

CENTRAL TEXAS COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
Years Ended August 31, 2006 and August 31, 2005

Exhibit 3

	Fiscal Year 2006	Fiscal Year 2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	\$ 28,155,266	\$ 28,913,834
Receipts from grants and contracts	54,544,986	51,808,662
Payments to suppliers for goods and services	(28,722,176)	(24,073,957)
Payments to or on behalf of employees	(72,902,961)	(69,983,543)
Payments for scholarships and fellowships	(8,679,046)	(9,890,677)
Payments for loans issued to students	(32,884)	(40,250)
Receipts from collection of loans to students	56,321	38,856
Other receipts (payments)	11,447,092	10,962,303
Net cash used by operating activities	<u>(16,133,402)</u>	<u>(12,264,772)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations	22,992,221	21,095,382
Receipts from Ad valorem taxes	7,456,785	6,708,586
Payments for collection of taxes	(103,213)	(116,275)
Receipts from student organizations and other agency transactions	727,417	226,894
Payments to student organizations and other agency transactions	(192,033)	(254,225)
Other receipts (payments)	31,315	85,660
Net cash provided (used) by non-capital financing activities	<u>30,912,492</u>	<u>27,746,022</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(2,430,163)	(4,061,291)
Payments on capital debt - principal	(2,000,000)	(1,910,000)
Payments on capital debt - interest and fees	(407,508)	(493,458)
Net cash provided (used) by capital and related financing activities	<u>(4,837,671)</u>	<u>(6,464,749)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	38,492,103	30,349,935
Interest on investments	3,190,706	1,462,346
Purchases of investments	(40,479,918)	(39,655,396)
Net cash provided (used) by investing activities	<u>1,202,891</u>	<u>(7,843,115)</u>
Increase (decrease) in cash and cash equivalents	<u>11,144,310</u>	<u>1,173,386</u>
Cash and cash equivalents-September 1, 2005	41,920,510	40,747,124
Cash and cash equivalents-August 31, 2006	<u>\$ 53,064,820</u>	<u>\$ 41,920,510</u>
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating loss	\$ (22,651,385)	\$ (21,069,917)
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation expense	2,817,117	3,097,599
Changes in assets and liabilities		
Receivables (net)	1,122,403	1,825,074
Inventories	358,980	(72,778)
Prepaid expenses	(287,890)	(44,051)
Accounts payable	2,696,459	(557,368)
Accrued liabilities	829,827	815,319
Compensated absences	(28,133)	153,729
Deferred revenues	(967,874)	3,576,392
Other Assets	(22,906)	11,229
Net cash provided (used) by operating activities	<u>\$ (16,133,402)</u>	<u>\$ (12,264,772)</u>

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