

**CENTRAL OREGON COMMUNITY COLLEGE**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**CENTRAL OREGON COMMUNITY COLLEGE**

**OFFICIALS**

**JUNE 30, 2015**

*CHAIRPERSON*

Laura Cooper  
Zone 2

*BOARD MEMBERS*

Joe Krenowicz  
Zone 1

Charley Miller  
Zone 5

Anthony Dorsch  
Zone 3

Bruce Abernethy  
Zone 6

David Ford  
Zone 4

Vicki Ricks  
Zone 7

*PRESIDENT*

Shirley Metcalf

*CHIEF FINANCIAL OFFICER*

Kevin Kimball

# CENTRAL OREGON COMMUNITY COLLEGE

## TABLE OF CONTENTS

JUNE 30, 2015

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-11
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	12
Statement of Revenues, Expenses, and Changes in Net Position	13
Statement of Cash Flows	14
Notes to Financial Statements	15-34
REQUIRED SUPPLEMENTAL INFORMATION (COMBINING, INDIVIDUAL AND OTHER BUDGETARY BASIS SCHEDULES AND OTHER SUPPLEMENTAL INFORMATION)	
GENERAL FUND	
Comparative Schedule of Assets Liabilities and Fund Balance - Budgetary Basis	35
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Budgetary Basis	36-41
SPECIAL REVENUE FUNDS	
Combining Schedule of Assets Liabilities and Fund Balance - Budgetary Basis	42
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budgetary Basis	43
Schedule of Beginning Balance, Revenue, Expenditures, and Ending Balance by Function - Grants and Contracts Fund - Budgetary Basis	44
Schedule of Revenue by Function and Object - Grants and Contracts Fund - Budgetary Basis	45
Schedule of Expenditures by Function and Object - Grants and Contracts Fund - Budgetary Basis	46
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Grants and Contracts Fund - Budgetary Basis	47
Schedule of Beginning Balance, Revenue, Expenditures, and Ending Balance by Function - Auxiliary Fund - Budgetary Basis	48-50
Schedule of Revenue by Function and Object - Auxiliary Fund - Budgetary Basis	51-53
Schedule of Expenditures by Function and Object - Auxiliary Fund - Budgetary Basis	54-56
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Auxiliary Fund - Budgetary Basis	57
Reserve	58

**CENTRAL OREGON COMMUNITY COLLEGE**

**TABLE OF CONTENTS**

**JUNE 30, 2015**

	<u>Page</u>
REQUIRED SUPPLEMENTAL INFORMATION (COMBINING, INDIVIDUAL AND OTHER BUDGETARY BASIS SCHEDULES AND OTHER SUPPLEMENTAL INFORMATION) (CONTINUED)	
SPECIAL REVENUE FUNDS (CONTINUED)	
Schedule of Beginning Balance, Revenue, Expenditures, and Ending Balance by Function - Financial Aid Fund - Budgetary Basis	59
Schedule of Revenue by Function and Object - Financial Aid Fund - Budgetary Basis	60
Schedule of Expenditures by Function and Object - Financial Aid Fund - Budgetary Basis	61
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Financial Aid Fund - Budgetary Basis	62
DEBT SERVICE FUND	
Comparative Schedule of Assets Liabilities and Fund Balance - Budgetary Basis	63
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Budgetary Basis	64
CAPITAL PROJECTS FUND	
Comparative Schedule of Assets Liabilities and Fund Balance - Budgetary Basis	65
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Budgetary Basis	66
PROPRIETARY FUNDS (ENTERPRISE AND INTERNAL SERVICE FUNDS)	
ENTERPRISE FUNDS	
Combining Schedule of Assets Liabilities and Fund Balance - Budgetary Basis	67
Combining Schedule of Revenue, Expenses, and Changes in Retained Earnings - Budgetary Basis	68
Combining Schedule of Cash Flows - Budgetary Basis	69
Schedule of Revenue, Expenditures, and Changes in Available Resources - Actual and Budget - Budgetary Basis	
Bookstore	70
Food Service	71
Residence Hall	72
INTERNAL SERVICE FUND	
Schedule of Assets Liabilities and Fund Balance	73
Schedule of Revenue, Expenses, and Changes in Retained Earnings	74
Schedule of Cash Flows	75
Schedule of Revenue, Expenditures, and Changes in Available Resources - Actual and Budget - Budgetary Basis	
Centralized Services	76
Copier Activities	77

**CENTRAL OREGON COMMUNITY COLLEGE**

**TABLE OF CONTENTS**

**JUNE 30, 2015**

	<u>Page</u>
PERMANENT FUND	
Combining Schedule of Assets Liabilities and Fund Balance - Non-Expendable Trust Fund - Budgetary Basis	78
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Non-Expendable Trust - Budgetary Basis	79
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Actual and Budget - Non-Expendable Trust Fund - Budgetary Basis	80
OTHER SUPPLEMENTAL INFORMATION	
Schedule of Pooled Cash and Investments	81
Schedule of Property Tax Transactions by County	82
Schedule of Property Tax Transactions by Tax Year	83
Schedule of Bond Principal and Interest Transactions	84
Schedule of Requirements for Retirement of Bond Indebtedness	85
INDEPENDENT AUDITORS' REPORT REQUIRED BY STATE REGULATIONS	86-87
SINGLE AUDIT ACT REQUIREMENTS	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	88-89
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	90-91
Schedule of Expenditures of Federal Awards	92
Schedule of Findings and Questioned Costs	93



**CENTRAL OREGON**  
community college

# **KERKOC H KATTER & NELSON, LLP**

*Certified Public Accountants*

45 NW Hawthorne Avenue • Bend, Oregon 97703 • Phone (541) 382-3468 • Fax (541) 382-0533

---

## **INDEPENDENT AUDITORS' REPORT**

Board of Officials  
Central Oregon Community College  
Bend, Oregon

### ***Report on the financial Statements***

We have audited the accompanying financial statements of Central Oregon Community College and Central Oregon Community College Foundation, its discretely presented component unit as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Central Oregon Community College's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Central Oregon Community College and Central Oregon Community College Foundation as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information starting on page 3 and 35 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management discussion and analysis in accordance auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### ***Other Reporting Required by Government Auditing Standards and Other Information***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2015, on our consideration of Central Oregon Community College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 considered in assessing the results of our audit.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Central Oregon Community College's basic financial statements as a whole. The Other Supplemental Information is presented for purposes of additional analysis and 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 the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The Other Supplemental Information and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and directly relate to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued a report titled "Independent Auditors' Report Required by State Regulations" dated October 31, 2015, which is also a required part of the financial statements. The purpose of the report is to address specific matters required by the State of Oregon.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



By: Stuart D. Katter – a partner  
October 31, 2015



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

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

This section of Central Oregon Community College District (the College) Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activities during the fiscal year ended June 30, 2015. The purpose of the MD&A is to assist readers in understanding the accompanying financial statements by providing an analysis of the College's financial activity based on currently known facts and conditions. Management prepares this discussion, and is responsible for the completeness and reliability of the information. This discussion should be read in conjunction with the financial statements and related footnote disclosures.

## **Accounting Standards**

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

## **Overview of the Financial Statements**

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

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

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

**Financial Highlights**

- The College's financial position at June 30, 2015 consists of total assets of \$167.5 million, liabilities and deferred inflows of resources of \$87.9 million and net position of \$79.6 million, an increase of \$1.6 million, 2.1 percent from the prior year.
- Student credit enrollment decreased by -10.9 percent from the prior year. This enrollment decline represents the third year of decline since the peak enrollment year of 2012. The decline in enrollment resulted in reduced tuition and fee revenues of -\$1.9 million, -14.3 percent, net of increases in tuition and fee rates. Declining enrollment also had a negative impact on auxiliary enterprises revenue in the form of reduced bookstore revenue of -\$439 thousand, -12.2 percent, and decrease of -\$6 thousand, -.7% in the residence hall and food service operations revenue. This decrease in enrollment could also have a negative impact on the State's level of student reimbursement support to the College in future years.
- Property tax revenues for operations increased \$953 thousand, 7.4 percent, due to improving property values, new construction, and the impacts of voter approved Measure 5 and Measure 50. Measure 5 limits the maximum allowable tax to \$5 for each \$1,000 of real market value on property assessed by all public school districts including community colleges. Measure 50 further limits future annual property tax growth to 3 percent of assessed value. The total property taxes received of \$16.5 million by the college district includes taxes for the annual debt service for the voter approved general obligation bonds issued in June 2010.
- The State Aid for student reimbursement decreased due to the State's deferral of the biennium's 8th quarter community college support fund payment for 2014-15 received in 2015-16. State Aid payments were historically made quarterly in August, October, January and April each year. In 2003, the Oregon Legislature began delaying the eighth quarter payment in each biennium until July of the following fiscal year. The Oregon local budget law was amended to allow community colleges to accrue the delayed payment, however, the basic financial statements which are prepared using the full accrual accounting basis, report the eighth quarter delayed payment as revenue in the year received. This reporting timing difference is illustrated below.

Fiscal Year	Number of State Aid Payments		Amount (in thousands, 000's)	
	Basic Financial Statements	General Fund	Basic Financial Statements	General Fund
2009-10	5	4	\$ 5,577	\$ 4,200
2010-11	3	4	\$ 2,964	\$ 4,496
2011-12	5	4	\$ 6,865	\$ 5,333
2012-13	3	4	\$ 3,545	\$ 4,819
2013-14	5	4	\$ 8,013	\$ 6,739
2014-15	3	4	\$ 5,726	\$ 7,582

## **Analysis of the Statement of Net Position**

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

Statement of Net Position				
<i>In thousands of dollars (000's)</i>	2015	2014	\$ Change	% Change
<b>Assets</b>				
Current assets	\$ 38,274	\$ 56,347	\$ (18,073)	-32.1%
Capital assets, net of depreciation	114,028	97,980	16,048	16.4%
Other noncurrent assets	15,222	10,333	4,889	47.3%
<b>Total Assets</b>	<b>\$ 167,524</b>	<b>\$ 164,660</b>	<b>\$ 2,864</b>	<b>1.7%</b>
<b>Liabilities</b>				
Current liabilities	\$ 11,013	\$ 9,469	\$ 1,544	16.3%
Noncurrent liabilities	69,157	77,149	(7,992)	-10.4%
<b>Total Liabilities</b>	<b>80,170</b>	<b>86,618</b>	<b>(6,448)</b>	<b>-7.4%</b>
<b>Deferred Inflows of Resources</b>				
Net pension related deferred inflows	7,708	-	7,708	N/A
<b>Total Liabilities and Deferred Inflows</b>	<b>87,878</b>			
<b>Net Position</b>				
Investment in capital assets, net of related debt	52,527	46,323	6,204	13.4%
Restricted	10,719	9,184	1,535	16.7%
Unrestricted	16,400	22,535	(6,135)	-27.2%
<b>Total Net Position</b>	<b>79,646</b>	<b>78,042</b>	<b>1,604</b>	<b>2.1%</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 167,524</b>	<b>\$ 164,660</b>	<b>\$ (4,844)</b>	<b>1.7%</b>

Current assets consist of pooled cash and investments, accounts receivable, and inventory. Current assets decreased -\$18.1 million, -32.1% from prior year. Cash and investments decreased -\$18.6 million primarily from the expenditure of the bond proceeds from the \$20.9 million in full faith and credit bonds issued in 2014 on the construction of the new residence hall. Property taxes receivable decreased -\$105 thousand due to stronger collections of prior year property taxes. Net accounts receivable increased \$535 thousand due to the increase in student receivables, and inventory increased \$151 thousand. Capital assets consist of land, buildings, equipment, construction in progress, and land improvements net of accumulated depreciation. Capital assets net of depreciation increased \$16.1 million, 16.4% higher than the prior year due to new building construction. Other noncurrent assets include pension prepayment assets, net pension asset, and the beneficial interest in a perpetual trust. The net pension asset of \$5.3 million is a new noncurrent asset category reflecting the implementation of the new Governmental Accounting Standards Board Number 68, *Accounting and Financial Reporting for Pensions* for fiscal year ended June 30, 2015.

Current liabilities consist of accounts payable, interest payable, accrued expenses, unearned revenue, accrued expenses, and the current portion of long-term debt. Current liabilities increased \$1.5 million, 16.3% from the prior year due to increases in accounts payable of \$1.0 million, \$40 thousand in accrued expenses, \$394 thousand in unearned revenue, and \$96 thousand in current portion of long-term debt, net of decline of -\$51 thousand in interest payable. Included in the noncurrent liabilities are long-term obligations in the form of full faith & credit bonds, pension obligation bonds, general obligation bonds, capital leases, and other post-employment benefits (OPEB). The decrease in noncurrent liabilities of -\$7.9 million, -10.4 percent, is due to the -\$8.0 million decrease in bonds payable from the early retirement of three full faith & credit bonds and debt service payments, net of \$95 thousand increase in other post-employment benefits (OPEB) liability.

Deferred inflows of resources is a new Statement of Net Position component, reflecting the effects of implementing the new Governmental Accounting Standards Board Number 68, Accounting and Financial Reporting for Pensions for fiscal year ended June 30, 2015. The implementation resulted in a Net Pension Asset in the amount of \$5.3 million and a Deferred Inflow of Resources in the amount of \$7.7 million as of June 30, 2015 as determined by an actuarial valuation provided by PERS.

Net position is the difference between total assets and total liabilities. The College reports investment in capital assets (e.g., land, buildings, and major equipment) at historical cost less any debt used to acquire those assets. The College has \$52.5 million, 65.9 percent of total net position invested in capital assets, \$10.7 million, 13.5 percent is restricted primarily for construction, leaving \$16.4 million, 20.6 percent unrestricted.

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

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

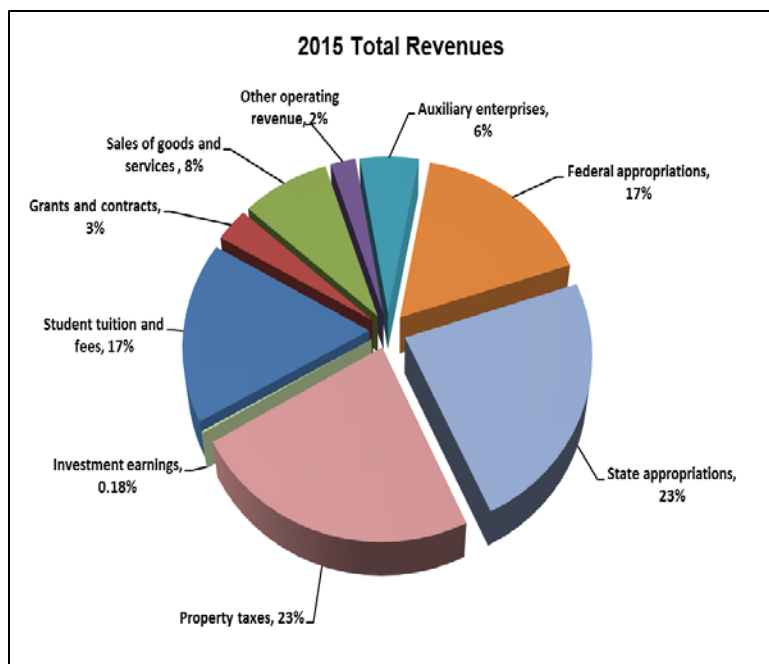
Statement of Revenues, Expenses and Changes in Net Position				
<i>In thousands of dollars (000's)</i>	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Operating Revenue</b>				
Student tuition and fees	\$ 11,865	\$ 13,853	\$ (1,988)	-14.4%
Grants and contracts	2,265	2,090	175	8.4%
Sales of goods and services	5,947	6,283	(336)	-5.3%
Other operating revenue	1,699	2,089	(390)	-18.7%
Auxiliary enterprises	3,974	4,419	(445)	-10.1%
Total operating revenues	<u>25,750</u>	<u>28,734</u>	<u>(2,984)</u>	<u>-10.4%</u>
<b>Non-Operating Revenues</b>				
Federal appropriations	12,066	14,349	(2,283)	-15.9%
State appropriations	16,527	11,674	4,853	41.6%
Property Taxes	16,536	15,535	1,001	6.4%
Investment earnings	131	303	(172)	-56.8%
Total non-operating revenues	<u>45,260</u>	<u>41,861</u>	<u>3,399</u>	<u>8.1%</u>
Total Revenues	<u>71,010</u>	<u>70,595</u>	<u>415</u>	<u>0.6%</u>
<b>Operating Expenses</b>				
Instruction	21,104	23,809	(2,705)	-11.4%
Instructional support services	3,165	2,847	318	11.2%
Student services	13,816	15,612	(1,796)	-11.5%
College support services	6,598	4,788	1,810	37.8%
Plant operations and maintenance	6,654	7,989	(1,335)	-16.7%
Information and technology services	3,685	3,358	327	9.7%
Depreciation	3,364	3,142	222	7.1%
Auxiliary enterprises	3,591	3,828	(237)	-6.2%
Total operating expenses	<u>61,977</u>	<u>65,373</u>	<u>(3,396)</u>	<u>-5.2%</u>
<b>Nonoperating expenses</b>				
Interest expense	2,411	2,654	(243)	-9.2%
Total non-operating expenses	<u>2,411</u>	<u>2,654</u>	<u>(243)</u>	<u>-9.2%</u>
Total Expenses	<u>64,388</u>	<u>68,027</u>	<u>(3,639)</u>	<u>-5.3%</u>
Increase in net position	6,622	2,568	4,054	157.9%
Net position - beginning of year	<u>73,024</u>	<u>75,474</u>	<u>(2,450)</u>	<u>-3.2%</u>
Net position - end of year	<u>\$ 79,646</u>	<u>\$ 78,042</u>	<u>\$ 1,604</u>	<u>2.1%</u>

## Revenues

*Operating revenues* decreased by -\$2.9 million, -10.4 percent from the prior fiscal year. Tuition and fees revenue from credit classes decreased -\$1.9 million, -14.4 percent and sales of goods and services decreased -\$336 thousand, -5.3 percent from declines in program revenue from continuing education and contracted credit classes and reduced internal services charges, net of increases in tuition and fee rates. The auxiliary enterprises revenue declined -\$445 thousand, -10.1 percent reflecting the decrease in bookstore revenue of -\$439 thousand, -12.2 percent, and decrease of -\$6 thousand, -7 percent in residence hall and food service operations revenue.

