

Allen

Frisco

McKinney

Plano

Rockwall

Texas



COMPREHENSIVE ANNUAL *Financial* Report 2013

For the Years Ended August 31, 2013 and 2012

Collin County Community College District

**Allen Frisco McKinney
Plano Rockwall
Texas**

**Comprehensive Annual
Financial Report**

**For the Fiscal Year Ended
August 31, 2013**

**Prepared by:
Administrative Services**

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Comprehensive Annual Financial Report

Fiscal Year Ended August 31, 2013

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>Exhibit No.</u>	<u>Page No.</u>
	<u>Schedule No.</u>	
	<u>Table No.</u>	
Letter of Transmittal.....		1
GFOA Certificate of Achievement.....		14
Board of Trustees		15
Officials and Staff.....		16
Organizational Chart.....		17

FINANCIAL SECTION

Report of Independent Certified Public Accountants	19
Management's Discussion and Analysis	23

Basic Financial Statements:

Statements of Net Position As of August 31, 2013 and 2012	Exhibit 1	36
Statements of Revenues, Expenses and Changes in Net Position For the years ended August 31, 2013 and 2012	Exhibit 2	37
Statements of Cash Flows For the years ended August 31, 2013 and 2012	Exhibit 3	38
Notes to Basic Financial Statements.....		40

Texas Higher Education Coordinating Board (THECB) Supplemental Schedules:

Schedule of Operating Revenues For the year ended August 31, 2013	Schedule A	66
Schedule of Operating Expenses by Object For the year ended August 31, 2013.....	Schedule B	68
Schedule of Non-Operating Revenues and Expenses For the year ended August 31, 2013	Schedule C	69
Schedule of Net Position by Source and Availability As of August 31, 2013	Schedule D	70

STATISTICAL SECTION (Unaudited)

Statistical Section Categories.....	73
Net Position by Component..... Statistical Supplement 1	75
Revenues by Source..... Statistical Supplement 2	76
Program Expenses by Function..... Statistical Supplement 3	78
Tuition and Fees	Statistical Supplement 4 80
Assessed Value and Taxable Assessed Value of Property	Statistical Supplement 5 81
State Appropriation per FTSE and Contact Hour.....	Statistical Supplement 6 83
Principal Taxpayers	Statistical Supplement 7 84
Property Tax Levies and Collections	Statistical Supplement 8 87
Ratios of Outstanding Debt.....	Statistical Supplement 9 88
Legal Debt Margin Information.....	Statistical Supplement 10 90
Pledged Revenue Coverage.....	Statistical Supplement 11 92
Demographic and Economic Statistics	Statistical Supplement 12 94
Principal Employers	Statistical Supplement 13 95
Faculty, Staff and Administrators Statistics	Statistical Supplement 14 96
Enrollment Details.....	Statistical Supplement 15 98
Student Profile	Statistical Supplement 16 99
Transfers to Senior Institutions	Statistical Supplement 17 100
Capital Asset Information.....	Statistical Supplement 18 102

SINGLE AUDIT SECTION

Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards	103
Report of Independent Certified Public Accountants on Compliance For Each Major Federal and State Program and on Internal Control Over Compliance Required by OMB Circular A-133 and State of Texas Single Audit Circular.....	105
Schedule of Expenditures of Federal Awards..... Schedule E.....	107
Notes to Schedule of Expenditures of Federal Awards	108
Schedule of Expenditures of State Awards..... Schedule F	110
Notes to Schedule of Expenditures of State Awards	111

Schedule of Findings and Questioned Costs.....112

SUPPLEMENTARY FINANCIAL INFORMATION (Unaudited)

Schedule of Fund Assets and Liabilities – Unaudited
As of August 31, 2013.....Financial Supplement 1.....120

Schedule of Changes in Net Position - Unaudited
For the year ended August 31, 2013.....Financial Supplement 2.....122

Schedule of Changes in Net Position – Unrestricted
Current Funds – Auxiliary Enterprises - Unaudited
For the year ended August 31, 2013.....Financial Supplement 3.....124

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Introductory Section



November 22, 2013

Honorable Chair, Board of Trustees, and District President
Collin County Community College District
McKinney, TX

Dear Board Members and District President:

The following comprehensive annual financial report of the Collin County Community College District (the District) for the fiscal year ended August 31, 2013, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The audit of the District's financial statements resulted in an unqualified opinion.

The District is a special purpose government engaged solely in business type activity (BTA). Adhering to Governmental Accounting Standards Board (GASB) Statements 34 and 35, this presentation of financial reporting combines all fund groups into a single column and resembles the format of the corporate presentation, thus facilitating comparison. There are no significant component units of the District to report under GASB Statement 61.

State statutes require an annual audit by independent certified public accountants. The District's Board of Trustees selected the accounting firm of Grant Thornton LLP. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State of Texas Single Audit Circular. Information related to this single audit is included in the single audit section of this report.

As a recipient of federal, state, and local financial funds, the District is responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those award programs. This internal control structure is subject to periodic review or evaluation by management, internal audit, and the independent auditors of the

District. As a part of the District's single audit, tests are made to determine the effectiveness of the internal control structure, including that portion related to major federal and state financial award programs. It is also used to determine that the District has complied with significant applicable laws and regulations. The results of the District's single audit for fiscal year ended August 31, 2013, provided no instances of material weakness in the internal control structure or significant violations of applicable laws and regulations.

The Administrative Services division is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits require estimates and judgments by management.

This report includes all funds of the District. The Board of Trustees has no financial accountability over Collin County, related foundations, or any other governmental unit, and accordingly, only the financial data for the District is included in this report.

A narrative introduction, overview, and analysis accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) providing information on the District's financial activity and position. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. In addition to the transmittal letter and the MD&A, the Comprehensive Annual Financial Report (CAFR) consists of the following:

- Basic Financial Statements
- Texas Higher Education Coordinating Board (THECB) Supplemental Schedules
- Statistical Section
- Single Audit Section
- Supplemental Financial Information

As demonstrated by the statements and schedules included in the financial section of this report, the District continues meeting its responsibility for sound financial management.

PROFILE OF THE DISTRICT

District Structure and Information

The District's mission is to provide students a community centered institution committed to developing skills, strengthening character and challenging the

intellect. The student body is comprised mainly of residents of Collin County and surrounding communities.

The District strives to offer affordable, small, personalized classes and award-winning faculty in a safe and friendly environment allowing students to fulfill their potential and achieve their goals. The college promotes life-long learning and the opportunity for its residents to further their education regardless of their schedule, time and distance constraints.

The District was established as a public community college in an election held in Collin County, Texas, on April 6, 1985, in accordance with the laws of the State of Texas. It operates as a community college district under the Constitution of the State of Texas and the Texas Education Code. The District is governed by an elected, nine-member Board of Trustees (hereinafter called the "Board"). An election is held every two years (the first Saturday in May in odd-numbered years), where three Trustees are elected to serve in a six-year, at-large position. The Board holds regularly scheduled meetings on the fourth Tuesday of each month. Board meetings are held in the Board Room at the Collin Higher Education Center campus located in McKinney or as noted in the notice for a meeting in accordance with public notice requirements.

The Board has the final authority to determine and interpret the policies that govern the District and within the limits imposed by other legal authorities has complete and full control of the District. Official Board action is taken only in meetings that comply with the Open Meetings Act and are based on a majority vote of a quorum (five members) of the Board.

In general, the Board provides policy direction and sets goals for the District consistent with the District's role and mission. Besides general Board business, Trustees are charged with numerous statutory regulations, including:

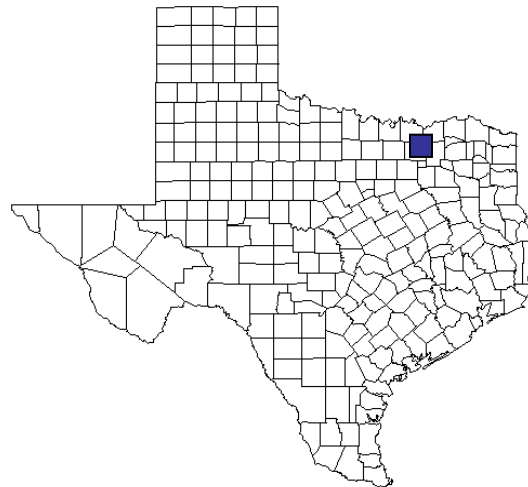
- setting and collecting tuition, rentals, rates, charges and fees
- establishing goals consistent with the District's role and mission
- appointing the tax assessor/collector
- ordering elections
- adopting a tax rate each fiscal year
- levying and collecting taxes and issuing bonds
- approving an itemized budget each year
- appointing the President
- employing faculty and other employees of the District

The District is accredited by the Commission on Colleges of the Southern Association of College and Schools (SACS) to award associate degrees and certificates. An associate degree is an award that normally requires at least two but less than four years of full-time equivalent college work. The District offers Associate of Arts, Associate of Arts in Teaching, Associate of Science and Associate of Applied Science degrees and certificate programs.

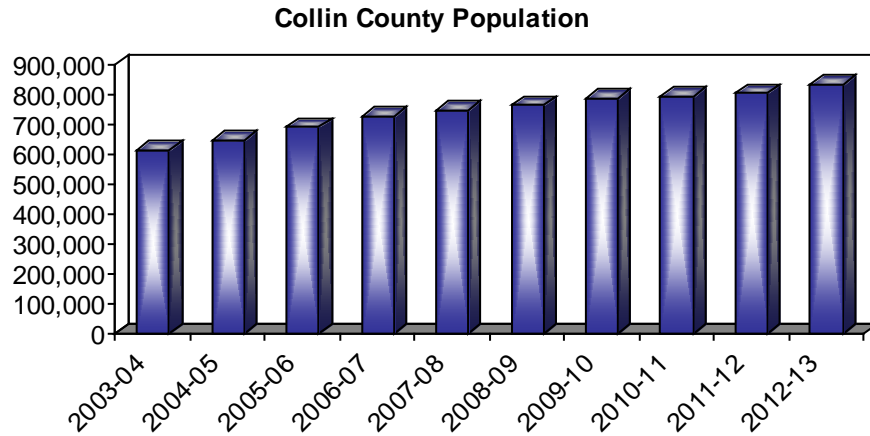
In order to maintain its status as an institution accredited by the Southern Association of Colleges and Schools (SACS) and Commission on Colleges (the regional accrediting body for higher education institutions in Texas), the District must complete the reaffirmation of accreditation process every ten years. This process requires extensive self-study and documentation along with the development of a Quality Enhancement Plan (QEP), the submission of a series of lengthy reports and visits from peer reviewers.

The District continues to meet the needs of the community in developing a professional workforce by expanding the educational opportunities available to its residents. The District provides training for many of the county's essential service positions such as police officers, emergency medical technicians, nurses, dental hygienists, respiratory therapists and teachers.

The District is located in Collin County which is in the Dallas metropolitan area of North Central Texas. The county consists of 889 square miles with a population density of approximately 938 residents per square mile in 2013. The population of Collin County grew by 3.76% or approximately 30,252 in 2013.



According to the United States Census Bureau, Collin County's estimated 2013 population is 834,642. Information provided by the US Census Bureau as of 2012 shows a 2.8% increase in the estimated populations in McKinney, Frisco, Plano, and Allen between 2011 and 2012. In the past ten years, Collin County has experienced an increase in population of 35% as illustrated by the following graph.



Component units

The Collin County Community College District Foundation (the Foundation) is a non-profit organization established to maintain, develop, increase, and extend the facilities and services of the District and to provide broader educational service opportunities to students, staff, and faculty. The District does not appoint a voting majority nor does it fund or is it obligated to pay debt related to the Foundation. The Foundation solicits donations and acts as coordinator of gifts made by other parties. During the fiscal year, the District furnished certain services, such as office space, utilities and staff assistance to the Foundation. The costs of these services were not significant to the District. The financial position of the Foundation as a whole is also not significant to the District and therefore it is not included as a component unit for financial reporting purposes.

Inter-local agreements and partnerships

The District's commitment to provide programs and services to the communities it serves is reflected by the many partnerships with local cities and schools. Such agreements are efficient and cost-effective. A partial list of our inter-local agreements and partnerships includes:

- In 1994 the District permanently dedicated and set aside approximately 15 acres of land located on the northeast corner of the Preston Ridge Campus to the City of Frisco for use as a park and recreational center for the students, faculty, and administrators of the District and the residents of Frisco.
- The District has an inter-local agreement with the City of McKinney whereby the City has a fire station located on the Central Park Campus. There is a District classroom in the fire station dedicated to the Fire Science Training program.
- The District has inter-local agreements with the Allen ISD and Rockwall ISD for satellite campuses to benefit students and staff.

- The District has reciprocal technical/occupational course agreements with the Dallas County Community College District, Tarrant County Community College District and Grayson County College, allowing students to enroll in programs not available in their home district at the in-county tuition rate.
- The District has an agreement that allows Collin County to use up to sixteen strands of the District's Fiber Optic Wide Area Network (WAN), which is approximately 55 miles long, surrounds the county and connects our campuses with high speed communications.
- The District has an agreement with the Department of Homeland Security/Collin County Health Care Services to establish procedures to utilize the District's facilities and staff in case of a public health emergency.
- The District has agreements with four higher education institutions to dedicate classroom and lab facilities, office space and other student services at the Collin Higher Education Center in order to enable these institutions to provide upper-level undergraduate courses and graduate degree programs.
- On September 27, 2011, the District was selected by the U.S. Department of Labor in coordination with the U.S. Department of Education for a \$19,998,974 grant targeted for training and workforce development to help unemployed workers who are changing careers. The District is leading a consortium of six community colleges in the National Information, Security and Geospatial Technology Consortium. The grant will be administered over three years, and will focus training toward occupations that map to four IT disciplines: networking and data communication; applications development and analytics; geospatial technologies; and cyber security.
- The National Science Foundation awarded a \$4.4 million grant to the District's National Convergence Technology Center in August 2012. This grant allows the District to meet the growing workforce needs for convergence technology workers and further establishes the District as a leading voice in this industry.
- The District participates in several cooperative purchasing programs that offer volume discounts for items commonly purchased by a number of public entities. Purchases made through these contracts meet the competitive bid requirements as set forth by the State statutes and provides a method for the District to efficiently utilize its resources.

Budget

Administrative Services, under the direction of the Vice President of Administrative Services and CFO, maintains the District's budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Trustees. Activities of the unrestricted current funds, auxiliary enterprise funds, restricted funds, unexpended plant funds, and retirement-of-indebtedness funds are included in the annual appropriated budget. The District

also maintains an encumbrance accounting system which includes full-time payroll costs as a method for accomplishing budgetary control. Salary encumbrances lapse at year-end, while some encumbrances for outstanding purchase orders at year end are carried over as part of the next year's budget and are reserved as part of net position.

ECONOMIC CONDITION

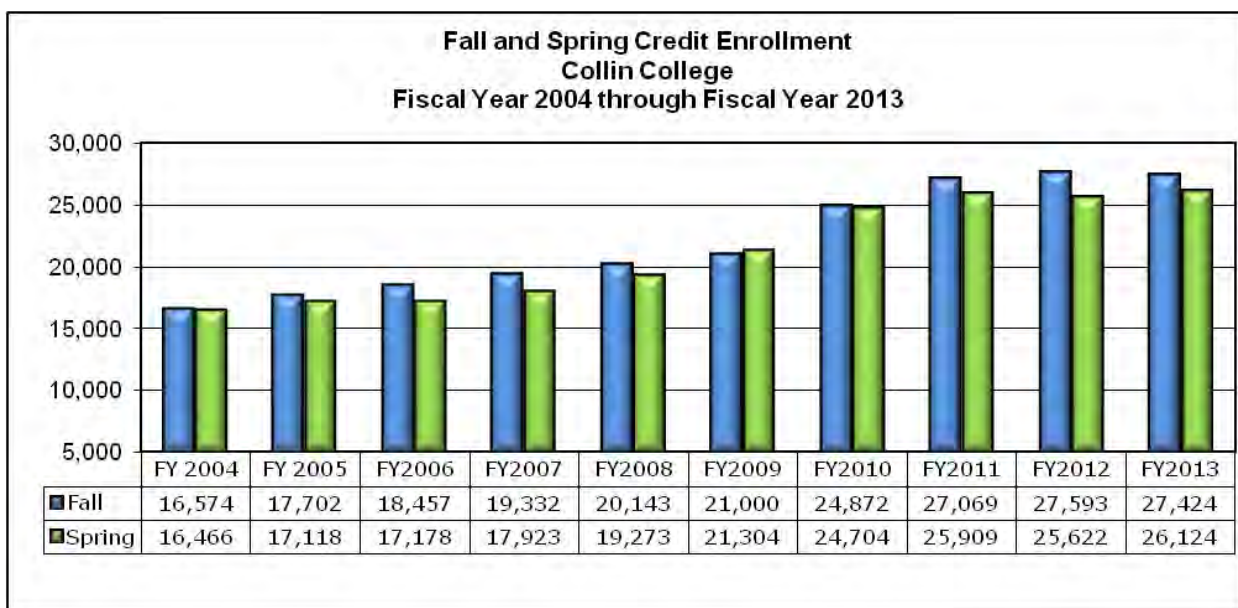
Local economy

Major industries located within Collin County consist of finance, retail, computer technology, education, manufacturing, telecommunications, health care, and food industry. Possessing a well-educated workforce is a key factor in an area's ability to attract new businesses and maintain economic growth. Another critical factor for a growing economy is the availability of workforce training. The District regularly consults with employers in the area to determine their needs and develops training to fulfill those needs. Given the area's readily accessible workforce training, the desirability of the location, the excellence of the school districts, the proximity of family entertainment including shopping, fine arts, professional sports, entertainment parks, and the wealth of well-trained individuals, the District is optimistic that Collin County will continue to prosper.

Collin County had a civilian employed labor force from August 2012 to August 2013 of approximately 460,595 which was an increase of 4.13% over fiscal year 2012. The latest estimated unemployment rate for Collin County (August 2013) came in at 5.5%, compared to the state's rate of 6.4% and a national rate of 7.3%, according to the Bureau of Labor statistics and the Texas Workforce Commission.

Community colleges continue to play an important role in the State's workforce and economic development. Economic development depends on the strength of having a trained and educated workforce. As the economy changes due to automation, increased productivity, and advanced technology, the demand for physical jobs begins to decrease and workers are under greater pressure to learn new skills. Student enrollment at public two-year institutions in Texas has outnumbered enrollment in public four-year universities for more than the past ten years and state officials expect that trend to continue. According to the Texas Association of Community Colleges (TACC), more than 750,000 students enrolled in Texas public community colleges during the fall of 2012 compared to 560,000 at public Texas universities and 123,000 at independent college and universities.

The District headcount for credit enrollment for 2012-2013 held steady. (See the following chart for the District's headcount statistics.) Comparing credit hours from Fall 2011 to Fall 2012, the District saw a slight increase of 1.3% totaling 2,841 credit hours. For Spring 2013, the increase in credit hours grew from 220,007 to 221,014 for a .5% increase.



The 2012-2013 formula produced State appropriations were \$1,972 per full time student equivalent (FTSE). For years ending August 31, 2010, 2011, and 2012, the District received \$2,147, \$2,069 and \$1,970 per FTSE, respectively. This is the first fiscal year since 2007-08 the State appropriations per FTSE has not declined, partly because the District received enrollment adjustment funding as a result of increased enrollment.

The Board of Trustees approved a \$3 per credit hour increase in tuition for in-county students, and a \$5 per credit hour increase for all other students beginning in Spring 2013. The tuition and fees at the District continue to rank in the lowest quartile among colleges and universities in the state of Texas. A quality education at the District remains a smart economical choice and a wise investment.

Appraised taxable values in Collin County have increased 2.47% from 2011 to 2012. Of the 2.47% increase in appraised value, 1.68% is from new construction and the other .79% is from increased appraisals on existing properties.

The District remains a valuable resource to the community in updating the skills necessary to obtain the new jobs of the 21st century by providing training and degrees in growth industries, such as technology, health care and hospitality.

Long-term financial planning

The District's budget development begins with updating and reviewing a multiyear budget model to ensure adequate funding is available to implement current as well as long-term initiatives.

Future major construction projects include the Central Park Campus' 125,000 square foot Health & Science Facility, Conference Center and surface parking lot. Total budgeted cost for the project is expected to be approximately \$40 million, with construction beginning April 2014 and being completed in 18 months. The primary source of funding for the construction project will be a transfer from the current unrestricted fund.

Completed construction projects during fiscal year ending August 31, 2013 include:

- A new 88,000 square foot library at the Spring Creek Campus was completed in November 2012 totaling \$18.5 million and an adjacent 900 space parking lot totaling \$2.0 million.
- Remodel/renovation of the existing Spring Creek Campus library, laboratories and print shop was completed in August 2013 and totaled \$4.5 million.

Relevant financial policies

Investment Policy: The District's investment policy is required by statute to be reviewed and updated annually. The Board approved the policy in November 2012. It is designed to minimize credit and market risks while maintaining a competitive yield on the portfolio. Accordingly, bank deposits were either insured by federal depository insurance or collateralized throughout the year.

Fund Balance Designation: Board policy dictates the District maintain a minimum fund balance equal to 25% of educational expenses adjusted for reserves and allocations. In addition, the Board continues to maintain reserves totaling \$24.75 million for Stabilization of Maintenance and Operations in the event ad valorem tax revenues were to decline based on fluctuation in appraised values. Health care reserves totaling \$30 million are being maintained in the event the State reduces its contribution to the District for health insurance.

GOALS, INITIATIVES AND ACKNOWLEDGEMENTS

Strategic Goals

To further promote excellence, the District also develops well-defined and ambitious goals it plans to achieve each biennium and identifies indicators to measure its success in meeting those goals. The District reviews these Strategic Goals and Achievement Indicators annually. The District launched a new four-year strategic plan in the Fall 2012 called Vision 2016. The plan details four strategic goals:

- Improve academic success by implementing strategies for completion.

- Provide access to innovative higher education programs that prepare students for constantly changing academic, societal and career/workplace opportunities.
- Engage faculty, students and staff in improving a district-wide culture of adherence to District Core Values.
- Enhance the college's presence in the community by increasing awareness, cultivating relationships, building partnerships and developing resources to respond to current and future needs.

Major initiatives

The District has been recognized and honored for its dedication to excellence and innovative endeavors. National, state, and local awards and academic milestones during the past year have validated the District's place as a leader in higher education. A partial list of our accomplishments and major initiatives includes:

- The National League of Nursing named the District a **Center of Excellence in Nursing Education**, the first and only institution of higher education in the state of Texas to earn this designation.
- The District's Respiratory Care Program received the **Distinguished Registered Respiratory Therapist Credentialing Success Award** from the Commission on Accreditation for Respiratory Care.
- The District received in July 2013 the **Gold Leadership Circle Award for Transparency** from the Texas Comptroller's Office. The award spotlights local government agencies that are opening their books to the public; providing clear, consistent pictures of spending; and sharing information in a user-friendly format that lets taxpayers easily drill down for more information. The District is one of only two community college Districts to receive the transparency award among the fifty community colleges in Texas.
- The District received the **Achievement of Excellence in Procurement Award** for the eighth consecutive year which recognizes organizational excellence in procurement based on measures including innovation, professionalism, e-procurement, productivity, and leadership attributes of the procurement function.
- The District was selected as a "**Top Military-Friendly College**" by Military Advanced Education, the publishers of the *2012 Guide to America's Top Military-Friendly Colleges and Universities*.

- The Committee on Accreditation of Allied Health Education Programs awarded full accreditation status to the **Emergency Medical Technician-Paramedic** program.
- The Corporation for National and Community Service named the District a **Presidential Award finalist** for the 2013 President's Higher Education Community Service Honor Roll for its exemplary commitment to volunteering, service-learning and civic engagement.
- **Standard & Poor's** renewed the District's AAA bond rating in September 2013, which is a benchmark of fiscal stewardship.

Organizations, professors and students of the District also received the following special recognition during the year:

- The Carnegie Foundation for the Advancement of Teaching and the Council for Advancement and Support of Education (CASE) named District physics professor, **Dr. Greg Sherman** the 2012 Texas Professor of the Year.
- The District's **Psi Beta** chapter has earned the *2012-13 Chapter Excellence Award* from the Psi Beta National Honor Society, the national honor society in psychology for community and junior colleges.
- **Collin Serves**, a campus-based volunteer and service engagement program at the District that connects students, faculty and staff to their local communities outside of the classroom, contributed more than 3185 hours in various volunteer projects across the district in 2012-13. There were 2085 students, faculty and staff service engagements. The District community contributed their time and efforts to various projects with numerous community partners.
- The District student chapter of **Active Minds** received the United Voices Award at the Active Minds National Conference held at the University of Maryland. The Uniting Voices Award recognizes a chapter that has succeeded in building coalitions of individuals, organizations, and other campus entities to advance the mission of Active Minds. There are 367 chapters across the nation and only seven received this award.
- The Women's Tennis Team was named as **2012-13 NJCAA Women's Tennis All-Academic Team** for maintaining a 3.0+ team GPA.
- The **Lady Cougar's Basketball Team** was ranked in the top 25 in the NJCAA's national polls.

- The District's **United Nations Team** won two national awards, one for Distinguished Delegation, and the other for Outstanding Representation in a Committee.
- The **Alpha Mu Tau Chapter** of Phi Theta Kappa won several international and Texas Regional awards, including a Top 100 Chapter honor and the Five Star status.

The District offers students and the public a wide variety of theatre, music and dance programs, art exhibits, athletic events and a guest lecture series bringing renowned scholars to the District campuses. The District also has athletic teams in men's and women's basketball and tennis.

The Continuing Education and Workforce Development Division offers many individual and customized courses from language skills to web server administration. Through the Business Solutions Group, the District provides customized training to several companies and public entities each year.

