

**CENTRAL OREGON COMMUNITY COLLEGE**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**CENTRAL OREGON COMMUNITY COLLEGE**

**OFFICIALS**

**JUNE 30, 2011**

*CHAIRPERSON*

Charley Miller  
Zone 6

*BOARD MEMBERS*

Donald V. Reeder  
Zone 1

David E. Ford  
Zone 4

Joyce L Garret  
Zone 2

Connie Lee  
Zone 5

Anthony J. Dorsch  
Zone3

John Overbay  
Zone 7

*PRESIDENT*

James E. Middleton

*CHIEF FINANCIAL OFFICER*

Kevin Kimball

# CENTRAL OREGON COMMUNITY COLLEGE

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**CENTRAL OREGON**  
community college

# KERKCOCH KATTER & NELSON, LLP

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the basic financial statements and the discretely presented component unit of the Central Oregon Community College (the College), as of and for the year ended June 30, 2011, 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and the discretely presented component unit as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2011, 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.

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management discussion and analysis in accordance auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The required supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements as a whole. The combining and individual fund statements and schedules and the other supplemental information are presented for purposes of additional analysis and are 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 the 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. The combining and individual fund statements and schedules, the other supplemental information and schedules, and the accompanying Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and directly relate to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 18, 2011



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **Management's Discussion and Analysis**

This section of Central Oregon Community College (the College) Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activities during the fiscal year ended June 30, 2011. The purpose of the MD&A is to assist readers in understanding the accompanying financial statements by providing an analysis of the College's financial activity based on currently known facts and conditions. Management prepares this discussion, and is responsible for the completeness and reliability of the information. This discussion should be read in conjunction with the financial statements and related footnote disclosures.

## **Accounting Standards**

The financial statements have been prepared in accordance with Governmental Accounting Standards Board Statement Number 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, which was adopted in November 1999. The College was required to adopt this standard for the fiscal year ended June 30, 2003. The financial statements also include discrete presentations of financial activities for the College's independent Foundation in accordance with Governmental Accounting Standards Board Statement Number 39, *Determining Whether Certain Organizations Are Component Units*.

## **Overview of the Financial Statements**

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

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

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

### **Financial Highlights**

- The College's financial position at June 30, 2011 consists of assets of \$137.8 million, liabilities of \$69.6 million and net assets of \$68.2 million, an increase of \$6.6 million, 10.7 percent from the prior year.
- Student enrollment increased by 9.4 percent over the prior year resulting in additional tuition and fee revenues of \$1.6 million and \$1.3 million in sales and services revenues. This increase in enrollment will also have a positive impact on the State's FTE reimbursement in future years.
- Property tax revenues for operations declined \$183 thousand due to falling property values and the impacts of voter approved Measure 5 and Measure 50. Measure 5 limits the maximum allowable tax of \$5 for each \$1,000 of real market value on property assessed by all public school districts including community colleges. Measure 50 further limits future property tax growth to 3 percent of assessed value. The total property taxes levied by the college increased by \$2.2 million due to the annual debt service of the voter approved general obligation bonds issued in June 2010.
- The State Aid for FTE reimbursement decreased from prior year due the State's deferral of the eighth quarter community college support fund payment. State Aid is historically received quarterly in August, October, January and April. In 2003, the Oregon Legislature began delaying the eighth quarter payment in each biennium until July of the following fiscal year. The Oregon local budget law was amended to allow community colleges to accrue the last payment, however, the basic financial statements report the eighth quarter payment as revenue in the year received. This reporting difference is illustrated below.

2009-11 Biennium	Number of State Payments		Amount (in thousands)	
	Basic Financial Statements	General Fund	Basic Financial Statements	General Fund
2009-10	5	4	\$ 5,577	\$ 4,200
2010-11	3	4	\$ 2,964	\$ 4,496

## **Analysis of the Statement of Net Assets**

The Statement of Net Assets includes all assets and liabilities of the College using the accrual basis of accounting. Net assets is the difference between assets and liabilities and is one measure of the College's financial condition. The Statement of Net Assets in summary form is provided below:

Statement of Net Assets			
<i>In thousands of dollars (000's)</i>	2011	2010	% Change
Assets			
Current assets	\$ 65,069	\$ 75,107	-13.4%
Capital assets, net of depreciation	61,490	42,923	43.3%
Other noncurrent assets	11,222	11,439	-1.9%
Total Assets	<u>\$ 137,781</u>	<u>\$ 129,469</u>	<u>6.4%</u>
Liabilities			
Current liabilities	8,498	4,235	100.7%
Noncurrent liabilities	61,112	63,672	-4.0%
Total Liabilities	<u>69,610</u>	<u>67,907</u>	<u>2.5%</u>
Net Assets			
Investment in capital assets, net of related debt	39,323	34,788	13.0%
Restricted	8,774	9,377	-6.4%
Unrestricted	20,074	17,397	15.4%
Total Net Assets	<u>68,171</u>	<u>61,562</u>	<u>10.7%</u>
Total liabilities and net assets	<u>\$ 137,781</u>	<u>\$ 129,469</u>	<u>6.4%</u>

Current assets consist of pooled cash and investments, accounts receivable, and inventory. Cash and investments decreased between 2010 and 2011 due to construction costs associated with the new campus facilities. Capital assets consist of land, buildings, equipment, construction in progress, and land improvements net of accumulated depreciation. Capital assets are higher than the prior year due to capital asset additions associated with state stimulus funded facility improvement projects and bond funded building construction projects. Other noncurrent assets include net pension assets and the beneficial interest in a perpetual trust.

Current liabilities consist primarily of accounts payable, student prepayments, and the current portion of long-term debt. Accounts payable is higher than the prior year due to the year-end liabilities associated with building construction projects. Included in the long-term debt amounts are full faith and credit bonds, pension obligation bonds, general obligation bonds, and capital lease.

Net assets are the difference between total assets and total liabilities. The College reports capital assets (e.g., land, buildings, and equipment) at historical cost less any debt used to acquire those assets. The College has \$39.3 million invested in capital assets, 58 percent of total net assets. Approximately 13 percent of the remaining net asset balance is restricted primarily for construction, leaving 29 percent unrestricted.

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

The Statement of Revenues, Expenses and Changes in Net Assets presents the operating and non-operating results during the year, with the difference increasing or decreasing the College's net assets. GASB standards require the College to categorize revenues as either operating or non-operating. Operating revenues include tuition, fees, grants, contracts, and sales and services of various self-supporting operations. Although property taxes and State appropriations are budgeted as an operating source, under GASB standards these funding sources are reported as non-operating revenue along with financial aid. The Statement of Revenues, Expenses and Changes in Net Assets is provided below:

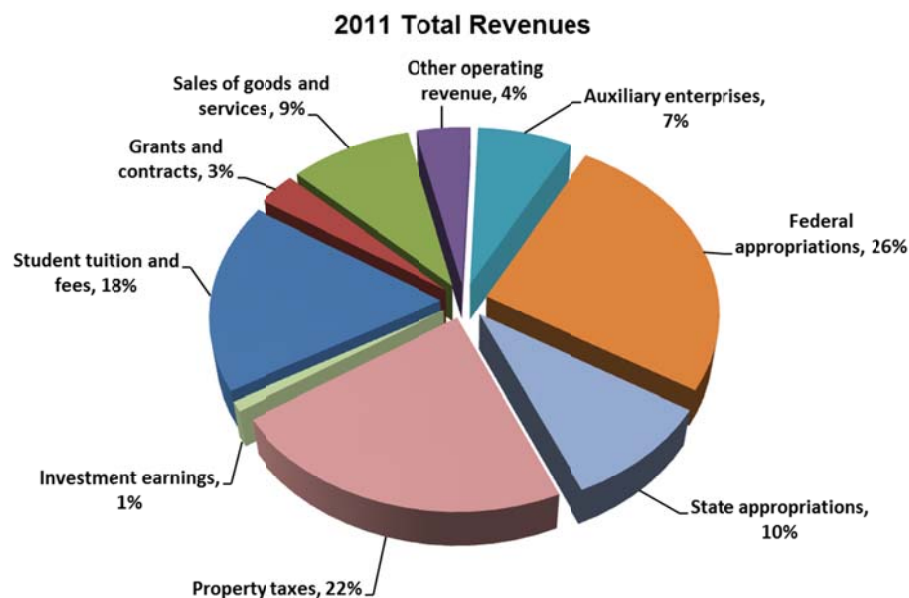
Statement of Revenues, Expenses and Changes in Net Assets			
<i>In thousands of dollars (000's)</i>	2011	2010	% Change
Operating Revenue			
Student tuition and fees	\$ 13,513	\$ 11,196	20.7%
Grants and contracts	1,988	2,057	-3.4%
Sales of goods and services	4,312	3,746	15.1%
Other operating revenue	2,785	1,140	144.3%
Auxiliary enterprises	4,806	4,611	4.2%
Total operating revenues	27,404	22,750	20.5%
Non-Operating Revenues			
Federal appropriations	17,183	12,592	36.5%
State appropriations	4,944	10,788	-54.2%
Property Taxes	14,826	12,640	17.3%
Investment earnings	613	224	173.7%
Total non-operating revenues	37,566	36,244	3.7%
Total Revenues	64,970	58,994	10.1%
Operating Expenses			
Instruction	18,607	16,792	10.8%
Instructional support services	2,439	2,309	5.6%
Student services	16,649	15,350	8.5%
College support services	6,221	5,954	4.5%
Plant operations and maintenance	3,694	3,203	15.3%
Information and technology services	2,260	1,897	19.1%
Depreciation	1,834	1,566	17.1%
Auxiliary enterprises	3,948	3,849	2.6%
Total operating expenses	55,652	50,920	9.3%
Nonoperating expenses			
Interest expense	2,709	893	203.4%
Total non-operating expenses	2,709	893	203.4%
Total Expenses	58,361	51,813	12.6%
Increase in net assets	6,609	7,181	-8.0%
Net assets, beginning of year	61,562	54,381	13.2%
Net assets, end of year	\$ 68,171	\$ 61,562	10.7%

## Revenues

*Operating revenues* increased by \$4.7 million, 20.5 percent as compared to the prior fiscal year. Tuition and fees increases are due to both an increase in tuition rates and 9.4 percent enrollment increase. Increased enrollment also benefited the bookstore and resident hall operations, two business type activities. The increase in other operating revenue represents the COCC Foundation contribution of \$2.1 million to the Cascade Culinary Institute construction project. The bookstore's revenue increased \$150 thousand whereas the residence hall's revenues increased \$44 thousand over the prior year.

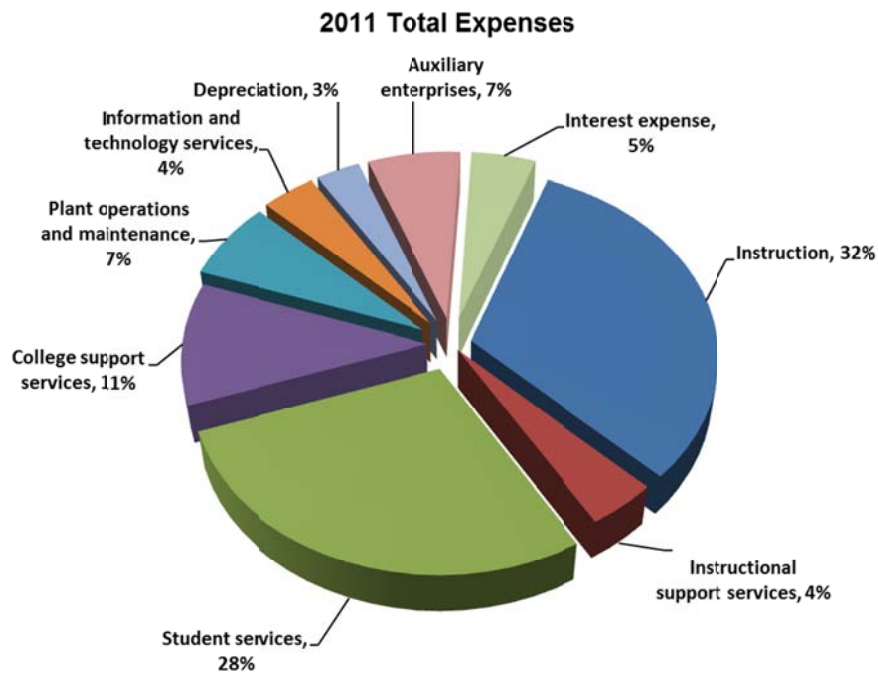
*Non-operating revenues* increased \$1.3 million, 3.7 percent from 2010. Federal appropriations increased \$4.6 million due to additional federal PELL grants. The reduction of \$5.8 million in State appropriations reflects a significant reduction in financial aid in the form of State Need and the deferral of the fourth quarter state aid payment. The increase of \$2.2 million in property taxes is the result of taxes levied for annual debt service for the \$41.6 million in general obligation bonds issued in June 2010. Total interest earnings increased \$389 thousand from investments related to the general obligation bond proceeds.

The following graph illustrates the total revenue sources for the College for the 2010-11 fiscal year. Federal appropriations now represent 26 percent of College revenues compared to 21 percent last year. State appropriations decreased from 18 percent to 10 percent. Property taxes increased from 21 percent to 22 percent and all other categories remained relatively flat as a percentage of total revenues.



## Expenses

*Operating expenses* consist of salaries and benefits, materials and services, utilities, grants and scholarships, and depreciation. Operating expenses increased in all expenditure categories due to the 11 percent increase in staffing and increased operating costs associated with the student enrollment growth the college continues to experience. Federal financial aid awards which are reported in student services, increased by 9 percent over the prior year. *Nonoperating expenses* increased in the form of interest expense. The \$1.8 million increase in interest expense is related to the annual debt service for voter approved general obligation bonds issued in June 2010. The following graph illustrates the total expenditures for the College for the 2010-11 fiscal year.