*Non-operating revenues* increased \$3.3 million, 8.1 percent from prior year. Federal appropriations declined -\$2.2 million, -15.9 percent primarily due to lower levels of federal financial aid. State appropriations increased \$4.8 million, 41.6 percent, due to the \$6.6 million increase in matching State bond proceeds received for construction, \$124 thousand in additional state grants, \$224 thousand in increased state financial aid, net decrease of -\$2.2 million in State FTE reimbursement. Property tax revenue increased \$1.0 million, 6.4 percent due to improving property values and new construction. Total investment earnings decreased -172 thousand, -56.8 percent due to the expenditure of bond proceeds from the \$20.9 million full faith and credit bonds on the construction of new residence hall.

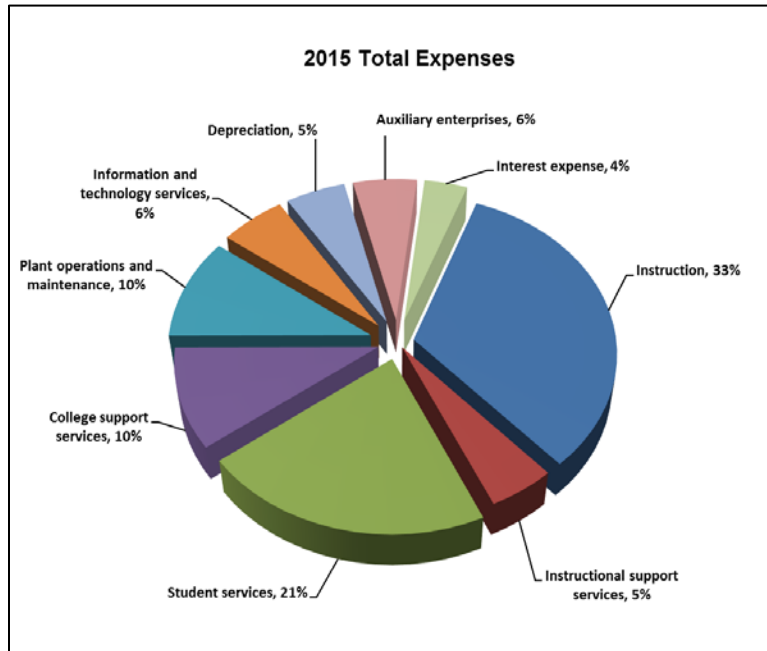
The following graph illustrates the total revenue sources for the College for the 2015 fiscal year. Federal appropriations now represent 17 percent of College revenues compared to 20 percent last year. State appropriations increased from 17 percent to 23 percent. Student tuition and fees decreased from 20 percent to 17 percent. Property taxes, grant and contracts, sales of goods and service, auxiliary enterprises and other revenue remained relatively flat as a percentage of total revenues.



## Expenses

*Operating expenses* consist of salaries and benefits, materials and services, utilities, grants and scholarships, and depreciation. Total operating expenses decreased -\$3.3 million, -5.2 percent due primarily to decreases of -\$2.7 million in instruction, -\$1.7 million in student services, -\$1.3 million in plant operations and maintenance costs, net of \$1.8 million increase in college support services. The decreases in instruction and student services reflect the impacts of declining enrollment on financial aid and student support services. Plant operations and maintenance decrease reflects \$1.5 million in purchases of furniture and equipment for new buildings and remodels the prior year.

*Nonoperating expenses* decreased -\$243 thousand, -9.2 percent, in the form of long-term interest expense due to the early retirement of three full faith and credit bonds series (series 1996, series 1997, and series 2001). The following graph illustrates the total expenditures for the College for the 2015 fiscal year. Instruction now represents 33 percent of College expenditures compared to 35 percent last year. Student services decreased from 23 percent to 21 percent. Plant operations and maintenance dropped from 12 percent to 10 percent. College support services increased from 7 percent to 10 percent. Interest, depreciation, auxiliary enterprises and instruction support expenses remained relatively flat as a percentage of total expenses.



**Analysis of the Statement of Cash Flows**

This statement provides a measurement of the College’s financial health by providing information on the sources and uses of cash. It provides the user information on cash receipts and cash payments to help assess the College’s ability to generate net cash flows, its ability to meet its obligations as they become due, and its need for external financing. The Statement of Cash Flows presents information on cash flows from operating activities, noncapital financial activities, capital financing activities, and investment activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement is reported using the direct method in accordance with Governmental Accounting Standards Board Statement Number 35, *Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities*. The comparative Statement of Cash Flows in summary form is provided below.

Statement of Cash Flows

<i>In thousands of dollars (000's)</i>	2015	2014	\$ Change	% Change
Cash Flows From Operating Activities	\$ (32,046)	\$ (31,698)	\$ (348)	1%
Cash Flows From Noncapital Financing Activities	42,164	41,215	949	2%
Cash Flows From Capital Financing Activities	(28,904)	3,747	(32,651)	-871%
Cash Flows From Investing Activities	131	303	(172)	-57%
Net Increase (Decrease) in Cash and Investments	(18,655)	13,567	(32,222)	-238%
Cash and Pooled Investments - beginning of year	50,652	37,085	13,567	37%
Cash and Pooled Investments - end of year	\$ 31,997	\$ 50,652	\$ (18,655)	-37%

The end of year net cash and pooled investment balance of \$31.9 million decreased -\$18.6 million, -37 percent from prior year. The largest sources of cash from operating activities were student tuition and fees, auxiliary enterprises, grants and contracts. Major uses of operating cash were payments for employees, facilities, and materials and supplies. Current accounting standards now require that cash payments from property taxes of \$16.6 million, state appropriations of \$16.5 million, and federal appropriations of \$12.0 million be classified as noncapital financing activities even though colleges budget these revenues for operations. Other noncapital components include long-term debt service payments of -\$961 thousand, change in other post-employment benefits payable of \$94 thousand, and changes in pension obligations of -\$2.2 million. The -\$28.9 million use of cash from capital financing activities reflect the capital related long-term debt service payments of -\$9.5 million and equipment and building construction payments of -\$19.4 million. The decrease of -\$32.6 million of cash flows from capital financing activities reflect the -\$6.0 million of additional debt service paid to retire three full faith and credit bond series, -\$5.2 million of building construction, less -\$21.4 million in bond proceeds received the prior year.

### **General Fund Budgetary Highlights**

The general fund 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. The general fund's actual ending fund balance totaled \$5.5 million, an increase of \$77 thousand over the beginning balance. The -\$854 thousand negative variance in total revenue, -2.1% reflects reduced transfers-in of -\$891 thousand and state appropriations of -\$201 thousand, net of increase in tuition and fees of \$236 thousand. The positive variance in total expenditures of \$2.9 million, 6.8% reflects expenditure savings in instruction \$564 thousand, student services \$365 thousand, college support services \$337 thousand, plant operations and maintenance \$562 thousand, information and technology services \$289 thousand, and \$800 thousand operating contingency.

#### General Fund Schedule of Revenue, Expenditures, and Changes In Fund Balance Summary

<i>In thousands of dollars (000's)</i>	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
Revenue				
<i>Local:</i>				
Property Taxes	\$ 13,795	\$ 13,868	\$ 73	0.5%
Tuition and fees	16,980	17,216	236	1.4%
Investment earnings	5	2	(3)	-60.0%
Other operating revenue	70	2	(68)	-97.1%
<i>Intergovernmental:</i>				
State appropriations	7,783	7,582	(201)	-2.6%
<i>Transfers-in from other funds:</i>	<u>2,104</u>	<u>1,213</u>	<u>(891)</u>	<u>-42.3%</u>
Total Revenue	40,737	39,883	(854)	-2.1%
Expenditures				
Instruction	19,076	18,512	564	3.0%
Instructional support services	3,146	3,137	9	0.3%
Student services	4,623	4,258	365	7.9%
College support services	5,140	4,803	337	6.6%
Plant operations and maintenance	5,149	4,587	562	10.9%
Information and technology services	4,509	4,220	289	6.4%
Financial aid	290	289	1	0.3%
Operating Contingency	800		800	100.0%
Total Expenditures	<u>42,733</u>	<u>39,806</u>	<u>2,927</u>	<u>6.8%</u>
Beginning fund balance	<u>5,500</u>	<u>5,512</u>	<u>12</u>	<u>0.2%</u>
Ending fund balance	<u>\$ 3,504</u>	<u>\$ 5,589</u>	<u>\$ 2,085</u>	<u>59.5%</u>



## **Capital Assets**

The College records all capital assets at historical cost with associated accumulated depreciation. The College added \$19.3 million, 15 percent in capital assets before depreciation this fiscal year. All the capital asset categories increased with the largest changes within the construction work in process for \$6.6 million and buildings for \$11.7 million. The comparative Summary of Capital Assets presented below identifies the capital assets by categories and amounts.

	Summary of Capital Assets			
	2015	2014	\$ Change	% Change
Land and land improvements	\$ 10,668,447	\$ 10,037,588	\$ 630,859	6%
Construction work in progress	22,008,012	15,387,791	6,620,221	43%
Buildings	104,084,283	92,353,304	11,730,979	13%
Equipment/library books/art	9,342,375	8,943,009	399,366	4%
Change in Capital Assets	146,103,117	126,721,692	19,381,425	15%
Accumulated depreciation	(32,074,209)	(28,741,801)	(3,332,408)	12%
Net Capital Assets	<u>\$114,028,908</u>	<u>\$ 97,979,891</u>	<u>\$ 16,049,017</u>	<u>16%</u>

## **Debt Administration**

As of June 30, 2015, the College had \$70.1 million in outstanding long-term debt, a decrease of \$7.9 million from prior year. The decrease reflects the early retirement of three full faith and credit bond series (series 1996, series 1997, and series 2001) and long-term debt principal payments. The Oregon Revised Statutes limits bonded indebtedness to 1.5 percent of real market value of property within the college district for the outstanding principal amount of general obligation bonds. The College may levy property taxes in the amount required to pay annual debt service of general obligation bonds. The College has an underlying credit rating of AA- issued by Standard & Poor's. The following table summarizes the long-term debt by type of debt instrument and amount.

Outstanding Long-Term Debt as of June 30, 2015	
Full Faith & Credit bonds	\$ 21,414,686
Pension Obligation bonds	8,641,181
General Obligation bonds	39,963,098
Capital Lease	124,029
	<u>\$ 70,142,994</u>

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

The College's financial position is impacted by three key economic factors; 1) the economic condition of the State and its impact on the amount available for the community college support fund; 2) the economic condition of the college district, impacting property values and levels of new construction and associated property tax revenues; 3) student enrollment levels which impact tuition and fees and auxiliary services revenue.

The State of Oregon has recovered from one of the deepest and far-reaching recessions of the past several decades with strong employment growth in most areas of the college district. The impacts of an improving housing sector, low interest rates and lower levels of unemployment has dramatically helped Oregon's financial condition as individual and corporate income taxes represent the largest source of revenue for the State's general fund budget. As part of the State's 2015-2017 biennial budget process, the appropriation amount for the community college support fund increased from \$465 million to \$550 million, an increase of \$85 million, 18 percent. The State of Oregon is continuing the process of restructuring its public education system with a new framework. This evolving structure combined with expected changes to the State's funding formula used to distribute the support fund to Oregon's 17 community colleges will affect the amount the College receives which now represents 21 percent of the College's current budget.

Property tax revenue represents the second largest source of revenue for general operations. The financial health, economic vitality, and population growth of the college district impacts property values and ensuing property taxes. The college district, like most areas throughout the country, is diverse and is still recovering from the huge declines in property values, reduced levels of new construction, and slowing population growth from inward migration. Property tax revenue for the current year operations is projected to increase to \$14.7 million, an increase of \$900 thousand from fiscal year 2015. Property values are anticipated to improve for the next few years.

The College experienced unprecedented student enrollment growth during the period of 2008 – 2012, with credit enrollment growing 110 percent. Large numbers of individuals returned to college due to job losses and high levels of unemployment. The -9.8 percent enrollment decline for fiscal year 2015 was the third year of enrollment declines since reaching the peak enrollment year of 2012. This enrollment decline is expected to continue for fiscal year 2016. Colleges and universities throughout the state and nationally are experiencing declines in student enrollment as current students cycle-out and as the economy and employment opportunities improve.