The District offers various alternatives to the traditional day and evening classroom such as online classes and Weekend College. The Weekend College provides the opportunity to complete the entire core curriculum of the Associate of Arts, Associate of Science or Associate of Arts in Teaching degree with a variety of schedule options of Friday evenings, Saturday mornings, Saturday afternoons, Sunday afternoons or any combination without interrupting the work week.

Through the Service Learning program, instructors across the disciplines have integrated service-learning projects into their curriculum. This way of teaching benefits both the community and the student through external hands-on experiential learning and the application of knowledge to real-life situations. In the past year, students in the Service Learning program had 1915 engagements resulting in more than 32,943 contributed hours in the District's community. Total hours contributed during 2012-13 represents a 39% increase from last year's contributed hours. The District has partnered with more than 167 community partners to provide students with the service opportunities.

Collin County continues to see growth in its senior population. The District strives to meet the needs of the senior population through our Seniors Active in Learning (SAIL) program, an education and social program designed for seniors.

The District's fitness centers, gymnasium, libraries, tennis courts and racquetball courts are also available to the public as well as to students.

Certificates of Achievement

The Government Finance Officer Association (GFOA) also awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for Fiscal Year ended August 31, 2012. This was the 16th consecutive year the

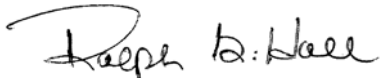
District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of Administrative Services, particularly in the Accounting Department. We would also like to thank the accounting firm of Grant Thornton LLP for their assistance and timely completion of the audit. Due credit should be given to the governing Board and President for their interest in planning and conducting the operations of the District in a responsible manner.

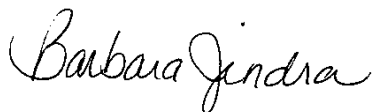
Respectfully submitted,



Ralph G. Hall
District Vice President of Administration and CFO



Julie Bradley
Associate Vice President, Controller/Student Financial Services



Barbara Jindra
Associate Vice President, Financial Services and Reporting



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Collin County
Community College District
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2012

Executive Director/CEO

BOARD OF TRUSTEES



Mac Hendricks
Chair



Stacy Anne Arias
Vice-Chair



Dr. J.R. (Bob) Collins



Larry Wainwright



Fortino (Tino) Trujillo



Jenny McCall
Secretary



Nancy Wurzman
Treasurer



Andrew (Andy) Hardin



Adrian Rodriguez

The Board of Trustees is a nine member governing board that serves without compensation and is elected at large for six-year terms of office by the voters of Collin County. The Board manages and governs the Collin County Community College District, provides policy direction, establishes goals, and appoints the faculty and staff. The Board is also responsible for the levy, assessment, and collection of taxes, the issuance of bonds, the adoption of an annual budget, the execution of contracts, and the performance of an annual audit. The Board of Trustees sets campus admission standards consistent with the role and mission of the District. Regular board meetings are held the fourth Tuesday of each month and are open to the public. The Collin County Community College District Trustees are committed to the mission and vision of the college. The Board of Trustees provides leadership and direction, as well as represents the college in a wide range of community activities and committees.

Officials and Staff

Elected Officials

<u>Board of Trustees</u>	<u>City</u>	<u>Terms Expire, May</u>
Mac Hendricks Chair, Place 6	McKinney, Texas	2019
Stacy Anne Arias Vice Chair, Place 5	Celina, Texas	2019
Jenny McCall Secretary, Place 2	Plano, Texas	2017
Nancy Wurzman Treasurer, Place 1	Plano, Texas	2017
Dr. J. Robert (Bob) Collins Place 8	Farmersville, Texas	2015
Andrew Hardin Place 9	Frisco, Texas	2015
Adrian Rodriguez Place 4	Plano, Texas	2019
Fortino P. (Tino) Trujillo Place 7	Plano, Texas	2015
Larry Wainwright Place 3	Allen, Texas	2017

Principal Administrative Officers

<u>Name</u>	<u>Position</u>
Dr. Cary Israel	District President
Dr. Colleen Smith	District Senior Vice President of Academic Affairs and Student Development
Ralph G. Hall	District Vice President of Administrative Services and CFO
Dr. Brenda Kihl	Vice President / Provost - Preston Ridge
Dr. Mary McRae	Vice President / Provost – Spring Creek
Dr. Barbara Money	District Vice President of Student Development
Dr. Sherry Schumann	Vice President / Provost – Central Park
Kimberly Davison	District Vice President of Organizational Effectiveness / Human Resources
Lisa Vasquez	District Vice President Public Relations & College Development

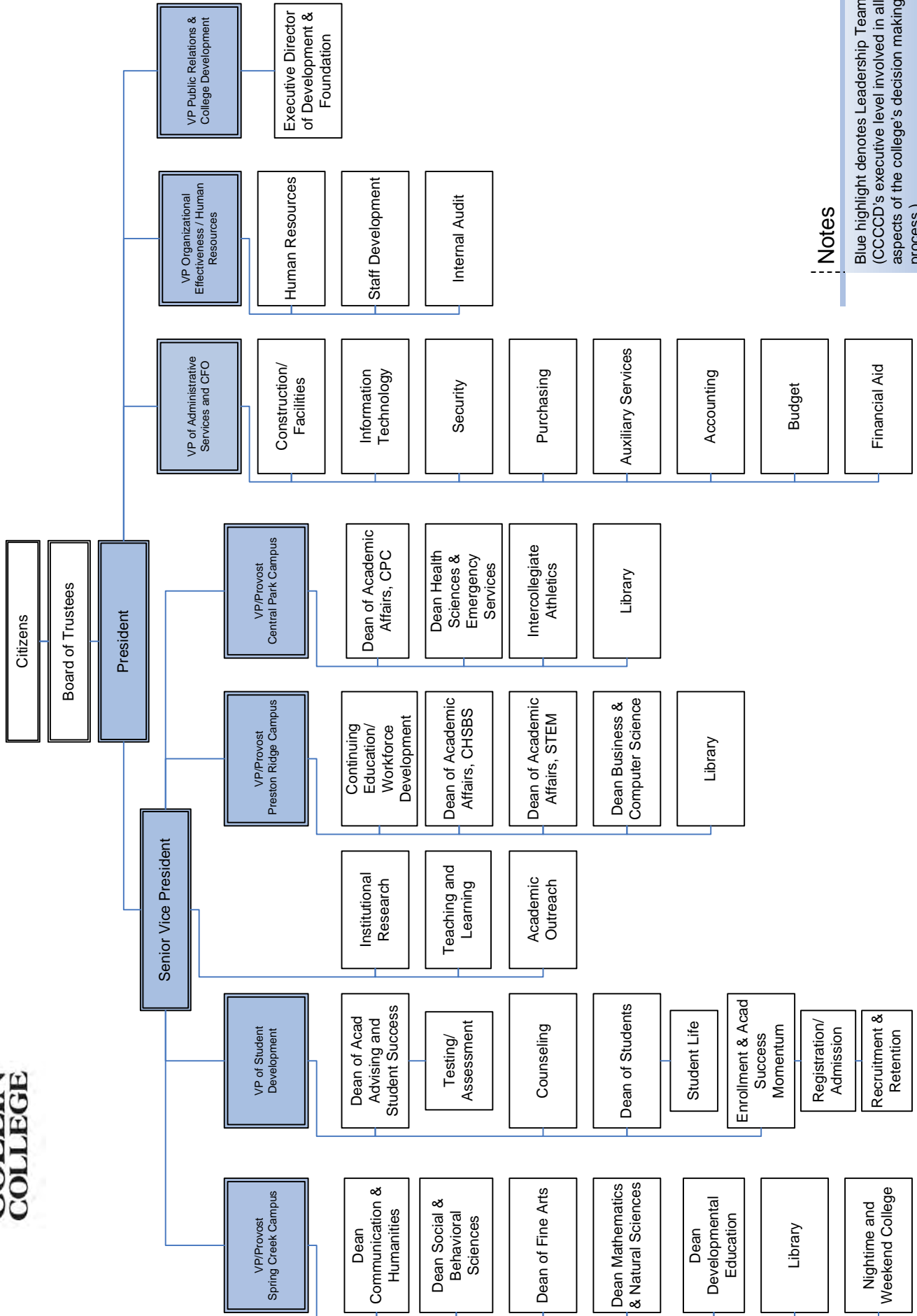
Financial Staff

<u>Name</u>	<u>Position</u>
Julie Bradley	Associate Vice President – Controller, Student Financial Services
Barbara Jindra	Associate Vice President – Financial Services



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Organizational Chart



Notes

Blue highlight denotes Leadership Team (CCCCD's executive level involved in all aspects of the college's decision making process.)

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Financial Section



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Collin County Community College District

Grant Thornton LLP
1717 Main Street, Suite 1500
Dallas, TX 75201-4667
T 214.561.2300
F 214.561.2370
GrantThornton.com
[linkd.in/GrantThorntonUS](https://www.linkedin.com/company/grantthorntonus)
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Report on the financial statements

We have audited the accompanying financial statements of the Collin County Community College District (the "District") as of and for the year ended August 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the District'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 audits. We conducted our audits 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 District'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 District'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2013 and 2012, and the changes in financial position and, cash flows for the years 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 on pages 23 through 33 be presented to supplement the basic financial statements. Such information, although not a required 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. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures 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.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards for year ended August 31, 2013, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State of Texas *Single Audit Circular*, respectively, on pages 107 through 111, and the Texas Higher Education Coordinating Board ("THECB") supplemental schedules on pages 66 through 70, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

The introductory section, statistical section and supplementary financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated November 22, 2013, on our consideration of the District's internal control over financial reporting and on 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 effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

GRANT THORNTON LLP

Dallas, Texas

November 22, 2013

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Overview of the Financial Statements and Financial Analysis

Collin County Community College District (the District) is proud to present its financial statements for Fiscal Year 2013 which are in conformance with Governmental Accounting Standards Board (GASB) standards. There are three financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. These statements should be read in conjunction with the notes to the basic financial statements. The following summary and management's discussion and analysis of the results is intended to provide readers with an overview of the basic financial statements.

Some of the financial highlights of the fiscal year are as follows:

- Assets of the District exceeded liabilities at the close of the fiscal year on August 31, 2013, by \$439.3 million (net position). Of this amount, \$218.9 million (unrestricted net position) may be used to meet the District's ongoing obligations. At the beginning of the current fiscal year, construction in progress on the Spring Creek library was \$17.3 million. The completion of the Spring Creek Campus library, adjoining parking lot, and remodel of the existing campus increased the District's capital assets by another \$7.7 million for a total cost of the capital project of \$25.1 million.
- Operating and non-operating revenues totaled \$43.7 million and \$126.4 million, respectively, for combined total revenues of \$170.1 million. Expenses totaled \$148.8 million for fiscal year ending August 31, 2013 compared to \$137.8 million in the previous year. Operating revenues increased \$6.3 million or 16.8% for fiscal year ending August 31, 2013 while expenses increased 7.9% or \$11.0 million. The increase in net position for all funds for fiscal years 2013 and 2012 was \$21.3 million and \$25.1 million, respectively.
- Non-operating revenues from ad-valorem taxes for maintenance and operations and debt service increased by \$1.8 million from fiscal year ending August 31, 2012 to 2013 due to the increase in net assessed value of the District for which the taxes are based from \$73.6 billion to \$75.8 billion for the same period.
- The District's total bond debt decreased to \$42.8 million primarily due to principal payments made during the year of \$2,750,000 and \$945,000 on General Obligation Bonds, and Revenue Bonds, respectively. The District continues to amortize the net premium of \$234,246 resulting from the Series 2010 Limited Tax Refunding Bonds.
- Revenues from State appropriations increased from \$34.4 million to \$35.5 million, a 3.1% increase totaling \$1.1 million. \$877,000 of the increase was due to the 82nd Texas Legislature providing additional formula funds to be distributed among the 50 Texas community college districts based on the same formula metrics used to allocate the Instruction and Administration formula in the 2012-13 biennium, as a result of Article IX, Sec. 18.22. In addition, the District received \$4.4 million from the State in fiscal year 2012-13 for health

care and retirement benefits, compared to \$4.2 million in the previous year. The \$200,000 increase in benefits, coupled with the additional formula funding accounts for the more than \$1 million increase in state appropriations from the previous fiscal year to 2012-13.

- Revenues from federal funds increased in total from the prior year to the current fiscal year ending August 31, 2013 by \$3.9 million. The increase in Department of Labor revenue for the Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grant for the second year of the three year grant totaling \$3.7 million accounted for the primary increase in operating revenues for federal grants and contracts. Additionally, revenues and expenses for National Science Foundation (NSF) Grants increased by \$300,000 from the prior year to the current year. There was an overall reduction in non-operating revenues for federal grants and contracts of \$1.7 million due to a reduction in Pell Grants.

Statement of Net Position

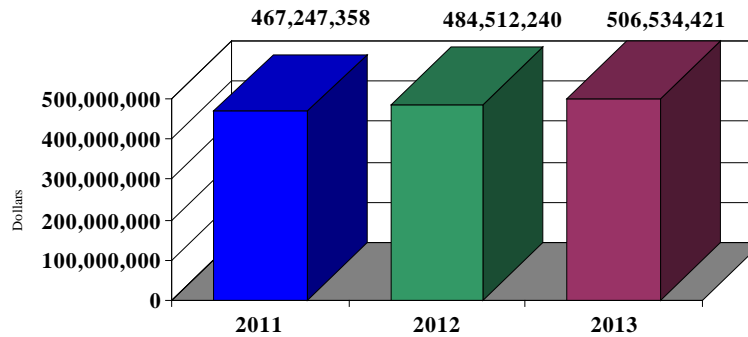
The Statement of Net Position (previously named Statement of Net Assets) presents the assets, liabilities, and net position of the District as of the end of the fiscal year. It is a point in time financial statement. The purpose of the Statement of Net Position is to give the financial statement readers a snapshot of the fiscal condition of the District. It presents end-of-year data for current and noncurrent assets, current and noncurrent liabilities, and net position (assets minus liabilities). Also shown is the sum of total liabilities and net position which equals total assets.

From the information shown, financial statement readers are able to determine the assets available to continue the operations of the District. The reader can also determine how much the institution owes vendors and bondholders. The net position and the availability of liquid assets for current expenditures can be determined as well.

The net position is divided into three major categories. The first category, invested in capital assets, net of related debt, provides the District's equity in property, plant and equipment it owns. The next net position category is restricted-expendable. These assets have external limitations on the way in which they may be used. The last category is unrestricted net position. Assets in this category are available to be used for any lawful purpose of the District.

Total assets of the District for fiscal year 2013 are \$506,534,421 an increase from \$484,512,240 in fiscal year 2012 and \$467,247,358 in fiscal year 2011. Total assets increased from fiscal year 2012 to fiscal year 2013 by \$22.0 million with the increase occurring primarily in cash and cash equivalents, partly due to a timing difference for payment of payroll and auxiliary payables, and short-term bank overdraft. See Note 13 for additional information on payables at year end. Total assets continue to increase as indicated in the following chart:

Total Assets 2011-2013



Current assets are comprised of several categories. Cash and cash equivalents include the District's cash and investments in TexPool and TexSTAR, which are both statewide investment pools. In fiscal year 2013, cash and cash equivalents were \$232,058,662, an increase of almost \$20 million from the fiscal year 2012 amount of \$213,544,522. Receivables totaling \$10.1 million include tuition and fees receivable, and accounts receivable. This is an increase of \$1.7 million over the prior fiscal year. The District entered into an agreement with a collection agency in the fall of 2012 to assist the District in collecting outstanding student receivables. Throughout the current fiscal year \$1.5 million in student receivables has been turned over to the collection agency, of which \$1.4 million remains outstanding at August 31, 2013. The current year allowance for doubtful accounts increased from \$572,008 to \$1.3 million from fiscal year 2012 to 2013 based on the uncertainty of collectability. Bad debt expense has been recorded to institutional support. The City of McKinney paid the remaining balance of \$1,813,066, on a five year contract receivable related to the sale of land at the Central Park Campus to the City of McKinney in 2007. Prepaid expenses and inventories are also classified as current assets of the District. Prepaid expenses are consistent with previous year's prepaid expenses. Inventories increased from 2012 to 2013 by about \$800,000 or 26% due to increased textbook costs, and an anticipated increase in class enrollments. In addition, returns for summer textbooks did not occur until after year end. Notes 2(e-g), and 13 provide additional information on current assets.

Non-current assets consist of capital assets. Capital assets include land, land improvements, buildings, equipment, WAN/LAN network equipment, library books and construction in progress, and are shown net of accumulated depreciation. Further information regarding capital assets is shown in Notes 2(h) and 5 in the Notes to Basic Financial Statements, as well as in the MD&A paragraph under the heading *Capital Assets and Debt Administration*.

Total liabilities of the District are \$67,211,217 in fiscal year 2013 as compared with \$66,498,392 in fiscal year 2012 and \$74,374,554 in fiscal year 2011 and also include a current and non-current portion. Accounts payable increased \$4.0 million from 2012 to 2013 as shown in Note 13, in part due to a timing difference for payroll payables, an increase in bookstore payables, and an increase in short-term overdraft to \$2.7 million at August 31, 2013 compared to \$1.0 million the previous year. Current liabilities consist of accounts payable and accrued liabilities, funds held for others, unearned revenue, and the current portions of accrued compensable absences payable and

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

bonds payable. A liability is considered to be current if it is due within one year. The two non-current liabilities are accrued compensable absences payable and the remainder of the bonds payable representing the portion which is not due within one year. Further information regarding long-term liabilities is shown in Notes 6, 7, 8 and 9 in the Notes to Basic Financial Statements.

In the prior year, the District disclosed a contingency to the State Teacher Retirement System (TRS) totaling approximately \$1.0 million. The contingency was resolved with the District paying TRS \$1,016,524 for the retirement benefits not paid by the State on behalf of the District. The expense for the 2011-12 retirement benefit has been combined with the current year's retirement benefits and allocated to the appropriate program areas. The corresponding retirement expense for the current year not paid by the State totaled \$1.1 million. See Note 10 for additional information on Employees' Retirement Plan.

Net position represents the District's equity, some of which is restricted for certain uses and some of which is unrestricted. The Board of Trustees has designated \$24.75 million and \$30 million of the unrestricted, unreserved net position for stabilization of maintenance and operations and health insurance reserves, respectively. Designating a portion of the District's net position for these purposes protects the District in the event ad valorem property taxes decline and, or health insurance benefits provided by the State are decreased.

The chart below shows assets, liabilities and net position for the last three years.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:			
Current assets	\$ 247,145,662	\$ 227,977,597	\$ 225,716,328
Capital assets	259,388,759	256,534,643	238,843,715
Other noncurrent assets	<u>0</u>	<u>0</u>	<u>2,687,315</u>
Total assets	<u>506,534,421</u>	<u>484,512,240</u>	<u>467,247,358</u>
Liabilities:			
Current liabilities	27,497,111	22,918,574	27,078,845
Noncurrent liabilities	<u>39,714,106</u>	<u>43,579,818</u>	<u>47,295,709</u>
Total liabilities	<u>67,211,217</u>	<u>66,498,392</u>	<u>74,374,554</u>
Net position:			
Invested in capital assets, net of related debt	216,482,469	209,933,352	188,707,425
Restricted – expendable	3,941,734	3,402,218	3,511,310
Unrestricted	<u>218,899,001</u>	<u>204,678,278</u>	<u>200,654,069</u>
Total net position	<u>439,323,204</u>	<u>418,013,848</u>	<u>392,872,804</u>
Total liabilities & net position	<u>\$ 506,534,421</u>	<u>\$ 484,512,240</u>	<u>\$ 467,247,358</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

Statement of Revenues, Expenses and Changes in Net Position

The purpose of the Statement of Revenues, Expenses and Changes in Net Position is to present the revenues earned and expenses incurred by the District, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the District. Generally, operating revenues are received for providing goods and services to the various customers of the District. Operating expenses are those paid to acquire or produce the goods and services provided in return for the operating revenue and to carry out the District's mission. Non-operating revenues are funds received for which goods and services are not provided.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Operating revenues:			
Tuition and fees, net	\$ 26,569,192	\$ 23,740,042	\$ 24,395,778
Federal grants and contracts	6,067,520	2,087,054	1,204,670
State grants and contracts	628,453	807,249	1,670,769
Non-governmental grants and contracts	0	6,939	4,817
Sales and services of educational activities	426,387	364,115	379,229
Auxiliary enterprises	9,617,775	10,023,129	10,131,837
Other operating revenues	<u>406,538</u>	<u>338,787</u>	<u>209,032</u>
Total operating revenues	<u>43,715,865</u>	<u>37,367,315</u>	<u>37,996,132</u>
Operating expenses:			
Instruction	56,679,653	52,319,020	54,534,791
Public service	560,542	561,438	888,626
Academic support	14,847,063	10,193,826	9,542,089
Student services	8,941,731	8,374,056	8,640,882
Institutional support	14,401,055	13,664,780	13,455,591
Operation and maintenance of plant	13,557,062	11,802,975	11,415,758
Scholarships	20,731,109	22,207,900	19,943,709
Auxiliary enterprises	10,048,826	10,032,534	10,124,598
Depreciation	<u>7,315,549</u>	<u>6,790,160</u>	<u>6,737,301</u>
Total operating expenses	<u>147,082,590</u>	<u>135,946,689</u>	<u>135,283,345</u>
Operating loss	<u>(103,366,725)</u>	<u>(98,579,374)</u>	<u>(97,287,213)</u>
Non-operating revenues (expenses):			
State appropriations	35,504,958	34,416,713	36,545,683
Maintenance ad-valorem taxes:			
Taxes for maintenance and operations	60,394,776	58,695,932	57,333,833
Taxes for general obligation bonds	4,754,504	4,630,871	4,503,921
Federal grants and contracts	25,332,176	27,115,496	23,786,051
Gifts	49,005	6,798	0
Investment income, net	238,855	239,901	289,044
Interest on capital related debt	(1,797,093)	(1,929,155)	(1,854,465)
Other non-operating revenues, net	<u>198,900</u>	<u>543,862</u>	<u>341,504</u>
Net non-operating revenues	<u>124,676,081</u>	<u>123,720,418</u>	<u>120,945,571</u>
Increase in net position	\$ 21,309,356	\$ 25,141,044	\$ 23,658,358
Net position - beginning of year	<u>418,013,848</u>	<u>392,872,804</u>	<u>369,214,446</u>
Net position - ending of year	<u>\$ 439,323,204</u>	<u>\$ 418,013,848</u>	<u>\$ 392,872,804</u>

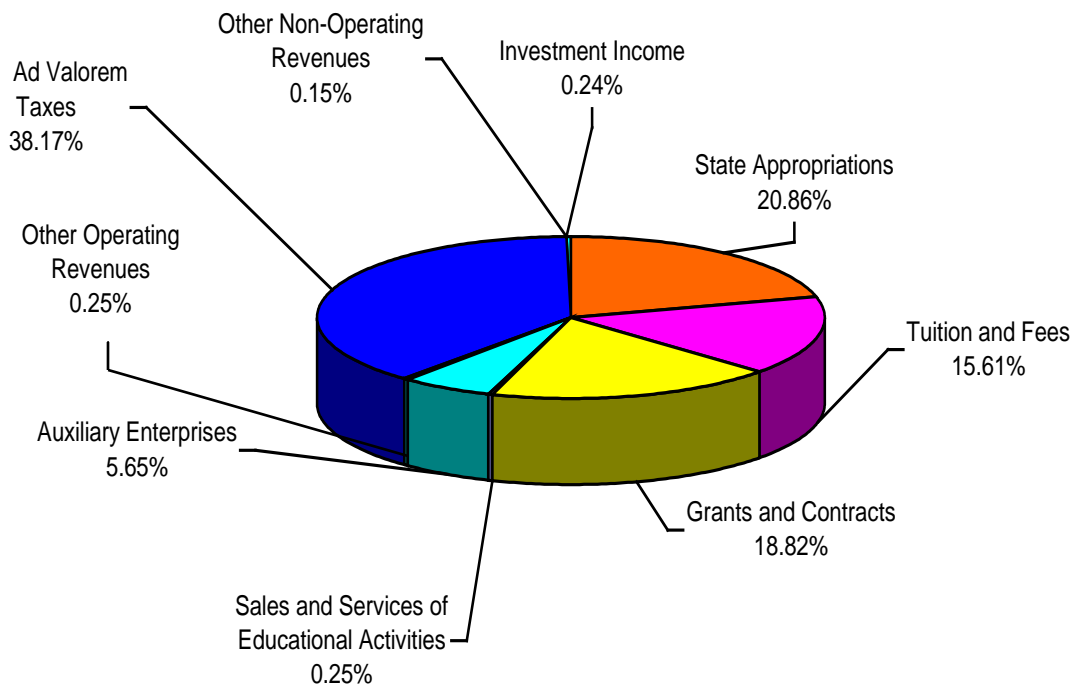
COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

Total revenues for the District were \$170,189,039, \$163,016,888 and \$160,796,168 in 2013, 2012, and 2011, respectively. Total expenses were \$148,879,683, \$137,875,844 and \$137,137,810 in 2013, 2012, and 2011, respectively.

