

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

**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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

**DISTRICT OFFICIALS**

**JUNE 30, 2008**

*CHAIRPERSON*

John Overbay  
Zone 7

*BOARD MEMBERS*

Don Reeder  
Zone 1

Ron Foerster  
Zone 4

Joyce L. Garrett  
Zone 2

Connie Lee  
Zone 5

J. Anthony Dorsch  
Zone 4

Charley Miller  
Zone 6

*PRESIDENT*

James E. Middleton

*VICE PRESIDENT AND CHIEF FINANCIAL OFFICER*

James R. Jones

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

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**BEND, OREGON**

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

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Central Oregon Community College

# KERKCOCH KATTER & NELSON, LLP

*Certified Public Accountants*

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

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## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Oregon Community College District, (the College), Bend, Oregon, as of and for the year ended June 30, 2008, which collectively comprise the College's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the College, as of June 30, 2008, 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 17, 2008, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental information as listed on pages 43-92 is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. This supplemental information and the schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 17, 2008



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(UNAUDITED)

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

This section of Central Oregon Community College's annual financial report presents management's discussion and analysis (MD&A) of the College's financial performance during the two fiscal years ended June 30, 2008 and 2007. The purpose of the MD&A is to assist readers in understanding the accompanying financial statements by providing an objective and understandable analysis of the College's financial activity based on currently known facts, decisions, and conditions. Management prepares this discussion, and is responsible for the completeness and fairness of the information. This discussion should be read in conjunction with the financial statements and related footnote disclosures.

## **Using the Financial Statements**

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

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

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

- Governmental activities — Most of the College's basic activities are accounted for and reported here, including the general fund, auxiliary fund, grants and contracts, financial aid, construction and renovation, non-expendable trust activity, and debt service. Property taxes, state and federal appropriations, tuition, and fees financed most of these activities.
- Business-type activities — The College receives rents and sales revenues to cover the costs of these activities. The two largest functions reflected in this area are the Residence Hall and Bookstore operations.
- Component units - These statements include one separate legal entity—the Central Oregon Community College Foundation. Although legally separate, this component unit is included in these statements because of the integral nature of the Foundation's mission and the College's mission.

## **Using the Financial Statements - Continued**

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

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

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

## **Financial Highlights**

The Colleges' financial position at June 30, 2008 shows assets of \$72,482,258, liabilities of \$23,065,151 and net assets of \$49,417,107, which is an increase of \$5,132,838 from the prior year. The increase is due to a number of factors as noted below.

A senate bill passed in 2003 delayed the final quarterly payment to community colleges for the last year of each biennium. The College received the final payment of \$951,958 for 2006-07 in July of 2007 resulting in five payments for the current fiscal year. The State also increased the overall amount of appropriation to community colleges for the current biennium resulting in an increase in 2007-08 state aid revenue of \$963,730.

Enrollment increased by 14.8 percent over the prior year resulting in additional tuition and fee revenues of \$1,295,294. Continued growth in the district resulted in an increase of \$797,484 in property tax collections.

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

The Statement of Net Assets includes all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are one indicator of whether the Colleges' financial health is improving or deteriorating. The following table summarizes the net assets of the College's governmental and business type activities.

### **Summary of Net Assets**

(000's)

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-07</u>
<b><u>Assets</u></b>			
Current and other assets	\$ 43,544	\$ 39,778	\$ 3,766
Capital Assets	<u>28,938</u>	<u>29,664</u>	<u>(726)</u>
Total Assets	<u>72,482</u>	<u>69,442</u>	<u>3,040</u>
<b><u>Liabilities</u></b>			
Other liabilities	4,091	3,838	253
Long-term debt outstanding	<u>18,974</u>	<u>21,320</u>	<u>(2,346)</u>
Total Liabilities	<u>23,065</u>	<u>25,158</u>	<u>(2,093)</u>
<b><u>Net Assets</u></b>			
Investment in capital assets,			
Net of debt	18,369	17,171	1,198
Restricted	15,275	13,307	1,968
Unrestricted	<u>15,773</u>	<u>13,806</u>	<u>1,967</u>
Total Net Assets	<u>\$ 49,417</u>	<u>\$ 44,284</u>	<u>\$ 5,133</u>

Current and other assets consist of cash, accounts receivable, inventory, and net pension assets. Current and other assets have increased \$3.8 million dollars between 2007 and 2008, primarily in cash and cash equivalents. Other liabilities consist primarily of accounts payable and unearned tuition revenue. The long-term debt consists primarily of certificates of participation and pension obligation bonds. Long-term debt decreased by \$2.3 million reflecting payment of obligations as they came due.

Net assets are the difference between total assets and total liabilities. The College reports investments in capital assets (i.e. land, buildings, and equipment) at historical cost less any debt used to acquire those assets. The College has an \$18 million investment in capital assets or 37 percent of total net assets. Approximately 31 percent of the remaining net asset balance is restricted primarily for construction, leaving 32 percent unrestricted.

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

The Statement of Activities presents revenues earned and expenses incurred during the year, with the difference either adding to or reducing the Colleges' assets. GASB standards require the College to categorize revenues as either operating or non-operating. Operating revenues include tuition, grants and contracts, and sales and services of various self-supporting operations. Although property taxes and State appropriations are budgeted as an operating source, under GASB standards these funding sources are considered non-operating revenue along with financial aid. The statement of activities reflects all current year revenues and expenses regardless of when cash is received or paid. The following table is a summary of the Colleges' revenues and expenses comparing 2008 and 2007.

<b>Program Revenues and Expenses</b>			
(000's)			
	2008	2007	Increase (Decrease) 2008-07
<b>Program Revenues</b>			
Governmental Activities	\$ 13,246	\$ 11,216	\$ 2,030
Business-type Activities	2,745	2,273	472
Total Revenues	15,991	13,489	2,502
<b>Program Expenses</b>			
Governmental Activities	35,880	31,451	4,429
Business-type Activities	2,480	2,181	299
Total Expenses	38,360	33,632	4,728
Primary Government profit/(loss)	\$ (22,369)	\$ (20,143)	(2,226)
<b>General Revenues</b>	27,502	23,527	3,975
Change in Net Assets	\$ 5,133	\$ 3,384	\$ 1,749

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

The following table compares program revenues and general revenues by major source for 2008 and 2007.

<b>Sources of Revenue</b>			
	2008	2007	Increase (Decrease) 2008-07
<b>Program Revenues</b>			
Tuition and Fees	\$ 8,350,239	\$ 7,054,945	\$ 1,295,294
Sales, Services, Other	3,360,677	2,980,313	380,364
Operating Gifts, Grants, Contracts	1,534,484	1,180,650	353,834
Business Type Activities	2,745,174	2,273,372	471,802
Total Program Revenues	<u>15,990,574</u>	<u>13,489,280</u>	<u>2,501,294</u>
<b>General Revenues</b>			
Property Taxes	12,998,138	12,200,654	797,484
State Appropriation	8,476,488	5,281,104	3,195,384
Federal Appropriations	3,735,715	3,315,713	420,002
Miscellaneous	926,234	1,219,377	(293,143)
Interest	1,365,805	1,510,327	(144,522)
Total General Revenues	<u>27,502,380</u>	<u>23,527,175</u>	<u>3,975,205</u>
Total Program and General Revenues	<u>\$ 43,492,954</u>	<u>\$ 37,016,455</u>	<u>\$ 6,476,499</u>

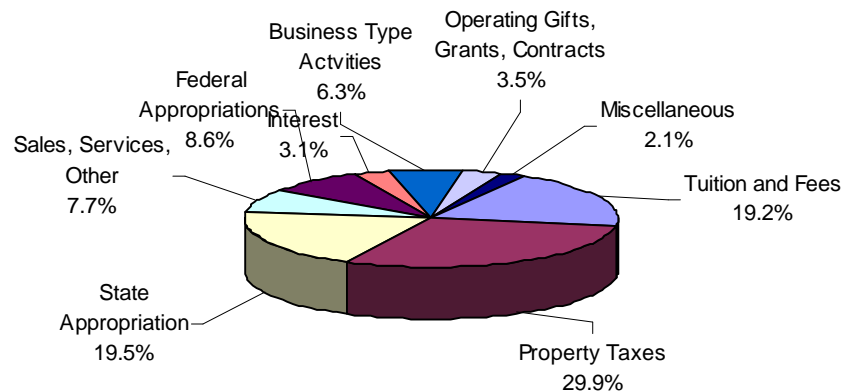
Program revenues are higher than the prior fiscal year by \$2.5 million. The College experienced an enrollment increase of 14.8 percent over the prior year that translated into an increase in tuition and fees of \$1.3 million. The increase also benefited the Bookstore operations, a business type activity, which realized a \$405,629 increase in revenues.

General revenues are higher than the prior fiscal year by \$4 million. Central Oregon continued to experience growth in new construction resulting in an increase in property tax collections of \$797,484. Total State Appropriations are up \$3.3 million due to two factors. The State of Oregon Legislature's decision to defer the final State support payment at the end of each biennium resulted in the receipt of five payments in 2007-08 and only three payments in 2006-07. State appropriation revenues are lower by \$951,958 in 2007 due to deferral of the payment while 2008 revenues are higher by \$1.9 million due to inclusion of the deferred payment from 2007. The balance of the increase, \$963,730 is a result of the overall increase in the appropriation to community colleges for the biennium.

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

The following graph illustrates the allocation of both operating and non-operating revenue sources for the College for the 2007-08 fiscal year. Property taxes are now 29.9 percent of College revenues compared to 33 percent last year. State appropriations have increased to 20.6 percent compared to 15.3 percent last year. All other categories remained relatively flat as a percentage of total revenues.

**Total Revenue Sources 2007-08**



## **Program Expenses**

### **Summary of Expenses by Function**

	2008	2007	Increase (Decrease) 2008-07
<b>Governmental activities</b>			
Instruction	\$ 13,510,160	\$ 12,820,435	\$ 689,725
Instructional support	1,914,009	1,854,328	59,681
Student services	6,426,183	4,743,938	1,682,245
College support services	5,584,744	5,308,262	276,482
Plant operations and maintenance	4,648,384	2,988,845	1,659,539
Information technology	1,582,619	1,513,399	69,220
Depreciation	1,210,993	1,158,488	52,505
Interest expense	1,002,670	1,062,790	(60,120)
Subtotal	<u>35,879,762</u>	<u>31,450,485</u>	<u>4,429,277</u>
<b>Business-type activities</b>			
College bookstore	2,193,907	1,935,395	258,512
Dorm operations	286,447	246,066	40,381
	<u>2,480,354</u>	<u>2,181,461</u>	<u>298,893</u>
 Total Primary Government	 <u>\$ 38,360,116</u>	 <u>\$ 33,631,946</u>	 <u>\$ 4,728,170</u>

Program expenses increased \$4.7 million between 2007 and 2008. Inflationary increases in benefits and contractual salary increases account for \$1.4 million of the change. Student Services expenses are higher due in part to a \$1.1 million increase in student financial aid. The College started construction of the new campus center building, spending \$1.5 million that is reflected as an increase in Plant Operations and Maintenance.

### **General Fund Budgetary Highlights**

Total general fund revenues are \$684,357 over budget for the fiscal year primarily due to increased enrollment. General fund expenses are under budget by approximately \$861,645 due to salary and benefit savings from unfilled positions. During the year, the College chose to transfer an additional \$200,000 to the Construction fund and \$121,000 to the Technology Fund for the purchase of software. The transfer of these funds caused general fund transfers to exceed their original budget.



## **Capital Assets**

The College records all assets at historical cost with associated accumulated depreciation. The College added \$432,321 of new equipment and building improvements during the fiscal year. The schedule below identifies the following capitalization categories for the College.

### **Summary of Capital Assets**

	<u>2008</u>	<u>2007</u>
<b>Governmental Activities</b>		
Site and site improvements	\$ 5,560,405	\$ 5,560,405
Buildings	33,041,523	32,795,706
Equipment	2,200,104	2,022,600
Library Books	1,733,713	1,649,679
Works of Art	<u>222,995</u>	<u>222,995</u>
	42,758,740	42,251,385
Accumulated depreciation	<u>(14,651,764)</u>	<u>(13,457,836)</u>
Net Assets	<u>\$ 28,106,976</u>	<u>\$ 28,793,549</u>
<b>Business Type Activities</b>		
Buildings	\$ 1,698,010	\$ 1,698,010
Equipment	<u>140,989</u>	<u>140,989</u>
	1,838,999	1,838,999
Accumulated depreciation	<u>(1,008,065)</u>	<u>(968,825)</u>
Net Assets	<u>\$ 830,934</u>	<u>\$ 870,174</u>

## **Debt Administration**

As of June 30, 2008, the College has \$21,319,590 in outstanding debt. The following table summarizes these amounts by type of debt instrument.

### **Outstanding Debt as of June 30, 2008**

General Obligation Bonds	\$ 1,715,000
Full Faith & Credit Bonds	8,365,000
Pension Obligation Bonds	10,751,254
Capital Lease	<u>488,336</u>
	<u>\$ 21,319,590</u>

## **Economic Factors That Will Affect the Future**

The financial position of the College continues to be impacted by three main factors. The first factor is the overall economic health of the State and its impact on the State's revenue and budget. The State's community college support fund appropriation for the seventeen community colleges represents approximately three percent of the State's total general fund budget. The second factor is the economic vitality and health of the College District as this directly impacts new construction levels and ensuing property tax revenue. Finally, student enrollment and the resulting tuition and fee revenue is the third factor in evaluating the overall economic and financial health of the College.

Currently, the State of Oregon is moving from a weak economic picture to one of even greater uncertainty. The downturn in the housing sector, combined with the effects of the subprime mortgage market, rising energy costs, and increase in unemployment have created major economic concerns. Governor Kulongoski has proposed a three percent decrease in community college funding for his 2009-11 biennium budget. An item that will exacerbate the decrease in State funding for Central Oregon Community College is the distribution formula for State appropriations. A primary attribute of this formula is an equalization component of "Total Public Resources" per full time equivalent (FTE) student for all community colleges. The six-year implementation period to reach total equalization will continue to decrease State funding to Central Oregon Community College as it continues to experience above average imposed property taxes rates when compared to the rest of the State. The variability of FTE growth, local property tax growth, and State appropriation for community colleges continues to affect the amount and distribution of State funding to Central Oregon Community College.

The financial health and economic growth of the Central Oregon region continues to have a significant impact on the revenues of Central Oregon Community College. The College District continues to see imposed property tax growth, however at rates well below the recent past. This decline is occurring throughout all six counties within the District. (Property tax collection rates must also be closely monitored). This pattern of low to modest growth is expected to continue for the foreseeable future.

One of the items that is hardest to predict is student enrollment and the resulting tuition revenue. Tuition revenue is approximately 33 percent of general fund revenues. Through the next biennium, tuition is projected to grow as a primary source of general fund revenue, offsetting decreasing State funding. The College has seen a significant increase in enrollment with a resulting positive impact on tuition and fee revenue. The College has not increased the cost of tuition for three consecutive years, which likely has been a contributing factor to this enrollment growth.