### **Requests for Information**

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

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CENTRAL OREGON COMMUNITY COLLEGE**

**STATEMENT OF NET POSITION**

**JUNE 30, 2015**

	<i>College</i>	<i>Foundation (Component Unit)</i>
<b>ASSETS</b>		
<b>Current Assets</b>		
Pooled cash and investments	\$ 31,997,335	\$ 17,915,381
Cash with county treasurers	108,942	
Property taxes receivable	584,681	
Accounts receivable	5,252,890	578,036
Allowance for uncollectible accounts	(354,708)	
Prepays and advances	600	
Student loans receivable	1,699	
Inventory	682,603	
<b>Total current assets</b>	<b>38,274,042</b>	<b>18,493,417</b>
<b>Noncurrent Assets</b>		
Beneficial interest in perpetual trust	1,327,193	1,077,005
Pension prepayment	8,641,181	
Net pension asset	5,252,979	
Capital assets - net of accumulated depreciation	114,028,908	3,757
<b>Total noncurrent assets</b>	<b>129,250,261</b>	<b>1,080,762</b>
<b>Total assets</b>	<b>\$ 167,524,303</b>	<b>\$ 19,574,179</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 4,652,202	\$ 199,174
Interest payable	216,226	
Accrued expenses	658,233	
Unearned revenue	3,514,316	
Current portion of bonds and notes payable	1,971,952	
<b>Total current liabilities</b>	<b>11,012,929</b>	<b>199,174</b>
<b>Noncurrent Liabilities</b>		
Other post employment benefits payable	985,622	
Bonds and notes payable - net of current portion	68,171,042	
<b>Total noncurrent liabilities</b>	<b>69,156,664</b>	
<b>Total liabilities</b>	<b>80,169,593</b>	<b>199,174</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Net pension related deferred inflows	7,708,023	
<b>Total liabilities and deferred inflows</b>	<b>87,877,616</b>	<b>199,174</b>
<b>NET POSITION</b>		
<b>Invested in capital assets - net of related debt</b>	<b>52,527,095</b>	<b>3,757</b>
<b>Restricted for:</b>		
Capital projects	8,949,569	
Permanent non-expendable endowment	1,549,733	7,426,603
Donor intent		10,003,640
Debt service	220,190	
<b>Unrestricted</b>	<b>16,400,100</b>	<b>1,941,005</b>
<b>Total net position</b>	<b>79,646,687</b>	<b>19,375,005</b>
<b>Total liabilities and net position</b>	<b>\$ 167,524,303</b>	<b>\$ 19,574,179</b>

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college

**CENTRAL OREGON COMMUNITY COLLEGE**  
**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2015**

	<i>College</i>	<i>Foundation (Component Unit)</i>
<b>OPERATING REVENUE</b>		
Tuition and fees	\$ 11,865,491	\$
Operating gifts, grants and contracts	2,265,963	1,441,179
Sales and other services	5,946,607	
Other operating revenue	1,699,824	12,076
Auxiliary Enterprises		
College Bookstore	3,150,799	
Food Service Reserve	370,110	
Residence Hall	453,052	
<b>Total operating revenue</b>	<b>25,751,846</b>	<b>1,453,255</b>
<b>OPERATING EXPENSES</b>		
Instruction	21,103,955	
Instructional support	3,164,683	
Student services - net of scholarship allowances in the amount of \$5,350,108	13,816,361	
College support services	6,598,104	1,802,667
Plant operations and maintenance	6,653,800	
Information technology services	3,685,406	
Depreciation	3,363,853	
Auxiliary Enterprises		
College Bookstore	2,856,019	
Food Service Operations	434,412	
Residence Hall	300,479	
<b>Total operating expenses</b>	<b>61,977,072</b>	<b>1,802,667</b>
<b>Operating loss</b>	<b>(36,225,226)</b>	<b>(349,412)</b>
<b>NON OPERATING REVENUE (EXPENSES)</b>		
Federal appropriations	12,065,918	
State appropriations	16,526,659	
Property taxes	16,535,556	
Investment earnings	131,162	663,341
Interest expense	(2,411,108)	
<b>Net nonoperating revenue</b>	<b>42,848,187</b>	<b>663,341</b>
<b>Increase in net position</b>	<b>6,622,961</b>	<b>313,929</b>
<b>Net position - beginning of year - as previously reported</b>	<b>78,042,226</b>	<b>19,061,076</b>
<b>Prior period pension adjustment</b>	<b>(5,018,500)</b>	
<b>Net position - beginning of year - as restated</b>	<b>73,023,726</b>	<b>19,061,076</b>
<b>Net position - end of year</b>	<b>\$ 79,646,687</b>	<b>\$ 19,375,005</b>

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college



**CENTRAL OREGON COMMUNITY COLLEGE**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED JUNE 30, 2015**

	<i>College</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from customers	\$ 25,612,005
Cash payments for goods and services	(22,972,318)
Cash payments to employees	(34,686,494)
<b>Net cash used by operating activities</b>	<b>(32,046,807)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Cash received from federal appropriation	12,065,918
Cash received from state appropriation	16,526,659
Cash received from property taxes	16,637,917
Change in beneficial interest in perpetual trust	48,111
Change in pension obligation	(2,246,724)
Change in other post employment benefits payable	94,610
Principal paid on long-term debt	(316,731)
Interest paid on long-term debt	(644,805)
<b>Net cash provided by noncapital financing activities</b>	<b>42,164,955</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>	
Acquisition of buildings, improvements and equipment	(19,412,870)
Principal paid on capital-related long-term debt	(7,423,426)
Interest paid on capital-related long-term debt	(2,067,754)
<b>Net cash used by capital financing activities</b>	<b>(28,904,050)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Investment income	131,162
<b>Net cash provided by investing activities</b>	<b>131,162</b>
<b>Net decrease in cash and pooled investments</b>	(18,654,740)
<b>Cash and pooled investments - beginning of year</b>	50,652,075
<b>Cash and pooled investments - end of year</b>	<b>\$ 31,997,335</b>
<b>Reconciliation of operating loss to net cash provided (used) by operating activities:</b>	
Operating loss	\$ (36,225,226)
Adjustments to reconcile operating loss to net cash provided by (used) by operating activities:	
Depreciation	3,363,853
(Increase) decrease in:	
Receivables	(534,381)
Prepaid expenses	1,551
Inventory	(150,579)
Increase (decrease) in:	
Accounts payable	1,063,102
Accrued expenses	40,333
Unearned revenue	394,540
<b>Net cash used by operating activities</b>	<b>\$ (32,046,807)</b>

The accompanying notes are an integral part  
of these financial statements



**CENTRAL OREGON**  
community college

# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

#### *The College*

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

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

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis of Public College and Universities*, issued in June and November, 1999.

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

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

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

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

*Investments*

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

The College's investments as of June 30, 2015, consist of certificates of deposit and deposits in the State of Oregon Local Government Investment Pool, which is managed and monitored by the Oregon State Treasurer, U.S. Treasury obligations, its agencies and instrumentalities. Investments are recorded at cost, which approximates market value. The fair value of the position of the pool approximates the fair value of pool shares.

*Inventory*

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

*Pooled cash and investments*

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

*Restricted Assets*

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

*Receivables and Payables*

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

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

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

*Deferred Inflows/Outflows of Resources*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. There were no significant deferred outflows.

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

*Capital Assets*

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

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

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

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

*Compensated Leave*

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

*Use of Estimates*

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

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

*Federal Financial Assistance Program*

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

*Scholarship Allowances*

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

**NOTE 2 - BUDGET COMPLIANCE**

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

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

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

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

CENTRAL OREGON COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

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

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

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

**NOTE 3 – POOLED CASH AND INVESTMENTS**

The College's investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in bank accounts, general obligation issues of the United States, its agencies, and certain states, commercial paper and certain guaranteed investments issued by banks. The College invested in authorized investments during the year. The investments are carried at cost, which approximates market value at June 30, 2015.

Cash and investments at June 30, 2015 consist of the following:

	<u>Security</u>	
Cash and cash equivalents		
Petty cash	N/A	\$ 10,350
Demand deposits	FDIC & Collateral	<u>1,606,188</u>
		<u>1,616,538</u>
Investments		
Oregon State Treasurer's Investment Pool	N/A	<u>30,380,797</u>
		<u>\$ 31,997,335</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

*Deposits with Financial Institutions*

The College's deposits with financial institutions are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The College's policy, in compliance with State Statutes, requires that deposits be covered by the Federal Deposit Insurance Corporation (FDIC) and deposited in a qualified depository for public funds. Certain financial institutions have pledged they will cover deposits of public funds in any one of the group's banks. The banks that have joined this group have been identified by the State Treasurer. The College only deposits funds in banks that have been approved by the Office of the State Treasurer. At June 30, 2015, the carrying amount of the College's deposits in financial institutions was \$1,606,188 and the balance per the bank statements was \$2,031,271. Of this amount, \$250,000 was covered by FDIC, and \$1,356,188 was collateralized by securities held by financial institutions acting as agents of the College.

*Interest Rate Risk*

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

*Credit Risk*

Oregon Revised Statutes limit investments in commercial paper and corporate bonds to those rated at least A-1 and AA respectively by a nationally recognized rating agency. The College investment policy does not further limit its investment choices. At June 30, 2015, the College was in compliance with the above state limitations. The State of Oregon Local Government Pool is unrated.

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

*Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of failure of counterparty, the College will not be able to recover the value of its investments that are in the possession of an outside party. The College did not have investments exposed to custodial credit risk at June 30, 2015.



# CENTRAL OREGON COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

### **NOTE 4 - PROPERTY TAXES**

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

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

The Deschutes County assessor allocates property tax levies to the other counties included in the College's boundaries. The levy for the year ended June 30, 2015, by county, is as follows:

Deschutes County	\$ 14,216,774
Jefferson County	1,061,613
Crook County	1,253,737
Klamath County	248,102
Lake County	116,865
Wasco County	<u>6,516</u>
Total	<u>\$ 16,903,607</u>

**NOTE 5 - RECEIVABLES**

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

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

**NOTE 6 - CAPITAL ASSETS**

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

	<i>Balance</i> <i>July 1, 2014</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance</i> <i>June 30, 2015</i>
Capital Assets				
Land and improvements	\$ 10,037,588	\$ 630,859	\$	\$ 10,668,447
Construction in progress	15,387,791	18,568,401	(11,948,180)	22,008,012
Buildings	92,353,304	11,730,979		104,084,283
Equipment	<u>8,943,009</u>	<u>430,811</u>	<u>(31,445)</u>	<u>9,342,375</u>
	126,721,692	31,361,050	(11,979,625)	146,103,117
Accumulated depreciation	<u>(28,741,801)</u>	<u>(3,363,853)</u>	<u>31,445</u>	<u>(32,074,209)</u>
	<u>\$ 97,979,891</u>	<u>\$ 27,997,197</u>	<u>\$ (11,948,180)</u>	<u>\$ 114,028,908</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**NOTE 7 - LONG-TERM DEBT**

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

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

The following is a summary of the bond transactions for the year ended June 30, 2015:

***General and Special Obligation Bond Issues***

***Full Faith and Credit Obligations***

April 16, 2014, original issue was \$20,965,000 interest rate of 4.0 to 5.0 percent payable semiannually, principal paid annually; including unamortized premium of \$449,686	\$ 21,414,686
--	---------------

***General Obligation Bonds***

June 17, 2010 Issue, original issue was \$41,580,000 interest rate of 2.0 to 4.75 percent payable semiannually, principal paid annually; including unamortized premium of \$2,468,098	39,963,098
--	------------

***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>8,641,181</u>
	<u>\$ 70,018,965</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

The following changes in general long-term debt occurred for the year ended June 30, 2015.

	<i>Balance July 1, 2014</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance June 30, 2015</i>
General and special obligation bonds	\$ 77,951,054	\$	\$ 7,932,089	\$ 70,018,965
Capital lease	<u>182,455</u>	<u></u>	<u>58,426</u>	<u>124,029</u>
<i>Totals</i>	<u>\$ 78,133,509</u>	<u>\$ -</u>	<u>\$ 7,990,515</u>	<u>\$ 70,142,994</u>

<i>Principal</i>					
<i>Issue</i>	<i>Beginning Balance July 1, 2014</i>	<i>Issued</i>	<i>Matured</i>	<i>Paid</i>	<i>Ending Balance June 30, 2015</i>
November 1, 1996	\$ 210,000	\$	\$ 210,000	\$ 210,000	\$
October 1, 1997	590,000		590,000	590,000	
May 1, 2001	5,475,000		5,475,000	5,475,000	
April 23, 2003	8,957,913		316,732	316,732	8,641,181
June 17, 2010	38,585,000		1,090,000	1,090,000	37,495,000
April 16, 2014	<u>20,965,000</u>	<u></u>	<u></u>	<u></u>	<u>20,965,000</u>
	<u>\$ 74,782,913</u>	<u>\$ -</u>	<u>\$ 7,681,732</u>	<u>\$ 7,681,732</u>	<u>\$ 67,101,181</u>

<i>Interest</i>				
<i>Issue</i>	<i>Outstanding Issued</i>	<i>Matured</i>	<i>Paid</i>	<i>Outstanding June 30, 2015</i>
November 1, 1996	\$	\$ 6,433	\$ 6,433	\$
October 1, 1997		8,358	8,358	
May 1, 2001		276,946	276,946	
April 23, 2003		644,805	644,805	
June 17, 2010		1,769,620	1,769,620	
April 16, 2014		<u>980,986</u>	<u>980,986</u>	
	<u>\$ -</u>	<u>\$ 3,687,148</u>	<u>\$ 3,687,148</u>	<u>\$ -</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

<i>Year</i>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements June 17, 2010 Issue</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2015-16	\$ 316,166	\$ 690,376	\$ 1,205,000	\$ 1,739,950
2016-17	315,936	740,606	1,335,000	1,699,800
2017-18	315,884	795,658	1,475,000	1,650,250
2018-19	313,470	853,072	1,625,000	1,593,250
2019-20	313,324	913,218	1,785,000	1,530,350
Years Thereafter	7,066,401	4,129,000	30,070,000	9,072,250
<i>Totals</i>	\$ 8,641,181	\$ 8,121,930	\$ 37,495,000	\$ 17,285,850

<i>Year</i>	<i>Future Principal and Interest Requirements April 16, 2014 Issue</i>	
	<i>Principal</i>	<i>Interest</i>
2015-16	\$ 390,000	\$ 871,988
2016-17	405,000	856,387
2017-18	420,000	840,188
2018-19	435,000	823,387
2019-20	455,000	805,988
Years Thereafter	18,860,000	11,477,637
<i>Totals</i>	\$ 20,965,000	\$ 15,675,575

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

The District has entered into a contract with Citimortgage, Inc.

for \$238,612. Payments are \$16,206 a quarter at 3.98 percent.

\$ 124,029

Future maturities of the note payable are as follows:

Year ended June 30, 2016

\$ 60,786

2017

63,243

\$ 124,029

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

*Plan Description*

The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employee defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found by contacting PERS at the following address: PO Box 23700, Tigard, OR 97281-3700.

- a) PERS Pension (Chapter 238). The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i) Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage of 2.0 percent for police and fire employees, and 1.67 percent for general service employees is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
- ii) Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
  - member died within 120 days after termination of PERS covered employment,
  - member died as a result of injury sustained while employed in a PERS-covered job, or
  - member was on an official leave of absence from a PERS-covered job at the time or death.

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

- iii) **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv) **Benefit Changes after Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b) **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i) **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age: Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
General Service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.  
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each or five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii) **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
  - iii) **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
  - iv) **Benefit Changes after Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

*Funding Policy*

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2012 actuarial valuation, which became effective July 1, 2013. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced.

At June 30, 2015, the College reported a net pension asset of \$5,252,979 for its proportionate share of the net pension asset. The pension asset was measured as of December 31, 2012, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Annual Pension Cost - The College's contributions to PERS for the years ending June 30, 2015, 2014, and 2013 were \$3,688,264, \$3,529,588 and \$3,283,307 respectively, which equaled the required contribution for the years then ended.

Amounts reported as inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2016	\$ 2,563,456
2017	2,563,456
2018	2,563,456
2019	17,655
Total	<u>\$ 7,708,023</u>

The College implemented GASB 68 as it relates to its PERS Pension Plan during the year ended June 30, 2015. The implementation resulted in a Net Pension Asset in the amount of \$5,252,979 and a Deferred Inflow of Resources in the amount of \$7,708,023 as of June 30, 2015 as determined by an actuarial valuation provided by PERS. The implementation also required an amortization of the Deferred Inflow of Resources in the amount of \$2,563,456 for the year ended June 30, 2015 and a prior period adjustment to the Net Position of the College in the amount of \$5,018,500 as of June 30, 2014.

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated July 29, 2015.

Management has determined, based upon the School's small impact on the state wide pool, that no material implicit rate subsidy exists and therefore there is no OPEB obligation for implicit post-employment benefits.



**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

*Actuarial Valuations*

The employer contribution rates effective July 1, 2013 through June 30, 2015, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2012 rolled forward to June 30, 2014
Experience Study Report	2012, Published September 18, 2013
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increase	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males and 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2012 Experience Study which is reviewed for the four-year period ending December 31, 2012.

Discount Rate- The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Plan Provisions Subsequent to Measurement Date: The Oregon Supreme Court on April 30, 2015, ruled in the Moro decision, that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law were unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. PERS will make restoration payments to those benefit recipients. PERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. Oregon Public Employees Retirement System Notes to the Schedules of Employer Allocations and Pension Amounts by Employer As of and for the Fiscal Year Ended June 30, 2014. This is a change in benefit terms subsequent to the measurement date of June 30, 2014, which will be reflected in the next year's actuarial valuations. The impact of the Moro decision on the total pension liability and employer's net pension liability (asset) has not been fully determined. However, PERS' third-party actuaries have estimated the impact of the Moro decision under one possible methodology, which is summarized below (dollars in millions). Estimates have been rounded to the nearest \$10 million.