Revenues for the District consist of four main categories: ad valorem taxes, state appropriations, net tuition and fees, and grants and contracts. The following table shows the breakdown of total revenue for the District for 2013:

2013 Revenues



Total operating revenues from Fiscal Year 2012 to Fiscal Year 2013 increased approximately \$6.3 million or 17% due to an increase in tuition and fees and an increase in federal grants and contracts. The increase in revenue attributable to tuition and fees was \$2.8 million, an increase of 11.9% from the previous year. For the first time since 2004 the District raised tuition for in-county residents by \$3 per credit hour to a total of \$30 per credit hour beginning with the Spring 2013 semester. Tuition for all other students was increased \$5 per credit hour. Total credit hours increased slightly from fiscal year ending 2012 to 2013, from 533,691 to 539,787 or 1.2%. A 3% decrease in revenue from tuition and fees occurred between fiscal year 2011 to 2012. The decrease was due to the scholarship allowances and discounts, which are netted against tuition, increasing from \$5.9 million in 2011 to \$7.3 million in 2012. For the fiscal year ending 2013, scholarship allowances and discounts decreased to \$6.6 million.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

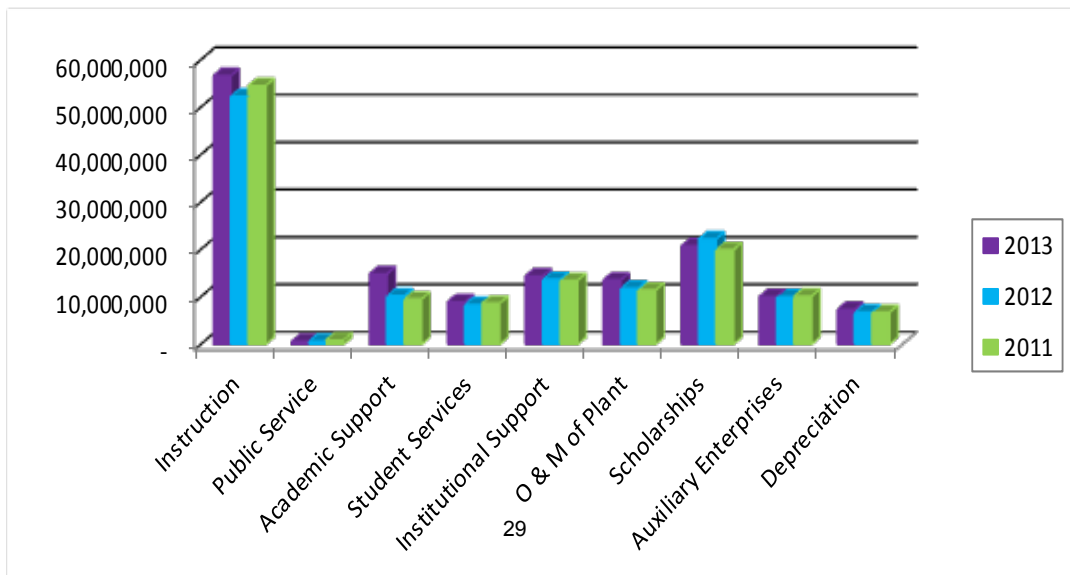
Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

The remaining increase in operating revenues was a result of federal grants and contracts increasing \$3.9 million, an almost 200% increase from the prior year. The 2013 fiscal year was the second year of a three year Department of Labor (DOL) grant. During the first year of the DOL grant, fiscal year 2012, the District received \$1.1 million for expenses incurred related to the DOL grant and \$4.8 million for expenses incurred during the current year. Grant revenues are recognized to the extent grant expenses are incurred. An increase in grants and contracts from the DOL grant between fiscal years ending 2011 and 2012 totaling almost \$1.0 million offset, somewhat, the decrease in tuition and fees, resulting in an overall decrease for total operating revenues of 1.7%.

Non-operating revenues consist of the following: state appropriations, ad valorem tax revenue, gifts, a portion of federal grants and contracts, net investment income, and other non-operating revenues. State appropriations from 2012 to 2013 increased \$1.0 million due to an increase in benefits allocated to the District and additional formula funds provided as a result of Article IX, Sec. 18.22. The District saw allocations from the State legislature for health insurance and retirement benefits decrease by \$2.8 million from \$7,008,746 in 2011 to \$4,206,670 in 2012 and increased to \$4,417,063 in 2013. Revenues from ad valorem taxes increased by \$1.8 million due to increased assessed taxable values from 2012 to 2013. Other non-operating income increased from 2011 to 2012 due to the dissolution of the Plano TIF 1 agreement, resulting in a refund paid to the District for excess funds contributed to the TIF totaling \$320,057, and recorded to other non-operating income. Non-operating income from 2012 to 2013 decreased by the one-time payout received in the prior year related to the dissolution of the Plano TIF 1 agreement. A reduction in Pell grants from fiscal year 2012 to 2013 is the primary reason for the decrease in non-operating income totaling \$1.7 million. Non-operating grants and contracts revenue increased 13.9%, from \$23.8 million in 2011 to \$27.1 million in 2012 mainly due to an increase in federal Pell grants.

Operating Expenses by Functional Classification

Functional classifications are the traditional categories that have been used to show expenses. They represent the type of programs and services provided. The chart below shows the District's 2013 operating expenses in comparison to 2012 and 2011:



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

2013 / 2012 / 2011 Functional Expense Comparison

FY	Instruction	Public Service	Academic Support	Student Services	Institutional Support	Operation & Maintenance of Plant	Scholarships	Auxiliary Enterprises	Depreciation
2013	\$56,679,653	\$560,542	\$14,847,063	\$8,941,731	\$14,401,055	\$13,557,062	\$20,731,109	\$10,048,826	\$7,315,549
2012	\$52,319,020	\$561,438	\$10,193,826	\$8,374,056	\$13,664,780	\$11,802,975	\$22,207,900	\$10,032,534	\$6,790,160
2011	\$54,534,791	\$888,626	\$9,542,089	\$8,640,882	\$13,455,591	\$11,415,758	\$19,943,709	\$10,124,598	\$6,737,301

Overall operating expenses increased 8.5% from fiscal year 2012 to 2013. The Board of Trustees approved a 3.5% salary increase for faculty, staff, and administrators. A significant increase in program expenses of 45% occurred in academic support, from fiscal year ending August 31, 2012 to 2013 with \$3.7 million of the \$4.6 million increase due to expenses incurred in connection with the Department of Labor Grant. Instruction saw an increase in expenses of 8.8% due to the salary increase and the hiring of nine new faculty, as well as an increase in the allocation of benefits from \$3.75 million in 2012 to \$5.41 million in 2013. Some of the benefit allocation increase is attributable to the retirement benefit from 2011-12 being paid and expensed in 2012-13. There was a slight increase in faculty salaries between fiscal year 2011 to fiscal year 2012, less than 1% or \$663 thousand. There was not a budgeted salary increase for employees for fiscal year ending August 31, 2012. The District hired twelve new full time faculty during Fiscal Year 2012 in order to maintain the proper ratio of full time and part time faculty. In an effort to optimize class space, improve efficiencies of human resources and reduce expenses, the District implemented increased minimum class size requirements and maximum class sizes, thus reducing number of sections and part time instructors. Cost savings between 2011 and 2012 from these changes resulted in a decrease in part time salaries of almost \$1 million.

Operations and maintenance of plant saw a 15% increase in expenses between fiscal year ending 2012 and 2013 totaling \$1.7 million. This increase is attributable in part to non-capital outlay for equipment and furniture for the new Spring Creek library and remodel of the existing campus. Expenses for contractual services, including custodial services, and maintenance agreements contributed to the overall increase in operations and maintenance. Expenses between fiscal year ending 2011 and 2012 did not fluctuate significantly.

Depreciation expense increased by 7.7% from \$6.79 million in fiscal year ending 2012 to \$7.3 million in 2013 due to the increase in depreciable capital assets totaling \$25.1 million. The addition of the Spring Creek capital project figures into the depreciation expense since the District applies the half-year depreciation convention on newly acquired depreciable capital assets.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

Scholarship expense decreased 6.6% from 2012 to 2013, down from \$22.2 million in 2012 to \$20.7 million in 2013, primarily a result of the reduction in Pell grants awarded. From 2011 to 2012 scholarship expense, consisting primarily of Pell grants, increased by \$2.2 million or 11.3%.

The District provides for renewal and replacement of physical plant annually by budgeting \$2.0 million. For the current fiscal year, \$1.8 million was expended for renewal and replacement of plant which consisted of roof repairs, carpet replacement and underground light replacement at the Preston Ridge campus and parking lot repairs, replacement of main water line and the gymnasium floor replacement at the Spring Creek campus. These expenses are included in operation and maintenance of plant. Prior year expenses incurred for renewal and replacement totaled \$1.5 million.

Capital Assets and Debt Administration

During fiscal year ending August 31, 2013, the District completed construction on the Spring Creek Library, an adjoining parking lot, and completed the renovation of the existing Spring Creek campus library, laboratories, and print shop. The District capitalized \$25.1 million for the construction and renovation at the Spring Creek campus. For the year ending 2012, capital assets increased by \$23.4 million due to the completed construction of a classroom building, conference center, and parking garage at the Preston Ridge Campus.

At August 31, 2013, amounts committed under construction contracts were \$465,550. These commitments are for upcoming capital projects at the Central Park campus, specifically, a Health and Sciences Facility, parking lot and conference center. The table below shows the capital assets for the fiscal years ending August 31, 2013, 2012, and 2011. Additional information regarding capital assets may be found in Note 5 Capital Assets.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Land	\$25,654,319	\$25,654,319	\$25,654,319
Construction in progress	551,250	17,357,285	17,698,892
Buildings	211,754,209	193,347,100	173,882,449
Land improvements	11,544,912	10,148,878	10,790,309
Equipment	5,837,690	6,307,005	7,218,572
Library books	4,013,007	3,685,132	3,419,541
WAN/LAN network equipment	<u>33,372</u>	<u>34,924</u>	<u>179,633</u>
Total	<u>\$259,388,759</u>	<u>\$256,534,643</u>	<u>\$238,843,715</u>

The District's outstanding general obligation bonds at year ending 2013 consists of Series 2003, 2006, and 2010 tax improvement bonds totaling \$37,694,245. These bonds are funded through ad valorem taxes. Revenue bonds totaling \$5,165,000 were

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

outstanding at year end and are collateralized by pledged revenues of the unrestricted current funds, excluding state allocations or those raised by local taxes.

Shown in the table below is the outstanding debt at the end of Fiscal Year 2013, compared to the debt at the end of the two previous Fiscal Years.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
General obligation bonds	\$37,694,245	\$40,467,768	\$43,111,290
Revenue bonds	<u>5,165,000</u>	<u>6,110,000</u>	<u>7,025,000</u>
Total	<u>\$42,859,245</u>	<u>\$46,577,768</u>	<u>\$50,136,290</u>

As of August 31, 2013, the District's bond ratings by both Moody's Investors Service and Standard and Poor's continues to remain at an Aaa/AAA rating since being elevated to this level at the issuance of the bonds in 2002.

For more detailed information on the District's capital assets and long-term debt, see Notes 5-9 in the Notes to Basic Financial Statements.

Economic Factors That Will Affect the Future

The economic position of the District is closely tied to that of Collin County and the State of Texas. Tax revenues provide the largest source of revenue for the District at 38.1% of total revenues. Property values for fiscal year 2013 increased 2.98%, resulting in additional tax collections of \$1.8 million. Tax collections increased 2.4% or by \$1.24 million from 2011 to 2012. An expected increase in appraised values of 6.4% resulting in additional tax revenues of \$3.26 million is projected for the 2013-14 fiscal year.

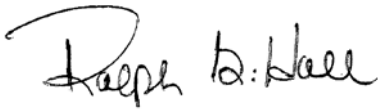
State appropriations provide 20.8% of total revenue. State appropriations per full-time student equivalent (FTSE) increased slightly for the current year to \$1,972 after steadily decreasing since fiscal year ending 2008. State funding per FTSE for the two previous years was \$2,069 in 2011 and \$1,970 in 2012. The upcoming fiscal year is the first year of the biennium and will be the first year state appropriations will include a portion of the allocation based on student success accountability measures. The District will continue to receive the majority (90%) of state funding based on contact hours, but a portion (10%) of the funding is tied to a success-points system in which colleges earn funding for students' academic milestones, such as earning an associate's degree, a certificate or transferring to a university. Also included in the District's State appropriations is \$500,000 for core operations for each year of the biennium. Legislation passed by the State for 2013-14 fiscal year requires the State contribute 50% of the cost of health insurance premiums, compared to only providing 40% of the cost of health insurance premiums for fiscal year 2012-13. During the 83rd Legislative session, the legislature codified the change impacting the District in both the 2011-12 and 2012-13 fiscal years by reducing pension benefits for eligible community college employees. Senate Bill 1812 limits state contributions to retirement plans for community colleges to 50% of the TRS/ORP expense for eligible employees.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis Fiscal Year Ended August 31, 2013

The Board approved a tuition increase effective Fall 2013 increasing in-county tuition by \$1 per credit hour, out-of-county by \$2 per credit hour and out-of-state and out-of-country by \$7 per credit hour. Enrollment is expected to increase by about 1.5% in the upcoming fiscal year.

Financial information can be obtained from the Collin County Community College District Business Office via written request to 3452 Spur 399, McKinney, Texas 75069 or by visiting our website at www.collin.edu and selecting the Financial Transparency tab at the bottom of the home page.



Ralph G. Hall
District Vice President of Administration and CFO



Julie Bradley
Associate Vice President, Controller/
Student Financial Services



Barbara Jindra
Associate Vice President of
Financial Services and Reporting

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Basic Financial Statements

These basic financial statements and related notes provide a summary overview of the financial position and results of operations of the District.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
**Statements of Net Position
As of August 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Assets		
Current assets		
Cash and cash equivalents (note 4)	\$ 232,058,662	\$ 213,544,522
Accounts receivable (net of allowance for doubtful accounts of \$1,325,641 and \$572,008 respectively - note 13)	10,175,215	8,408,301
Contract receivable (note 13)	0	1,813,066
Tax receivable (net of allowance for doubtful accounts of \$661,442 and \$751,702 respectively - note 13)	401,970	462,678
Consumable inventory	28,684	37,206
Inventories for resale	3,868,148	3,062,314
Prepaid expenses	612,983	649,510
Total current assets	<u>247,145,662</u>	<u>227,977,597</u>
Noncurrent assets		
Capital assets, net (note 5)		
Not subject to depreciation	26,205,569	43,011,604
Subject to depreciation	233,183,190	213,523,039
Total noncurrent assets	<u>259,388,759</u>	<u>256,534,643</u>
Total assets	<u>506,534,421</u>	<u>484,512,240</u>
Liabilities		
Current liabilities		
Accounts payable (note 13)	8,708,250	4,682,602
Accrued liabilities	284,481	321,865
Funds held for others	381,903	914,533
Unearned revenue	14,179,534	13,219,564
Accrued compensable absences payable	107,943	85,010
Bonds payable - current portion (note 6)	3,835,000	3,695,000
Total current liabilities	<u>27,497,111</u>	<u>22,918,574</u>
Noncurrent liabilities		
Accrued compensable absences payable	689,861	697,050
Bonds payable (notes 6, 7, 8 and 9)	39,024,245	42,882,768
Total noncurrent liabilities	<u>39,714,106</u>	<u>43,579,818</u>
Total liabilities	<u>67,211,217</u>	<u>66,498,392</u>
Net Position		
Invested in capital assets, net of related debt	216,482,469	209,933,352
Restricted for:		
Expendable		
Student aid	448,942	288,940
Instructional programs	39,917	39,315
Loans	21,481	21,481
Debt service	3,431,394	3,052,482
Unrestricted	218,899,001	204,678,278
Total Net Position	<u>439,323,204</u>	<u>418,013,848</u>
Total Liabilities and Net Position	<u>\$ 506,534,421</u>	<u>\$ 484,512,240</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Statements of Revenues, Expenses and Changes in Net Position For the Years Ended August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenues		
Operating revenues:		
Tuition and fees (net of discounts of \$6,652,045 and \$7,317,349 respectively)	\$ 26,569,192	\$ 23,740,042
Federal grants and contracts	6,067,520	2,087,054
State grants and contracts	628,453	807,249
Non-governmental grants and contracts	0	6,939
Sales and services of educational activities	426,387	364,115
Auxiliary enterprises	9,617,775	10,023,129
Other operating revenues	406,538	338,787
Total operating revenues	<u>43,715,865</u>	<u>37,367,315</u>
Expenses		
Operating expenses:		
Instruction	56,679,653	52,319,020
Public service	560,542	561,438
Academic support	14,847,063	10,193,826
Student services	8,941,731	8,374,056
Institutional support	14,401,055	13,664,780
Operation and maintenance of plant	13,557,062	11,802,975
Scholarships	20,731,109	22,207,900
Auxiliary enterprises	10,048,826	10,032,534
Depreciation	7,315,549	6,790,160
Total operating expenses	<u>147,082,590</u>	<u>135,946,689</u>
Operating loss	<u>(103,366,725)</u>	<u>(98,579,374)</u>
Non-operating revenues (expenses):		
State appropriations	35,504,958	34,416,713
Maintenance ad-valorem taxes:		
Taxes for maintenance and operations	60,394,776	58,695,932
Taxes for general obligation bonds	4,754,504	4,630,871
Federal grants and contracts	25,332,176	27,115,496
Gifts - noncapital	49,005	6,798
Investment income (net of investment expenses)	238,855	239,901
Interest on capital related debt	(1,797,093)	(1,929,155)
Other non-operating revenues, net	198,900	543,862
Net non-operating revenues	<u>124,676,081</u>	<u>123,720,418</u>
Increase in net position	<u>21,309,356</u>	<u>25,141,044</u>
Net position - beginning of year	418,013,848	392,872,804
Net position - ending of year	<u>\$ 439,323,204</u>	<u>\$ 418,013,848</u>

See accompanying notes to basic financial statements.

Collin County Community College District

Statements of Cash Flows For the Years Ended August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Receipts from students and other customers	\$ 38,828,184	\$ 35,052,475
Receipt of grants and contracts	6,205,106	3,050,565
Collections/(Payments) of loans to students	44,927	(54,801)
Other receipts	406,538	338,787
Payments to or on behalf of employees:		
Payments to employees	(70,394,081)	(66,084,831)
Payments for benefits	(8,388,953)	(6,580,768)
Payments to suppliers for goods or services	(32,081,326)	(31,083,263)
Payments of scholarships	(20,731,109)	(22,207,900)
Net cash used in operating activities	<u>(86,110,714)</u>	<u>(87,569,736)</u>
Cash flows from noncapital financing activities		
Receipt of state appropriations	31,087,895	30,210,040
Ad valorem tax revenues (maintenance and operations)	60,449,581	58,763,839
Receipt of grants and contracts	25,332,176	27,115,496
Payments for student organizations and other agency transactions	(532,630)	(6,374)
Net cash provided by noncapital financing activities	<u>116,337,022</u>	<u>116,083,001</u>
Cash flows from capital and related financing activities		
Ad valorem tax revenues (general obligation bonds)	4,760,407	4,644,569
Purchases of capital assets	(11,411,581)	(27,879,460)
Payments on capital debt	(3,695,000)	(3,535,000)
Tax increment reinvestment payment	200,000	545,262
Interest payments on capital related debt	(1,804,849)	(1,937,170)
Net cash used in capital and related financing activities	<u>(11,951,023)</u>	<u>(28,161,799)</u>
Cash flows from investing activities		
Investment income (net of investment expenses)	238,855	239,901
Net cash provided by investing activities	<u>238,855</u>	<u>239,901</u>
Increase in cash and cash equivalents	18,514,140	591,367
Cash and cash equivalents - beginning of year	213,544,522	212,953,155
Cash and cash equivalents - end of year	<u>\$ 232,058,662</u>	<u>\$ 213,544,522</u>

Collin County Community College District
**Statements of Cash Flows (Continued)
For the Years Ended August 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (103,366,725)	\$ (98,579,374)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	7,315,549	6,790,160
Payments made directly by state for benefits	4,417,063	4,206,673
Changes in assets and liabilities		
Receivables, net	1,226	1,135,013
Inventories	(797,312)	(452,484)
Prepaid expenses	36,528	308,079
Accounts payable & other accrued liabilities	5,267,560	(1,481,850)
Unearned revenue	985,454	625,930
Accrued salary and benefits	(14,984)	(67,082)
Loans to students	44,927	(54,801)
Net cash used in operating activities	<u>\$ (86,110,714)</u>	<u>\$ (87,569,736)</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(1) Reporting Entity

The Collin County Community College District (the District) was established in 1985, in accordance with the laws of the State of Texas, to serve the educational needs of the District. The District's student body is comprised mainly of residents of Collin County and surrounding communities. The District is considered to be a special-purpose entity, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity*. While the District receives funding from local, state, and federal sources and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

GASB Statement 61, *The Financial Reporting Entity: Omnibus*— an amendment of GASB Statements 14 and 34, gives guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. It requires reporting as a component unit if the organization raises and holds economic resources for the direct benefit of the governmental unit and the component unit is significant compared to the primary government. GASB 61 has been applied as required in the preparation of these financial statements and no component unit information is required to be included as further discussed below.

The Collin County Community College District Foundation (the "Foundation") is a nonprofit organization with the sole purpose of supporting the educational and other activities of the District. The District does not appoint a voting majority, does not fund operations nor is it obligated to pay debt related to the Foundation. The Foundation solicits donations and acts as coordinator of gifts made by other parties. The Foundation made restricted payments to or on behalf of the District in amounts totaling approximately \$371,327 and \$360,300 during the years ending August 31, 2013 and 2012, respectively. During the fiscal year, the District furnished certain services, such as office space, utilities and staff assistance to the Foundation. The costs of these services were not significant to the District. The financial position of the Foundation is not significant to the District, and therefore, the Foundation is not included in the District's basic financial statements as a component unit.

(2) Summary of Significant Accounting Policies

(a) Reporting Guidelines

The significant accounting policies followed by the District in preparing these financial statements are in accordance with the Texas Higher Education Coordinating Board's (THECB) Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges. The District applies all applicable GASB pronouncements. The District is reported as a special-purpose government engaged in business-type

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

activities. The District complies with the financial statement presentation format required by the THECB.

(b) Tuition Discounting

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. These funds, called the Texas Public Education Grant (TPEG), are shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.0333). When the award for tuition is used by the student, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount disbursed is recorded as scholarships expense.

Title IV Higher Education Authority (HEA) Program Funds

Certain Title IV HEA Program funds (Pell grants and FSEOG) are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as scholarships expense.

(c) Basis of Accounting

The financial statements of the District are reported using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recorded when earned and all expenses are recorded when the liability is incurred and they have been reduced to a legal or contractual obligation to pay.

(d) Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenses for the fiscal year beginning September 1. The District's Board of Trustees adopts the budget, which is prepared on the modified accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the THECB, Legislative Budget Board, Legislative Reference Library,

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

and Governor's Office of Budget and Planning by December 1. Board policy requires that the District maintain a minimum fund balance equal to 25% of educational expenses adjusted for reserves and allocations. For the years ended August 31, 2013 and 2012, respectively, the minimum unrestricted fund balance to be maintained was \$29,470,551 and \$29,169,535. The District exceeded this minimum required fund balance for both years.

(e) Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The District also considers funds on deposit with TexPool and TexSTAR, which are both statewide investment pools, as cash and cash equivalents.

(f) Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value or money market and other short-term, highly liquid investments may be reported at amortized cost, provided that the fair market value is not significantly different. This GASB Statement considers U.S. Treasury and agency obligations with maturities of less than one year to be money market investments. Accordingly, the U.S. Government Agency Issues are reported at amortized cost.

Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

For the period ending August 31, 2013, no District funds were held in investments with maturities greater than three months. Therefore, all funds are classified as cash or cash equivalents.

(g) Inventories

Consumable inventories consist of office supplies and postage, which are valued at cost and are charged to expense as consumed. Inventory held for sale, consisting primarily of textbooks, is valued using the average cost method and is recorded as an expense when sold.

(h) Capital Assets

Assets with a purchase cost of at least \$5,000 and a useful life greater than one year are capitalized. Interest costs incurred during construction of physical plant are capitalized as incurred. Depreciation on buildings and site improvements is calculated using the half-year convention, straight-line method with residual value of 10%. Depreciation for the fiscal years 2013 and 2012 totaled \$7,315,549 and \$6,790,160 respectively. Depreciation is

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

not allocated to the functional expense categories. Expenditures for construction in progress are capitalized as incurred, but are not depreciable until assets are put into production.

Capital assets are stated at cost. Donated capital assets are valued at their estimated fair market value on the date received. The District reports capital assets net of accumulated depreciation under a single-line item as a business-type unit. Depreciation on assets other than buildings and site improvements is computed using the straight-line method over the estimated useful lives of the assets applying the half-year convention and no residual value. The following lives are used:

Buildings	50 years
Facilities and other improvements	20 years
Library books	15 years
Furniture, machinery, vehicles and other equipment	10 years
Telecommunications and peripheral equipment	5 years

(i) Unearned Revenues

Revenues of \$14,179,534 and \$13,219,564 are recorded on the Statement of Net Position as unearned revenue at August 31, 2013 and 2012, respectively, and primarily consist of tuition and fees related to academic terms in the next fiscal year. Unearned revenues related to grant funds were received, but not yet expended.

(j) Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(k) Operating and Non-Operating Revenue and Expense Policy

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a business type activity (BTA) and as a single proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are tuition and related fees, auxiliary enterprises and federal grants and contracts, excluding Title IV financial aid programs. The major non-operating revenues consist of state appropriations, property tax collections, federal grant revenue related to Title IV financial aid programs and investment income. Operating expenses include providing educational services, administrative expenses, and depreciation on capital assets. Non-operating expenses consist of interest on capital related debt.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(l) Vested Vacation Benefits and Other Compensated Absences

Vacation is earned in varying amounts up to a maximum of 21 days for employees with 11 years or more of service. Unused vacation leave carried forward from one year to the next is limited to 15 days for each employee. Upon termination, employees are paid for earned but unused vacation for the current year and up to the 10 day maximum allowed for unused vacation carried over from the prior year.

Compensated absences activity for the years ended August 31, 2013 and 2012 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2012	\$781,300	\$1,721,780	\$(1,721,020)	\$782,060	\$ 85,010
2013	\$782,060	\$1,793,538	\$(1,777,794)	\$797,804	\$107,943

District employees are entitled to sick leave, which is accumulated but does not vest. Therefore, no liability for accumulated sick leave has been recorded in the accompanying basic financial statements.

(m) Income Tax Status

The District is exempt from income taxes under Internal Revenue Code Section 115, Income of States, Municipalities, etc., although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc., Organizations. The District had no significant unrelated business income tax liability for the years ended August 31, 2013 and 2012, and therefore, has not recorded a liability for income taxes.

