

CENTRAL TEXAS COLLEGE DISTRICT

ANNUAL FINANCIAL REPORT

August 31, 2010

CENTRAL TEXAS COLLEGE DISTRICT
August 31, 2010

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CENTRAL TEXAS COLLEGE DISTRICT

**ORGANIZATIONAL DATA
for the Fiscal Year 2010**

Board of Trustees

<u>Members</u>	<u>City</u>	<u>Term Expires</u>
Mari M. Meyer, Chair	Harker Heights, TX	May, 2013
Elwood H. Shemwell, Vice Chair	Copperas Cove, TX	May, 2013
Charles Rex Weaver, Treasurer	Killeen, TX	May, 2011
Jimmy Towers, Secretary	Killeen, TX	May, 2013
Don R. Armstrong, Member	Killeen, TX	May, 2011
William L. Shine, Member	Harker Heights, TX	May, 2015
Dr. Scott Isdale, Member	Belton, TX	May, 2015

Key Officers

James R. Anderson, Ph.D.	Chancellor
Robert C. Farrell	Deputy Chancellor, Resource Management
Jim Yeonopolus	Deputy Chancellor, Continental & Overseas Operations
William Alexander	Deputy Chancellor, Texas Campus Operations
Dana Watson, Ph.D.	Deputy Chancellor, Education Programs & Support Services



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CERTIFIED PUBLIC ACCOUNTANTS

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Board of Trustees
Central Texas College District
Killeen, Texas

We have audited the accompanying financial statements of Central Texas College District, as of and for the year ended August 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

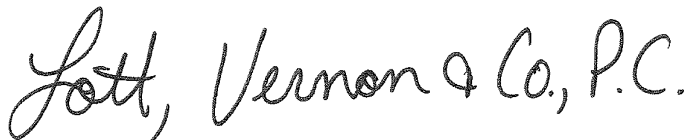
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Texas College District as of August 31, 2010, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2010, on our consideration of the College'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTAL INFORMATION (CONTINUED)**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying additional information and statistical supplement, as described in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. Such information, except for that portion marked "unaudited" (the additional information and statistical supplements) on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Temple, Texas
December 1, 2010

**Central Texas College District
Annual Financial Report
Management’s Discussion and Analysis
For the Year Ended August 31, 2010**

This section of the Central Texas College District (the College) annual financial report presents a discussion and analysis of the financial performance of the College during the fiscal year ended August 31, 2010. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with the financial statements and footnotes. This discussion and analysis is designed to focus on current activities, resulting change and current known facts. For management’s discussion and analysis, we have presented the previous year’s financial information in order to provide a comparison. The financial statements, footnotes and this discussion are the responsibility of management.

BASIC FINANCIAL STATEMENTS

The basic financial statements are prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments” and Statement No. 35, “Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities”. Three primary statements are required: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows.

Financial statements for the College’s component unit, the Central Texas College Foundation (the Foundation) are issued independent to those of the College but are presented with the College’s basic financial statements.

One of the most important questions asked about the College’s finances is whether or not the College’s financial position has improved as a result of the year’s activities. The key to understanding this question is the Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows. These statements present financial information in a form similar to that used by corporations. The college’s net assets are one indicator of its’ financial health. Over time, increases or decreases in net assets are one indicator of the improvement or erosion of the college’s financial health when considered with non-financial facts such as enrollment levels and the condition of the facilities.

The Statement of Net Assets includes all assets and liabilities. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statement of Revenues, Expenses and Changes in Net Assets presents the revenues earned and the expenses incurred during the year. Activities are reported as either operating or non-operating.

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its' expected useful life.

Another important factor to consider when evaluating financial viability is the college's ability to meet financial obligations as they mature. The Statement of Cash Flows presents the information related to cash inflows and outflows summarized by operating, capital and non-capital financing and investing activities.

Required supplementary audited financial information is presented in Schedules A through F. Each of these schedules presents in detail information from the basic financial statements. Additionally, required supplementary financial information includes schedules of statistical information relevant to the College's operation.

Schedules G, G-1 and G-2 are provided to reflect the campus organizational structure of the College and additional information is presented to provide detailed property/casual, workers compensation and general liability insurance information of the College. These schedules are not required by GASB and are not audited.