	June 30, 2014 Measurement Date for all PERS Employers (in millions)	
	Pre-Moro	Post-Moro
Total pension liability	\$ 63,135	\$ 68,050
Fiduciary net position	(65,402)	(65,400)
Net pension liability (asset)	<u>\$ (2,267)</u>	<u>\$ 2,650</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**NOTE 9 - RISK MANAGEMENT**

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

**NOTE 10 - ORGANIZATION**

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

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

The College is a beneficiary of an irrevocable trust created by a donor, the assets of which are not in the possession of the College. The College has an irrevocable right to receive the income from the trust's assets in perpetuity. Net interest income is paid annually to the College to be used for educational purposes. Effective the first business day of January 2001, the College shall receive an amount equal to the greater of five percent of the net fair value of the Trust assets or 85 percent of the net income of the Trust. Gains or losses related to the beneficial interests are reported as a net gain (loss) on perpetual trust, in the non-expendable trust fund, based on explicit donor stipulations. The fair value at June 30, 2015 of the beneficial interests was \$1,327,193.

**NOTE 12 – COMMITMENTS AND CONTINGENCIES**

*Grant Audit*

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

**NOTE 13 – COMPONENT UNITS**

The discretely presented component unit is reported in a separate column in the government-wide statements to emphasize that it is legally separate from the primary government. The Central Oregon Community College Foundation is a separate non-profit organization established in 1955 to provide grants, loans, and endowments for the education of the students of Central Oregon Community College. The Foundations primary transaction with the College was \$1,170,004 in scholarships made during the year. Complete financial statements for the Central Oregon Community College Foundation may be obtained at the entity's administrative offices located at 2600 NW College Way, Bend, Oregon 97703.

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**NOTE 14 - POST-EMPLOYMENT BENEFITS**

**Stipend Benefits**

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

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

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

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

Annual required contribution	\$ 44,290
Interest	643
Benefits paid	<u>(81,079)</u>
Increase in net pension obligation	(36,146)
NPO (Asset) at beginning of year	<u>551,450</u>
NPO (Asset) at end of year	<u>\$ 515,304</u>

Actuarial methods and assumptions – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2014 actuarial valuation using the Normal Cost (the value of benefits expected to be earned in the year) plus an amortization of the unfunded liability. The amortization period is 6 years. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and an inflation rate of 2.5%. Assets of the Reserve Fund for these programs are valued at cost which approximates fair value.

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

**Stipend Benefits - Continued**

Funding status and funding progress – As of July 1, 2014, the plan was 285% funded. The actuarial accrued liability for benefits was \$278,379, and the actuarial value of assets was \$793,683, resulting in an unfunded actuarial accrued liability (UAAL) of \$0.

**Post-Employment Health Insurance Benefits**

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

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

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

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

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

Annual required contribution	\$ 219,453
Contributions made	<u>(124,843)</u>
Increase in net pension obligation	94,610
OPEB at beginning of year	<u>891,012</u>
OPEB at end of year	<u>\$ 985,622</u>
Percentage of APC contributed	<u>57%</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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

**Post-Employment Health Insurance Benefits – Continued**

Actuarial methods and assumptions – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2014 actuarial valuation using the Normal Cost (the value of benefits expected to be earned in the year) plus an amortization of the unfunded liability. The amortization period is 30 years. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and an inflation rate of 2.5%.

Funding status and funding progress – As of July 1, 2014, the plan was 0% funded. The actuarial accrued liability for benefits was \$1,904,382, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,904,382. The covered payroll (annual payroll of active employees covered by the plan) was \$25,756,216, and the ratio of the UAAL to the covered payroll was 7.4%.

**NOTE 15 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 31, 2015, which is the date the financial statements were issued.



**CENTRAL OREGON**  
community college

## **GENERAL FUND**

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



**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015 AND 2014**

	<i>2015</i>	<i>2014</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 2,191,250	\$ 3,570,248
Cash with county treasurers	90,251	87,440
Property taxes receivable	490,158	574,602
Accounts receivable	6,362,539	4,209,514
Allowance for doubtful accounts	(354,708)	(398,338)
Prepays	600	2,151
<i>Total assets</i>	\$ 8,780,090	\$ 8,045,617
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 2,182,694	\$ 1,491,242
Accrued compensated leave	658,233	617,900
Deferred revenue	350,144	425,672
<i>Total liabilities</i>	3,191,071	2,534,814
 <b>Fund balance:</b>		
Unreserved - undesignated	5,589,019	5,510,803
<i>Total fund balance</i>	5,589,019	5,510,803
<i>Total liabilities</i>		
<i>and fund balance</i>	\$ 8,780,090	\$ 8,045,617

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**GENERAL FUND  
BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenue</b>				
<i>Local:</i>				
Property taxes	\$ 13,795,000	\$ 13,795,000	\$ 13,868,351	\$ 73,351
Tuition and fees	16,980,000	16,980,000	17,215,599	235,599
Interest	5,000	5,000	1,603	(3,397)
Other	70,000	70,000	2,136	(67,864)
<i>Intergovernmental:</i>				
State	7,783,000	7,783,000	7,581,945	(201,055)
<b>Transfer from other funds</b>	<u>2,104,000</u>	<u>2,104,000</u>	<u>1,213,775</u>	<u>(890,225)</u>
<i>Total revenue</i>	40,737,000	40,737,000	39,883,409	(853,591)
<b>Beginning fund balance</b>	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,510,803</u>	<u>10,803</u>
<i>Total available for appropriation</i>	<u>\$ 46,237,000</u>	<u>\$ 46,237,000</u>	<u>\$ 45,394,212</u>	<u>\$ (842,788)</u>
<b>Expenditures</b>				
<i>Instruction:</i>				
Humanities office	\$ 65,512	\$ 65,512	\$ 64,690	\$ 822
Writing-literature	1,773,177	1,773,177	1,769,296	3,881
Foreign languages	441,156	441,156	409,785	31,371
Speech	477,363	477,363	386,345	91,018
Social science	57,894	57,894	59,629	(1,735)
Music	332,159	332,159	372,100	(39,941)
Art	533,079	533,079	549,444	(16,365)
Theater arts	50,438	50,438	51,075	(637)
Fine arts office	82,712	82,712	67,024	15,688
Business administration	533,709	533,709	561,890	(28,181)
Cntr for entrep excellence & devel.	85,769	85,769	86,517	(748)
Business administration office	59,871	59,871	57,017	2,854
Hospitality, tourism & recreation	6,287	6,287	11,645	(5,358)
Journalism	8,470	8,470	5,334	3,136
World languages and cultures office	44,761	44,761	28,485	16,276
Philosophy	17,022	17,022	8,074	8,948
Addiction studies	120,189	120,189	113,360	6,829
Anthropology	243,675	243,675	227,598	16,077
Criminal justice	169,136	169,136	215,989	(46,853)
Economics	82,882	82,882	74,449	8,433
Education	157,625	157,625	208,718	(51,093)
Geography	115,497	115,497	121,433	(5,936)
History	190,497	190,497	197,515	(7,018)
Human development	168,342	168,342	158,922	9,420
Political science	27,138	27,138	20,816	6,322
Psychology	370,593	370,593	355,346	15,247
Sociology	204,120	204,120	196,666	7,454
Oregon leadership institute	69,657	69,657	66,076	3,581

Continued on page 37

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 36

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<i>Instruction - continued</i>				
Regional services & R.C. operations	\$ 238,426	\$ 238,426	\$ 244,049	\$ (5,623)
Regional services & Madras Campus	185,122	185,122	172,262	12,860
Regional services & Prineville Campus	163,810	163,810	171,376	(7,566)
Engineering & engineering tech.	123,840	123,840	122,507	1,333
Science office	81,217	81,217	80,007	1,210
Mathematics	1,738,132	1,731,432	1,689,309	42,123
Biological science	1,171,530	1,171,530	1,092,323	79,207
Chemistry	420,461	420,461	438,437	(17,976)
Physics	164,845	164,845	199,598	(34,753)
Geology	128,265	128,265	122,335	5,930
Nursing	984,779	984,779	973,183	11,596
HHP office	159,747	159,747	158,030	1,717
Health and human performance	941,521	941,521	959,757	(18,236)
Math office	66,022	66,022	64,768	1,254
Allied health	113,140	113,140	34,774	78,366
Computer information systems	1,060,461	1,054,161	937,402	116,759
Licensed massage therapy	236,427	236,427	293,373	(56,946)
Emergency medical service	358,912	358,912	290,281	68,631
Dental assisting	249,292	249,292	280,845	(31,553)
Medical assisting	121,046	121,046	107,644	13,402
Dietary management	13,215	13,215		13,215
Allied health office	14,169	14,169	57,906	(43,737)
Pharmacy technician	110,784	110,784	103,929	6,855
Veterinary technician	193,554	193,554	176,369	17,185
CIS Office	61,444	61,444	51,671	9,773
Nursing office	62,782	62,782	64,621	(1,839)
HHP: Health classes	29,124	29,124	30,402	(1,278)
HHP: Recreation (O.R.L.T.)	181,571	181,571	190,967	(9,396)
Ponderosa office	66,468	66,468	54,544	11,924
Forestry technology	429,043	429,043	429,890	(847)
Automotive	377,956	377,956	391,155	(13,199)
Health information technology	259,530	259,530	202,455	57,075
Manufacturing processes	374,603	374,603	310,141	64,462
Apprenticeship	10,229	10,229	16,759	(6,530)

Continued on page 38

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 37

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b>Instruction - continued</b>				
Wildland fire management	\$ 75,496	\$ 75,496	\$ 62,268	\$ 13,228
Structural fire science	148,717	148,717	135,997	12,720
Geographical information systems	155,217	155,217	152,598	2,619
Aviation program	238,702	238,702	268,250	(29,548)
Military science	1,200	1,200	3,907	(2,707)
Non-destructive		88,912	12,571	76,341
Regional credit instruction - Madras	72,696	72,696	83,442	(10,746)
Regional credit instruction - Prineville	55,169	55,169	75,402	(20,233)
Regional credit instruction - Redmond	318,033	242,121	158,229	83,892
Library skills	63,341	63,341	34,167	29,174
Instruction transfers	<u>567,067</u>	<u>567,067</u>	<u>567,077</u>	<u>(10)</u>
<i>Total instruction</i>	<u>19,075,835</u>	<u>19,075,835</u>	<u>18,512,215</u>	<u>563,620</u>
<b>Instructional support:</b>				
Office of the Vice President of instruction	335,471	335,471	473,942	(138,471)
Library	1,060,892	1,090,892	1,089,531	1,361
Catalog and class schedule	28,618	28,618	29,514	(896)
Commencement & convocation	21,894	21,894	33,457	(11,563)
Tutoring and testing	501,238	501,238	478,665	22,573
Academic computing support	291,840	261,840	193,058	68,782
Instructional deans	704,178	704,178	636,838	67,340
Instructional support transfers	<u>202,000</u>	<u>202,000</u>	<u>202,000</u>	<u>          </u>
<i>Total instructional support</i>	<u>3,146,131</u>	<u>3,146,131</u>	<u>3,137,005</u>	<u>9,126</u>
<b>Student services:</b>				
Admissions	1,043,233	1,043,233	956,137	87,096
Counseling center	72,862	72,862	68,784	4,078
Student life	328,449	328,449	317,943	10,506
Financial aid	705,114	705,114	613,734	91,380
Career services and job placement	120,335	120,335	115,548	4,787
Student outreach and contact	271,742	271,742	233,895	37,847

Continued on page 39

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 38

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<b><i>Student services - continued</i></b>				
Multicultural activities	\$ 211,507	\$ 211,507	\$ 171,167	\$ 40,340
Club sports	253,332	253,332	244,197	9,135
Enrollment cashiering	75,264	75,264	72,303	2,961
Disability services	248,473	248,473	264,206	(15,733)
Office of the Dean of student & enrollment services	431,353	431,353	415,529	15,824
Advising	631,439	631,439	561,242	70,197
Placement testing	97,310	97,310	85,498	11,812
Student retention	123,157	123,157	128,222	(5,065)
Student service transfers	<u>9,585</u>	<u>9,585</u>	<u>9,585</u>	
<i>Total student services</i>	<u>4,623,155</u>	<u>4,623,155</u>	<u>4,257,990</u>	<u>365,165</u>
<b><i>College support services:</i></b>				
Governing board	90,656	90,656	92,077	(1,421)
President's office	315,990	315,990	313,481	2,509
Fiscal services	623,696	623,696	636,667	(12,971)
Campus safety and security	696,912	696,912	686,886	10,026
Human resources	515,023	515,023	517,055	(2,032)
Mail services	263,307	263,307	163,487	99,820
College relations	710,931	710,931	630,080	80,851
Chief Financial Officer	528,455	528,455	511,235	17,220
Legal and audit services	66,700	66,700	54,635	12,065
Elections	28,000	28,000	22,029	5,971
General institutional support	395,510	395,510	363,566	31,944
Liability and other insurance	96,100	96,100	66,483	29,617
Institutional research/grant office	304,561	304,561	237,429	67,132
Vice President for Administration	322,520	322,520	314,722	7,798
Organizational development	6,500	6,500	9,442	(2,942)
College support transfers	<u>174,730</u>	<u>174,730</u>	<u>183,730</u>	<u>(9,000)</u>
<i>Total college support services</i>	<u>5,139,591</u>	<u>5,139,591</u>	<u>4,803,004</u>	<u>336,587</u>

Continued on page 40

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 39

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Expenditures - continued</b>				
<i><b>Plant operations and maintenance:</b></i>				
Custodial services	\$ 1,246,174	\$ 1,246,174	\$ 1,123,527	\$ 122,647
Utilities	1,119,007	1,119,007	815,979	303,028
Fire and boiler insurance	114,700	114,700	112,882	1,818
Maintenance of grounds	368,721	368,721	386,032	(17,311)
Maintenance of buildings	824,131	814,131	745,929	68,202
Plant administration	302,158	302,158	276,402	25,756
Redmond campus infrastructure	331,283	331,283	247,971	83,312
Campus shuttle	109,115	109,115	129,959	(20,844)
Madras campus infrastructure	47,000	47,000	55,876	(8,876)
Prineville campus infrastructure	65,280	65,280	61,302	3,978
Plant operations transfers	630,920	630,920	630,920	
 <i>Total plant operations and maintenance</i>	 5,158,489	 5,148,489	 4,586,779	 561,710
 <i><b>Information technology services:</b></i>				
Information technology services	1,288,909	1,287,108	1,216,065	71,043
Management information systems	663,533	663,533	656,463	7,070
User services	790,131	782,494	727,480	55,014
Enterprise computing services	425,052	425,052	418,603	6,449
Network/Telecom & media services	548,383	557,821	511,387	46,434
Web development	95,355	95,355	94,158	1,197
Regional IT services - Redmond	88,832	88,832		88,832
Regional IT services - Prineville	75,280	75,280	61,250	14,030
Information technology transfers	534,131	534,131	534,131	
 <i>Total information technology services</i>	 4,509,606	 4,509,606	 4,219,537	 290,069
 <i><b>Financial aid transactions:</b></i>				
Other financial aid	280,079	290,079	288,663	1,416
Operating contingency	800,000	800,000		800,000
 <i>Total expenditures</i>	 \$ 42,732,886	 \$ 42,732,886	 \$ 39,805,193	 \$ 2,927,693

Continued on page 41

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 40

<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>	\$ 40,737,000	\$ 40,737,000	\$ 39,883,409	\$ (853,591)
<b>Beginning fund balance</b>	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,510,803</u>	<u>10,803</u>
<i>Total available for appropriations</i>	<u>46,237,000</u>	<u>46,237,000</u>	<u>45,394,212</u>	<u>(842,788)</u>
<b>Expenditures:</b>				
Instruction	19,075,835	19,075,835	18,512,215	563,620
Instructional support	3,146,131	3,146,131	3,137,005	9,126
Student services	4,623,155	4,623,155	4,257,990	365,165
College support services	5,139,591	5,139,591	4,803,004	336,587
Plant operations and maintenance	5,158,489	5,148,489	4,586,779	561,710
Information technology service	4,509,606	4,509,606	4,219,537	290,069
Financial aid	280,079	290,079	288,663	1,416
Operating contingency	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
<i>Total expenditures</i>	<u>42,732,886</u>	<u>42,732,886</u>	<u>39,805,193</u>	<u>2,927,693</u>
<b>Ending fund balance</b>	<u>\$ 3,504,114</u>	<u>\$ 3,504,114</u>	<u>\$ 5,589,019</u>	<u>\$ 2,084,905</u>