(n) Board Designations

Included in unrestricted net position are certain amounts that have been set aside by the Board. The Board has designated \$24,750,000 to provide maintenance and operations stabilization. Although maintenance and operations costs are budgeted yearly, this amount was set aside in case of decreased property values. The District also designated \$100,000 to cover insurance deductibles in the event of a catastrophic loss and \$30,000,000 for a health insurance reserve.

(3) Authorized Investments

The District is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4)

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

certificates of deposit, and (5) other instruments and obligations authorized by statute.

(4) Deposits and Investments

At August 31, 2013 and 2012, the net carrying amount of the District's deposits was an overdraft of \$2,763,404 and \$1,024,792, respectively. Bank balances up to \$250,000 are covered by the Federal Depository Insurance Corporation and the remainder was covered by collateral pledged in the District's name. The collateral was held in the District's name by the safekeeping department of the Federal Reserve Bank, which acts as the pledging bank's agent and had a fair value of \$250,722 as of August 31, 2013. The District is subject to custodial credit risk in the event of the bank's nonperformance under the collateral agreement.

Cash and cash equivalents, as reported on Exhibit 1, Statements of Net Position, consist of the following items:

<u>Cash and Cash Equivalents</u>	<u>As of August 31, 2013</u>	<u>As of August 31, 2012</u>
Petty cash on hand	\$ 26,420	\$ 25,120
Checking account	492,321	260,159
TexPool	194,216,589	175,977,063
TexSTAR	<u>37,323,332</u>	<u>37,282,180</u>
Total cash and cash equivalents	<u>\$ 232,058,662</u>	<u>\$ 213,544,522</u>

In accordance with GASB Statement No. 31, colleges may also report money market and other short-term, highly liquid investments at amortized cost, provided that the fair market value is not significantly different. This GASB Statement considers U.S. Treasury and agency obligations with maturities of less than one year to be money market investments.

As of August 31, 2013, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
TexPool	\$194,216,589	0.21
TexSTAR	\$ 37,323,332	0.16

Interest Rate Risk – In accordance with state law and District policy, the District does not directly purchase any investments with maturities greater than 24 months beyond the date of purchase unless specifically permitted by the Public Funds Investment Act as noted in Section 2256, Texas Government Code.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

Credit Risk – In accordance with state law and the District’s investment policy, investments in investment pools are rated at least AAA or an equivalent rating by at least one nationally recognized rating service. Both TexPool and TexSTAR investment pools are rated AAAM by Standard & Pools. The District is authorized to invest in direct obligations of agencies and instrumentalities of the United States when market conditions are favorable to do so. U.S. government agencies are only implicitly guaranteed by the government but, when rated, are considered AAA by Standard & Pools. It is the investment strategy of the District to hold these types of investments until maturity so as to eliminate credit risk.

Concentration of Credit Risk – The District does not place a limit on the amount the District may invest in any one issuer. Major investment types of greater than 5% of the District’s total cash and investments are in TexPool (83.9%), and TexSTAR (16.1%).

The local government investment pools such as TexPool and TexSTAR are not evidenced by securities in physical form. They are managed conservatively to provide safe, efficient and liquid investments to Texas governmental entities. The pools both seek to maintain a \$1 value per share as required by the Texas Public Funds Investment Act.

Federated Investors manages the assets, provides participant services, and arranges for all custody and other functions in support of TexPool operations under a contract with the State Comptroller of Public Accounts. The state comptroller maintains oversight responsibility for TexPool, including the ability to influence operations, designation of management and accountability for fiscal matters. Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. GASB 31 allows 2a7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than market value to report net assets to compute share price. The fair value of the District’s position in TexPool is the same as the value of TexPool shares.

TexSTAR is overseen by a Governing Board consisting of individuals from participating Government Entities in the pool. The business and affairs of TexSTAR are managed by the Board. JPMorgan Investment Management, Inc. provides investment management, fund accounting, transfer agency and custodial services for the pool and First Southwest Asset Management, Inc. provides administrative, marketing and participant services. The fair value of funds in TexSTAR is also the same as the value of TexSTAR shares.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(5) Capital Assets

The following table summarizes changes in capital assets balances for the year ended August 31, 2013:

	Balance 08/31/12	Increases	(Decreases) / Adjustments	Balance 08/31/13
<u>Not Depreciated</u>				
Land	\$ 25,654,319	\$ 0	\$ 0	\$ 25,654,319
Construction in Progress	<u>17,357,285</u>	<u>8,327,037</u>	<u>(25,133,072)</u>	<u>551,250</u>
Subtotal	<u>43,011,604</u>	<u>8,327,037</u>	<u>(25,133,072)</u>	<u>26,205,569</u>
<u>Depreciable</u>				
Buildings	236,262,481	23,073,805	0	259,336,286
Land Improvements	18,121,443	2,059,267	0	20,180,710
Equipment	21,734,609	1,149,404	(519,933)	22,364,080
Library Books	8,389,897	693,224	(34,272)	9,048,849
WAN/LAN Network Equipment	<u>2,940,746</u>	<u>0</u>	<u>0</u>	<u>2,940,746</u>
Subtotal	<u>287,449,176</u>	<u>26,975,700</u>	<u>(554,205)</u>	<u>313,870,671</u>
<u>Accumulated Depreciation</u>				
Buildings	42,915,381	4,666,696	0	47,582,077
Land Improvements	7,972,565	663,233	0	8,635,798
Equipment	15,427,604	1,618,719	(519,933)	16,526,390
Library Books	4,704,765	365,349	(34,272)	5,035,842
WAN/LAN Network Equipment	<u>2,905,822</u>	<u>1,552</u>	<u>0</u>	<u>2,907,374</u>
Subtotal	<u>73,926,137</u>	<u>7,315,549</u>	<u>(554,205)</u>	<u>80,687,481</u>
Net Depreciable Assets	<u>213,523,039</u>	<u>19,660,151</u>	<u>0</u>	<u>233,183,190</u>
Net Capital Assets	<u>\$ 256,534,643</u>	<u>\$ 27,987,188</u>	<u>\$ (25,133,072)</u>	<u>\$ 259,388,759</u>

At August 31, 2013, amounts committed under capital construction contracts were \$465,550. Of the amount committed, \$16,800 is for construction costs and \$448,750 is for architectural services.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

For comparison purposes, the following table summarizes changes in capital assets balances for the year ended August 31, 2012:

	Balance 08/31/11	Increases	(Decreases) / Adjustments	Balance 08/31/12
<u>Not Depreciated</u>				
Land	\$ 25,654,319	\$ 0	\$ 0	\$ 25,654,319
Construction in Progress	<u>17,698,892</u>	<u>23,078,637</u>	<u>(23,420,244)</u>	<u>17,357,285</u>
Subtotal	<u>43,353,211</u>	<u>23,078,637</u>	<u>(23,420,244)</u>	<u>43,011,604</u>
<u>Depreciable</u>				
Buildings	212,842,237	23,420,244	0	236,262,481
Land Improvements	18,121,443	0	0	18,121,443
Equipment	20,920,392	814,227	(10)	21,734,609
Library Books	7,956,547	588,224	(154,874)	8,389,897
WAN/LAN Network Equipment	<u>2,940,746</u>	<u>0</u>	<u>0</u>	<u>2,940,746</u>
Subtotal	<u>262,781,365</u>	<u>24,822,695</u>	<u>(154,884)</u>	<u>287,449,176</u>
<u>Accumulated Depreciation</u>				
Buildings	38,959,788	3,955,593	0	42,915,381
Land Improvements	7,331,134	641,431	0	7,972,565
Equipment	13,701,820	1,725,794	(10)	15,427,604
Library Books	4,537,006	322,633	(154,874)	4,704,765
WAN/LAN Network Equipment	<u>2,761,113</u>	<u>144,709</u>	<u>0</u>	<u>2,905,822</u>
Subtotal	<u>67,290,861</u>	<u>6,790,160</u>	<u>(154,884)</u>	<u>73,926,137</u>
Net Depreciable Assets	<u>195,490,504</u>	<u>18,032,535</u>	<u>0</u>	<u>213,523,039</u>
Net Capital Assets	<u>\$ 238,843,715</u>	<u>\$ 41,111,172</u>	<u>\$ (23,420,244)</u>	<u>\$ 256,534,643</u>

At August 31, 2012, amounts committed under capital construction contracts were \$8,469,167. Of the amount committed, \$8,349,167 is for construction costs and \$120,000 is for architectural services.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(6) Long-Term Liabilities

The following table summarizes changes in long-term liabilities for the year ended August 31, 2013:

<u>Bonds payable:</u>	Balance 09/01/2012	Additions	Reductions	Amortization of Premium	Balance 08/31/2013	Current Portion
General obligation bonds:						
Ltd. tax imp. bonds, series 2003	\$ 1,920,000	\$ 0	\$ (940,000)	\$ 0	\$ 980,000	\$ 980,000
Ltd. tax imp. bonds, series 2006	14,895,000	0	(780,000)	0	14,115,000	815,000
Ltd. tax ref. bonds, series 2010	<u>23,652,768</u>	<u>0</u>	<u>(1,030,000)</u>	<u>(23,523)</u>	<u>22,599,245</u>	<u>1,070,000</u>
Total general obligations bonds	<u>40,467,768</u>	<u>0</u>	<u>(2,750,000)</u>	<u>(23,523)</u>	<u>37,694,245</u>	<u>2,865,000</u>
Refunding revenue bonds, series 2008	<u>6,110,000</u>	<u>0</u>	<u>(945,000)</u>	<u>0</u>	<u>5,165,000</u>	<u>970,000</u>
Total bonds payable	<u>\$ 46,577,768</u>	<u>\$ 0</u>	<u>\$ (3,695,000)</u>	<u>\$ (23,523)</u>	<u>\$ 42,859,245</u>	<u>\$3,835,000</u>

For comparison purposes, the following table summarizes changes in long-term liabilities for the year ended August 31, 2012:

<u>Bonds payable:</u>	Balance 09/01/2011	Additions	Reductions	Amortization of Premium	Balance 08/31/2012	Current Portion
General obligation bonds:						
Ltd. tax imp. bonds, series 2002	\$ 960,000	\$ 0	\$ (960,000)	\$ 0	\$ 0	\$ 0
Ltd. tax imp. bonds, series 2003	2,815,000	0	(895,000)	0	1,920,000	940,000
Ltd. tax imp. bonds, series 2006	15,640,000	0	(745,000)	0	14,895,000	780,000
Ltd. tax ref. bonds, series 2010	<u>23,696,290</u>	<u>0</u>	<u>(20,000)</u>	<u>(23,522)</u>	<u>23,652,768</u>	<u>1,030,000</u>
Total general obligations bonds	<u>43,111,290</u>	<u>0</u>	<u>(2,620,000)</u>	<u>(23,522)</u>	<u>40,467,768</u>	<u>2,750,000</u>
Refunding revenue bonds, series 2008	<u>7,025,000</u>	<u>0</u>	<u>(915,000)</u>	<u>0</u>	<u>6,110,000</u>	<u>945,000</u>
Total bonds payable	<u>\$ 50,136,290</u>	<u>\$ 0</u>	<u>\$ (3,535,000)</u>	<u>\$ (23,522)</u>	<u>\$46,577,768</u>	<u>\$ 3,695,000</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(7) Debt Obligations

Debt service requirements as of August 31, 2013, were as follows:

For the year ended August 31,	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2014	2,865,000	1,556,238	970,000	138,996
2015	2,995,000	1,447,038	1,000,000	109,741
2016	3,135,000	1,322,963	1,035,000	79,522
2017	3,255,000	1,220,013	1,065,000	48,337
2018	3,400,000	1,089,813	1,095,000	16,261
2019-2023	17,775,000	3,144,125	0	0
2024-2026	<u>4,034,999</u>	<u>358,313</u>	<u>0</u>	<u>0</u>
Subtotal	37,459,999	10,138,503	5,165,000	392,857
Net premium/discount	<u>234,246</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 37,694,245</u>	<u>\$ 10,138,503</u>	<u>\$ 5,165,000</u>	<u>\$ 392,857</u>

For comparison purposes, debt service requirements as of August 31, 2012, were as follows:

For the year ended August 31,	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2013	\$ 2,750,000	\$ 1,659,838	\$ 945,000	\$ 167,434
2014	2,865,000	1,556,238	970,000	138,996
2015	2,995,000	1,447,038	1,000,000	109,741
2016	3,135,000	1,322,963	1,035,000	79,522
2017	3,255,000	1,220,013	1,065,000	48,337
2018-2022	18,605,000	3,964,994	1,095,000	16,261
2023-2026	<u>6,605,000</u>	<u>627,256</u>	<u>0</u>	<u>0</u>
Subtotal	40,210,000	11,798,340	6,110,000	560,291
Net premium/discount	<u>257,768</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 40,467,768</u>	<u>\$ 11,798,340</u>	<u>\$ 6,110,000</u>	<u>\$ 560,291</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(8) Bonds Payable

Bonds payable as of August 31, 2013 and 2012 consisted of the following:

<u>Bond issue</u>	<u>Purpose</u>	<u>Date issued</u>	<u>Amount issued</u>	<u>Revenue source</u>	<u>Outstanding balance August 31, 2013</u>	<u>Outstanding balance August 31, 2012</u>
Series 2003 Limited Tax Improvement Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites.	8/15/03	\$ 18,585,000	Ad valorem taxes	\$ 980,000	\$ 1,920,000
Series 2006 Limited Tax Improvement Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites.	1/15/06	\$ 18,415,000	Ad valorem taxes	\$ 14,115,000	\$ 14,895,000
Series 2008 Refunding Revenue Bonds	Refunded 1997 and 1998 Revenue Bonds	02/20/08	\$ 9,610,000	Pledged revenues from general use fees, gross revenues from the bookstore, tuition pledge	\$ 5,165,000	\$ 6,110,000
Series 2010 Limited Tax Refunding Bonds	Refunded 2002 and 2003 Tax Bonds	11/02/10	\$ 24,099,912	Ad valorem taxes	\$ 22,599,245	\$ 23,652,768
Total					<u>\$ 42,859,245</u>	<u>\$ 46,577,768</u>

Bonds payable are due in annual principal installments varying from \$780,000 to \$2,895,000 with interest rates from 2.90% to 5.15% and the final installments are due in 2026.

On September 28, 2010, the Board approved the sale of \$23,800,000 Limited Tax Refunding Bonds. The sale closed and funds were received on November 2, 2010 with an average coupon rate of 4.2 percent. Proceeds from the sale totaling \$26,805,157, including \$543,227 in premium, were used to refund \$24,090,000 of the District's outstanding Limited Tax Improvement Bonds, Series 2002, and Series 2003, lowering the overall debt service requirements for the District. Issuance costs related to the refunding totaled \$243,315. The net premium will be amortized over the life of the bonds using the straight line

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

method. An economic gain (the difference between net present values of the debt service payments on the old and new debt adjusted for cash paid out) of \$1,472,957 was obtained by the refunding.

During February 2008, the District closed on \$9,610,000 in Consolidated Fund Revenue Refunding Bonds with an interest rate of 2.97 percent. The proceeds from the bonds were used to call Revenue Series 1997 and 1998 Bonds. The District had related issuance costs of \$50,178 at the closing of the bond sale. This refunding reduced the District's future debt service payments by \$941,870. An economic gain (the difference between net present values of the debt service payments on the old and new debt adjusted for cash paid out) of \$901,391 was obtained by the refunding. The accounting loss that resulted from the bond refunding was \$80,571.

The Series 2008 revenue bonds are collateralized by pledged revenues of the Unrestricted Current Fund other than state allocations or those raised by local taxation. They require mandatory transfer of gross revenue to the Retirement of Indebtedness Fund as set forth in the bonds' covenants. This transfer provides for principal and interest payments as they become due. In addition, they impose certain restrictions on the District with respect to the maintenance of insurance and other financial covenants. At August 31, 2013, the District was in compliance with these restrictions and had made all applicable insurance premium payments. Insurance policies in force at August 31, 2013, include major equipment, fire and extended property, general liability and auto coverage.

In January 2006, the District closed on \$18,415,000 in Limited Tax Improvement Bonds with an average interest rate of 4.24 percent. Proceeds from the sale of the bonds are being used for constructing, renovating and equipping buildings, and paying issuance costs. Proceeds of the bonds were \$18,412,449. The District had related issuance costs of \$95,000 and accrued interest of \$92,449 at the closing of the bond sale.

During September 2003, the District closed on \$18,585,000 in Limited Tax Improvement Bonds with an average interest rate of 4.56 percent. Proceeds from the sale of the bonds are being used for constructing, renovating and equipping buildings, and paying issuance costs. Proceeds of the bonds were \$18,585,000. The District had related issuance costs of \$68,756 and accrued interest of \$89,220 at the closing of the bond sale.

The Series 2003, 2006 and 2010 Tax Improvement Bonds are tax-supported general obligation bonds. The tax rates authorized and assessed to pay principal and interest on these bonds are set forth in Note 15.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(9) Defeased Bonds Outstanding

As of August 31, 2013 and 2012 the District had the following defeased bonds outstanding:

	Year Refunded	Par Value Outstanding 2013	Par Value Outstanding 2012
Series 2002 Limited Tax Improvement Bonds	2010	\$11,915,000	\$12,925,000
Series 2003 Limited Tax Improvement Bonds	2010	\$11,165,000	\$11,165,000
Series 1997 Revenue Bonds	2008	\$ 2,025,000	\$ 2,460,000
Series 1998 Revenue Bonds	2008	<u>\$ 1,580,000</u>	<u>\$ 2,610,000</u>
Total Defeased Bonds		\$26,685,000	\$29,160,000

(10) Employees' Retirement Plan

The State of Texas (the State) has joint contributory retirement plans for almost all its employees.

Teacher Retirement System of Texas

One of the primary plans in which the District participates is administered under the provisions of the U.S. Internal Revenue Code Section 401(a) by the Teacher Retirement System of Texas (TRS or the "System"), a multi-employer defined benefit public employee retirement system (PERS). It is a cost-sharing PERS with one exception: all risks and costs are not shared by the District, but are the liability of the State. All District employees, except those employed less than one-half the standard workload and those exempted by law, are required to participate in the System as a condition of employment. The System administers retirement and disability annuities and death and survivor benefits to employees and to beneficiaries of employees covered under the plan. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The System also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805. The State legislature has the authority to establish and amend benefit provisions of the pension plan. TRS does not separately account for each of its component government agencies because it bears sole responsibility for retirement commitments beyond contributions fixed by the State legislature. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by downloading the report from the TRS internet website, www.trs.state.tx.us, under the TRS Publications heading.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following State funding policy: (1) The State constitution requires the legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a State contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation of all members of the system during that fiscal year, and (2) a State statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize the System's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or if the amortization period already exceeds 31 years, the period would be increased by such action. State law provided for a State contribution rate of 6.4% for fiscal year 2013, 6% for fiscal year 2012, and 6.644% for fiscal year 2011. The member contribution rate was 6.4% in fiscal years 2013, 2012, and 2011.

In certain instances, the reporting district is required to pay all or a portion of the State's legally established rate of contribution amount. Eligible new employees become members of TRS on their first day of employment and local employers are statutorily mandated to pay the State contribution for TRS participation for the first 90 days of employment. The cost to the District for the new employees' first 90 days of participation in TRS for the year ended August 31, 2013 and 2012 was approximately \$49,600 and \$42,600 on payrolls of approximately \$774,300 and \$710,300, respectively.

Optional Retirement Plan

The State has also established an optional retirement program for institutions of higher education. The Optional Retirement Program (ORP) is a defined contribution plan. The THECB is responsible for amending pension provisions and contribution requirements. Participation in the optional retirement program is in lieu of participation in the TRS and at the option of full-time teaching faculty, reference librarians, the president, vice-presidents, deans, associate deans, and directors. Other professional staff may also be eligible for participation in the optional retirement program if those positions held are advertised in national publications and are at a salary rate equivalent to the rate for teaching faculty for the institution. The ORP provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Contribution requirements are not actuarially determined, but are established and amended by the State legislature. The percentages of ORP participant salaries currently contributed by the State and each participant are 6% and 6.65%, respectively. In addition, the District contributed 1.75% for ORP participants. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the State has no additional or unfunded liability for this program.

Other

Part-time employees of the District are required to participate in the Program for Extra Retirement Compensation (the PERC plan) unless exempt. The PERC plan, as established by the District under the provisions of the Omnibus Budget

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

Reconciliation Act of 1990, requires participants to contribute 7.5% of their pay to a tax-sheltered annuity administered by Metropolitan Life Insurance Company. Contributions to the PERC plan are immediately 100% vested. The District makes no contributions to the PERC plan. Total payroll of participants in the PERC plan was approximately \$11,320,800 and \$11,360,300 for the years ended August 31, 2013 and 2012, respectively.

Cost of Retirement Plans

The obligation for the State contribution to the TRS plan on behalf of the District's employees, as mandated in the State constitution, for the years ended August 31, 2013 and 2012, was approximately \$2,075,900 and \$1,843,000, respectively, on wages covered by TRS of approximately \$32,435,600 and \$30,729,800, respectively. State contributions for employees of the District covered by ORP for the years ended August 31, 2013 and 2012 were approximately \$990,700 and \$974,100, respectively, on wages of approximately \$16,512,600 and \$16,348,500, respectively. The District's total payroll for the year ended August 31, 2013, including full-time and part-time employees, was \$70,206,931. The total retirement expense mandated by the State for the District totaled approximately \$3,066,600 for the fiscal year ended August 31, 2013, of which the District contribution was \$1,133,840 and the State contribution was approximately \$1,932,800. The total retirement expense to the State for the District for the fiscal year ended August 31, 2012, was approximately \$2,817,900, of which a shortfall of approximately \$1,016,500 was reported as a contingency in the Notes to the Comprehensive Annual Financial Report for the fiscal year ending August 31, 2012, and the State contribution was approximately \$1,801,400. The District paid the \$1,133,840 for fiscal year 2013 and \$1,016,524 for fiscal year 2012 for a total of \$2,150,364 paid and reported as an expense in the fiscal year ended August 31, 2013.

(11) Post-Retirement Healthcare and Life Insurance Benefits

In addition to the pension benefits described in Note 10 above, the State provides certain healthcare and life insurance benefits for retired employees. Almost all of the employees may be eligible for those benefits if they reach normal retirement age with at least ten years of TRS/ORP eligible service credit while working for the State. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognized the cost of providing these benefits by expending the annual insurance premiums. These on-behalf payments are recognized as revenues and expenses by the District in the period expended. For the fiscal years ended August 31, 2013, the State's maximum contribution was \$470 per month for employee only and \$740, \$651 and \$920 per month, including coverage for spouse, child(ren) or both, respectively. For the fiscal year ended August 31, 2012, the State's maximum contribution was \$438 per month for employee only and \$689, \$606 and \$857 per month, including coverage for spouse, child(ren) or both, respectively. The allocation from the State to the District for fiscal year 2013 was \$1,684,617 for 945 active employees and \$851,014 for 138 retirees for a grand total of \$2,535,631. The cost to the District for fiscal year 2013 healthcare benefits totaled approximately

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

\$4,683,881, which includes a state-mandated District contribution equal to 1% of the total base wages and salaries for each benefits eligible employee or \$460,840. The allocation from the State to the District for fiscal year 2012 was \$1,670,341 for 905 active employees and \$734,958 for 127 retirees for a grand total of \$2,405,299. The cost to the District for fiscal year 2012 healthcare benefits totaled approximately \$4,255,776, which included the 1% mandate of \$437,228.

The following table provides a breakdown of the total premiums paid by fiscal year:

Fiscal Year Ended August 31,	State Paid	%	District Paid	%	Employee Paid	%	Total Annual Premiums
2013	\$2,535,631	27%	\$4,683,881	49%	\$2,268,763	24%	\$9,488,275
2012	\$2,405,299	27%	\$4,255,776	49%	\$2,095,753	24%	\$8,756,828
2011	\$3,928,864	48%	\$2,280,900	28%	\$2,052,259	24%	\$8,262,023

(12) Deferred Compensation Program

Employees of the District may elect to defer a portion of their earnings for income tax and investment purposes pursuant to the authority granted under Government Code 609.001. The general maximum annual contribution limit in tax year 2013 was \$17,500 (\$20,500 for Section 403(b) participants who qualified for the 15-year rule) with a \$5,500 make-up provision for individuals 50 years or older in tax year 2013. The general maximum annual contribution limit was \$17,000 (\$20,000 for Section 403(b) participants who qualified for the 15-year rule) with a \$5,500 make-up provision for individuals 50 years or older in tax year 2012.

283 District employees contributed a total of \$1,257,891 under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity (TSA) program and 37 participants contributed a total of \$230,686 to a Section 457 Deferred Compensation Plan (DCP) in the fiscal year ended August 31, 2013.

In fiscal year 2012, 264 District employees contributed a total of \$1,144,828 under the Internal Revenue Code Section 403(b) TSA program and 35 participants contributed a total of \$200,711 to a Section 457 DCP.

The District does not contribute to either plan. The deferred compensation program is not included in the basic financial statements because the programs' assets are assets of the plan participants and not of the District.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Basic Financial Statements
August 31, 2013 and 2012**

(13) Disaggregation of Receivables and Payables Balances

Receivables at August 31 were as follows:

	<u>2013</u>	<u>2012</u>
Student loans	\$ 10,625	\$ 55,552
Federal and state receivables	1,474,305	982,843
Trade receivables	7,783,139	7,432,715
Other receivables (auxiliary)	793,479	509,199
A/R collection agency	<u>1,439,308</u>	<u>0</u>
Total Accounts Receivable	11,500,856	8,980,309
Less: allowance for doubtful accounts	<u>(1,325,641)</u>	<u>(572,008)</u>
Accounts Receivable Net of Allowance	<u>\$ 10,175,215</u>	<u>\$ 8,408,301</u>
Contract receivable	<u>\$ 0</u>	<u>\$ 1,813,066</u>
Taxes receivable	1,063,412	1,214,380
Less: allowance for doubtful accounts	<u>(661,442)</u>	<u>(751,702)</u>
Total Taxes Receivable	<u>\$ 401,970</u>	<u>\$ 462,678</u>

An allowance for doubtful accounts estimated at \$1,325,641 has been established for student receivables based on the uncertainty of collectability. A corresponding bad debt expense has been recorded to institutional support. One hundred percent allowance was established for student receivables aged two or more years and a fifty percent allowance was set up for student receivables more than one year, but less than two years old. In August 2012, the District contracted with a collection agency to provide collection services for outstanding student receivables. The District will continue to evaluate the collectability of outstanding receivables based on the collection results by the collection agency.

