

(UNAUDITED)
SUPPLEMENTAL INFORMATION

The College relies on electronic devices that contain microprocessors, which have or may have two digit dates coded onto them. There is a possibility that at the turn of the century, some of these devices could experience difficulties processing data or fail completely. The College also relies on third parties to provide services or data that may be affected by the millennium change, which could affect campus wide operations.

In anticipation of the potential disruption in data processing or service, the College has established a Year 2000 (Y2K) Task Force Committee. The charter of this committee is to minimize or eliminate Y2K associated problems that can be identified prior to January 1, 2000.

The committee coordinated a polling of all the College district's vendors which support the College's operations. Specifically, the committee has received Y2K readiness documentation from utility suppliers and emergency service providers. Additionally, other college mechanical systems have been tested and determined to be Y2K compliant. The College is taking measures through the Y2K committee to identify, update, convert and test all systems and components that may have a Y2K processing problem. The committee is also evaluating external services critical to operations that may be affected by the Y2K problem and formulating plans to insure compliance or develop contingency plans for continued operations in the event of a service failure.

At the balance sheet date, the College is purchasing software and microcomputers that are Y2K compliant. The College has contacted its mainframe vendor as well as the software vendors for the mainframe and is working on updating, converting or replacing components in order to become fully compliant. This process is being conducted within the current operating budget and the College plans to run a minimum of two complete mainframe tests on separate days to verify Y2K compliance of this system. Once completed, additional tests will be scheduled as necessary.

The Y2K committee briefs the Board of Trustees periodically on their progress. As of the balance sheet date, the College has not had to expend a significant amount of resources for this specific issue. The College plans to continue to address the Y2K issue and integrate normal repair and replacement with compliant software and hardware. All critical systems will be given additional tests subsequent to January 1, 2000 and prior to the beginning of classes to be certain all systems function properly. Should any problems be detected, the College will take whatever steps are necessary to correct them in a timely manner. Although it is possible that a critical process or component could be overlooked causing a material impact on operations, it is not anticipated at this time.