**CENTRAL OREGON**  
community college



## **SPECIAL REVENUE FUNDS**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Contracts and</i>		
	<i>Grants</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>ASSETS</b>			
Pooled cash and investments	\$	\$ 11,756,079	\$ 2,338,908
Accounts receivable	294,040	96,508	
Student loans receivable			
<i>Total assets</i>	<u>\$ 294,040</u>	<u>\$ 11,852,587</u>	<u>\$ 2,338,908</u>
 <b>LIABILITIES AND FUND EQUITY</b>			
<b><i>Liabilities:</i></b>			
Deficit in pooled cash and investments	\$ 114,969	\$	\$
Accounts payable	16,635	308,779	
Deferred revenue		3,511,224	
<i>Total liabilities</i>	<u>131,604</u>	<u>3,820,003</u>	
 <b><i>Fund equity:</i></b>			
Fund balance			
Reserved			
Retiree benefits			1,286,452
PERS Reserve			1,052,456
Unreserved - undesignated	162,436	8,032,584	
<i>Total fund balance</i>	<u>162,436</u>	<u>8,032,584</u>	<u>2,338,908</u>
<i>Total liabilities and fund equity</i>	<u>\$ 294,040</u>	<u>\$ 11,852,587</u>	<u>\$ 2,338,908</u>

<i>Financial</i>	<i>Totals</i>	
<u>Aid</u>	<u>2015</u>	<u>2014</u>
\$ 421,112	\$ 14,516,099	\$ 15,579,150
76,766	467,314	501,376
<u>1,699</u>	<u>1,699</u>	<u>2,696</u>
<u>\$ 499,577</u>	<u>\$ 14,985,112</u>	<u>\$ 16,083,222</u>

\$ 64,553	\$ 114,969	\$ 6,525
	389,967	344,567
	<u>3,511,224</u>	<u>3,116,705</u>
<u>64,553</u>	<u>4,016,160</u>	<u>3,467,797</u>

	1,286,452	1,286,452
	1,052,456	1,231,547
<u>435,024</u>	<u>8,630,044</u>	<u>10,097,426</u>
<u>435,024</u>	<u>10,968,952</u>	<u>12,615,425</u>
<u>\$ 499,577</u>	<u>\$ 14,985,112</u>	<u>\$ 16,083,222</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Grants and Contracts</i>	<i>Auxiliary</i>	<i>Reserve</i>
<b>Revenue</b>			
<b>Local:</b>			
Charges for services	\$ 22,430	\$ 4,301,241	\$
Interest		79,380	1,988
Grants	543,849		
Other		1,745,962	
<b>Intergovernmental:</b>			
State	330,305	196,492	
Federal	328,699		
	1,225,283	6,323,075	1,988
<i>Total revenue</i>			
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	1,123,751	4,597,086	
Instructional support	3,947	276,032	
Student services	59,983	289,547	
College support services	224,176	1,379,477	81,079
Financial aid			
Capital outlay	2,742	271,891	
	1,414,599	6,814,033	81,079
<i>Total expenditures</i>			
Excess of revenue over (under) expenditures	(189,316)	(490,958)	(79,091)
Other financing sources (uses)			
Transfers in	34,649	1,977,256	
Transfers out	(10,000)	(2,784,361)	(100,000)
	24,649	(807,105)	(100,000)
<i>Total other financing     sources (uses)</i>			
Excess of revenue and other sources over (under) expenditures and other uses	(164,667)	(1,298,063)	(179,091)
<b>FUND BALANCE - beginning of year</b>	327,103	9,330,647	2,517,999
<b>FUND BALANCE - end of year</b>	\$ 162,436	\$ 8,032,584	\$ 2,338,908

<i>Financial Aid</i>	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
\$	\$	\$
	4,323,671	4,771,436
26,404	107,772	223,668
1,117,997	1,661,846	1,481,059
50,171	1,796,133	2,154,074
1,483,922	2,010,719	1,464,800
<u>11,737,219</u>	<u>12,065,918</u>	<u>14,280,055</u>
<u>14,415,713</u>	<u>21,966,059</u>	<u>24,375,092</u>
	5,720,837	5,887,535
	279,979	273,554
264,088	613,618	729,064
	1,684,732	1,581,518
14,289,865	14,289,865	16,027,650
	<u>274,633</u>	<u>305,794</u>
<u>14,553,953</u>	<u>22,863,664</u>	<u>24,805,115</u>
<u>(138,240)</u>	<u>(897,605)</u>	<u>(430,023)</u>
133,588	2,145,493	2,206,809
	<u>(2,894,361)</u>	<u>(1,540,248)</u>
<u>133,588</u>	<u>(748,868)</u>	<u>666,561</u>
(4,652)	(1,646,473)	236,538
<u>439,676</u>	<u>12,615,425</u>	<u>12,378,887</u>
<u>\$ 435,024</u>	<u>\$ 10,968,952</u>	<u>\$ 12,615,425</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<i>Sub-Fund</i>	<i>Beginning</i>			<i>Ending</i>
	<u>Number</u>	<u>Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Balance</u>
ABE Special Projects	31100	\$ 83,911	\$ 220,997	\$ 240,891	\$ 64,017
Carl Perkins	31101		61,131	61,131	
SBA Grant	31105		31,550	31,550	
SBA Grant Match	31108		34,649	34,649	
SBA Portable Assistance Project	31109		5,592	5,592	
CASE Grant	31157		29,842	29,842	
OBDD	32226		42,304	42,304	
Grow Oregon Grant	32255	44,345	43,750	64,094	24,001
ABS Pathways Grant	32257		25,925	25,925	
ABE Learning Standards	32258		3,442	3,442	
Oregon Develop Education Work Grp	32261	4,666	9,000	3,926	9,740
Community Health Worker Grant	32262	24,552	(7,444)	17,108	
Minority Teacher Pipeline Grant	32263	766	17,500	11,259	7,007
Partners in practice	32264		137,578	137,578	
Student assistance grant	32265		44,000	44,000	
Accelerated college credit grant	32266		16,000	16,000	
Cascade Health Service Support	33332	10,073	32,000	42,073	
ABS - Partnership to End Poverty	33337	5,453			5,453
DRCI - Partnership to End Poverty	33340	44,594		23,653	20,941
Veteran - Partnership to End Poverty	33342	35,935		16,665	19,270
Wells Fargo RISE Grant	33346	15,668		15,668	
LMT Research	33347	1,000		1,000	
Facebook A+	33348		10,267	10,267	
Eastern promise replication grant	33349		78,909	68,520	10,389
Deer Ridge Correctional Institution	34355	54,533	417,940	472,473	
OCF - Veterinary Technician Program	34360	264		264	
OCF - GANAS	34361	1,343	5,000	4,725	1,618
		<u>\$ 327,103</u>	<u>\$ 1,259,932</u>	<u>\$ 1,424,599</u>	<u>\$ 162,436</u>



**CENTRAL OREGON**  
community college

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<i>Charge for Services</i>	<i>Intergovernmental</i>		<i>Grants and Contracts</i>
		<i>State</i>	<i>Federal</i>	
ABE Special Projects	\$ 20,413	\$	\$ 200,584	\$
Carl Perkins			61,131	
SBA Grant			31,550	
SBA Grant Match				
SBA Portable Assistance Project			5,592	
CASE Grant			29,842	
OBDD		42,304		
Grow Oregon Grant	1,750	42,000		
ABS Pathways Grant		25,925		
ABE Learning Standards		3,442		
Oregon Develop Education Work Group		9,000		
Community Health Worker Grant		(7,444)		
Minority Teacher Pipeline Grant		17,500		
Partners in practice		137,578		
Student assistance grant		44,000		
Accelerated college credit grant		16,000		
Cascade Health Services Support				32,000
Facebook A+	267			10,000
Eastern promise replication grant				78,909
Deer Ridge Correctional Institution				417,940
OCF - GANAS				5,000
	<u>\$ 22,430</u>	<u>\$ 330,305</u>	<u>\$ 328,699</u>	<u>\$ 543,849</u>



<i>Transfers</i>	
<u><i>In</i></u>	<u><i>Total</i></u>
\$	\$ 220,997
	61,131
	31,550
34,649	34,649
	5,592
	29,842
	42,304
	43,750
	25,925
	3,442
	9,000
	(7,444)
	17,500
	137,578
	44,000
	16,000
	32,000
	10,267
	78,909
	417,940
	5,000
<u>\$ 34,649</u>	<u>\$ 1,259,932</u>

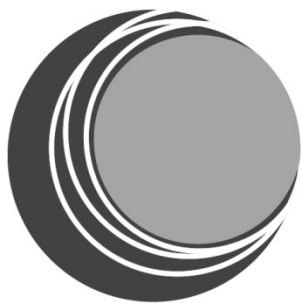
**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>
ABE Special Projects	\$ 164,452	\$ 66,347	\$ 10,092
Carl Perkins	49,250	8,183	1,199
SBA Grant	21,402	10,148	
SBA Grant Match	22,660	11,989	
SBA Portable Assistance Project	4,580	879	133
CASE Grant	18,167	8,793	2,882
OBDD	25,275	17,029	
Grow Oregon Grant	45,084	7,485	1,525
ABS Pathways Grant	12,414	11,086	2,425
ABE Learning Standards	1,472	573	1,397
Oregon Develop Education Work Group	930	295	2,701
Community Health Worker Grant			17,108
Minority Teacher Pipeline Grant	5,983	1,176	4,100
Partners in practice	6,110	239	131,229
Student assistance grant	15,075	5,472	23,453
Accelerated college credit grant	11,365	3,135	1,500
Cascade Health Services Support	27,896	14,177	
DRCI - Partnership to End Poverty	14,599	6,222	2,832
Veteran - Partnership to End Poverty	9,340	5,059	2,266
Wells Fargo RISE Grant	11,445	2,243	1,980
LMT research	786	214	
Facebook A+	3,786	1,049	5,432
Eastern promise replication grant	34,307	15,893	18,320
Deer Ridge Correctional Institution	272,492	144,540	55,441
OCF - Veterinary Technician Program			21
OCF - GANAS	1,510	138	3,077
	<u>\$ 780,380</u>	<u>\$ 342,364</u>	<u>\$ 289,113</u>

<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Total</u>
\$	\$	\$
		240,891
2,499		61,131
		31,550
		34,649
		5,592
		29,842
		42,304
	10,000	64,094
		25,925
		3,442
		3,926
		17,108
		11,259
		137,578
		44,000
		16,000
		42,073
		23,653
		16,665
		15,668
		1,000
		10,267
		68,520
		472,473
243		264
<hr/>	<hr/>	<hr/>
		4,725
<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>2,742</u>	<u>10,000</u>	<u>1,424,599</u>



**CENTRAL OREGON**  
community college

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 25,000	\$ 25,000	\$ 22,430	\$ (2,570)
Grants and contracts	1,050,000	1,050,000	543,849	(506,151)
<b>Intergovernmental:</b>				
State	164,430	164,430	330,305	165,875
Federal	465,220	465,220	328,699	(136,521)
Transfers from other funds	34,639	34,639	34,649	10
<b>Total revenue</b>	1,739,289	1,739,289	1,259,932	(479,357)
<b>Beginning fund balance</b>	189,000	189,000	327,103	138,103
<b>Total available     for appropriation</b>	1,928,289	1,928,289	1,587,035	(341,254)
<b>Expenditures</b>				
Federal grants	524,859	524,859	403,655	121,204
State grants	173,897	383,897	365,636	18,261
Local grants	98,504	198,504	177,846	20,658
Contracts	1,018,000	718,000	477,462	240,538
<b>Total expenditures</b>	1,815,260	1,825,260	1,424,599	400,661
<b>Ending fund balance</b>	\$ 113,029	\$ 103,029	\$ 162,436	\$ 59,407

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 65,390	\$ 21,402	\$ 23,069	\$ 63,723
Public safety	61003	25,981	44,709	38,444	32,246
Law enforcement testing	61004	489	2,346	2,835	
MATC industry training account	61005	1,401	564		1,965
Sustainability fund	61006	4,808	4	608	4,204
Dental clinic	61007		1,641	191	1,450
Pharmacy tech	61008		4,952	1,632	3,320
Dental program	61009		6,016	4,271	1,745
General testing	61511	11,492	10,637	14,753	7,376
Art cards	61512	4,790	3,482	2,063	6,209
Auto and industrial fees	61513	20,329	36,211	37,887	18,653
Facilities fees	61514	105,407	21,068	21,302	105,173
Club sports	61516	62,816	26,959	21,925	67,850
College activities	61518	175,917	43,754	88,831	130,840
Classified training	61522	29	15,003	7,352	7,680
Performing arts	61525	1,046	990	542	1,494
Box office activity	61526	3,266	3		3,269
Hybrid vehicle fleet	61527	1,961	7,294	4,768	4,487
Special programs - administration	61528	189,417	104,527	168,934	125,010
Vehicles	61531	73,601	50,112	63,948	59,765
Physiology lab	61532	37,715	13,009	9,313	41,411
Library books	61534	33,248	19,251	20,464	32,035
PCA wellness	61535	30,239	24	6,314	23,949
Outdoor recreation	61537	13,354	5,191	1,509	17,036
Enrollment services	61546	33,391	29		33,420
Accreditation	61547	20,824	5,008	28,223	(2,391)
College now	61550	236,608	125,866	104,198	258,276
Salvage sales	61552	26,169	1,150	2,222	25,097
Media activities	61561	27,476	15,350	150	42,676
Tutoring/Testing	61574	147,827	84,807	70,356	162,278
Institutional advancement	61576	69,476	10,038	49,415	30,099
Student honors recognition	61581	1,455	3,252	1,037	3,670
Allied health lab fees	61586	10,126	11,389	15,974	5,541
Innovation account	61589	661,250	146,313	227,300	580,263
Mazama lab fees	61592	93,260	76,794	35,697	134,357
Tool room deposits	61596	4,688	1,659	2,126	4,221
Computer lab printers	61597	23,828	22,724	33,190	13,362

Continued on page 49

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 48

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Instructional projects	61598	35,868	100,378	26,072	110,174
Oregon International education consortium	61599	4,002	6,755	3,031	7,726
Student government	61601	28,679	281,026	262,818	46,887
The Broadside	61602	511	29,871	30,045	337
Blue Sky	61603	95,972	46,863	27,442	115,393
Food service reserve	61604	30,417		30,417	
Elevation gratuity fund	61605	6,352	37,274	15,222	28,404
CIS software	61610	9,882	1,079	750	10,211
Bend area transit program	61611	12,104	38,491	25,440	25,155
Student government clubs	61612	4,832	9,071	4,892	9,011
Student government programs	61613	1,417	56,250	28,421	29,246
Student government reserve	61614	35,095	30		35,125
Self-sustaining activities		<u>2,484,205</u>	<u>1,550,616</u>	<u>1,565,393</u>	<u>2,469,428</u>
Summer session	62501	3,108,494	1,841,652	2,232,605	2,717,541
International programs	62558	32,782	43,512	4,650	71,644
SBDC program	62564	109,610	102,268	105,007	106,871
Business development and training	62575	6,023	61,199	66,685	537
ABE General Purpose	62576	116,971	454,018	450,179	120,810
Outreach centers	62577	285,784	207	87,000	198,991
Culinary program	62601	(56,811)	1,062,769	1,005,958	
Culinary facility	62602	(91,376)	322,734	231,358	
Veterinarian tech program	62603	11,354	20,395	6,740	25,009
Culinary foundation fund	62604	(420)	1,175		755
EMT practical exam	62610	(1,737)	10,310	13,642	(5,069)
Contracted credit classes	63501	90,074	58,949	51,626	97,397
Community & professional education	63502	378,359	1,156,477	1,381,320	153,516
Licensed massage therapy	63572	2,698	31,296	19,522	14,472
Aviation program-simulator fees	63579	431,694	407,372	274,389	564,677
Unmanned aerial systems operations	63580		28,517	4,555	23,962
Non-general fund instruction		<u>4,423,499</u>	<u>5,602,850</u>	<u>5,935,236</u>	<u>4,091,113</u>