## **Contacting the College's Financial Management**

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

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

**STATEMENT OF NET ASSETS**

**JUNE 30, 2008**

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
<b>ASSETS</b>				
Pooled cash and investments	\$ 27,588,346	\$ 1,403,507	\$ 28,991,853	\$ 12,030,004
Cash with county treasurers	128,558		128,558	
Property taxes receivable	788,462		788,462	
Accounts receivable	1,256,204	154,635	1,410,839	1,273,108
Allowance for uncollectible accounts	(382,251)		(382,251)	
Prepays and advances	68,529		68,529	
Student loans receivable	6,799		6,799	
Inventory	1,184	259,376	260,560	
Beneficial interest in perpetual trust	1,519,745		1,519,745	
Pension prepayment	10,751,254		10,751,254	922,105
Fixed assets				
Land and improvements	5,560,405		5,560,405	14,939
Buildings	33,041,523	1,838,999	34,880,522	
Equipment	4,156,812		4,156,812	51,422
Accumulated depreciation	(14,651,764)	(1,008,065)	(15,659,829)	(43,019)
<i>Total assets</i>	<u>\$ 69,833,806</u>	<u>\$ 2,648,452</u>	<u>\$ 72,482,258</u>	<u>\$ 14,248,559</u>
<b>LIABILITIES</b>				
Deficit in pooled cash and investments	\$ 51,490	\$	\$ 51,490	\$
Accounts payable	1,186,046	10,963	1,197,009	407,537
Interest payable	36,340		36,340	
Accrued expenses	390,668		390,668	
Unearned revenue	70,054		70,054	
Noncurrent liabilities				
Due within one year				
Notes & capital lease payable	46,069		46,069	
Bonds payable	2,299,220		2,299,220	
Due in more than one year				
Notes & capital lease payable	442,267		442,267	
Bonds payable	18,532,034		18,532,034	
<i>Total liabilities</i>	<u>23,054,188</u>	<u>10,963</u>	<u>23,065,151</u>	<u>407,537</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	17,538,640	830,934	18,369,574	23,342
Restricted for:				
Capital projects	13,117,876		13,117,876	
Permanent non-expendable endowment	1,890,070		1,890,070	3,503,147
Donor intent				8,688,734
Debt service	267,023		267,023	
Unrestricted	13,966,009	1,806,555	15,772,564	1,625,799
<i>Total net assets</i>	<u>\$ 46,779,618</u>	<u>\$ 2,637,489</u>	<u>\$ 49,417,107</u>	<u>\$ 13,841,022</u>

The accompanying notes are an integral part  
of these financial statements

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

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2008**

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges for Services</i>		<i>Operating Gifts, Grants, and Contracts</i>
		<i>Tuition and Fees</i>	<i>Sales Services, and Other Revenues</i>	
<b>PRIMARY INSTITUTION</b>				
<b>Governmental activities:</b>				
Instruction (net of scholarship allowances of \$1,018,330)	\$ 13,510,160	\$8,350,239	\$ 3,360,677	\$ 1,534,484
Instructional support	1,914,009			
Student services	6,426,183			
College support services	5,584,744			
Plant operations and maintenance	4,648,384			
Information technology services	1,582,619			
Depreciation	1,210,993			
Interest	1,002,670			
<i>Total governmental activities</i>	<u>35,879,762</u>	<u>8,350,239</u>	<u>3,360,677</u>	<u>1,534,484</u>
<b>Business-type activities:</b>				
College bookstore	2,193,907		2,378,124	
Residence Hall	286,447		367,050	
<i>Total business-type activities</i>	<u>2,480,354</u>		<u>2,745,174</u>	
<b>Total primary government</b>	<u>\$ 38,360,116</u>	<u>\$ 8,350,239</u>	<u>\$ 6,105,851</u>	<u>\$ 1,534,484</u>
<b>Component unit:</b>				
Foundation	<u>\$ 1,649,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,935,620</u>

**General revenues:**

Property taxes  
State appropriations  
Federal appropriations  
Interest  
Miscellaneous  
Investment earnings

*Total general revenues and transfers*

**CHANGE IN NET ASSETS**

**NET ASSETS - beginning**

**NET ASSETS - ending**

<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Component Unit</i>
\$ (264,760)	\$	\$ (264,760)	\$
(1,914,009)		(1,914,009)	
(6,426,183)		(6,426,183)	
(5,584,744)		(5,584,744)	
(4,648,384)		(4,648,384)	
(1,582,619)		(1,582,619)	
(1,210,993)		(1,210,993)	
(1,002,670)		(1,002,670)	
<u>(22,634,362)</u>		<u>(22,634,362)</u>	
	184,217	184,217	
	80,603	80,603	
	<u>264,820</u>	<u>264,820</u>	
<u>(22,634,362)</u>	<u>264,820</u>	<u>(22,369,542)</u>	
			1,286,470
12,998,138		12,998,138	
8,476,488		8,476,488	
3,735,715		3,735,715	
1,312,790	53,015	1,365,805	
1,098,746		1,098,746	(23,153)
(172,512)		(172,512)	(174,111)
<u>27,449,365</u>	<u>53,015</u>	<u>27,502,380</u>	<u>(197,264)</u>
4,815,003	317,835	5,132,838	1,089,206
<u>41,964,615</u>	<u>2,319,654</u>	<u>44,284,269</u>	<u>12,751,816</u>
<u>\$ 46,779,618</u>	<u>\$ 2,637,489</u>	<u>\$ 49,417,107</u>	<u>\$ 13,841,022</u>

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College



## **FUND FINANCIAL STATEMENTS**

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

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

**JUNE 30, 2008**

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>	<i>Reserve Fund</i>
<b>Assets</b>				
Pooled cash and investments	\$ 5,671,081	\$	\$ 4,682,217	\$ 3,031,082
Cash with county treasurers	111,776			
Property taxes receivable	686,562			
Accounts receivable	982,577	87,412	107,022	
Allowance for doubtful accounts	(382,251)			
Student loans receivable				
Inventory		1,184		
Prepays	68,529			
Beneficial interest in perpetual trust				
<i>Total assets</i>	<u>\$ 7,138,274</u>	<u>\$ 88,596</u>	<u>\$ 4,789,239</u>	<u>\$ 3,031,082</u>
<b>Liabilities</b>				
Deficit in pooled cash and investments	\$	\$ 51,490	\$	\$
Accounts payable	1,033,059	4,705	21,420	
Accrued expenses	390,668			
Deferred revenue	526,662		7,882	
<i>Total liabilities</i>	<u>1,950,389</u>	<u>56,195</u>	<u>29,302</u>	
<b>Fund Balance</b>				
Reserved for:				
Debt service fund				
Retiree benefits				1,547,047
PERS reserve				1,484,035
Permanent endowments				
Unreserved, reported in:				
General fund	5,187,885			
Special revenue fund		32,401	4,759,937	
Capital projects fund				
<i>Total fund balance</i>	<u>5,187,885</u>	<u>32,401</u>	<u>4,759,937</u>	<u>3,031,082</u>
<i>Total liabilities and fund balance</i>	<u>\$ 7,138,274</u>	<u>\$ 88,596</u>	<u>\$ 4,789,239</u>	<u>\$ 3,031,082</u>

<i>Financial Aid Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
\$ 230,407	\$ 148,341	\$ 13,162,266	\$ 446,206	\$ 27,371,600
	16,782			128,558
	101,900			788,462
79,193				1,256,204
				(382,251)
6,799				6,799
				1,184
				68,529
			1,519,745	1,519,745
<u>\$ 316,399</u>	<u>\$ 267,023</u>	<u>\$ 13,162,266</u>	<u>\$ 1,965,951</u>	<u>\$ 30,758,830</u>
\$ 29,040	\$	\$ 44,390	\$ 51,117	\$ 51,490
				1,183,731
				390,668
47,446	75,427			657,417
<u>76,486</u>	<u>75,427</u>	<u>44,390</u>	<u>51,117</u>	<u>2,283,306</u>
	191,596			191,596
				1,547,047
				1,484,035
			1,890,070	1,890,070
				5,187,885
239,913			24,764	5,057,015
		13,117,876		13,117,876
<u>239,913</u>	<u>191,596</u>	<u>13,117,876</u>	<u>1,914,834</u>	<u>28,475,524</u>
<u>\$ 316,399</u>	<u>\$ 267,023</u>	<u>\$ 13,162,266</u>	<u>\$ 1,965,951</u>	<u>\$ 30,758,830</u>

The accompanying notes are an integral part  
of these financial statements

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

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

**JUNE 30, 2008**

Total Fund Balance	\$ 28,475,524
Capital assets are not financial resources and therefore are not reported in governmental funds.	28,106,976
A portion of the College's revenues are collected after year-end but are not available soon enough to pay for the current years operation, and therefore, are not reported as revenue in the governmental funds.	587,363
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.	214,431
The net pension asset established to pay of a portion of unfunded Oregon public employee retirement service UAL liability are not reported in the governmental funds assets.	10,751,254
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	
Interest payable	(36,340)
Long-term debt	<u>(21,319,590)</u>
<i>Net assets of governmental activities</i>	<u><u>\$ 46,779,618</u></u>

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>General Fund</i>	<i>Grants and Contracts</i>	<i>Auxiliary Activities Fund</i>
<b>Revenues</b>			
Property taxes	\$ 11,086,770	\$	\$
Charges for services	8,962,311	50,134	2,138,915
Interest	197,232		292,772
Investment earnings			
Grants & contracts		28,932	
State	6,165,320	73,333	482,745
Federal		530,985	
Other revenues	10,013	40,045	954,515
<i>Total revenues</i>	<u>26,421,646</u>	<u>723,429</u>	<u>3,868,947</u>
<b>Expenditures</b>			
Current			
Instruction	10,830,306	601,375	2,078,479
Instructional support	1,713,514		200,495
Student services	2,245,750		255,895
College support services	3,319,361	93,683	1,491,614
Plant operations and maintenance	2,403,292		
Information technology services	1,582,619		
Financial aid			
Capital outlay		28,043	88,397
Debt service			
Principal			
Interest and other charges			
<i>Total expenditures</i>	<u>22,094,842</u>	<u>723,101</u>	<u>4,114,880</u>
Excess of revenues over (under) expenditures	4,326,804	328	(245,933)
<b>Other financing sources (uses)</b>			
Transfers in	250,000	15,125	1,585,529
Transfers out	(2,951,820)		(2,220,074)
<i>Total other financing sources (uses)</i>	<u>(2,701,820)</u>	<u>15,125</u>	<u>(634,545)</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,624,984	15,453	(880,478)
<b>FUND BALANCES - beginning</b>	<u>3,562,901</u>	<u>16,948</u>	<u>5,640,415</u>
<b>FUND BALANCES - ending</b>	<u>\$ 5,187,885</u>	<u>\$ 32,401</u>	<u>\$ 4,759,937</u>

<i>Reserve Fund</i>	<i>Financial Aid Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
\$	\$	\$ 1,643,164	\$	\$	\$ 12,729,934
		647,662	684,460		12,483,482
144,448	37,797	33,760	579,015	16,490	1,301,514
				(172,512)	(172,512)
	778,203	477,349	250,000		1,534,484
	803,132				7,524,530
	3,204,730				3,735,715
	23,848			70,325	1,098,746
144,448	4,847,710	2,801,935	1,513,475	(85,697)	40,235,893
					13,510,160
					1,914,009
	171,082				2,672,727
192,722					5,097,380
					2,403,292
					1,582,619
	4,771,786				4,771,786
			2,653,072		2,769,512
		2,188,734			2,188,734
		1,007,786			1,007,786
192,722	4,942,868	3,196,520	2,653,072		37,918,005
(48,274)	(95,158)	(394,585)	(1,139,597)	(85,697)	2,317,888
	142,000	303,110	7,086,673		9,382,437
(250,000)			(3,860,543)		(9,282,437)
(250,000)	142,000	303,110	3,226,130		100,000
(298,274)	46,842	(91,475)	2,086,533	(85,697)	2,417,888
3,329,356	193,071	283,071	11,031,343	2,000,531	26,057,636
\$ 3,031,082	\$ 239,913	\$ 191,596	\$ 13,117,876	\$ 1,914,834	\$ 28,475,524

The accompanying notes are an integral part  
of these financial statements

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

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

**YEAR ENDED JUNE 30, 2008**

Net change in fund balances	\$ 2,417,888
Amounts reported for governmental activities in the Statement of Activities are different because:	
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Revenues, Expenditures and Changes in Net Assets property taxes are recognized as revenue when levied.	268,204
State appropriations receivable are not considered to be revenue in the statement of activities	951,958
In the Statement of Revenues, Expenses and Changes in Net Assets interest is accrued on long-term debt, whereas in the governmental funds it is recorded as interest expense when due.	5,116
In the Statement of Revenues, Expenses and Changes in Net Assets the pension asset established to pay off the UAL is accrued but it is not reported in the governmental fund assets.	(264,454)
Governmental funds report capital outlay as an expenditure, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	524,420
Depreciation - governmental activities	(1,210,993)
Governmental funds report debt principal repayment as an expenditure and proceeds from long-term debt as an other financing source, whereas governmental funds do not.	
Long-term debt principal repayment	2,188,734
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.	<u>(65,870)</u>
<i>Change in net assets of governmental activities</i>	<b><u>\$ 4,815,003</u></b>

The accompanying notes are an integral part  
of these financial statements



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

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

**JUNE 30, 2008**

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 1,062,129	\$ 341,378	\$ 1,403,507	\$ 216,746
Accounts receivable	97,874	56,761	154,635	
Inventories	259,376		259,376	
<i>Total current assets</i>	<u>1,419,379</u>	<u>398,139</u>	<u>1,817,518</u>	<u>216,746</u>
Noncurrent assets:				
Capital assets				
Equipment	1,247,128	591,871	1,838,999	
Less accumulated depreciation	<u>(502,557)</u>	<u>(505,508)</u>	<u>(1,008,065)</u>	
Capital assets, net	<u>744,571</u>	<u>86,363</u>	<u>830,934</u>	
<i>Total assets</i>	<u>2,163,950</u>	<u>484,502</u>	<u>2,648,452</u>	<u>216,746</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	<u>10,963</u>		<u>10,963</u>	<u>2,315</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	744,571	86,363	830,934	
Unrestricted	<u>1,408,416</u>	<u>398,139</u>	<u>1,806,555</u>	<u>214,431</u>
<i>Total net assets</i>	<u>\$ 2,152,987</u>	<u>\$ 484,502</u>	<u>\$ 2,637,489</u>	<u>\$ 214,431</u>

The accompanying notes are an integral part  
of these financial statements

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Operating revenues:</b>				
Charges for services	\$ 2,378,124	\$ 367,050	\$ 2,745,174	\$ 245,764
<b>Operating expenses:</b>				
Salaries	263,442		263,442	63,482
Payroll assessments	120,167		120,167	39,539
Materials and services	1,772,228	274,461	2,046,689	119,889
Capital outlay	5,480	5,336	10,816	
Depreciation	32,590	6,650	39,240	
<i>Total operating expenses</i>	<u>2,193,907</u>	<u>286,447</u>	<u>2,480,354</u>	<u>222,910</u>
Operating income (loss)	<u>184,217</u>	<u>80,603</u>	<u>264,820</u>	<u>22,854</u>
<b>Nonoperating revenues:</b>				
Interest income	<u>40,278</u>	<u>12,737</u>	<u>53,015</u>	<u>11,276</u>
<i>Income before transfers</i>	<u>224,495</u>	<u>93,340</u>	<u>317,835</u>	<u>34,130</u>
Transfers out				<u>(100,000)</u>
<b>CHANGE IN NET ASSETS</b>	<u>224,495</u>	<u>93,340</u>	<u>317,835</u>	<u>(65,870)</u>
<b>NET ASSETS - beginning</b>	<u>1,928,492</u>	<u>391,162</u>	<u>2,319,654</u>	<u>280,301</u>
<b>NET ASSETS - ending</b>	<u>\$ 2,152,987</u>	<u>\$ 484,502</u>	<u>\$ 2,637,489</u>	<u>\$ 214,431</u>