### **Analysis of the Statement of Cash Flows**

This statement provides a measurement of the College's financial health by providing information on the sources and uses of cash. It provides the user information on cash receipts and cash payments to help assess the College's ability to generate net cash flows, its ability to meet its obligations as they become due, and its need for external financing. This statement is reported using the direct method in accordance with Governmental Accounting Standards Board Statement Number 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The Statement of Cash Flows in summary form is provided below:

Statement of Cash Flows	
<i>In thousands of dollars (000's)</i>	2011
Cash Flows From Operating Activities	\$ (23,063)
Cash Flows From Noncapital Financing Activities	36,413
Cash Flows From Capital Financing Activities	(23,534)
Cash Flows From Investing Activities	613
Net Increase (Decrease) in Cash and Pooled Investments	(9,571)
Cash and Pooled Investments - beginning of year	70,277
Cash and Pooled Investments - end of year	\$ 60,706

The largest sources of cash from operating activities were student tuition and fees, auxiliary enterprises, and grants and contracts. Major uses of operating cash were payments for employees, facilities, and materials and supplies. Current accounting standards now require that property taxes, state appropriations and federal financial aid be classified as noncapital financing activities even though the College's budget depends on these revenues for operations. The major use of cash from capital financing activities was related to debt service payments (-\$3.1 million), equipment, and building construction (-\$20.4 million). The end of year net cash and pooled investment balance of \$60.7 million declined \$9.57 million, 16 percent from prior year.

## **General Fund Budgetary Highlights**

The General fund's unappropriated ending fund balance increased \$2.4 million over budget. This increase is attributable to the total revenue and beginning fund balance exceeding budget by \$469 thousand and total expenditure savings of \$1.9 million. The expenditure savings were primarily in the areas of instruction (\$563 thousand), student services (\$231 thousand), college support services (\$129 thousand), and operating contingency (\$800 thousand).

## **Capital Assets**

The College records all capital assets at historical cost with associated accumulated depreciation. The College added \$20.4 million in capital assets before depreciation this fiscal year. The Summary of Capital Assets presented below identifies the capital assets by categories and amounts.

### Summary of Capital Assets

	2011	2010	Change
Land and land improvements	\$ 7,367,853	\$ 6,966,537	\$ 401,316
Construction work in progress	19,132,101	3,633,765	15,498,336
Buildings	48,937,106	44,942,802	3,994,304
Equipment/library books/art	6,520,754	6,014,402	506,352
Accumulated depreciation	(20,468,345)	(18,634,582)	(1,833,763)
Net Assets	<u>\$ 61,489,469</u>	<u>\$ 42,922,924</u>	<u>\$ 18,566,545</u>

## **Debt Administration**

As of June 30, 2011, the College has \$62 million in outstanding long-term debt. The following table summarizes the long-term debt by type of debt instrument and amount.

### Outstanding Debt as of June 30, 2011

Full Faith & Credit bonds	\$ 7,405,000
Pension Obligation bonds	9,887,901
General Obligation bonds	44,531,639
Capital Lease	344,470
	<u>\$ 62,169,010</u>

The Oregon Revised Statutes limits bonded indebtedness to 1.5% of real market value of property within the College. The limit applies to the outstanding principal amount of the general obligation bonds. The College may levy property taxes in the amount required to pay annual debt service of general obligation bonds. The College maintains an AA- credit rating from Standard & Poor's for general obligation debt.

### Debt Limitation

Real market value in college district 2010	\$ 40,025,621,778
Percentage limitation	<u>1.50%</u>
Legal debt limitation	600,384,327
Bonded indebtedness at June 30, 2011	41,055,000
Debt margin	<u>\$ 559,329,327</u>



## **Economic Factors and Next Year's Budget**

The College's financial position is impacted by three main economic factors; 1) the financial and economic health of the State and its impact on the amount of the appropriation for the community college support fund, 2) the economic condition of the college, impacting property values and levels of new construction and related property tax revenues, and 3) student enrollment levels which impact tuition and fee revenue.

The State of Oregon continues to suffer through one of the deepest and far-reaching recessions of the past several decades. The impacts of the steep downturn in the housing sector, weak financial markets, and high levels of unemployment has hit Oregon particularly hard as individual and corporate income taxes represent the largest source of revenue for the State's general fund budget. As part of the State's 2011-2013 biennial budget process, the appropriation amount for the community college support fund was decreased from \$431.1 million to \$395.8 million (-\$35.3 million, - 8.2 percent). This decrease in the community college support fund combined with the effects of the State's funding formula used to distribute the support fund continues to reduce State support, which now only represents 15 percent of the College's current budget. The State may look to additional reductions to the community college support fund in the current biennium to balance its budget if current revenue projections are not realized.

Property tax revenue represents the second largest source of revenue for general operations. The financial health, economic vitality, and population growth of the college impacts property values and ensuing property taxes. The college, like most areas throughout the country, has experience large declines in property values, reduced new construction, and slowing population growth from inward migration. Property tax revenue for operations declined \$180 thousand and is expected to decline or remain flat for the next few of years.

The College has experienced unprecedented student enrollment growth the past four years. Large numbers of individuals throughout the state have return to college due to job losses and high levels of unemployment. This enrollment growth has increased tuition and fee revenue dramatically over the prior year (\$2.2 million, 15 percent) and is the largest source of general fund revenue. This recession related enrollment growth is expected to continue until the economy improves and unemployment rates decline.

### **Requests for Information**

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

## STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>College</u>	<u>Foundation (Component Unit)</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Pooled cash and investments	\$ 60,705,818	\$ 11,769,606
Cash with county treasurers	127,424	
Property taxes receivable	1,165,243	
Accounts receivable	2,976,267	1,027,679
Allowance for uncollectible accounts	(398,142)	
Prepays and advances	3,509	830
Student loans receivable	4,980	
Inventory	483,393	
<b>Total current assets</b>	<u>65,068,492</u>	<u>12,798,115</u>
<b>Noncurrent Assets</b>		
Beneficial interest in perpetual trust	1,334,704	914,979
Pension prepayment	9,887,901	
Capital assets - net of accumulated depreciation	61,489,469	21,141
<b>Total noncurrent assets</b>	<u>72,712,074</u>	<u>936,120</u>
<b>Total assets</b>	<u><u>\$ 137,780,566</u></u>	<u><u>\$ 13,734,235</u></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 4,960,570	\$ 286,450
Interest payable	102,265	
Accrued expenses	508,164	
Unearned revenue	1,548,628	
Current portion of bonds and notes payable	1,378,467	
<b>Total current liabilities</b>	<u>8,498,094</u>	<u>286,450</u>
<b>Noncurrent Liabilities</b>		
Other post employment benefits payable	321,318	
Bonds and notes payable - net of current portion	60,790,543	
<b>Total noncurrent liabilities</b>	<u>61,111,861</u>	
<b>Total liabilities</b>	<u>69,609,955</u>	<u>286,450</u>
<b>NET ASSETS</b>		
<b>Invested in capital assets - net of related debt</b>	39,322,789	21,141
<b>Restricted for:</b>		
Capital projects	7,165,063	
Permanent non-expendable endowment	1,549,733	4,666,285
Donor intent		7,096,668
Debt service	59,242	
<b>Unrestricted</b>	<u>20,073,784</u>	<u>1,663,691</u>
<b>Total net assets</b>	<u>68,170,611</u>	<u>13,447,785</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 137,780,566</u></u>	<u><u>\$ 13,734,235</u></u>

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college

**CENTRAL OREGON COMMUNITY COLLEGE**  
**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2011**

	<u>College</u>	<u>Foundation (Component Unit)</u>
<b>OPERATING REVENUE</b>		
Tuition and fees	\$ 11,651,776	\$
Operating gifts, grants and contracts	1,987,815	2,241,678
Sales and other services	6,173,204	
Other operating revenue	2,785,146	11,404
Auxiliary Enterprises		
College bookstore	4,134,265	
Residence Hall	671,558	
<b>Total operating revenue</b>	<u>27,403,764</u>	<u>2,253,082</u>
<b>OPERATING EXPENSES</b>		
Instruction - net of scholarship allowances		
in the amount of \$4,875,991	18,607,193	
Instructional support	2,438,887	
Student services	16,648,910	
College support services	6,221,210	3,446,998
Plant operations and maintenance	3,694,003	
Information and technology services	2,260,227	
Depreciation	1,833,763	
Auxiliary Enterprises		
College bookstore	3,399,824	
Residence Hall	548,004	
<b>Total operating expenses</b>	<u>55,652,021</u>	<u>3,446,998</u>
<b>Operating loss</b>	<u>(28,248,257)</u>	<u>(1,193,916)</u>
<b>NON OPERATING REVENUE (EXPENSES)</b>		
Federal appropriations	17,182,407	\$
State appropriations	4,944,147	
Property taxes	14,825,890	
Investment Earnings	613,133	1,789,564
Interest expense	(2,709,024)	
<b>Net nonoperating revenue</b>	<u>34,856,553</u>	<u>1,789,564</u>
<b>Increase in net assets</b>	6,608,296	595,648
<b>Net assets - beginning of year</b>	<u>61,562,315</u>	<u>12,852,137</u>
<b>Net assets - end of year</b>	<u>\$ 68,170,611</u>	<u>\$ 13,447,785</u>

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college



# CENTRAL OREGON COMMUNITY COLLEGE

## STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2011

	<i>College</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from customers	\$ 25,894,021
Cash payments for goods and services	(18,188,288)
Cash payments to employees	(30,768,947)
<b>Net cash provided (used)</b>	
<b>by operating activities</b>	(23,063,214)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Cash received from federal appropriation	17,157,778
Cash received from state appropriation	4,944,147
Cash received from property taxes	14,761,143
Change in pension prepayment	296,439
Change in other post employment benefits payable	34,332
Principal paid on long-term debt	(296,439)
Interest paid on long-term debt	(485,103)
<b>Net cash provided (used)</b>	
<b>by noncapital financing activities</b>	36,412,297
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>	
Acquisition of buildings, improvements and equipment	(20,400,308)
Principal paid on capital-related long-term debt	(919,059)
Interest paid on capital-related long-term debt	(2,214,420)
<b>Net cash provided (used)</b>	
<b>by capital financing activities</b>	(23,533,787)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Investment income	613,133
<b>Net cash provided (used)</b>	
<b>by investing activities</b>	613,133
<b>Net increase (decrease)</b>	
<b>in cash and pooled investments</b>	(9,571,571)
<b>Cash and pooled investments - beginning of year</b>	70,277,389
<b>Cash and pooled investments - end of year</b>	\$ 60,705,818
<b>Reconciliation of operating loss to net cash</b>	
<b>provided (used) by operating activities:</b>	
Operating loss	\$ (28,248,257)
Adjustments to reconcile operating loss to net cash provided	
by (used) by operating activities:	
Depreciation	1,833,763
(Increase) decrease in:	
Receivables	521,429
Prepaid expenses	(1,530)
Inventory	(65,605)
Increase (decrease) in:	
Accounts payable	3,288,807
Accrued expenses	44,795
Unearned revenue	(436,616)
<b>Net cash provided (used)</b>	
<b>by operating activities</b>	\$ (23,063,214)

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

#### *The College*

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

The accompanying financial statements present the College and its component unit (COCC Foundation), an entity whose primary purpose is for the financial benefit of the College.

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis of Public College and Universities*, issued in June and November, 1999. For the year ended June 30, 2011, the College adopted the "single business-type activity" financial statement presentation in order to provide more comparable information with similar higher education institutions.

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.

The financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus. All transactions and events that affect the total economic resources (net 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.

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

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

#### *Investments*

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

The College's investments as of June 30, 2011, 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 consist of books and supplies and are charged to expense when sold or used.

#### *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 fair value.

#### *Restricted Assets*

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

#### *Receivables and Payables*

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

Accounts receivable are recognized as revenue when earned, including services provided but not billed. Receivables are stated net of an allowance for uncollectible accounts.

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

#### *Capital Assets*

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

Depreciation is recorded as an expense in the Statement of Revenue, Expenses and Changes in Net Assets 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.

#### *Compensated Leave*

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

#### *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

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

#### *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.

#### *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.

### **NOTE 2 - BUDGET COMPLIANCE**

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

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

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

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.

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### NOTE 2 - BUDGET COMPLIANCE (CONTINUED)

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

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

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

### NOTE 3 – POOLED CASH AND INVESTMENTS

The College's investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in bank accounts, general obligation issues of the United States, its agencies, and certain states, commercial paper and certain guaranteed investments issued by banks. The College invested in authorized investments during the year. The investments are carried at cost, which approximates market value at June 30, 2011.

Cash and investments at June 30, 2011 consist of the following:

	<u>Security</u>	
Cash and cash equivalents		
Petty cash	N/A	\$ 12,890
Demand deposits	FDIC & Collateral	<u>1,370,270</u>
		<u>1,383,160</u>
Investments		
Oregon State Treasurer's Investment Pool	N/A	36,855,556
U.S. Treasury bills, notes and bonds	N/A	<u>22,467,102</u>
		<u>59,322,658</u>
		<u>\$ 60,705,818</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### **NOTE 3 – POOLED CASH AND INVESTMENTS (CONTINUED)**

#### *Deposits with Financial Institutions*

The College's deposits with financial institutions are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The College'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 College only deposits funds in banks that have been approved by the Office of the State Treasurer. At June 30, 2011, the carrying amount of the College's deposits in financial institutions was \$1,370,270 and the balance per the bank statements was \$1,705,584. Of this amount, \$250,000 was covered by FDIC, and \$1,120,270 was collateralized by securities held by financial institutions acting as agents of the College.

#### *Interest Rate Risk*

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

#### *Credit Risk*

Oregon Revised Statutes limit investments in commercial paper and corporate bonds to those rated at least A-1 and AA respectively by a nationally recognized rating agency. The College investment policy does not further limit its investment choices. At June 30, 2011, the College was in compliance with the above state limitations. The State of Oregon Local Government Pool is unrated.

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

#### *Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of failure of counterparty, the College will not be able to recover the value of its investments that are in the possession of an outside party. At June 30, 2011, the College does not have investments exposed to custodial credit risk.



# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### **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 Colleges, and those for local government entities other than the public school system. The limitation specifies \$5 is the maximum allowable tax for each \$1,000 of real property market value assessed on property by all public school systems, including community colleges and education service Colleges, 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

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### **NOTE 4 - PROPERTY TAXES (CONTINUED)**

The Deschutes County assessor allocates property tax levies to the other counties included in the College's boundaries. The levy for 2010-11, by county, is as follows:

Deschutes County	\$ 12,641,327
Jefferson County	1,014,348
Crook County	1,172,192
Klamath County	218,409
Lake County	84,500
Wasco County	<u>5,446</u>
Total	<u>\$ 15,136,222</u>

### **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 College's capital assets for governmental activities are as follows:

	<i>Balance July 1, 2010</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance June 30, 2011</i>
Capital Assets				
Land and improvements	\$ 6,966,537	\$ 401,316	\$	\$ 7,367,853
Construction in progress	3,633,765	19,695,095	4,196,759	19,132,101
Buildings	44,942,802	3,994,304		48,937,106
Equipment	<u>6,014,402</u>	<u>506,352</u>		<u>6,520,754</u>
	61,557,506	<u>\$ 24,597,067</u>	<u>\$ 4,196,759</u>	81,957,814
Accumulated depreciation	<u>(18,634,582)</u>	<u>\$ (1,833,763)</u>	<u>\$ -</u>	<u>(20,468,345)</u>
	<u>\$ 42,922,924</u>			<u>\$ 61,489,469</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### **NOTE 7 - LONG-TERM DEBT**

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

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

The following is a summary of the bond transactions for the year ended June 30, 2011:

#### ***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.	\$ 390,000
October 1, 1997 Issue, original issue was \$2,000,000, interest rate of 4.05 to 5.9 percent payable semiannually, principal paid annually.	955,000
May 1, 2001 Issue, original issue was \$7,365,000, interest rate of 4.7 to 5.3 percent payable semiannually, principal paid annually.	6,060,000

##### ***General Obligation Bonds***

June 17, 2010 Issue, original issue was \$41,580,000 interest rate of 2.0 to 4.75 percent payable semiannually, principal paid annually; including unamortized premium of \$3,476,639.	44,531,639
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##### ***Pension Obligation Bonds***

April 23, 2003 Issue, original Issue was \$11,535,638, interest rate of 2.04 to 6.25 percent payable semiannually, principal paid annually.	<u>9,887,901</u>
	<u>\$ 61,824,540</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

The following changes in general long-term debt occurred for the year ended June 30, 2011.

	<i>Balance July 1, 2010</i>	<i>Additions</i>	<i>Principal Payments</i>	<i>Balance June 30, 2011</i>
General and special obligation bonds	\$ 62,990,171	\$	\$ 1,165,631	\$ 61,824,540
Capital lease	394,337		49,867	344,470
<i>Totals</i>	<u>\$ 63,384,508</u>	<u>\$ -</u>	<u>\$ 1,215,498</u>	<u>\$ 62,169,010</u>

	<i>Principal</i>				
	<i>Beginning Balance July 1, 2010</i>	<i>Issued</i>	<i>Matured</i>	<i>Paid</i>	<i>Ending Balance June 30, 2011</i>
<i>Issue</i>					
November 1, 1996	\$ 440,000	\$	\$ 50,000	\$ 50,000	\$ 390,000
October 1, 1997	1,065,000		110,000	110,000	955,000
May 1, 2001	6,235,000		175,000	175,000	6,060,000
April 23, 2003	10,184,340		296,439	296,439	9,887,901
June 17, 2010	41,580,000		525,000	525,000	41,055,000
	<u>\$ 59,504,340</u>	<u>\$ -</u>	<u>\$ 1,156,439</u>	<u>\$ 1,156,439</u>	<u>\$ 58,347,901</u>

	<i>Interest</i>			
	<i>Outstanding Issued</i>	<i>Matured</i>	<i>Paid</i>	<i>Outstanding June 30, 2011</i>
<i>Issue</i>				
November 1, 1996	\$	\$ 24,485	\$ 24,485	\$
October 1, 1997		51,220	51,220	
May 1, 2001		313,590	313,590	
October 15, 2001		485,103	485,103	
	<u>\$ -</u>	<u>\$ 874,398</u>	<u>\$ 874,398</u>	<u>\$ -</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

<i>Year</i>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
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
2014-15	316,731	644,811	65,000	10,473
2015-16	316,166	690,376	70,000	6,490
Years Thereafter	8,325,016	7,431,554	75,000	2,213
<i>Totals</i>	<u>\$ 9,887,901</u>	<u>\$ 10,441,379</u>	<u>\$ 390,000</u>	<u>\$ 72,867</u>

<i>Year</i>	<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>		<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
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
2014-15	210,000	276,945	135,000	26,648
2015-16	220,000	266,760	145,000	19,508
Years Thereafter	5,045,000	2,279,305	310,000	16,064
<i>Totals</i>	<u>\$ 6,060,000</u>	<u>\$ 3,710,780</u>	<u>\$ 955,000</u>	<u>\$ 180,940</u>

<i>Year</i>	<i>Future Principal and Interest Requirements June 17, 2010 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2011-12	\$ 665,000	\$ 1,819,025
2012-13	820,000	1,805,725
2013-14	985,000	1,789,325
2014-15	1,090,000	1,769,625
2015-16	1,205,000	1,739,950
Years Thereafter	36,290,000	15,545,900
<i>Totals</i>	<u>\$ 41,055,000</u>	<u>\$ 24,469,550</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### 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.

\$ 344,470

Future maturities of the note payable are as follows:

Year ended June 30, 2012	\$ 51,881
2013	53,977
2014	56,157
2015	58,426
2016	60,786
Years Thereafter	<u>63,243</u>

\$ 344,470

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

#### *Plan Description*

The College 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 College 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, 2011, the College was required by the rules applicable to PERS to contribute 2.49% 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 3.13%. 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 College has elected to contribute the 6% "pick-up" of the employees' contribution in lieu of a 6% pay increase.

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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

#### *Annual Pension Cost*

For fiscal year ended June 30, 2011, the College's annual pension cost for PERS was equal to the College's required and actual contributions, and consisted of \$1,572,290 for the College'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, 2009, valuation is amortized on a level percentage of covered payroll on a closed fixed term method over a 22-year period through December 31, 2031.

<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>
6/30/2009	1,819,567	100%	\$ 10,472,034
6/30/2010	1,455,499	100	10,184,340
6/30/2011	1,572,290	100	9,887,901

AVA: Actuarial Value of Assets

AAL: Actuarial Accrued Liability

UAAL: Unfunded Actuarial Accrued Liability

### NOTE 9 - RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce the risk of incurring material losses related to the above, the College pays annual insurance premiums to a commercial supplier. Limitations on claims are as follows: general liability of \$20,000,000; excess liability of \$20,000,000 and property coverage of \$100,000,000. The College also carries commercial insurance for workers' compensation and employee health and accident insurance. Settled claims from those risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

# **CENTRAL OREGON COMMUNITY COLLEGE**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2011**

### ***NOTE 10 - ORGANIZATION***

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

### ***NOTE 11 - BENEFICIAL INTEREST IN PERPETUAL TRUST***

The College is a beneficiary of an irrevocable trust created by a donor, the assets of which are not in the possession of the College. The College has an irrevocable right to receive the income from the trust's assets in perpetuity. Net interest income is paid annually to the College to be used for educational purposes. Effective the first business day of January 2001, the College shall receive an amount equal to the greater of five percent of the net fair value of the Trust assets or 85 percent of the net income of the Trust. Gains or losses related to the beneficial interests are reported as a net gain (loss) on perpetual trust, in the non-expendable trust fund, based on explicit donor stipulations. The fair value at June 30, 2011 of the beneficial interests was \$1,334,704.

### ***NOTE 12 – COMMITMENTS AND CONTINGENCIES***

#### *Grant Audit*

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

### ***NOTE 13 – COMPONENT UNITS***

The discretely presented component unit is reported in a separate column in the government-wide statements to emphasize that it is legally separate from the primary government. The Central Oregon Community College Foundation is a separate non-profit organization established in 1955 to provide grants, loans, and endowments for the education of the students of Central Oregon Community College. The Foundations primary transaction with the College was \$877,503 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.



# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### NOTE 14 - POST-EMPLOYMENT BENEFITS

#### Stipend Benefits

Plan description - The College maintains a single employer stipend benefit program for its employees. This program covers all full-time PERS eligible employees employed by the College with at least 12 years of service as of June 30, 2002, and retire after attaining age 55 with at least 15 years of continuous service. Benefits are paid until the earlier of the participant's age 65, or until one year after the participant's death (one year after death if the stipend is used as a reimbursement of health premiums). The benefit amount is \$500 per month if the participant has 15 or more years of service on 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 a budgetary Reserve Fund, which is reported on the modified accrual basis of accounting. The College's contributions are recognized when due and payable in accordance with the terms of the plan. Plan investments are a part of the College's investment pool, reported at fair value.

Funding policy – The benefits from this program are fully paid by the College and, consequently, no contributions by employees are required. Although there is no obligation on the part of the College to fund these benefits in advance, the College 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 College's annual pension costs and net pension obligation (NPO) are as follows:

Annual required contribution	\$
Interest	635
Benefits paid	<u>(142,113)</u>
Increase in net pension obligation	(141,478)
NPO (Asset) at beginning of year	<u>(406,043)</u>
NPO (Asset) at end of year	<u>\$ (547,521)</u>

Actuarial methods and assumptions – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2010 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

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### NOTE 14 - POST-EMPLOYMENT BENEFITS (CONTINUED)

#### Stipend Benefits - Continued

Funding status and funding progress – As of July 1, 2010, the plan was 174% funded. The actuarial accrued liability for benefits was \$738,931, and the actuarial value of assets was \$1,286,452, resulting in an unfunded actuarial accrued liability (UAAL) of \$0. The covered payroll (annual payroll of active employees covered by the plan) was \$21,376,678, and the ratio of the UAAL to the covered payroll was \$0.

#### Post Employment Health Insurance Benefits

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

The College's post-retirement healthcare plan is 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 College's implicit employer contribution.

The College did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

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 College to fund these benefits in advance.

Annual pension cost and net pension obligation – The College'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	\$ 232,122
Contributions made	<u>(197,790)</u>
Increase in net pension obligation	34,332
OPEB at beginning of year	<u>286,986</u>
OPEB at end of year	<u>\$ 321,318</u>
Percentage of APC contributed	<u>62%</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2011**

***NOTE 14 - 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, 2010 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, 2010, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,462,260, and the actuarial value of assets was \$0, resulting in a unfunded actuarial accrued liability (UAAL) of \$2,462,260. The covered payroll (annual payroll of active employees covered by the plan) was \$21,376,678, and the ratio of the UAAL to the covered payroll was 11.5%.

**NOTE 15 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 18, 2011, which is the date the financial statements were issued.



**CENTRAL OREGON**  
community college

## **GENERAL FUND**

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

# CENTRAL OREGON COMMUNITY COLLEGE

## COMPARATIVE SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE GENERAL FUND BUDGETARY BASIS

JUNE 30, 2011 AND 2010

	<i>2011</i>	<i>2010</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 1,671,388	\$ 2,808,193
Cash with county treasurers	111,371	155,642
Property taxes receivable	1,036,987	1,044,383
Accounts receivable	5,809,442	4,054,851
Allowance for doubtful accounts	(398,142)	(396,106)
Prepays	3,509	1,979
	<hr/>	<hr/>
<i>Total assets</i>	\$ 8,234,555	\$ 7,668,942
	<hr/>	<hr/>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 1,434,195	\$ 1,423,761
Accrued compensated leave	508,164	472,870
Deferred revenue	840,345	823,053
	<hr/>	<hr/>
<i>Total liabilities</i>	2,782,704	2,719,684
	<hr/>	<hr/>
<b>Fund balance:</b>		
Unreserved - undesignated	5,451,851	4,949,258
	<hr/>	<hr/>
<i>Total fund balance</i>	5,451,851	4,949,258
	<hr/>	<hr/>
<i>Total liabilities</i>		
<i>and fund balance</i>	\$ 8,234,555	\$ 7,668,942
	<hr/>	<hr/>

# CENTRAL OREGON COMMUNITY COLLEGE

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

YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 12,517,000	\$ 12,517,000	\$ 12,460,121	\$ (56,879)
Tuition and fees	16,038,000	16,038,000	16,527,767	489,767
Interest	125,000	125,000	2,782	(122,218)
Other			47,158	47,158
<b>Intergovernmental:</b>				
State	4,236,000	4,236,000	4,495,668	259,668
Federal			16,359	16,359
<b>Transfer from other funds</b>	<u>350,000</u>	<u>350,000</u>		<u>(350,000)</u>
Total revenue	33,266,000	33,266,000	33,549,855	283,855
<b>Beginning fund balance</b>	<u>4,764,000</u>	<u>4,764,000</u>	<u>4,949,258</u>	<u>185,258</u>
Total available for appropriation	<u>\$ 38,030,000</u>	<u>\$ 38,030,000</u>	<u>\$ 38,499,113</u>	<u>\$ 469,113</u>
<b>Expenditures</b>				
<b>Instruction:</b>				
Humanities office	\$ 57,306	\$ 57,306	\$ 50,618	\$ 6,688
Writing-literature	1,521,367	1,570,855	1,429,918	140,937
Foreign languages	333,201	361,739	361,043	696
Philosophy	9,616	13,234	5,720	7,514
Social science	62,493	62,493	58,103	4,390
Addiction studies	92,764	92,764	86,082	6,682
Anthropology	107,597	113,597	121,883	(8,286)
Criminal justice	135,009	135,009	117,368	17,641
Economics	113,825	113,825	111,945	1,880
Education	125,115	125,115	120,494	4,621
Geography	161,138	161,138	78,440	82,698
History	261,713	261,713	254,147	7,566
Human development	187,085	187,085	123,886	63,199
Political science	8,853	8,853	13,459	(4,606)
Psychology	315,376	315,376	297,594	17,782
Sociology	209,108	209,108	228,083	(18,975)
Oregon leadership institute	28,612	28,612	46,470	(17,858)
Speech	455,701	455,701	293,704	161,997
Music	261,726	261,726	272,824	(11,098)
Art	455,450	455,450	467,116	(11,666)
Theater arts	43,834	43,834	43,365	469
Fine arts office	71,395	71,395	66,076	5,319