Contract Receivable - The District sold a 35 acre tract of land at its Central Park Campus in McKinney, Texas in fiscal year 2007. The sales price consisted of \$7.5 million in cash and a \$5 million contract receivable. The contract receivable is in the form of an Economic Incentive Agreement with the City of McKinney, to be paid to the District from the future sales tax revenue received by the city from businesses located on the land. The \$1,813,066 contract receivable balance at August 31, 2012 was collected this current fiscal year.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Basic Financial Statements
August 31, 2013 and 2012**

Payables at August 31 were as follows:

	<u>2013</u>	<u>2012</u>
Vendors payable	\$1,634,950	\$ 394,346
Salary and benefits payable	899,205	29,122
Federal and state grants payable	841,366	536,810
Auxiliary payables	1,596,358	652,065
Unexpended plant payables	292,578	1,549,471
Student payable	680,389	495,996
Short-term bank overdraft	<u>2,763,404</u>	<u>1,024,792</u>
Total Accounts Payable	<u>\$ 8,708,250</u>	<u>\$ 4,682,602</u>

District funds are held in highly liquid investments and are used to fund disbursements on a daily basis as they are presented to the bank, sometimes resulting in a short-term bank overdraft due to timing differences.

(14) Risk Management

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accrued liabilities include provisions for claims reported and claims incurred but not reported.

Previously, the District participated in a self-funded workers' compensation program in which the remaining outstanding claims are administered by Claims Administrative Services (CAS) of Tyler, Texas. Total claims paid by the District to CAS during the years ended August 31, 2013 and 2012, were \$104 and \$323, respectively. Total estimated claims outstanding for the years ended August 31, 2013 and 2012 were \$8,823 and \$8,814, respectively. The estimated liability includes the amount of money that will be needed for future payments, on both (a) claims that have been reported and (b) claims that have been incurred but not reported. Changes in the fund's claims liability amount in fiscal years 2013 and 2012 were:

	Beginning of fiscal year <u>liability</u>	Claims & changes in <u>estimates</u>	Claim <u>payments</u>	End of fiscal year <u>liability</u>
2012	1,526	7,611	(323)	8,814
2013	8,814	113	(104)	8,823

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

Currently, the District pays a premium for fixed cost and the loss fund maximum to Deep East Texas, a guaranteed cost program within a workers' compensation self-insurance fund. Fixed costs are primarily affected by payroll; the loss costs, however, are determined by expected losses, which are determined primarily by historical loss experience. The fixed costs cover claims administration and loss control and are not recoverable by the District. Loss costs are only paid if the District experiences losses.

The District has other insurance coverage such as property, general liability, and automobile insurance. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years.

(15) Property Tax

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Property taxes attach an automatic enforceable lien on property the first day of January. The lien is removed if taxes are paid by February 1.

Exemptions include \$30,000 for over age 65 and \$20,000 for disabled persons in addition to Homestead and Veteran exemptions. If a person who is disabled or is sixty-five (65) years of age or older receives a residence homestead exemption, the total amount of ad valorem taxes imposed by the District may not be increased while it remains the residence homestead of that person or that person's spouse who is disabled or sixty-five (65) years of age or older and receives the residence homestead exemption on the homestead. This tax limitation cannot be repealed or rescinded.

At August 31,	<u>2013</u>	<u>2012</u>
Assessed Valuation of the District:	\$ 88,709,272,519	\$ 85,669,094,108
Less: Exemptions	(12,236,699,146)	(11,227,531,735)
Less: Abatements	<u>(691,185,275)</u>	<u>(848,567,679)</u>
Net Assessed Valuation of the District	75,781,388,098	73,592,994,694
Plus: Supplements through August 31	<u>9,815,828</u>	<u>4,020,811</u>
Adjusted Assessed Valuation	<u>\$ 75,791,203,926</u>	<u>\$ 73,597,015,505</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

Tax rates for the years ended August 31, 2013 and 2012, are as follows:

Per \$100 valuation:	FY 2013			FY 2012		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate (Maximum per enabling legislation)	\$0.080000	\$0.120000	\$0.200000	\$0.080000	\$0.120000	\$0.200000
Assessed Tax Rate	\$0.080000	\$0.006300	\$0.086300	\$0.080000	\$0.006300	\$0.086300

Taxes levied for the years ended August 31, 2013 and 2012, were \$66,737,544 and \$64,922,814, respectively, including any penalty and interest assessed.

	2013			2012		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$60,901,794	\$4,796,016	\$65,697,810	\$59,174,881	\$4,676,938	\$63,851,819
Delinquent Taxes Collected	633,149	49,861	683,010	534,795	42,115	576,910
Penalties & Interest Collected	<u>373,312</u>	<u>29,398</u>	<u>402,710</u>	<u>387,012</u>	<u>30,477</u>	<u>417,489</u>
Total Collections	<u>\$61,908,255</u>	<u>\$4,875,275</u>	<u>\$66,783,530</u>	<u>\$60,096,688</u>	<u>\$4,749,530</u>	<u>\$64,846,218</u>

The use of tax proceeds is restricted to either maintenance and operations or debt service expenditures. Current taxes collected for the years ended August 31, 2013 and 2012, were 98.44% and 98.35% of the current tax levy, respectively. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes with the offset recorded against ad valorem tax revenue. For the years ended August 31, 2013 and 2012, this adjustment was a decrease in ad valorem taxes totaling \$75,812 and \$88,014, respectively. Total Tax Increment Finance District funding net of collection costs for the years ended August 31, 2013 and 2012 was \$1,558,438 and \$1,431,401, respectively.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

(16) Operating Lease Commitments and Rental Agreements

The District had the following commitments for operating leases and rental agreements having initial or remaining non-cancelable terms in excess of one year:

<u>FY</u>	<u>At August 31, 2013</u>	<u>At August 31, 2012</u>
2013	\$ 0	\$ 309,484
2014	178,685	145,194
2015	89,597	50,462
2016	37,616	5,290
2017	27,804	0
2018	<u>17,957</u>	<u>0</u>
Total	<u>\$ 351,659</u>	<u>\$ 510,430</u>

Rent paid under operating leases totaled approximately \$474,900 and \$442,700 for the years ended August 31, 2013 and 2012, respectively. There are other operating leases for less than one year which are not included in the schedule above. No leases exceed the total number of years noted above.

(17) Postemployment Benefits Other than Pensions

The District contributes to the State Retiree Health Plan (SRHP), a cost-sharing, multiple-employer, defined benefit postemployment healthcare plan administered by the Employees Retirement System of Texas (ERS). SRHP provides medical benefits to retired employees of participating universities, community colleges, and state agencies in accordance with Chapter 1551, Texas Insurance Code. Benefit and contribution provisions of the SRHP are authorized by State law and may be amended by the Texas Legislature.

ERS issues a publicly available financial report that includes financial statements and required supplementary information for SRHP. That report may be obtained from ERS via their website at <http://www.ers.state.tx.us/>.

Section 1551.055 of Chapter 1551, Texas Insurance Code provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS board of trustees. Plan members or beneficiaries receiving benefits pay any premium over and above the employer contribution.

The employer's share of the cost of retiree healthcare coverage for the current year is known as the implicit rate subsidy. It is the difference between the claims costs for the retirees and the amounts contributed by the retirees. The ERS board of trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB statement 45.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

The employer contribution for the retiree medical insurance is funded by the State as an on-behalf contribution. The State's on-behalf contributions to SRHP for the years ended August 31, 2013, 2012, and 2011 were \$851,014, \$734,958, and \$584,318, respectively.

(18) Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the generally accepted accounting principles in the United States. Grant funds are considered to be earned when all eligibility requirements have been met and to the extent of expenses made under the provisions of the grant. Accordingly, when such funds are received in advance, they are recorded as unearned revenue until earned. Revenues recognized are presented on Exhibit 2 and Schedules A and C. Funds expended for federal and non-federal contract and grant awards, but not collected, are reported within accounts receivable on Exhibit 1 and in Note 13. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the basic financial statements. Contract and grant awards funds already committed, e.g. multi-year awards, or funds awarded during fiscal years ended August 31, 2013 and 2012 for which no expenses have been incurred totaled \$17,496,073 and \$20,732,327 respectively. These amounts consist of the following:

	<u>2013</u>	<u>2012</u>
Federal Contracts and Grant Awards	\$ 17,254,608	\$ 20,499,699
State Contracts and Grant Awards	<u>241,465</u>	<u>232,628</u>
Total	<u>\$ 17,496,073</u>	<u>\$ 20,732,327</u>

(19) New Accounting Pronouncements

GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Inflows of Resources, and Net Position*, is effective for periods beginning after December 15, 2011 and the District is adopting for the period ending August 31, 2013. It provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. GASB 63 also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2013 and 2012

related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

(20) Subsequent Events

No significant subsequent events have occurred since year ending August 31, 2013 through the issuance date of this report.

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Excellent Faculty Collaborate with
Regional Experts and Guest Chefs
Abita Turbodog
"It takes a teamwork between the staff and
regional chefs from across and a team
approach to complement the fine
dishes."



THECB Supplemental Schedules

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

THECB Supplemental Schedules

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Operating Revenues For the year ended August 31, 2013 (with comparative totals at August 31, 2012)

	<u>Unrestricted</u>	<u>Restricted</u>	Total		Total	
			<u>Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2013</u>	<u>2012</u>
Tuition						
State funded courses						
In-district resident tuition	\$ 10,209,309	\$ 0	\$ 10,209,309	\$ 0	\$ 10,209,309	\$ 9,582,487
Out-of-district resident tuition	7,659,397	0	7,659,397	0	7,659,397	6,944,936
TPEG Credit (set aside)*	930,237	0	930,237	0	930,237	851,230
Non-resident tuition	5,237,524	0	5,237,524	0	5,237,524	5,056,161
Continuing education	4,203,390	0	4,203,390	0	4,203,390	3,662,904
TPEG Non-Credit (set aside)*	269,321	0	269,321	0	269,321	237,840
Non-state funded continuing education	74,744	0	74,744	0	74,744	147,122
Total tuition	<u>28,583,922</u>	<u>0</u>	<u>28,583,922</u>	<u>0</u>	<u>28,583,922</u>	<u>26,482,680</u>
Fees						
Building fees	3,283,381	0	3,283,381	0	3,283,381	3,238,391
General fees	408,077	0	408,077	0	408,077	394,416
Student activity fee	0	0	0	547,228	547,228	539,730
Laboratory fee	398,629	0	398,629	0	398,629	402,174
Total fees	<u>4,090,087</u>	<u>0</u>	<u>4,090,087</u>	<u>547,228</u>	<u>4,637,315</u>	<u>4,574,711</u>
Scholarship allowances and discounts						
Remissions and exemptions	(847,057)	0	(847,057)	0	(847,057)	(685,437)
TPEG allowances	(200,614)	0	(200,614)	0	(200,614)	(319,819)
Federal grants to students	(5,444,378)	0	(5,444,378)	0	(5,444,378)	(6,115,689)
Other	(159,996)	0	(159,996)	0	(159,996)	(196,404)
Total scholarship allowances	<u>(6,652,045)</u>	<u>0</u>	<u>(6,652,045)</u>	<u>0</u>	<u>(6,652,045)</u>	<u>(7,317,349)</u>
Total net tuition and fees	<u>\$ 26,021,964</u>	<u>\$ 0</u>	<u>\$ 26,021,964</u>	<u>\$ 547,228</u>	<u>\$ 26,569,192</u>	<u>\$ 23,740,042</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Operating Revenues For the year ended August 31, 2013 (Continued) (with comparative totals at August 31, 2012)

	Unrestricted	Restricted	Total		Total	
			Educational Activities	Auxiliary Enterprises	2013	2012
Additional operating revenues						
Federal grants and contracts	\$ 58,631	\$ 6,008,889	\$ 6,067,520	\$ 0	\$ 6,067,520	\$ 2,087,054
State grants and contracts	327	628,126	628,453	0	628,453	807,249
Nongovernmental grants and contracts	0	0	0	0	0	6,939
Sales and services of educational activities	426,387	0	426,387	0	426,387	364,115
Other operating revenues	406,538	0	406,538	0	406,538	338,787
Total additional operating revenues	<u>891,883</u>	<u>6,637,015</u>	<u>7,528,898</u>	<u>0</u>	<u>7,528,898</u>	<u>3,604,144</u>
Auxiliary enterprises						
Bookstore (net of discount of \$343,491 and \$362,552 respectively)	0	0	0	8,569,499	8,569,499	9,013,902
Other auxiliary enterprises	0	0	0	1,048,276	1,048,276	1,009,227
Total net auxiliary enterprises	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,617,775</u>	<u>9,617,775</u>	<u>10,023,129</u>
 Total Operating Revenues	 <u>\$ 26,913,847</u>	 <u>\$ 6,637,015</u>	 <u>\$ 33,550,862</u>	 <u>\$ 10,165,003</u>	 <u>\$ 43,715,865</u> (Exhibit 2)	 <u>\$ 37,367,315</u> (Exhibit 2)

* In accordance with Education Code 56.033; \$1,199,558 was set aside for Texas Public Education Grants (TPEG).

See accompanying independent auditors' report.

Collin County Community College District

Schedule of Operating Expenses by Object

For the year ended August 31, 2013

(with comparative totals at August 31, 2012)

	Operating Expenses				Total	
	Salaries and Wages	Benefits		Other Expenses	2013	2012
		State	Local			
Unrestricted - educational activities						
Instruction	\$ 42,704,399	\$ 0	\$ 5,419,980	\$ 5,554,970	\$ 53,679,349	\$ 49,471,386
Public service	106,967	0	13,576	1,133	121,676	127,078
Academic support	6,484,678	0	823,026	1,408,525	8,716,229	8,515,161
Student services	6,549,601	0	831,266	881,379	8,262,246	7,700,817
Institutional support	7,366,236	0	934,912	5,585,176	13,886,324	13,161,600
Operation and maintenance of plant	3,151,437	0	520,387	9,885,238	13,557,062	11,802,975
Total unrestricted educational activities	66,363,318	0	8,543,147	23,316,421	98,222,886	90,779,017
Restricted - educational activities						
Instruction	5,000	2,984,060	393	10,851	3,000,304	2,847,634
Public service	216,290	7,475	41,297	173,804	438,866	434,360
Academic support	2,336,571	453,130	514,423	2,826,710	6,130,834	1,678,665
Student services	180,338	457,667	19,503	21,977	679,485	673,239
Institutional support	0	514,731	0	0	514,731	503,180
Operation and maintenance of plant	0	0	0	0	0	0
Scholarships	0	0	0	20,731,109	20,731,109	22,207,900
Total restricted educational activities	2,738,199	4,417,063	575,616	23,764,451	31,495,329	28,344,978
Total educational activities	69,101,517	4,417,063	9,118,763	47,080,872	129,718,215	119,123,995
Auxiliary enterprises	1,105,414	0	177,399	8,766,013	10,048,826	10,032,534
Depreciation expense - buildings and other real estate improvements	0	0	0	5,329,929	5,329,929	4,597,024
Depreciation expense - equipment and furniture	0	0	0	1,985,620	1,985,620	2,193,136
Total operating expenses	\$ 70,206,931	\$ 4,417,063	\$ 9,296,162	\$ 63,162,434	\$ 147,082,590	\$ 135,946,689
				(Exhibit 2)	(Exhibit 2)	

See accompanying independent auditors' report.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Non-Operating Revenues and Expenses
For the year ended August 31, 2013
(with comparative totals at August 31, 2012)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary enterprises</u>	<u>2013</u>	<u>Totals 2012</u>
NON-OPERATING REVENUES:					
State appropriations					
Education and general state support	\$ 31,087,895	\$ 0	\$ 0	\$ 31,087,895	\$ 30,210,041
State group insurance	0	2,535,631	0	2,535,631	2,405,301
State retirement matching	0	1,881,432	0	1,881,432	1,801,371
Total state appropriations	<u>31,087,895</u>	<u>4,417,063</u>	<u>0</u>	<u>35,504,958</u>	<u>34,416,713</u>
Maintenance ad valorem taxes	60,394,776	4,754,504	0	65,149,280	63,326,803
Federal contracts and grants	227,531	25,104,645	0	25,332,176	27,115,496
Gifts	49,005	0	0	49,005	6,798
Investment income (net of investment expenses)	238,855	0	0	238,855	239,901
Other non-operating revenues	<u>198,900</u>	<u>0</u>	<u>0</u>	<u>198,900</u>	<u>543,862</u>
Total non-operating revenues	<u>61,109,067</u>	<u>29,859,149</u>	<u>0</u>	<u>90,968,216</u>	<u>91,232,860</u>
NON-OPERATING EXPENSES:					
Interest on capital related debt	<u>0</u>	<u>(1,797,093)</u>	<u>0</u>	<u>(1,797,093)</u>	<u>(1,929,155)</u>
Total non-operating expenses	<u>0</u>	<u>(1,797,093)</u>	<u>0</u>	<u>(1,797,093)</u>	<u>(1,929,155)</u>
Net non-operating revenues	<u>\$ 92,196,962</u>	<u>\$ 32,479,119</u>	<u>\$ 0</u>	<u>\$ 124,676,081</u>	<u>\$ 123,720,418</u>
				(Exhibit 2)	(Exhibit 2)

See accompanying independent auditors' report.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Net Position by Source and Availability
As of August 31, 2013
(with comparative totals at August 31, 2012)

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted:							
Unreserved							
Undesignated	\$ 51,116,462	\$ 0	\$ 0	\$ 0	\$ 51,116,462	\$ 51,116,462	\$ 0
Board designated - Stabilization of maintenance and operations	24,750,000	0	0	0	24,750,000	0	24,750,000
Board designated - Insurance deductibles	100,000	0	0	0	100,000	0	100,000
Board designated - Health Reserve	30,000,000	0	0	0	30,000,000	0	30,000,000
Reserved							
Encumbrances	419,566	0	0	0	419,566	419,566	0
Accounts receivable	7,896,806	0	0	0	7,896,806	7,896,805	0
Prepaid expenses	512,578	0	0	0	512,578	512,578	0
Restricted:							
Student aid	0	448,942	0	0	448,942	0	448,942
Instructional programs	0	39,917	0	0	39,917	0	39,917
Auxiliary enterprises	6,108,097	0	0	0	6,108,097	6,108,097	0
Quasi-Endowment	1,580,773	0	0	0	1,580,773	1,580,773	0
Loans	0	21,481	0	0	21,481	0	21,481
Plant:							
Unexpended	96,414,719	0	0	0	96,414,719	0	96,414,719
Debt service	0	3,431,394	0	0	3,431,394	0	3,431,394
Investment in plant	0	0	0	216,482,469	216,482,469	0	216,482,469
Total net position - August 31, 2013	218,899,001	3,941,734	0	216,482,469	439,323,204 (Exhibit 1)	67,634,281	371,688,922
Total net position - August 31, 2012	204,678,278	3,402,218	0	209,933,352	418,013,848 (Exhibit 1)	62,415,813	355,598,035
Net increase in net position	\$ 14,220,723	\$ 539,516	\$ 0	\$ 6,549,117	\$ 21,309,356 (Exhibit 2)	\$ 5,218,468	\$ 16,090,887

Note: Board policy requires that the District maintain a minimum net position equal to 25% of educational expenses adjusted for reserves and allocations. For the years ended August 31, 2013 and August 31, 2012, the minimum required unrestricted net position was \$29,470,551 and \$29,169,535, respectively. This amount is included as part of the undesignated balance.

See accompanying independent auditors' report.



Statistical



Statistical Section

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Statistical Tables

These statistical tables provide selected financial and demographic information. The statistical tables are for informational purposes only and are not audited.

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**Statistical Section
(unaudited)**

Tables in the statistical section present detailed information as a context for understanding what the information contained in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the District.

Financial Trends- Statistical Supplements 1-3, pages 75-79

These supplements contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity- Statistical Supplements 4-8, pages 80-87

These supplements contain information to help the reader assess the District's significant revenue sources.

Debt Capacity- Statistical Supplements 9-11, pages 88-93

These supplements present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt as needed in the future.

Demographic and Economic Information- Statistical Supplements 12-13, pages 94-95

These supplements offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information- Statistical Supplements 14-18, pages 96-102

These supplements contain employment, enrollment and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Net Position by Component

Fiscal Years 2004 to 2013

(unaudited)

	For the Fiscal Year Ended August 31,				
	2013	2012	2011	2010	2009
Invested in capital assets, net of related debt	\$ 216,482,469	\$ 209,933,352	\$ 188,707,425	\$ 170,630,995	\$ 154,294,591
Restricted - expendable	3,941,734	3,402,218	3,511,310	3,285,217	3,111,119
Unrestricted	218,899,001	204,678,278	200,654,069	195,298,234	183,091,871
Total Net Position	<u>\$ 439,323,204</u>	<u>\$ 418,013,848</u>	<u>\$ 392,872,804</u>	<u>\$ 369,214,446</u>	<u>\$ 340,497,581</u>
Total Change in Net Position	<u>\$ 21,309,356</u>	<u>\$ 25,141,044</u>	<u>\$ 23,658,358</u>	<u>\$ 28,716,865</u>	<u>\$ 68,012,824</u>

	For the Fiscal Year Ended August 31,				
	2008	2007	2006	2005	2004
Invested in capital assets, net of related debt	\$ 108,769,751	\$ 85,151,890	\$ 88,104,269	\$ 83,734,597	\$ 80,846,543
Restricted - expendable	2,878,393	5,245,704	4,065,409	4,094,095	3,767,062
Unrestricted	197,414,131	182,087,163	137,683,182	110,978,913	86,851,854
Total Net Position	<u>\$ 309,062,275</u>	<u>\$ 272,484,757</u>	<u>\$ 229,852,860</u>	<u>\$ 198,807,605</u>	<u>\$ 171,465,459</u>
Total Change in Net Position	<u>\$ 36,577,518</u>	<u>\$ 42,631,897</u>	<u>\$ 31,045,255</u>	<u>\$ 27,342,146</u>	<u>\$ 26,151,334</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Revenues by Source
Fiscal Years 2004 to 2013
(unaudited)**

For the Fiscal Year Ended August 31,

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tuition and Fees (Net of Discounts)	\$26,569,192	\$23,740,042	\$24,395,778	\$24,934,426	\$22,498,442
Governmental Grants and Contracts					
Federal Grants and Contracts	6,067,520	2,087,054	1,204,670	1,676,112	1,066,775
State Grants and Contracts	628,453	807,249	1,670,769	1,434,709	943,864
Non-Governmental Grants and Contracts	0	6,939	4,817	12,593	9,240
Sales & Services of Educational Activities	426,387	364,115	379,229	352,891	313,790
Auxiliary Enterprises	9,617,775	10,023,129	10,131,837	9,417,923	8,403,605
Other Operating Revenues	406,538	338,787	209,032	159,378	93,012
Total Operating Revenues	<u>43,715,865</u>	<u>37,367,315</u>	<u>37,996,132</u>	<u>37,988,032</u>	<u>33,328,728</u>
State Appropriations	35,504,958	34,416,713	36,545,683	36,806,088	34,736,692
Ad Valorem Taxes	65,149,280	63,326,803	61,837,754	62,548,821	62,453,402
Federal Grants and Contracts	25,332,176	27,115,496	23,786,051	17,158,787	8,071,608
Gifts	49,005	6,798	0	2,675,000	2,904,466
Investment Income	238,855	239,901	289,044	403,036	2,412,354
Other Non-Operating Revenues	198,900	543,862	341,504	248,680	191,463
Total Non-Operating Revenues	<u>126,473,174</u>	<u>125,649,573</u>	<u>122,800,036</u>	<u>119,840,412</u>	<u>110,769,985</u>
Total Revenues	<u>\$170,189,039</u>	<u>\$163,016,888</u>	<u>\$160,796,168</u>	<u>\$157,828,444</u>	<u>\$144,098,713</u>

For the Fiscal Year Ended August 31,

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tuition and Fees (Net of Discounts)	15.61%	14.56%	15.17%	15.80%	15.61%
Governmental Grants and Contracts					
Federal Grants and Contracts	3.57%	1.28%	0.75%	1.06%	0.74%
State Grants and Contracts	0.37%	0.50%	1.04%	0.91%	0.66%
Non-Governmental Grants and Contracts	0.00%	0.00%	0.00%	0.01%	0.01%
Sales & Services of Educational Activities	0.25%	0.22%	0.24%	0.22%	0.22%
Auxiliary Enterprises	5.65%	6.15%	6.30%	5.97%	5.83%
Other Operating Revenues	0.24%	0.21%	0.13%	0.10%	0.06%
Total Operating Revenues	<u>25.69%</u>	<u>22.92%</u>	<u>23.63%</u>	<u>24.07%</u>	<u>23.13%</u>
State Appropriations	20.86%	21.11%	22.73%	23.32%	24.11%
Ad Valorem Taxes	38.28%	38.86%	38.46%	39.63%	43.34%
Federal Grants and Contracts	14.88%	16.63%	14.79%	10.87%	5.60%
Gifts	0.03%	0.00%	0.00%	1.69%	2.02%
Investment Income	0.14%	0.15%	0.18%	0.26%	1.67%
Other Non-Operating Revenues	0.12%	0.33%	0.21%	0.16%	0.13%
Total Non-Operating Revenues	<u>74.31%</u>	<u>77.08%</u>	<u>76.37%</u>	<u>75.93%</u>	<u>76.87%</u>
Total Revenues	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Statistical Supplement 2

