\$ 54,381</u>	<u>\$ 51,311</u>	<u>\$ 3,070</u>

Current and other assets consist of cash, accounts receivable, inventory, and net pension assets, which declined by \$4.3 million dollars between 2008 and 2009. Cash balances decreased by \$5.7 million due to the construction of the new Campus Center building. Accounts receivable increased by \$1.5 million because of the increase in summer enrollment and pre registration for fall term. Capital assets increased by \$7.9 million due to construction work in process. Other liabilities consist primarily of accounts payable, which increased by \$1.3 million over the prior year due to the outstanding obligations associated with construction of the Campus Center building. Long-term debt consists primarily of certificates of participation and pension obligation bonds that decreased by \$609,000 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 \$30.2 million investment in capital assets or 56 percent of total net assets. Capital assets increased by \$10 million over the prior year due to construction work in progress. Approximately 18 percent of the remaining net asset balance is restricted primarily for construction, leaving 26 percent unrestricted. Restricted net assets decreased by \$5.3 million due to payments associated with the construction of the Campus Center building.

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 property taxes and State appropriations are budgeted as an operating source, under GASB standards these funding sources are 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 2009 and 2008.

Program Revenues and Expenses

(000's)

	2009	2008	Increase (Decrease) 2009-08
Program Revenues			
Governmental activities	\$ 14,905	\$ 13,246	\$ 1,659
Business-type activities	3,598	2,745	853
Total Revenues	<u>18,503</u>	<u>15,991</u>	<u>2,512</u>
Program Expenses			
Governmental activities	40,608	34,330	6,278
Business-type activities	3,099	2,480	619
Total Expenses	<u>43,707</u>	<u>36,810</u>	<u>6,897</u>
Primary Government profit/(loss)	\$ (25,204)	\$ (20,819)	(4,385)
General Revenues	<u>28,274</u>	<u>27,502</u>	<u>772</u>
Change in net assets	<u>\$ 3,070</u>	<u>\$ 6,683</u>	<u>\$ (3,613)</u>

The following table compares program revenues and general revenues by major source for 2009 and 2008.

Sources of Revenue

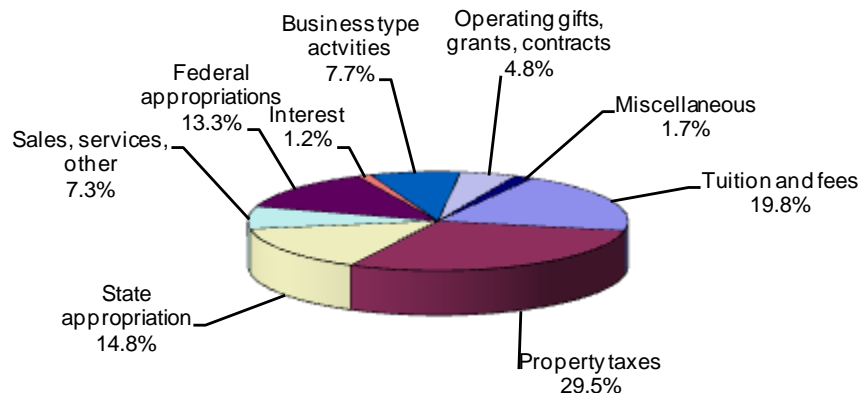
	2009	2008	Increase (Decrease) 2009-08
Program Revenues			
Tuition and fees	\$ 9,257,638	\$ 8,350,239	\$ 907,399
Sales, services, other	3,417,503	3,360,677	56,826
Operating gifts, grants, contracts	2,230,398	1,534,484	695,914
Business type activities	3,597,789	2,745,174	852,615
Total Program Revenues	<u>18,503,328</u>	<u>15,990,574</u>	<u>2,512,754</u>
General Revenues			
Property taxes	13,779,163	12,998,138	781,025
State appropriation	6,944,707	8,476,488	(1,531,781)
Federal appropriations	6,215,349	3,735,715	2,479,634
Miscellaneous	771,996	926,234	(154,238)
Interest	562,856	1,365,805	(802,949)
Total General Revenues	<u>28,274,071</u>	<u>27,502,380</u>	<u>771,691</u>
Total Program and General Revenues	<u>\$ 46,777,399</u>	<u>\$ 43,492,954</u>	<u>\$ 3,284,445</u>

Program revenues are higher than the prior fiscal year by \$2.5 million. The College experienced a significant enrollment increase over the prior year that translated into an increase in tuition and fees of \$907,000. As prescribed under accounting standards, the College changed the recognition method of summer term this fiscal year to more accurately match summer term revenues and expenses. As a result, 2007-08 reflects \$438,000 in summer term tuition and fees while 2008-09 is deferred until next year. Increased enrollment also benefited the Bookstore operations, a business type activity, which realized a \$639,000 increase in revenues compared to the prior year. This year the college assumed the management of the Residence Hall, another business type activity, resulting in an improved occupancy rate and an increase in revenues of \$214,000 over the prior year.

General revenues are \$771,000 higher than the prior fiscal year, which is the net result of a number of increases and decreases in general revenues. Property taxes continue to increase as the total assessed taxable value in the college district remains below the market value allowing for the 3% statutory increase to existing property along with additional taxes on new construction. Federal appropriations increased \$2.4 million due to the large increase in the number of students receiving financial aid in the form of federal Pell grants. Decreases in the State appropriation of \$1.5 million are related to the timing of the State's deferred 8th quarter state aid payment, which is received in July following the end of the second year of the biennium. The timing effects of the deferred payment increased state aid in 2007-08 by \$952,000 and decreased state aid by \$1.4 million in 2008-09. Interest revenue declined by \$803,000 due to the lower yields available in the current investment and financial markets.

The following graph illustrates the allocation of both operating and non-operating revenue sources for the College for the 2008-09 fiscal year. As discussed above, Federal appropriations are now 13.3 percent of College revenues compared to 8.6 percent last year. State appropriations have decreased to 14.8 percent compared to 19.5 percent last year. All other categories remained relatively flat as a percentage of total revenues.

Total Revenue Sources 2008-09



Program Expenses

Summary of Expenses by Function

	2009	2008	Increase (Decrease) 2009-08
Governmental activities			
Instruction	\$ 15,421,324	\$ 13,510,160	\$ 1,911,164
Instructional support	2,069,300	1,914,009	155,291
Student services	9,358,957	6,426,183	2,932,774
College support services	5,980,561	5,584,744	395,817
Plant operations and maintenance	3,732,840	3,098,418	634,422
Information technology	1,775,133	1,582,619	192,514
Depreciation	1,277,128	1,210,993	66,135
Interest expense	993,008	1,002,670	(9,662)
Subtotal	40,608,251	34,329,796	6,278,455
Business-type activities			
College bookstore	2,680,449	2,193,907	486,542
Residence hall operations	418,023	286,447	131,576
	3,098,472	2,480,354	618,118
 Total Primary Government	 \$ 43,706,723	 \$ 36,810,150	 \$ 6,896,573

Program expenses increased \$7.2 million between 2008 and 2009. Instructional expenses increased by \$1.9 due to the need to hire additional instructional staff and purchase more materials to cover the increased enrollment growth. Student Services expenses are higher than the prior year by \$2.9 million due to the increases in Federal and State financial aid awarded to students. The increase in plant operations and maintenance costs is a result of the receipt of State Stimulus funds for repairs and improvements to the campus. Higher Bookstore expenses are the result of purchasing more inventories for resale, while Residence Hall operations have increased as the College is now managing the Residence Hall internally rather than through an external contracted service.

General Fund Budgetary Highlights

Total general fund revenues are \$1.8 million over budget for the fiscal year due to increased enrollment. General fund expenses are under budget by only \$24,000. During the year, the College chose to transfer an additional \$700,000 to the Construction fund. The transfer of these funds caused general fund transfers to exceed their original budget.

Capital Assets

The College records all assets at historical cost with associated accumulated depreciation. The College added \$7.9 million in net capital assets this fiscal year. Assets now include \$9.2 million in construction work in progress for the current year and a restatement of the prior year balance. The schedule below identifies the following capitalization categories for the College.

Summary of Capital Assets

	2009	2008	Change
Governmental Activities			
Site and site improvements	\$ 6,025,757	\$ 5,560,405	\$ 465,352
Construction work in progress	9,260,672	\$ 1,893,492	7,367,180
Buildings	33,312,539	33,041,523	271,016
Equipment	2,956,871	2,200,104	756,767
Library books	1,823,919	1,733,713	90,206
Works of art	222,995	222,995	222,995
	<u>53,602,753</u>	<u>44,652,232</u>	<u>9,173,516</u>
Accumulated depreciation	<u>(15,928,892)</u>	<u>(14,651,764)</u>	<u>(1,277,128)</u>
Net Assets	<u><u>\$ 37,673,861</u></u>	<u><u>\$ 30,000,468</u></u>	<u><u>7,896,388</u></u>
Business Type Activities			
Buildings	\$ 1,717,150	\$ 1,698,010	\$ 19,140
Equipment	451,484	140,989	310,495
	<u>2,168,634</u>	<u>1,838,999</u>	<u>329,635</u>
Accumulated depreciation	<u>(1,068,482)</u>	<u>(1,008,065)</u>	<u>(60,417)</u>
Net Assets	<u><u>\$ 1,100,152</u></u>	<u><u>\$ 830,934</u></u>	<u><u>\$ 269,218</u></u>

Debt Administration

As of June 30, 2009, the College has \$18,974,301 in outstanding long-term debt. The following table summarizes these amounts by type of debt instrument.

Outstanding Debt as of June 30, 2009

Full Faith & Credit bonds	\$ 8,060,000
Pension Obligation bonds	10,472,034
Capital Lease	<u>442,267</u>
	<u><u>\$ 18,974,301</u></u>

Economic Factors That Will Affect the Future

There are three main factors that impact the College's financial position. The first factor relates to the financial and economic health of the State, and its impact on the biennium budget appropriation for the community college support fund. The second factor is the economic condition of the college district and levels of new construction which impact future property tax revenues. Student enrollment makes up the third factor, with tuition and fee revenue representing the second largest source of revenue and support for general operations.

The State of Oregon is suffering through one of the deepest and far reaching recessions for the past 50 years. Oregon's economy tends to follow the historic trend of leading the national average when the economy is strong and trailing the national average when the economy is weak. The impacts of the steep downturn in the housing sector, crippled financial markets and rising unemployment, has hit Oregon particularly hard as individual and corporate income taxes represent the largest single source of state general fund revenue. As part of the State's budget balancing strategy, the budget appropriation for the community college support fund has been decreased from \$500 million to \$450.5 million (\$49.5 million, 9.9%) for the 2009-2011 biennium. This decrease in the community college support fund combined with the effects of the State's funding formula used to distribute the support fund will decrease the projected 2009-2011 biennium funding to the college by \$3.4 million (29%). Also, the State disappropriated \$5 million in funding to the community college support fund in the prior biennium to balance its budget and may look to this approach again if the economy doesn't improve during the current biennium.

Property tax revenue continues to represent the largest source of revenue for general operations. The financial health, economic vitality and population growth of the college district impacts property values and ensuing property taxes. The college district, like most areas throughout the country, has experience large declines in property values and slowing population growth from inward migration. This pattern of low growth and flat property values is expected to continue for the foreseeable future.

The college has experienced unprecedented enrollment growth the past two years due to the large numbers of individuals returning to college that have been impacted by recession related job losses and cut backs. This recession related growth trend is expected to continue until the economy improves and reduces unemployment through new job creation and employment growth.

Contacting the College's Financial Management

This financial report is designed to provide citizens, taxpayers, students, creditors and stakeholders with a general overview of the College's financial position, accountability of resources, and stewardship of facilities. If you have questions or would like to request additional information, contact the Fiscal Services Department at 2600 NW College Way, Bend, Oregon, 97701.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

STATEMENT OF NET ASSETS

JUNE 30, 2009

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
ASSETS				
Pooled cash and investments	\$ 21,912,522	\$ 1,639,165	\$ 23,551,687	\$ 10,086,109
Cash with county treasurers	119,054		119,054	
Property taxes receivable	1,168,677		1,168,677	
Accounts receivable	2,715,562	106,492	2,822,054	1,252,941
Allowance for uncollectible accounts	(378,381)		(378,381)	
Prepays and advances				6,565
Student loans receivable	6,390		6,390	
Inventory		343,081	343,081	
Beneficial interest in perpetual trust	1,179,408		1,179,408	732,795
Pension prepayment	10,472,034		10,472,034	
Capital assets				
Land and improvements	6,025,757		6,025,757	14,939
Construction in progress	9,260,672		9,260,672	
Buildings	33,312,539	1,717,150	35,029,689	
Equipment	5,003,785	451,484	5,455,269	51,422
Accumulated depreciation	(15,928,892)	(1,068,482)	(16,997,374)	(45,453)
<i>Total assets</i>	<u>\$ 74,869,127</u>	<u>\$ 3,188,890</u>	<u>\$ 78,058,017</u>	<u>\$ 12,099,318</u>
LIABILITIES				
Deficit in pooled cash and investments	\$ 70,287	\$	\$ 70,287	\$
Accounts payable	2,456,931	25,069	2,482,000	402,121
Interest payable	30,214		30,214	
Accrued expenses	471,229		471,229	
Unearned revenue	1,446,402		1,446,402	
Other post employment benefits payable	156,240		156,240	
Noncurrent liabilities				
Due within one year				
Notes & capital lease payable	47,930		47,930	
Bonds payable	607,694		607,694	
Due in more than one year				
Notes & capital lease payable	440,406		440,406	
Bonds payable	17,924,340		17,924,340	
<i>Total liabilities</i>	<u>23,651,673</u>	<u>25,069</u>	<u>23,676,742</u>	<u>402,121</u>
NET ASSETS				
Invested in capital assets, net of related debt	29,125,525	1,100,152	30,225,677	20,908
Restricted for:				
Capital projects	8,309,412		8,309,412	
Permanent non-expendable endowment	1,549,733		1,549,733	3,518,016
Donor intent				6,486,633
Debt service	86,337		86,337	
Unrestricted	12,146,447	2,063,669	14,210,116	1,671,640
<i>Total net assets</i>	<u>\$ 51,217,454</u>	<u>\$ 3,163,821</u>	<u>\$ 54,381,275</u>	<u>\$ 11,697,197</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, 2009