Continued on page 34

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 33

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<i>Instruction - continued</i>				
Journalism	\$ 8,753	\$ 8,753	\$ 7,261	\$ 1,492
Business administration	565,217	565,217	540,744	24,473
Culinary program	315,407	315,407	278,894	36,513
Grandview office	50,436	50,436	49,350	1,086
Hospitality, tourism & recreation	5,571	5,571	7,610	(2,039)
Office administration	3,234	3,234		3,234
Regional services & R.C. operations	285,302	285,302	251,838	33,464
Regional services & Madras Campus			1,076	(1,076)
Regional services & Prineville Campus			16,624	(16,624)
Manufacturing processes	301,023	301,023	291,330	9,693
Apprenticeship	36,087	36,087	11,368	24,719
Regional credit instruction	327,223	334,223	360,105	(25,882)
Ponderosa office	54,884	54,884	56,054	(1,170)
Forestry technology	384,470	392,470	400,033	(7,563)
Automotive	330,432	330,432	326,818	3,614
Wildland fire management	61,217	61,217	56,828	4,389
Aviation program	177,498	191,498	173,997	17,501
Mathematics	1,445,810	1,445,810	1,478,275	(32,465)
Pioneer Hall office	54,244	54,244	53,850	394
Computer information systems	878,597	884,597	896,182	(11,585)
Geographical information	134,440	134,440	124,920	9,520
Engineering & engineering tech.	13,592	13,592	3,300	10,292
Ochoco office	69,925	69,925	68,488	1,437
Biological science	842,248	858,248	823,288	34,960
Chemistry	286,427	310,427	290,054	20,373
Physics	196,172	196,172	171,260	24,912
Geology	109,191	109,191	106,005	3,186
Health and human performance office	99,745	102,745	102,452	293
Health and human performance	701,447	714,632	716,458	(1,826)
HHP: Health classes	50,340	50,340		50,340
HHP: Recreation	171,078	171,078	183,013	(11,935)
Allied health	41,815	41,815	19,440	22,375
Licensed massage therapy	251,088	251,088	240,925	10,163

Continued on page 35



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

**YEAR ENDED JUNE 30, 2011**

Continued from page 34

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Instruction - continued</i></b>				
Dental assisting	\$ 207,172	\$ 207,172	\$ 199,670	\$ 7,502
Dietary management	20,396	20,396	26,974	(6,578)
Health information technology	231,697	231,697	226,625	5,072
Allied health office	51,463	51,463	49,711	1,752
Pharmacy technician	90,939	90,939	33,441	57,498
Structural fire science	69,957	74,457	77,162	(2,705)
Emergency medical service	370,267	370,267	341,083	29,184
Medical assisting	89,657	89,657	70,005	19,652
Nursing	861,772	867,772	802,829	64,943
Nursing office	49,376	49,376	47,643	1,733
Library skills	64,082	64,082	72,799	(8,717)
Instruction transfers	980,167	980,167	1,280,167	(300,000)
<i>Total instruction</i>	<u>16,358,142</u>	<u>16,547,471</u>	<u>15,984,287</u>	<u>563,184</u>
<b><i>Instructional support:</i></b>				
Office of the Vice President of instruction	807,331	558,002	334,216	223,786
Library	1,007,578	1,007,578	882,576	125,002
Catalog and class schedule	28,618	28,618	32,499	(3,881)
Commencement & convocation	16,781	16,781	30,087	(13,306)
Tutoring and testing	308,995	368,995	381,862	(12,867)
Academic computing support	170,176	170,176	170,395	(219)
Instructional deans	434,350	434,350	360,780	73,570
Instructional support transfers	202,000	202,000	502,000	(300,000)
<i>Total instructional support</i>	<u>2,975,829</u>	<u>2,786,500</u>	<u>2,694,415</u>	<u>92,085</u>
<b><i>Student services:</i></b>				
Admissions	294,211	294,211	265,663	28,548
Counseling center	68,513	68,513	70,170	(1,657)
Student life	256,853	256,853	254,257	2,596
Financial aid	551,191	551,191	514,997	36,194
Career services and job placement	100,224	100,224	98,799	1,425
Student outreach and contact	255,622	255,622	159,551	96,071

Continued on page 36

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 35

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Student services - continued</i></b>				
Registrar	\$ 590,858	\$ 590,858	\$ 486,927	\$ 103,931
Multicultural activities	125,307	125,307	103,163	22,144
Intramurals	125,237	125,237	112,546	12,691
Club sports	89,964	89,964	83,730	6,234
Enrollment cashiering	62,199	62,199	58,626	3,573
Disability services	205,267	205,267	176,492	28,775
Office of the Dean of student & enrollment services	355,766	355,766	289,752	66,014
Advising	495,058	495,058	470,250	24,808
Student service transfers	1,000	1,000	200,685	(199,685)
<i>Total student services</i>	<u>3,577,270</u>	<u>3,577,270</u>	<u>3,345,608</u>	<u>231,662</u>
<b><i>College support services:</i></b>				
Governing board	82,559	82,559	69,078	13,481
President's office	300,706	300,706	308,734	(8,028)
Fiscal services	541,249	541,249	529,192	12,057
Campus safety and security	372,848	404,848	434,408	(29,560)
Human resources	376,088	376,088	375,921	167
Mail services	246,841	246,841	197,515	49,326
College relations	486,221	486,221	471,141	15,080
Chief Financial Officer	362,549	362,549	358,186	4,363
Legal and audit services	78,600	88,600	85,271	3,329
Elections	1,000	1,000	15,679	(14,679)
General institutional support	736,525	694,525	652,012	42,513
Liability and other insurance	54,148	54,148	53,618	530
Institutional research/grant office	195,889	195,889	141,227	54,662
Vice President for Administration	325,989	325,989	326,618	(629)
Organizational development	4,313	4,313	3,110	1,203
College support transfers	201,000	201,000	216,000	(15,000)
<i>Total college support services</i>	<u>4,366,525</u>	<u>4,366,525</u>	<u>4,237,710</u>	<u>128,815</u>

Continued on page 37

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 36

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Plant operations and maintenance:</i></b>				
Custodial services	\$ 923,587	\$ 923,587	\$ 877,879	\$ 45,708
Utilities	696,795	696,795	656,695	40,100
Fire and boiler insurance	98,000	98,000	78,320	19,680
Maintenance of grounds	255,298	255,298	256,039	(741)
Maintenance of buildings	605,138	605,138	584,073	21,065
Plant administration	200,491	200,491	191,789	8,702
Redmond campus infrastructure	274,509	274,509	223,417	51,092
Campus shuttle	68,382	68,382	66,199	2,183
Plant operations transfers	796,390	796,390	934,324	(137,934)
<i>Total plant operations and maintenance</i>	<u>3,918,590</u>	<u>3,918,590</u>	<u>3,868,735</u>	<u>49,855</u>
<b><i>Information technology services:</i></b>				
Information technology services	611,580	634,860	629,985	4,875
Management information systems	626,198	624,847	529,979	94,868
User services	548,527	547,054	518,645	28,409
Enterprise computing services	177,230	181,037	177,818	3,219
Network/Telecom & media services	454,104	428,490	402,455	26,035
Web development		1,351	1,345	6
Information technology transfers	346,395	346,395	446,395	(100,000)
<i>Total information technology services</i>	<u>2,764,034</u>	<u>2,764,034</u>	<u>2,706,622</u>	<u>57,412</u>
<b><i>Financial aid transactions:</i></b>				
Other financial aid	212,954	212,954	209,885	3,069
Operating contingency	800,000	800,000		800,000
<i>Total expenditures</i>	<u>\$ 34,973,344</u>	<u>\$ 34,973,344</u>	<u>\$ 33,047,262</u>	<u>\$ 1,926,082</u>

Continued on page 38

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 37

<b>General Fund Summary</b>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Total revenue</b>	\$ 33,266,000	\$ 33,266,000	\$ 33,549,855	\$ 283,855
<b><i>Beginning fund balance</i></b>	<u>4,764,000</u>	<u>4,764,000</u>	<u>4,949,258</u>	<u>185,258</u>
<i>Total available for appropriations</i>	<u>38,030,000</u>	<u>38,030,000</u>	<u>38,499,113</u>	<u>469,113</u>
<b><i>Expenditures:</i></b>				
Instruction	16,358,142	16,547,471	15,984,287	563,184
Instructional support	2,975,829	2,786,500	2,694,415	92,085
Student services	3,577,270	3,577,270	3,345,608	231,662
College support services	4,366,525	4,366,525	4,237,710	128,815
Plant operations and maintenance	3,918,590	3,918,590	3,868,735	49,855
Information technology service	2,764,034	2,764,034	2,706,622	57,412
Financial aid	212,954	212,954	209,885	3,069
Operating contingency	<u>800,000</u>	<u>800,000</u>		<u>800,000</u>
<i>Total expenditures</i>	<u>34,973,344</u>	<u>34,973,344</u>	<u>33,047,262</u>	<u>1,926,082</u>
<b><i>Unappropriated ending fund balance</i></b>	<u>\$ 3,056,656</u>	<u>\$ 3,056,656</u>	<u>\$ 5,451,851</u>	<u>\$ 2,395,195</u>

## **SPECIAL REVENUE FUNDS**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE  
SPECIAL REVENUE FUNDS  
BUDGETARY BASIS**

**JUNE 30, 2011  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Contracts and Grants</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>ASSETS</b>			
Pooled cash and investments	\$	\$ 10,362,401	\$ 3,160,361
Accounts receivable	251,784	252,980	
Student loans receivable			
<i>Total assets</i>	<u>\$ 251,784</u>	<u>\$ 10,615,381</u>	<u>\$ 3,160,361</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b><i>Liabilities:</i></b>			
Deficit in pooled cash and investments	\$ 70,189	\$	\$
Accounts payable	4,581	162,746	
Deferred revenue		3,982,502	
<i>Total liabilities</i>	<u>74,770</u>	<u>4,145,248</u>	
<b><i>Fund equity:</i></b>			
Fund balance			
Reserved			
Retiree benefits			1,286,452
PERS Reserve			1,873,909
Unreserved - undesignated	177,014	6,470,133	
<i>Total fund balance</i>	<u>177,014</u>	<u>6,470,133</u>	<u>3,160,361</u>
<i>Total liabilities and fund equity</i>	<u>\$ 251,784</u>	<u>\$ 10,615,381</u>	<u>\$ 3,160,361</u>

<i>Financial</i>	<i>Totals</i>	
<i>Aid</i>	<i>2011</i>	<i>2010</i>
\$ 357,885	\$ 13,880,647	\$ 11,574,787
40,828	545,592	710,963
4,980	4,980	5,670
<u>\$ 403,693</u>	<u>\$ 14,431,219</u>	<u>\$ 12,291,420</u>

\$ 103,795	\$ 70,189	\$ 12,747
	271,122	34,107
	3,982,502	3,555,027
<u>103,795</u>	<u>4,323,813</u>	<u>3,601,881</u>

	1,286,452	1,286,452
	1,873,909	2,014,334
299,898	6,947,045	5,388,753
<u>299,898</u>	<u>10,107,406</u>	<u>8,689,539</u>
<u>\$ 403,693</u>	<u>\$ 14,431,219</u>	<u>\$ 12,291,420</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## COMBINING SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE SPECIAL REVENUE FUNDS BUDGETARY BASIS

**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Grants and Contracts</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>Revenue</b>			
<b>Local:</b>			
Charges for services	\$ 50,360	\$ 4,566,578	\$ 1,688
Interest		143,944	
Grants	724,569		
Other	3,687	618,583	
<b>Intergovernmental:</b>			
State	(57,408)		
Federal	619,359		
<b>Total revenue</b>	<u>1,340,567</u>	<u>5,329,105</u>	<u>1,688</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	844,167	3,024,574	
Instructional support	8,355	238,117	
Student services		455,326	
College support services	539,577	953,028	142,113
Financial aid			
Capital outlay	70,684	365,696	
<b>Total expenditures</b>	<u>1,462,783</u>	<u>5,036,741</u>	<u>142,113</u>
Excess of revenue over (under) expenditures	<u>(122,216)</u>	<u>292,364</u>	<u>(140,425)</u>
Other financing sources (uses)			
Transfers in	47,645	1,584,898	
Transfers out	(11,671)	(230,020)	
<b>Total other financing         sources (uses)</b>	<u>35,974</u>	<u>1,354,878</u>	
Excess of revenue and other sources over (under) expenditures and other uses	<u>(86,242)</u>	<u>1,647,242</u>	<u>(140,425)</u>
<b>FUND BALANCE - beginning of year</b>	<u>263,256</u>	<u>4,822,891</u>	<u>3,300,786</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 177,014</u>	<u>\$ 6,470,133</u>	<u>\$ 3,160,361</u>



<i>Financial</i> <i>Aid</i>	<i>Totals</i>	
	<i>2011</i>	<i>2010</i>
\$	\$	\$
25,204	4,616,938	3,032,619
775,987	170,836	111,300
44,718	1,500,556	1,573,826
	666,988	1,102,944
319,461	262,053	3,420,735
16,546,689	17,166,048	12,591,648
17,712,059	24,383,419	21,833,072
	3,868,741	3,613,352
	246,472	211,069
253,889	709,215	539,937
	1,634,718	1,629,951
17,661,878	17,661,878	16,198,834
	436,380	213,579
17,915,767	24,557,404	22,406,722
(203,708)	(173,985)	(573,650)
201,000	1,833,543	2,683,125
	(241,691)	(1,583,795)
201,000	1,591,852	1,099,330
(2,708)	1,417,867	525,680
302,606	8,689,539	8,163,859
\$ 299,898	\$ 10,107,406	\$ 8,689,539