Revenues by Source
Fiscal Years 2004 to 2013
(unaudited)

For the Fiscal Year Ended August 31,

	2008	2007	2006	2005	2004
Tuition and Fees (Net of Discounts)	\$19,489,224	\$18,277,273	\$17,035,800	\$16,296,743	\$15,168,539
Governmental Grants and Contracts					
Federal Grants and Contracts	873,556	1,072,664	1,152,523	1,452,012	1,128,790
State Grants and Contracts	687,929	389,576	557,477	529,951	606,988
Non-Governmental Grants and Contracts	23,991	11,862	20,925	16,849	41,456
Sales & Services of Educational Activities	302,878	274,927	258,971	297,877	294,077
Auxiliary Enterprises	7,683,019	8,355,599	6,974,235	6,597,576	6,199,364
Other Operating Revenues	214,742	235,532	207,392	143,571	261,396
Total Operating Revenues	29,275,339	28,617,433	26,207,323	25,334,579	23,700,610
State Appropriations	34,531,169	30,348,597	30,034,523	26,323,004	26,304,599
Ad Valorem Taxes	59,342,814	54,007,568	49,784,859	47,034,008	45,778,327
Federal Grants and Contracts	5,969,004	5,109,697	5,206,232	4,517,215	4,408,555
Gifts	75,503	324,320	250,430	1,006,634	56,525
Investment Income	7,255,898	10,034,876	6,946,868	3,040,550	1,279,558
Other Non-Operating Revenues	165,902	7,560,259	1,100,000	0	0
Total Non-Operating Revenues	107,340,290	107,385,317	93,322,912	81,921,411	77,827,564
Total Revenues	\$136,615,629	\$136,002,750	\$119,530,235	\$107,255,990	\$101,528,174

For the Fiscal Year Ended August 31,

	2008	2007	2006	2005	2004
Tuition and Fees (Net of Discounts)	14.27%	13.44%	14.25%	15.19%	14.94%
Governmental Grants and Contracts					
Federal Grants and Contracts	0.64%	0.79%	0.96%	1.35%	1.11%
State Grants and Contracts	0.50%	0.29%	0.47%	0.49%	0.60%
Non-Governmental Grants and Contracts	0.02%	0.01%	0.02%	0.02%	0.04%
Sales & Services of Educational Activities	0.22%	0.20%	0.22%	0.28%	0.29%
Auxiliary Enterprises	5.62%	6.14%	5.83%	6.15%	6.11%
Other Operating Revenues	0.16%	0.17%	0.17%	0.13%	0.26%
Total Operating Revenues	21.43%	21.04%	21.92%	23.61%	23.35%
State Appropriations	25.28%	22.31%	25.13%	24.54%	25.91%
Ad Valorem Taxes	43.43%	39.71%	41.65%	43.87%	45.08%
Federal Grants and Contracts	4.37%	3.76%	4.36%	4.21%	4.34%
Gifts	0.06%	0.24%	0.21%	0.94%	0.06%
Investment Income	5.31%	7.38%	5.81%	2.83%	1.26%
Other Non-Operating Revenues	0.12%	5.56%	0.92%	0.00%	0.00%
Total Non-Operating Revenues	78.57%	78.96%	78.08%	76.39%	76.65%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Program Expenses by Function
Fiscal Years 2004 to 2013
(unaudited)**

For the Fiscal Year Ended August 31,

	2013	2012	2011	2010	2009
Instruction	\$ 56,679,653	\$ 52,319,020	\$ 54,534,791	\$ 51,489,934	\$ 48,239,642
Public Service	560,542	561,438	888,626	493,288	502,870
Academic Support	14,847,063	10,193,826	9,542,089	9,398,653	10,968,150
Student Services	8,941,731	8,374,056	8,640,882	8,754,737	8,164,472
Institutional Support	14,401,055	13,664,780	13,455,591	12,738,632	11,402,452
Operation and Maintenance of Plant	13,557,062	11,802,975	11,415,758	12,844,813	9,799,019
Scholarships and Fellowships	20,731,109	22,207,900	19,943,709	15,152,414	6,839,746
Auxiliary Enterprises	10,048,826	10,032,534	10,124,598	9,448,349	8,687,861
Depreciation	7,315,549	6,790,160	6,737,301	6,404,053	5,614,898
Total Operating Expenses	147,082,590	135,946,689	135,283,345	126,724,873	110,219,110
Interest on Capital Related Debt	1,797,093	1,929,155	1,854,465	2,386,706	2,444,297
Loss on Disposal of Fixed Assets	0	0	0	1,125	8,537
Total Non-Operating Expenses	1,797,093	1,929,155	1,854,465	2,387,831	2,452,834
Total Expenses	\$ 148,879,683	\$ 137,875,844	\$ 137,137,810	\$ 129,112,704	\$ 112,671,944

For the Fiscal Year Ended August 31,

	2013	2012	2011	2010	2009
Instruction	38.07%	37.95%	39.78%	39.87%	42.81%
Public Service	0.38%	0.41%	0.65%	0.38%	0.45%
Academic Support	9.97%	7.39%	6.96%	7.28%	9.73%
Student Services	6.01%	6.07%	6.30%	6.78%	7.25%
Institutional Support	9.67%	9.91%	9.81%	9.87%	10.12%
Operation and Maintenance of Plant	9.11%	8.56%	8.32%	9.95%	8.70%
Scholarships and Fellowships	13.92%	16.11%	14.54%	11.74%	6.07%
Auxiliary Enterprises	6.75%	7.28%	7.38%	7.32%	7.71%
Depreciation	4.91%	4.92%	4.91%	4.96%	4.98%
Total Operating Expenses	98.79%	98.60%	98.65%	98.15%	97.82%
Interest on Capital Related Debt	1.21%	1.40%	1.35%	1.85%	2.17%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.00%	0.00%	0.01%
Total Non-Operating Expenses	1.21%	1.40%	1.35%	1.85%	2.18%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

Statistical Supplement 3

Program Expenses by Function
Fiscal Years 2004 to 2013
(unaudited)

For the Fiscal Year Ended August 31,

	2008	2007	2006	2005	2004
Instruction	\$ 42,794,701	\$ 39,935,069	\$ 35,980,980	\$ 32,131,290	\$ 30,472,608
Public Service	454,130	621,999	753,826	899,261	904,225
Academic Support	8,453,432	7,664,703	7,395,302	8,272,392	6,771,931
Student Services	7,842,678	7,123,789	6,534,106	6,313,181	5,976,613
Institutional Support	11,146,898	10,753,717	11,043,141	10,183,764	9,247,880
Operation and Maintenance of Plant	9,526,095	8,531,481	8,801,289	6,004,515	6,711,496
Scholarships and Fellowships	4,226,017	3,298,728	3,508,836	3,101,749	2,783,769
Auxiliary Enterprises	8,008,239	8,343,012	7,068,053	6,744,883	6,349,890
Depreciation	5,066,598	4,292,962	4,454,986	3,775,806	3,169,504
Total Operating Expenses	97,518,788	90,565,460	85,540,519	77,426,841	72,387,916
Interest on Capital Related Debt	2,519,323	2,805,393	2,922,248	2,332,489	2,636,385
Loss on Disposal of Fixed Assets	0	0	22,213	154,514	352,539
Total Non-Operating Expenses	2,519,323	2,805,393	2,944,461	2,487,003	2,988,924
Total Expenses	\$ 100,038,111	\$ 93,370,853	\$ 88,484,980	\$ 79,913,844	\$ 75,376,840

For the Fiscal Year Ended August 31,

	2008	2007	2006	2005	2004
Instruction	42.79%	42.76%	40.66%	40.22%	40.44%
Public Service	0.45%	0.67%	0.85%	1.13%	1.20%
Academic Support	8.45%	8.21%	8.36%	10.35%	8.98%
Student Services	7.84%	7.63%	7.38%	7.90%	7.93%
Institutional Support	11.14%	11.52%	12.48%	12.74%	12.27%
Operation and Maintenance of Plant	9.52%	9.14%	9.95%	7.51%	8.90%
Scholarships and Fellowships	4.22%	3.53%	3.97%	3.88%	3.69%
Auxiliary Enterprises	8.01%	8.94%	7.99%	8.44%	8.42%
Depreciation	5.06%	4.60%	5.03%	4.72%	4.20%
Total Operating Expenses	97.48%	97.00%	96.67%	96.89%	96.03%
Interest on Capital Related Debt	2.52%	3.00%	3.30%	2.92%	3.50%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.03%	0.19%	0.47%
Total Non-Operating Expenses	2.52%	3.00%	3.33%	3.11%	3.97%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Tuition and Fees
Last Ten Academic Years
(unaudited)**

Resident Fees per Semester Credit Hour (SCH)											
Academic Year (Fall)	Student ID Fee (per student)	Records Fee (per student)	Tuition		Building Use Fee (per hour)	Student Activity Fee (per hour)	Cost for 12 SCH		Increase from Prior Year		
			In-District	Out-of-District			In-District	Out-of-District	In-District	Out-of-District	
2012	\$0	\$2	\$27	\$61	\$6	\$1	\$410	\$818	0.0%	0.0%	
2011	0	2	27	61	6	1	410	818	0.0%	11.4%	
2010	0	2	27	54	6	1	410	734	-8.1%	0.0%	
2009	0	2	27	51	9	1	446	734	-0.4%	19.2%	
2008	2	2	27	41	9	1	448	616	0.0%	8.5%	
2007	2	2	27	37	9	1	448	568	0.0%	4.4%	
2006	2	2	27	35	9	1	448	544	0.0%	4.6%	
2005	2	2	27	33	9	1	448	520	5.7%	4.8%	
2004	2	2	25	31	9	1	424	496	6.0%	5.1%	
2003	2	2	23	29	9	1	400	472	6.4%	0.0%	

Non-Resident Fees per Semester Credit Hour (SCH)											
Academic Year (Fall)	Student ID Fee (per student)	Records Fee (per student)	Tuition		Building Use Fee (per hour)	Student Activity Fee (per hour)	Cost for 12 SCH		Increase from Prior Year		
			Out of State	International			In-District	Out-of-District	In-District	Out-of-District	
2012	\$0	\$2	\$111	\$111	\$6	\$1	\$1,418	\$1,418	-4.1%	-4.1%	
2011	0	2	116	116	6	1	1,478	1,478	6.0%	6.0%	
2010	0	2	109	109	6	1	1,394	1,394	0.0%	0.0%	
2009	0	2	106	106	9	1	1,394	1,394	9.2%	9.2%	
2008	2	2	96	96	9	1	1,276	1,276	6.0%	6.0%	
2007	2	2	90	90	9	1	1,204	1,204	4.2%	4.2%	
2006	2	2	86	86	9	1	1,156	1,156	6.6%	6.6%	
2005	2	2	80	80	9	1	1,084	1,084	2.3%	2.3%	
2004	2	2	78	78	9	1	1,060	1,060	2.3%	2.3%	
2003	2	2	76	76	9	1	1,036	1,036	16.1%	16.1%	

Note: Includes basic enrollment tuition and fees, but excludes course based fees such as laboratory, testing, and certification fees. The Board of Trustees approved a \$3 per credit hour increase for in-county tuition beginning in the Spring of 2013 and a \$5 per credit hour increase for out-of-state and out-of-country students.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	Assessed Valuation of Property	Less: Exemptions / Abatements	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2012-13	\$88,709,272,519	\$12,927,884,421	\$75,781,388,098	85.43%	0.080000	0.006300	0.086300
2011-12	85,669,094,108	12,076,099,414	73,592,994,694	85.90%	0.080000	0.006300	0.086300
2010-11	85,119,964,782	11,932,594,330	73,187,370,452	85.98%	0.080000	0.006300	0.086300
2009-10	85,047,894,779	12,243,373,030	72,804,521,749	85.60%	0.080000	0.006300	0.086300
2008-09	84,577,368,984	12,464,189,034	72,113,179,950	85.26%	0.080000	0.006493	0.086493
2007-08	80,761,165,342	12,045,524,959	68,715,640,383	85.09%	0.080000	0.006984	0.086984
2006-07	72,611,550,902	10,599,692,156	62,011,858,746	85.40%	0.080000	0.007683	0.087683
2005-06	65,033,720,014	8,771,690,622	56,262,029,392	86.51%	0.080000	0.009422	0.089422
2004-05	60,503,212,557	8,231,934,419	52,271,278,138	86.39%	0.080000	0.010646	0.090646
2003-04	56,801,677,128	7,615,545,714	49,186,131,414	86.59%	0.080000	0.011932	0.091932

Source: Collin County Central Appraisal District
 Note: Property is assessed at full market value.
 (a) per \$100 Taxable Assessed Valuation

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**State Appropriation per FTSE and Contact Hour
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour			State Appropriation per Contact Hour
		FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (a,b)	Total Contact Hours	
2012-13	\$35,504,958	18,007	\$1,972	9,377,528	2,032,408	11,409,936	\$3.11
2011-12	\$34,416,713	17,471	\$1,970	9,300,792	1,902,860	11,203,652	\$3.07
2010-11	36,545,683	17,661	2,069	9,383,992	1,803,113	11,187,105	\$3.27
2009-10	36,806,088	17,143	2,147	8,979,768	1,832,395	10,812,163	3.40
2008-09	34,736,692	14,749	2,355	7,806,584	1,583,558	9,390,142	3.70
2007-08	34,531,169	13,741	2,513	7,347,024	1,507,665	8,854,689	3.90
2006-07	30,348,597	12,960	2,342	6,804,144	1,479,300	8,283,444	3.66
2005-06	30,034,523	12,253	2,451	6,503,995	1,455,764	7,959,759	3.77
2004-05	26,323,004	11,829	2,225	6,247,036	1,473,108	7,720,144	3.41
2003-04	26,304,599	11,392	2,309	5,931,820	1,550,337	7,482,157	3.52

(a) Source CBM001
(b) Source CBM00A

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Principal Taxpayers
Last Ten Tax Years
(unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2013	2012	2011	2010	2009
Alcatel USA	Commercial					
AT&T Mobility LLC	Telephone Utility	137,198,694	150,721,071		132,990,356	107,715,878
Bank of America	Commercial	321,486,177	132,676,129	141,863,601		
Briar Preston Ridge Shop. Ctr.	Commercial		118,250,000	116,000,000	125,000,000	126,955,751
Cisco Systems	Commercial	163,098,708	171,484,217			
Countrywide Home Loans Inc	Commercial					
Coventry II DDR	Commercial			121,100,000	111,700,000	133,138,544
Digital Switch Corp	Manufacturer					
EDS Information Services LLC	Commercial					
Electronic Data Systems Corp	Computer Center					134,919,916
EMC Corp	Commercial	135,149,181		126,362,835		
General Telephone of the SW	Telephone Utility					
Health Care Service Corporation	Commercial	209,172,377	208,172,377	251,131,329		
IBM Credit	Commercial	135,149,181			127,971,038	118,976,125
JC Penney Co. Inc.	Commercial	164,974,971	163,195,767	159,971,610	161,877,423	166,407,858
KDC-Galatyn Investments LLP	Commercial				237,172,377	
Legacy Campus LP	Commercial		152,500,000	148,990,000		
Oncor/TXU/Lone Star Gas	Public Utility	495,218,356	461,211,196	451,374,380	439,174,980	449,097,946
Southwestern Bell/SBC	Telephone Utility					117,082,347
Stonebriar Mall Ltd. Partnership	Commercial	239,971,384	232,137,734	226,514,276	221,706,370	221,339,975
Tenet Frisco LTD	Commercial					
Texas Instruments, Inc	Manufacturer					
United Dominion Realty LP	Commercial					
Village at Allen LP	Commercial	142,468,550	136,534,873	139,937,198	113,881,870	
Willow Bend Shopping Center	Commercial				110,000,000	116,500,000
Totals		2,143,887,579	1,926,883,364	1,883,245,229	1,781,474,414	1,692,134,340
Total Taxable Assessed Value		\$ 75,781,388,098	\$ 73,592,994,694	\$ 73,187,370,452	\$ 72,804,521,749	\$ 72,113,179,950

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2013	2012	2011	2010	2009
Alcatel USA	Commercial					
AT&T Mobility LLC	Telephone Utility	0.18%	0.20%		0.18%	0.15%
Bank of America	Commercial	0.42%	0.18%	0.19%		
Briar Preston Ridge Shop. Ctr.	Commercial		0.16%	0.16%	0.17%	0.18%
Cisco Systems	Commercial	0.22%	0.23%			
Countrywide Home Loans Inc	Commercial					
Coventry II DDR	Commercial			0.17%	0.15%	0.18%
Digital Switch Corp	Manufacturer					
EDS Information Services LLC	Commercial					
Electronic Data Systems Corp	Computer Center					0.19%
EMC Corp	Commercial	0.18%		0.17%		
General Telephone of the SW	Telephone Utility					
Health Care Service Corporation	Commercial	0.28%	0.28%	0.34%		
IBM Credit	Commercial	0.18%			0.18%	0.16%
JC Penney Co. Inc.	Commercial	0.22%	0.22%	0.22%	0.22%	0.23%
KDC-Galatyn Investments LLP	Commercial				0.33%	
Legacy Campus LP	Commercial		0.21%	0.20%		
Oncor/TXU/Lone Star Gas	Public Utility	0.65%	0.63%	0.62%	0.60%	0.62%
Southwestern Bell/SBC	Telephone Utility					0.16%
Stonebriar Mall Ltd. Partnership	Commercial	0.32%	0.32%	0.31%	0.30%	0.31%
Tenet Frisco LTD	Commercial					
Texas Instruments, Inc	Manufacturer					
United Dominion Realty LP	Commercial					
Village at Allen LP	Commercial	0.19%	0.19%	0.19%	0.16%	
Willow Bend Shopping Center	Commercial				0.15%	0.16%
Totals		2.83%	2.62%	2.57%	2.45%	2.36%

Source: Tax Assessor/Collector of Collin County

**Principal Taxpayers
Last Ten Years
(unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV)				
		2008	2007	2006	2005	2004
Alcatel USA	Commercial			116,857,023	141,425,066	99,641,880
AT&T Mobility LLC	Telephone Utility					
Bank of America	Commercial					
Briar Preston Ridge Shop. Ctr.	Commercial	124,500,000	121,547,370	109,005,094	106,000,000	124,377,167
Cisco Systems	Commercial					104,199,403
Countrywide Home Loans Inc	Commercial	111,297,882				
Coventry II DDR	Commercial					
Digital Switch Corp	Manufacturer					109,082,760
EDS Information Services LLC	Commercial				112,747,868	
Electronic Data Systems Corp	Computer Center	140,996,529	138,310,883	134,115,136	134,832,418	306,513,439
EMC Corp	Commercial					
General Telephone of the SW	Telephone Utility	108,684,240				
Health Care Service Corporation	Commercial					
IBM Credit	Commercial					
JC Penney Co. Inc.	Commercial	171,255,476	169,035,192	163,853,668	162,976,760	222,671,857
KDC-Galatyn Investments LLP	Commercial					
Legacy Campus LP	Commercial		100,000,000			
Oncor/TXU/Lone Star Gas	Public Utility	465,330,568	444,233,857	448,001,719	430,799,408	440,740,734
Southwestern Bell/SBC	Telephone Utility	131,758,930	142,582,790	134,742,940	131,985,690	182,099,531
Stonebriar Mall Ltd. Partnership	Commercial	221,339,975	209,537,242	199,407,047	204,696,624	189,907,788
Tenet Frisco LTD	Commercial		98,758,617	108,855,385	92,529,664	
Texas Instruments, Inc	Manufacturer		99,132,100	304,177,822		
United Dominion Realty LP	Commercial	113,285,714				
Village at Allen LP	Commercial					
Willow Bend Shopping Center	Commercial	127,374,433	127,000,000	120,000,004	115,539,989	107,652,858
Totals		1,715,823,747	1,650,138,051	1,839,015,838	1,633,533,487	1,886,887,417
Total Taxable Assessed Value		\$ 68,715,640,383	\$ 62,011,858,746	\$ 56,262,029,392	\$ 52,271,278,138	\$ 49,186,131,414

Taxpayer	Business	Taxable Assessed Value (TAV) by Tax Year				
		2008	2007	2006	2005	2004
Alcatel USA	Commercial			0.21%	0.27%	0.20%
AT&T Mobility LLC	Telephone Utility					
Bank of America	Commercial					
Briar Preston Ridge Shop. Ctr.	Commercial	0.18%	0.20%	0.19%	0.20%	0.25%
Cisco Systems	Commercial					0.21%
Countrywide Home Loans Inc	Commercial	0.16%				
Coventry II DDR	Commercial					
Digital Switch Corp	Manufacturer					0.22%
EDS Information Services LLC	Commercial				0.22%	
Electronic Data Systems Corp	Computer Center	0.21%	0.22%	0.24%	0.26%	0.62%
EMC Corp	Commercial					
General Telephone of the SW	Telephone Utility	0.16%				
Health Care Service Corporation	Commercial					
IBM Credit	Commercial					
JC Penney Co. Inc.	Commercial	0.25%	0.27%	0.29%	0.31%	0.45%
KDC-Galatyn Investments LLP	Commercial					
Legacy Campus LP	Commercial		0.16%			
Oncor/TXU/Lone Star Gas	Public Utility	0.68%	0.72%	0.80%	0.82%	0.90%
Southwestern Bell/SBC	Telephone Utility	0.19%	0.23%	0.24%	0.25%	0.37%
Stonebriar Mall Ltd. Partnership	Commercial	0.32%	0.34%	0.35%	0.39%	0.39%
Tenet Frisco LTD	Commercial		0.16%	0.19%	0.18%	
Texas Instruments, Inc	Manufacturer		0.16%	0.54%		
United Dominion Realty LP	Commercial	0.16%				
Village at Allen LP	Commercial					
Willow Bend Shopping Center	Commercial	0.19%	0.20%	0.21%	0.22%	0.22%
Totals		2.49%	2.66%	3.27%	3.13%	3.85%

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Property Tax Levies and Collections
Last Ten Tax Years
(unaudited)
(amounts expressed in thousands)**

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections Year of Levy (c)	Percentage	Prior Collections Prior Levies (d)	Current Collections Prior Levies (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
2013	\$66,738	691	67,429	\$66,380	98.44%	\$118	\$582	\$67,080	99.48%
2012	64,923	585	65,508	64,428	98.35%	0	671	65,099	99.38%
2011	63,659	(617)	63,042	62,553	99.22%	0	489	63,042	100.00%
2010	64,509	(568)	63,941	63,378	99.12%	0	563	63,941	100.00%
2009	64,397	(953)	63,444	62,909	99.16%	530	8	63,447	100.00%
2008	60,873	(69)	60,804	60,265	99.11%	541	1	60,807	100.00%
2007	54,846	305	55,151	54,058	98.02%	1,094	1	55,153	100.00%
2006	50,866	150	51,016	50,057	98.12%	957	4	51,018	100.00%
2005	47,802	(37)	47,765	47,260	98.94%	n/a	3	n/a	n/a
2004	45,713	n/a	45,713	45,079	98.61%	n/a	2	n/a	n/a

Source:

- (a) As reported in notes to the financial statement for the year of the levy.
- (b) As of August 31st of the current reporting year.
- (c) Property tax only - does not include penalties and interest.
- (d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.
- (e) Represents current year collections of prior years levies.

Total Collections = C + D + E

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)**

	For the Year Ended August 31,				
	2013	2012	2011	2010	2009
General Bonded Debt					
General Obligation Bonds	\$ 37,694,245	\$ 40,467,768	\$ 43,111,290	\$ 45,980,000	\$ 48,345,000
Less: Funds restricted for debt service	(3,755,162)	(3,375,209)	(3,009,581)	(2,880,577)	(2,686,501)
Net General Bonded Debt	<u>33,939,083</u>	<u>37,092,559</u>	<u>40,101,709</u>	<u>43,099,423</u>	<u>45,658,499</u>
Other Debt					
Revenue Bonds	5,165,000	6,110,000	7,025,000	7,915,000	8,775,000
Less: Funds restricted for debt service	0	0	0	0	0
Net Revenue Bonds	<u>5,165,000</u>	<u>6,110,000</u>	<u>7,025,000</u>	<u>7,915,000</u>	<u>8,775,000</u>
Total Outstanding Debt	<u>\$ 39,104,083</u>	<u>\$ 43,202,559</u>	<u>\$ 47,126,709</u>	<u>\$ 51,014,423</u>	<u>\$ 54,433,499</u>
General Bonded Debt Ratios					
Per Capita	40.66	46.11	50.62	54.66	59.72
Per FTSE	1,885	2,123	2,271	2,514	3,096
As a percentage of Taxable Assessed Value	0.04%	0.05%	0.05%	0.06%	0.06%
Total Outstanding Debt Ratios					
Per Capita	46.85	53.71	59.49	64.70	71.20
Per FTSE	2,172	2,473	2,668	2,976	3,691
As a percentage of Taxable Assessed Value	0.05%	0.06%	0.06%	0.07%	0.08%

Statistical Supplement 9

**Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)**

For the Year Ended August 31,				
2008	2007	2006	2005	2004
\$ 50,595,000	\$ 52,745,000	\$54,315,000	\$39,225,000	\$42,698,564
(2,324,904)	(1,962,274)	1,481,080	857,256	857,256
<u>48,270,096</u>	<u>50,782,726</u>	<u>55,796,080</u>	<u>40,082,256</u>	<u>43,555,820</u>
9,610,000	13,511,860	14,312,547	15,083,235	16,263,923
0	(2,826,857)	(2,684,573)	(2,566,666)	(2,586,351)
<u>9,610,000</u>	<u>10,685,003</u>	<u>11,627,974</u>	<u>12,516,569</u>	<u>13,677,572</u>
<u>\$ 57,880,096</u>	<u>\$ 61,467,729</u>	<u>\$ 67,424,054</u>	<u>\$ 52,598,825</u>	<u>\$ 57,233,392</u>
64.53	70.05	80.81	61.78	70.80
3,513	3,918	4,554	3,388	3,823
0.07%	0.08%	0.10%	0.08%	0.09%
77.37	84.79	97.65	81.07	93.03
4,212	4,743	5,503	4,447	5,024
0.08%	0.10%	0.12%	0.10%	0.12%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)**

	For the Year Ended August 31				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Taxable Assessed Value	<u>\$75,781,388,098</u>	<u>\$73,592,994,694</u>	<u>\$73,187,370,452</u>	<u>\$72,804,521,749</u>	<u>\$72,113,179,950</u>
General Obligations					
Statutory/Tax Levy/Limit for Debt Service	\$9,093,766,572	\$8,831,159,363	\$8,782,484,454	\$8,736,542,610	\$8,653,581,594
Less: Funds Restricted for Repayment of General Obligations	<u>3,755,162</u>	<u>3,375,209</u>	<u>3,009,581</u>	<u>2,880,577</u>	<u>2,686,501</u>
Total Net General Obligation Debt	<u>9,090,011,410</u>	<u>8,827,784,154</u>	<u>8,779,474,873</u>	<u>8,733,662,033</u>	<u>8,650,895,093</u>
Less: Current Year Debt Service Requirements	4,381,998	4,356,365	6,023,225	5,617,732	5,529,297
Excess Statutory Limit for Debt Service Over Current Requirements	<u>\$9,085,629,412</u>	<u>\$8,823,427,789</u>	<u>\$8,773,451,648</u>	<u>\$8,728,044,301</u>	<u>\$8,645,365,796</u>
Net Current Requirements as a % of Statutory Limit	0.09%	0.09%	0.10%	0.10%	0.09%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars TAV.