The accompanying notes are an integral part  
of these financial statements

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Enterprise funds</i>			<i>Internal Service Funds</i>
	<i>College Bookstore</i>	<i>Residence Hall</i>	<i>Totals</i>	
<b>Cash flows from operating activities:</b>				
Cash received for services	\$ 2,368,545	\$ 399,966	\$ 2,768,511	\$ 245,764
Cash payments for goods and services	(1,689,940)	(290,803)	(1,980,743)	(117,690)
Cash payments to employees	(383,609)		(383,609)	(103,021)
<i>Net cash provided (used) by operating activities</i>	<u>294,996</u>	<u>109,163</u>	<u>404,159</u>	<u>25,053</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers to other funds				(100,000)
<i>Net cash provided (used) by noncapital financing activities</i>				<u>(100,000)</u>
<b>Cash flows from investing activities:</b>				
Interest on investments	<u>40,278</u>	<u>12,737</u>	<u>53,015</u>	<u>11,276</u>
<i>Net cash provided (used) by investing activities</i>	<u>40,278</u>	<u>12,737</u>	<u>53,015</u>	<u>11,276</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	335,274	121,900	457,174	(63,671)
<b>Balances - beginning of year</b>	<u>726,855</u>	<u>219,478</u>	<u>946,333</u>	<u>280,417</u>
<b>Balances - end of year</b>	<u>\$ 1,062,129</u>	<u>\$ 341,378</u>	<u>\$ 1,403,507</u>	<u>\$ 216,746</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 184,217	\$ 80,603	\$ 264,820	\$ 22,854
Adjustments to reconcile operating income:				
Depreciation expense	32,590	6,650	39,240	
Change in assets and liabilities:				
Accounts receivable	75,021	32,916	107,937	
Inventories	13,746		13,746	
Accounts payable	(10,578)	(11,006)	(21,584)	2,199
<i>Net cash provided by operating activities</i>	<u>\$ 294,996</u>	<u>\$ 109,163</u>	<u>\$ 404,159</u>	<u>\$ 25,053</u>

The accompanying notes are an integral part  
of these financial statements



Central Oregon Community College

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*The District*

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

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

The financial statements of Central Oregon Community College District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis of Public College and Universities*, issued in June and November, 1999. The College follows the “Governmental and Business-type Activities” reporting requirements of GASB Statement No. 35 that provides a comprehensive multi-column format of the college activities.

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

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

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

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

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

The College reports the following major governmental funds:

- *General Fund*

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

- *Grants and Contracts Fund*

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

- *Auxiliary Activities Fund*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

- Reserve Fund – Retiree Benefit Liability and PERS Reserve Fund

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

- *Financial Aid Fund*

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

- *Debt Service*

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

- *Capital Projects Fund*

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

- *Permanent Fund*

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

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

- *Bookstore Fund*

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

- *Residence Hall*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

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

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

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

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

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



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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

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

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

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

*Investments*

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

The District's investments as of June 30, 2008, consist of deposits in the State of Oregon Local Government Investment Pool, which is managed and monitored by the Oregon State Treasurer, U.S. Treasury obligations, its agencies and instrumentalities. Investments are recorded at cost, which approximates market value. The fair value of the position of the pool approximates the fair value of pool shares.

*Inventory*

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

*Pooled cash and investments*

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

*Restricted Assets*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*Receivables and Payables*

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as deferred revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

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

*Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements, and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair value as of the date of the donation. Capital assets are defined by the College as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred.

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

<i>Assets</i>	<i>Years</i>
Buildings and improvements	40
Improvements other than buildings	15-20
Machinery and equipment	3-15

A prorated amount of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*Long-Term Debt*

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

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

*Fund Equity*

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

*Compensated Leave*

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

*Interfund Transactions*

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

All other interfund transactions are reported as transfers.

*Use of Estimates*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*Operating Revenues and Expenses*

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

*Scholarship Allowances*

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

*Federal Financial Assistance Program*

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, Federal Direct Lending, and Perkins Loans programs. Federal programs are audited in accordance with the Single Audit Act, the U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and the Compliance Supplement.

*Net Assets*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 2 - BUDGET COMPLIANCE**

The District is subject to provisions of the Oregon Revised Statutes which set forth local budget procedures. A budget is prepared for each governmental fund type on the modified accrual basis of accounting. Proprietary fund types and non-expendable trusts are budgeted on the full accrual basis of accounting. Expenditure budgets are appropriated at the program level. Budgeted expenditures at the appropriation level may not be legally overspent.

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

A supplemental budget may be approved if an occurrence or need exists which had not been ascertained at the time the budget was adopted. Budget amounts shown in the financial statements include the original budget and budget transfers. A supplemental budget was not required for the 2007-08 fiscal year.

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

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

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 3 – POOLED CASH AND INVESTMENTS**

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

The District's investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in bank accounts, general obligation issues of the United States, its agencies, and certain states, commercial paper and certain guaranteed investments issued by banks. The Statutes require that all bank deposits in excess of the FDIC or FSLIC insurance amounts be collateralized with securities held by the bank. The bank balance of all deposits was entirely covered by federal depository insurance or by certificates of participation held and confirmed by the District's custodial bank as of June 30, 2008. The District invested in authorized investments during the year. The investments are carried at cost, which approximates market value at June 30, 2008.

Cash and investments at June 30, 2008 consist of the following:

	<u>Security</u>	
Cash and cash equivalents		
Petty cash	N/A	\$ 11,890
Demand deposits	FDIC & Collateral	<u>1,587,859</u>
		<u>1,599,749</u>
Investments		
Oregon State Treasurer's Investment Pool	N/A	<u>27,340,614</u>
		<u>27,340,614</u>
		<u>\$ 28,940,363</u>
Statement of Net Assets		
Pooled cash and investments		\$ 28,991,853
Deficit in pooled cash and investments		<u>(51,490)</u>
		<u>\$ 28,940,363</u>

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*Deposits with Financial Institutions*

District deposits with financial institutions are insured up to \$100,000 by the Federal Depository Insurance Corporation (FDIC). To provide the additional security required by Oregon Revised Statutes, Chapter 295, the District obtains collateral certificates. Securities in the District's name having a value of not less than 25% of the amount of the certificates are held by the custodian of the pooled collateral, who is considered to be the District's agent. At June 30, 2008, the carrying amount of the District's deposits in a financial institution was \$1,587,859 and the balance per the bank statements was \$2,161,177. Of this amount, \$100,000 was covered by FDIC, and \$1,487,859 was collateralized by securities held by financial institutions acting as agents of the District.

*Interest Rate Risk*

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

*Credit Risk*

Oregon Revised Statutes limit investments in commercial paper and corporate bonds to those rated at least A-1 and AA respectively by a nationally recognized rating agency. The District investment policy does not further limit its investment choices. At June 30, 2008, the District was in compliance with the above state limitations. The State of Oregon Local Government Pool is unrated.

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

*Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of failure of counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. At June 30, 2008, the District does not have investments exposed to custodial credit risk.

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 4 - PROPERTY TAXES**

On November 6, 1990, Oregon voters approved Measure 5, a state constitutional limit on property taxes for schools and non-school governmental entities. Under the provisions of the limitation, tax revenues are separated into those for the public school system, including community colleges and education service districts, and those for local government entities other than the public school system. The limitation specifies \$5 is the maximum allowable tax for each \$1,000 of real property market value assessed on property by all public school systems, including community colleges and education service districts, effective with the 1991-92 fiscal years.

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

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

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

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

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



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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

The Deschutes County assessor allocates property tax levies to the other counties included in the District's boundaries. The levy for 2007-08, by county, is as follows:

Deschutes County	\$ 11,078,017
Jefferson County	870,258
Crook County	1,066,226
Klamath County	188,821
Lake County	81,872
Wasco County	<u>3,777</u>
Total	<u>\$ 13,288,971</u>

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

**NOTE 5 - RECEIVABLES**

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

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

**NOTE 6 - CAPITAL ASSETS**

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

	<i>Balance</i> <i>July 1, 2007</i>		<i>Increases</i>		<i>Decreases</i>		<i>Balance</i> <i>June 30, 2008</i>
Capital Assets							
Land and improvements	\$ 5,560,405	\$		\$		\$	5,560,405
Buildings	32,795,706		245,817				33,041,523
Equipment	<u>3,895,274</u>		<u>278,603</u>		<u>(17,065)</u>		<u>4,156,812</u>
	42,251,385	\$	<u>524,420</u>	\$	<u>(17,065)</u>		42,758,740
Accumulated depreciation	<u>(13,457,836)</u>	\$	<u>(1,210,993)</u>	\$	<u>17,065</u>		<u>(14,651,764)</u>
	<u>\$ 28,793,549</u>					\$	<u>28,106,976</u>

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

For the year ended June 30, 2008, depreciation expense in the amount of \$1,210,993 was directly charged to Plant Operations and Maintenance.

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

	<i>Balance</i> <i>July 1, 2007</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2008</i>
Buildings	\$ 1,698,010	\$	\$	\$ 1,698,010
Equipment	140,989			140,989
	1,838,999	\$ -	\$ -	1,838,999
Accumulated depreciation	(968,825)	\$ (39,240)	\$ -	(1,008,065)
	<u>\$ 870,174</u>			<u>\$ 830,934</u>

**NOTE 7 - LONG-TERM DEBT**

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

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

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

*Refinancing Activity*

In October 2001, the District issued series 2001 general obligation bonds with interest rates ranging from 4.0% to 5.0%. This issue was for the purpose of advance refunding of outstanding 1995 Series Bonds in the amount of \$10,300,000, with interest rates ranging from 4.7% to 5.9%. Net bond proceeds along with other resources were used to purchase U.S. Government Obligations. These securities were deposited in an irrevocable escrow account through an independent escrow agent to provide all future debt service on the refunded 1995 series bonds. As a result, the 1995 series bond is considered defeased, and the District has removed the liability from its accounts. The defeased bonds were redeemed by the escrow agent on October 24, 2001 for \$11,064,294 and therefore the outstanding principal of the defeased bonds was zero at June 30, 2008.

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

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

The following is a summary of the bond transactions for the year ended June 30, 2008:

*General and Special Obligation Bond Issues*

*General Obligation Bond*

October 15, 2001 Issue, original Issue was \$10,810,000, interest rate of 4.0 to 5.0 percent payable semiannually, principal paid annually.	\$ 1,715,000
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*Full Faith and Credit Obligations*

November 1, 1996 Issue, original Issue was \$900,000, interest rate of 4.0 to 5.9 percent payable semiannually, principal paid annually.	535,000
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October 1, 1997 Issue, original Issue was \$2,000,000, interest rate of 4.05 to 5.9 percent payable semiannually, principal paid annually.	1,270,000
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May 1, 2001 Issue, original Issue was \$7,365,000, interest rate of 4.7 to 5.3 percent payable semiannually, principal paid annually.	6,560,000
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*Pension Obligation Bonds*

April 23, 2003 Issue, original Issue was \$11,535,638, interest rate of 2.04 to 6.25 percent payable semiannually, principal paid annually.	<u>10,751,254</u>
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	<u>\$ 20,831,254</u>
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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

The following changes in general long-term debt occurred for the year ended June 30, 2008.

	<i>Balance July 1, 2007</i>	<i>Additions</i>	<i>Principal Payments</i>	<i>Balance June 30, 2008</i>
General and special obligation bonds	\$ 22,975,708	\$	\$ 2,144,454	\$ 20,831,254
Capital lease	532,616		44,280	488,336
<i>Totals</i>	<u>\$ 23,508,324</u>	<u>\$</u>	<u>\$ 2,188,734</u>	<u>\$ 21,319,590</u>

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

	<i>Principal</i>			
	<i>Beginning Balance July 1, 2007</i>	<i>Matured</i>	<i>Paid</i>	<i>Ending Balance June 30, 2008</i>
<i>Issue</i>				
November 1, 1996	\$ 580,000	\$ 45,000	\$ 45,000	\$ 535,000
October 1, 1997	1,365,000	95,000	95,000	1,270,000
May 1, 2001	6,710,000	150,000	150,000	6,560,000
October 15, 2001	3,305,000	1,590,000	1,590,000	1,715,000
April 23, 2003	11,015,708	264,454	264,454	10,751,254
	<u>\$ 22,975,708</u>	<u>\$ 2,144,454</u>	<u>\$ 2,144,454</u>	<u>\$ 20,831,254</u>

	<i>Interest</i>			
	<i>Outstanding July 1, 2007</i>	<i>Matured</i>	<i>Paid</i>	<i>Outstanding June 30, 2008</i>
<i>Issue</i>				
November 1, 1996	\$	\$ 32,569	\$ 32,569	\$
October 1, 1997		65,895	65,895	
May 1, 2001		337,340	337,340	
October 15, 2001		149,350	149,350	
April 23, 2003		402,088	402,088	
	<u>\$</u>	<u>\$ 987,242</u>	<u>\$ 987,242</u>	<u>\$</u>

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

<u>Year</u>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements October 15, 2001 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 279,220	\$ 427,322	\$ 1,715,000	\$ 85,750
2009-10	287,694	453,848		
2010-11	296,439	485,103		
2011-12	306,586	519,956		
2012-13	310,398	556,144		
Years Thereafter	9,270,917	9,365,279		
<i>Totals</i>	<u>\$ 10,751,254</u>	<u>\$ 11,807,652</u>	<u>\$ 1,715,000</u>	<u>\$ 85,750</u>

<u>Year</u>	<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>		<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 160,000	\$ 329,840	\$ 100,000	\$ 61,360
2009-10	165,000	321,840	105,000	56,490
2010-11	175,000	313,590	110,000	51,220
2011-12	185,000	304,840	115,000	45,595
2012-13	195,000	296,145	120,000	39,720
Years Thereafter	5,680,000	3,109,795	720,000	95,625
<i>Totals</i>	<u>\$ 6,560,000</u>	<u>\$ 4,676,050</u>	<u>\$ 1,270,000</u>	<u>\$ 350,010</u>

<u>Year</u>	<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 45,000	\$ 30,038
2009-10	50,000	27,366
2010-11	50,000	24,485
2011-12	55,000	21,388
2012-13	60,000	17,995
Years Thereafter	275,000	33,484
<i>Totals</i>	<u>\$ 535,000</u>	<u>\$ 154,756</u>

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**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.

\$ 488,336

Future maturities of the note payable are as follows:

Year ended June 30, 2009	\$ 46,069
2010	47,930
2011	49,866
2012	51,881
2013	53,977
Years Thereafter	<u>238,613</u>
	\$ <u>488,336</u>

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

*Plan Description*

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

*Funding Policy*

For the fiscal year ended June 30, 2008, the District was required by the rules applicable to PERS to contribute 6.17% of Tier One and Tier Two employees' salaries to PERS. Employees entering the system subsequent to August 2003 are covered under the Oregon Public Service Retirement Plan (OPSRP). The effective rate for OPSRP employees is 8.64%. The contribution rate is determined based on actuarial valuations, which are performed by PERS periodically. Covered employees are required by state statute to contribute 6% of their annual salary to the system, but the employer is allowed to pay any or all of the employees' contribution in addition to the required employers' contribution. The District has elected to contribute the 6% "pick-up" of the employees' contribution in lieu of a 6% pay increase.