**CENTRAL OREGON**  
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# CENTRAL OREGON COMMUNITY COLLEGE

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

YEAR ENDED JUNE 30, 2011

	<i>Sub-Fund Number</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Ending Balance</i>
ABE Special Projects	31100	\$ 3,087	\$ 305,557	\$ 261,180	\$ 47,464
Carl Perkins	31101		114,488	114,488	
SBA Grant	31105		30,250	30,250	
SBA Grant Match	31108		34,639	34,639	
SBA Portable Assistance Project	31109		1,905	1,905	
ABE - Develop Learning Standards	31112		19,652	19,652	
ABS Pathways	31146		26,331	26,331	
NSF Collaborative Research	31147		19,731	19,731	
Green LMI Implementation	31148		5,000	5,000	
SBA Small Business Jobs Act	31149		1,080	1,080	
First Term-First Year Persistence	31150		15,000	15,000	
Trade Adj. Grant Writing Funds	31151		7,500	7,500	
OEDD	32226		24,804	24,804	
Healthcare Educational Activities	32253	97,730	(94,375)	3,355	
Sisters Microenterprise Grant	32254		6,505	6,505	
Cascade Health Service Support	33332	46,329	32,000	2,250	76,079
Latino Business Advisor	33336	36,200		10,267	25,933
Deer Ridge Correctional Institution	34355		430,685	430,685	
OCF-Crook County School Mentoring	34356	18,362		18,362	
Juan Young Trust Grant	34358	652		652	
OCF - Middle School Program	34359		12,500	4,932	7,568
OCF - Veterinary Technician Program	34360		10,725		10,725
Family Resource Center	34569	60,896	384,235	435,886	9,245
		<u>\$ 263,256</u>	<u>\$ 1,388,212</u>	<u>\$ 1,474,454</u>	<u>\$ 177,014</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## SCHEDULE OF REVENUE BY FUNCTION AND OBJECT GRANTS AND CONTRACTS FUND BUDGETARY BASIS

YEAR ENDED JUNE 30, 2011

	<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	\$ 50,360	\$		\$ 255,197	\$
Carl Perkins				113,153	
SBA Grant				30,250	
SBA Grant Match					
SBA Portable Assistance Project				1,905	
ABE - Develop Learning Standards				19,652	
ABS Pathways				26,331	
NSF Collaborative Research				19,731	
Green LIM Implementation				5,000	
SBA Small Business Jobs Act				1,080	
First Term - First Year Persistence			5,658	9,342	
Trade Adj. Grant Writing Funds				7,500	
OEDD			24,804		
Healthcare Educational Activities			(94,375)		
Sisters Microenterprise Grant			6,505		
Cascade Health Services Support					32,000
Deer Ridge Correctional Institution					430,685
OCG - Middle School Program					12,500
OCF - Veterinary Technician Program					10,725
Family Resource Center				130,218	238,659
	<u>\$ 50,360</u>	<u>\$</u>	<u>(57,408)</u>	<u>\$ 619,359</u>	<u>\$ 724,569</u>

<i>Other</i>	<i>Transfers In</i>	<i>Total</i>
\$	\$	\$
		305,557
	1,335	114,488
		30,250
	34,639	34,639
		1,905
		19,652
		26,331
		19,731
		5,000
		1,080
		15,000
		7,500
		24,804
		(94,375)
		6,505
		32,000
		430,685
		12,500
		10,725
<u>3,687</u>	<u>11,671</u>	<u>384,235</u>
<u>\$ 3,687</u>	<u>\$ 47,645</u>	<u>\$ 1,388,212</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT  
GRANTS AND CONTRACTS FUND  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
ABE Special Projects	\$ 165,069	\$ 82,263	\$ 13,848
Carl Perkins	44,268	3,057	13,068
SBA Grant	24,200	6,050	
SBA Grant Match	27,711	6,928	
SBA Portable Assistance Project	1,764	141	
ABE - Develop Learning Standards	8,649	3,994	7,009
ABS Pathways	17,685	7,040	1,606
NSF Collaborative Research	2,400	712	16,619
Green LMI Implementation	4,100	900	
SBA Small Business Jobs Act	1,000	80	
First Term-First Year Persistence			
Trade Adj. Grant Writing Funds			7,500
OEDD	18,850	5,954	
Healthcare Educational Activities			3,355
Sisters Microenterprise Grant	2,241	485	3,779
Cascade Health Services Support			2,250
Latino Business Advisor	7,910	395	374
Deer Ridge Correctional Institution	243,641	126,486	60,558
OCF - Crook County School Mentoring	8,135	1,802	8,425
Juan Young Trust Grant	95		557
OCF - Middle School Program	2,304	499	2,129
Family Resource Center	191,154	64,466	168,595
	<u>191,154</u>	<u>64,466</u>	<u>168,595</u>
	<u>\$ 771,176</u>	<u>\$ 311,252</u>	<u>\$ 309,672</u>

<i>Capital Outlay</i>	<i>Transfers Out</i>	<i>Total</i>
\$	\$	\$
		261,180
54,095		114,488
		30,250
		34,639
		1,905
		19,652
		26,331
		19,731
		5,000
		1,080
15,000		15,000
		7,500
		24,804
		3,355
		6,505
		2,250
1,588		10,267
		430,685
		18,362
		652
		4,932
	11,671	435,886
<u>\$ 70,683</u>	<u>\$ 11,671</u>	<u>\$ 1,474,454</u>



**CENTRAL OREGON**  
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# CENTRAL OREGON COMMUNITY COLLEGE

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

YEAR ENDED JUNE 30, 2011

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Charges for services	\$ 75,000	\$ 75,000	\$ 50,360	\$ (24,640)
Grants and contracts	1,375,190	1,375,190	724,569	(650,621)
Other	20,000	20,000	3,687	3,687
<b>Intergovernmental:</b>				
State	24,804	24,804	(57,408)	(82,212)
Federal	483,005	483,005	619,359	136,354
Transfers from other funds	33,316	33,316	47,645	14,329
<b>Total revenue</b>	<u>2,011,315</u>	<u>2,011,315</u>	<u>1,388,212</u>	<u>(623,103)</u>
<b>Beginning fund balance</b>	<u>118,740</u>	<u>118,740</u>	<u>263,256</u>	<u>263,256</u>
<b>Total available         for appropriation</b>	<u>2,130,055</u>	<u>2,130,055</u>	<u>1,651,468</u>	<u>(359,847)</u>
<b>Expenditures</b>				
Federal grants	591,321	641,321	531,098	110,223
State grants	119,804	119,804	40,322	79,482
Local grants	32,000	32,000	12,517	19,483
Contracts	1,366,930	1,316,930	890,517	(890,517)
<b>Total expenditures</b>	<u>2,110,055</u>	<u>2,110,055</u>	<u>1,474,454</u>	<u>(681,329)</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 177,014</u>	<u>\$ (1,041,176)</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES,  
AND ENDING BALANCE BY FUNCTION  
AUXILIARY FUND  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<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	\$ 49,437	\$ 22,055	\$ 2,742	\$ 68,750
General testing	61511	16,342	9,740	15,357	10,725
Art cards	61512	1,744	7,381	8,935	190
Auto and					
industrial fees	61513	9,124	22,298	25,110	6,312
Facilities fees	61514	63,217	55,945	47,119	72,043
Club sports	61516	53	37,540	20,374	17,219
College activities	61518	82,261	61,623	3,621	140,263
Classified training	61522	3,367	6,002	5,669	3,700
Performing arts	61525	349	19,276	18,230	1,395
Box office activity	61526	1,991	216	(5,320)	7,527
Special programs -					
administration	61528	175,255	130,850	66,132	239,973
Vehicles	61531	52,420	36,531	71,059	17,892
Physiology lab	61532	24,653	19,235	14,316	29,572
Library books	61534	42,444	21,476	18,602	45,318
PCA wellness	61535	30,397	15,580	1,316	44,661
Outdoor recreation	61537	10,426	2,927	3,835	9,518
Enrollment services	61546	67,649	21,982	59,631	30,000
Accreditation	61547	23,229	5,013	127	28,115
College now	61550	76,802	70,102	5,082	141,822
Media activities	61561	21,341	39,532	35,322	25,551
Tutoring/Testing	61574	52,007	63,807	66,724	49,090
Student honors					
recognition	61581	1,127	3,251	3,072	1,306
Allied health lab fees	61586	10,913	15,300	5,288	20,925
Innovation account	61589	282,496	130,294	56,820	355,970
Mazama lab fees	61592	23,173	88,275	87,133	24,315
Tool room deposits	61596	267	2,771	1,302	1,736
Computer lab printers	61597	50,886	29,487	25,980	54,393
Instructional projects	61598	34,867	35,021	23,428	46,460
Oregon International					
education consortium	61599	14,991	86,023	82,688	18,326

Continued on page 46

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 45

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Student government	61601	\$ 37,405	\$ 327,228	\$ 355,210	\$ 9,423
The Broadside	61602	314	54,327	54,641	
Blue Sky	61603	22,238	53,895	35,140	40,993
Food service reserve	61604	7,954	9,036	3,299	13,691
Cascade culinary club	61605	10,047	2,646	954	11,739
CIS software	61610	3,076	5,765	2,852	5,989
Self-sustaining activities		<u>1,304,262</u>	<u>1,512,430</u>	<u>1,221,790</u>	<u>1,594,902</u>
Summer session	62501	553,719	1,861,350	983,213	1,431,856
International programs	62558	40,752	12,558	14,621	38,689
BDC program	62564	28,943	142,200	83,790	87,353
Business development and training	62575	69,949	20,039	9,337	80,651
ABE General Purpose	62576	69,722	594,826	613,578	50,970
Outreach centers	62577	200,203	105		200,308
Contracted credit classes	63501	73,235	58,870	28,195	103,910
Community & professional education	63502	826,678	1,249,197	1,279,197	796,678
Culinary program revolving account	63546	3,587	10,899	8,327	6,159
Licensed massage therapy	63572	27,575	9,442	8,479	28,538
Aviation program-simulator fees	63579	53,881	170,135	46,723	177,293
Non-general fund instruction		<u>1,948,244</u>	<u>4,129,621</u>	<u>3,075,460</u>	<u>3,002,405</u>
Foundation billing	64515		239,686	239,686	
Partnership collaborations	64573	864,917	547,044	229,348	1,182,613
Cascade hall minor maintenance	64574	(1,623)	2,762	5,989	(4,850)
Revolving activities		<u>863,294</u>	<u>789,492</u>	<u>475,023</u>	<u>1,177,763</u>

Continued on page 47

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 46

	<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	\$ 208,200	\$ 66,108	\$ 70,190	\$ 204,118
Adjunct faculty professional improvement	65523	38,219	6,021	250	43,990
Admin professional development & sabbatical	65526	106,502	10,057	6,354	110,205
Sabbatical - faculty	65527	89,325	125,045	129,662	84,708
Unemployment reserve	65542	63,001	130,780	139,318	54,463
Insurance reserve deductible	65543	92,565	3,331	3,740	92,156
Keyes educational enhancement fund	65562	109,279	141,118	144,974	105,423
Contractual and administrative provisions		707,091	482,460	494,488	695,063
		<u>\$ 4,822,891</u>	<u>\$ 6,914,003</u>	<u>\$ 5,266,761</u>	<u>\$ 6,470,133</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**AUXILIARY FUND**  
**BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<i>Charges For Services</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
Medical leave assistance program	\$	\$ 31	\$ 17,024	\$	\$ 5,000	\$ 22,055
General testing	9,730	10				9,740
Art cards	7,381					7,381
Auto and industrial fees	22,114	4	180			22,298
Facilities fees	51,566	35	4,344			55,945
Club sports	12,220	5	315		25,000	37,540
College activities		58	61,565			61,623
Classified training		2			6,000	6,002
Performing arts	2,821		16,455			19,276
Box office activity	214	2				216
Special programs - administration	9,385	104	121,361			130,850
Vehicles	36,166	18	347			36,531
Physiology lab	19,221	14				19,235
Library books	8,785	23	12,668			21,476
PCA wellness		20	15,560			15,580
Outdoor recreation	2,922	5				2,927
Enrollment services		16			21,966	21,982
Accreditation		13			5,000	5,013
College now	70,045	57				70,102
Media activities	905	12	38,615			39,532
Tutoring/Testing	63,139	26	642			63,807
Student honors recognition		1	2,000		1,250	3,251
Allied health lab fees	15,292	8				15,300
Innovation account		167	70,127		60,000	130,294
Mazama lab fees	88,263	12				88,275
Tool room deposits		1	2,770			2,771
Computer lab printers	225	28	29,234			29,487
Instructional projects		21			35,000	35,021
Oregon International Education consortium	82,439	9	3,575		-	86,023
Student government	323,328	12	3,888			327,228
The Broadside	14,892				39,435	54,327
Blue Sky	53,878	17				53,895
Food service reserve		6	9,030			9,036
Cascade culinary club	2,640	6				2,646

Continued on page 49

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**AUXILIARY FUND (CONTINUED)**  
**BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

Continued from page 48

	<i>Charges For Services</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
CIS Software	\$ 5,763	\$ 2	\$	\$	\$	\$ 5,765
Self-sustaining activities	903,334	745	409,700		198,651	1,512,430
Summer session	1,860,829	521				1,861,350
International programs	12,537	21				12,558
BDC program	142,170	30				142,200
Business development and training		39			20,000	20,039
ABE general purpose	21,693	32			573,101	594,826
Outreach centers		105				105
Contracted credit classes	58,824	46				58,870
Community and professional education	841,707	424			407,066	1,249,197
Culinary program revolving account	10,896	3				10,899
Licensed massage therapy	9,427	15				9,442
Aviation program - simulator fees	170,075	60				170,135
Non-general fund instruction	3,128,158	1,296			1,000,167	4,129,621
Foundation billing	\$ 180,606				59,080	239,686
Partnership collaborations	343,731	475	202,838			547,044
Cascade hall minor maintenance			2,762			2,762
Revolving activities	524,337	475	205,600		59,080	789,492
Faculty professional improvement		108			66,000	66,108
Adjunct Faculty professional improvement		21			6,000	6,021
Admin prof development & sabbatical		57			10,000	10,057
Sabbatical-faculty		45			125,000	125,045
Unemployment reserve	10,749	31			120,000	130,780
Insurance reserve deductible		48	3,283			3,331