FINANCIAL AND ENROLLMENT HIGHLIGHTS

- Cash and Short Term Investments increased approximately \$20M during the year, however long term investments decreased approximately \$20M during the same period of time. Governmental Accounting requires Federal Securities with maturities of greater than one year at the time of purchase to be classified as long term investments and Certificates of Deposit to be considered cash and cash equivalents. Due to non favorable interest rates the college invested more heavily in CD's during the year. Overall the College's total cash and investments position did not change during the fiscal year despite expenses of approximately \$13.5M in capital projects.
- The College's total assets increased approximately \$20 million or 10% during the fiscal year while total liabilities increased approximately \$4.7 million or 17%. This resulted in an increase to net assets of approximately \$15.3 million or 9%.
- The College continues to perform well in the area of federal contracts. The option years of several contracts were exercised during the fiscal year and we were the successful bidders on several other contracts.
- Distance Education tuition and fees represent \$19.6M or 39% of total tuition and fees. Operating revenues clearly reflect military and distance learning initiatives.
- Local ad valorem tax revenues continue to increase as a result of continued construction in

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

the college district, however the increase in new construction did begin to taper off during the fiscal year and adjustments lowering many individual pieces of real estate occurred during the fiscal year.

- The College Board of Trustees lowered the local ad valorem tax rate for maintenance and operation from \$.1410/100 in 2009 to \$.1409/100 in 2010. The College's tax rate has decreased or remained constant for more than the last ten year period.

Statement of Net Assets

The Statement of Net Assets includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector institutions. Net assets - the difference between assets and liabilities - are one way to measure the financial health of the college.

	(In Millions)		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Current assets:			
Cash and short-term investments	\$ 99.6	\$ 80.7	23.4
Receivables	20.3	10.2	99.0
Inventory, prepaid expenses and other	<u>3.3</u>	<u>3.1</u>	<u>6.5</u>
Total current assets	123.2	94.0	31.1
Non-current assets:			
Restricted Cash	.9	.2	350.0
Long-term investments	7.5	27.3	(72.5)
Capital assets, net of depreciation	<u>86.8</u>	<u>76.9</u>	<u>12.9</u>
Total non-current assets	<u>95.2</u>	<u>104.4</u>	<u>(8.8)</u>
Total assets	<u>218.4</u>	<u>198.4</u>	<u>10.1</u>
Current liabilities:			
Accounts payable and accrued liabilities	15.6	16.1	(3.1)
Deferred revenue	15.5	10.3	50.5
Long-term liabilities - current portion	<u>.3</u>	<u>.3</u>	<u>-</u>
Total current liabilities	31.4	26.7	17.6
Non-current liabilities:			
Long-term liabilities	<u>1.4</u>	<u>1.4</u>	<u>-</u>
Total liabilities	32.8	28.1	16.7

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

Net assets

Invested in capital assets, net of related debt	88.8	76.9	15.5
Restricted	.7	.7	-
Unrestricted	<u>96.1</u>	<u>92.7</u>	<u>3.7</u>
Total net assets	<u>185.6</u>	<u>170.3</u>	<u>9.0</u>
Total liabilities and net assets	\$ <u>218.4</u>	\$ <u>198.4</u>	<u>10.1</u>

Cash and investments did not show a significant change in total for the fiscal year. However, the type of cash and investments held saw significant change. During the fiscal year the college purchased bonds with shorter maturities than previously and also owns \$49 million in certificates of deposit as of August 31, 2010. This was a result of changes in the market and the continued decrease in interest rates.

The increase in receivables is due primarily to the record enrollments for the Fall 2010 semester. Enrollments were up approximately 20% from the previous Fall semester. Since the largest portion of our students have their payments made by a third party, primarily the federal government, receivables increased significantly.

The increase in capital assets was largely due to the continued expansion of plant facilities. The Ft Hood Academic building was completed during the fiscal year and the new Nursing facility will be complete by January of 2011. Significant funds were also expended for the new Student Union and the renovation of the current Student Center as well as additional parking.

The increase in deferred revenue is due to an approximate 20% increase in Fall 2010 enrollments.

Net assets invested in capital assets increased significantly during the year in direct correlation to the increase in capital assets stated above. Federal, state and local statutes require certain net assets be restricted for future use. Other net assets are unrestricted, however, a majority of these net assets have been designated or reserved for specific purposes such as: working capital for instructional programs, a long range master facility plan, insurance reserves and repairs and replacement of equipment.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

The Statement of Revenues, Expenses and Changes in Net Assets present the operating results of the college, as well as the non-operating revenues and expenses. Annual ad valorem tax revenues, while budgeted for operations, are considered non-operating revenues in GASB 34-35. Additionally, State appropriations, which previously have been classified as operating revenues, were reclassified as non-operating revenues in accordance with directives from the Texas Higher Education Coordinating Board (THECB). This reclassification is designed to align Texas Community College's financial presentation with that of other States.