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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

*Annual Pension Cost*

For fiscal year ended June 30, 2008, the District's annual pension cost for PERS was equal to the District's required and actual contributions, and consisted of \$1,700,150 for the District's required share. Employer contributions are calculated in conformance with the provision of GASB Statement 27 as a percentage of covered payroll. Therefore, the contributions transmitted to PERS are equal to the Annual Required Contributions (ARC) and there is no Net Pension Obligation (NPO) necessary to amortize any unmade contributions.

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

The actuarial value of PERS assets are at fair value on the valuation date less a reserve equal to a prorated portion of the investment gains (losses) over the four-year period ending on the valuation date. The unfunded actuarial liability as of December 31, 2005, valuation is amortized on a level percentage of covered payroll on a closed fixed term method over a 22-year period through December 31, 2007.

<i>Three-Year Trend Information</i>			
<i>Fiscal Year Ended</i>	<i>Annual Pension Cost (APC)</i>	<i>Percentage of APC Contributed</i>	<i>Pension Prepayment</i>
6/30/2006	1,342,873	100%	\$ 11,268,263
6/30/2007	1,640,256	100	11,015,708
6/30/2008	1,700,150	100	10,751,254

AVA: Actuarial Value of Assets

AAL: Actuarial Accrued Liability

UAAL: Unfunded Actuarial Accrued Liability

**NOTE 9 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce the risk of incurring material losses related to the above, the District pays annual insurance premiums to a commercial supplier. Limitations on claims are as follows: general liability of \$1,000,000; excess liability of \$5,000,000; property coverage of \$60,213,544 and fidelity bonds of \$100,000. The District also carries commercial insurance for workers' compensation and employee health and accident insurance. Settled claims from those risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 10 - SEGMENT INFORMATION**

The District maintains two proprietary enterprise funds which are self-supporting through sales. Financial segment information as of and for the year ended June 30, 2008, is presented as follows:

	<u>Bookstore</u>	<u>Residence Hall</u>	<u>Total</u>
Operating revenue	\$ 2,378,124	\$ 367,050	\$ 2,745,174
Depreciation expense	32,590	6,650	39,240
Operating income (loss)	184,217	80,603	264,820
Change in net assets	224,495	93,340	317,835
Net working capital	1,408,416	398,139	1,806,555
Total assets	2,163,950	484,502	2,648,452
Total equity	2,152,987	484,502	2,637,489

**NOTE 11 – INTERFUND ACTIVITY**

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund. Transfers during the year ended June 30, 2008, were as follows:

Transfers out:

General Fund	\$ 2,951,820
Auxiliary Activities Fund	2,220,074
Reserve Fund	250,000
Capital Projects Fund	3,860,543
Internal Service Fund	<u>100,000</u>

Total transfers out	<u><u>\$ 9,382,437</u></u>
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Transfers in:

General Fund	\$ 250,000
Grants and Contracts Fund	15,125
Auxiliary Activities Fund	1,585,529
Financial Aid Fund	142,000
Debt Service Fund	303,110
Capital Projects Fund	<u>7,086,673</u>

Total transfers in	<u><u>\$ 9,382,437</u></u>
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**CENTRAL OREGON COMMUNITY COLLEGE DISTRICT**  
**BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**NOTE 12 - ORGANIZATION**

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

**NOTE 13 - POST-EMPLOYMENT BENEFITS**

In addition to the pension benefits described in note 8, the District provides medical insurance for those employees who retire and meet certain conditions. The retiree must be a regular employee of the college for 15 consecutive years prior to retirement, be a PERS retiree, and be at least 55 years of age, but not over 65 years of age. The retiree cannot be eligible for Medicare benefits. Currently twenty two retirees meet the eligibility requirements. During the year, District expenditures for the early retirement health plan amounted to \$192,722.

As of June 30, 2002 the College has placed a cap on these benefits. Employees with twelve to fourteen years of service with the College, as of July 1, 2004, are eligible to receive \$300 per month; employees with fifteen plus years of employment are eligible to receive \$500 per month. Current retirees were capped at \$550 per month. Employees must meet the above requirements to receive these benefits. Management estimates the present value of future post-employment benefits to be \$1,326,578. As of June 30, 2008 the College had \$1,547,047 reserved for post-employment benefits.

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

The District is a beneficiary of an irrevocable trust created by a donor, the assets of which are not in the possession of the District. The District has an irrevocable right to receive the income from the trust's assets in perpetuity. Net interest income is paid annually to the District to be used for educational purposes. Effective the first business day of January 2001, the District shall receive an amount equal to the greater of five percent of the net fair value of the Trust assets or 85 percent of the net income of the Trust. Gains or losses related to the beneficial interests are reported as a net gain (loss) on perpetual trust, in the non-expendable trust fund, based on explicit donor stipulations. The fair value at June 30, 2008 of the beneficial interests was \$1,519,745.

**NOTE 15 – COMMITMENTS AND CONTINGENCIES**

*Grant Audit*

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

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

***NOTE 16 – COMPONENT UNITS***

The discretely presented component unit is reported in a separate column in the government-wide statements to emphasize that it is legally separate from the primary government. The Central Oregon Community College Foundation is a separate non-profit organization established in 1957 to provide grants, loans, and endowments for the education of the students of Central Oregon Community College. The Foundations primary transaction with the College was \$778,203 in scholarships made during the year. Complete financial statements for the Central Oregon Community College Foundation may be obtained at the entity's administrative offices located at 2600 NW College Way, Bend, Oregon 97701.

### **GENERAL FUND**

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

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

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

**JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 5,671,081	\$ 3,192,976
Cash with county treasurers	111,776	119,416
Property taxes receivable	686,562	448,853
Accounts receivable	982,577	1,842,847
Allowance for doubtful accounts	(382,251)	(384,693)
Prepays	<u>68,529</u>	
<i>Total assets</i>	<u>\$ 7,138,274</u>	<u>\$ 5,219,399</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 1,033,059	\$ 1,006,784
Accrued compensated leave	390,668	349,818
Deferred revenue	<u>526,662</u>	<u>299,896</u>
<i>Total liabilities</i>	<u>1,950,389</u>	<u>1,656,498</u>
 <b>Fund balance:</b>		
Unreserved - undesignated	<u>5,187,885</u>	<u>3,562,901</u>
<i>Total fund balance</i>	<u>5,187,885</u>	<u>3,562,901</u>
<i>Total liabilities</i>		
<i>and fund balance</i>	<u>\$ 7,138,274</u>	<u>\$ 5,219,399</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 11,333,000	\$ 11,333,000	\$ 11,086,770	\$ (246,230)
Tuition and fees	7,999,982	7,999,982	8,962,311	962,329
Interest	125,000	125,000	197,232	72,232
Other			10,013	10,013
<b>Intergovernmental:</b>				
State	6,254,307	6,254,307	6,165,320	(88,987)
<b>Transfer from other funds</b>	<u>275,000</u>	<u>275,000</u>	<u>250,000</u>	<u>(25,000)</u>
<b>Total revenue</b>	25,987,289	25,987,289	26,671,646	684,357
<b>Beginning fund balance</b>	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,562,901</u>	<u>162,901</u>
<b>Total available for             appropriation</b>	<u><u>\$ 29,387,289</u></u>	<u><u>\$ 29,387,289</u></u>	<u><u>\$ 30,234,547</u></u>	<u><u>\$ 847,258</u></u>
<b>Expenditures</b>				
<b>Instruction:</b>				
Humanities office	\$ 55,150	\$ 55,150	\$ 40,920	\$ 14,230
Writing-literature	1,202,724	1,202,724	1,042,850	159,874
Foreign language	339,956	339,956	335,545	4,411
Philosophy	13,453	13,453	540	12,913
Social science	53,795	53,795	53,765	30
Addiction studies	47,615	47,615	44,260	3,355
Anthropology	75,306	75,306	75,155	151
Criminal justice	118,765	118,765	119,708	(943)
Economics	106,363	106,363	106,123	240
Education	81,272	81,272	84,321	(3,049)
Geography	88,400	88,400	85,312	3,088
History	212,771	212,771	210,740	2,031
Human development	23,358	23,358	34,989	(11,631)
Political science	6,545	6,545	6,853	(308)
Psychology	294,395	294,395	312,017	(17,622)
Sociology	125,272	125,272	108,860	16,412
Oregon leadership institute	16,589	16,589	13,670	2,919
Speech	322,286	314,066	302,947	11,119
Music	205,927	214,147	222,792	(8,645)
Art	374,862	374,862	374,716	146
Theater arts	40,740	40,740	40,065	675
Fine arts office	68,058	68,058	63,588	4,470

Continued on page 45

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

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

**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2008**

Continued from page 44

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Instruction - continued</i></b>				
Journalism	\$ 7,424	\$ 7,424	\$ 8,859	\$ (1,435)
Business administration	447,288	447,288	433,336	13,952
Culinary program	120,597	120,597	126,061	(5,464)
Grandview office	33,919	33,919	33,956	(37)
Hospitality, tourism & recreation	5,121	5,121	4,174	947
Office administration	2,975	2,975		2,975
Regional services & Redmond	196,588	196,588	194,571	2,017
Manufacturing processes	190,920	190,920	177,417	13,503
Apprenticeship	54,737	54,737	34,910	19,827
Redmond campus instruction	132,052	132,052	96,401	35,651
Ponderosa office	48,822	48,822	48,438	384
Forestry technology	320,535	320,535	319,856	679
Automotive	144,972	144,972	144,981	(9)
Wildland fire management	43,128	43,128	58,142	(15,014)
Aviation program	110,211	110,211	95,928	14,283
Composites program	17,152	17,152	19,033	(1,881)
Mathematics	995,789	995,789	991,521	4,268
Pioneer Hall office	47,801	47,801	47,835	(34)
Computer information systems	776,272	776,272	659,148	117,124
Geographical information	126,020	126,020	120,469	5,551
Engineering & engineering tech.	18,966	18,966	12,838	6,128
Ochoco office	60,759	60,759	60,125	634
Biological science	632,087	632,087	614,082	18,005
Chemistry	210,233	210,233	206,454	3,779
Physics	129,011	129,011	113,971	15,040
Geology	93,644	93,644	101,672	(8,028)
Health and human performance office	76,748	76,748	77,908	(1,160)
Health and human performance	553,225	553,225	494,977	58,248
HHP: Exercise science	10,790	10,790	13,124	(2,334)
HHP: Health classes	29,321	29,321	43,285	(13,964)
HHP: Recreation	93,113	93,113	97,371	(4,258)
Allied health	56,019	56,019	58,288	(2,269)
Licensed massage therapy	231,445	231,445	198,222	33,223

Continued on page 46

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 45

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Instruction - continued</i></b>				
Dental assisting	\$ 176,790	\$ 176,790	\$ 183,827	\$ (7,037)
Dietary management	16,882	16,882	20,922	(4,040)
Health information technology	190,610	190,610	231,752	(41,142)
Structural fire science	56,249	56,249	47,364	8,885
Emergency medical service	237,304	237,304	241,668	(4,364)
Medical assisting	84,687	84,687	65,916	18,771
Nursing	572,877	572,877	542,142	30,735
Nursing office	50,819	50,819	51,716	(897)
Library skills	61,208	61,208	57,910	3,298
Instruction transfers	906,000	906,000	1,106,000	(200,000)
<i>Total instruction</i>	<u>12,244,712</u>	<u>12,244,712</u>	<u>11,936,306</u>	<u>308,406</u>
<b><i>Instructional support:</i></b>				
Office of the Vice President of instruction	364,282	364,282	298,777	65,505
Library	820,148	820,148	794,641	25,507
Catalog and class schedule	26,394	26,394	19,405	6,989
Commencement & convocation	15,510	15,510	20,658	(5,148)
Tutoring and testing	190,416	190,416	206,718	(16,302)
Academic computing support	110,300	110,300	106,465	3,835
Instructional deans	289,088	289,088	266,850	22,238
Instructional support transfers	190,000	190,000	311,000	(121,000)
<i>Total instructional support</i>	<u>2,006,138</u>	<u>2,006,138</u>	<u>2,024,514</u>	<u>(18,376)</u>
<b><i>Student services:</i></b>				
Admissions	283,219	283,219	283,289	(70)
Counseling center	39,975	39,975	29,333	10,642
Student life	133,996	133,996	103,317	30,679
Financial aid	463,854	463,854	437,628	26,226
Career services and job placement	102,476	102,476	73,811	28,665
Student outreach and contact	200,714	200,714	197,465	3,249

Continued on page 47

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

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

**BUDGETARY BASIS**  
**GENERAL FUND (CONTINUED)**

**YEAR ENDED JUNE 30, 2008**

Continued from page 46

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Student services - continued</i></b>				
Registrar	\$ 351,973	\$ 351,973	\$ 327,915	\$ 24,058
Multicultural activities	52,477	52,477	15,794	36,683
Intramurals	73,091	73,091	73,176	(85)
Club sports	64,920	64,920	65,772	(852)
Enrollment cashiering	55,962	55,962	53,796	2,166
Disability services	157,671	157,671	173,997	(16,326)
Office of the Dean of student & enrollment services	185,136	185,136	162,050	23,086
Advising	248,475	248,475	248,407	68
Student service transfers	1,000	1,000	121,250	(120,250)
<b><i>Total student services</i></b>	<u>2,414,939</u>	<u>2,414,939</u>	<u>2,367,000</u>	<u>47,939</u>
<b><i>College support services:</i></b>				
Governing board	73,090	73,090	64,986	8,104
President's office	291,912	291,912	295,883	(3,971)
Fiscal services	477,905	461,905	450,003	11,902
Campus safety and security	217,859	217,859	224,126	(6,267)
Human resources	295,452	295,452	288,217	7,235
Mail services	185,149	185,149	202,481	(17,332)
College relations	419,884	419,884	389,833	30,051
Vice President and Chief Financial Officer	293,273	293,273	281,408	11,865
Legal and audit services	84,585	61,585	66,831	(5,246)
Elections	15,000			
General institutional support	581,764	581,764	591,646	(9,882)
Liability and other insurance	54,000	54,000	61,620	(7,620)
Institutional research/grant office	148,811	148,811	135,804	13,007
Office of the Vice President for institutional advancement	241,628	241,628	263,603	(21,975)
Organizational development	4,000	4,000	2,920	1,080
College support transfers	87,000	41,000	29,000	12,000
<b><i>Total college         support services</i></b>	<u>3,471,312</u>	<u>3,371,312</u>	<u>3,348,361</u>	<u>22,951</u>

Continued on page 48



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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 47