Continued on page 50

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**AUXILIARY FUND (CONTINUED)**  
**BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

Continued from page 49

	<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	\$	\$ 141,118	\$	\$	\$	\$ 141,118
Contractual and administrative support	10,749	141,428	3,283		327,000	482,460
	<u>\$ 4,042,241</u>	<u>\$ 143,944</u>	<u>\$ 618,583</u>	<u>\$</u>	<u>\$ 1,584,898</u>	<u>\$ 6,914,003</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUE BY FUNCTION AND OBJECT**  
**AUXILIARY FUND (CONTINUED)**  
**BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<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	\$ 1,776	\$ 966	\$	\$	\$	\$ 2,742
General testing			5,357		10,000	15,357
Art cards			8,935			8,935
Auto and industrial fees			21,362	3,748		25,110
Facilities fees	15,902	10,578	20,639			47,119
Club sports	9,486	1,327	9,561			20,374
College activities	3,000	619	2			3,621
Classified training			5,669			5,669
Performing arts	13,978	1,786	2,466			18,230
Box office activity			(5,320)			(5,320)
Special programs - administration	18,978	11,130	21,484		14,540	66,132
Vehicles			27,366	43,693		71,059
Physiology lab	5,983	1,014	7,319			14,316
Library books			578	18,024		18,602
PCA Wellness			1,316			1,316
Outdoor recreation program	400	87	3,348			3,835
Enrollment services			55,444	4,187		59,631
Accreditation			127			127
College now			3,747		1,335	5,082
Media activities			8,129	27,193		35,322
Tutoring/Testing	32,814	4,126	10,814	18,970		66,724
Student honors recognition	120	25	2,927			3,072
Allied health lab fees	594	129	4,565			5,288
Innovation account	1,000	215	18,517	7,088	30,000	56,820
Mazama lab fees	31,235	5,894	23,830	26,174		87,133
Tool room deposits			1,302			1,302
Computer lab printers			13,360	12,620		25,980
Instructional programs	2,500		13,928	7,000		23,428
Oregon International education consortium	10,471	3,085	69,132			82,688

Continued on page 52



**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 51

	<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	\$ 77,202	\$ 2,416	\$ 198,380	\$ 14,212	\$ 63,000	\$ 355,210
The Broadside	36,548	617	17,476			54,641
Blue Sky			35,140			35,140
Food service reserve			3,299			3,299
Cascade culinary club			954			954
CIS software			2,852			2,852
Self-sustaining activities	<u>261,987</u>	<u>44,014</u>	<u>614,005</u>	<u>182,909</u>	<u>118,875</u>	<u>1,221,790</u>
Summer session	800,165	138,647	37,435		6,966	983,213
International programs	11,036	1,410	2,175			14,621
BDC program	30,344	25,758	27,688			83,790
Business development and training	5,724	1,333	957		1,323	9,337
ABE general purpose	408,970	174,063	30,545			613,578
Contracted credit classes	23,959	3,407	829			28,195
Community and professional education	564,347	233,498	325,608	102,428	53,316	1,279,197
Culinary program revolving account	8,062	37	228			8,327
Licensed massage therapy			7,192	1,287		8,479
Aviation program - simulator fees	<u>32,856</u>	<u>2,804</u>	<u>11,063</u>			<u>46,723</u>
Non-general fund instruction	<u>1,885,463</u>	<u>580,957</u>	<u>443,720</u>	<u>103,715</u>	<u>61,605</u>	<u>3,075,460</u>
Foundation billing	162,435	77,251				239,686
Partnership collaborations	113,461	52,247	63,640			229,348
Cascades hall minor maintenance			5,989			5,989
Revolving activities	<u>275,896</u>	<u>129,498</u>	<u>69,629</u>			<u>475,023</u>

Continued on page 53

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

Continued from page 52

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Faculty professional improvement	\$ 7,535	\$ 1,568	\$ 26,087		\$ 35,000	\$ 70,190
Adjunct faculty professional improvement			250			250
Admin professional development & sabbatical	4,021	1,595	738			6,354
Sabbatical - faculty	95,650	34,012				129,662
Unemployment reserve		139,318				139,318
Insurance reserve deductible			3,740			3,740
Keyes educational enhancement fund			51,362	79,072	14,540	144,974
Contractual and administrative provisions	107,206	176,493	82,177	79,072	49,540	494,488
	<u>\$ 2,530,552</u>	<u>\$ 930,962</u>	<u>\$ 1,209,531</u>	<u>\$ 365,696</u>	<u>\$ 230,020</u>	<u>\$ 5,266,761</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Charges for services	\$ 4,790,358	\$ 4,790,358	\$ 4,566,578	\$ (223,780)
Interest	122,137	122,137	143,944	21,807
Other	466,500	466,500	618,583	152,083
<b>Transfers from other funds</b>	<u>1,498,707</u>	<u>1,498,707</u>	<u>1,584,898</u>	<u>86,191</u>
<b>Total revenue</b>	6,877,702	6,877,702	6,914,003	36,301
<b>Beginning fund balance</b>	<u>3,609,000</u>	<u>3,609,000</u>	<u>4,822,891</u>	<u>1,213,891</u>
<b>Total available             for appropriation</b>	<u>10,486,702</u>	<u>10,486,702</u>	<u>11,736,894</u>	<u>1,250,192</u>
<b>Expenditures</b>				
Self-sustaining activities	1,328,041	1,428,041	1,221,790	206,251
Non-general fund instruction	4,080,819	3,980,819	3,075,460	905,359
Revolving activities	500,246	500,246	475,023	25,223
Reserves	<u>549,201</u>	<u>549,201</u>	<u>494,488</u>	<u>54,713</u>
<b>Total expenditures</b>	<u>6,458,307</u>	<u>6,458,307</u>	<u>5,266,761</u>	<u>1,191,546</u>
<b>Unappropriated ending     fund balance - budget basis</b>	<u>\$ 4,028,395</u>	<u>\$ 4,028,395</u>	<u>\$ 6,470,133</u>	<u>\$ 2,441,738</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ACTUAL AND BUDGET**  
**RESERVE FUND**  
**BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Interest	\$ 39,028	\$ 39,028	\$ 1,688	\$ (37,340)
<b>Transfers from other funds</b>				
Total revenue	39,028	39,028	1,688	(37,340)
<b>Beginning fund balance</b>	<u>2,923,402</u>	<u>2,923,402</u>	<u>3,300,786</u>	<u>377,384</u>
<b>Total available         for appropriation</b>	<u>2,962,430</u>	<u>2,962,430</u>	<u>3,302,474</u>	<u>340,044</u>
<b>Expenditures</b>				
Retiree benefits	175,000	175,000	142,113	32,887
PERS reserve	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total expenditures	<u>425,000</u>	<u>425,000</u>	<u>142,113</u>	<u>282,887</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 2,537,430</u>	<u>\$ 2,537,430</u>	<u>\$ 3,160,361</u>	<u>\$ 622,931</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF BEGINNING BALANCE, REVENUE, EXPENDITURES,  
AND ENDING BALANCE BY FUNCTION  
FINANCIAL AID FUND  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<i>Sub-Fund Number</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Ending Balance</i>
Perkins	71801	\$ 16,034	\$ 270	\$ 607	\$ 15,697
College work study	71802		175,901	175,901	
SEOG	71803		153,240	153,240	
Pell	71804		16,250,056	16,250,056	
Academic competitiveness grant	71806		49,443	49,443	
Veteran's fund	71807	7,259	2,922	2,023	8,158
Federal education loan program	72805		29,965,324	29,965,324	
State need	72807		216,549	216,549	
Private scholarship award	72808		102,912	102,912	
Foundation	73805		901,987	901,987	
COCC financial aid program	73809	168,942	34,579	6,176	197,345
Native American trust	75809	110,371	25,200	56,873	78,698
		<u>\$ 302,606</u>	<u>\$ 47,878,383</u>	<u>\$ 47,881,091</u>	<u>\$ 299,898</u>

CENTRAL OREGON COMMUNITY COLLEGE

SCHEDULE OF REVENUE BY FUNCTION AND OBJECT  
FINANCIAL AID FUND  
BUDGETARY BASIS

YEAR ENDED JUNE 30, 2011

	<u>Interest</u>	<u>Grants</u>	<u>Other</u>
Perkins	\$	\$	\$ 270
College work study			18,045
SEOG			
Pell			23,485
Academic competitiveness grant			
Veteran's fund		4	2,918
Federal education loan program			
State need			
Private scholarship award			
Foundation		775,987	
COCC financial aid program			
Native American trust			
	<u>25,200</u>		
	<u>\$ 25,204</u>	<u>\$ 775,987</u>	<u>\$ 44,718</u>

<i>Intergovernmental</i>		<i>Transfers</i>	
<i>State</i>	<i>Federal</i>	<i>In</i>	<i>Total</i>
\$	\$	\$	\$
	117,435	40,421	175,901
	153,240		153,240
	16,226,571		16,250,056
	49,443		49,443
			2,922
	29,965,324		29,965,324
216,549			216,549
102,912			102,912
		126,000	901,987
		34,579	34,579
			25,200
<u>\$ 319,461</u>	<u>\$ 46,512,013</u>	<u>\$ 201,000</u>	<u>\$ 47,878,383</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF EXPENDITURES BY FUNCTION AND OBJECT  
FINANCIAL AID FUND  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011**

	<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	\$	\$	\$ 607	\$	\$ 607
College work study	157,856	18,045			175,901
SEOG			153,240		153,240
Pell		23,485	16,226,571		16,250,056
Academic compet- itiveness grant			49,443		49,443
Veteran's fund		2,023			2,023
Federal education loan program			29,965,324		29,965,324
State need			216,549		216,549
Private					
scholarship award			102,912		102,912
Foundation			901,987		901,987
COCC financial aid program			6,176		6,176
Native American trust	29,671	22,202	5,000		56,873
	<u>\$ 187,527</u>	<u>\$ 65,755</u>	<u>\$ 47,627,809</u>	<u>\$ -</u>	<u>\$ 47,881,091</u>



**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Interest	\$ 28,025	\$ 28,025	\$ 25,204	\$ (2,821)
Grants	740,000	740,000	775,987	35,987
Other	19,500	19,500	44,718	25,218
<b>Intergovernmental:</b>				
State	3,300,000	3,300,000	319,461	(2,980,539)
Federal	15,307,376	15,307,376	16,546,689	1,239,313
<b>Transfers from other funds</b>	<u>201,000</u>	<u>201,000</u>	<u>201,000</u>	
<b>Total revenue</b>	19,595,901	19,595,901	17,913,059	(1,682,842)
<b>Beginning fund balance</b>	<u>234,000</u>	<u>234,000</u>	<u>302,606</u>	<u>68,606</u>
<b>Total available             for appropriation</b>	<u>19,829,901</u>	<u>19,829,901</u>	<u>18,215,665</u>	<u>(1,614,236)</u>
<b>Expenditures</b>				
Federal programs	15,371,876	16,671,876	16,629,247	42,629
State programs	3,300,000	1,985,000	321,484	1,663,516
Local programs	<u>964,522</u>	<u>979,522</u>	<u>965,036</u>	<u>979,522</u>
<b>Total expenditures</b>	<u>19,636,398</u>	<u>19,636,398</u>	<u>17,915,767</u>	<u>1,720,631</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u><u>\$ 193,503</u></u>	<u><u>\$ 193,503</u></u>	<u><u>\$ 299,898</u></u>	<u><u>\$ 106,395</u></u>

### **DEBT SERVICE FUND**

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

# CENTRAL OREGON COMMUNITY COLLEGE

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

JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 12,079	\$ 90,788
Cash with county treasurers	16,053	7,991
Property tax receivable	<u>128,256</u>	<u>56,113</u>
<i>Total assets</i>	<u>\$ 156,388</u>	<u>\$ 154,892</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Deferred revenue	\$ 97,146	\$ 44,566
<i>Total liabilities</i>	<u>97,146</u>	<u>44,566</u>
 <b><i>Fund equity:</i></b>		
Fund balance		
Unreserved		
Designated for debt service	<u>59,242</u>	<u>110,326</u>
<i>Total liabilities and fund equity</i>	<u>\$ 156,388</u>	<u>\$ 154,892</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 2,453,596	\$ 2,453,596	\$ 2,294,309	\$ (159,287)
Assessment	777,546	777,546	781,009	3,463
Interest	24,552	24,552	1,650	(22,902)
Grants and contracts	489,040	489,040	487,259	(1,781)
<b>Transfers from other funds</b>	<u>303,105</u>	<u>303,105</u>	<u>303,105</u>	<u>                    </u>
<b>Total revenue</b>	4,047,839	4,047,839	3,867,332	(180,507)
<b>Beginning fund balance</b>	<u>112,869</u>	<u>112,869</u>	<u>110,326</u>	<u>(2,543)</u>
<b>Total available             for appropriation</b>	<u>4,160,708</u>	<u>4,160,708</u>	<u>3,977,658</u>	<u>(183,050)</u>
<b>Expenditures</b>				
<b>Debt service:</b>				
SELP loan payments	64,828	64,828	64,823	5
Bond principal	1,226,441	1,214,441	1,156,439	58,002
Interest	2,682,998	2,694,998	2,693,754	1,244
Outside services	<u>4,350</u>	<u>4,350</u>	<u>3,400</u>	<u>950</u>
<b>Total expenditures</b>	<u>3,978,617</u>	<u>3,978,617</u>	<u>3,918,416</u>	<u>58,957</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 182,091</u>	<u>\$ 182,091</u>	<u>\$ 59,242</u>	<u>\$ (124,093)</u>