<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>	
PRIMARY INSTITUTION				
Governmental activities:				
Instruction (net of scholarship allowances of \$1,956,386)	\$ 15,421,324	\$ 9,257,638	\$ 3,417,503	\$ 2,230,398
Instructional support	2,069,300			
Student services	9,358,957			
College support services	5,980,561			
Plant operations and maintenance	3,732,840			
Information technology services	1,775,133			
Depreciation	1,277,128			
Interest	993,008			
<i>Total governmental activities</i>	<u>40,608,251</u>	<u>9,257,638</u>	<u>3,417,503</u>	<u>2,230,398</u>
Business-type activities:				
College bookstore	2,680,449		3,017,145	
Residence Hall	418,023		580,644	
<i>Total business-type activities</i>	<u>3,098,472</u>		<u>3,597,789</u>	
Total primary government	<u>\$ 43,706,723</u>	<u>\$ 9,257,638</u>	<u>\$ 7,015,292</u>	<u>\$ 2,230,398</u>
Component unit:				
Foundation	<u>\$ 2,090,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,423,040</u>

General revenues:

Property taxes
State appropriations
Federal appropriations
Interest
Miscellaneous
Investment earnings

Total general revenues and transfers

CHANGE IN NET ASSETS

NET ASSETS - beginning

NET ASSETS - ending

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

<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
\$ (515,785)	\$	\$ (515,785)	\$
(2,069,300)		(2,069,300)	
(9,358,957)		(9,358,957)	
(5,980,561)		(5,980,561)	
(3,732,840)		(3,732,840)	
(1,775,133)		(1,775,133)	
(1,277,128)		(1,277,128)	
(993,008)		(993,008)	
(25,702,712)		(25,702,712)	
	336,696	336,696	
	162,621	162,621	
	499,317	499,317	
(25,702,712)	499,317	(25,203,395)	
			(667,147)
13,779,163		13,779,163	
6,944,707		6,944,707	
6,215,349		6,215,349	
535,841	27,015	562,856	
1,112,333		1,112,333	(20,836)
(340,337)		(340,337)	(1,455,842)
28,247,056	27,015	28,274,071	(1,476,678)
2,544,344	526,332	3,070,676	(2,143,825)
48,673,110	2,637,489	51,310,599	13,841,022
\$ 51,217,454	\$ 3,163,821	\$ 54,381,275	\$ 11,697,197

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, 2009

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>	<i>Reserve Fund</i>
Assets				
Pooled cash and investments	\$ 2,345,276	\$	\$ 6,214,523	\$ 2,920,260
Cash with county treasurers	103,894			
Property taxes receivable	1,022,078			
Accounts receivable	2,201,587	137,376	100,376	
Allowance for doubtful accounts	(378,381)			
Student loans receivable				
Beneficial interest in perpetual trust				
<i>Total assets</i>	<u>\$ 5,294,454</u>	<u>\$ 137,376</u>	<u>\$ 6,314,899</u>	<u>\$ 2,920,260</u>
Liabilities				
Deficit in pooled cash and investments	\$	\$ 70,287	\$	\$
Accounts payable	1,009,828	2,890	32,279	
Accrued expenses	471,229			
Deferred revenue	837,841		1,374,568	
<i>Total liabilities</i>	<u>2,318,898</u>	<u>73,177</u>	<u>1,406,847</u>	
Fund Balance				
Reserved for:				
Debt service fund				
Retiree benefits				1,409,501
PERS reserve				1,510,759
Permanent endowments				
Unreserved, reported in:				
General fund	2,975,556			
Special revenue fund		64,199	4,908,052	
Capital projects fund				
<i>Total fund balance</i>	<u>2,975,556</u>	<u>64,199</u>	<u>4,908,052</u>	<u>2,920,260</u>
<i>Total liabilities and fund balance</i>	<u>\$ 5,294,454</u>	<u>\$ 137,376</u>	<u>\$ 6,314,899</u>	<u>\$ 2,920,260</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>
\$ 298,528	\$ 42,465	\$ 9,380,040	\$ 485,230	\$ 21,686,322
	15,160			119,054
	146,599			1,168,677
26,619		249,604		2,715,562
				(378,381)
6,390				6,390
			1,179,408	1,179,408
<u>\$ 331,537</u>	<u>\$ 204,224</u>	<u>\$ 9,629,644</u>	<u>\$ 1,664,638</u>	<u>\$ 26,497,032</u>
\$	\$	\$	\$	\$
2,090		1,320,232	89,174	70,287
				2,456,493
				471,229
58,099	117,887			2,388,395
60,189	117,887	1,320,232	89,174	5,386,404
	86,337			86,337
				1,409,501
				1,510,759
			1,549,733	1,549,733
				2,975,556
271,348			25,731	5,269,330
		8,309,412		8,309,412
271,348	86,337	8,309,412	1,575,464	21,110,628
<u>\$ 331,537</u>	<u>\$ 204,224</u>	<u>\$ 9,629,644</u>	<u>\$ 1,664,638</u>	<u>\$ 26,497,032</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, 2009

Total Fund Balance	\$ 21,110,628
Capital assets are not financial resources and therefore are not reported in governmental funds.	37,624,371
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.	941,993
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.	275,252
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.	10,472,034
The other post employment benefit payable is not a liability in the governmental funds	(156,240)
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	(30,214)
Long-term debt	<u>(19,020,370)</u>
<i>Net assets of governmental activities</i>	<u><u>\$ 51,217,454</u></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, 2009

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>
Revenues			
Property taxes	\$ 11,726,220	\$	\$
Charges for services	11,214,024	57,899	1,798,614
Interest	62,939		154,924
Investment earnings			
Grants & contracts		451,946	
State	4,117,157	102,672	391,375
Federal		522,856	
Other revenues	6,018		1,079,831
<i>Total revenues</i>	<u>27,126,358</u>	<u>1,135,373</u>	<u>3,424,744</u>
Expenditures			
Current			
Instruction	12,071,108	998,055	2,352,161
Instructional support	1,919,540		149,760
Student services	2,544,270		282,064
College support services	3,635,341	88,364	1,423,406
Plant operations and maintenance	2,549,798		
Information technology services	1,775,133		
Financial aid			
Capital outlay		4,767	301,356
Debt service			
Principal			
Interest and other charges			
<i>Total expenditures</i>	<u>24,495,190</u>	<u>1,091,186</u>	<u>4,508,747</u>
Excess of revenues over (under) expenditures	2,631,168	44,187	(1,084,003)
Other financing sources (uses)			
Transfers in		24,220	1,385,287
Transfers out	(4,843,497)	(36,609)	(153,169)
<i>Total other financing sources (uses)</i>	<u>(4,843,497)</u>	<u>(12,389)</u>	<u>1,232,118</u>
NET CHANGE IN FUND BALANCES	(2,212,329)	31,798	148,115
FUND BALANCES - beginning	<u>5,187,885</u>	<u>32,401</u>	<u>4,759,937</u>
FUND BALANCES - ending	<u>\$ 2,975,556</u>	<u>\$ 64,199</u>	<u>\$ 4,908,052</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>
\$	\$	\$ 1,698,313	\$	\$	\$ 13,424,533
		690,120	583,931		14,344,588
53,364	31,010	21,920	199,680	8,051	531,888
				(340,337)	(340,337)
	797,108	481,344	500,000		2,230,398
	1,822,619		510,884		6,944,707
	5,692,493				6,215,349
	26,484				1,112,333
53,364	8,369,714	2,891,697	1,794,495	(332,286)	44,463,459
					15,421,324
					2,069,300
	190,546				3,016,880
164,186				7,084	5,318,381
					2,549,798
					1,775,133
	8,298,463				8,298,463
			9,774,599		10,080,722
		2,345,289			2,345,289
		953,065			953,065
164,186	8,489,009	3,298,354	9,774,599	7,084	51,828,355
(110,822)	(119,295)	(406,657)	(7,980,104)	(339,370)	(7,364,896)
	150,730	301,398	3,475,000		5,336,635
			(303,360)		(5,336,635)
	150,730	301,398	3,171,640		
(110,822)	31,435	(105,259)	(4,808,464)	(339,370)	(7,364,896)
3,031,082	239,913	191,596	13,117,876	1,914,834	28,475,524
\$ 2,920,260	\$ 271,348	\$ 86,337	\$ 8,309,412	\$ 1,575,464	\$ 21,110,628

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, 2009

Net change in fund balances \$ (7,364,896)

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. 354,630

In the Statement of Revenues, Expenditures and Changes in Fund
Balance interest is accrued on long-term debt, whereas in the
governmental funds it is recorded as interest expense when due. 6,126

In the Statement of Revenues, Expenditures and Changes in Fund
Balance the pension asset established to pay off the UAL is
accrued but it is not reported in the governmental fund assets. (279,220)

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 8,897,680
Depreciation - governmental activities (1,273,777)

The other post employment benefit payable
is not a liability in the governmental funds (156,240)

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 2,299,220

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. 60,821

Change in net assets of governmental activities \$ 2,544,344

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, 2009

	<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>	
Assets				
Current assets:				
Pooled cash and investments	\$ 1,056,925	\$ 582,240	\$ 1,639,165	\$ 226,200
Accounts receivable	106,492		106,492	
Inventories	343,081		343,081	
<i>Total current assets</i>	<u>1,506,498</u>	<u>582,240</u>	<u>2,088,738</u>	<u>226,200</u>
Noncurrent assets:				
Capital assets				
Building and equipment	1,576,763	591,871	2,168,634	52,841
Less accumulated depreciation	<u>(556,323)</u>	<u>(512,159)</u>	<u>(1,068,482)</u>	<u>(3,351)</u>
Capital assets, net	<u>1,020,440</u>	<u>79,712</u>	<u>1,100,152</u>	<u>49,490</u>
<i>Total assets</i>	<u>2,526,938</u>	<u>661,952</u>	<u>3,188,890</u>	<u>275,690</u>
Liabilities				
Current liabilities:				
Accounts payable	<u>18,480</u>	<u>6,589</u>	<u>25,069</u>	<u>438</u>
Net assets				
Invested in capital assets, net of related debt	1,020,440	79,712	1,100,152	
Unrestricted	<u>1,488,018</u>	<u>575,651</u>	<u>2,063,669</u>	<u>275,252</u>
<i>Total net assets</i>	<u>\$ 2,508,458</u>	<u>\$ 655,363</u>	<u>\$ 3,163,821</u>	<u>\$ 275,252</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 NET ASSETS
PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2009

	<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>	
Operating revenues:				
Charges for services	\$ 3,017,145	\$ 580,644	\$ 3,597,789	\$ 286,939
Operating expenses:				
Salaries	291,300	69,329	360,629	66,466
Payroll assessments	138,022	39,912	177,934	42,247
Materials and services	2,193,091	286,581	2,479,672	115,230
Capital outlay	4,270	15,550	19,820	2,777
Depreciation	53,766	6,651	60,417	3,351
<i>Total operating expenses</i>	<u>2,680,449</u>	<u>418,023</u>	<u>3,098,472</u>	<u>230,071</u>
Operating income	<u>336,696</u>	<u>162,621</u>	<u>499,317</u>	<u>56,868</u>
Nonoperating revenues:				
Interest income	<u>18,775</u>	<u>8,240</u>	<u>27,015</u>	<u>3,953</u>
CHANGE IN NET ASSETS	355,471	170,861	526,332	60,821
NET ASSETS - beginning	<u>2,152,987</u>	<u>484,502</u>	<u>2,637,489</u>	<u>214,431</u>
NET ASSETS - ending	<u>\$ 2,508,458</u>	<u>\$ 655,363</u>	<u>\$ 3,163,821</u>	<u>\$ 275,252</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, 2009

	<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>	
Cash flows from operating activities:				
Cash received for services	\$ 3,008,527	\$ 637,405	\$ 3,645,932	\$ 286,939
Cash payments for goods and services	(2,273,549)	(295,542)	(2,569,091)	(119,884)
Cash payments to employees	(429,322)	(109,241)	(538,563)	(108,713)
<i>Net cash provided (used) by operating activities</i>	<u>305,656</u>	<u>232,622</u>	<u>538,278</u>	<u>58,342</u>
Cash flows from investing activities:				
Acquisition of building and equipment	(329,635)		(329,635)	(52,841)
Interest on investments	<u>18,775</u>	<u>8,240</u>	<u>27,015</u>	<u>3,953</u>
<i>Net cash provided (used) by investing activities</i>	<u>(310,860)</u>	<u>8,240</u>	<u>(302,620)</u>	<u>(48,888)</u>
Net increase (decrease) in cash and cash equivalents	(5,204)	240,862	235,658	9,454
Balances - beginning of year	<u>1,062,129</u>	<u>341,378</u>	<u>1,403,507</u>	<u>216,746</u>
Balances - end of year	<u><u>\$ 1,056,925</u></u>	<u><u>\$ 582,240</u></u>	<u><u>\$ 1,639,165</u></u>	<u><u>\$ 226,200</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ 336,696	\$ 162,621	\$ 499,317	\$ 56,868
Adjustments to reconcile operating income:				
Depreciation expense	53,766	6,651	60,417	3,351
Change in assets and liabilities:				
Accounts receivable	(8,618)	56,761	48,143	
Inventories	(83,705)		(83,705)	
Accounts payable	<u>7,517</u>	<u>6,589</u>	<u>14,106</u>	<u>(1,877)</u>
<i>Net cash provided by operating activities</i>	<u><u>\$ 305,656</u></u>	<u><u>\$ 232,622</u></u>	<u><u>\$ 538,278</u></u>	<u><u>\$ 58,342</u></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, 2009

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, 2009

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.