	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	\$ 706,217	\$ 766,217	\$ 712,793	\$ 53,424
Utilities	449,355	489,355	493,021	(3,666)
Fire and boiler insurance	95,000	95,000	98,783	(3,783)
Maintenance of grounds	171,383	171,383	211,854	(40,471)
Maintenance of buildings	488,768	488,768	476,284	12,484
Plant administration	208,932	208,932	209,722	(790)
Redmond campus infrastructure	150,828	150,828	157,252	(6,424)
Campus shuttle	42,820	42,820	43,583	(763)
Plant operations transfers	925,570	925,570	925,570	
 <i>Total plant operations and maintenance</i>	 3,238,873	 3,338,873	 3,328,862	 10,011
 <b><i>Information technology services:</i></b>				
Information technology services	201,637	201,637	178,169	23,468
Management information systems	446,449	446,449	397,474	48,975
User services	419,825	419,825	408,968	10,857
Enterprise computing services	174,246	174,246	175,972	(1,726)
Network/Telecom & media services	431,176	431,176	422,036	9,140
Information technology transfers	317,000	317,000	317,000	
 <i>Total information technology services</i>	 1,990,333	 1,990,333	 1,899,619	 90,714
 <b><i>Financial aid transactions:</i></b>				
Other financial aid	142,000	142,000	142,000	
 Operating contingency	 400,000	 400,000	 	 400,000
 <i>Total expenditures</i>	 \$ 25,908,307	 \$ 25,908,307	 \$ 25,046,662	 \$ 861,645

Continued on page 49

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

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

**YEAR ENDED JUNE 30, 2008**

<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>	\$ 25,987,289	\$ 25,987,289	\$ 26,671,646	\$ 684,357
<b>Beginning fund balance</b>	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,562,901</u>	<u>162,901</u>
<i>Total available for appropriations</i>	<u>29,387,289</u>	<u>29,387,289</u>	<u>30,234,547</u>	<u>847,258</u>
<b>Expenditures:</b>				
Instruction	12,244,712	12,244,712	11,936,306	308,406
Instructional support	2,006,138	2,006,138	2,024,514	(18,376)
Student services	2,414,939	2,414,939	2,367,000	47,939
College support services	3,471,312	3,371,312	3,348,361	22,951
Plant operations and maintenance	3,238,873	3,338,873	3,328,862	10,011
Information technology service	1,990,333	1,990,333	1,899,619	90,714
Financial aid	142,000	142,000	142,000	
Operating contingency	<u>400,000</u>	<u>400,000</u>	<u>                    </u>	<u>400,000</u>
<i>Total expenditures</i>	<u>25,908,307</u>	<u>25,908,307</u>	<u>25,046,662</u>	<u>861,645</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 3,478,982</u>	<u>\$ 3,478,982</u>	<u>\$ 5,187,885</u>	<u>\$ 1,708,903</u>

### **SPECIAL REVENUE FUNDS**

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

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

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Contracts and Grants</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>ASSETS</b>			
Pooled cash and investments	\$	\$ 4,682,217	\$ 3,031,082
Accounts receivable	87,412	107,022	
Student loans receivable			
Inventory	1,184		
<i>Total assets</i>	<u>\$ 88,596</u>	<u>\$ 4,789,239</u>	<u>\$ 3,031,082</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b><i>Liabilities:</i></b>			
Deficit in pooled cash and investments	\$ 51,490	\$	\$
Accounts payable	4,705	21,420	
Deferred revenue		7,882	
<i>Total liabilities</i>	<u>56,195</u>	<u>29,302</u>	
<b><i>Fund equity:</i></b>			
Fund balance			
Reserved			
Retiree benefits			1,547,047
PERS Reserve			1,484,035
Unreserved - undesignated	32,401	4,759,937	
<i>Total fund balance</i>	<u>32,401</u>	<u>4,759,937</u>	<u>3,031,082</u>
<i>Total liabilities and fund equity</i>	<u>\$ 88,596</u>	<u>\$ 4,789,239</u>	<u>\$ 3,031,082</u>

<i>Financial</i> <i>Aid</i>	<i>Totals</i>	
	<i>2008</i>	<i>2007</i>
\$ 230,407	\$ 7,943,706	\$ 8,917,888
79,193	273,627	354,231
6,799	6,799	8,477
	1,184	1,183
<u>\$ 316,399</u>	<u>\$ 8,225,316</u>	<u>\$ 9,281,779</u>

\$ 29,040	\$ 51,490	\$ 45,073
47,446	55,165	17,076
<u>76,486</u>	<u>161,983</u>	<u>39,840</u>
		101,989

	1,547,047	1,666,783
	1,484,035	1,662,573
<u>239,913</u>	<u>5,032,251</u>	<u>5,850,434</u>
<u>239,913</u>	<u>8,063,333</u>	<u>9,179,790</u>
<u>\$ 316,399</u>	<u>\$ 8,225,316</u>	<u>\$ 9,281,779</u>

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

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

**YEAR ENDED JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	<i>Grants and Contracts</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>Revenue</b>			
<b>Local:</b>			
Charges for services	\$ 50,134	\$ 2,138,915	\$
Interest		292,772	144,448
Grants	28,932		
Other	40,045	954,515	
<b>Intergovernmental:</b>			
State	73,333	482,745	
Federal	530,985		
<b>Total revenue</b>	<u>723,429</u>	<u>3,868,947</u>	<u>144,448</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	601,375	2,078,479	
Instructional support		200,495	
Student services		255,895	
College support services	93,683	1,491,614	192,722
Financial aid			
Capital outlay	28,043	88,397	
<b>Total expenditures</b>	<u>723,101</u>	<u>4,114,880</u>	<u>192,722</u>
Excess of revenue over (under) expenditures	<u>328</u>	<u>(245,933)</u>	<u>(48,274)</u>
Other financing sources (uses)			
Transfers in	15,125	1,585,529	
Transfers out		(2,220,074)	(250,000)
<b>Total other financing         sources (uses)</b>	<u>15,125</u>	<u>(634,545)</u>	<u>(250,000)</u>
Excess of revenue and other sources over (under) expenditures and other uses	15,453	(880,478)	(298,274)
<b>FUND BALANCE - beginning of year</b>	<u>16,948</u>	<u>5,640,415</u>	<u>3,329,356</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 32,401</u>	<u>\$ 4,759,937</u>	<u>\$ 3,031,082</u>

<i>Financial</i> <i>Aid</i>	<i>Totals</i>	
	<i>2008</i>	<i>2007</i>
\$	\$	\$
	2,189,049	2,366,476
37,797	475,017	419,907
778,203	807,135	615,147
23,848	1,018,408	515,878
803,132	1,359,210	1,420,475
3,204,730	3,735,715	3,315,713
4,847,710	9,584,534	8,653,596
	2,679,854	2,583,263
	200,495	239,482
171,082	426,977	191,604
	1,778,019	1,729,448
4,771,786	4,771,786	3,712,956
	116,440	311,508
4,942,868	9,973,571	8,768,261
(95,158)	(389,037)	(114,665)
142,000	1,742,654	4,894,393
	(2,470,074)	(4,616,497)
142,000	(727,420)	277,896
46,842	(1,116,457)	163,231
193,071	9,179,790	9,016,559
\$ 239,913	\$ 8,063,333	\$ 9,179,790



Central Oregon Community College



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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Sub-Fund Number</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Ending Balance</i>
ABE Special Projects	31100	\$	\$ 336,914	\$ 314,842	\$ 22,072
Carl Perkins	31101		240,407	240,407	
SBA Grant	31105		37,812	37,812	
SBA Grant Match	31108		7,563	7,563	
Nursing capacity project	31143		27,654	27,654	
Business / Culinary Career	31145		2,825	2,825	
OEDD	32226		41,333	41,333	
Electronic transcript implem.	32248	8,904			8,904
Cascade health service support	33332	1,069	32,000	31,644	1,425
US Bank - SBDC grant	33335	6,975		6,975	
Deer Ridge Correctional Institution	34355		12,046	12,046	
		<u>\$ 16,948</u>	<u>\$ 738,554</u>	<u>\$ 723,101</u>	<u>\$ 32,401</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Charge for Services</i>	<i>Intergovernmental</i>		<i>Grants and Contracts</i>
		<i>State</i>	<i>Federal</i>	
ABE Special Projects	\$ 50,134	\$	\$ 229,849	\$ 16,886
Carl Perkins			240,407	
SBA Grant			30,250	
SBA Grant Match				
Nursing capacity project			27,654	
Business / Culinary Career			2,825	
OEDD		41,333		
Cascade health services support		32,000		
Deer Ridge Correctional Instit. Institution				12,046
	<u>\$ 50,134</u>	<u>\$ 73,333</u>	<u>\$ 530,985</u>	<u>\$ 28,932</u>

<u>Other</u>	<u>Transfers In</u>	<u>Total</u>
\$ 40,045	\$	\$ 336,914
		240,407
	7,562	37,812
	7,563	7,563
		27,654
		2,825
		41,333
		32,000
		12,046
<u>\$ 40,045</u>	<u>\$ 15,125</u>	<u>\$ 738,554</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>
	<hr/>	<hr/>	<hr/>
ABE Special Projects	\$ 204,675	\$ 96,996	\$ 13,171
Carl Perkins	111,164	48,326	52,874
SBA Grant	30,250	7,562	
SBA Grant Match	6,050	1,513	
Nursing capacity project	14,755	6,894	6,005
Business / Culinary Career	1,923	768	134
OEDD	33,067	8,266	
Cascade health services support	24,262	7,382	
US Bank - SBDC grant	6,198	197	580
Deer Ridge Corectional Instituion	<hr/> 4,813	<hr/> 2,239	<hr/> 4,994
	<hr/> <hr/> \$ 437,157	<hr/> <hr/> \$ 180,143	<hr/> <hr/> \$ 77,758

<i>Capital Outlay</i>	<i>Total</i>
\$	\$ 314,842
28,043	240,407
	37,812
	7,563
	27,654
	2,825
	41,333
	31,644
	6,975
	12,046
\$ 28,043	\$ 723,101



Central Oregon Community College

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Charges for services	\$ 50,000	\$ 50,000	\$ 50,134	\$ 134
Grants and contracts	542,000	542,000	28,932	(513,068)
Other			40,045	40,045
<b>Intergovernmental:</b>				
State	41,333	41,333	73,333	32,000
Federal	755,250	755,250	530,985	(224,265)
Transfers from other funds	15,125	15,125	15,125	
<b>Total revenue</b>	<u>1,403,708</u>	<u>1,403,708</u>	<u>738,554</u>	<u>(665,154)</u>
<b>Beginning fund balance</b>	<u>6,000</u>	<u>6,000</u>	<u>16,948</u>	<u>10,948</u>
<b>Total available         for appropriation</b>	<u>1,409,708</u>	<u>1,409,708</u>	<u>755,502</u>	<u>(654,206)</u>
<b>Expenditures</b>				
Federal grants	817,218	817,218	631,103	186,115
State grants	41,333	41,333	41,333	
Local grants	40,325	40,325	38,619	1,706
Contracts	500,000	500,000	12,046	487,954
Transfer to other funds	1,675	1,675		1,675
<b>Total expenditures</b>	<u>1,400,551</u>	<u>1,400,551</u>	<u>723,101</u>	<u>677,450</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 9,157</u>	<u>\$ 9,157</u>	<u>\$ 32,401</u>	<u>\$ 23,244</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$ 11,684	\$ 17,906	\$	\$ 29,590
General testing	61511	18,696	4,249	3,502	19,443
Art cards	61512	3,040	4,735	3,809	3,966
Auto and					
industrial fees	61513	7,848	2,965	1,208	9,605
Facilities fees	61514	30,931	55,539	52,876	33,594
Club sports	61516	4,542	25,055	39,344	(9,747)
College activities	61518	187,986	(60,549)	3,666	123,771
Classified training	61522	3,222	4,084	6,812	494
Performing arts	61525	29,474	13,359	26,082	16,751
Box office activity	61526	11,695	12,726	17,080	7,341
Special programs -					
administration	61528	239,447	86,667	22,304	303,810
Vehicles	61531	52,127	25,461	13,661	63,927
Physiology lab	61532	47,542	15,140	12,149	50,533
Library books	61534	44,927	22,095	20,350	46,672
PCA wellness	61535	24,787	5,760	1,485	29,062
Outdoor recreation	61537	5,820	7,053	1,294	11,579
Enrollment services	61546	28,542	4,713	2,053	31,202
Accreditation	61547	10,745	5,615		16,360
Redmond campus	61549	947,369		947,369	
College now/tech. prep.	61550	7,284	16,201	12,306	11,179
Student orientation	61551	1,712	1,987	3,148	551
Chandler lab					
operations	61559	323,301		323,301	
Media activities	61561	4,091	1,943	820	5,214
Tutor/testing	61574	28,761	35,240	60,134	3,867
Institutional advancement	61576	58,599	39,316	45,696	52,219
Student honors					
recognition	61581	666	3,293	2,722	1,237
Allied health lab fees	61586	718	5,458	5,958	218

Continued on page 57



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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 56

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Innovation account	61589	\$ 193,715	\$ 204,745	\$ 130,423	\$ 268,037
Mazama lab fees	61592	8,486	49,773	59,033	(774)
Tool room deposits	61596	1,012	389	95	1,306
Computer lab printers	61597	17,873	17,716	4,694	30,895
Instructional projects	61598	118,482	30,560	26,604	122,438
Oregon International education consortium	61599	32,942	100,398	112,002	21,338
Student government	61601	64,783	171,637	198,642	37,778
The Broadside	61602	347	54,812	52,276	2,883
Blue Sky	61603	8,129	28,602	29,376	7,355
Self-sustaining activities		<u>2,581,325</u>	<u>1,014,643</u>	<u>2,242,274</u>	<u>1,353,694</u>
Summer Session	62501	320,052	457,858	241,410	536,500
International programs	62558	30,065	6,510	4,183	32,392
BDC program	62564	105,108	112,226	130,767	86,567
Business development and training	62575	5,064	30,929	3,886	32,107
ABE General Purpose	62576	20,773	743,400	523,802	240,371
Non-general fund instruction		<u>481,062</u>	<u>1,350,923</u>	<u>904,048</u>	<u>927,937</u>
Community & professional education	63502	1,072,198	1,431,600	1,368,355	1,135,443
Culinary program	63546	17,100	13,660	1,488	29,272
Licensed massage therapy	63572	10,732	13,368	4,191	19,909
Aviation program	63579	49,136	86,760	50,475	85,421
Entrepreneurial instruction		<u>1,149,166</u>	<u>1,545,388</u>	<u>1,424,509</u>	<u>1,270,045</u>
Foundation billing	64515		247,536	247,536	
Family resource center	64569	30,336	464,635	462,670	32,301