## **CAPITAL PROJECTS FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

**COMPARATIVE SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE  
CAPITAL PROJECTS FUND  
BUDGETARY BASIS**

**JUNE 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 41,332,258	\$ 52,622,992
Accounts receivable		<u>236,959</u>
 <i>Total assets</i>	 <u><u>\$ 41,332,258</u></u>	 <u><u>\$ 52,859,951</u></u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<i>Liabilities:</i>		
Accounts payable	<u>\$ 2,722,053</u>	<u>\$ 77,336</u>
<i>Fund equity:</i>		
Fund balance		
Undesignated	<u>38,610,205</u>	<u>52,782,615</u>
 <i>Total liabilities             and fund equity</i>	 <u><u>\$ 41,332,258</u></u>	 <u><u>\$ 52,859,951</u></u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local</b>				
Interest	\$ 714,480	\$ 714,480	\$ 354,889	\$ (359,591)
Other income	531,000	531,000	421,011	(109,989)
Donations	2,160,000	2,160,000	2,071,000	(89,000)
State grants	15,950,000	15,950,000	1,718,596	(14,231,404)
Federal grants	3,000,000	3,000,000		(3,000,000)
Transfers from other funds	5,652,000	5,652,000	7,978,441	2,326,441
<b>Total revenue</b>	<b>28,007,480</b>	<b>28,007,480</b>	<b>12,543,937</b>	<b>(15,463,543)</b>
<b>Beginning fund balance</b>	<b>49,485,000</b>	<b>49,485,000</b>	<b>52,782,615</b>	<b>3,297,615</b>
<b>Total available         for appropriation</b>	<b>77,492,480</b>	<b>77,492,480</b>	<b>65,326,552</b>	<b>(12,165,928)</b>
<b>Expenditures</b>				
<b>Capital outlay</b>				
General construction	5,150,000	5,150,000	4,899,991	250,009
Campus center building	352,600	352,600	31,628	320,972
Real estate development	50,000	50,050	50,049	1
Culinary building	6,500,000	6,500,000	4,709,707	1,790,293
Mazama remodel	1,209,000	2,709,000	2,441,760	267,240
2010 GO Bond projects	35,822,000	34,021,950	12,497,670	21,524,280
Repair and replacement	420,091	420,091	154,870	265,221
Life cycle technology replacement	273,801	273,801	251,820	21,981
Higher ed. bldg. repair & maintenance reserve	100,000	100,000		100,000
IT Server/infrastructure	138,584	138,584	80,672	57,912
Redmond campus	514,320	514,320	438,866	75,454
Chandler lab	40,000	40,000	2,767	37,233
State stimulus projects	898,000	1,198,000	1,156,547	41,453
Federal stimulus projects	3,000,000	3,000,000		3,000,000
<b>Total expenditures</b>	<b>54,468,396</b>	<b>54,468,396</b>	<b>26,716,347</b>	<b>27,752,049</b>
<b>Unappropriated ending fund balance - budget basis</b>	<b>\$ 23,024,084</b>	<b>\$ 23,024,084</b>	<b>\$ 38,610,205</b>	<b>\$ 15,586,121</b>

**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

## COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE ALL ENTERPRISE FUNDS BUDGETARY BASIS

**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>ASSETS</b>		
<b><i>Current assets:</i></b>		
Pooled cash and investments	\$ 2,004,544	\$ 867,216
Accounts receivable	209,871	
Inventory	483,393	
<i>Total current assets</i>	<u>2,697,808</u>	<u>867,216</u>
<b><i>Capital assets</i></b>		
Buildings and equipment	1,576,763	591,871
Accumulated depreciation	(684,682)	(525,460)
Net property and equipment	<u>892,081</u>	<u>66,411</u>
<i>Total assets</i>	<u><u>\$ 3,589,889</u></u>	<u><u>\$ 933,627</u></u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 3,401	\$ 2,402
<b><i>Fund equity:</i></b>		
Contributed capital	20,000	160,098
Retained earnings - unreserved	3,566,488	771,127
<i>Total fund equity</i>	<u>3,586,488</u>	<u>931,225</u>
<i>Total liabilities and fund equity</i>	<u><u>\$ 3,589,889</u></u>	<u><u>\$ 933,627</u></u>

<i>Totals</i>	
<u>2011</u>	<u>2010</u>
\$ 2,871,760	\$ 2,282,277
209,871	103,216
<u>483,393</u>	<u>417,788</u>
3,565,024	2,803,281
2,168,634	2,168,634
<u>(1,210,142)</u>	<u>(1,139,312)</u>
958,492	1,029,322
\$ <u>4,523,516</u>	\$ <u>3,832,603</u>
\$ <u>5,803</u>	\$ <u>3,046</u>
180,098	180,098
<u>4,337,615</u>	<u>3,649,459</u>
4,517,713	3,829,557
\$ <u>4,523,516</u>	\$ <u>3,832,603</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**COMBINING STATEMENT OF REVENUE, EXPENSES, AND  
CHANGES IN FUND BALANCE  
ALL ENTERPRISE FUNDS  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2011  
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2010)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>Operating revenue:</b>		
Charges for services	\$ 4,134,265	\$ 671,558
<i>Total operating revenue</i>	<u>4,134,265</u>	<u>671,558</u>
<b>Operating expenses:</b>		
Salaries	288,561	94,460
Payroll assessments	132,908	54,390
Materials and services	2,967,461	398,257
Capital outlay	10,894	897
Depreciation	64,180	6,650
<i>Total operating expenses</i>	<u>3,464,004</u>	<u>554,654</u>
Operating income (loss)	<u>670,261</u>	<u>116,904</u>
<b>Non-operating revenue (expenses):</b>		
Interest income	922	69
Operating transfer out	(100,000)	
<i>Total non-operating revenue (expenses)</i>	<u>(99,078)</u>	<u>69</u>
Net income (loss)	571,183	116,973
<b>Net assets - beginning of year</b>	<u>3,015,305</u>	<u>814,252</u>
<b>Net assets - end of year</b>	<u><u>\$ 3,586,488</u></u>	<u><u>\$ 931,225</u></u>

<i>Totals</i>	
<i>2011</i>	<i>2010</i>
\$ 4,805,823	\$ 4,610,968
4,805,823	4,610,968
383,021	379,597
187,298	184,798
3,365,718	3,182,906
11,791	31,063
70,830	70,830
4,018,658	3,849,194
787,165	761,774
991	3,962
(100,000)	(100,000)
(99,009)	(96,038)
688,156	665,736
3,829,557	3,163,821
\$ 4,517,713	\$ 3,829,557

# CENTRAL OREGON COMMUNITY COLLEGE

## COMBINING SCHEDULE OF CASH FLOWS ALL ENTERPRISE FUNDS BUDGETARY BASIS

**YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2010)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>Cash flows from operating activities:</b>		
Cash received for services	\$ 4,027,610	\$ 671,558
Cash payments for goods and services	(3,043,516)	(396,841)
Cash payments to employees	(421,469)	(148,850)
<i>Net cash flows from operating activities</i>	<u>562,625</u>	<u>125,867</u>
<b>Cash flows from non-capital financing activities</b>	<u>(100,000)</u>	
<b>Cash flows from investing activities:</b>		
Acquisition of buildings and equipment		
Interest earned	922	69
<i>Net cash flows from investing activities</i>	<u>922</u>	<u>69</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	463,547	125,936
<b>Cash and cash equivalents - <i>beginning of year</i></b>	<u>1,540,997</u>	<u>741,280</u>
<b>Cash and cash equivalents - <i>end of year</i></b>	<u><u>\$ 2,004,544</u></u>	<u><u>\$ 867,216</u></u>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 670,261	\$ 116,904
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	64,180	6,650
Decrease (increase) in accounts receivable	(106,655)	
Decrease (increase) in inventory	(65,605)	
Increase (decrease) in accounts payable	444	2,313
<i>Net cash flows from operating activities</i>	<u><u>\$ 562,625</u></u>	<u><u>\$ 125,867</u></u>

<i>Totals</i>			
<u>2011</u>		<u>2010</u>	
\$	4,699,168	\$	4,614,244
	(3,440,357)		(3,310,699)
	<u>(570,319)</u>		<u>(564,395)</u>
	688,492		739,150
	<u>(100,000)</u>		<u>(100,000)</u>
	991		3,962
	<u>991</u>		<u>3,962</u>
	589,483		643,112
	<u>2,282,277</u>		<u>1,639,165</u>
\$	<u>2,871,760</u>	\$	<u>2,282,277</u>
\$	787,165	\$	761,774
	70,830		70,830
	(106,655)		3,276
	(65,605)		(74,707)
	<u>2,757</u>		<u>(22,023)</u>
\$	<u>688,492</u>	\$	<u>739,150</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Sales	\$ 4,685,532	\$ 4,685,532	\$ 4,134,265	\$ (551,267)
Interest	14,000	14,000	922	(13,078)
<i>Total revenue</i>	4,699,532	4,699,532	4,135,187	(564,345)
<b>Beginning available resources</b>	879,000	879,000	2,059,044	1,180,044
<i>Total available     for appropriation</i>	5,578,532	5,578,532	6,194,231	615,699
<b>Expenditures</b>				
Salaries	352,558	352,558	288,561	63,997
Payroll assessments	178,360	178,360	132,908	45,452
Materials and services	3,918,950	3,918,950	2,967,461	951,489
Capital outlay	25,000	25,000	10,894	4,881
Transfer to other funds	100,000	100,000	100,000	
<i>Total expenditures</i>	4,574,868	4,574,868	3,499,824	1,075,044
<b>Ending available resources</b>	<u>\$ 1,003,664</u>	<u>\$ 1,003,664</u>	<u>\$ 2,694,407</u>	<u>\$ 1,690,743</u>

Analysis of ending available resources

Current assets	\$ 2,697,808
Less liabilities	<u>(3,401)</u>
	<u>\$ 2,694,407</u>



# CENTRAL OREGON COMMUNITY COLLEGE

## SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN AVAILABLE RESOURCES – ACTUAL AND BUDGET RESIDENCE HALL FUND BUDGETARY BASIS

YEAR ENDED JUNE 30, 2011

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Room and board	\$ 776,160	\$ 776,160	\$ 671,558	\$ (104,602)
Interest	12,075	12,075	69	(12,006)
<i>Total revenue</i>	788,235	788,235	671,627	(116,608)
<b>Beginning available resources</b>	500,000	500,000	741,191	241,191
<i>Total available     for appropriation</i>	1,288,235	1,288,235	1,412,818	124,583
<b>Expenditures</b>				
Salaries	96,470	96,470	94,460	2,010
Payroll assessments	60,000	60,000	54,390	5,610
Materials and services	400,753	400,753	398,257	2,496
Capital outlay	25,000	25,000	897	24,103
<i>Total expenditures</i>	582,223	582,223	548,004	34,219
<b>Ending available resources</b>	\$ 706,012	\$ 706,012	\$ 864,814	\$ 158,802

### Analysis of ending available resources

Current assets	\$ 867,216
Less liabilities	(2,402)
	<u>\$ 864,814</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**  
**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE**  
**INTERNAL SERVICE FUND**  
**BUDGETARY BASIS**

**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Totals</i>	
	<i>2011</i>	<i>2010</i>
<b>ASSETS</b>		
<i><b>Current assets:</b></i>		
Pooled cash and investments	\$ 484,339	\$ 384,952
Accounts receivable	2,552	
<i>Total current assets</i>	<u>486,891</u>	<u>384,952</u>
<i><b>Capital assets:</b></i>		
Building and equipment	52,841	52,841
Accumulated depreciation	<u>(11,393)</u>	<u>(7,372)</u>
Net property and equipment	<u>41,448</u>	<u>45,469</u>
<i>Total assets</i>	<u><u>\$ 528,339</u></u>	<u><u>\$ 430,421</u></u>
<b>LIABILITIES AND FUND EQUITY</b>		
<i><b>Liabilities:</b></i>		
Accounts payable	\$ 333	\$
<i><b>Fund equity:</b></i>		
Retained earnings - unreserved	<u>528,006</u>	<u>430,421</u>
<i>Total liabilities and fund equity</i>	<u><u>\$ 528,006</u></u>	<u><u>\$ 430,421</u></u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2011  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Centralized Services</i>	<i>Copier Activities</i>	<i>Totals</i>	
			<i>2011</i>	<i>2010</i>
<b>Operating revenue:</b>				
Charges for services	\$ 240,019	\$ 114,227	\$ 354,246	\$ 393,047
<b>Operating expenses:</b>				
Salaries	51,184	19,211	70,395	70,952
Payroll assessments	30,017	14,594	44,611	43,430
Materials and services	65,344	72,459	137,803	120,095
Capital outlay	55		55	
Depreciation	4,021		4,021	4,021
<i>Total operating expenses</i>	150,621	106,264	256,885	238,498
Operating income (loss)	89,398	7,963	97,361	154,549
<b>Non-operating revenue (expenses):</b>				
Interest income	187	37	224	620
<i>Total non-operating revenue (expenses)</i>	187	37	224	620
Net income	\$ 89,585	\$ 8,000	97,585	155,169
<b>Fund equity - beginning of year</b>			430,421	275,252
<b>Fund equity - end of year</b>			\$ 528,006	\$ 430,421

# CENTRAL OREGON COMMUNITY COLLEGE

## SCHEDULE OF CASH FLOWS INTERNAL SERVICE FUND BUDGETARY BASIS

**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Totals</i>	
	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities:</b>		
Cash received from users	\$ 351,694	\$ 393,047
Cash payments for goods and services	(137,525)	(120,533)
Cash payments to employees	(115,006)	(114,382)
	<u>99,163</u>	<u>158,132</u>
<i>Net cash flows from operating activities</i>		
<b>Cash flows from non-capital financing activities</b>		
<b>Cash flows from investing activities</b>		
Acquisition of building and equipment		
Interest earned	<u>224</u>	<u>620</u>
	<u>224</u>	<u>620</u>
<i>Total non-operating revenue (expenses)</i>		
<b>Net increase in cash and cash equivalents</b>	99,387	158,752
<b>Cash and cash equivalents - beginning of year</b>	<u>384,952</u>	<u>226,200</u>
<b>Cash and cash equivalents - end of year</b>	<u>\$ 484,339</u>	<u>\$ 384,952</u>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 97,361	\$ 154,549
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	4,021	4,021
(Increase) decrease in accounts receivable	(2,552)	
Increase (decrease) in accounts payable	<u>333</u>	<u>(438)</u>
<i>Net cash flows from operating activities</i>	<u>\$ 99,163</u>	<u>\$ 158,132</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
User charges	\$ 295,000	\$ 295,000	\$ 240,019	\$ (54,981)
Interest	2,900	2,900	187	(2,108)
<i>Total revenue</i>	297,900	297,900	240,206	(57,694)
<b>Beginning available resources</b>	160,000	160,000	370,268	100,107
<i>Total available     for appropriation</i>	457,900	457,900	610,474	152,574
<b>Expenditures</b>				
Salaries	56,680	56,680	51,184	5,496
Payroll assessments	32,450	32,450	30,017	2,433
Materials and services	148,000	148,000	65,344	82,656
Capital outlay	25,000	25,000	55	25,000
<i>Total expenditures</i>	262,130	262,130	146,600	115,530
<b>Ending working capital</b>	\$ 195,770	\$ 195,770	\$ 463,874	\$ 268,104