Continued on page 50

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 49

	<i>Sub-Fund Number</i>	<i>Beginning Balance (Deficit)</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Ending Balance (Deficit)</i>
Foundation billing	64515	\$	\$ 350,440	\$ 350,440	\$
Partnership collaborations	64573	1,388,157	398,622	1,207,344	579,435
Cascade Hall minor maintenance	64574	316	589	1,468	(563)
Revolving activities		<u>1,388,473</u>	<u>749,651</u>	<u>1,559,252</u>	<u>578,872</u>
 Faculty professional improvement	65521	\$ 202,998	\$ 66,171	\$ 76,986	\$ 192,183
Adjunct faculty professional improvement	65523	57,231	6,050	2,877	60,404
ABE professional development fund	65524	14,381	5,014	1,200	18,195
Admin professional development & sabbatical	65526	4,331	5,003	6,759	2,575
Sabbatical - faculty	65527	171,303	125,124	177,019	119,408
Unemployment reserve	65542	190,329	110,052	83,924	216,457
Insurance reserve deductible	65543	101,285	10,448	13,356	98,377
Keyes educational enhancement fund	65562	<u>292,612</u>	<u>69,352</u>	<u>176,392</u>	<u>185,572</u>
 Contractual and administrative provisions		<u>1,034,470</u>	<u>397,214</u>	<u>538,513</u>	<u>893,171</u>
		<u>\$ 9,330,647</u>	<u>\$ 8,300,331</u>	<u>\$ 9,598,394</u>	<u>\$ 8,032,584</u>



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

**YEAR ENDED JUNE 30, 2015**

	<i>Charges</i>			<i>State and</i>		<i>Transfers</i>	<i>Totals</i>
	<i>For</i>	<i>Other</i>	<i>Interest</i>	<i>Local</i>			
	<u><i>Services</i></u>	<u><i>Other</i></u>	<u><i>Interest</i></u>	<u><i>Grants</i></u>		<u><i>In</i></u>	<u><i>Totals</i></u>
Medical leave assistance program	\$	\$ 21,347	\$ 55	\$	\$		\$ 21,402
Public safety	44,684		25				44,709
Law enforcement testing		2,346					2,346
MATC industry training account		563	1				564
Sustainability fund			4				4
Dental clinic		1,640	1				1,641
Pharmacy tech	4,950		2				4,952
Dental program	6,012		4				6,016
General testing		10,625	12				10,637
Art cards	708	2,769	5				3,482
Auto and industrial fees	17,820	18,372	19				36,211
Facilities fees		20,976	92				21,068
Club sports		13,907	52			13,000	26,959
College activities		43,623	131				43,754
Classified training			3			15,000	15,003
Performing arts		989	1				990
Box office activity			3				3
Hybrid vehicle fleet		7,291	3				7,294
Special programs - administration		104,405	122				104,527
Vehicles		50,049	63				50,112
Physiology lab		12,974	35				13,009
Library books		19,222	29				19,251
PCA wellness			24				24
Outdoor recreation	4,088	1,090	13				5,191
Enrollment services			29				29
Accreditation			8			5,000	5,008
College now	94,110	31,545	211				125,866
Salvage sales		1,128	22				1,150
Media activities		15,320	30				15,350
Tutoring/Testing		84,673	134				84,807
Institutional advancement			38			10,000	10,038
Student honors recognition		2,000	2			1,250	3,252
Allied health lab fees	11,242	135	12				11,389
Innovation account		45,818	495			100,000	146,313
Mazama lab fees	51,343	25,346	105				76,794
Tool room deposits		1,655	4				1,659
Computer lab printers		22,702	22				22,724
Instructional projects			63			100,315	100,378

Continued on page 52

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 51

	<i>Charges For</i>			<i>State and Local</i>	<i>Transfers</i>	
	<u>Services</u>	<u>Other</u>	<u>Interest</u>	<u>Grants</u>	<u>In</u>	<u>Totals</u>
Oregon International						
Education consortium	\$	\$ 6,750	\$ 5	\$	\$	\$ 6,755
Student government		280,981	45			281,026
The Broadside	3,570		1		26,300	29,871
Blue Sky		46,771	92			46,863
Elevation gratuity fund		37,259	15			37,274
CIS Software		1,070	9			1,079
Bend area transit program		18,140	16		20,335	38,491
Student government clubs		397	6		8,668	9,071
Student government programs		5,051	16		51,183	56,250
Student government reserve			30			30
Self-sustaining activities	<u>238,527</u>	<u>958,929</u>	<u>2,109</u>		<u>351,051</u>	<u>1,550,616</u>
Summer session	1,741,176		3,882		96,594	1,841,652
International programs	696	42,770	46			43,512
SBDC program activities	8,641	93,533	94			102,268
Business development and training			3		61,196	61,199
ABE general purpose		9,453	101		444,464	454,018
Outreach centers			207			207
Culinary program	626,460	10,576			425,733	1,062,769
Culinary facility		193,242			129,492	322,734
Veterinarian tech program	19,200	1,174	21			20,395
Culinary foundation fund		1,175				1,175
EMT practical exam		10,310				10,310
Contracted credit classes		58,869	80			58,949
Community and professional education	1,016,163	108,312	234		31,768	1,156,477
Licensed massage therapy	21,131	10,152	13			31,296
Aviation program - simulator fees	383,835	21,713	1,824			407,372
Unmanned aerial systems operations	<u>28,500</u>		<u>17</u>			<u>28,517</u>
Non-general fund instruction	<u>3,845,802</u>	<u>561,279</u>	<u>6,522</u>		<u>1,189,247</u>	<u>5,602,850</u>

Continued on page 53

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 52

	<i>Charges For Services</i>	<i>Other</i>	<i>Interest</i>	<i>State and Local Grants</i>	<i>Transfers In</i>	<i>Totals</i>
Foundation billing	\$ 220,482				\$ 129,958	\$ 350,440
Partnership collaborations		201,354	776	196,492		398,622
Cascade hall minor maintenance		589				589
Revolving activities	220,482	201,943	776	196,492	129,958	749,651
Faculty professional improvement			171		66,000	66,171
Adjunct Faculty professional improvement			50		6,000	6,050
ABE professional development funds			14		5,000	5,014
Admin prof development & sabbatical			3		5,000	5,003
Sabbatical-faculty			124		125,000	125,124
Unemployment reserve		9,878	174		100,000	110,052
Insurance reserve deductible		10,363	85			10,448
Keyes educational enhancement fund			69,352			69,352
Contractual and administrative support		20,241	69,973		307,000	397,214
	<u>\$ 4,304,811</u>	<u>\$ 1,742,392</u>	<u>\$ 79,380</u>	<u>\$ 196,492</u>	<u>\$ 1,977,256</u>	<u>\$ 8,300,331</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Medical Leave Assistance program	\$ 13,420	\$ 9,649	\$	\$	\$	\$ 23,069
Public Safety			32,824	5,620		38,444
Law enforcement testing	2,242	593				2,835
Sustainability fund			608			608
Dental clinic			191			191
Pharmacy tech			1,632			1,632
Dental program			4,271			4,271
General testing	1,103	150	13,500			14,753
Art cards			2,063			2,063
Auto and industrial fees			29,847	8,040		37,887
Facilities fees	6,098	4,153	8,551		2,500	21,302
Club sports	10,113	1,334	8,728	1,750		21,925
College activities	3,000	831			85,000	88,831
Classified training			7,352			7,352
Performing arts			542			542
Hybrid vehicle fleet			4,768			4,768
Special programs - administration	69,140	29,027	4,539		66,228	168,934
Vehicles			24,145	39,803		63,948
Physiology lab	1,436	171	7,706			9,313
Library books			5,888	14,576		20,464
PCA Wellness	4,359	1,245	710			6,314
Outdoor recreation program			1,509			1,509
Accreditation	4,500	1,354	22,369			28,223
College now	25,753	7,398	6,047		65,000	104,198
Salvage sales			2,222			2,222
Media activities			150			150
Tutoring/Testing	2,451	1,459	24,298	7,148	35,000	70,356
Institutional advancement	1,000	301	48,114			49,415
Student honors recognition			1,037			1,037
Allied health lab fees			2,979	5,495	7,500	15,974
Innovation account	30,333	3,897	128,512	4,243	60,315	227,300
Mazama lab fees	4,299	3,103	28,295			35,697
Tool room deposits			2,126			2,126
Computer lab printers	1,139	91	19,799	12,161		33,190
Instructional programs	6,984	1,484	17,604			26,072
Oregon International education consortium			3,031			3,031

Continued on page 55

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 54

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Student government	\$ 36,205	\$ 404	\$ 100,734	\$ 11,324	\$ 114,151	\$ 262,818
The Broadside	23,546	435	6,064			30,045
Blue Sky			27,442			27,442
Food service reserve					30,417	30,417
Elevation gratuity fund			15,222			15,222
CIS			750			750
Bend area transit program			25,440			25,440
Student government clubs			4,892			4,892
Student government programs			<u>28,421</u>			<u>28,421</u>
Self-sustaining activities	<u>247,121</u>	<u>67,079</u>	<u>674,922</u>	<u>110,160</u>	<u>466,111</u>	<u>1,565,393</u>
Summer session	948,057	238,792	30,756		1,015,000	2,232,605
International programs			4,650			4,650
SBDC program activities	46,755	15,068	42,791	393		105,007
Business development and training	39,110	23,733	3,467	375		66,685
ABE general purpose	272,804	168,252	9,123			450,179
Outreach centers					87,000	87,000
Culinary program	520,518	249,441	235,025	974		1,005,958
Culinary facility	106,447	14,101	107,723	3,087		231,358
Veterinarian tech program			6,740			6,740
EMT practical exam	11,929	1,242	471			13,642
Contracted credit classes	24,865	6,038	723		20,000	51,626
Community and professional education	607,798	292,398	458,112	3,012	20,000	1,381,320
Licensed massage therapy			19,522			19,522
Aviation program - simulator fees	71,965	15,152	13,257	44,015	130,000	274,389
Unmanned aerial systems operations			<u>4,555</u>			<u>4,555</u>
Non-general fund instruction	<u>2,650,248</u>	<u>1,024,217</u>	<u>936,915</u>	<u>51,856</u>	<u>1,272,000</u>	<u>5,935,236</u>
Foundation billing	224,006	126,434				350,440
Partnership collaborations	99,837	68,398	62,859		976,250	1,207,344
Cascades Hall minor maintenance			<u>1,468</u>			<u>1,468</u>
Revolving activities	<u>323,843</u>	<u>194,832</u>	<u>64,327</u>		<u>976,250</u>	<u>1,559,252</u>

Continued on page 56

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

Continued from page 55

	<u>Salaries</u>	<u>Payroll Assessments</u>	<u>Materials and Services</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Totals</u>
Faculty professional improvement	\$ 8,782	\$ 2,431	\$ 30,773		\$ 35,000	\$ 76,986
Adjunct faculty professional improvement			2,877			2,877
ABE professional development funds			1,200			1,200
Admin professional development & sabbatical			6,759			6,759
Sabbatical - faculty	96,502	45,517			35,000	177,019
Unemployment reserve		83,924				83,924
Insurance reserve deductible			13,356			13,356
Keyes educational enhancement fund	<u>34,652</u>	<u>14,292</u>	<u>17,572</u>	<u>109,876</u>		<u>176,392</u>
Contractual and administrative provisions	<u>139,936</u>	<u>146,164</u>	<u>72,537</u>	<u>109,876</u>	<u>70,000</u>	<u>538,513</u>
	<u>\$ 3,361,148</u>	<u>\$ 1,432,292</u>	<u>\$ 1,748,701</u>	<u>\$ 271,892</u>	<u>\$ 2,784,361</u>	<u>\$ 9,598,394</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 5,154,602	\$ 5,154,602	\$ 4,304,811	\$ (849,791)
Interest	106,472	106,472	79,380	(27,092)
State and local	629,372	629,372	196,492	(432,880)
Other	2,176,745	2,176,745	1,742,392	(434,353)
<b>Transfers from other funds</b>	1,148,671	1,148,671	1,977,256	828,585
<i>Total revenue</i>	9,215,862	9,215,862	8,300,331	(915,531)
<b>Beginning fund balance</b>	8,006,545	8,006,545	9,330,647	1,324,102
<i>Total available         for appropriation</i>	17,222,407	17,222,407	17,630,978	408,571
<b>Expenditures</b>				
Self-sustaining activities	2,218,265	2,218,265	1,565,393	652,872
Non-general fund instruction	6,660,374	6,660,374	5,935,236	725,138
Revolving activities	769,383	1,619,383	1,559,252	60,131
Contractual & administrative provisions	651,412	651,412	538,513	112,899
<i>Total expenditures</i>	10,299,434	11,149,434	9,598,394	1,551,040
<b>Ending fund balance</b>	\$ 6,922,973	\$ 6,072,973	\$ 8,032,584	\$ 1,959,611

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 11,455	\$ 11,455	\$ 1,988	\$ (9,467)
Total revenue	11,455	11,455	1,988	(9,467)
<b>Beginning fund balance</b>	2,525,132	2,525,132	2,517,999	(7,133)
<i>Total available for appropriation</i>	2,536,587	2,536,587	2,519,987	(16,600)
<b>Expenditures</b>				
Retiree benefits	180,000	180,000	81,079	98,921
PERS reserve	300,000	300,000	100,000	
Total expenditures	480,000	480,000	181,079	98,921
<b>Ending fund balance</b>	\$ 2,056,587	\$ 2,056,587	\$ 2,338,908	\$ 82,321



**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<i>Sub-Fund Number</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Expenditures</i>	<i>Ending Balance</i>
Perkins	71801	\$ 14,430	\$ 1,120	\$ 554	\$ 14,996
College work study	71802		210,530	210,530	
SEOG	71803		257,722	257,722	
Pell	71804		11,360,864	11,360,864	
Veteran's fund	71807	15,848	4,748	3,150	17,446
Federal education loan program	72805		18,600,279	18,600,279	
State need	72807		1,335,497	1,335,497	
Private scholarship award Foundation	72808 73805		148,425 1,201,005	148,425 1,201,005	
COCC financial aid program	73809	319,492	272	9,355	310,409
Native American trust	75809	89,906	29,118	26,851	92,173
		<u>\$ 439,676</u>	<u>\$ 33,149,580</u>	<u>\$ 33,154,232</u>	<u>\$ 435,024</u>

CENTRAL OREGON COMMUNITY COLLEGE

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

YEAR ENDED JUNE 30, 2015

	<u>Interest</u>	<u>Grants</u>	<u>Other</u>
Perkins	\$	\$	\$ 1,120
College work study			26,292
SEOG			
Pell			18,025
Veteran's fund		14	4,734
Federal education loan program			
State need			
Private scholarship award			
Foundation		1,117,997	
COCC financial aid program		272	
Native American trust		26,118	
	<u>\$ 26,404</u>	<u>\$ 1,117,997</u>	<u>\$ 50,171</u>

<u>Intergovernmental</u>		<u>Transfers</u>	
<u>State</u>	<u>Federal</u>	<u>In</u>	<u>Total</u>
\$	\$	\$	\$
	136,658	47,580	1,120
	257,722		210,530
	11,342,839		257,722
			11,360,864
			4,748
	18,600,279		18,600,279
1,335,497			1,335,497
148,425			148,425
		83,008	1,201,005
			272
		3,000	29,118
<u>\$ 1,483,922</u>	<u>\$ 30,337,498</u>	<u>\$ 133,588</u>	<u>\$ 33,149,580</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$		\$	554	\$	\$	554
College work study	184,238	26,292					210,530
SEOG			257,722				257,722
Pell			11,360,864				11,360,864
Veteran's fund		3,150					3,150
Federal education loan program			18,600,279				18,600,279
State need			1,335,497				1,335,497
Private scholarship award Foundation			148,425				148,425
COCC financial aid program			9,355				9,355
Native American trust	760	23,891	2,200				26,851
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>		<u>\$</u>
	184,998	53,333	32,915,901				33,154,232