Continued on page 58

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 57

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Partnershiip collaborations	64573	\$ 721,420	\$ 479,314	\$ 707,909	\$ 492,825
Cascade hall minor maintenance	64574	(2,589)	10,451	10,930	(3,068)
Revoling activities		<u>749,167</u>	<u>1,201,936</u>	<u>1,429,045</u>	<u>522,058</u>
Faculty Professional improvement	65521	137,208	60,919	32,304	165,823
Adjunct faculty professional improvement	65523	21,209	7,100	1,070	27,239
Admin professional development & sabbatical	65526	175,189	7,924	9,369	173,744
Sabbatical - faculty	65527	1,188	125,497	105,907	20,778
Unemployment reserve	65542	165,076	33,756	29,212	169,620
Insurance reserve deductible	65543	78,013	17,566	5,917	89,662
Keyes educational enhancement fund	65562	<u>101,812</u>	<u>88,824</u>	<u>151,299</u>	<u>39,337</u>
Contractual and administrative provisions		<u>679,695</u>	<u>341,586</u>	<u>335,078</u>	<u>686,203</u>
		<u>\$ 5,640,415</u>	<u>\$ 5,454,476</u>	<u>\$ 6,334,954</u>	<u>\$ 4,759,937</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$	\$ 938	\$ 11,968	\$	\$ 5,000	\$ 17,906
General testing	3,330	919				4,249
Art cards	4,576	159				4,735
Auto and industrial fees	2,568	397				2,965
Facilities fees	49,788	1,551	4,200			55,539
Club sports	7,555				17,500	25,055
College activities		9,578	39,873		(110,000)	(60,549)
Classified training		84			4,000	4,084
Performing arts	1,257	1,050	11,052			13,359
Box office activity	12,294	432				12,726
Special programs - administration		12,028	74,639			86,667
Vehicles	22,826	2,635				25,461
Physiology lab	12,913	2,227				15,140
Library books	6,048	2,080	13,967			22,095
PCA wellness		1,230	4,530			5,760
Outdoor recreation	810	273			5,970	7,053
Enrollment services		1,356	3,357			4,713
Accreditation		615			5,000	5,615
College now / tech prep	15,755	446				16,201
Student orientation	1,935	52				1,987
Media activities	1,732	211				1,943
Tutor/testing	33,090	740	1,410			35,240
Institutional advancement		2,516			36,800	39,316
Student honors recognition		43	2,000		1,250	3,293
Allied health lab fees	4,012	146	1,300			5,458
Innovation account		8,072	31,673		165,000	204,745
Mazama lab fees	39,495	279	2,499		7,500	49,773
Tool room deposits		53	336			389
Computer lab printers		1,108	16,608			17,716
Instructional projects	21,539	5,518	2,394		1,109	30,560
Oregon International Education consortium	95,299	1,249	3,850			100,398
Student government	169,134	2,503				171,637
The Broadside		75		19,737	35,000	54,812
Blue Sky	28,189	413				28,602
Self-sustaining activities	534,145	60,976	225,656	19,737	174,129	1,014,643

Continued on page 60

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 59

	<i>Charges For Services</i>	<i>Interest</i>	<i>Other</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
Summer session	\$ 438,406	\$ 19,452	\$	\$	\$	\$ 457,858
International programs	5,040	1,470				6,510
BDC program	107,838	4,388				112,226
Business development and training		929			30,000	30,929
ABE general purpose					743,400	743,400
Non-general fund instruction	551,284	26,239			773,400	1,350,923
Community & professional education	942,083	56,517			433,000	1,431,600
Culinary program	12,607	1,053				13,660
Licensed massage therapy	12,672	696				13,368
Aviation program	79,969	3,060	3,731			86,760
Entrepreneurial instruction	1,047,331	61,326	3,731		433,000	1,545,388
Foundation billing			247,536			247,536
Family resource center			1,627	463,008		464,635
Partnership collaborations		27,558	451,756			479,314
Cascade hall minor maintenance			10,451			10,451
Revolving activities		27,558	711,370	463,008		1,201,936
Faculty professional improvement		6,919			54,000	60,919
Adjunct Faculty professional improvement		1,100			6,000	7,100
Admin prof development & sabbatical		7,924				7,924
Sabbatical-faculty		497			125,000	125,497
Unemployment reserve	6,155	7,601			20,000	33,756
Insurance reserve deductible		3,808	13,758			17,566

Continued on page 61

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 60

	<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	\$	\$ 88,824	\$	\$	\$	\$ 88,824
Contractual and administrative support	6,155	116,673	13,758		205,000	341,586
	<u>\$ 2,138,915</u>	<u>\$ 292,772</u>	<u>\$ 954,515</u>	<u>\$ 482,745</u>	<u>\$ 1,585,529</u>	<u>\$ 5,454,476</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
General testing	\$ 189	\$ 1	\$ 3,312	\$	\$	\$ 3,502
Art cards			3,809			3,809
Auto and industrial fees			1,208			1,208
Facilities fees	22,797	17,524	12,555			52,876
Club sports	3,410	866	35,068			39,344
College activities	2,500	617	549			3,666
Classified training			6,812			6,812
Performing arts	7,557	859	16,557		1,109	26,082
Box office activity			17,080			17,080
Special programs - administration	16,368	9,572	(3,636)		-	22,304
Vehicles			13,661			13,661
Physiology lab	2,683	709	8,757	-		12,149
Library books			53	20,297		20,350
PCA Wellness			1,485			1,485
Outdoor recreation program	761	149	384			1,294
Enrollment services			2,053			2,053
Redmond campus					947,369	947,369
College now / tech prep	4,359	1,091	5,818	1,038		12,306
Student orientation			3,148			3,148
Chandler lab operations					323,301	323,301
Media activities			820			820
Tutor/testing	39,070	6,280	8,572	6,212		60,134
Institutional advancement	32,599	13,097				45,696
Student honors recognition	100	25	2,597			2,722
Allied health lab fees		(6)	4,689	1,275		5,958
Innovation account	8,906	2,258	115,410	3,849		130,423
Mazama lab fees	30,190	5,047	8,248	15,548		59,033
Tool room deposits			95			95
Computer lab printers			4,694			4,694
Instructional programs	5,526	2,418	18,660			26,604
Oregon International education consortium	5,713	791	105,498			112,002

Continued from page 63

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 62

	<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	\$ 31,842	\$ 327	\$ 94,518	\$ 18,485	\$ 53,470	\$ 198,642
The Broadside	34,650	919	16,707			52,276
Blue Sky			29,376			29,376
Self-sustaining activities	249,220	62,544	538,557	66,704	1,325,249	2,242,274
Summer session	193,616	44,414	3,380			241,410
International programs	2,100	590	1,493			4,183
BDC program	39,794	28,863	62,110			130,767
Business development and training	3,197	556	133			3,886
ABE general purpose	346,435	163,523	13,844			523,802
Non-general fund instruction	585,142	237,946	80,960			904,048
Community & profess. education	522,074	210,658	317,749	2,349	315,525	1,368,355
Culinary program			1,488			1,488
Licensed massage therapy			4,191			4,191
Aviation program	20,275	3,420	19,055	7,725		50,475
Entrepreneurial instruction	542,349	214,078	342,483	10,074	315,525	1,424,509
Foundation billing	166,722	80,814				247,536
Family resource center	195,422	77,769	187,101	2,378		462,670
Partnership collaborations	111,708	59,462	36,739		500,000	707,909
Cascades hall minor maintenance			10,930			10,930
Revolving activities	473,852	218,045	234,770	2,378	500,000	1,429,045

Continued on page 64

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

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

**YEAR ENDED JUNE 30, 2008**

Continued from page 63

	<i>Salaries</i>	<i>Payroll Assessments</i>	<i>Materials and Services</i>	<i>Capital Outlay</i>	<i>Transfers Out</i>	<i>Totals</i>
Faculty professional improvement	\$ 9,395	\$ 2,343	\$ 20,566	\$	\$	\$ 32,304
Adjunct faculty professional improvement	250	70	750			1,070
Admin professional development & sabbatical			9,369			9,369
Sabbatical - faculty	77,003	28,904				105,907
Unemployment reserve		29,212				29,212
Insurance reserve deductible			676	5,241		5,917
Keyes educational enhancement fund			67,999	4,000	79,300	151,299
Contractual and administrative provisions	86,648	60,529	99,360	9,241	79,300	335,078
	<u>\$ 1,937,211</u>	<u>\$ 793,142</u>	<u>\$ 1,296,130</u>	<u>\$ 88,397</u>	<u>\$ 2,220,074</u>	<u>\$ 6,334,954</u>



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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$ 1,743,500	\$ 1,743,500	\$ 2,138,915	\$ 395,415
Interest	215,375	215,375	292,772	77,397
Other	592,794	592,794	954,515	361,721
<b>Intergovernmental:</b>				
State	920,000	920,000	482,745	(437,255)
<b>Transfers from other funds</b>	<u>1,297,175</u>	<u>1,297,175</u>	<u>1,585,529</u>	<u>288,354</u>
<b>Total revenue</b>	<u>4,768,844</u>	<u>4,768,844</u>	<u>5,454,476</u>	<u>685,632</u>
<b>Beginning fund balance</b>	<u>5,075,000</u>	<u>5,075,000</u>	<u>5,640,415</u>	<u>565,415</u>
<b>Total available         for appropriation</b>	<u>9,843,844</u>	<u>9,843,844</u>	<u>11,094,891</u>	<u>1,251,047</u>
<b>Expenditures</b>				
Self-sustaining activities	2,296,352	2,296,352	2,242,274	54,078
Non-general fund instruction	860,159	920,159	904,048	16,111
Entrepreneurial instruction	1,518,415	1,458,415	1,424,509	33,906
Revolving activities	1,459,358	1,459,358	1,429,045	30,313
Reserves	<u>439,600</u>	<u>439,600</u>	<u>335,078</u>	<u>104,522</u>
<b>Total expenditures</b>	<u>6,573,884</u>	<u>6,573,884</u>	<u>6,334,954</u>	<u>238,930</u>
<b>Unappropriated ending     fund balance - budget basis</b>	<u>\$ 3,269,960</u>	<u>\$ 3,269,960</u>	<u>\$ 4,759,937</u>	<u>\$ 1,489,977</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$ 150,000	\$ 150,000	\$ 144,448	\$ (5,552)
<b>Beginning fund balance</b>	3,213,000	3,213,000	3,329,356	116,356
<b>Total available         for appropriation</b>	3,363,000	3,363,000	3,473,804	110,804
<b>Expenditures</b>				
Materials and supplies	216,000	216,000	192,722	23,278
Transfers to other funds	250,000	250,000	250,000	
<b>Total expenditures</b>	466,000	466,000	442,722	23,278
<b>Unappropriated ending fund balance - budget basis</b>	\$ 2,897,000	\$ 2,897,000	\$ 3,031,082	\$ 134,082

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

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Sub-Fund</i>	<i>Beginning</i>			<i>Ending</i>
	<i>Number</i>	<i>Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Balance</i>
		<i>(Deficit)</i>			<i>(Deficit)</i>
Perkins	71801	\$ 18,217	\$ 751	\$ 2,541	\$ 16,427
College work study	71802		145,184	145,184	
SEOG	71803		106,300	106,300	
Pell	71804		2,981,580	2,981,580	
Academic competitiveness grant	71806		25,543	25,543	
Federal education					
loan program	72805		7,258,416	7,258,416	
State need	72807		701,925	701,925	
Private scholarship award	72808		101,207	101,207	
Foundation	73805		845,001	845,001	
COCC financial aid program	73809	51,320	44,176	5,870	89,626
Native American trust	75809	123,534	38,043	27,717	133,860
		<u>\$ 193,071</u>	<u>\$ 12,248,126</u>	<u>\$ 12,201,284</u>	<u>\$ 239,913</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<u>Interest</u>	<u>Grants</u>	<u>Other</u>
Perkins	\$	\$	\$ 751
College work study			13,622
SEOG			
Pell			6,725
Academic competitiveness grant			
Federal education loan program			
State need			
Private scholarship award			
Foundation		778,203	
COCC financial aid program	2,254		250
Native American trust	35,543		2,500
	<u>\$ 37,797</u>	<u>\$ 778,203</u>	<u>\$ 23,848</u>

<i>Intergovernmental</i>		<i>Transfers</i>	
<i>State</i>	<i>Federal</i>	<i>In</i>	<i>Total</i>
\$	\$	\$	\$
	98,032	33,530	751
	106,300		145,184
	2,974,855		106,300
	25,543		2,981,580
	7,258,416		25,543
701,925			7,258,416
101,207			701,925
		66,798	101,207
		41,672	845,001
			44,176
			38,043
<u>\$ 803,132</u>	<u>\$ 10,463,146</u>	<u>\$ 142,000</u>	<u>\$ 12,248,126</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$	\$ 2,541	\$	\$	\$ 2,541
College work study	131,562	13,622			145,184
SEOG			106,300		106,300
Pell			2,981,580		2,981,580
Academic compet- itiveness grant			25,543		25,543
Federal education loan program			7,258,416		7,258,416
State need			701,925		701,925
Private scholarship award			101,207		101,207
Foundation			845,001		845,001
COCC financial aid program	140		5,730		5,870
Native American trust	14,466	8,751	4,500		27,717
	<u>\$ 146,168</u>	<u>\$ 24,914</u>	<u>\$ 12,030,202</u>	<u>\$</u>	<u>\$ 12,201,284</u>

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

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

**YEAR ENDED JUNE 30, 2008**

	<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	\$ 34,817	\$ 34,817	\$ 37,797	\$ 2,980
Grants	643,000	643,000	778,203	135,203
Other	27,000	27,000	23,848	(3,152)
<b>Intergovernmental:</b>				
State	600,000	600,000	803,132	203,132
Federal	4,290,000	4,290,000	3,204,730	(1,085,270)
<b>Transfers from other funds</b>	<u>174,974</u>	<u>174,974</u>	<u>142,000</u>	<u>(32,974)</u>
<i>Total revenue</i>	5,769,791	5,769,791	4,989,710	(780,081)
<b>Beginning fund balance</b>	<u>145,000</u>	<u>145,000</u>	<u>193,071</u>	<u>48,071</u>
<i>Total available         for appropriation</i>	<u>5,914,791</u>	<u>5,914,791</u>	<u>5,182,781</u>	<u>(732,010)</u>
<b>Expenditures</b>				
Federal programs	4,361,000	3,941,000	3,261,148	679,852
State programs	690,000	810,000	803,132	6,868
Local programs	721,866	1,021,866	878,588	143,278
Transfers out	<u>37,974</u>	<u>37,974</u>		<u>37,974</u>
<i>Total expenditures</i>	<u>5,810,840</u>	<u>5,810,840</u>	<u>4,942,868</u>	<u>867,972</u>
<b>Unappropriated ending fund balance - budget basis</b>	<u>\$ 103,951</u>	<u>\$ 103,951</u>	<u>\$ 239,913</u>	<u>\$ 135,962</u>

### **DEBT SERVICE FUND**

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



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

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

**JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 148,341	\$ 157,667
Cash with county treasurers	16,782	28,274
Property tax receivable	101,900	69,836
Prepays and advances		61,918
	<hr/>	<hr/>
<i>Total assets</i>	\$ 267,023	\$ 317,695
	<hr/>	<hr/>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Deferred revenue	\$ 75,427	\$ 34,624
	<hr/>	<hr/>
<i>Total liabilities</i>	75,427	34,624
	<hr/>	<hr/>
<b><i>Fund equity:</i></b>		
Fund balance		
Unreserved		
Designated for debt service	191,596	283,071
	<hr/>	<hr/>
<i>Total liabilities</i>		
<i>and fund equity</i>	\$ 267,023	\$ 317,695
	<hr/>	<hr/>

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

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

**YEAR ENDED JUNE 30, 2008**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 1,683,645	\$ 1,683,645	\$ 1,643,164	\$ (40,481)
Assessment	666,542	666,542	647,662	(18,880)
Interest	5,355	5,355	33,760	28,405
Grants and contracts	475,115	475,115	477,349	2,234
<b>Transfers from other funds</b>	<u>303,110</u>	<u>303,110</u>	<u>303,110</u>	
Total revenue	3,133,767	3,133,767	3,105,045	(28,722)
<b>Beginning fund balance</b>	<u>207,025</u>	<u>207,025</u>	<u>283,071</u>	<u>76,046</u>
Total available for appropriation	<u>3,340,792</u>	<u>3,340,792</u>	<u>3,388,116</u>	<u>47,324</u>
<b>Expenditures</b>				
<b>Debt service:</b>				
SELP loan payments	64,823	64,823	64,822	1
Bond principal	2,144,454	2,144,454	2,144,456	(2)
Interest	<u>987,243</u>	<u>987,243</u>	<u>987,242</u>	<u>1</u>
Total expenditures	<u>3,196,520</u>	<u>3,196,520</u>	<u>3,196,520</u>	
<b>Unappropriated ending fund balance - budget basis</b>	<u><u>\$ 144,272</u></u>	<u><u>\$ 144,272</u></u>	<u><u>\$ 191,596</u></u>	<u><u>\$ 47,324</u></u>