- *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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- *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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, 2009

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, 2009, 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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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.

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. The District had one supplemental budget for the year ended June 30, 2009.

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, the District records a receivable for the state school support received in July as of June 30, 2009 in the amount of \$1,377,022.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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 District invested in authorized investments during the year. The investments are carried at cost, which approximates market value at June 30, 2009.

Cash and investments at June 30, 2009 consist of the following:

	<u>Security</u>	
Cash and cash equivalents		
Petty cash	N/A	\$ 10,637
Demand deposits	FDIC & Collateral	<u>1,073,295</u>
		<u>1,083,932</u>
Investments		
Oregon State Treasurer's Investment Pool	N/A	<u>22,397,468</u>
		<u>22,397,468</u>
		<u>\$ 23,481,400</u>
Statement of Net Assets		
Pooled cash and investments		\$ 23,551,687
Deficit in pooled cash and investments		<u>(70,287)</u>
		<u>\$ 23,481,400</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 – POOLED CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The District's deposits with financial institutions are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The District's policy, in compliance with State Statutes, requires that deposits be covered by the Federal Deposit Insurance Corporation (FDIC) and deposited in a qualified depository for public funds. Certain financial institutions have pledged they will cover deposits of public funds in any one of the group's banks. The banks that have joined this group have been identified by the State Treasurer. The District only deposits funds in banks that have been approved by the Office of the State Treasurer. At June 30, 2009, the carrying amount of the District's deposits in financial institutions was \$1,073,295 and the balance per the bank statements was \$1,179,107. Of this amount, \$250,000 was covered by FDIC, and \$823,295 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, 2009, 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, 2009, the District does not have investments exposed to custodial credit risk.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 4 - PROPERTY TAXES (CONTINUED)

The Deschutes County assessor allocates property tax levies to the other counties included in the District's boundaries. The levy for 2008-09, by county, is as follows:

Deschutes County	\$ 11,744,104
Jefferson County	921,044
Crook County	1,132,994
Klamath County	197,119
Lake County	85,211
Wasco County	<u>3,902</u>
Total	<u>\$ 14,084,374</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.

NOTE 6 - CAPITAL ASSETS

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

	<i>Balance</i> <i>July 1, 2008</i>		<i>Increases</i>		<i>Decreases</i>		<i>Balance</i> <i>June 30, 2009</i>
Capital Assets							
Land and improvements	\$ 5,560,405	\$	465,352	\$		\$	6,025,757
Construction in progress	1,893,492		7,367,180				9,260,672
Buildings	33,041,523		245,762				33,287,285
Equipment	<u>4,156,812</u>		<u>819,386</u>				<u>4,976,198</u>
	44,652,232	\$	<u>8,897,680</u>				53,549,912
Accumulated depreciation	<u>(14,651,764)</u>	\$	<u>(1,273,777)</u>	\$	<u>-</u>		<u>(15,925,541)</u>
	<u>\$ 30,000,468</u>					\$	<u>37,624,371</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 6 - CAPITAL ASSETS (CONTINUED)

For the year ended June 30, 2009, depreciation expense in the amount of \$1,273,777 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, 2008</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2009</i>
Buildings	\$ 1,698,010	\$ 19,140	\$	\$ 1,717,150
Equipment	140,989	310,495		451,484
	1,838,999	<u>\$ 329,635</u>	<u>\$ -</u>	2,168,634
Accumulated depreciation	<u>(1,008,065)</u>	<u>\$ (60,417)</u>	<u>\$ -</u>	<u>(1,068,482)</u>
	<u>\$ 830,934</u>			<u>\$ 1,100,152</u>

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

	<i>Balance</i> <i>July 1, 2008</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2009</i>
Buildings	\$	\$ 25,254	\$	\$ 25,254
Equipment		27,587		27,587
		<u>\$ 52,841</u>	<u>\$ -</u>	52,841
Accumulated depreciation		<u>\$ (3,351)</u>	<u>\$ -</u>	<u>(3,351)</u>
	<u>\$ -</u>			<u>\$ 49,490</u>

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 7 - LONG-TERM DEBT (CONTINUED)

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, 2009.

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

The following is a summary of the bond transactions for the year ended June 30, 2009:

General and Special Obligation Bond Issues

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.	\$ 490,000
October 1, 1997 Issue, original Issue was \$2,000,000, interest rate of 4.05 to 5.9 percent payable semiannually, principal paid annually.	1,170,000
May 1, 2001 Issue, original Issue was \$7,365,000, interest rate of 4.7 to 5.3 percent payable semiannually, principal paid annually.	6,400,000

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>10,472,034</u>
	<u>\$ 18,532,034</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following changes in general long-term debt occurred for the year ended June 30, 2009.

	<i>Balance July 1, 2008</i>	<i>Additions</i>	<i>Principal Payments</i>	<i>Balance June 30, 2009</i>
General and special obligation bonds	\$ 20,831,254	\$	\$ 2,299,220	\$ 18,532,034
Capital lease	488,336		46,069	442,267
<i>Totals</i>	<u>\$ 21,319,590</u>	<u>\$</u>	<u>\$ 2,345,289</u>	<u>\$ 18,974,301</u>

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

	<i>Principal</i>			
	<i>Beginning Balance July 1, 2008</i>	<i>Matured</i>	<i>Paid</i>	<i>Ending Balance June 30, 2009</i>
<i>Issue</i>				
November 1, 1996	\$ 535,000	\$ 45,000	\$ 45,000	\$ 490,000
October 1, 1997	1,270,000	100,000	100,000	1,170,000
May 1, 2001	6,560,000	160,000	160,000	6,400,000
October 15, 2001	1,715,000	1,715,000	1,715,000	
April 23, 2003	10,751,254	279,220	279,220	10,472,034
	<u>\$ 20,831,254</u>	<u>\$ 2,299,220</u>	<u>\$ 2,299,220</u>	<u>\$ 18,532,034</u>

	<i>Interest</i>			
	<i>Outstanding July 1, 2008</i>	<i>Matured</i>	<i>Paid</i>	<i>Outstanding June 30, 2009</i>
<i>Issue</i>				
November 1, 1996	\$	\$ 30,038	\$ 30,038	\$
October 1, 1997		61,360	61,360	
May 1, 2001		329,840	329,840	
October 15, 2001		85,750	85,750	
April 23, 2003		427,322	427,322	
	<u>\$</u>	<u>\$ 934,310</u>	<u>\$ 934,310</u>	<u>\$</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 7 - LONG-TERM DEBT (CONTINUED)

<i>Future Principal and Interest Requirements April 23, 2003</i>			<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>		
<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	
2009-10	\$ 287,694	\$ 453,848	\$ 50,000	\$ 27,366	
2010-11	296,439	485,103	50,000	24,485	
2011-12	306,586	519,956	55,000	21,388	
2012-13	310,398	556,144	60,000	17,995	
2013-14	313,004	598,538	65,000	14,308	
Years Thereafter	8,957,913	8,766,741	210,000	19,176	
<i>Totals</i>	<u>\$ 10,472,034</u>	<u>\$ 11,380,330</u>	<u>\$ 490,000</u>	<u>\$ 124,718</u>	

<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>			<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>		
<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	
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	
2012-13	195,000	296,145	120,000	39,720	
2013-14	205,000	286,785	130,000	33,405	
Years Thereafter	5,475,000	2,823,010	590,000	62,220	
<i>Totals</i>	<u>\$ 6,400,000</u>	<u>\$ 4,346,210</u>	<u>\$ 1,170,000</u>	<u>\$ 288,650</u>	

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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.

\$ 442,267

Future maturities of the note payable are as follows:

Year ended June 30, 2010	\$ 47,930
2011	49,866
2012	51,881
2013	53,977
2014	56,118
Years Thereafter	<u>182,495</u>

\$ 442,267

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, 2009, the District was required by the rules applicable to PERS to contribute 6.17% of Tier One and Tier Two employees' salaries to PERS. 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 8.64%. 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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

Annual Pension Cost

For fiscal year ended June 30, 2009, the District's annual pension cost for PERS was equal to the District's required and actual contributions, and consisted of \$1,819,567 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.

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, 2007, valuation is amortized on a level percentage of covered payroll on a closed fixed term method over a 22-year period through December 31, 2007.

<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>
6/30/2007	1,640,256	100%	\$ 11,015,708
6/30/2008	1,700,150	100	10,751,254
6/30/2009	1,819,567	100	10,472,034

AVA: Actuarial Value of Assets

AAL: Actuarial Accrued Liability

UAAL: Unfunded Actuarial Accrued Liability

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 \$20,000,000; excess liability of \$20,000,000 and property coverage of \$100,000,000. 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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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, 2009, is presented as follows:

	<u>Bookstore</u>	<u>Residence Hall</u>	<u>Total</u>
Operating revenue	\$ 3,017,145	\$ 580,644	\$ 3,597,789
Depreciation expense	53,766	6,651	60,417
Operating income (loss)	336,696	162,621	499,317
Change in net assets	355,471	170,861	526,332
Net working capital	1,488,018	398,139	1,886,157
Total assets	2,526,938	661,952	3,188,890
Total equity	2,508,458	655,363	3,163,821

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, 2009, were as follows:

Transfers out:

General Fund	\$ 4,843,497
Grants and Contracts Fund	36,609
Auxiliary Activities Fund	153,169
Capital Projects Fund	<u>303,360</u>
Total transfers out	<u>\$ 5,336,635</u>

Transfers in:

Grants and Contracts Fund	\$ 24,220
Auxiliary Activities Fund	1,385,287
Financial Aid Fund	150,730
Debt Service Fund	301,398
Capital Projects Fund	<u>3,475,000</u>
Total transfers in	<u>\$ 5,336,635</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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 - 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, 2009 of the beneficial interests was \$1,179,408.

NOTE 14 – 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 15 – 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 \$906,783 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.

NOTE 16 – RESTATEMENT OF NET ASSETS

Net assets as of June 30, 2008 has been increased from as previously reported by \$1,893,492. The restatement is to reflect an increase in capital assets not capitalized in the prior year.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 17 - POST-EMPLOYMENT BENEFITS

Stipend Benefits

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

Summary of significant accounting policies – The plan is accounted for in the Reserve Fund, which is reported on the modified accrual basis of accounting. The District's contributions are recognized when due and payable in accordance with the terms of the plan. Plan investments are a part of the District's investment pool, reported at fair value.

Funding policy – The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. Although there is no obligation on the part of the District to fund these benefits in advance, the District has established a Reserve Fund to accumulate assets to pay these benefits in the future based on an actuarially determined rate.

Annual pension cost and net pension obligation – The District's annual pension costs and net pension obligation (NPO) are as follows:

Annual required contribution	\$ -
Interest and other adjustments	(81,323)
Contributions made	<hr/>
Increase in net pension obligation	(81,323)
NPO (Asset) at beginning of year	<hr/> (543,325)
NPO (Asset) at end of year	<hr/> <u>\$ (624,648)</u>

Actuarial methods and assumptions – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2008 actuarial valuation using the Normal Cost (the value of benefits expected to be earned in the year) plus an amortization of the unfunded liability. The amortization period is 6 years. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and an inflation rate of 3%. Assets of the Reserve Fund for these programs are valued at cost which approximates fair value.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 17 - POST-EMPLOYMENT BENEFITS (CONTINUED)

Stipend Benefits - Continued

Funding status and funding progress – As of July 1, 2008, the plan was 154% funded. The actuarial accrued liability for benefits was \$1,003,722, and the actuarial value of assets was \$1,547,047, resulting in an unfunded actuarial accrued liability (UAAL) of \$0. The covered payroll (annual payroll of active employees covered by the plan) was \$17,373,292, and the ratio of the UAAL to the covered payroll was \$0.

Post Employment Health Insurance Benefits

Plan description - The District maintains a single employer retiree benefit plan that provides postemployment health insurance benefits to eligible employees and their spouses.

The District's post-retirement healthcare plan established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan. Instead, the activities of the plan are reported in the General Fund.

Funding policy – The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance.

Annual pension cost and net pension obligation – The District's annual other post employment benefit cost (OPEB) is calculated based on the annual required contribution of the employer (ARC), and amount actuarially determined in accordance within the parameter of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the OPEB obligation at the end of the year:

Annual required contribution	\$ 336,602
Interest on net pension obligation	
Contributions made	<u>(180,362)</u>
Increase in net pension obligation	156,240
OPEB at beginning of year	<u> </u>
OPEB at end of year	<u><u>\$ 156,240</u></u>
Percentage of APC contributed	<u><u>54%</u></u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 17 - POST-EMPLOYMENT BENEFITS (CONTINUED)

Post Employment Health Insurance Benefits – Continued

Actuarial methods and assumptions – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2008 actuarial valuation using the Normal Cost (the value of benefits expected to be earned in the year) plus an amortization of the unfunded liability. The amortization period is 30 years. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and an inflation rate of 3%.

Funding status and funding progress – As of July 1, 2008, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,977,980, and the actuarial value of assets was \$0, resulting in a unfunded actuarial accrued liability (UAAL) of \$2,977,980. The covered payroll (annual payroll of active employees covered by the plan) was \$17,373,292, and the ratio of the UAAL to the covered payroll was 17.1%.