Statistical Supplement 10

Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

	For the Year Ended August 31,				
	2008	2007	2006	2005	2004
	<u>\$68,715,640,383</u>	<u>\$62,011,858,746</u>	<u>\$56,262,029,392</u>	<u>\$52,271,278,138</u>	<u>\$49,186,131,414</u>
	\$8,245,876,846	\$7,441,423,050	\$6,751,443,527	\$6,272,553,377	\$5,902,335,770
	2,324,904	1,962,274	1,481,080	1,124,002	857,256
	<u>8,243,551,942</u>	<u>7,439,460,776</u>	<u>6,749,962,447</u>	<u>6,271,429,375</u>	<u>5,901,478,514</u>
	6,282,577	4,421,633	5,089,918	5,274,509	6,106,289
	<u>\$8,237,269,365</u>	<u>\$7,435,039,143</u>	<u>\$6,744,872,529</u>	<u>\$6,266,154,866</u>	<u>\$5,895,372,225</u>
	0.10%	0.09%	0.10%	0.10%	0.12%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)****Revenue Bonds**

Fiscal Year Ended August 31	Pledged Revenues			
	Tuition	Building Fees	Interest Income	Food Services
2013	\$952,965	\$3,283,382	\$222,260	\$78,813
2012	947,430	3,238,390	233,034	85,387
2011	779,775	3,250,705	288,665	83,512
2010	912,345	3,768,215	403,036	87,702
2009	786,968	4,019,965	2,412,354	67,102
2008	731,213	3,721,857	7,255,898	95,073
2007	683,775	3,472,763	10,034,876	109,013
2006	659,700	3,330,112	6,946,868	103,613
2005	623,887	3,247,071	3,040,550	98,645
2004	616,680	3,152,155	1,279,558	98,391

Statistical Supplement 11

**Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)**

Pledged Revenues		Debt Service Requirements			
Bookstore Commission	Total	Principal	Interest	Total	Coverage Ratio
\$8,599,022	\$13,136,442	\$970,000	\$138,996	\$1,108,996	11.85
9,063,221	13,567,462	915,000	195,055	1,110,055	12.22
9,148,169	13,550,826	890,000	221,859	1,111,859	12.19
8,436,630	13,607,928	860,000	250,847	1,110,847	12.25
7,466,484	14,752,873	835,000	273,017	1,108,017	13.31
6,692,096	18,496,137	1,160,000	643,748	1,803,748	10.25
7,192,529	21,492,956	800,000	688,709	1,488,709	14.44
5,918,794	16,959,087	770,000	724,701	1,494,701	11.35
5,638,060	12,648,213	1,180,000	769,535	1,949,535	6.49
5,332,434	10,479,218	1,870,000	932,777	2,802,777	3.74

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	District Population¹	District Personal Income (\$ in thousands)²	District Personal Income Per Capita	District Unemployment Rate³
2013	834,642	N/A*	N/A*	5.5%
2012	804,390	N/A*	N/A*	6.3%
2011	792,150	42,576,156	52,419	7.7%
2010	788,511	38,029,236	48,229	7.7%
2009	764,500	36,447,393	47,675	8.2%
2008	748,050	37,746,642	50,460	4.8%
2007	724,900	35,116,000	48,443	3.6%
2006	690,500	31,805,000	46,061	4.0%
2005	648,800	30,217,445	46,574	4.2%
2004	615,200	25,885,770	42,077	4.8%

1 Source: Population for 2010 from US Census Bureau. 2011 and 2012 information from the North Central Texas Council of Governments. 2013 estimate from May 2013 Census Bureau estimate

2 Personal Income from U.S. Bureau of Economic Analysis - Data is only available for years prior to 2011 at this time. Data for 2011 obtained from Texas Association of Counties

3 Unemployment rate from Texas Workforce Commission LCMI Tracer

* Information not currently available from above mentioned source for these years.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Principal Employers
Current Fiscal Year and Nine Years Ago
(unaudited)**

Employer	2013		2004	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Bank of America Home Loans (formerly Countrywide Home Loans)	5,400	1.45%	3,000	1.26%
Plano Independent School District	6,470	1.74%	6,494	2.73%
J.C. Penney, Inc.	3,100	0.83%	3,800	1.60%
Stonebriar Center	0	0.00%	3,456	1.46%
The Shops at Willow Bend	0	0.00%	3,240	1.36%
Collin Creek Mall	0	0.00%	2,418	1.02%
EDSCorp/HP Enterprise Services	4,800	1.29%	6,700	2.82%
Perot Systems Corporation/Dell	2,200	0.59%	2,811	1.18%
University of Texas at Dallas	2,986	0.80%	0	0.00%
Walmart	3,859	1.03%	0	0.00%
Raytheon	1,125	0.30%	3,200	1.35%
Collin County Community College District	1,765	0.47%	1,580	0.67%
Collin County	0	0.00%	1,458	0.61%
Allen Independent School District	2,229	0.60%	0	0.00%
McKinney ISD	2,979	0.80%	0	0.00%
Frisco ISD	3,969	1.06%	0	0.00%
Alcatel-Lucent	2,500	0.67%	0	0.00%
Ericsson Headquarters	2,650	0.71%	0	0.00%
Texas Health Presbyterian Hospital Plano	1,670	0.45%	0	0.00%
Capital One	3,175	0.85%	0	0.00%
AT&T	1,100	0.30%	0	0.00%
Medical Center of Plano (HCA Medical Ctr)	1,300	0.35%	0	0.00%
City of Plano	2,058	0.55%	0	0.00%
Frito-Lay	2,400	0.64%	3,000	1.26%
Dr Pepper Snapple Group Inc	1,250	0.34%	0	0.00%
Pepsico	1,100	0.30%	0	0.00%
	60,085	16.11%	41,157	17.33%

Source: Plano Economic Development Board and Local University and School District web sites

2004 data from Collin County, TX 2004 Comprehensive Annual Financial Report

Note: Percentages are calculated using the lowest points of the range.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Faculty, Staff, and Administrators Statistics

Last Ten Fiscal Years

(unaudited)

	Fiscal Year				
	2013	2012	2011	2010	2009
Faculty					
Full-Time	358	328	341	351	328
Part-Time	370	388	380	368	368
Total	728	716	721	719	696
Percent					
Full-Time	49.2%	45.8%	47.3%	48.8%	47.1%
Part-Time	50.8%	54.2%	52.7%	51.2%	52.9%
Staff and Administrators					
Full-Time	587	577	575	582	564
Part-Time	450	435	438	405	405
Total	1,037	1,012	1,013	987	969
Percent					
Full-Time	56.6%	57.0%	56.8%	59.0%	58.2%
Part-Time	43.4%	43.0%	43.2%	41.0%	41.8%
FTSE per Full-Time Faculty	50.30	53.27	51.79	48.84	44.97
FTSE per Full-Time Staff Member	30.68	30.28	30.71	29.46	26.15
Average Annual Faculty Salary	\$ 56,614	\$ 54,821	\$ 55,392	\$ 55,231	\$ 54,181

FTSE as reported on CBM00A

Statistical Supplement 14

Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year				
2008	2007	2006	2005	2004
293	268	238	214	228
361	338	345	327	310
<u>654</u>	<u>606</u>	<u>583</u>	<u>541</u>	<u>538</u>
44.8%	44.2%	40.8%	39.6%	42.4%
55.2%	55.8%	59.2%	60.4%	57.6%
546	525	495	493	470
888	738	894	743	1,007
<u>1,434</u>	<u>1,263</u>	<u>1,389</u>	<u>1,236</u>	<u>1,477</u>
38.1%	41.6%	35.6%	39.9%	31.8%
61.9%	58.4%	64.4%	60.1%	68.2%
46.90	48.36	51.48	55.28	49.96
25.17	24.69	24.75	23.99	24.24
\$ 53,404	\$ 51,109	\$ 47,365	\$ 45,836	\$ 45,355

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Enrollment Details
Last Five Fiscal Years
(unaudited)**

Student Classification	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	17,845	65%	17,379	64%	17,679	65%	15,927	64%	13,387	65%
31-60 hours	7,175	26%	7,611	28%	6,742	25%	5,790	23%	5,034	24%
> 60 hours	2,404	9%	2,198	8%	2,648	10%	3,155	13%	2,579	12%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Semester Hour Load	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	241	1%	190	1%	225	1%	165	1%	245	1%
3-5 semester hours	5,577	20%	4,900	18%	5,783	21%	5,651	23%	4,371	21%
6-8 semester hours	6,917	25%	7,162	26%	6,448	24%	5,579	22%	4,706	22%
9-11 semester hours	5,012	18%	5,042	19%	4,397	16%	3,820	15%	3,224	15%
12-14 semester hours	7,845	29%	8,419	31%	8,604	32%	8,058	32%	6,850	33%
15-17 semester hours	1,632	6%	1,264	5%	1,463	5%	1,454	6%	1,423	7%
18 & Over	200	1%	211	1%	149	1%	145	1%	181	1%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Average course load 8.8 8.8 8.6 8.6 8.6

Tuition Status	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
TX Resident (In-District)	18,597	68%	19,298	71%	18,661	69%	17,521	70%	14,585	69%
TX Resident (Out-of-District)	5,909	22%	5,770	21%	5,518	20%	5,358	22%	4,878	23%
Non-Resident Tuition	2,918	11%	2,120	8%	2,890	11%	1,993	8%	1,537	7%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Source: Fall Census Headcounts

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Student Profile
Last Five Fiscal Years
(unaudited)**

Gender	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Male	11,931	44%	11,719	43%	11,734	43%	10,744	43%	9,116	43%
Female	15,493	56%	15,469	57%	15,335	57%	14,128	57%	11,884	57%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Ethnic Origin	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	15,440	56%	15,834	58%	16,512	60%	15,310	61%	13,183	62%
Hispanic	4,435	16%	4,313	16%	3,015	11%	3,243	13%	2,582	12%
African American	3,228	12%	3,168	12%	2,990	11%	2,597	10%	1,906	9%
Asian	2,268	8%	2,317	9%	2,256	8%	2,667	11%	1,810	9%
Foreign	842	3%	635	2%	844	3%	0	0%	827	4%
Native American	124	0%	393	1%	202	1%	174	1%	170	1%
Other	1,087	4%	528	2%	1,250	5%	881	4%	522	2%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Age	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	2,685	10%	2,391	9%	2,516	9%	2,272	9%	1,711	8%
18 - 21	11,643	42%	11,513	42%	11,554	44%	12,387	51%	9,794	48%
22 - 24	3,527	13%	3,644	13%	3,476	13%	4,665	19%	2,697	13%
25 - 35	5,451	20%	5,626	21%	5,476	20%	2,098	8%	4,017	19%
36 - 50	3,318	12%	3,268	12%	3,266	12%	1,343	5%	2,280	11%
51 & Over	800	3%	746	3%	781	3%	2,107	8%	501	2%
Total	27,424	100%	27,188	100%	27,069	100%	24,872	100%	21,000	100%

Average Age (Fall)	25.3	26.5	25.4	25.4	25.2
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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Transfer to Senior Institutions
2011 Fall Students as of Fall 2012
(Includes community, technical and public senior colleges in Texas)
(unaudited)

Transfer Destination	Transfer Student Count			CEU	Total	Percentage
	Academic	Technical	Tech-Prep			
ACCD-San Antonio College	3	0	0	0	3	0.0378%
ACCD- St Phillip's College	2	0	0	0	2	0.0252%
ACCD-Northeast Lakeview College	0	1	0	0	1	0.0126%
ACCD-Northwest Vista College	3	2	0	0	5	0.0631%
ACCD-Palo Alto College	0	0	0	0	0	0.0000%
Alvin Community College	0	0	0	0	0	0.0000%
Amarillo College	6	0	0	0	6	0.0757%
Angelina College	2	0	0	0	2	0.0252%
Austin Community College	58	4	1	0	63	0.7948%
Blinn College	108	6	0	0	114	1.4381%
Central Texas College	3	1	0	0	4	0.0505%
Cisco Junior College	0	0	0	0	0	0.0000%
Clarendon College	1	0	0	0	1	0.0126%
College of the Mainland Community College District	1	0	0	0	1	0.0126%
Collin County Community College District	707	86	11	1	805	10.1552%
Dallas County Community College District	588	98	4	1	691	8.7170%
Del Mar College	2	1	0	0	3	0.0378%
El Paso Community College District	3	0	0	0	3	0.0378%
Frant Phillips College	0	0	0	0	0	0.0000%
Galveston College	2	0	0	0	2	0.0252%
Grayson County College	88	22	1	0	111	1.4003%
HCJCD-Howard College	3	0	0	0	3	0.0378%
Hill College	1	0	0	0	1	0.0126%
Houston Community College System	10	1	0	0	11	0.1388%
Kilgore College	3	2	0	0	5	0.0631%
Laredo Community College	1	0	0	0	1	0.0126%
Lamar State College	1	1	0	0	2	0.0252%
Lone Star College	8	5	0	0	13	0.1640%
McLennan Community College	10	4	0	0	14	0.1766%
Midland College	0	0	0	0	0	0.0000%
Navarro College	8	3	0	0	11	0.1388%
North Central Texas College	62	12	0	0	74	0.9335%
Northeast Texas Community College	0	0	0	0	0	0.0000%
Odessa College	0	0	0	0	0	0.0000%
Panola College	2	0	0	0	2	0.0252%
Paris Junior College	13	9	0	0	22	0.2775%
Ranger College	2	0	0	0	2	0.0252%
San Jacinto College	5	0	1	0	6	0.0757%
South Plains College	14	2	0	0	16	0.2018%
South Texas College	0	0	0	0	0	0.0000%
Southwest Texas Junior College	1	1	0	0	2	0.0252%
Tarrant County College District	60	13	2	0	75	0.9461%
Temple College	2	0	0	0	2	0.0252%
Texarkana College	2	0	0	0	2	0.0252%
Texas Southmost College	0	0	0	0	0	0.0000%
Texas State Technical College-Harlingen	0	0	0	0	0	0.0000%
Texas State Technical College-Waco	4	1	0	0	5	0.0631%
Texas State Technical College-West Texas	0	0	0	0	0	0.0000%
Trinity Valley Community College	15	10	0	0	25	0.3154%
Tyler Junior College	14	5	0	0	19	0.2397%
Vernon College	0	0	0	0	0	0.0000%
Weatherford College	2	0	0	0	2	0.0252%
Western Texas College	0	1	0	0	1	0.0126%
Wharton County Junior College	0	1	0	0	1	0.0126%
Angelo State University	11	0	0	0	11	0.1388%
Lamar University	9	1	0	0	10	0.1262%
The University of Texas at Dallas	1340	80	6	0	1426	17.9892%

Transfer to Senior Institutions
2011 Fall Students as of Fall 2012
(Includes community, technical and public senior colleges in Texas)
(unaudited)

Transfer Destination	Transfer Student Count			CEU	Total	Percentage
	Academic	Technical	Tech-Prep			
University of North Texas	1029	75	5	0	1109	13.9902%
University of North Texas at Dallas	9	2	0	0	11	0.1388%
The University of Texas Austin	430	17	1	0	448	5.6516%
Texas A&M University	390	18	0	0	408	5.1470%
Texas Tech University	506	28	1	0	535	6.7491%
Texas Woman's University	434	50	4	0	488	6.1562%
Texas A&M International University	1	0	0	0	1	0.0126%
Texas A&M University at Galveston	15	0	0	0	15	0.1892%
Texas A&M University - Central Texas	1	0	0	0	1	0.0126%
Texas A&M University at Commerce	274	8	1	0	283	3.5701%
Texas A&M University at Corpus Christi	19	2	0	0	21	0.2649%
Texas A&M University at Galveston	1	0	0	0	1	0.0126%
Texas A&M University at Kingsville	1	0	0	0	1	0.0126%
The University of Texas Arlington	222	38	1	0	261	3.2925%
Texas State University - San Marcos	167	15	0	0	182	2.2960%
Midwestern State University	42	5	0	1	48	0.6055%
Sam Houston State University	48	0	1	0	49	0.6181%
Sul Ross State University	0	0	0	0	0	0.0000%
West Texas A&M University	15	1	0	0	16	0.2018%
The University of Texas at El Paso	4	0	0	0	4	0.0505%
The University of Texas San Antonio	35	4	0	0	39	0.4920%
The University of Texas at Brownsville	1	0	0	0	1	0.0126%
Prairie View A&M University	9	1	0	0	10	0.1262%
Texas Southern University	6	0	0	0	6	0.0757%
Tarleton State University	50	3	0	0	53	0.6686%
Stephen F. Austin State University	152	11	2	0	165	2.0815%
University of Houston	65	5	0	0	70	0.8831%
Lamar University	0	0	0	0	0	0.0000%
The University of Texas of the Permian Basin	4	0	0	0	4	0.0505%
The University of Texas Pan American	0	0	1	0	1	0.0126%
The University of Texas Tyler	29	4	0	0	33	0.4163%
Health Science Institutions						
UT Southwestern Medical Center at Dallas	5	0	1	0	6	0.0757%
Baylor College of Medicine	1	0	0	0	1	0.0126%
The Univ of Texas Health Science Ctr at Houston	3	1	1	0	5	0.0631%
The Univ of Texas Health Science Ctr at San Antonio	5	0	0	0	5	0.0631%
The Univ of Texas Medical Branch at Galveston	5	2	0	0	7	0.0883%
University of N Texas Health Science Ctr	5	0	0	0	5	0.0631%
University of Texas M.D. Anderson Cancer Center	3	0	0	0	3	0.0378%
Texas A&M Univ Health Science Center	14	0	0	0	14	0.1766%
Texas Tech Univ Health Sciences Center	23	13	0	0	36	0.4541%
Total	7,203	676	45	3	7,927	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Capital Asset Information
Fiscal Years 2004 to 2013
(unaudited)**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Academic Building	9	9	9	9	8	8	8	8	8	7
Square Footage	957,433	883,571	809,709	806,634	744,634	723,368	651,361	649,249	546,249	541,247
Libraries			3	3	3	3	3	3	3	3
Square Footage	295,429	206,539	206,539	206,539	206,539	135,172	135,172	135,172	135,172	88,987
Number of Volumes**	262,427	252,135	240,855	221,417	204,403	193,266	189,003	185,327	180,032	160,816
Administrative and Support Buildings										
Square Footage*	449,314	429,227	409,140	412,215	350,215	241,691	239,991	239,991	239,991	239,991
Dining Facilities	2	2	2	2	2	2	2	2	2	2
Square Footage	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926
Average Daily Customers	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Athletic Facilities	3	3	3	3	3	3	3	3	3	3
Square Footage	89,647	89,647	89,647	89,647	89,647	99,167	99,167	99,167	99,167	99,167
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	3	3	3	3	3	3	3	3	3	3
Tennis Courts	10	10	10	10	10	10	10	10	10	10
Racquet Ball Courts	9	9	9	9	9	9	9	9	9	9
Plant Facilities	4	4	4	4	4	4	4	4	4	4
Square Footage	20,381	20,381	20,381	20,381	20,381	20,381	20,381	18,269	18,269	16,269
Transportation										
Cars	10	9	9	9	7	7	7	6	6	5
Light Trucks/Vans	17	17	16	16	16	15	15	15	15	13

* Comprise parts of various buildings.

**Includes accessible e-books



Single Audit Section



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

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Board of Trustees
Collin County Community College District

We have audited, 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, the financial statements of Collin County Community College District (the "District") as of and for the year ended August 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2013.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District's financial statements will not be prevented, or detected and corrected, on a timely basis.

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. Given these limitations, during our audit we did not identify any deficiencies in the District's internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether the District'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*.

Intended purpose

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 District'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 District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP

Dallas, Texas
November 22, 2013



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133 AND STATE OF TEXAS SINGLE AUDIT CIRCULAR**

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Board of Trustees
Collin County Community College District

Report on compliance for each major federal and state program

We have audited the compliance of Collin County Community College District (the "District") with the types of compliance requirements described in the U.S. Office of Management and Budget's *OMB Circular A-133 Compliance Supplement* and the State of Texas *Single Audit Circular* that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2013. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying 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 the District's federal and state programs.

Auditor's responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state 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* and the State of Texas *Single Audit Circular*.

The above-mentioned standards, OMB Circular A-133 and State of Texas *Single Audit Circular* 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 or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on each major federal and state program

In our opinion, the District 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 and state programs for the year ended August 31, 2013.

Report on internal control over compliance

Management of the District is responsible for designing, implementing, 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 the District's internal control over compliance with the types of compliance requirements that could have a direct and material effect on each major federal or state program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of Texas *Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District'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 or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 or state program will not be prevented, or detected and corrected, on a timely basis.

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. Given these limitations, during our audit we did not identify any deficiencies in the District's 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 and the State of Texas *Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP

Dallas, Texas
November 22, 2013

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of Expenditures of Federal Awards
For the year ended August 31, 2013**

<u>Federal Grantor/Pass-through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Disbursements/ Expenses</u>
U.S. Department of Education			
Direct programs:			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants	84.007		\$ 273,740
Federal Work-Study Program	84.033		281,911
Federal Pell Grant Program	84.063		24,776,525
Federal Direct Student Loans	84.268		<u>37,046,390</u>
Total Student Financial Assistance Cluster			62,378,566
Pass-through from:			
Texas Higher Education Coordinating Board			
Career and Technical Education - Basic Grants to States	84.048	134227	258,263
Total U.S. Department of Education			<u>\$ 62,636,829</u>
Department of Labor			
Direct programs:			
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282		4,868,180
Pass-Through from:			
North Central Texas Council of Governments Workforce Solutions for North Central Texas			
Career Pathways Innovation Fund	17.269	CB-20564-10-60-A-48	16,875
Total Department of Labor			<u>\$ 4,885,055</u>
National Science Foundation			
Direct Programs:			
Education and Human Resources	47.076		636,618
Pass-through from:			
The University of Texas at Dallas			
Education and Human Resources	47.076	DUE-0856549	193,742
Carnegie-Mellon University			
Education and Human Resources	47.076	DUE-0903271	25,508
Florida State College at Jacksonville			
Education and Human Resources	47.076	DUE-1104234	13,877
Total National Science Foundation			<u>\$ 869,745</u>
U.S. Small Business Administration			
Pass-through from:			
Dallas County Community College District:			
Small Business Development Centers	59.037	2-603001-Z-0046	26,548
Small Business Development Centers	59.037	SBAHQ-13-B-0007	169,981
Total U.S. Small Business Administration			<u>\$ 196,529</u>
Department of Health and Human Services			
Pass-through from:			
Texas Woman's University			
Biomedical Research and Research Training	93.859	R25GM58397-10	10,035
Total Federal Financial Assistance			<u>\$ 68,598,193</u>

Notes to schedule on following page.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Schedule of Expenditures of Federal Awards
For the year ended August 31, 2013**

Note 1: Federal Assistance Reconciliation

Federal Grants and Contracts revenue - per Schedule A	\$ 6,008,889
Add: Indirect/Administrative Costs Recoveries - per Schedule A	58,631
Add: Non Operating Federal Revenue - per Schedule C	25,332,176
Total Federal Revenues per Basic Financial Statements (Exhibit 2)	<u>\$ 31,399,696</u>
Reconciling item:	
Add:	
Funds passed through to others	\$ 152,107
Direct Student Loans	37,046,390
Total Federal Revenues per Schedule of Expenditures of Federal Awards	<u>\$ 68,598,193</u>

Note 2: Significant accounting policies used in preparing the schedule

The expenditures included in the schedule are reported for the District's fiscal year using the accrual basis of accounting. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

Note 3: Amounts processed through the District

The following amounts expended by the listed consortium members were reimbursed by and recorded as an expense to the District. These amounts were from the Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grant, CFDA 17.282, from the Department of Labor:

Bellevue College	\$ 488,890
Bunker Hill Community College	485,447
Del Mar College	410,325
Moraine Valley Community College	1,267,888
Maricopa County Community College/Rio Salado	572,701
Salt Lake Community College	405,605
Total amount expended by consortium members	<u>\$ 3,630,856</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Schedule of Expenditures of Federal Awards
For the year ended August 31, 2013
(Continued)**

Note 4: Amounts passed-through by the District

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Education and Human Resources Program CFDA 47.076 from the National Science Foundation:

Coast Community College	\$	2,217
Dallas County Community College		35,605
Fox Valley Technical College		23,246
Georgia Southern University		22,104
Lansing Community College		49,942
University of North Texas		18,993
Total amount passed-through	\$	<u>152,107</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of Expenditures of State Awards
For the year ended August 31, 2013**

<u>Grantor/Pass-through Grantor/ Program Title</u>	<u>Grantor's Number</u>	<u>Disbursements and Expenses</u>
Texas Workforce Commission		
Skills Small Business	0411SSD001	\$ 6,868
Skills Development	0412SDF000	151,356
Total Texas Workforce Commission		<u>\$ 158,224</u>
Texas Higher Education Coordinating Board		
Professional Nursing Shortage Reduction Program 11/12		5,393
Professional Nursing Shortage Reduction Over 70 Program		33,649
Texas Education Opportunity Grant-Renewal Year		20,400
Texas Education Opportunity Grant-Initial Year		36,000
Toward EXcellence, Access & Success Grant-Renewal Yr 11/12		(1,890)
Toward EXcellence, Access & Success Grant-Renewal Yr 12/13		132,950
Toward EXcellence, Access & Success Grant-Initial Year		223,542
College Access Loans		8,008
Total Texas Higher Education Coordinating Board		<u>\$ 458,052</u>
Pass-through from:		
Dallas County Community College District		
Small Business Development Center 11/12	2-603001-Z-0046	5,106
Small Business Development Center 12/13	SBAHQ-13-B-0007	7,071
Total Small Business Development Center		<u>\$ 12,177</u>
Total State Financial Assistance		<u><u>\$ 628,453</u></u>

Notes to schedule on following page.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Schedule of Expenditures of State Awards For the year ended August 31, 2013

Note 1: State Assistance Reconciliation

State Revenues - per Schedule A	
State Financial Assistance	
State Grants and Contracts revenue - per Schedule A	\$ 628,126
Add: Indirect/Administrative Costs Recoveries - per Schedule A	327
Total State Revenues per Schedule A	<u>\$ 628,453</u>

Note 2: Significant accounting policies used in preparing the schedule.