### **CAPITAL PROJECTS FUND**

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

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

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

**JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Pooled cash and investments	\$ 13,162,266	\$ 11,095,229
<i>Total assets</i>	<u>\$ 13,162,266</u>	<u>\$ 11,095,229</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 44,390	\$ 63,886
<b><i>Fund equity:</i></b>		
Fund balance		
Undesignated	<u>13,117,876</u>	<u>11,031,343</u>
<i>Total liabilities</i>		
<i>and fund equity</i>	<u>\$ 13,162,266</u>	<u>\$ 11,095,229</u>

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

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

**JUNE 30, 2008**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local</b>				
Donations	\$ 1,950,000	\$ 1,950,000	\$ 250,000	\$ (1,700,000)
Interest	776,500	776,500	579,015	(197,485)
Bond proceeds	1,757,500	1,757,500		(1,757,500)
Other income	600,000	600,000	684,460	84,460
Transfers from other funds	4,850,000	4,850,000	7,086,673	2,236,673
<b>Total revenue</b>	<b>9,934,000</b>	<b>9,934,000</b>	<b>8,600,148</b>	<b>(1,333,852)</b>
<b>Beginning fund balance</b>	<b>10,078,000</b>	<b>10,078,000</b>	<b>11,031,343</b>	<b>953,343</b>
<b>Total available         for appropriation</b>	<b>20,012,000</b>	<b>20,012,000</b>	<b>19,631,491</b>	<b>(380,509)</b>
<b>Expenditures</b>				
<b>Capital outlay</b>				
General construction	2,058,000	3,384,000	3,383,237	763
Campus center building	11,292,500	9,675,500	1,549,967	8,125,533
Madras center	1,875,000	1,875,000	21,554	1,853,446
Real estate development	76,500	76,500	69,091	7,409
Allied Health and Science Building	75,000	165,000	164,717	283
Repair and replacement	610,000	810,000	686,210	123,790
Life cycle technology replacement	300,000	300,000	181,588	118,412
Higher ed. bldg. repair & maintenance reserve	200,000	200,000		200,000
IT Server/infrastructure	200,000	200,000	121,720	78,280
Redmond campus	340,540	340,540	232,893	107,647
Chandler lab	210,000	210,000	102,638	107,362
<b>Total expenditures</b>	<b>17,237,540</b>	<b>17,236,540</b>	<b>6,513,615</b>	<b>10,722,925</b>
<b>Unappropriated ending fund balance - budget basis</b>	<b>\$ 2,774,460</b>	<b>\$ 2,775,460</b>	<b>\$ 13,117,876</b>	<b>\$ 10,342,416</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 DISTRICT**  
**BEND, OREGON**

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Bookstore</i>	<i>Residence Hall</i>
<b>ASSETS</b>		
<b><i>Current assets:</i></b>		
Pooled cash and investments	\$ 1,062,129	\$ 341,378
Accounts receivable	97,874	56,761
Inventory	259,376	
	<hr/>	<hr/>
<i>Total current assets</i>	1,419,379	398,139
	<hr/>	<hr/>
<b><i>Capital assets</i></b>		
Buildings and equipment	1,247,128	591,871
Accumulated depreciation	(502,557)	(505,508)
	<hr/>	<hr/>
Net property and equipment	744,571	86,363
	<hr/>	<hr/>
<i>Total assets</i>	\$ 2,163,950	\$ 484,502
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 10,963	\$
	<hr/>	<hr/>
<b><i>Fund equity:</i></b>		
Contributed capital	20,000	160,098
Retained earnings - unreserved	2,132,987	324,404
	<hr/>	<hr/>
<i>Total fund equity</i>	2,152,987	484,502
	<hr/>	<hr/>
<i>Total liabilities and fund equity</i>	\$ 2,163,950	\$ 484,502
	<hr/> <hr/>	<hr/> <hr/>



<i>Totals</i>	
<u>2008</u>	<u>2007</u>
\$ 1,403,507	\$ 946,333
154,635	262,572
<u>259,376</u>	<u>273,122</u>
<u>1,817,518</u>	<u>1,482,027</u>
1,838,999	1,838,999
<u>(1,008,065)</u>	<u>(968,825)</u>
<u>830,934</u>	<u>870,174</u>
<u>\$ 2,648,452</u>	<u>\$ 2,352,201</u>
\$ 10,963	\$ 32,547
180,098	180,098
<u>2,457,391</u>	<u>2,139,556</u>
<u>2,637,489</u>	<u>2,319,654</u>
<u>\$ 2,648,452</u>	<u>\$ 2,352,201</u>

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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Bookstore</i>	<i>Residence Hall</i>
	<hr/>	<hr/>
<b>Operating revenue:</b>		
Charges for services	\$ 2,378,124	\$ 367,050
	<hr/>	<hr/>
<i>Total operating revenue</i>	<i>2,378,124</i>	<i>367,050</i>
	<hr/>	<hr/>
<b>Operating expenses:</b>		
Salaries	263,442	
Payroll assessments	120,167	
Materials and services	1,772,228	274,461
Capital outlay	5,480	5,336
Depreciation	32,590	6,650
	<hr/>	<hr/>
<i>Total operating expenses</i>	<i>2,193,907</i>	<i>286,447</i>
	<hr/>	<hr/>
Operating income (loss)	184,217	80,603
	<hr/>	<hr/>
<b>Non-operating revenue (expenses):</b>		
Interest income	40,278	12,737
Operating transfers out		
	<hr/>	<hr/>
<i>Total non-operating revenue (expenses)</i>	<i>40,278</i>	<i>12,737</i>
	<hr/>	<hr/>
Net income (loss)	224,495	93,340
	<hr/>	<hr/>
<b>Total fund equity - beginning of year</b>	<b>1,928,492</b>	<b>391,162</b>
	<hr/>	<hr/>
<b>Total fund equity - end of year</b>	<b>\$ 2,152,987</b>	<b>\$ 484,502</b>
	<hr/>	<hr/>

<i>Totals</i>	
<i>2008</i>	<i>2007</i>
\$ 2,745,174	\$ 2,273,372
<u>2,745,174</u>	<u>2,273,372</u>
263,442	263,024
120,167	121,148
2,046,689	1,696,191
10,816	24,176
<u>39,240</u>	<u>76,922</u>
<u>2,480,354</u>	<u>2,181,461</u>
<u>264,820</u>	<u>91,911</u>
53,015	50,729
	<u>(200,000)</u>
<u>53,015</u>	<u>(149,271)</u>
317,835	(57,360)
<u>2,319,654</u>	<u>2,377,014</u>
<u>\$ 2,637,489</u>	<u>\$ 2,319,654</u>

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

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

**YEAR ENDED JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2007)**

	<i>Bookstore</i>	<i>Residence Hall</i>
	<hr/>	<hr/>
<b>Cash flows from operating activities:</b>		
Cash received for services	\$ 2,368,545	\$ 399,966
Cash payments for goods and services	(1,689,940)	(290,803)
Cash payments to employees	(383,609)	
	<hr/>	<hr/>
<i>Net cash flows from operating activities</i>	294,996	109,163
	<hr/>	<hr/>
<b>Cash flows from non-capital financing activities:</b>		
Transfers from (to) other funds		
	<hr/>	<hr/>
<b>Cash flows from investing activities:</b>		
Interest earned	40,278	12,737
	<hr/>	<hr/>
<b>Net increase (decrease) in cash and cash equivalents</b>	335,274	121,900
	<hr/>	<hr/>
<b>Cash and cash equivalents - <i>beginning of year</i></b>	726,855	219,478
	<hr/>	<hr/>
<b>Cash and cash equivalents - <i>end of year</i></b>	\$ 1,062,129	\$ 341,378
	<hr/>	<hr/>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 184,217	\$ 80,603
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	32,590	6,650
Decrease (increase) in accounts receivable	75,021	32,916
Decrease (increase) in inventory	13,746	
Increase (decrease) in accounts payable	(10,578)	(11,006)
	<hr/>	<hr/>
<i>Net cash flows from operating activities</i>	\$ 294,996	\$ 109,163
	<hr/>	<hr/>

<i>Totals</i>	
<i>2008</i>	<i>2007</i>
\$ 2,768,511	\$ 2,209,902
(1,980,743)	(1,677,366)
<u>(383,609)</u>	<u>(384,172)</u>
404,159	148,364
	<u>(200,000)</u>
53,015	50,729
457,174	(907)
<u>946,333</u>	<u>947,240</u>
\$ <u>1,403,507</u>	\$ <u>946,333</u>
\$ 264,820	\$ 91,911
39,240	76,922
107,937	(63,470)
13,746	38,815
<u>(21,584)</u>	<u>4,186</u>
\$ <u>404,159</u>	\$ <u>148,364</u>

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

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

**JUNE 30, 2008**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<b>Local:</b>				
Sales	\$ 2,775,000	\$ 2,775,000	\$ 2,378,124	\$ (396,876)
Interest	20,000	20,000	40,278	20,278
<i>Total revenue</i>	2,795,000	2,795,000	2,418,402	(376,598)
<b>Beginning available resources</b>	1,000,000	1,000,000	1,151,331	151,331
<i>Total available     for appropriation</i>	3,795,000	3,795,000	3,569,733	(225,267)
<b>Expenditures</b>				
Salaries	325,500	325,500	263,442	62,058
Payroll assessments	163,000	163,000	120,167	42,833
Materials and services	2,160,500	2,160,500	1,772,228	388,272
Capital outlay	10,000	10,000	5,480	4,520
<i>Total expenditures</i>	2,659,000	2,659,000	2,161,317	497,683
<b>Ending available resources</b>	<u>\$ 1,136,000</u>	<u>\$ 1,136,000</u>	<u>\$ 1,408,416</u>	<u>\$ 272,416</u>

Analysis of ending available resources

Current assets	\$ 1,419,379
Less liabilities	<u>(10,963)</u>
	<u>\$ 1,408,416</u>

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

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

**JUNE 30, 2008**

	<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	\$ 325,000	\$ 325,000	\$ 367,050	\$ 42,050
Interest	<u>10,000</u>	<u>10,000</u>	<u>12,737</u>	<u>2,737</u>
<i>Total revenue</i>	335,000	335,000	379,787	44,787
<b>Beginning available resources</b>	<u>200,000</u>	<u>200,000</u>	<u>298,149</u>	<u>98,149</u>
<i>Total available             for appropriation</i>	<u>535,000</u>	<u>535,000</u>	<u>677,936</u>	<u>142,936</u>
<b>Expenditures</b>				
Materials and services	305,000	305,000	274,461	30,539
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>5,336</u>	<u>4,664</u>
<i>Total expenditures</i>	<u>315,000</u>	<u>315,000</u>	<u>279,797</u>	<u>35,203</u>
<b>Ending available resources</b>	<u><u>\$ 220,000</u></u>	<u><u>\$ 220,000</u></u>	<u><u>\$ 398,139</u></u>	<u><u>\$ 178,139</u></u>

Analysis of ending available resources

Current assets	\$ 398,139
Less liabilities	<u>                    </u>
	<u><u>\$ 398,139</u></u>



Central Oregon Community College



### **INTERNAL SERVICE FUND**

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

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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Totals</i>	
	<i>2008</i>	<i>2007</i>
<b>ASSETS</b>		
<i><b>Current assets:</b></i>		
Pooled cash and investments	\$ 216,746	\$ 280,417
<i>Total assets</i>	<u>\$ 216,746</u>	<u>\$ 280,417</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<i><b>Liabilities:</b></i>		
Accounts payable	\$ 2,315	\$ 116
<i><b>Fund equity:</b></i>		
Retained earnings - unreserved	214,431	280,301
<i>Total liabilities and fund equity</i>	<u>\$ 216,746</u>	<u>\$ 280,417</u>

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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Centralized Services</i>	<i>Copier Activities</i>	<i>Totals</i>	
			<u>2008</u>	<u>2007</u>
<b>Operating revenue:</b>				
Charges for services	\$ 171,632	\$ 74,132	\$ 245,764	\$ 240,025
<b>Operating expenses:</b>				
Salaries	44,142	19,340	63,482	61,801
Payroll assessments	25,316	14,223	39,539	36,691
Materials and services	85,117	34,772	119,889	118,304
Depreciation				
<i>Total operating expenses</i>	<u>154,575</u>	<u>68,335</u>	<u>222,910</u>	<u>216,796</u>
Operating income (loss)	<u>17,057</u>	<u>5,797</u>	<u>22,854</u>	<u>23,229</u>
<b>Non-operating revenue (expenses):</b>				
Interest income	6,914	4,362	11,276	14,054
Operating transfer out		(100,000)	(100,000)	
<i>Total non-operating revenue (expenses)</i>	<u>6,914</u>	<u>(95,638)</u>	<u>(88,724)</u>	<u>14,054</u>
Net income	<u>\$ 23,971</u>	<u>\$ (89,841)</u>	<u>(65,870)</u>	<u>37,283</u>
<b>Fund equity - beginning of year</b>			<u>280,301</u>	<u>243,018</u>
<b>Fund equity - end of year</b>			<u>\$ 214,431</u>	<u>\$ 280,301</u>

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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Totals</i>	
	<i>2008</i>	<i>2007</i>
<b>Cash flows from operating activities:</b>		
Cash received from users	\$ 245,764	\$ 240,025
Cash payments for goods and services	(117,690)	(118,251)
Cash payments to employees	(103,021)	(98,492)
	<u>25,053</u>	<u>23,282</u>
<i>Net cash flows from operating activities</i>		
<b>Cash flows from non-capital financing activities</b>	<u>(100,000)</u>	<u></u>
<b>Cash flows from investing activities</b>		
Interest earned	<u>11,276</u>	<u>14,054</u>
	<u>11,276</u>	<u>14,054</u>
<i>Total non-operating revenue (expenses)</i>		
<b>Net increase in cash and cash equivalents</b>	(63,671)	37,336
<b>Cash and cash equivalents - beginning of year</b>	<u>280,417</u>	<u>243,081</u>
<b>Cash and cash equivalents - end of year</b>	<u>\$ 216,746</u>	<u>\$ 280,417</u>
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 22,854	\$ 23,229
Adjustments to reconcile operating income to net cash flows from operating activities		
Increase (decrease) in accounts payable	<u>2,199</u>	<u>53</u>
<i>Net cash flows from operating activities</i>	<u>\$ 25,053</u>	<u>\$ 23,282</u>

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

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

**CENTRALIZED SERVICES**  
**INTERNAL SERVICE FUND**

**JUNE 30, 2008**

	<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	\$ 214,800	\$ 214,800	\$ 171,632	\$ (43,168)
Interest	5,000	5,000	6,914	6,914
<i>Total revenue</i>	219,800	219,800	178,546	(41,254)
<b>Beginning available resources</b>	100,000	100,000	139,851	139,851
<i>Total available         for appropriation</i>	319,800	319,800	318,397	(1,403)
<b>Expenditures</b>				
Salaries	50,500	50,500	44,142	6,358
Payroll assessments	29,000	29,000	25,316	3,684
Materials and services	125,500	125,500	85,117	40,383
<i>Total expenditures</i>	205,000	205,000	154,575	50,425
<b>Ending working capital</b>	\$ 114,800	\$ 114,800	\$ 163,822	\$ 49,022