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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Pooled cash and investments	\$ 2,345,276	\$ 5,671,081
Cash with county treasurers	103,894	111,776
Property taxes receivable	1,022,078	686,562
Accounts receivable	2,201,587	982,577
Allowance for doubtful accounts	(378,381)	(382,251)
Prepays		68,529
	<hr/>	<hr/>
<i>Total assets</i>	<u>\$ 5,294,454</u>	<u>\$ 7,138,274</u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 1,009,828	\$ 1,033,059
Accrued compensated leave	471,229	390,668
Deferred revenue	837,841	526,662
	<hr/>	<hr/>
<i>Total liabilities</i>	<u>2,318,898</u>	<u>1,950,389</u>
 Fund balance:		
Unreserved - undesignated	<u>2,975,556</u>	<u>5,187,885</u>
	<hr/>	<hr/>
<i>Total fund balance</i>	<u>2,975,556</u>	<u>5,187,885</u>
<i>Total liabilities</i>		
<i>and fund balance</i>	<u>\$ 5,294,454</u>	<u>\$ 7,138,274</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, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenue				
Local:				
Property taxes	\$ 11,889,000	\$ 11,889,000	\$ 11,726,220	\$ (162,780)
Tuition and fees	8,814,000	8,814,000	11,214,024	2,400,024
Interest	125,000	125,000	62,939	(62,061)
Other			6,018	6,018
Intergovernmental:				
State	5,637,000	5,637,000	5,494,179	(142,821)
Transfer from other funds	<u>250,000</u>	<u>250,000</u>		<u>(250,000)</u>
Total revenue	26,715,000	26,715,000	28,503,380	1,788,380
Beginning fund balance	<u>4,800,000</u>	<u>4,800,000</u>	<u>5,187,885</u>	<u>387,885</u>
Total available for appropriation	<u>\$ 31,515,000</u>	<u>\$ 31,515,000</u>	<u>\$ 33,691,265</u>	<u>\$ 2,176,265</u>
Expenditures				
Instruction:				
Humanities office	\$ 58,199	\$ 58,199	\$ 43,366	\$ 14,833
Writing-literature	1,233,729	1,233,729	1,270,591	(36,862)
Foreign languages	363,797	363,797	315,983	47,814
Philosophy	13,854	13,854	1,837	12,017
Social science	61,507	61,507	55,421	6,086
Addiction studies	78,171	78,171	79,436	(1,265)
Anthropology	81,564	81,564	85,389	(3,825)
Criminal justice	107,559	107,559	107,040	519
Economics	110,023	110,023	109,445	578
Education	87,147	87,147	99,780	(12,633)
Geography	121,308	121,308	113,770	7,538
History	238,411	238,411	211,872	26,539
Human development	30,751	30,751	34,751	(4,000)
Political science	8,699	8,699	9,740	(1,041)
Psychology	243,888	243,888	161,436	82,452
Sociology	181,994	181,994	190,129	(8,135)
Oregon leadership institute	43,353	43,353	41,039	2,314
Speech	325,899	325,899	291,692	34,207
Music	234,038	234,038	241,544	(7,506)
Art	394,493	394,493	370,009	24,484
Theater arts	42,281	42,281	41,360	921
Fine arts office	67,741	67,741	61,225	6,516

Continued on page 47

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, 2009

Continued from page 46

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>Instruction - continued</i>				
Journalism	\$ 7,643	\$ 7,643	\$ 5,633	\$ 2,010
Business administration	477,716	477,716	469,528	8,188
Culinary program	137,629	137,629	137,901	(272)
Grandview office	35,986	35,986	36,738	(752)
Hospitality, tourism & recreation	5,269	5,269	6,704	(1,435)
Office administration	3,062	3,062		3,062
Regional services & R.C. operations	218,422	218,422	226,745	(8,323)
Manufacturing processes	217,971	217,971	214,098	3,873
Apprenticeship	57,972	57,972	42,611	15,361
Regional credit instruction	142,784	142,784	160,401	(17,617)
Ponderosa office	51,696	51,696	52,588	(892)
Forestry technology	338,296	338,296	360,164	(21,868)
Automotive	189,850	189,850	238,188	(48,338)
Wildland fire management	44,883	44,883	63,164	(18,281)
Aviation program	131,283	131,283	98,248	33,035
Composites program	27,298	27,298	942	26,356
Mathematics	1,057,893	1,057,893	1,111,765	(53,872)
Pioneer Hall office	50,667	50,667	50,300	367
Computer information systems	724,524	724,524	766,580	(42,056)
Geographical information	130,398	130,398	124,979	5,419
Engineering & engineering tech.	17,012	17,012	11,955	5,057
Ochoco office	63,986	63,986	61,503	2,483
Biological science	659,996	659,996	652,371	7,625
Chemistry	232,044	232,044	210,617	21,427
Physics	157,255	157,255	147,190	10,065
Geology	101,583	101,583	100,068	1,515
Health and human performance office	81,316	81,316	81,746	(430)
Health and human performance	479,653	479,653	512,609	(32,956)
HHP: Exercise science	11,439	11,439	25,128	(13,689)
HHP: Health classes	27,772	27,772	57,533	(29,761)
HHP: Recreation	179,273	179,273	172,759	6,514
Allied health	19,052	19,052	8,606	10,446
Licensed massage therapy	260,320	260,320	272,852	(12,532)

Continued on page 48

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, 2009

Continued from page 47

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>Instruction - continued</i>				
Dental assisting	\$ 190,153	\$ 190,153	\$ 196,286	\$ (6,133)
Dietary management	21,409	21,409	18,285	3,124
Health information technology	163,695	163,695	170,365	(6,670)
Allied health office	48,276	48,276	46,787	1,489
Structural fire science	61,086	61,086	50,781	10,305
Emergency medical service	299,572	299,572	349,594	(50,022)
Medical assisting	90,080	90,080	93,008	(2,928)
Nursing	687,769	687,769	613,291	74,478
Nursing office	54,126	54,126	50,844	3,282
Library skills	74,116	74,116	62,798	11,318
Instruction transfers	976,729	976,729	976,729	
<i>Total instruction</i>	<u>13,137,360</u>	<u>13,137,360</u>	<u>13,047,837</u>	<u>89,523</u>
<i>Instructional support:</i>				
Office of the Vice President of instruction	368,128	368,128	279,090	89,038
Library	864,721	864,721	876,150	(11,429)
Catalog and class schedule	27,186	27,186	44,934	(17,748)
Commencement & convocation	15,964	15,964	14,148	1,816
Tutoring and testing	197,546	197,546	252,409	(54,863)
Academic computing support	115,020	115,020	117,295	(2,275)
Instructional deans	341,652	341,652	335,514	6,138
Instructional support transfers	192,000	192,000	292,000	(100,000)
<i>Total instructional support</i>	<u>2,122,217</u>	<u>2,122,217</u>	<u>2,211,540</u>	<u>(89,323)</u>
<i>Student services:</i>				
Admissions	285,607	285,607	265,989	19,618
Counseling center	41,169	41,169	38,120	3,049
Student life	134,547	130,547	116,836	13,711
Financial aid	490,279	490,279	489,690	589
Career services and job placement	97,012	97,012	55,428	41,584
Student outreach and contact	221,928	221,928	216,153	5,775

Continued on page 49

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, 2009

Continued from page 48

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>Student services - continued</i>				
Registrar	\$ 464,118	\$ 464,118	\$ 380,133	\$ 83,985
Multicultural activities	51,904	51,904	38,592	13,312
Intramurals	76,664	76,664	79,798	(3,134)
Club sports	70,472	74,472	85,504	(11,032)
Enrollment cashiering	59,354	59,354	56,913	2,441
Disability services	180,940	180,940	170,286	10,654
Office of the Dean of student & enrollment services	189,934	189,934	176,858	13,076
Advising	325,061	325,061	363,132	(38,071)
Student service transfers	1,000	1,000	151,000	(150,000)
<i>Total student services</i>	<u>2,689,989</u>	<u>2,689,989</u>	<u>2,684,432</u>	<u>5,557</u>
<i>College support services:</i>				
Governing board	77,062	77,062	62,873	14,189
President's office	298,420	298,420	310,263	(11,843)
Fiscal services	513,326	513,326	485,449	27,877
Campus safety and security	230,831	230,831	311,276	(80,445)
Human resources	322,884	327,884	314,152	13,732
Mail services	191,968	191,968	145,962	46,006
College relations	468,678	468,678	450,170	18,508
Vice President and Chief Financial Officer	374,810	374,810	366,441	8,369
Legal and audit services	82,000	82,000	67,738	14,262
Elections	23,000	23,000	61,519	(38,519)
General institutional support	733,760	608,760	581,424	27,336
Liability and other insurance	54,000	54,000	55,446	(1,446)
Institutional research/grant office	169,528	169,528	118,469	51,059
Vice President for Administration	278,801	278,801	300,847	(22,046)
Organizational development	4,110	4,110	3,312	798
College support transfers	50,000	50,000	100,000	(50,000)
<i>Total college support services</i>	<u>3,873,178</u>	<u>3,753,178</u>	<u>3,735,341</u>	<u>17,837</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, 2009

Continued from page 49

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Expenditures - continued				
<i>Plant operations and maintenance:</i>				
Custodial services	\$ 795,944	\$ 795,944	\$ 801,819	\$ (5,875)
Utilities	514,694	634,694	595,089	39,605
Fire and boiler insurance	100,000	100,000	83,912	16,088
Maintenance of grounds	148,502	148,502	181,181	(32,679)
Maintenance of buildings	509,144	509,144	487,529	21,615
Plant administration	149,114	149,114	176,793	(27,679)
Redmond campus infrastructure	161,644	161,644	166,387	(4,743)
Campus shuttle	50,757	50,757	57,088	(6,331)
Plant operations transfers	<u>2,446,528</u>	<u>2,446,528</u>	<u>2,446,528</u>	
 <i>Total plant operations and maintenance</i>	 <u>4,876,327</u>	 <u>4,996,327</u>	 <u>4,996,326</u>	 <u>1</u>
 <i>Information technology services:</i>				
Information technology services	216,147	216,147	241,959	(25,812)
Management information systems	459,763	459,763	432,398	27,365
User services	455,701	455,701	447,627	8,074
Enterprise computing services	182,336	182,336	189,073	(6,737)
Network/Telecom & media services	461,186	461,186	464,076	(2,890)
Information technology transfers	<u>326,510</u>	<u>326,510</u>	<u>326,510</u>	
 <i>Total information technology services</i>	 <u>2,101,643</u>	 <u>2,101,643</u>	 <u>2,101,643</u>	
 <i>Financial aid transactions:</i>				
Other financial aid	<u>161,730</u>	<u>161,730</u>	<u>161,568</u>	<u>162</u>
 Operating contingency	 <u>400,000</u>	 <u>400,000</u>	 <u>400,000</u>	
 <i>Total expenditures</i>	 <u>\$ 29,362,444</u>	 <u>\$ 29,362,444</u>	 <u>\$ 29,338,687</u>	 <u>\$ 23,757</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, 2009

Continued from page 50

General Fund Summary	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Total revenue	\$ 26,715,000	\$ 26,715,000	\$ 28,503,380	\$ 1,788,380
Beginning fund balance	4,800,000	4,800,000	5,187,885	387,885
<i>Total available for appropriations</i>	31,515,000	31,515,000	33,691,265	2,176,265
Expenditures:				
Instruction	13,137,360	13,137,360	13,047,837	89,523
Instructional support	2,122,217	2,122,217	2,211,540	(89,323)
Student services	2,689,989	2,689,989	2,684,432	5,557
College support services	3,873,178	3,753,178	3,735,341	17,837
Plant operations and maintenance	4,876,327	4,996,327	4,996,326	1
Information technology service	2,101,643	2,101,643	2,101,643	
Financial aid	161,730	161,730	161,568	162
Operating contingency	400,000	400,000	400,000	
<i>Total expenditures</i>	29,362,444	29,362,444	29,338,687	23,757
Unappropriated ending fund balance - budget basis	2,152,556	2,152,556	4,352,578	2,200,022
State appropriation receivable adjustment to GAAP			(1,377,022)	(1,377,022)
Unappropriated ending fund balance	<u>\$ 2,152,556</u>	<u>\$ 2,152,556</u>	<u>\$ 2,975,556</u>	<u>\$ 823,000</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, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Contracts and</i>		
	<i>Grants</i>	<i>Auxiliary</i>	<i>Reserve</i>
ASSETS			
Pooled cash and investments	\$	\$ 6,214,523	\$ 2,920,260
Accounts receivable	137,376	100,376	
Student loans receivable			
Inventory			
<i>Total assets</i>	<u>\$ 137,376</u>	<u>\$ 6,314,899</u>	<u>\$ 2,920,260</u>
LIABILITIES AND FUND EQUITY			
<i>Liabilities:</i>			
Deficit in pooled cash and investments	\$ 70,287	\$	\$
Accounts payable	2,890	32,279	
Deferred revenue		1,374,568	
<i>Total liabilities</i>	<u>73,177</u>	<u>1,406,847</u>	
<i>Fund equity:</i>			
Fund balance			
Reserved			
Retiree benefits			1,409,501
PERS Reserve			1,510,759
Unreserved - undesignated	64,199	4,908,052	
<i>Total fund balance</i>	<u>64,199</u>	<u>4,908,052</u>	<u>2,920,260</u>
<i>Total liabilities and fund equity</i>	<u>\$ 137,376</u>	<u>\$ 6,314,899</u>	<u>\$ 2,920,260</u>

<i>Financial</i>	<i>Totals</i>	
	<i>Aid</i>	
	<u>2009</u>	<u>2008</u>
\$	298,528	\$ 7,943,706
	26,619	273,627
	6,390	6,799
		<u>1,184</u>
\$	<u>331,537</u>	\$ <u>8,225,316</u>