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

	(In Millions)		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Operating revenue:			
Net tuition and fees	\$ 50.7	\$ 45.4	11.7
Federal Funds	32.9	35.3	(7.3)
Grants and Contracts	2.2	2.4	(8.3)
Auxiliary Funds	10.5	9.7	8.2
Other	<u>1.8</u>	<u>2.5</u>	<u>(28.0)</u>
Total	98.1	95.3	3.0
Operating expenses	<u>142.7</u>	<u>131.5</u>	<u>8.5</u>
Net operating loss	<u>(44.6)</u>	<u>(36.2)</u>	<u>23.2</u>
Non-operating revenues (expenses)			
State Appropriations	24.6	24.5	.4
Local ad valorem taxes	10.8	10.6	1.9
Federal Revenue, Non Operating	24.2	10.6	128.3
Investment income	.7	2.1	(66.7)
Other revenues and expenses	<u>(.4)</u>	<u>(.2)</u>	<u>(100.0)</u>
Total	<u>59.9</u>	<u>47.6</u>	<u>25.8</u>
Increase in net assets	15.3	11.4	34.2
Net assets - Beginning of year	<u>170.3</u>	<u>158.9</u>	<u>7.2</u>
Net assets - End of year	\$ <u>185.6</u>	\$ <u>170.3</u>	<u>9.0</u>

Tuition and fees, net of scholarship allowances, increased significantly this year due to the combination of a tuition increase of approximately 7% and enrollment increase of approximately 5% compared to the previous fiscal year.

Federal revenues decreased due to the decrease in our Navy contracts. The Navy had less dollars in their budget for education during the 2010 fiscal year.

Auxiliary revenues consist of housing, bookstore and the planetarium. The increase in the current year can be attributed to the enrollment increase and the continued increase in the cost of textbooks from the publishers.

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

Non-operating revenues from the collection of local ad valorem taxes are reflected as such through interpretation of GASB 34-35. Because these collections are so closely related to the operation of the College's physical plant, many feel this source of revenue should be classified as operating revenues.

The increase in federal revenue, non operating is directly related to the increase in student financial aid. The government increased programs and limits during the fiscal year and many more students are currently eligible.

Investment income decreased significantly and reflects the continued downturn in the nation's economy. Average returns of just over 2% in the prior fiscal year can be compared with average returns of less than 1% in the current fiscal year.

Federal revenues represent (47%) of total revenues and tuition and fees represent (32%). State appropriations (16%) are third and local ad valorem tax revenues (7%) are fourth.

OPERATING EXPENSES (by functional classification)

	(In Millions)		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Instruction	\$ 59.1	\$ 60.1	(1.7)
Public service	1.5	1.5	-
Academic support	8.9	8.9	-
Student services	11.5	10.6	8.5
Institutional support	16.9	16.5	2.4
Operation and maintenance of plant	9.4	7.7	22.1
Depreciation	3.2	2.9	10.0
Scholarships and related expenses	22.5	14.1	59.6
Auxiliary activities	<u>9.7</u>	<u>9.2</u>	<u>5.4</u>
Total Expenses	\$142.7	\$131.5	8.5

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

OPERATING EXPENSES (by natural classification)

	(In Millions)		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Salaries and wages	\$ 66.7	\$ 63.6	4.8
State Benefits	4.4	4.3	2.3
Local Benefits	11.0	10.0	10.0
Scholarships and related expenses	22.3	14.1	58.2
Supplies and related expenses	35.1	36.6	(4.1)
Depreciation	<u>3.2</u>	<u>2.9</u>	<u>10.0</u>
	\$ 142.7	\$131.5	8.5

Salaries and wages, which clearly represent the largest operating expense, increased slightly due to a combination of factors including annual pay increases throughout each functional category and an increase to the total number of employees. The increase in local benefits can primarily be attributed to the increase in the cost of insurance to the college for the non funded state eligible employees. Scholarships and related expenses increased due to the increased governmental programs and award limits.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. This statement also helps users assess the college's ability to generate net cash flows, its ability to meet its obligations as they come due and its need for external financing.