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 27,288	\$ 27,288	\$ 26,404	\$ (884)
Grants	917,818	917,818	1,117,997	200,179
Other	51,500	51,500	50,171	(1,329)
<b>Intergovernmental:</b>				
State	1,650,000	1,650,000	1,483,922	(166,078)
Federal	18,470,000	18,470,000	11,737,219	(6,732,781)
<b>Transfers from other funds</b>	227,182	227,182	133,588	
<i>Total revenue</i>	21,343,788	21,343,788	14,549,301	(6,700,893)
<b>Beginning fund balance</b>	355,000	355,000	439,676	84,676
<i>Total available         for appropriation</i>	21,698,788	21,698,788	14,988,977	(6,709,811)
<b>Expenditures</b>				
Federal programs	18,563,500	18,453,500	11,829,670	6,623,830
State programs	1,650,000	1,650,000	1,483,922	166,078
Local programs	1,155,735	1,265,735	1,240,361	25,374
<i>Total expenditures</i>	21,369,235	21,369,235	14,553,953	6,815,282
<b>Ending fund balance</b>	\$ 329,553	\$ 329,553	\$ 435,024	\$ 105,471



**CENTRAL OREGON**  
community college

## **DEBT SERVICE FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015 AND 2014**

	<i>2015</i>	<i>2014</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 173,148	\$ 276,708
Cash with county treasurers	18,691	18,512
Property tax receivable	94,523	115,430
<i>Total assets</i>	\$ 286,362	\$ 410,650
 <b>LIABILITIES AND FUND EQUITY</b>		
<i>Liabilities:</i>		
Deferred revenue	\$ 66,172	\$ 83,842
<i>Total liabilities</i>	66,172	83,842
 <i>Fund equity:</i>		
Fund balance		
Designated for debt service	220,190	326,808
<i>Total liabilities and fund equity</i>	\$ 286,362	\$ 410,650



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

**YEAR ENDED JUNE 30, 2015**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenue</b>				
<b>Local:</b>				
Property taxes	\$ 2,673,775	\$ 2,673,775	\$ 2,760,424	\$ 86,649
Assessment	961,543	961,543	961,484	(59)
Interest	850	850	1,493	643
Grants and contracts	486,945	486,945	486,409	(536)
<b>Transfers from other funds</b>	<u>6,151,400</u>	<u>6,151,400</u>	<u>6,137,288</u>	<u>(14,112)</u>
<b>Total revenue</b>	10,274,513	10,274,513	10,347,098	72,585
<b>Beginning fund balance</b>	<u>241,900</u>	<u>241,900</u>	<u>326,808</u>	<u>84,908</u>
<b>Total available     for appropriation</b>	<u>10,516,413</u>	<u>10,516,413</u>	<u>10,673,906</u>	<u>157,493</u>
<b>Expenditures</b>				
<b>Debt service:</b>				
Principal	7,740,159	7,740,159	7,740,157	2
Interest	2,715,778	2,715,778	2,712,559	3,219
Material and services	<u>3,400</u>	<u>3,400</u>	<u>1,000</u>	<u>2,400</u>
<b>Total expenditures</b>	<u>10,459,337</u>	<u>10,459,337</u>	<u>10,453,716</u>	<u>5,621</u>
<b>Ending fund balance</b>	<u>\$ 57,076</u>	<u>\$ 57,076</u>	<u>\$ 220,190</u>	<u>\$ 163,114</u>

## **CAPITAL PROJECTS FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015 AND 2014**

	<i>2015</i>	<i>2014</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 10,858,604	\$ 20,441,962
Certificate of deposit		6,000,000
<i>Total assets</i>	<b>\$ 10,858,604</b>	<b>\$ 26,441,962</b>
 <b>LIABILITIES AND FUND EQUITY</b>		
<i>Liabilities:</i>		
Accounts payable	\$ 1,909,035	\$ 1,615,510
 <i>Fund equity:</i>		
Fund balance		
Undesignated	8,949,569	24,826,452
<i>Total liabilities and fund equity</i>	<b>\$ 10,858,604</b>	<b>\$ 26,441,962</b>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 174,593	\$ 174,593	\$ 63,109	\$ (111,484)
Other income	5,539,200	4,089,200	408,413	(3,680,787)
Donations			9,050	9,050
Contracts			117,708	117,708
State grants	8,266,000	8,266,000	8,789,635	523,635
Transfers from other funds	1,850,051	3,300,051	2,923,114	(376,937)
<i>Total revenue</i>	15,829,844	15,829,844	12,311,029	(3,518,815)
<b>Beginning fund balance</b>	28,587,000	28,587,000	24,826,452	(3,760,548)
<i>Total available for appropriation</i>	44,416,844	44,416,844	37,137,481	(7,279,363)
<b>Expenditures</b>				
<b>Capital outlay</b>				
Personal services	340,606	340,606	169,090	171,516
Materials and services	9,284,000	7,834,000	2,020,796	5,813,204
Capital Outlay	22,890,413	22,890,413	19,246,925	3,643,488
Transfers out	6,168,400	6,768,400	6,751,101	17,299
<i>Total expenditures</i>	38,683,419	37,833,419	28,187,912	9,645,507
<b>Ending fund balance</b>	\$ 5,733,425	\$ 6,583,425	\$ 8,949,569	\$ 2,366,144

**PROPRIETARY FUNDS**

**ENTERPRISE FUNDS**

**INTERNAL SERVICE FUND**



**CENTRAL OREGON**  
community college

## **ENTERPRISE FUNDS**

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

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Bookstore</i>	<i>Food Service Reserve</i>
<b>ASSETS</b>		
<i>Current assets:</i>		
Pooled cash and investments	\$ 2,005,343	\$ 15,535
Accounts receivable	276,068	2,609
Inventory	682,603	
<i>Total current assets</i>	2,964,014	18,144
 <i>Capital assets</i>		
Buildings and equipment	1,576,763	
Accumulated depreciation	(919,951)	
Net property and equipment	656,812	
<i>Total assets</i>	\$ 3,620,826	\$ 18,144
 <b>LIABILITIES AND FUND EQUITY</b>		
<i>Liabilities:</i>		
Accounts payable	\$ 4,639	\$
 <i>Fund equity:</i>		
Contributed capital	20,000	
Retained earnings - unreserved	3,596,187	18,144
<i>Total fund equity</i>	3,616,187	18,144
<i>Total liabilities and fund equity</i>	\$ 3,620,826	\$ 18,144



<i>Residence Hall</i>	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
\$ 1,440,625	\$ 3,461,503	\$ 3,833,553
	278,677	50,252
	<u>682,603</u>	<u>532,024</u>
<u>1,440,625</u>	<u>4,422,783</u>	<u>4,415,829</u>
591,871	2,168,634	2,168,634
<u>(552,063)</u>	<u>(1,472,014)</u>	<u>(1,406,719)</u>
<u>39,808</u>	<u>696,620</u>	<u>761,915</u>
<u>\$ 1,480,433</u>	<u>\$ 5,119,403</u>	<u>\$ 5,177,744</u>
\$ 39,655	\$ 44,294	\$ 3,914
	20,000	20,000
<u>1,440,778</u>	<u>5,055,109</u>	<u>5,153,830</u>
<u>1,440,778</u>	<u>5,075,109</u>	<u>5,173,830</u>
<u>\$ 1,480,433</u>	<u>\$ 5,119,403</u>	<u>\$ 5,177,744</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**COMBINING SCHEDULE OF REVENUE, EXPENSES, AND  
CHANGES IN FUND BALANCE  
ALL ENTERPRISE FUNDS**

**YEAR ENDED JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2014)**

	<i>Bookstore</i>	<i>Food Service Reserve</i>
<b>Operating revenue:</b>		
Charges for services	\$ 3,150,799	\$ 370,110
<i>Total operating revenue</i>	3,150,799	370,110
<b>Operating expenses:</b>		
Salaries	380,137	
Payroll assessments	194,292	
Materials and services	2,277,233	434,412
Capital outlay	4,357	
Depreciation	58,644	
<i>Total operating expenses</i>	2,914,663	434,412
Operating income (loss)	236,136	(64,302)
<b>Non-operating revenue (expenses):</b>		
Interest income	1,930	29
Operating transfer in		30,417
Operating transfer out	(450,000)	
<i>Total non-operating revenue (expenses)</i>	(448,070)	30,446
Net income (loss)	(211,934)	(33,856)
<b>Net assets - beginning of year</b>	3,828,121	52,000
<b>Net assets - end of year</b>	\$ 3,616,187	\$ 18,144

<i>Residence Hall</i>	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
\$ 453,052	\$ 3,973,961	\$ 4,419,304
<u>453,052</u>	<u>3,973,961</u>	<u>4,419,304</u>
130,828	510,965	474,831
85,619	279,911	264,795
77,837	2,789,482	3,063,604
6,195	10,552	25,088
<u>6,651</u>	<u>65,295</u>	<u>65,295</u>
<u>307,130</u>	<u>3,656,205</u>	<u>3,893,613</u>
<u>145,922</u>	<u>317,756</u>	<u>525,691</u>
1,147	3,106	4,685
	30,417	371,517
	<u>(450,000)</u>	<u>(602,000)</u>
<u>1,147</u>	<u>(416,477)</u>	<u>(225,798)</u>
147,069	(98,721)	299,893
<u>1,293,709</u>	<u>5,173,830</u>	<u>4,873,937</u>
<u>\$ 1,440,778</u>	<u>\$ 5,075,109</u>	<u>\$ 5,173,830</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2014)**

	<i>Bookstore</i>	<i>Food Service Reserve</i>
<b>Cash flows from operating activities:</b>		
Cash received for services	\$ 2,924,983	\$ 367,501
Cash payments for goods and services	(2,431,430)	(434,412)
Cash payments to employees	(574,429)	
<i>Net cash flows from operating activities</i>	(80,876)	(66,911)
<b>Cash flows from non-capital financing activities</b>	(450,000)	30,417
<b>Cash flows from investing activities:</b>		
Interest earned	1,930	29
<i>Net cash flows from investing activities</i>	1,930	29
<b>Net increase (decrease) in cash and cash equivalents</b>	(528,946)	(36,465)
<b>Cash and cash equivalents - beginning of year</b>	2,534,289	52,000
<b>Cash and cash equivalents - end of year</b>	\$ 2,005,343	\$ 15,535
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ 236,136	\$ (64,302)
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	58,644	
Decrease (increase) in accounts receivable	(225,816)	(2,609)
Decrease (increase) in inventory	(150,579)	
Increase (decrease) in accounts payable	739	
<i>Net cash flows from operating activities</i>	\$ (80,876)	\$ (66,911)

<i>Residence</i>	<i>Totals</i>	
	<i>Hall</i>	<i>2015</i>
\$ 453,052	\$ 3,745,536	\$ 4,520,484
(44,391)	(2,910,233)	(3,009,608)
(216,447)	(790,876)	(739,626)
<u>192,214</u>	<u>44,427</u>	<u>771,250</u>
	(419,583)	(230,483)
<u>1,147</u>	<u>3,106</u>	<u>4,685</u>
<u>1,147</u>	<u>3,106</u>	<u>4,685</u>
193,361	(372,050)	545,452
<u>1,247,264</u>	<u>3,833,553</u>	<u>3,288,101</u>
<u>\$ 1,440,625</u>	<u>\$ 3,461,503</u>	<u>\$ 3,833,553</u>
\$ 145,922	\$ 317,756	\$ 525,691
6,651	65,295	65,295
	(228,425)	101,180
	(150,579)	87,990
<u>39,641</u>	<u>40,380</u>	<u>(8,906)</u>
<u>\$ 192,214</u>	<u>\$ 44,427</u>	<u>\$ 771,250</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 5,429,800	\$ 5,429,800	\$ 3,150,799	\$ (2,279,001)
Interest	7,570	7,570	1,930	(5,640)
<i>Total revenue</i>	5,437,370	5,437,370	3,152,729	(2,284,641)
<b>Beginning available resources</b>	2,950,000	2,950,000	3,112,665	162,665
<i>Total available for appropriation</i>	8,387,370	8,387,370	6,265,394	(2,121,976)
<b>Expenditures</b>				
Personnel services	581,685	581,685	574,429	7,256
Materials and services	4,589,950	4,589,950	2,277,233	2,312,717
Capital outlay	250,000	250,000	4,357	245,643
Transfer to other funds	450,000	450,000	450,000	
<i>Total expenditures</i>	5,871,635	5,871,635	3,306,019	2,565,616
<b>Ending available resources</b>	\$ 2,515,735	\$ 2,515,735	\$ 2,959,375	\$ 443,640

**Analysis of ending available resources**

Current assets	\$ 2,964,014
Less liabilities	(4,639)
	\$ 2,959,375

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 370,000	\$ 370,000	\$ 370,110	\$ 110
Interest			29	29
Transfer from other funds			30,417	30,417
<i>Total revenue</i>	370,000	370,000	400,556	30,556
<b>Beginning available resources</b>			52,000	52,000
<i>Total available for appropriation</i>	370,000	370,000	452,556	82,556
<b>Expenditures</b>				
Personnel services				
Materials and services	360,000	360,000	434,412	(74,412)
Capital outlay	10,000	10,000		10,000
Transfer to other funds				
<i>Total expenditures</i>	370,000	370,000	434,412	(64,412)
<b>Ending available resources</b>			\$ 18,144	\$ 18,144

*Analysis of ending available resources*

Current assets	\$ 18,144
Less liabilities	
	\$ 18,144

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

	<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	\$ 437,206	\$ 437,206	\$ 453,052	\$ 15,846
Interest	2,527	2,527	1,147	(1,380)
Transfer from other funds				
<i>Total revenue</i>	439,733	439,733	454,199	14,466
<b>Beginning available resources</b>	922,030	922,030	1,247,250	325,220
<i>Total available for appropriation</i>	1,361,763	1,361,763	1,701,449	339,686
<b>Expenditures</b>				
Personnel services	210,650	220,650	216,447	4,203
Materials and services	117,937	107,937	77,837	30,100
Capital outlay	20,000	20,000	6,195	13,805
Transfer to other funds	350,000	350,000		350,000
<i>Total expenditures</i>	698,587	698,587	300,479	398,108
<b>Ending available resources</b>	\$ 663,176	\$ 663,176	\$ 1,400,970	\$ 737,794

**Analysis of ending available resources**

Current assets	\$ 1,440,625
Less liabilities	(39,655)
	\$ 1,400,970



## **INTERNAL SERVICE FUND**

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

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE**  
**INTERNAL SERVICE FUND**

**JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
<b>ASSETS</b>		
<i>Current assets:</i>		
Pooled cash and investments	\$ 428,752	\$ 466,914
<i>Total current assets</i>	428,752	466,914
<i>Capital assets:</i>		
Building and equipment	60,736	60,736
Accumulated depreciation	(35,373)	(29,378)
Net property and equipment	25,363	31,358
<i>Total assets</i>	\$ 454,115	\$ 498,272
<b>LIABILITIES AND FUND EQUITY</b>		
<i>Liabilities:</i>		
Accounts payable	\$ 14,098	\$ 15,828
<i>Fund equity:</i>		
Retained earnings - unreserved	440,017	482,444
<i>Total liabilities and fund equity</i>	\$ 454,115	\$ 498,272

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<u>Centralized Services</u>	<u>Copier Activities</u>	<u>Totals</u>	
			<u>2015</u>	<u>2014</u>
<b>Operating revenue:</b>				
Charges for services	\$ 138,492	\$ 110,977	\$ 249,469	\$ 319,964
<b>Operating expenses:</b>				
Salaries	47,345	18,414	65,759	69,284
Payroll assessments	28,420	10,106	38,526	54,554
Materials and services	77,238	101,558	178,796	191,742
Capital outlay	853	2,349	3,202	830
Depreciation	5,995		5,995	6,653
<i>Total operating expenses</i>	<u>159,851</u>	<u>132,427</u>	<u>292,278</u>	<u>323,063</u>
Operating income (loss)	<u>(21,359)</u>	<u>(21,450)</u>	<u>(42,809)</u>	<u>(3,099)</u>
<b>Non-operating revenue (expenses):</b>				
Interest income	362	20	382	622
<i>Total non-operating revenue (expenses)</i>	<u>362</u>	<u>20</u>	<u>382</u>	<u>622</u>
Net income (loss)	<u>\$ (20,997)</u>	<u>\$ (21,430)</u>	<u>(42,427)</u>	<u>(2,477)</u>
<b>Fund equity - beginning of year</b>			<u>482,444</u>	<u>484,921</u>
<b>Fund equity - end of year</b>			<u>\$ 440,017</u>	<u>\$ 482,444</u>