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

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

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

**JUNE 30, 2008**

	<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	\$ 90,000	\$ 90,000	\$ 74,132	\$ (15,868)
Interest	3,000	3,000	4,362	1,362
<i>Total revenue</i>	93,000	93,000	78,494	(14,506)
<b>Beginning available resources</b>	130,000	130,000	140,450	10,450
<i>Total available     for appropriation</i>	223,000	223,000	218,944	(4,056)
<b>Expenditures</b>				
Salaries	21,000	21,000	19,340	1,660
Payroll assessments	13,500	13,500	14,223	(723)
Materials and services	43,500	43,500	34,772	8,728
Capital purchases	9,500	9,500		9,500
Transfer to other funds	100,000	100,000	100,000	
<i>Total expenditures</i>	187,500	187,500	168,335	19,165
<b>Ending working capital</b>	\$ 35,500	\$ 35,500	\$ 50,609	\$ 15,109

### **PERMANENT FUND**

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

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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

		<i>Totals</i>	
		<i>2008</i>	<i>2007</i>
<b>ASSETS</b>			
Pooled cash and investments	\$	446,206	\$ 346,184
Accounts receivable			
Beneficial interest in perpetual trust		1,519,745	1,692,258
<i>Total assets</i>	\$	<u>1,965,951</u>	<u>\$ 2,038,442</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b><i>Liabilities:</i></b>			
Accounts payable	\$	51,117	\$ 37,911
<i>Total liabilities</i>		<u>51,117</u>	<u>37,911</u>
<b><i>Fund equity:</i></b>			
Fund balance			
Reserved for endowments		1,890,070	1,992,258
Unreserved		24,764	8,273
<i>Total fund equity</i>		<u>1,914,834</u>	<u>2,000,531</u>
<i>Total liabilities and fund equity</i>	\$	<u>1,965,951</u>	<u>\$ 2,038,442</u>



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

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

**JUNE 30, 2008**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<i>Totals</i>	
	<i>2008</i>	<i>2007</i>
<b>Operating expenses:</b>		
Materials and services	\$ 119,032	\$ 116,539
Operating income (loss)	(119,032)	(116,539)
<b>Non-operating revenue:</b>		
Donations	70,325	300,000
Interest	16,490	8,273
Net gain (loss) on perpetual trust	(53,480)	248,877
Non-operating income (loss)	33,335	557,150
Net gain (loss)	(85,697)	440,611
<b>FUND BALANCE - beginning of year</b>	<b>2,000,531</b>	<b>1,559,920</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 1,914,834</b>	<b>\$ 2,000,531</b>

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

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

**JUNE 30, 2008**

	<i>Actual</i>	<i>Budget</i>	<i>Variance with Final Budget Over (Under)</i>
<b>BEGINNING FUND BALANCE</b>	\$ 2,000,531	\$	\$ 2,000,531
<b><i>Revenue</i></b>			
Donations	70,325		70,325
Interest	16,490		16,490
Net loss on perpetual trust	(172,512)		(172,512)
 <i>Total available</i>			
<i>for appropriation</i>	1,914,834		1,914,834
 <b>ENDING FUND BALANCE</b>	\$ 1,914,834	\$ -	\$ 1,914,834

**OTHER SUPPLEMENTAL INFORMATION**

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

**SCHEDULE OF POOLED CASH AND INVESTMENTS**

**JUNE 30, 2008**

	<i>Cash</i> <i>Balance</i>
	<hr/>
Petty cash	\$ 11,890
Demand accounts	1,587,859
Investments:	
Oregon State Treasurer's Investment Pool	<hr/> 27,340,614
	<hr/> \$ 28,940,363
	<hr/> <hr/>
Balance sheet captions:	
Cash and investments	\$ 28,991,853
Cash deficit in bank account	<hr/> (51,490)
	<hr/> \$ 28,940,363
	<hr/> <hr/>

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

**SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR**

**YEAR ENDED JUNE 30, 2008**

<u>Tax Year</u>	<u>2007-08 Levy and Taxes Receivable July 1, 2007</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2008</u>
<b>Deschutes County</b>					
2007-08	\$ 11,078,017	\$ (27,875)	\$ (249,861)	\$ 10,318,487	\$ 481,794
Prior	391,512	(6,382)	27,086	266,114	146,102
<b>Jefferson County</b>					
2007-08	870,258	(3,708)	(20,556)	809,168	36,826
Prior	47,094	(1,048)	3,991	33,008	17,029
<b>Crook County</b>					
2007-08	1,066,226	(6,183)	(23,296)	979,182	57,565
Prior	55,312	(2,322)	3,566	33,685	22,871
<b>Klamath County</b>					
2007-08	188,821	(386)	(4,757)	175,297	8,381
Prior	15,764	(382)		7,012	8,370
<b>Lake County</b>					
2007-08	81,872	(350)	(2,009)	74,892	4,621
Prior	8,743	(194)		3,909	4,640
<b>Wasco County</b>					
2007-08	3,777	(9)	(93)	3,529	146
Prior	264	(9)		139	116
<b>Totals</b>	<b>\$ 13,807,660</b>	<b>\$ (48,848)</b>	<b>\$ (265,929)</b>	<b>12,704,422</b>	<b>\$ 788,461</b>
Tax offsets and other collections				<u>43,075</u>	
<i>Total cash turnover to District</i>				<u><b>\$ 12,747,497</b></u>	

<u>By Fund</u>	<u>Cash Turnover</u>	<u>Adjustment for Accrual</u>	<u>Taxes Revenue</u>	<u>Taxes Receivable</u>
General Fund	\$ 11,084,102	\$ 2,668	\$ 11,086,770	\$ 686,560
Debt Service Fund	<u>1,663,395</u>	<u>(20,231)</u>	<u>1,643,164</u>	<u>101,901</u>
District totals	<u><b>\$ 12,747,497</b></u>	<u><b>\$ (17,563)</b></u>	<u><b>\$ 12,729,934</b></u>	<u><b>\$ 788,461</b></u>

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

**SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR**

**YEAR ENDED JUNE 30, 2008**

<u>Tax Year</u>	<u>2007-08 Levy and Taxes Receivable July 1, 2007</u>	<u>Adjustments</u>	<u>Net Interest (Discount)</u>	<u>Collections</u>	<u>Receivable June 30, 2008</u>
2007-08	\$ 13,288,971	\$ (38,510)	\$ (300,572)	\$ 12,360,555	\$ 589,334
2006-07	367,125	(3,795)	16,350	244,616	135,064
2005-06	85,771	(904)	7,644	52,625	39,886
2004-05	39,952	(1,200)	6,387	30,113	15,026
2003-04	14,631	(928)	3,616	14,498	2,821
2002-03	3,937	(616)	450	1,438	2,333
2001-02	1,949	(450)	161	406	1,254
Prior	5,324	(2,445)	35	171	2,743
<b>Totals</b>	<b>\$ 13,807,660</b>	<b>\$ (48,848)</b>	<b>\$ (265,929)</b>	<b>12,704,422</b>	<b>\$ 788,461</b>
Tax offsets and other collections				<u>43,074</u>	
Total cash turnover to District				12,747,497	
Adjustment for accrual				<u>(17,563)</u>	
2007-08 tax revenue				<u>\$ 12,729,934</u>	

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

**SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS**

**YEAR ENDED JUNE 30, 2008**

<i>Issue</i>	<i>Principal</i>			<i>Ending Balance June 30, 2008</i>
	<i>Beginning Balance July 1, 2007</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$ 580,000	\$ 45,000	\$ 45,000	\$ 535,000
October 1, 1997	1,365,000	95,000	95,000	1,270,000
May 1, 2001	6,710,000	150,000	150,000	6,560,000
October 15, 2001	3,305,000	1,590,000	1,590,000	1,715,000
April 23, 2003	11,015,708	264,454	264,454	10,751,254
	<u>\$ 22,975,708</u>	<u>\$ 2,144,454</u>	<u>\$ 2,144,454</u>	<u>\$ 20,831,254</u>

<i>Issue</i>	<i>Interest</i>			<i>Outstanding June 30, 2008</i>
	<i>Outstanding July 1, 2007</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$	\$ 32,569	\$ 32,569	\$
October 1, 1997		65,895	65,895	
May 1, 2001		337,340	337,340	
October 15, 2001		149,350	149,350	
April 23, 2003		402,088	402,088	
	<u>\$</u>	<u>\$ 987,242</u>	<u>\$ 987,242</u>	<u>\$</u>

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

**SCHEDULE OF REQUIREMENTS FOR RETIRMENT OF BOND INDEBTEDNESS**

**YEAR ENDED JUNE 30, 2008**

<u>Year</u>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements October 15, 2001 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 279,220	\$ 427,322	\$ 1,715,000	\$ 85,750
2009-10	287,694	453,848		
2010-11	296,439	485,103		
2011-12	306,586	519,956		
2012-13	310,398	556,144		
Years Thereafter	9,270,917	9,365,279		
<i>Totals</i>	<u>\$ 10,751,254</u>	<u>\$ 11,807,652</u>	<u>\$ 1,715,000</u>	<u>\$ 85,750</u>

<u>Year</u>	<i>Future Principal and Interest Requirements May 1, 2001 Issue</i>		<i>Future Principal and Interest Requirements October 1, 1997 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 160,000	\$ 329,840	\$ 100,000	\$ 61,360
2009-10	165,000	321,840	105,000	56,490
2010-11	175,000	313,590	110,000	51,220
2011-12	185,000	304,840	115,000	45,595
2012-13	195,000	296,145	120,000	39,720
Years Thereafter	5,680,000	3,109,795	720,000	95,625
<i>Totals</i>	<u>\$ 6,560,000</u>	<u>\$ 4,676,050</u>	<u>\$ 1,270,000</u>	<u>\$ 350,010</u>

<u>Year</u>	<i>Future Principal and Interest Requirements November 1, 1996 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2008-09	\$ 45,000	\$ 30,038
2009-10	50,000	27,366
2010-11	50,000	24,485
2011-12	55,000	21,388
2012-13	60,000	17,995
Years Thereafter	275,000	33,484
<i>Totals</i>	<u>\$ 535,000</u>	<u>\$ 154,756</u>



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

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

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

**JUNE 30, 2008**

*Internal Control Structure*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Oregon Community College District, as of and for the year ended June 30, 2008, which collectively comprise the Central Oregon Community College District's basic financial statements and have issued our report thereon dated October 17, 2008. In planning and performing our audit, we considered Central Oregon Community College District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Central Oregon Community College District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Central Oregon Community College District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Central Oregon Community College District's financial statements that is more than inconsequential will not be prevented or detected by the Central Oregon Community College District's internal control.

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

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

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

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

**JUNE 30, 2008**

*Collateral Security*

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

*Debt Limitation*

The District has not exceeded its legal debt limitation.

*Accounting Records*

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

*Budgets*

We have reviewed procedures for the preparation, adoption and execution of the budget for the year ended June 30, 2008, and we have reviewed the preparation and adoption of the budget for the year beginning July 1, 2008, and found them in compliance with statutory requirements. The level of control for appropriations is exercised at the program level.

*Expenditures Compared to Appropriation*

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

*Insurance Coverage and Fidelity Bonds*

The District administrative staff maintains control of the insurance coverage and fidelity bonds. We examined the District's insurance coverage and fidelity bonds at June 30, 2008, and ascertained that such policies appeared to be in force and comply with legal requirements relating to insurance and fidelity bond coverage. We are not trained to comment on the adequacy of such coverage of District owned property at June 30, 2008.

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

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

**JUNE 30, 2008**

*Programs Funded From Outside Sources*

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

*Investments*

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

*Public Contracts and Purchasing*

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants

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

October 17, 2008

## **SINGLE AUDIT ACT REQUIREMENTS**



Central Oregon Community College

## KERKCOCH KATTER & NELSON, LLP

*Certified Public Accountants*

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

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

Central Oregon Community College District  
Bend, Oregon

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Oregon Community College District, as of and for the year ended June 30, 2008, which collectively comprise the Central Oregon Community College District's basic financial statements and have issued our report thereon dated October 17, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### *Internal Control over Financial Reporting*

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Central Oregon Community College District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Central Oregon Community College District's financial statements that is more than inconsequential will not be prevented or detected by the Central Oregon Community College District's internal control.

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

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

*Internal Control over Financial Reporting (continued)*

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

*Compliance and Other Matters*

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 17, 2008



# KERKOCCH KATTER & NELSON, LLP

*Certified Public Accountants*

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

Central Oregon Community College District  
Bend, Oregon

### *Compliance*

We have audited the compliance of Central Oregon Community College District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Central Oregon Community College District's major federal programs are identified in the summary of audit results. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Central Oregon Community College District's management. Our responsibility is to express an opinion on Central Oregon Community College District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Oregon Community College District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Central Oregon Community College District's compliance with those requirements.

In our opinion, Central Oregon Community College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

### *Internal Control Over Compliance*

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

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

*Internal Control Over Compliance (Continued)*

In planning and performing our audit, we considered Central Oregon Community College District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Central Oregon Community College District's internal control over compliance.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Central Oregon Community College District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Central Oregon Community College District's internal control.

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

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 17, 2008

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2008**

<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 2007-08</i>
<b>Department of Education</b>			
Student financial aid programs			
Supplemental educational opportunity grants	84.007	N/A	\$ 106,300
Perkins grant	84.243	N/A	2,541
College work study program	84.033	N/A	145,184
Academic competitiveness grant	84.375	N/A	25,543
Pell grant programs	84.063	N/A	<u>2,981,580</u>
<i>Total student financial aid</i>			<u>3,261,148</u>
Adult education - State grant program	84.002	N/A	314,842
Vocational education - Basic Grants to States - Carl Perkins	84.048	N/A	<u>240,407</u>
<i>Total department of education</i>			<u>555,249</u>
<b>Department of Labor</b>			
Employment and training administration pilots, demonstrations, and research projects	17.261	N/A	27,654
WIA incentive grant	17.267	N/A	<u>2,825</u>
<i>Total department of labor</i>			<u>30,479</u>
<b>Other programs</b>			
Small business development center - SBA Grant	59.037	N/A	<u>45,375</u>
<i>Total federal financial assistance</i>			<u>\$ 3,892,251</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 \$7,258,416 were administered during the year ended June 30, 2008.

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

**SCHEDULE OF FINDINGS AND QUESTIONS COSTS**

**YEAR ENDED JUNE 30, 2008**

*Summary of Auditors' Results*

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the Central Oregon Community College District (the District).
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in this Schedule.
3. No instances of noncompliance material to the general purpose financial statements of the District were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance.
5. The auditors' report on compliance with requirements applicable to each major federal program for the District expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the District are reported in this Schedule.
7. The programs tested as major programs were the U.S. Department of Education, Student Financial Aid programs, CFDA #84.007, #84.033 and #84.063.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The District was determined to be a low-risk auditee.
10. There were no findings or questioned costs in the year ended June 30, 2007 Single Audit.

*Findings - Financial Statements Audit*

None

*Findings and Questioned Costs - Major Federal Programs Audit*

None



Central Oregon Community College