\$	\$ 70,287	\$ 51,490
	37,259	55,165
<u>58,099</u>	<u>1,432,667</u>	<u>55,328</u>
<u>60,189</u>	<u>1,540,213</u>	<u>161,983</u>

	1,409,501	1,547,047
	1,510,759	1,484,035
<u>271,348</u>	<u>5,243,599</u>	<u>5,032,251</u>
<u>271,348</u>	<u>8,163,859</u>	<u>8,063,333</u>
\$	\$ <u>9,704,072</u>	\$ <u>8,225,316</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Grants and Contracts</i>	<i>Auxiliary</i>	<i>Reserve</i>
Revenue			
Local:			
Charges for services	\$ 57,899	\$ 1,798,614	\$
Interest		154,924	53,364
Grants	451,946		
Other		1,079,831	
Intergovernmental:			
State	102,672	391,375	
Federal	522,856		
	<hr/>	<hr/>	<hr/>
<i>Total revenue</i>	<hr/> 1,135,373	<hr/> 3,424,744	<hr/> 53,364
Expenditures			
Current:			
Instruction	998,055	2,352,161	
Instructional support		149,760	
Student services		282,064	
College support services	88,364	1,423,406	164,186
Financial aid			
Capital outlay	4,767	301,356	
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<hr/> 1,091,186	<hr/> 4,508,747	<hr/> 164,186
Excess of revenue over (under) expenditures	<hr/> 44,187	<hr/> (1,084,003)	<hr/> (110,822)
Other financing sources (uses)			
Transfers in	24,220	1,385,287	
Transfers out	(36,609)	(153,169)	
	<hr/>	<hr/>	<hr/>
<i>Total other financing sources (uses)</i>	<hr/> (12,389)	<hr/> 1,232,118	<hr/>
Excess of revenue and other sources over (under) expenditures and other uses	31,798	148,115	(110,822)
FUND BALANCE - beginning of year	<hr/> 32,401	<hr/> 4,759,937	<hr/> 3,031,082
FUND BALANCE - end of year	<hr/> \$ 64,199	<hr/> \$ 4,908,052	<hr/> \$ 2,920,260

<i>Financial Aid</i>	<i>Totals</i>	
	<i>2009</i>	<i>2008</i>
\$	\$	\$
31,010	1,856,513	2,189,049
797,108	239,298	475,017
26,484	1,249,054	807,135
	1,106,315	1,018,408
1,822,619	2,316,666	1,359,210
5,692,493	6,215,349	3,735,715
8,369,714	12,983,195	9,584,534
	3,350,216	2,679,854
	149,760	200,495
190,546	472,610	426,977
	1,675,956	1,778,019
8,298,463	8,298,463	4,771,786
	306,123	116,440
8,489,009	14,253,128	9,973,571
(119,295)	(1,269,933)	(389,037)
150,730	1,560,237	1,742,654
	(189,778)	(2,470,074)
150,730	1,370,459	(727,420)
31,435	100,526	(1,116,457)
239,913	8,063,333	9,179,790
\$ 271,348	\$ 8,163,859	\$ 8,063,333



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, 2009

	<i>Sub-Fund Number</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Ending Balance</i>
ABE Special Projects	31100	\$ 22,072	\$ 291,166	\$ 305,799	\$ 7,439
Carl Perkins	31101		189,110	189,110	
SBA Grant	31105		30,250	30,250	
SBA Grant Match	31108		24,220	24,220	
ABE - Develop Content Standards	31111		11,797	11,797	
Nursing capacity project	31143		17,052	17,052	
Business / Culinary Career	31145		41,380	41,380	
OEDD	32226		33,893	33,893	
Electronic transcript implem.	32248	8,904			8,904
Pharmacy tech distance learning program	32251		58,886	58,886	
Anatomy & physiology curriculum develop.	32252		9,893	9,893	
Cascade health service support	33332	1,425	64,000	42,230	23,195
OLI leadership - Braemar Grant	34354		9,750	8,747	1,003
Deer Ridge Correctional Institution	34355		353,821	353,821	
OCF-Crook County School Mentoring	34356		24,375	717	23,658
		<u>\$ 32,401</u>	<u>\$ 1,159,593</u>	<u>\$ 1,127,795</u>	<u>\$ 64,199</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, 2009

	<i>Charge for</i>		<i>Intergovernmental</i>		<i>Grants and</i>
	<i>Services</i>		<i>State</i>	<i>Federal</i>	<i>Contracts</i>
ABE Special Projects	\$ 57,899	\$		\$ 233,267	\$
Carl Perkins				189,110	
SBA Grant				30,250	
SBA Grant Match					
ABE - Develop Content Standards				11,797	
Nursing capacity project				17,052	
Business / Culinary Career				41,380	
OEDD			33,893		
Pharmacy tech distance learning program			58,886		
Anatomy & physiology curriculum develop.			9,893		
Cascade health services support					64,000
OLI leadership - Braemar Grant					9,750
Deer Ridge Correctional Instit.					353,821
OCF - Crook County School Mentoring					24,375
	<u>\$ 57,899</u>	<u>\$</u>	<u>102,672</u>	<u>\$ 522,856</u>	<u>\$ 451,946</u>

<i>Other</i>	<i>Transfers In</i>	<i>Total</i>
\$	\$	\$
		291,166
		189,110
		30,250
	24,220	24,220
		11,797
		17,052
		41,380
		33,893
		58,886
		9,893
		64,000
		9,750
		353,821
		24,375
\$	\$ 24,220	\$ 1,159,593

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>
	<u> </u>	<u> </u>	<u> </u>
ABE Special Projects	\$ 194,396	\$ 95,419	\$ 15,984
Carl Perkins	108,595	48,960	26,788
SBA Grant	24,200	6,050	
SBA Grant Match	19,376	4,844	
ABE - Develop Content Standards	7,809	3,988	
Nursing capacity project	2,700	736	13,616
Business / Culinary Career	23,899	6,838	10,643
OEDD	27,114	6,779	
Pharmacy tech distance learning program	11,913	952	9,875
Anatomy & physiology curriculum develop.	7,200	1,759	471
Cascade health services support	34,115	8,115	
OLI leadership - Braemar Grant	5,850	466	2,431
Deer Ridge Correctional Institution	199,901	95,481	58,439
OCF - Crook County School Mentoring	<u>539</u>	<u>43</u>	<u>135</u>
	<u>\$ 667,607</u>	<u>\$ 280,430</u>	<u>\$ 138,382</u>

<i>Capital Outlay</i>	<i>Transfers Out</i>	<i>Total</i>
\$	\$	\$
4,767		305,799
		189,110
		30,250
		24,220
		11,797
		17,052
		41,380
		33,893
	36,146	58,886
	463	9,893
		42,230
		8,747
		353,821
		717
<u>\$ 4,767</u>	<u>\$ 36,609</u>	<u>\$ 1,127,795</u>



Central Oregon Community College

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Charges for services	\$ 40,000	\$ 40,000	\$ 57,899	\$ 17,899
Grants and contracts	939,550	939,550	451,946	(487,604)
Other				
Intergovernmental:				
State	41,333	41,333	102,672	61,339
Federal	640,099	640,099	522,856	(117,243)
Transfers from other funds	25,000	25,000	24,220	(780)
Total revenue	1,685,982	1,685,982	1,159,593	(526,389)
Beginning fund balance			32,401	32,401
Total available for appropriation	1,685,982	1,685,982	1,191,994	(493,988)
Expenditures				
Federal grants	705,099	705,099	619,608	85,491
State grants	41,333	111,333	66,063	45,270
Local grants	32,000	47,000	42,230	4,770
Contracts	907,550	822,550	363,285	459,265
Transfer to other funds			36,609	(36,609)
Total expenditures	1,685,982	1,685,982	1,127,795	558,187
Unappropriated ending fund balance - budget basis	\$ -	\$ -	\$ 64,199	\$ 64,199

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, 2009

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Medical leave assistance program	61001	\$ 29,590	\$ 19,700	\$ 2,745	\$ 46,545
General testing	61511	19,443	4,337	8,091	15,689
Art cards	61512	3,966	6,051	6,797	3,220
Auto and					
industrial fees	61513	9,605	16,055	24,739	921
Facilities fees	61514	33,594	69,046	55,499	47,141
Club sports	61516	(9,747)	27,837	18,090	
College activities	61518	123,771	43,573	58,758	108,586
Classified training	61522	494	5,026	3,645	1,875
Performing arts	61525	16,751	12,572	27,147	2,176
Box office activity	61526	7,341	2,267	1,316	8,292
Special programs -					
administration	61528	303,810	116,964	33,074	387,700
Vehicles	61531	63,927	33,709	63,986	33,650
Physiology lab	61532	50,533	19,218	21,812	47,939
Library books	61534	46,672	24,255	22,414	48,513
PCA wellness	61535	29,062	5,165	4,173	30,054
Outdoor recreation	61537	11,579	3,226	6,670	8,135
Enrollment services	61546	31,202	4,366	11,452	24,116
Accreditation	61547	16,360	5,308	3,481	18,187
College now/tech. prep.	61550	11,179	15,870	15,821	11,228
Student orientation	61551	551	1,655	2,206	
Media activities	61561	5,214	1,225	2,512	3,927
Tutor/testing	61574	3,867	44,012	29,902	17,977
Institutional advancement	61576	52,219	9,112	61,331	
Student honors					
recognition	61581	1,237	3,021	3,133	1,125
Allied health lab fees	61586	218	13,833	7,696	6,355
Innovation account	61589	268,037	38,899	241,195	65,741
Mazama lab fees	61592	(774)	68,764	78,839	(10,849)
Tool room deposits	61596	1,306	518	1,315	509
Computer lab printers	61597	30,895	22,346	13,149	40,092
Instructional projects	61598	122,438	45,605	59,626	108,417
Oregon International					
education consortium	61599	21,338	73,981	82,248	13,071

Continued on page 59

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, 2009

Continued from page 58

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Student government	61601	\$ 37,778	\$ 221,185	\$ 210,637	\$ 48,326
The Broadside	61602	2,883	56,804	59,687	
Blue Sky	61603	7,355	36,894	36,270	7,979
Self-sustaining activities		<u>1,353,694</u>	<u>1,072,399</u>	<u>1,279,456</u>	<u>1,146,637</u>
Summer Session	62501	536,500	1,011	274,739	262,772
International programs	62558	32,392	9,924	1,981	40,335
BDC program	62564	86,567	75,605	113,118	49,054
Business development and training	62575	32,107	30,848	4,158	58,797
ABE General Purpose	62576	240,371	543,764	618,595	165,540
Community & professional education	63502	<u>1,135,443</u>	<u>1,444,344</u>	<u>1,220,554</u>	<u>1,359,233</u>
Non-general fund instruction		<u>2,063,380</u>	<u>2,105,496</u>	<u>2,233,145</u>	<u>1,935,731</u>
Culinary program	63546	29,272	10,402	20,757	18,917
Licensed massage therapy	63572	19,909	12,448	5,306	27,051
Aviation program	63579	85,421	84,210	100,016	69,615
Entrepreneurial instruction		<u>134,602</u>	<u>107,060</u>	<u>126,079</u>	<u>115,583</u>
Foundation billing	64515		248,658	248,658	
Family resource center	64569	32,301	403,932	397,960	38,273
Partnership collaborations	64573	492,825	542,187	224,784	810,228
Cascade hall minor maintenance	64574	<u>(3,068)</u>	<u>10,318</u>	<u>8,380</u>	<u>(1,130)</u>
Revolving activities		<u>522,058</u>	<u>1,205,095</u>	<u>879,782</u>	<u>847,371</u>

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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, 2009

Continued from page 59

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Faculty Professional improvement	65521	\$ 165,823	\$ 59,261	\$ 27,903	\$ 197,181
Adjunct faculty professional improvement	65523	27,239	6,538	750	33,027
Admin professional development & sabbatical	65526	173,744	23,301	850	196,195
Sabbatical - faculty	65527	20,778	125,801	77,612	68,967
Unemployment reserve	65542	169,620	33,238	24,415	178,443
Insurance reserve deductible	65543	89,662	13,707	8,355	95,014
Keyes educational enhancement fund	65562	39,337	58,135	3,569	93,903
Contractual and administrative provisions		686,203	319,981	143,454	862,730
		<u>\$ 4,759,937</u>	<u>\$ 4,810,031</u>	<u>\$ 4,661,916</u>	<u>\$ 4,908,052</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT
AUXILIARY – SPECIAL REVENUE FUND

YEAR ENDED JUNE 30, 2009

	<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>
Medical leave assistance						
program	\$	\$ 679	\$ 14,021	\$	\$ 5,000	\$ 19,700
General testing	3,990	347				4,337
Art cards	5,987	64				6,051
Auto and						
industrial fees	15,792	263				16,055
Facilities fees	64,312	724	4,010			69,046
Club sports	4,837				23,000	27,837
College activities		2,074	41,499			43,573
Classified training		26			5,000	5,026
Performing arts		169	12,403			12,572
Box office activity	2,127	140				2,267
Special programs -						
administration		6,042	110,922			116,964
Vehicles	32,587	872	250			33,709
Physiology lab	18,333	885				19,218
Library books	7,220	849	16,186			24,255
PCA wellness		532	4,633			5,165
Outdoor recreation	3,040	186				3,226
Enrollment services		497	3,869			4,366
Accreditation		308			5,000	5,308
College now / tech prep	15,740	130				15,870
Student orientation	1,245	1			409	1,655
Media activities	1,135	90				1,225
Tutor/testing	43,180	195	637			44,012
Institutional advancement		460			8,652	9,112
Student honors						
recognition		21	2,000		1,000	3,021
Allied health lab fees	13,697	136				13,833
Innovation account		3,011	35,888			38,899
Mazama lab fees	68,415	349				68,764
Tool room deposits		16	502			518
Computer lab printers		636	21,710			22,346
Instructional projects	5,524	1,222	2,249		36,610	45,605
Oregon International						
Education consortium	70,367	314	3,300			73,981
Student government	220,392	793				221,185
The Broadside				19,917	36,887	56,804
Blue Sky	36,732	162				36,894
Self-sustaining						
activities	634,652	22,193	274,079	19,917	121,558	1,072,399