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF CASH FLOWS  
INTERNAL SERVICE FUND**

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
<b>Cash flows from operating activities:</b>		
Cash received from users	\$ 249,469	\$ 319,964
Cash payments for goods and services	(183,728)	(179,832)
Cash payments to employees	(104,285)	(123,838)
<i>Net cash flows from operating activities</i>	(38,544)	16,294
<b>Cash flows from non-capital financing activities</b>		
<b>Cash flows from investing activities</b>		
Interest earned	382	622
<i>Total non-operating revenue (expenses)</i>	382	622
<b>Net increase (decrease) in cash and cash equivalents</b>	(38,162)	16,916
<b>Cash and cash equivalents - beginning of year</b>	466,914	449,998
<b>Cash and cash equivalents - end of year</b>	\$ 428,752	\$ 466,914
<b>Reconciliation of operating income to net cash flows from operating activities:</b>		
Operating income (loss)	\$ (42,809)	\$ (3,099)
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	5,995	6,653
Increase (decrease) in accounts payable	(1,730)	12,740
<i>Net cash flows from operating activities</i>	\$ (38,544)	\$ 16,294

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015**

	<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	\$ 265,000	\$ 265,000	\$ 138,492	\$ (126,508)
Interest	800	800	362	(438)
<i>Total revenue</i>	265,800	265,800	138,854	(126,946)
<b>Beginning available resources</b>	403,000	403,000	425,296	22,296
<i>Total available     for appropriation</i>	668,800	668,800	564,150	(104,650)
<b>Expenditures</b>				
Personnel services	109,244	109,244	75,765	33,479
Materials and services	125,900	125,900	77,238	48,662
Capital outlay	10,000	10,000	853	9,147
<i>Total expenditures</i>	245,144	245,144	153,856	91,288
<b>Ending working capital</b>	\$ 423,656	\$ 423,656	\$ 410,294	\$ (13,362)

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget Over (Under)</i>
<b>Revenue</b>				
<i>Local:</i>				
User charges	\$ 125,000	\$ 125,000	\$ 110,977	\$ (14,023)
Interest	102	102	20	(82)
<i>Total revenue</i>	125,102	125,102	110,997	(14,105)
<b>Beginning available resources</b>	40,546	40,546	25,790	(14,756)
<i>Total available for appropriation</i>	165,648	165,648	136,787	(28,861)
<b>Expenditures</b>				
Personnel services	27,872	27,872	28,520	(648)
Materials and services	119,500	119,500	101,558	17,942
Capital purchases	1,000	1,000	2,349	(1,349)
<i>Total expenditures</i>	148,372	148,372	132,427	15,945
<b>Ending working capital</b>	\$ 17,276	\$ 17,276	\$ 4,360	\$ (12,916)

## **PERMANENT FUND**

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

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

**JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
<b>ASSETS</b>		
Pooled cash and investments	\$ 482,948	\$ 490,065
Beneficial interest in perpetual trust	1,327,193	1,375,304
	<b>\$ 1,810,141</b>	<b>\$ 1,865,369</b>
<b>LIABILITIES AND FUND EQUITY</b>		
<b><i>Liabilities:</i></b>		
Accounts payable	\$ 112,114	\$ 118,039
	<b>112,114</b>	<b>118,039</b>
<b><i>Fund equity:</i></b>		
Fund balance		
Reserved for endowments	1,549,733	1,549,733
Unreserved	148,294	197,597
	<b>1,698,027</b>	<b>1,747,330</b>
	<b>\$ 1,810,141</b>	<b>\$ 1,865,369</b>



**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)**

	<i>Totals</i>	
	<i>2015</i>	<i>2014</i>
<b>Operating expenses:</b>		
Materials and services	\$ 102,168	\$ 206,839
Operating income (loss)	(102,168)	(206,839)
<b>Non-operating revenue:</b>		
Interest	1,807	1,896
Net gain on perpetual trust	51,058	230,476
Non-operating income	52,865	232,372
Net gain	(49,303)	25,533
<b>FUND BALANCE - beginning of year</b>	1,747,330	1,721,797
<b>FUND BALANCE - end of year</b>	\$ 1,698,027	\$ 1,747,330

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**JUNE 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<i>Variance with Final Budget Over (Under)</i>
<b>BEGINNING FUND BALANCE</b>	\$ 1,747,330	\$ 372,035	\$ 1,375,295
<b>Revenue</b>			
Interest	1,807	1,888	(81)
Net gain (loss) on perpetual trust	(48,110)		(48,110)
<i>Total revenue</i>	<u>(46,303)</u>	<u>1,888</u>	<u>(48,191)</u>
<i>Total available for appropriation</i>	<u>1,701,027</u>	<u>373,923</u>	<u>1,327,104</u>
<b>Expenses</b>			
Scholarships	3,000	3,500	500
<b>ENDING FUND BALANCE</b>	<u>\$ 1,698,027</u>	<u>\$ 370,423</u>	<u>\$ 1,327,604</u>

**OTHER SUPPLEMENTAL INFORMATION**

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF POOLED CASH AND INVESTMENTS**  
**JUNE 30, 2015**

	<i>Cash</i>
	<u><i>Balance</i></u>
Petty cash	\$ 10,350
Demand accounts	1,606,188
Investments:	
Oregon State Treasurer's Investment Pool	<u>30,380,797</u>
	<u>\$ 31,997,335</u>

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF PROPERTY TAX TRANACTIONS BY COUNTY**  
**YEAR ENDED JUNE 30, 2015**

<i>Tax Year</i>	<i>2014-15 Levy and Taxes Receivable July 1, 2014</i>	<i>Adjustments</i>	<i>Net Interest (Discount)</i>	<i>Collections</i>	<i>Receivable June 30, 2015</i>
<b>Deschutes County</b>					
2014-15	\$ 14,216,774	\$ (53,038)	\$ (349,633)	\$ 13,587,016	\$ 227,087
Prior	474,011	(5,975)	56,159	359,893	164,302
<b>Jefferson County</b>					
2014-15	1,061,613	(1,578)	(25,685)	999,293	35,057
Prior	83,787	(789)	10,498	57,496	36,000
<b>Crook County</b>					
2014-15	1,253,737	(542)	(30,571)	1,180,151	42,473
Prior	96,217	(1,146)		52,061	43,010
<b>Klamath County</b>					
2014-15	248,102	433	(6,287)	231,815	10,433
Prior	23,378	(446)	6	10,521	12,417
<b>Lake County</b>					
2014-15	116,865	(97)	(3,099)	108,132	5,537
Prior	12,069	(278)		3,977	7,814
<b>Wasco County</b>					
2014-15	6,516	1	(161)	6,100	256
Prior	569	(10)		264	295
<i>Totals</i>	<u>\$ 17,593,638</u>	<u>\$ (63,465)</u>	<u>\$ (348,773)</u>	16,596,719	<u>\$ 584,681</u>
Tax offsets and other collections				41,198	
<i>Total cash turnover to District</i>				<u>\$ 16,637,917</u>	
<b>By Fund</b>					
	<u>Cash Turnover</u>	<u>Adjustment for Accrual</u>	<u>Tax Revenue</u>	<u>Taxes Receivable</u>	
General Fund	\$ 13,874,435	\$ (6,084)	\$ 13,868,351	\$ 490,158	
Debt Service Fund	<u>2,763,482</u>	<u>(3,058)</u>	<u>2,760,424</u>	<u>94,523</u>	
District totals	<u>\$ 16,637,917</u>	<u>\$ (9,142)</u>	<u>\$ 16,628,775</u>	<u>\$ 584,681</u>	

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF PROPERTY TAX TRANACTIONS BY TAX YEAR**  
**YEAR ENDED JUNE 30, 2015**

<u>Tax Year</u>	<i>2014-15 Levy and Taxes Receivable July 1, 2014</i>	<i>Adjustments</i>	<i>Net Interest (Discount)</i>	<i>Collections</i>	<i>Receivable June 30, 2015</i>
2014-15	\$ 16,903,607	\$ (54,822)	\$ (415,437)	\$ 16,112,505	\$ 320,843
2013-14	356,279	(5,290)	16,960	235,578	132,371
2012-13	166,344	(803)	17,457	110,103	72,895
2011-12	99,437	(822)	19,789	88,220	30,184
2010-11	42,534	(645)	10,025	41,018	10,896
2009-10	11,112	(619)	1,495	5,651	6,337
2008-09	6,499	(412)	621	2,932	3,776
Prior	<u>7,826</u>	<u>(52)</u>	<u>317</u>	<u>712</u>	<u>7,379</u>
<i>Totals</i>	<u>\$ 17,593,638</u>	<u>\$ (63,465)</u>	<u>\$ (348,773)</u>	16,596,719	<u>\$ 584,681</u>
Tax offsets and other collections				<u>41,198</u>	
Total cash turnover to District				16,637,917	
Adjustment for accrual				<u>(9,142)</u>	
2014-15 tax revenue				<u>\$ 16,628,775</u>	

**CENTRAL OREGON COMMUNITY COLLEGE**

**SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS**

**YEAR ENDED JUNE 30, 2015**

<i>Issue</i>	<i>Principal</i>			<i>Ending Balance June 30, 2015</i>
	<i>Beginning Balance July 1, 2014</i>	<i>Issued</i>	<i>Paid</i>	
November 1, 1996	\$ 210,000	\$	\$ 210,000	\$
October 1, 1997	590,000		590,000	
May 1, 2001	5,475,000		5,475,000	
April 23, 2003	8,957,913		316,732	8,641,181
June 17, 2010	38,585,000		1,090,000	37,495,000
April 16, 2014	20,965,000			20,965,000
	\$ 74,782,913		\$ 7,681,732	\$ 67,101,181

<i>Issue</i>	<i>Interest</i>			<i>Outstanding June 30, 2015</i>
	<i>Outstanding July 1, 2014</i>	<i>Matured</i>	<i>Paid</i>	
November 1, 1996	\$	\$ 6,433	\$ 6,433	\$
October 1, 1997		8,358	8,358	
May 1, 2001		276,946	276,946	
April 23, 2003		644,805	644,805	
June 17, 2010		1,769,620	1,769,620	
April 16, 2014		980,986	980,986	
	\$	\$ 3,687,148	\$ 3,687,148	\$

**CENTRAL OREGON COMMUNITY COLLEGE**

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

**YEAR ENDED JUNE 30, 2015**

<u>Year</u>	<i>Future Principal and Interest Requirements April 23, 2003</i>		<i>Future Principal and Interest Requirements June 17, 2010 Issue</i>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015-16	\$ 316,166	\$ 690,376	\$ 1,205,000	\$ 1,739,950
2016-17	315,936	740,606	1,335,000	1,699,800
2017-18	315,884	795,658	1,475,000	1,650,250
2018-19	313,470	853,072	1,625,000	1,593,250
2019-20	313,324	913,218	1,785,000	1,530,350
Years Thereafter	<u>7,066,401</u>	<u>4,129,000</u>	<u>30,070,000</u>	<u>9,072,250</u>
<i>Totals</i>	<u>\$ 8,641,181</u>	<u>\$ 8,121,930</u>	<u>\$ 37,495,000</u>	<u>\$ 17,285,850</u>

<u>Year</u>	<i>Future Principal and Interest Requirements April 16, 2014 Issue</i>	
	<u>Principal</u>	<u>Interest</u>
2015-16	\$ 390,000	\$ 871,988
2016-17	405,000	856,387
2017-18	420,000	840,188
2018-19	435,000	823,387
2019-20	455,000	805,988
Years Thereafter	<u>18,860,000</u>	<u>11,477,637</u>
<i>Totals</i>	<u>\$ 20,965,000</u>	<u>\$ 15,675,575</u>



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

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

**JUNE 30, 2015**

Board of Officials  
Central Oregon Community College  
Bend, Oregon

We have audited the basic financial statements of the Central Oregon Community College as of and for the year ended June 30, 2015, and have issued our report thereon dated October 31, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

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

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

**CENTRAL OREGON COMMUNITY COLLEGE**

**INDEPENDENT AUDITORS' REPORT REQUIRED**  
**BY STATE REGULATIONS (CONTINUED)**

**JUNE 30, 2015**

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

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

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

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

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants



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

October 31, 2015

## **SINGLE AUDIT ACT REQUIREMENTS**



**CENTRAL OREGON**  
community college

# KERKOCCH KATTER & NELSON, LLP

*Certified Public Accountants*

45 NW Hawthorne Avenue • Bend, Oregon 97703 • Phone (541) 382-3468 • Fax (541) 382-0533

---

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

Board of Officials  
Central Oregon Community College  
Bend, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Oregon Community College, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Central Oregon Community College's basic financial statements, and have issued our report thereon dated October 31, 2015.

### ***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Central Oregon Community College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Oregon Community College's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Oregon Community College's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

# KERKOCCH KATTER & NELSON, LLP

*Certified Public Accountants*

45 NW Hawthorne Avenue • Bend, Oregon 97703 • Phone (541) 382-3468 • Fax (541) 382-0533

---

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


### *Compliance and Other Matters*

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

### *Purpose of this Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants

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

October 31, 2015

# **KERKOCCH KATTER & NELSON, LLP**

*Certified Public Accountants*

45 NW Hawthorne Avenue • Bend, Oregon 97703 • Phone (541) 382-3468 • Fax (541) 382-0533

---

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Officials  
Central Oregon Community College  
Bend, Oregon

### ***Report on Compliance for Each Major Federal Program***

We have audited Central Oregon Community College's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Central Oregon Community College's major federal programs for the year ended June 30, 2015. Central Oregon Community College's major federal programs are identified in the Schedule of Findings and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Central Oregon Community College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Central Oregon Community College's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Central Oregon Community College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.



# KERKOCCH KATTER & NELSON, LLP

*Certified Public Accountants*

45 NW Hawthorne Avenue • Bend, Oregon 97703 • Phone (541) 382-3468 • Fax (541) 382-0533

---

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 (CONTINUED)**

### *Report on Internal Control Over Compliance*


Management of the Central Oregon Community College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Central Oregon Community College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Central Oregon Community College's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kerkoch Katter & Nelson, LLP  
Certified Public Accountants

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

October 31, 2015

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2015**

<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 2014-15</i>
<b>Department of Education</b>			
Student financial aid programs			
Supplemental educational opportunity grants	84.007	N/A	\$ 257,722
Perkins grant	84.037	N/A	554
College work study program	84.033	N/A	210,530
Pell grant programs	84.063	N/A	<u>13,466,916</u>
<i>Total student financial aid - cluster</i>			<u>13,935,722</u>
Adult education - State grant program	84.002	N/A	<u>240,891</u>
<i>Total department of education</i>			<u>240,891</u>
<b>Other programs</b>			
Trade Adjustment Assistance	17.282	N/A	29,842
Small business development center - SBA Grant	59.037	N/A	<u>37,142</u>
<i>Total other programs</i>			<u>66,984</u>
<i>Total federal financial assistance</i>			<u>\$ 14,243,597</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 \$24,162,878 were administered during the year ended June 30, 2015.

**CENTRAL OREGON COMMUNITY COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONS COSTS**  
**YEAR ENDED JUNE 30, 2015**

*Summary of Auditors' Results*

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the College.
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in this Schedule.
3. No instances of noncompliance material to the general purpose financial statements of the College were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance.
5. The auditors' report on compliance with requirements applicable to each major federal program for the College expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the College are reported in this Schedule.
7. The programs tested as major programs were the U.S. Department of Education Cluster CFDA #84.007, #84.037, #84.033 and #84.063.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The College was determined to be a low-risk auditee.
10. There were no findings or questioned costs in the year ended June 30, 2014 Single Audit.

*Findings - Financial Statements Audit*

None

*Findings and Questioned Costs - Major Federal Programs Audit*

None



**CENTRAL OREGON**  
community college