

CENTRAL TEXAS COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
Years Ended August 31, 2005 and August 31, 2004

Exhibit 3

	Fiscal Year 2005	Fiscal Year 2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	\$ 28,913,834	\$ 27,048,133
Receipts from grants and contracts	51,808,662	40,975,843
Payments to suppliers for goods and services	(24,073,957)	(22,757,459)
Payments to or on behalf of employees	(69,983,543)	(63,335,873)
Payments for scholarships and fellowships	(9,890,677)	(9,390,489)
Loans issued to students	(40,250)	(31,256)
Collection of loans to students	38,856	31,243
Other receipts	11,157,465	10,833,102
Other payments	(195,162)	(801,867)
Net cash used by operating activities	<u>(12,264,772)</u>	<u>(17,428,623)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations	21,095,382	20,868,791
Receipts from Ad valorem taxes	6,708,586	6,294,120
Payments for collection of taxes	(116,275)	(122,861)
Student organization and other agency transactions	(27,331)	87,869
Other receipts (payments)	85,660	(801)
Net cash provided (used) by non-capital financing activities	<u>27,746,022</u>	<u>27,127,118</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(4,061,291)	(961,375)
Payments on capital debt - principal	(1,910,000)	(1,820,000)
Payments on capital debt - interest	(482,114)	(573,115)
Other Payments	(11,344)	(11,343)
Net cash provided (used) by capital and related financing activities	<u>(6,464,749)</u>	<u>(3,365,833)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	30,349,935	8,968,965
Interest on investments	1,462,346	640,733
Purchases of investments	(39,655,396)	(7,959,117)
Net cash provided (used) by investing activities	<u>(7,843,115)</u>	<u>1,650,581</u>
Increase (decrease) in cash and cash equivalents	<u>1,173,386</u>	<u>7,983,243</u>
Cash and cash equivalents-September 1, 2004	40,747,124	32,763,881
Cash and cash equivalents-August 31, 2005	<u>\$ 41,920,510</u>	<u>\$ 40,747,124</u>
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating loss	\$ (20,983,797)	\$ (16,242,190)
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation expense	3,011,479	2,265,302
Changes in assets and liabilities		
Receivables, net	1,825,074	(3,114,664)
Inventories	(72,778)	915,021
Prepaid expenses	(44,051)	(166,681)
Accounts payable	(557,368)	(558,186)
Accrued liabilities	815,319	568,863
Compensated absences	153,729	106,125
Deferred revenues	3,576,392	(1,202,053)
Other Assets	11,229	(160)
Net cash provided (used) by operating activities	<u>\$ (12,264,772)</u>	<u>\$ (17,428,623)</u>

The accompanying notes are an integral part of the financial statements.