Continued on page 62

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

Continued from page 61

	<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>
Summer session	\$ (16,056)	\$ 17,067	\$	\$	\$	\$ 1,011
International programs	9,261	663				9,924
BDC program	74,379	1,226				75,605
Business development and training		848			30,000	30,848
ABE general purpose	12,231	3,624	1,500		526,409	543,764
Community and professional education	971,606	22,418			450,320	1,444,344
Non-general fund instruction	1,051,421	45,846	1,500		1,006,729	2,105,496
Culinary program	9,972	430				10,402
Licensed massage therapy	12,025	423				12,448
Aviation program	79,852	3,613	745			84,210
Entrepreneurial instruction	101,849	4,466	745			107,060
Foundation billing			218,658		30,000	248,658
Family resource center	560		31,914	371,458		403,932
Partnership collaborations		11,629	530,558			542,187
Cascade hall minor maintenance			10,318			10,318
Revolving activities	560	11,629	791,448	371,458	30,000	1,205,095
Faculty professional improvement		3,261			56,000	59,261
Adjunct Faculty professional improvement		538			6,000	6,538
Admin prof development & sabbatical		3,301			20,000	23,301
Sabbatical-faculty		801			125,000	125,801
Unemployment reserve	10,132	3,106			20,000	33,238
Insurance reserve deductible		1,648	12,059			13,707

Continued on page 63

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

Continued from page 62

	<i>Charges For Services</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
Keyes educational enhancement fund	\$ _____	\$ 58,135	\$ _____	\$ _____	\$ _____	\$ 58,135
Contractual and administrative support	10,132	70,790	12,059	_____	227,000	319,981
	<u>\$ 1,798,614</u>	<u>\$ 154,924</u>	<u>\$ 1,079,831</u>	<u>\$ 391,375</u>	<u>\$ 1,385,287</u>	<u>\$ 4,810,031</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT
AUXILIARY – SPECIAL REVENUE FUND

YEAR ENDED JUNE 30, 2009

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Medical Leave Assistance						
program	\$ 1,681	\$ 1,064	\$	\$		\$ 2,745
General testing	562	49	7,480			8,091
Art cards			6,797			6,797
Auto and						
industrial fees	426	14	19,135	5,164		24,739
Facilities fees	24,465	19,119	9,271	2,644		55,499
Club sports	9,642	1,580	6,868			18,090
College activities	2,500	609		55,649		58,758
Classified training			3,645			3,645
Performing arts	9,464	758	9,170	7,755		27,147
Box office activity			1,316			1,316
Special programs -						
administration	16,896	10,274	4,124	1,128	652	33,074
Vehicles			19,031	44,955		63,986
Physiology lab	1,333	293	7,730	12,456		21,812
Library books			39	22,375		22,414
PCA Wellness	3,750	300	123			4,173
Outdoor recreation						
program			3,969	2,701		6,670
Enrollment services			11,043		409	11,452
Accreditation	2,800	681				3,481
College now / tech prep	127	10	9,117	6,567		15,821
Student orientation			2,206			2,206
Media activities				2,512		2,512
Tutor/testing	17,809	1,815	10,278			29,902
Institutional						
advancement	38,472	22,859				61,331
Student honors						
recognition	108	27	2,998			3,133
Allied health lab fees	1,533	372	4,840	951		7,696
Innovation account	51,560	17,074	119,143	15,418	38,000	241,195
Mazama lab fees	41,452	9,262	17,727	10,398		78,839
Tool room deposits			1,315			1,315
Computer lab printers			8,375	4,774		13,149
Instructional programs	2,748	1,005	30,994	24,879		59,626
Oregon International						
education consortium	7,244	1,074	73,930			82,248

Continued from page 65

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

Continued from page 64

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>	<i>Capital Outlay</i>	<i>Transfers Out</i>	<i>Totals</i>
Student government	\$ 42,760	\$ 542	\$ 102,447	\$ 5,001	\$ 59,887	\$ 210,637
The Broadside	42,677	1,632	15,378			59,687
Blue Sky			36,270			36,270
Self-sustaining activities	320,009	90,413	544,759	225,327	98,948	1,279,456
Summer session	219,272	54,342	1,125			274,739
International programs			1,981			1,981
BDC program	40,715	28,923	43,480			113,118
Business development and training					4,158	4,158
ABE general purpose	393,325	182,581	42,689			618,595
Community & professional education	572,136	229,031	362,225	7,099	50,063	1,220,554
Non-general fund instruction	1,225,448	494,877	451,500	7,099	54,221	2,233,145
Culinary program	651	18	8,088	12,000		20,757
Licensed massage therapy			5,306			5,306
Aviation program	19,643	3,328	24,045	53,000		100,016
Entrepreneurial instruction	20,294	3,346	37,439	65,000		126,079
Foundation billing	172,128	76,530				248,658
Family resource center	187,876	71,891	134,083	4,110		397,960
Partnership collaborations	114,810	64,373	45,601			224,784
Cascades hall minor maintenance			8,380			8,380
Revolving activities	474,814	212,794	188,064	4,110		879,782

Continued on page 66

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

Continued from page 65

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Faculty professional improvement	\$ 3,325	\$ 620	\$ 23,958	\$	\$	\$ 27,903
Adjunct faculty professional improvement			750			750
Admin professional development & sabbatical			850			850
Sabbatical - faculty	56,492	21,120				77,612
Unemployment reserve		24,415				24,415
Insurance reserve deductible			8,355			8,355
Keyes educational enhancement fund	<u>1,350</u>	<u>109</u>	<u>2,110</u>			<u>3,569</u>
Contractual and administrative provisions	<u>61,167</u>	<u>46,264</u>	<u>36,023</u>			<u>143,454</u>
	<u>\$ 2,101,732</u>	<u>\$ 847,694</u>	<u>\$ 1,257,785</u>	<u>\$ 301,536</u>	<u>\$ 153,169</u>	<u>\$ 4,661,916</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Charges for services	\$ 1,886,250	\$ 1,886,250	\$ 1,798,614	\$ (87,636)
Interest	238,014	238,014	154,924	(83,090)
Other	814,543	1,144,543	1,079,831	(64,712)
Intergovernmental:				
State	740,000	410,000	391,375	(18,625)
Transfers from other funds	<u>1,290,229</u>	<u>1,290,229</u>	<u>1,385,287</u>	<u>95,058</u>
Total revenue	<u>4,969,036</u>	<u>4,969,036</u>	<u>4,810,031</u>	<u>(159,005)</u>
Beginning fund balance	<u>3,941,937</u>	<u>3,941,937</u>	<u>4,759,937</u>	<u>818,000</u>
Total available for appropriation	<u>8,910,973</u>	<u>8,910,973</u>	<u>9,569,968</u>	<u>658,995</u>
Expenditures				
Self-sustaining activities	1,055,480	1,280,480	1,279,456	1,024
Non-general fund instruction	2,573,969	2,348,969	2,233,145	115,824
Entrepreneurial instruction	107,350	197,350	126,079	71,271
Revolving activities	911,433	881,433	879,782	1,651
Reserves	<u>313,600</u>	<u>253,600</u>	<u>143,454</u>	<u>110,146</u>
Total expenditures	<u>4,961,832</u>	<u>4,961,832</u>	<u>4,661,916</u>	<u>299,916</u>
Unappropriated ending fund balance - budget basis	<u>\$ 3,949,141</u>	<u>\$ 3,949,141</u>	<u>\$ 4,908,052</u>	<u>\$ 958,911</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, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Interest	\$ 103,000	\$ 103,000	\$ 53,364	\$ (49,636)
Beginning fund balance	2,945,860	2,945,860	3,031,082	85,222
Total available for appropriation	3,048,860	3,048,860	3,084,446	35,586
Expenditures				
Materials and supplies	210,000	210,000	164,186	45,814
Transfers to other funds	250,000	250,000		250,000
Total expenditures	460,000	460,000	164,186	45,814
Unappropriated ending fund balance - budget basis	<u>\$ 2,588,860</u>	<u>\$ 2,588,860</u>	<u>\$ 2,920,260</u>	<u>\$ 81,400</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, 2009

	<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	\$ 16,427	\$ 751	\$ 1,015	\$ 16,163
College work study	71802		164,112	164,112	
SEOG	71803		115,680	115,680	
Pell	71804		5,450,730	5,450,730	
Academic competitiveness grant	71806		25,771	25,771	
Federal education					
loan program	72805		13,551,214	13,551,214	
State need	72807		1,733,004	1,733,004	
Private scholarship award	72808		89,615	89,615	
Foundation	73805		870,533	870,533	
COCC financial aid program	73809	89,626	40,829	2,540	127,915
Native American trust	75809	133,860	29,419	36,009	127,270
		<u>\$ 239,913</u>	<u>\$ 22,071,658</u>	<u>\$ 22,040,223</u>	<u>\$ 271,348</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

	<u>Interest</u>	<u>Grants</u>	<u>Other</u>
Perkins	\$	\$	\$ 751
College work study			15,108
SEOG			
Pell			10,625
Academic competitiveness grant			
Federal education loan program			
State need			
Private scholarship award			
Foundation		797,108	
COCC financial aid program	1,591		
Native American trust	29,419		
	<u>\$ 31,010</u>	<u>\$ 797,108</u>	<u>\$ 26,484</u>

<i>Intergovernmental</i>		<i>Transfers</i>	
<i>State</i>	<i>Federal</i>	<i>In</i>	<i>Total</i>
\$	\$	\$	\$
	110,937	38,067	751
	115,680		164,112
	5,440,105		115,680
	25,771		5,450,730
	13,551,214		25,771
1,733,004			13,551,214
89,615			1,733,004
		73,425	89,615
		39,238	870,533
			40,829
			29,419
<u>\$ 1,822,619</u>	<u>\$ 19,243,707</u>	<u>\$ 150,730</u>	<u>\$ 22,071,658</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

YEAR ENDED JUNE 30, 2009

	<i>Materials and Services</i>				
	<i>Personal Service</i>	<i>Administrative Services</i>	<i>Grants and Loans</i>	<i>Transfers Out</i>	<i>Total</i>
Perkins	\$	\$ 1,015	\$	\$	\$ 1,015
College work study	149,004	15,108			164,112
SEOG			115,680		115,680
Pell		10,625	5,440,105		5,450,730
Academic compet- itiveness grant			25,771		25,771
Federal education loan program			13,551,214		13,551,214
State need			1,733,004		1,733,004
Private scholarship award			89,615		89,615
Foundation			870,533		870,533
COCC financial aid program			2,540		2,540
Native American trust	15,493	14,816	5,700		36,009
	<u>\$ 164,497</u>	<u>\$ 41,564</u>	<u>\$ 21,834,162</u>	<u>\$ -</u>	<u>\$ 22,040,223</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, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Interest	\$ 34,310	\$ 34,310	\$ 31,010	\$ (3,300)
Grants	634,270	759,270	797,108	37,838
Other	19,500	19,500	26,484	6,984
Intergovernmental:				
State	1,150,000	2,150,000	1,822,619	(327,381)
Federal	3,550,000	6,050,000	5,692,493	(357,507)
Transfers from other funds	<u>150,730</u>	<u>150,730</u>	<u>150,730</u>	
<i>Total revenue</i>	5,538,810	9,163,810	8,520,444	(643,366)
Beginning fund balance	<u>194,428</u>	<u>194,428</u>	<u>239,913</u>	<u>45,485</u>
<i>Total available for appropriation</i>	<u>5,733,238</u>	<u>9,358,238</u>	<u>8,760,357</u>	<u>(597,881)</u>
Expenditures				
Federal programs	3,616,000	6,116,000	5,757,308	358,692
State programs	1,150,000	2,150,000	1,822,619	327,381
Local programs	<u>813,866</u>	<u>938,866</u>	<u>909,082</u>	<u>938,866</u>
<i>Total expenditures</i>	<u>5,579,866</u>	<u>9,204,866</u>	<u>8,489,009</u>	<u>715,857</u>
Unappropriated ending fund balance - budget basis	<u>\$ 153,372</u>	<u>\$ 153,372</u>	<u>\$ 271,348</u>	<u>\$ 117,976</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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Pooled cash and investments	\$ 42,465	\$ 148,341
Cash with county treasurers	15,160	16,782
Property tax receivable	<u>146,599</u>	<u>101,900</u>
<i>Total assets</i>	<u>\$ 204,224</u>	<u>\$ 267,023</u>
 LIABILITIES AND FUND EQUITY		
<i>Liabilities:</i>		
Deferred revenue	\$ 117,887	\$ 75,427
<i>Total liabilities</i>	<u>117,887</u>	<u>75,427</u>
 <i>Fund equity:</i>		
Fund balance		
Unreserved		
Designated for debt service	<u>86,337</u>	<u>191,596</u>
<i>Total liabilities and fund equity</i>	<u>\$ 204,224</u>	<u>\$ 267,023</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, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Property taxes	\$ 1,736,102	\$ 1,736,102	\$ 1,698,313	\$ (37,789)
Assessment	706,542	706,542	690,120	(16,422)
Interest	5,562	5,562	21,920	16,358
Grants and contracts	480,038	480,038	481,344	1,306
Transfers from other funds	<u>301,398</u>	<u>301,398</u>	<u>301,398</u>	
Total revenue	3,229,642	3,229,642	3,193,095	(36,547)
Beginning fund balance	<u>165,658</u>	<u>165,658</u>	<u>191,596</u>	<u>25,938</u>
Total available for appropriation	<u>3,395,300</u>	<u>3,395,300</u>	<u>3,384,691</u>	<u>(10,609)</u>
Expenditures				
Debt service:				
SELP loan payments	64,824	64,824	64,823	1
Bond principal	2,299,220	2,299,220	2,299,220	
Interest	<u>934,310</u>	<u>934,310</u>	<u>934,311</u>	<u>(1)</u>
Total expenditures	<u>3,298,354</u>	<u>3,298,354</u>	<u>3,298,354</u>	
Unappropriated ending fund balance - budget basis	<u>\$ 96,946</u>	<u>\$ 96,946</u>	<u>\$ 86,337</u>	<u>\$ (10,609)</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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Pooled cash and investments	\$ 9,380,040	\$ 13,162,266
Accounts receivable	<u>249,604</u>	
<i>Total assets</i>	<u><u>\$ 9,629,644</u></u>	<u><u>\$ 13,162,266</u></u>
 LIABILITIES AND FUND EQUITY		
<i>Liabilities:</i>		
Accounts payable	<u>\$ 1,320,232</u>	<u>\$ 44,390</u>
<i>Fund equity:</i>		
Fund balance		
Undesignated	<u>8,309,412</u>	<u>13,117,876</u>
<i>Total liabilities</i> <i>and fund equity</i>	<u><u>\$ 9,629,644</u></u>	<u><u>\$ 13,162,266</u></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, 2009