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES  
IN AVAILABLE RESOURCES – ACTUAL AND BUDGET  
COPIER ACTIVITIES FUND  
BUDGETARY BASIS**

**JUNE 30, 2011**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
User charges	\$ 128,000	\$ 128,000	\$ 114,227	\$ (13,773)
Interest	990	990	37	(953)
<i>Total revenue</i>	128,990	128,990	114,264	(14,726)
<b>Beginning available resources</b>	56,000	56,000	67,525	11,525
<i>Total available     for appropriation</i>	184,990	184,990	181,789	(3,201)
<b>Expenditures</b>				
Salaries	22,835	22,835	19,211	3,624
Payroll assessments	16,225	16,225	14,594	1,631
Materials and services	86,797	86,797	72,459	14,338
Capital purchases	2,060	2,060		2,060
<i>Total expenditures</i>	127,917	127,917	106,264	21,653
<b>Ending working capital</b>	\$ 57,073	\$ 57,073	\$ 75,525	\$ 18,452



## **PERMANENT FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE**  
**NON-EXPENDABLE TRUST FUND**  
**BUDGETARY BASIS**

**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Totals</i>	
	<i>2011</i>	<i>2010</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 523,536	\$ 526,147
Accounts receivable		
Beneficial interest in perpetual trust	1,334,704	1,254,829
<i>Total assets</i>	<u>\$ 1,858,240</u>	<u>\$ 1,780,976</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 141,100	\$ 133,513
<i>Total liabilities</i>	<u>141,100</u>	<u>133,513</u>
<b><i>Fund equity:</i></b>		
Fund balance		
Reserved for endowments	1,549,733	1,549,733
Unreserved	167,407	97,730
<i>Total fund equity</i>	<u>1,717,140</u>	<u>1,647,463</u>
<i>Total liabilities and fund equity</i>	<u>\$ 1,858,240</u>	<u>\$ 1,780,976</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2011  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2010)**

	<i>Totals</i>	
	<i>2011</i>	<i>2010</i>
<b>Operating expenses:</b>		
Materials and services	\$ 180,340	\$ 96,724
Operating income (loss)	(180,340)	(96,724)
<b>Non-operating revenue:</b>		
Donations		
Interest	1,886	2,538
Net gain (loss) on perpetual trust	248,131	166,185
Non-operating income (loss)	250,017	168,723
Net gain (loss)	69,677	71,999
<b>FUND BALANCE - beginning of year</b>	<b>1,647,463</b>	<b>1,575,464</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 1,717,140</b>	<b>\$ 1,647,463</b>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2011**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Over (Under)</u>
<b>BEGINNING FUND BALANCE</b>	\$ 1,647,463	\$ 395,000	\$ 1,252,463
<b>Revenue</b>			
Interest	1,886	5,925	(4,039)
Net gain on perpetual trust	<u>79,875</u>		<u>79,875</u>
<i>Total revenue</i>	<u>81,761</u>	<u>5,925</u>	<u>75,836</u>
<i>Total available for appropriation</i>	<u>1,729,224</u>	<u>400,925</u>	<u>1,328,299</u>
<b>Expenses</b>			
Scholarships	<u>12,084</u>	<u>17,500</u>	<u>5,416</u>
<b>ENDING FUND BALANCE</b>	<u><u>\$ 1,717,140</u></u>	<u><u>\$ 383,425</u></u>	<u><u>\$ 1,333,715</u></u>

## **OTHER SUPPLEMENTAL INFORMATION**

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF POOLED CASH AND INVESTMENTS**  
**JUNE 30, 2011**

	<i>Cash</i> <i>Balance</i>
Petty cash	\$ 12,890
Demand accounts	1,370,270
Investments:	
Oregon State Treasurer's Investment Pool	36,855,556
U.S. Treasury bills, notes and bonds	<u>22,467,102</u>
	<u>\$ 60,705,818</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF PROPERTY TAX TRANACTIONS BY COUNTY**  
**YEAR ENDED JUNE 30, 2011**

<u>Tax Year</u>	<u>2010-11 Levy and Taxes Receivable July 1, 2010</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2011</u>
<b>Deschutes County</b>					
2010-11	\$ 12,641,327	\$ (72,363)	\$ (283,120)	\$ 11,778,692	\$ 507,152
Prior	857,655	(8,805)	75,206	553,940	370,116
<b>Jefferson County</b>					
2010-11	1,014,348	(1,897)	(23,649)	934,371	54,431
Prior	84,073	(414)	6,674	44,780	45,553
<b>Crook County</b>					
2010-11	1,172,192	(3,129)	(25,508)	1,059,272	84,283
Prior	125,831	(4,280)	(59)	54,860	66,632
<b>Klamath County</b>					
2010-11	218,409	(320)	(5,100)	199,924	13,065
Prior	21,223	(505)	3	7,962	12,759
<b>Lake County</b>					
2010-11	84,500	(111)	(1,899)	76,748	5,742
Prior	11,417	(366)		5,936	5,115
<b>Wasco County</b>					
2010-11	5,446	(6)	(131)	5,062	247
Prior	297			149	148
<b>Totals</b>	<u>\$ 16,236,718</u>	<u>\$ (92,196)</u>	<u>\$ (257,583)</u>	14,721,696	<u>\$ 1,165,243</u>
Tax offsets and other collections				<u>75,655</u>	
<i>Total cash turnover to District</i>				<u>\$ 14,797,351</u>	
		<u>Cash Turnover</u>	<u>Adjustment for Accrual</u>	<u>Taxes Revenue</u>	<u>Taxes Receivable</u>
<b>By Fund</b>					
General Fund		\$ 12,530,666	\$ (70,545)	\$ 12,460,121	\$ 1,036,987
Debt Service Fund		2,266,685	27,624	2,294,309	128,256
District totals		<u>\$ 14,797,351</u>	<u>\$ (42,921)</u>	<u>\$ 14,754,430</u>	<u>\$ 1,165,243</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR**  
**YEAR ENDED JUNE 30, 2011**

<u>Tax Year</u>	<u>2010-11 Levy and Taxes Receivable July 1, 2010</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2011</u>
2010-11	\$ 15,136,222	\$ (77,826)	\$ (339,407)	\$ 14,054,069	\$ 664,920
2009-10	647,593	(9,254)	27,227	376,115	289,451
2008-09	308,910	(2,815)	27,335	173,518	159,912
2007-08	109,027	(880)	20,532	92,353	36,326
2006-07	22,958	(531)	5,451	22,151	5,727
2005-06	4,503	(297)	646	1,980	2,872
2004-05	2,120	(298)	255	758	1,319
Prior	<u>5,385</u>	<u>(295)</u>	<u>378</u>	<u>752</u>	<u>4,716</u>
<i>Totals</i>	<u>\$ 16,236,718</u>	<u>\$ (92,196)</u>	<u>\$ (257,583)</u>	14,721,696	<u>\$ 1,165,243</u>
Tax offsets and other collections				<u>75,655</u>	
Total cash turnover to District				14,797,351	
Adjustment for accrual				<u>(42,921)</u>	
2010-11 tax revenue				<u>\$ 14,754,430</u>	



**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS**

**YEAR ENDED JUNE 30, 2011**

<i>Issue</i>	<i>Principal</i>			<i>Ending Balance June 30, 2011</i>
	<i>Beginning Balance July 1, 2010</i>	<i>Issued</i>	<i>Paid</i>	
November 1, 1996	\$ 440,000	\$	\$ 50,000	\$ 390,000
October 1, 1997	1,065,000		110,000	955,000
May 1, 2001	6,235,000		175,000	6,060,000
April 23, 2003	10,184,340		296,439	9,887,901
June 17, 2010	41,580,000		525,000	41,055,000
	<u>\$ 59,504,340</u>	<u>\$</u>	<u>\$ 1,156,439</u>	<u>\$ 58,347,901</u>

<i>Issue</i>	<i>Interest</i>			<i>Outstanding June 30, 2011</i>
	<i>Outstanding July 1, 2010</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$	\$ 24,485	\$ 24,485	\$
October 1, 1997		51,220	51,220	
May 1, 2001		313,590	313,590	
April 23, 2003		485,103	485,103	
June 17, 2010		1,819,361	1,819,361	
	<u>\$ -</u>	<u>\$ 2,693,759</u>	<u>\$ 2,693,759</u>	<u>\$ -</u>

# CENTRAL OREGON COMMUNITY COLLEGE

## SCHEDULE OF REQUIREMENTS FOR RETIRMENT OF BOND INDEBTEDNESS

**YEAR ENDED JUNE 30, 2011**

<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>
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
2014-15	316,731	644,811	210,000	276,945
2015-16	316,166	690,376	220,000	266,760
Years Thereafter	8,325,016	7,431,554	5,045,000	2,279,305
<i>Totals</i>	<u>\$ 9,887,901</u>	<u>\$ 10,441,379</u>	<u>\$ 6,060,000</u>	<u>\$ 3,710,780</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>
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
2014-15	135,000	26,648	65,000	10,473
2015-16	145,000	19,508	70,000	6,490
Years Thereafter	310,000	16,064	75,000	2,213
<i>Totals</i>	<u>\$ 955,000</u>	<u>\$ 180,940</u>	<u>\$ 390,000</u>	<u>\$ 72,867</u>

<i>Year</i>	<i>Future Principal and Interest Requirements June 17, 2010 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2011-12	\$ 665,000	\$ 1,819,025
2012-13	820,000	1,805,725
2013-14	985,000	1,789,325
2014-15	1,090,000	1,769,625
2015-16	1,205,000	1,739,950
Years Thereafter	36,290,000	15,545,900
<i>Totals</i>	<u>\$ 41,055,000</u>	<u>\$ 24,469,550</u>

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

**CENTRAL OREGON COMMUNITY COLLEGE**  
**INDEPENDENT AUDITORS' REPORT REQUIRED**  
**BY STATE REGULATIONS**

**JUNE 30, 2011**

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

We have audited the basic financial statements of Central Oregon Community College (the College) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 18, 2011. 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.

**Compliance**

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

**CENTRAL OREGON COMMUNITY COLLEGE**  
**INDEPENDENT AUDITORS' REPORT REQUIRED**  
**BY STATE REGULATIONS (CONTINUED)**

**JUNE 30, 2011**

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

**OAR 162-10-0230 Internal Control**

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 18, 2011

## **SINGLE AUDIT ACT REQUIREMENTS**



**CENTRAL OREGON**  
community college

# KERKCOCH KATTER & NELSON, LLP

*Certified Public Accountants*

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

Central Oregon Community College  
Bend, Oregon

We have audited the accompanying basic financial statements and the discretely presented component unit of Central Oregon Community College (the College), as of and for the year ended June 30, 2011, which collectively comprise the College's basic financial statements and have issued our report thereon dated October 18, 2011. 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 the College'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 College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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.



**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)**

*Compliance and Other Matters*

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 18, 2011

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

Central Oregon Community College  
Bend, Oregon

*Compliance*

We have audited the compliance of Central Oregon Community College (the College), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The College'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 the College's management. Our responsibility is to express an opinion on the College'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 the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

*Internal Control Over Compliance*

The management of the College 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  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON 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 the College'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 18, 2011

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2011**

<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 2010-11</i>
<b>Department of Education</b>			
Student financial aid programs			
Supplemental educational opportunity grants	84.007	N/A	\$ 153,240
Perkins grant	84.243	N/A	607
College work study program	84.033	N/A	175,901
Academic competitiveness grant	84.375	N/A	49,443
Pell grant programs	84.063	N/A	<u>16,250,056</u>
<i>Total student financial aid</i>			<u>16,629,247</u>
Adult education - State grant program	84.002	N/A	280,835
Career and technical Education	84.048	N/A	<u>150,261</u>
<i>Total department of education</i>			<u>431,096</u>
<b>National Science Foundation</b>			
Passed through Washington State University			
Education and human resources	47.076	N/A	<u>19,731</u>
<i>Total national science foundation</i>			<u>19,731</u>
<b>Other programs</b>			
Title VIII	ARRA17.275	N/A	5,000
Workforce Investment Act Dislocated Worker	17.278	N/A	7,500
Cooperative Agreements	ARRA10.688	N/A	1,246
Small business development center - SBA Grant	59.037	N/A	<u>67,874</u>
<i>Total other programs</i>			<u>81,620</u>
<i>Total federal financial assistance</i>			<u><u>\$ 17,161,694</u></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 \$29,965,324 were administered during the year ended June 30, 2011.

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONS COSTS**  
**YEAR ENDED JUNE 30, 2011**

*Summary of Auditors' Results*

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the College.
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 College 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 College expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the College are reported in this Schedule.
7. The programs tested as major programs were the U.S. Department of Education, Student Financial Aid programs, CFDA #84.007, #84.243, #84.033 and #84.063.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The College was determined to be a low-risk auditee.
10. There were no findings or questioned costs in the year ended June 30, 2010 Single Audit.

*Findings - Financial Statements Audit*

None

*Findings and Questioned Costs - Major Federal Programs Audit*

None



**CENTRAL OREGON**  
community college