The accompanying schedule is presented using the accrual basis of accounting. These expenditures are reported on the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purpose of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified? No

- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal and State Awards

Internal control over major programs:

- Material weakness identified? No

- Significant deficiencies identified that are not considered to be material weaknesses? No

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA/Grant Numbers/State Identifying Number</u>	<u>Name of Federal and State Programs or Cluster</u>
--	--

Major Federal Program:

84.007, 84.033, 84.063, 84.268	Student Financial Assistance Cluster
--------------------------------	--------------------------------------

Major State Program:

Toward EXcellence, Access & Success Grant
(tested as part of the Student Financial Assistance Cluster)

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? No

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

The results of our procedures disclosed no findings to be reported for the year ended August 31, 2013.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

The results of our procedures disclosed no findings to be reported for the year ended August 31, 2013.

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS

Finding 2012-1

Federal Program:

Federal Pell Grant
(tested as part of the Student Financial Assistance Cluster)

CFDA Number: 84.063

Federal Award Number: Not Applicable

Award Year: 2011/2012

Type of Finding:

Material Weakness and Material Noncompliance

Compliance Requirement:

Special Tests and Provisions: Verification

Criteria or Specific Requirement:

An institution is required to establish policies and procedures to verify information in student aid applications. The institution shall require applicants to verify any information used to calculate an applicant's Expected Family Contribution (EFC) that the institution has reason to believe is inaccurate. For students determined to be eligible to receive a Pell grant, the EFC, along with additional components, is used to calculate the Pell award.

Condition:

For eight students out of twenty-five judgmentally selected for testing, it was noted that the EFC was not updated as a result of information obtained during the verification process. Therefore, the District incorrectly calculated the EFC, which is used in computing Pell grant amounts.

Questioned Costs:

\$4,050

Context:

Verification procedures were not accurately completed for eight of twenty-five students selected for testing. The District performed verification procedures for approximately 4,800 students during the 2011-2012 academic year.

Cause:

District financial aid staff did not complete the verification process by recalculating EFC and adjusting the amounts based on information obtained.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS - Continued

Effect: The District did not fully complete the verification process and therefore did not accurately calculate and submit the necessary changes in EFC to the central processor which resulted in incorrect Pell grant amounts.

Recommendation: We recommend that the District ensure adequate controls are in place to determine that the verification process is complete and all necessary changes are made within the student financial aid system and submitted to the Central processor.

Prior year Views of Responsible Officials and Planned Corrective Action: Due to the increased volume of financial aid applicants, financial aid staff did not have uninterrupted time to focus on the verification process, resulting in incorrect EFC calculations. Some exceptions noted were due to the failure of the District to update student files with the most current information after corrected records were returned by the central processor. The District has developed reports to identify student files with corrections to ensure the corrected files are uploaded into Banner. This will result in EFC being calculated on the most current information.

Status of Prior Year Corrective Action: The District continues to utilize a third party financial aid processor to assist in the verification process, eliminating the potential for errors. In addition, staff have been hired to monitor the third party verification process and to ensure the files between the District and third party verification processor are handled appropriately, and timely. For the eight students that were not processed correctly and where funds were due back to the Department of Education, the District returned those funds.

Two exceptions noted and justified by using professional judgment, were not documented in the students' files. The District will document professional judgment decisions on the students' records. The District's employment of a third party financial aid services vendor to assist in the verification process, whose sole focus is verification, should eliminate errors made due to carelessness and interruptions.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS - Continued

Finding 2012-2

Federal Program: Federal Pell Grant/ Federal Direct Loan
(tested as part of the Student Financial Assistance Cluster)

CFDA Number: 84.063/84.268 Federal Award Number: Not Applicable Award Year: 2011/2012

Type of Finding: Significant Deficiency and Noncompliance

Compliance Requirement: Special Tests: Return of Title IV Funds

Criteria or Specific Requirement:

When a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV aid earned by the student as of the student's withdrawal date. If the total amount of Title IV assistance earned by the student is less than the amount that was disbursed to the student or on his or her behalf as of the date of the institution's determination that the student withdrew, the difference must be returned to the Title IV programs and no additional disbursements may be made to the student for the payment period or period of enrollment.

The amount of earned Title IV grant or loan assistance is calculated by determining the percentage of Title IV grant or loan assistance that has been earned by the student and applying that percentage to the total amount of Title IV grant or loan assistance that was or could have been disbursed to the student for the payment period or period of enrollment as of the student's withdrawal date.

Condition: For three out of forty-four students judgmentally selected for testing, it was noted that there were errors in the calculation of Return of Title IV funds. The District should have returned the Pell grant in the amount of \$359. Additionally, the District incorrectly disbursed \$1,742 in a Direct Loan.

Questioned Costs: \$2,101

Context: The Return of Title IV calculation was performed for approximately 1,600 students. Three out of forty-four students judgmentally selected for testing had errors in the calculation of Return of Title IV funds.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS - Continued

Cause: For student one, the Financial Aid staff used the incorrect award amounts in the calculation. For student two, Banner calculated the Return of Title IV amount based on a full semester; however the student was enrolled in only flex courses. Therefore, the District should have returned \$359 in Pell grant. For student three, the student was incorrectly disbursed \$1,742 in a Direct Loan after the Return of Title IV calculation was complete.

Effect: The District did not accurately calculate Return of Title IV amounts which resulted in incorrect amounts being returned to the Department of Education (ED) or awarded to the student.

Recommendation: We recommend that the District ensure adequate controls are in place to determine that the correct amounts are used in calculating Return of Title IV funds and that staff performing the calculation understand all aspects and components of the calculation. In addition, we recommend that Banner processes be strengthened to address flex semesters and changes in student records after the end of the semester that would affect the Return to Title IV calculations.

Prior year Views of
Responsible Officials and
Planned Corrective Action:

Return of Title IV calculations for the summer awards has to be manually processed since there are multiple terms within the period. When calculating the Return of Title IV for summer awards, the net tuition and fee charges were considered instead of gross tuition and fees. Financial Aid staff has determined the proper screen to access the correct tuition and fees amount when calculating Return of Title IV, which will eliminate calculation errors. For student two, the Return of Title IV calculation was based on a long semester, whereas the student was only enrolled in flex entry classes. The calculation should have been made on the longest term enrolled, or in this case a flex entry schedule. Financial aid staff will develop procedures to identify students subject to the Return of Title IV calculation who are enrolled only in flex entry classes and will calculate the Return of Title IV based on the longest term enrolled for the period. An error occurred for student three when the direct loan paid out to the student in error when the Return of Title IV calculation for Pell was performed. The student was not eligible to receive the direct loan. This error was an isolated incident, however, additional training for financial aid staff will be provided to assist them in understanding how one process impacts others.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS - Continued

Status of Prior Year

Corrective Action:

Training has been provided to staff to enable them to understand the software system, including accessing the correct information to calculate return of Title IV properly, basing the return on gross tuition and fees and not net. In addition, reports have been created to assist in identifying Return of Title IV students, and the period over which the calculation should be made. Ineligible financial aid was returned to the Department of Education.

Finding 2012-3

Federal Program:

Federal Pell Grant/ Federal Supplemental Educational Opportunity Grants (tested as part of the Student Financial Assistance Cluster)

CFDA Number:

84.063/84.007

Federal Award Number:

Not Applicable

Award Year:

2011/2012

Type of Finding:

Control Deficiency and Noncompliance

Compliance Requirement:

Eligibility

Criteria or Specific

Requirement:

Each year, based on the maximum Pell grant established by Congress, the ED provides to institutions Payment and Disbursement Schedules (the Schedules) for determining Pell awards. The Schedules provide the maximum annual amount a student would receive for a full academic year for a given enrollment status, EFC and cost of attendance (COA). The Schedules are used to determine the annual award for a full-time student. There are separate Schedules for three-quarter time, half-time, and less-than-half-time students.

Awards must be coordinated among the various programs and with other Federal and non-Federal aid (need and non-need based aid) to ensure that total aid is not awarded in excess of the student's financial need.

Condition:

For one student out of sixty judgmentally selected for testing, who was deemed eligible to receive financial aid, we noted that the student was awarded aid based on three-quarter time enrollment status although the student was half-time enrollment status. This resulted in an over award of Pell in the amount of \$694 and an over award of Federal Supplemental Educational Opportunity Grants (FSEOG) in the amount of \$150.

Questioned Costs:

\$844

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2013

SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS - Continued

Context: The student was considered eligible to receive financial aid; however, prior to the disbursement, the student withdrew from a course resulting in a change in enrollment status from three-quarter time to half-time.

Cause: Financial Aid staff did not update the student's file to decrease the award based on a decrease in hours.

Effect: The District over-awarded Federal Pell grant funds in the amount of \$694 and FSEOG in the amount of \$150.

Recommendation: We recommend that the Financial Aid staff continue to enhance controls to ensure student records are up to date prior to disbursing aid.

Prior year Views of
Responsible Officials and
Planned Corrective Action:

Banner software only recognizes one census date when determining hours eligible for student financial aid. Financial Aid staff manually monitors student activity (drops) for flex classes beginning after the initial term begins in order to adjust financial aid awards. Financial aid staff overlooked a student drop for a flex entry class beginning after initial census, resulting in an over payment. For future terms, a process will be implemented which adjusts hours for accurate enrollment at the time of disbursement for flex entry classes.

Status of Prior Year
Corrective Action:

Before aid is disbursed for flex entry classes, a process is run to update the student's enrollment status if classes are cancelled, preventing financial aid from paying out on cancelled classes. In addition, a report is run and reviewed prior to disbursement for mini sessions (flex classes) to identify students who drop flex classes to make sure the student does not receive financial aid if he is not attending. This prevents aid from being paid to students not enrolled in classes, and therefore, ineligible to receive aid.



Supplementary Financial Information Section

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Supplementary Financial Information
(Schedules for Comparative Review)**

These fund schedules are presented for comparison to previous financial reports and are unaudited.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Fund Assets and Liabilities - Unaudited
As of August 31, 2013
(with comparative totals at August 31, 2012)**

	Current funds				Total
	Unrestricted	Auxiliary enterprises	Restricted	Quasi - Endowment	
Assets					
Cash and cash equivalents	\$ 131,228,183	\$ 306,512	\$ 0	\$ 0	\$ 131,534,695
Accounts receivable (net of allowance for doubtful accounts of \$1,325,641 and \$572,008)	7,896,806	793,479	0	0	8,690,285
Tax receivable (net of allowance for doubtful accounts of \$661,442 and \$751,701)	293,586	0	0	0	293,586
Prepaid expenses	512,578	99,845	560	0	612,983
Contracts and grants receivables	0	0	1,474,305	0	1,474,305
Consumable inventory	0	28,684	0	0	28,684
Inventories for resale	0	3,868,148	0	0	3,868,148
Capital assets	0	0	0	0	0
Total assets	139,931,153	5,096,668	1,474,865	0	146,502,686
Liabilities:					
Accounts payable / accrued liabilities	3,352,944	1,597,195	841,366	0	5,791,505
Claim on cash	7,106,315	(2,855,537)	90,697	(1,580,773)	2,760,702
Unearned revenues	13,878,678	246,913	53,943	0	14,179,534
Accrued compensable absences payable	797,804	0	0	0	797,804
Bonds payable	0	0	0	0	0
Amounts held for others	0	0	0	0	0
Total liabilities	25,135,741	(1,011,429)	986,006	(1,580,773)	23,529,545
Unrestricted:					
Reserved:					
Encumbrances	419,566	6,774	0	0	426,340
Accounts receivable	7,896,806	793,479	0	0	8,690,285
Consumable inventories	0	28,684	0	0	28,684
Prepaid expenses	512,578	99,845	0	0	612,423
Unreserved:					
Designated - insurance deductibles	100,000	0	0	0	100,000
Designated - stabilization of maintenance & operations	24,750,000	0	0	0	24,750,000
Designated - health insurance reserve	30,000,000	0	0	0	30,000,000
Undesignated	51,116,462	5,179,315	0	1,580,773	57,876,550
Restricted:					
Other	0	0	39,917	0	39,917
Texas Public Education Grant	0	0	448,942	0	448,942
Unexpended plant	0	0	0	0	0
Retirement of indebtedness	0	0	0	0	0
Net investment in plant	0	0	0	0	0
Student loans	0	0	0	0	0
Total net position, commitments & contingencies	114,795,412	6,108,097	488,859	1,580,773	122,973,141
Total liabilities and net position	\$ 139,931,153	\$ 5,096,668	\$ 1,474,865	\$ 0	\$ 146,502,686

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Fund Assets and Liabilities - Unaudited (Continued)

As of August 31, 2013

(with comparative totals at August 31, 2012

<u>Unexpended</u>	Plant funds		Student <u>loans</u>	Agency <u>funds</u>	Totals (memorandum only)	
	Retirement of <u>indebtedness</u>	Investment <u>in plant</u>			<u>2013</u>	<u>2012</u>
\$ 96,768,805	\$ 3,755,162	\$ 0	\$ 0	\$ 0	\$ 232,058,662	\$ 213,544,522
0	0	0	10,625	0	8,700,910	9,238,524
0	108,384	0	0	0	401,970	462,678
0	0	0	0	0	612,983	649,510
0	0	0	0	0	1,474,305	982,843
0	0	0	0	0	28,684	37,206
0	0	0	0	0	3,868,148	3,062,314
0	0	259,388,759	0	0	259,388,759	256,534,643
<u>96,768,805</u>	<u>3,863,546</u>	<u>259,388,759</u>	<u>10,625</u>	<u>0</u>	<u>506,534,421</u>	<u>484,512,240</u>
358,978	77,626	0	0	1,218	6,229,327	3,979,675
(4,892)	354,526	47,045	(10,856)	(383,121)	2,763,404	1,024,792
0	0	0	0	0	14,179,534	13,219,564
0	0	0	0	0	797,804	782,060
0	0	42,859,245	0	0	42,859,245	46,577,768
0	0	0	0	381,903	381,903	914,533
<u>354,086</u>	<u>432,152</u>	<u>42,906,290</u>	<u>(10,856)</u>	<u>-</u>	<u>67,211,217</u>	<u>66,498,392</u>
0	0	0	0	0	426,340	189,080
0	0	0	0	0	8,690,285	7,345,221
0	0	0	0	0	28,684	37,206
0	0	0	0	0	612,423	649,163
0	0	0	0	0	100,000	100,000
0	0	0	0	0	24,750,000	24,750,000
0	0	0	0	0	30,000,000	30,000,000
0	0	0	0	0	57,876,550	54,195,143
0	0	0	0	0	39,917	39,315
0	0	0	0	0	448,942	288,940
96,414,719	0	0	0	0	96,414,719	87,412,465
0	3,431,394	0	0	0	3,431,394	3,052,482
0	0	216,482,469	0	0	216,482,469	209,933,352
0	0	0	21,481	0	21,481	21,481
<u>96,414,719</u>	<u>3,431,394</u>	<u>216,482,469</u>	<u>21,481</u>	<u>0</u>	<u>439,323,204</u>	<u>418,013,848</u>
<u>\$ 96,768,805</u>	<u>\$ 3,863,546</u>	<u>\$ 259,388,759</u>	<u>\$ 10,625</u>	<u>\$ 0</u>	<u>\$ 506,534,421</u>	<u>\$ 484,512,240</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Changes in Net Position - Unaudited
For the year ended August 31, 2013
(with comparative totals for the year ended August 31, 2012)**

	Current funds				Total
	<u>Unrestricted</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>	<u>Quasi - Endowment</u>	
Net Position - beginning of year	\$109,886,615	\$5,799,816	\$328,255	\$1,579,382	\$117,594,068
Revenues and other additions:					
Unrestricted current funds revenue	127,011,010	10,165,003	0	1,391	137,177,404
State appropriations - restricted	0	0	4,417,063	0	4,417,063
Tax revenues for debt service	0	0	0	0	0
Federal grants and contracts	0	0	31,172,165	0	31,172,165
State grants and contracts	0	0	628,453	0	628,453
Private gifts, grants and contracts	0	0	0	0	0
Investment income	0	0	144	0	144
Miscellaneous income	0	0	0	0	0
Net decrease in bonds payable	0	0	0	0	0
Expended for plant facilities	0	0	0	0	0
Total revenues and other additions	127,011,010	10,165,003	36,217,825	1,391	173,395,229
Expenses and other deductions:					
Expenses	97,841,953	10,064,880	37,283,152	0	145,189,985
Indirect costs	0	0	58,958	0	58,958
Administrative and collection costs	0	0	0	0	0
Retirement of indebtedness	0	0	0	0	0
Interest on indebtedness	0	0	0	0	0
Depreciation	0	0	0	0	0
Total expenditures and other deductions	97,841,953	10,064,880	37,342,110	0	145,248,943
Transfers - additions (deductions):					
Mandatory transfers:					
Retirement of indebtedness:					
Building use fee	(1,112,434)	0	0	0	(1,112,434)
Texas Public Education Grant	(1,085,596)	0	1,085,596	0	0
FSEOG match paid by TPEG	(113,962)	0	113,962	0	0
Grant matching	(85,331)	0	85,331	0	0
Non-mandatory transfers	(21,862,937)	208,158	0	0	(21,654,779)
Total transfers - additions (deductions)	(24,260,260)	208,158	1,284,889	0	(22,767,213)
Net increase (decrease) for the fiscal year	4,908,797	308,281	160,604	1,391	5,379,073
Net Position - end of year	\$114,795,412	\$6,108,097	\$488,859	\$1,580,773	\$122,973,141

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Changes in Net Position - Unaudited (Continued)
For the year ended August 31, 2013
(with comparative totals for the year ended August 31, 2012)

<u>Unexpended</u>	<u>Plant funds</u>		<u>Student loans</u>	<u>Totals (memorandum only)</u>	
	<u>Retirement of indebtedness</u>	<u>Investment in plant</u>		<u>2013</u>	<u>2012</u>
\$87,412,465	\$3,052,482	\$209,933,352	\$21,481	\$418,013,848	\$392,872,804
0	0	0	0	137,177,404	132,906,187
0	0	0	0	4,417,063	4,206,672
0	4,875,834	0	0	4,875,834	4,746,235
0	0	0	0	31,172,165	28,960,082
0	0	0	0	628,453	802,250
0	0	0	0	0	6,939
90,557	5,164	0	0	95,865	106,757
200,000	0	0	0	200,000	225,205
0	0	3,695,000	0	3,695,000	3,535,000
0	0	10,169,666	0	10,169,666	24,481,087
<u>290,557</u>	<u>4,880,998</u>	<u>13,864,666</u>	<u>0</u>	<u>192,431,450</u>	<u>199,976,414</u>
12,943,082	0	0	0	158,133,067	162,414,909
0	0	0	0	58,958	49,382
0	122,427	0	0	122,427	116,764
0	3,695,000	0	0	3,695,000	3,535,000
0	1,797,093	0	0	1,797,093	1,929,155
0	0	7,315,549	0	7,315,549	6,790,160
<u>12,943,082</u>	<u>5,614,520</u>	<u>7,315,549</u>	<u>0</u>	<u>171,122,094</u>	<u>174,835,370</u>
0	1,112,434	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
21,654,779	0	0	0	0	0
<u>21,654,779</u>	<u>1,112,434</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
9,002,254	378,912	6,549,117	0	21,309,356	25,141,044
<u>\$96,414,719</u>	<u>\$3,431,394</u>	<u>\$216,482,469</u>	<u>\$21,481</u>	<u>\$439,323,204</u>	<u>\$418,013,848</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Changes in Net Position - Unrestricted Current Funds - Auxiliary Enterprises Unaudited For the year ended August 31, 2013

	Rental Income <u>Scholarships</u>	Student <u>Activities</u>	<u>Camps</u>	<u>Scholarships</u>	Intercollegiate <u>Athletics</u>
Revenues					
Gifts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sales and services	95,971	0	0	0	0
Student fees	0	547,228	0	0	0
Miscellaneous income	0	0	88,884	0	2,501
Total revenue	<u>95,971</u>	<u>547,228</u>	<u>88,884</u>	<u>0</u>	<u>2,501</u>
Expenditures					
Salaries and wages	0	0	15,990	0	106,566
Staff benefits	0	0	0	0	0
Financial Aid	0	0	0	109,076	189,447
Other operating expenses	0	329,269	49,315	0	180,368
Total expenditures	<u>0</u>	<u>329,269</u>	<u>65,305</u>	<u>109,076</u>	<u>476,381</u>
Excess (deficit) of revenue over (under) expenditures	<u>95,971</u>	<u>217,959</u>	<u>23,579</u>	<u>(109,076)</u>	<u>(473,880)</u>
Summary of net position as of September 1, 2012	67,866	232,998	19,297	0	0
Additions (deductions):					
Transfer from operating fund	0	0	0	0	0
Transfer from Lebrecht fund	0	0	0	0	0
Excess (deficit) of revenue over (under) expenditures	95,971	217,959	23,579	(109,076)	(473,880)
Other fund transfers					
Student activities	0	(153,000)	0	0	153,000
Bookstore	0	0	0	0	247,020
Rental Income	(109,076)	0	0	109,076	17,681
Fitness Center	0	0	0	0	10,718
Food service	0	0	0	0	45,461
Total other transfers	<u>(109,076)</u>	<u>(153,000)</u>	<u>0</u>	<u>109,076</u>	<u>473,880</u>
Total additions (deductions)	<u>(13,105)</u>	<u>64,959</u>	<u>23,579</u>	<u>0</u>	<u>0</u>
Net Position - end of year	<u>\$ 54,761</u>	<u>\$ 297,957</u>	<u>\$ 42,876</u>	<u>\$ 0</u>	<u>\$ 0</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Changes in Net Position - Unrestricted
Current Funds - Auxiliary Enterprises
Unaudited (Continued)
For the year ended August 31, 2013**

<u>Food Services</u>	<u>Bookstore</u>	<u>Facilities Rental</u>	<u>Child Care Center</u>	<u>Fitness Center</u>	<u>Print Shop</u>	<u>Total</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
70,480	8,569,497	135,661	166,401	10,718	434,784	9,483,512
0	0	0	0	0	0	547,228
8,334	33,564	0	0	0	980	134,263
<u>78,814</u>	<u>8,603,061</u>	<u>135,661</u>	<u>166,401</u>	<u>10,718</u>	<u>435,764</u>	<u>10,165,003</u>
0	513,659	91,026	276,597	0	101,575	1,105,413
0	98,925	23,810	41,212	0	13,452	177,399
0	0	0	0	0	0	298,523
33,353	7,510,609	3,144	56,750	0	320,737	8,483,545
<u>33,353</u>	<u>8,123,193</u>	<u>117,980</u>	<u>374,559</u>	<u>0</u>	<u>435,764</u>	<u>10,064,880</u>
<u>45,461</u>	<u>479,868</u>	<u>17,681</u>	<u>(208,158)</u>	<u>10,718</u>	<u>0</u>	<u>100,123</u>
0	5,479,655	0	0	0	0	5,799,816
0	0	0	208,158	0	0	208,158
0	0	0	0	0	0	0
45,461	479,868	17,681	0	10,718	0	308,281
0	0	0	0	0	0	0
0	(247,020)	0	0	0	0	0
0	0	(17,681)	0	0	0	0
0	0	0	0	(10,718)	0	0
(45,461)	0	0	0	0	0	0
<u>(45,461)</u>	<u>(247,020)</u>	<u>(17,681)</u>	<u>0</u>	<u>(10,718)</u>	<u>0</u>	<u>0</u>
0	232,848	0	0	0	0	308,281
<u>\$ 0</u>	<u>\$ 5,712,503</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,108,097</u>

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Allen

Frisco

McKinney

Plano

Rockwall

Texas



COMPREHENSIVE ANNUAL *Financial Report* 2013

For the Years Ended August 31, 2013 and 2012