	<i>Original</i>	<i>Final</i>		<i>Variance with</i>
	<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Final Budget</i>
				<i>Over (Under)</i>
Revenue				
Local				
Donations	\$ 2,500,000	\$ 2,500,000	\$ 500,000	\$ (2,000,000)
Interest	309,400	309,400	199,680	(109,720)
Other income	526,000	526,000	583,931	57,931
State grants		4,000,000	510,884	(3,489,116)
Transfers from other funds	2,633,000	2,633,000	3,475,000	842,000
<i>Total revenue</i>	5,968,400	9,968,400	5,269,495	(4,698,905)
Beginning fund balance	12,081,000	12,081,000	13,117,876	1,036,876
<i>Total available</i>				
<i>for appropriation</i>	18,049,400	22,049,400	18,387,371	(3,662,029)
Expenditures				
Capital outlay				
General construction	951,290	510,290	177,863	332,427
Campus center building	9,000,000	9,000,000	7,481,307	1,518,693
Madras center	592,000	592,000	13,689	578,311
Real estate development	61,800	251,800	212,278	39,522
Culinary building	750,000	750,000	43	749,957
Repair and replacement	782,000	912,000	892,235	19,765
Life cycle technology				
replacement	238,380	243,380	240,809	2,571
Higher ed. bldg. repair				
& maintenance reserve	250,000	250,000		250,000
IT Server/infrastructure	121,130	237,130	152,101	85,029
Redmond campus	444,360	444,360	333,281	111,079
Chandler lab	90,000	90,000	3,132	86,868
State stimulus projects		4,000,000	571,221	3,428,779
<i>Total expenditures</i>	13,280,960	17,280,960	10,077,959	7,203,001
Unappropriated ending				
fund balance - budget basis	\$ 4,768,440	\$ 4,768,440	\$ 8,309,412	\$ 3,540,972

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, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Bookstore</i>	<i>Residence Hall</i>
ASSETS		
<i>Current assets:</i>		
Pooled cash and investments	\$ 1,056,925	\$ 582,240
Accounts receivable	106,492	
Inventory	343,081	
<i>Total current assets</i>	<u>1,506,498</u>	<u>582,240</u>
<i>Capital assets</i>		
Buildings and equipment	1,576,763	591,871
Accumulated depreciation	<u>(556,323)</u>	<u>(512,159)</u>
Net property and equipment	<u>1,020,440</u>	<u>79,712</u>
<i>Total assets</i>	<u><u>\$ 2,526,938</u></u>	<u><u>\$ 661,952</u></u>
LIABILITIES AND FUND EQUITY		
<i>Liabilities:</i>		
Accounts payable	\$ 18,480	\$ 6,589
<i>Fund equity:</i>		
Contributed capital	20,000	160,098
Retained earnings - unreserved	<u>2,488,458</u>	<u>495,265</u>
<i>Total fund equity</i>	<u>2,508,458</u>	<u>655,363</u>
<i>Total liabilities and fund equity</i>	<u><u>\$ 2,526,938</u></u>	<u><u>\$ 661,952</u></u>

<i>Totals</i>	
<u>2009</u>	<u>2008</u>
\$ 1,639,165	\$ 1,403,507
106,492	154,635
<u>343,081</u>	<u>259,376</u>
<u>2,088,738</u>	<u>1,817,518</u>
2,168,634	1,838,999
<u>(1,068,482)</u>	<u>(1,008,065)</u>
<u>1,100,152</u>	<u>830,934</u>
<u>\$ 3,188,890</u>	<u>\$ 2,648,452</u>
\$ 25,069	\$ 10,963
180,098	180,098
<u>2,983,723</u>	<u>2,457,391</u>
<u>3,163,821</u>	<u>2,637,489</u>
<u>\$ 3,188,890</u>	<u>\$ 2,648,452</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, 2009
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2008)

	<i>Bookstore</i>	<i>Residence Hall</i>
Operating revenue:		
Charges for services	\$ 3,017,145	\$ 580,644
<i>Total operating revenue</i>	<u>3,017,145</u>	<u>580,644</u>
Operating expenses:		
Salaries	291,300	69,329
Payroll assessments	138,022	39,912
Materials and services	2,193,091	286,581
Capital outlay	4,270	15,550
Depreciation	<u>53,766</u>	<u>6,651</u>
<i>Total operating expenses</i>	<u>2,680,449</u>	<u>418,023</u>
Operating income (loss)	<u>336,696</u>	<u>162,621</u>
Non-operating revenue (expenses):		
Interest income	<u>18,775</u>	<u>8,240</u>
<i>Total non-operating revenue (expenses)</i>	<u>18,775</u>	<u>8,240</u>
Net income (loss)	355,471	170,861
Net assets - beginning of year	<u>2,152,987</u>	<u>484,502</u>
Net assets - end of year	<u>\$ 2,508,458</u>	<u>\$ 655,363</u>

<i>Totals</i>	
<u>2009</u>	<u>2008</u>
\$ 3,597,789	\$ 2,745,174
<u>3,597,789</u>	<u>2,745,174</u>
360,629	263,442
177,934	120,167
2,479,672	2,046,689
19,820	10,816
<u>60,417</u>	<u>39,240</u>
<u>3,098,472</u>	<u>2,480,354</u>
<u>499,317</u>	<u>264,820</u>
<u>27,015</u>	<u>53,015</u>
<u>27,015</u>	<u>53,015</u>
526,332	317,835
<u>2,637,489</u>	<u>2,319,654</u>
<u>\$ 3,163,821</u>	<u>\$ 2,637,489</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS

YEAR ENDED JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2008)

	<i>Bookstore</i>	<i>Residence Hall</i>
Cash flows from operating activities:		
Cash received for services	\$ 3,008,527	\$ 637,405
Cash payments for goods and services	(2,273,549)	(295,542)
Cash payments to employees	(429,322)	(109,241)
<i>Net cash flows from operating activities</i>	<u>305,656</u>	<u>232,622</u>
Cash flows from investing activities:		
Acquisition of buildings and equipment	(329,635)	
Interest earned	<u>18,775</u>	<u>8,240</u>
<i>Net cash flows from investing activities</i>	<u>(310,860)</u>	<u>8,240</u>
Net increase (decrease) in cash and cash equivalents	(5,204)	240,862
Cash and cash equivalents - <i>beginning of year</i>	<u>1,062,129</u>	<u>341,378</u>
Cash and cash equivalents - <i>end of year</i>	<u><u>\$ 1,056,925</u></u>	<u><u>\$ 582,240</u></u>
Reconciliation of operating income to net cash flows from operating activities:		
Operating income (loss)	\$ 336,696	\$ 162,621
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	53,766	6,651
Decrease (increase) in accounts receivable	(8,618)	56,761
Decrease (increase) in inventory	(83,705)	
Increase (decrease) in accounts payable	<u>7,517</u>	<u>6,589</u>
<i>Net cash flows from operating activities</i>	<u><u>\$ 305,656</u></u>	<u><u>\$ 232,622</u></u>

<i>Totals</i>			
<u>2009</u>		<u>2008</u>	
\$	3,645,932	\$	2,768,511
	(2,569,091)		(1,980,743)
	<u>(538,563)</u>		<u>(383,609)</u>
	538,278		404,159
	(329,635)		
	<u>27,015</u>		<u>53,015</u>
	(302,620)		<u>53,015</u>
	235,658		457,174
	<u>1,403,507</u>		<u>946,333</u>
\$	<u><u>1,639,165</u></u>	\$	<u><u>1,403,507</u></u>
\$	499,317	\$	264,820
	60,417		39,240
	48,143		107,937
	(83,705)		13,746
	<u>14,106</u>		<u>(21,584)</u>
\$	<u><u>538,278</u></u>	\$	<u><u>404,159</u></u>

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, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Sales	\$ 3,000,000	\$ 3,000,000	\$ 3,017,145	\$ 17,145
Interest	20,000	20,000	18,775	(1,225)
<i>Total revenue</i>	3,020,000	3,020,000	3,035,920	15,920
Beginning available resources	870,000	870,000	1,408,416	538,416
<i>Total available for appropriation</i>	3,890,000	3,890,000	4,444,336	554,336
Expenditures				
Salaries	339,700	294,700	291,300	3,400
Payroll assessments	165,000	165,000	138,022	26,978
Materials and services	2,372,300	2,542,300	2,193,091	349,209
Capital outlay	450,000	350,000	333,905	16,095
<i>Total expenditures</i>	3,327,000	3,352,000	2,956,318	395,682
Ending available resources	<u>\$ 563,000</u>	<u>\$ 538,000</u>	<u>\$ 1,488,018</u>	<u>\$ 950,018</u>

Analysis of ending available resources

Current assets	\$ 1,506,498
Less liabilities	<u>(18,480)</u>
	<u>\$ 1,488,018</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, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
Room and board	\$ 325,000	\$ 637,524	\$ 580,644	\$ (56,880)
Interest	10,000	7,000	8,240	1,240
<i>Total revenue</i>	335,000	644,524	588,884	(55,640)
Beginning available resources	250,000	250,000	398,139	148,139
<i>Total available for appropriation</i>	585,000	894,524	987,023	92,499
Expenditures				
Salaries		71,693	69,329	2,364
Payroll assessments		50,874	39,912	10,962
Materials and services	305,000	304,261	286,581	17,680
Capital outlay	15,000	25,000	15,550	9,450
<i>Total expenditures</i>	320,000	451,828	411,372	40,456
Ending available resources	<u>\$ 265,000</u>	<u>\$ 442,696</u>	<u>\$ 575,651</u>	<u>\$ 132,955</u>

Analysis of ending available resources

Current assets	\$ 582,240
Less liabilities	<u>(6,589)</u>
	<u>\$ 575,651</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, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Totals</i>	
	<i>2009</i>	<i>2008</i>
ASSETS		
<i>Current assets:</i>		
Pooled cash and investments	\$ 226,200	\$ 216,746
<i>Capital assets:</i>		
Building and equipment	52,841	
Accumulated depreciation	(3,351)	
Net property and equipment	49,490	
<i>Total assets</i>	\$ 275,690	\$ 216,746
LIABILITIES AND FUND EQUITY		
<i>Liabilities:</i>		
Accounts payable	\$ 438	\$ 2,315
<i>Fund equity:</i>		
Retained earnings - unreserved	275,252	214,431
<i>Total liabilities and fund equity</i>	\$ 275,690	\$ 216,746

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Centralized Services</i>	<i>Copier Activities</i>	<i>Totals</i>	
			<i>2009</i>	<i>2008</i>
Operating revenue:				
Charges for services	\$ 192,393	\$ 94,546	\$ 286,939	\$ 245,764
Operating expenses:				
Salaries	46,236	20,230	66,466	63,482
Payroll assessments	27,004	15,243	42,247	39,539
Materials and services	63,060	52,170	115,230	119,889
Capital outlay	2,777		2,777	
Depreciation	3,351		3,351	
<i>Total operating expenses</i>	142,428	87,643	230,071	222,910
Operating income (loss)	49,965	6,903	56,868	22,854
Non-operating revenue (expenses):				
Interest income	2,969	984	3,953	11,276
Operating transfer out				(100,000)
<i>Total non-operating revenue (expenses)</i>	2,969	984	3,953	(88,724)
Net income	\$ 52,934	\$ 7,887	60,821	(65,870)
Fund equity - beginning of year			214,431	280,301
Fund equity - end of year			\$ 275,252	\$ 214,431

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND

JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Totals</i>	
	<i>2009</i>	<i>2008</i>
Cash flows from operating activities:		
Cash received from users	\$ 286,939	\$ 245,764
Cash payments for goods and services	(119,884)	(117,690)
Cash payments to employees	(108,713)	(103,021)
<i>Net cash flows from operating activities</i>	<u>58,342</u>	<u>25,053</u>
Cash flows from non-capital financing activities		<u>(100,000)</u>
Cash flows from investing activities		
Acquisition of building and equipment	(52,841)	
Interest earned	3,953	11,276
<i>Total non-operating revenue (expenses)</i>	<u>(48,888)</u>	<u>11,276</u>
Net increase in cash and cash equivalents	9,454	(63,671)
Cash and cash equivalents - beginning of year	<u>216,746</u>	<u>280,417</u>
Cash and cash equivalents - end of year	<u><u>\$ 226,200</u></u>	<u><u>\$ 216,746</u></u>
Reconciliation of operating income to net cash flows from operating activities:		
Operating income (loss)	\$ 56,868	\$ 22,854
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	3,351	
Increase (decrease) in accounts payable	(1,877)	2,199
<i>Net cash flows from operating activities</i>	<u><u>\$ 58,342</u></u>	<u><u>\$ 25,053</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

JUNE 30, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
User charges	\$ 226,400	\$ 226,400	\$ 192,393	\$ (34,007)
Interest	5,000	5,000	2,969	2,969
<i>Total revenue</i>	231,400	231,400	195,362	(36,038)
Beginning available resources	140,000	140,000	163,822	163,822
<i>Total available for appropriation</i>	371,400	371,400	359,184	(12,216)
Expenditures				
Salaries	53,850	53,850	46,236	7,614
Payroll assessments	30,000	30,000	27,004	2,996
Materials and services	132,550	132,550	63,060	69,490
Capital outlay	60,000	60,000	2,777	57,223
<i>Total expenditures</i>	276,400	276,400	139,077	137,323
Ending working capital	\$ 95,000	\$ 95,000	\$ 220,107	\$ 125,107

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

JUNE 30, 2009

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
Revenue				
Local:				
User charges	\$ 95,000	\$ 95,000	\$ 94,546	\$ (454)
Interest	1,325	1,325	984	(341)
<i>Total revenue</i>	96,325	96,325	95,530	(795)
Beginning available resources	38,000	38,000	50,609	12,609
<i>Total available for appropriation</i>	134,325	134,325	146,139	11,814
Expenditures				
Salaries	22,000	22,000	20,230	1,770
Payroll assessments	15,000	15,000	15,243	(243)
Materials and services	45,025	45,025	52,170	(7,145)
Capital purchases	5,000	5,000		5,000
<i>Total expenditures</i>	87,025	87,025	87,643	(618)
Ending working capital	\$ 47,300	\$ 47,300	\$ 58,496	\$ 11,196

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, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Totals</i>	
	<i>2009</i>	<i>2008</i>
ASSETS		
Pooled cash and investments	\$ 485,230	\$ 446,206
Accounts receivable		
Beneficial interest in perpetual trust	1,179,408	1,519,745
<i>Total assets</i>	<u>\$ 1,664,638</u>	<u>\$ 1,965,951</u>
LIABILITIES AND FUND EQUITY		
<i>Liabilities:</i>		
Accounts payable	\$ 89,174	\$ 51,117
<i>Total liabilities</i>	<u>89,174</u>	<u>51,117</u>
<i>Fund equity:</i>		
Fund balance		
Reserved for endowments	1,549,733	1,890,070
Unreserved	25,731	24,764
<i>Total fund equity</i>	<u>1,575,464</u>	<u>1,914,834</u>
<i>Total liabilities and fund equity</i>	<u>\$ 1,664,638</u>	<u>\$ 1,965,951</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

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

JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)

	<i>Totals</i>	
	<i>2009</i>	<i>2008</i>
Operating expenses:		
Materials and services	\$ 98,277	\$ 119,032
Operating income (loss)	(98,277)	(119,032)
Non-operating revenue:		
Donations		70,325
Interest	8,051	16,490
Net gain (loss) on perpetual trust	(249,144)	(53,480)
Non-operating income (loss)	(241,093)	33,335
Net gain (loss)	(339,370)	(85,697)
FUND BALANCE - beginning of year	1,914,834	2,000,531
FUND BALANCE - end of year	<u>\$ 1,575,464</u>	<u>\$ 1,914,834</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

JUNE 30, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Over (Under)</u>
BEGINNING FUND BALANCE	\$ 1,914,834	\$ 396,000	\$ 1,518,834
Revenue			
Interest	8,051	13,685	(5,634)
Net loss on perpetual trust	<u>(340,337)</u>	<u></u>	<u>(340,337)</u>
<i>Total revenue</i>	<u>(332,286)</u>	<u>13,685</u>	<u>(345,971)</u>
<i>Total available for appropriation</i>	<u>1,582,548</u>	<u>409,685</u>	<u>1,172,863</u>
Expenses			
Scholarships	<u>7,084</u>	<u>10,000</u>	<u>2,916</u>
ENDING FUND BALANCE	<u>\$ 1,575,464</u>	<u>\$ 399,685</u>	<u>\$ 1,175,779</u>

OTHER SUPPLEMENTAL INFORMATION

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF POOLED CASH AND INVESTMENTS

JUNE 30, 2009

	<i>Cash</i> <i>Balance</i>
Petty cash	\$ 10,637
Demand accounts	1,073,295
Investments:	
Oregon State Treasurer's Investment Pool	<u>22,397,468</u>
	<u>\$ 23,481,400</u>
Balance sheet captions:	
Cash and investments	\$ 23,551,687
Cash deficit in bank account	<u>(70,287)</u>
	<u>\$ 23,481,400</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR

YEAR ENDED JUNE 30, 2009

<u>Tax Year</u>	<u>2007-08 Levy and Taxes Receivable July 1, 2008</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2009</u>
Deschutes County					
2008-09	\$ 11,744,104	\$ (30,289)	\$ (257,430)	\$ 10,768,998	\$ 687,387
Prior	627,896	(9,982)	36,973	412,426	242,461
Jefferson County					
2008-09	921,044	(3,202)	(21,310)	847,720	48,812
Prior	53,855	(69)	3,524	32,634	24,676
Crook County					
2008-09	1,132,994	(3,676)	(24,356)	1,013,597	91,365
Prior	80,436	(712)		35,746	43,978
Klamath County					
2008-09	197,119	(4,815)	(4,578)	177,910	9,816
Prior	16,751	(377)		6,739	9,635
Lake County					
2008-09	85,211	(954)	(1,869)	77,085	5,303
Prior	9,261	(219)		4,097	4,945
Wasco County					
2008-09	3,902	(15)	(94)	3,629	164
Prior	262	(2)		125	135
Totals	\$ 14,872,835	\$ (54,312)	\$ (269,140)	13,380,706	\$ 1,168,677
Tax offsets and other collections				<u>27,747</u>	
<i>Total cash turnover to District</i>				<u>\$ 13,408,453</u>	

<u>By Fund</u>	<u>Cash Turnover</u>	<u>Adjustment for Accrual</u>	<u>Taxes Revenue</u>	<u>Taxes Receivable</u>
General Fund	\$ 11,710,756	\$ 15,464	\$ 11,726,220	\$ 1,022,078
Debt Service Fund	<u>1,697,697</u>	<u>616</u>	<u>1,698,313</u>	<u>146,599</u>
District totals	<u>\$ 13,408,453</u>	<u>\$ 16,080</u>	<u>\$ 13,424,533</u>	<u>\$ 1,168,677</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR

YEAR ENDED JUNE 30, 2009

<u>Tax Year</u>	<u>2008-09 Levy and Taxes Receivable July 1, 2008</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2009</u>
2008-09	\$ 14,084,374	\$ (42,951)	\$ (309,636)	\$ 12,888,941	\$ 842,846
2007-08	589,334	(9,225)	21,635	373,894	227,850
2006-07	135,064	(1,153)	10,249	75,829	68,331
2005-06	39,886	(192)	4,869	26,190	18,373
2004-05	15,026	(437)	3,076	13,754	3,911
2003-04	2,821	(141)	320	1,105	1,895
2002-03	2,333	(169)	230	660	1,734
Prior	<u>3,997</u>	<u>(44)</u>	<u>117</u>	<u>333</u>	<u>3,737</u>
Totals	<u>\$ 14,872,835</u>	<u>\$ (54,312)</u>	<u>\$ (269,140)</u>	13,380,706	<u>\$ 1,168,677</u>
Tax offsets and other collections				<u>27,747</u>	
Total cash turnover to District				13,408,453	
Adjustment for accrual				<u>16,080</u>	
2008-09 tax revenue				<u>\$ 13,424,533</u>	

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS

YEAR ENDED JUNE 30, 2009

<i>Issue</i>	<i>Principal</i>			<i>Ending Balance June 30, 2009</i>
	<i>Beginning Balance July 1, 2008</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$ 535,000	\$ 45,000	\$ 45,000	\$ 490,000
October 1, 1997	1,270,000	100,000	100,000	1,170,000
May 1, 2001	6,560,000	160,000	160,000	6,400,000
October 15, 2001	1,715,000	1,715,000	1,715,000	
April 23, 2003	10,751,254	279,220	279,220	10,472,034
	<u>\$ 20,831,254</u>	<u>\$ 2,299,220</u>	<u>\$ 2,299,220</u>	<u>\$ 18,532,034</u>

<i>Issue</i>	<i>Interest</i>			<i>Outstanding June 30, 2009</i>
	<i>Outstanding July 1, 2008</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$	\$ 30,038	\$ 30,038	\$
October 1, 1997		61,360	61,360	
May 1, 2001		329,840	329,840	
October 15, 2001		85,750	85,750	
April 23, 2003		427,322	427,322	
	<u>\$ -</u>	<u>\$ 934,310</u>	<u>\$ 934,310</u>	<u>\$ -</u>

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF REQUIREMENTS FOR RETIRMENT OF BOND INDEBTEDNESS

YEAR ENDED JUNE 30, 2009

<i>Year</i>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2009-10	\$ 287,694	\$ 453,848	\$ 165,000	\$ 321,840
2010-11	296,439	485,103	175,000	313,590
2011-12	306,586	519,956	185,000	304,840
2012-13	310,398	556,144	195,000	296,145
2013-14	313,004	598,538	205,000	286,785
Years Thereafter	<u>8,957,913</u>	<u>8,766,741</u>	<u>5,475,000</u>	<u>2,823,010</u>
<i>Totals</i>	<u>\$ 10,472,034</u>	<u>\$ 11,380,330</u>	<u>\$ 6,400,000</u>	<u>\$ 4,346,210</u>

<i>Year</i>	<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>		<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2009-10	\$ 105,000	\$ 56,490	\$ 50,000	\$ 27,366
2010-11	110,000	51,220	50,000	24,485
2011-12	115,000	45,595	55,000	21,388
2012-13	120,000	39,720	60,000	17,995
2013-14	130,000	33,405	65,000	14,308
Years Thereafter	<u>590,000</u>	<u>62,220</u>	<u>210,000</u>	<u>19,176</u>
<i>Totals</i>	<u>\$ 1,170,000</u>	<u>\$ 288,650</u>	<u>\$ 490,000</u>	<u>\$ 124,718</u>

ACCOUNTANTS' COMMENTS
AS REQUIRED BY STATE REGULATIONS

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

ACCOUNTANTS' COMMENTS AS REQUIRED
BY STATE REGULATIONS

JUNE 30, 2009

Internal Control Structure

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, 2009, which collectively comprise the Central Oregon Community College District's basic financial statements and have issued our report thereon dated December 7, 2009. 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.

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.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

ACCOUNTANTS' COMMENTS AS REQUIRED
BY STATE REGULATIONS

JUNE 30, 2009

Collateral Security

The District only deposits funds in banks that have been approved by the Office of the State Treasurer.

Debt Limitation

The District has not exceeded its legal debt limitation.

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, 2009, and we have reviewed the preparation and adoption of the budget for the year beginning July 1, 2009, 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.

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, 2009, 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, 2009.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

ACCOUNTANTS' COMMENTS AS REQUIRED
BY STATE REGULATIONS

JUNE 30, 2009

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

December 7, 2009

SINGLE AUDIT ACT REQUIREMENTS



Central Oregon Community College

KERKCOCH KATTER & NELSON, LLP

Certified Public Accountants

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

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, 2009, which collectively comprise the Central Oregon Community College District's basic financial statements and have issued our report thereon dated December 7, 2009. 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

December 7, 2009

KERKOCCH KATTER & NELSON, LLP

Certified Public Accountants

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

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, 2008. 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, 2009.

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

December 7, 2009

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

<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 2008-09</i>
Department of Education			
Student financial aid programs			
Supplemental educational opportunity grants	84.007	N/A	\$ 115,680
Perkins grant	84.243	N/A	1,015
College work study program	ARRA 84.033	N/A	164,112
Academic competitiveness grant	84.375	N/A	25,771
Pell grant programs	ARRA 84.063	N/A	<u>5,450,730</u>
<i>Total student financial aid</i>			<u>5,757,308</u>
Adult education - State grant program	84.002	N/A	317,596
Vocational education - Basic Grants to States - Carl Perkins	84.048	N/A	<u>189,110</u>
<i>Total department of education</i>			<u>506,706</u>
Department of Labor			
Employment and training administration pilots, demonstrations, and research projects	ARRA 17.260	N/A	17,052
WIA incentive grant	17.267	N/A	<u>41,380</u>
<i>Total department of labor</i>			<u>58,432</u>
Other programs			
Small business development center - SBA Grant	59.037	N/A	<u>54,470</u>
<i>Total federal financial assistance</i>			<u>\$ 6,376,916</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 \$13,551,214 were administered during the year ended June 30, 2009.

CENTRAL OREGON COMMUNITY COLLEGE DISTRICT
BEND, OREGON

SCHEDULE OF FINDINGS AND QUESTIONS COSTS

YEAR ENDED JUNE 30, 2009

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, #ARRA 84.033 and #ARRA 84.063.
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, 2008 Single Audit.

Findings - Financial Statements Audit

None

Findings and Questioned Costs - Major Federal Programs Audit

None



Central Oregon Community College