	(In Millions)		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Cash provided by (used in):			
Operating activities	\$(38.5)	\$(22.7)	69.6
Non-capital financing activities	50.9	42.9	18.6
Capital and related financing activities	(13.4)	(20.1)	(33.3)
Investing activities	<u>15.5</u>	<u>12.3</u>	<u>26.0</u>
Net increase (decrease) in cash	14.5	12.4	16.9
Cash - beginning of year	<u>77.9</u>	<u>65.5</u>	<u>18.9</u>
Cash - end of year	\$ 92.4	\$77.9	18.6

CENTRAL TEXAS COLLEGE DISTRICT

Management's Discussion and Analysis

For the Year Ended August 31, 2010

Cash flows from operating activities represents the difference in the incoming and outgoing cash for all educational operations while cash flows from non-capital financing activities represents the collections from local ad valorem taxes, State appropriations and federal, non operating revenue.

Cash flows from capital and related financing activities represents the cash paid to contractors during the year for construction projects and for the purchase of other capital assets.

Cash flows for investing activities represents investment income and the change in investment strategy to purchase certificates of deposits. This change was predicated on the continued decrease in rates of return from government investment pools and bonds.

LOOKING AHEAD

The College's overall financial position is very strong. Our ability to remain competitive in a rapidly advancing technological market allows the College to be a recognized leader in military education. The anticipation of continued deployments of military around the world will have an impact on the College, however the impact should not materially affect our financial position due to our worldwide locations and robust distance learning program.

Early in calendar year 2011 we will open our new nursing building. The 85,000 square foot building will consist of numerous classrooms and labs, a simulated intensive care unit and emergency room and state-of-the-art equipment to provide nursing students the best possible training. By the end of the year we anticipate the completion of our new Student Union which will house the bookstore, food service operations and a conference center capable of housing approximately 500 people.

Along with the growth of campus facilities, we anticipate enrollment numbers to continue to rise. Fall 2010 enrollments were at record highs. According to *Community College Week* we are the 13th fastest growing community college in the nation. Our commitment to service members will continue to be a priority. CTC was again named in 2011 to the list of top military friendly schools by G.I. Jobs magazine and to the Top 20 Military-Friendly Colleges and Universities by KMI Media Group and Military Advanced Education publication. We will make every effort to maintain or increase those rankings.

In spite of these achievements, CTC still has a bit of an uphill battle to face with state budget cuts, decreased tax valuations and health reform. But as we have done in the past, we will find solutions to these challenges with minimal disruption to students. Together, as a team, we will continue to grow, succeed and provide the best quality education to our students at one of the most affordable rates in Texas.

FINANCIAL STATEMENTS

**CENTRAL TEXAS COLLEGE DISTRICT
STATEMENT OF NET ASSETS
AUGUST 31, 2010 and AUGUST 31, 2009**

Exhibit 1

ASSETS	FISCAL YEAR		FISCAL YEAR	
	2010		2009	
Current Assets				
Cash and Cash Equivalents	\$	91,539,330	\$	77,687,745
Short Term Investments		8,098,100		3,039,375
Accounts Receivable (net)		20,291,102		10,163,166
Inventories		2,971,766		2,804,248
Prepaid Expenses		304,702		297,525
Total Current Assets		<u>123,205,000</u>		<u>93,992,059</u>
Noncurrent Assets				
Restricted Cash and Cash Equivalents		860,002		197,840
Other Long-Term Investments		7,509,350		27,348,612
Notes Receivable		18,590		23,055
Capital Assets (net) (See Note 6):		86,778,031		76,856,495
Total Noncurrent Assets		<u>95,165,973</u>		<u>104,426,002</u>
Total Assets		<u>218,370,973</u>		<u>198,418,061</u>
LIABILITIES				
Current Liabilities				
Accounts Payable		3,992,696		5,725,658
Accrued Liabilities		11,474,199		10,060,928
Accrued Compensable Absenses-Current Portion		344,633		334,883
Funds Held for Others		40,964		284,615
Deferred Revenues		15,492,800		10,330,870
Total Current Liabilities		<u>31,345,292</u>		<u>26,736,954</u>
Noncurrent Liabilities				
Accrued Compensable Absenses		1,378,533		1,339,532
Total Noncurrent Liabilities		<u>1,378,533</u>		<u>1,339,532</u>
Total Liabilities		<u>32,723,825</u>		<u>28,076,486</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt		88,778,031		76,856,495
Restricted for:				
Scholarships and Grants		718,108		704,712
Unrestricted		31,557,528		19,570,189
Board Designated		64,593,481		73,210,179
Total Net Assets (Schedule D)		<u>185,647,148</u>		<u>170,341,575</u>
Total Liabilities and Net Assets	\$	<u>218,370,973</u>	\$	<u>198,418,061</u>

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

**CENTRAL TEXAS COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2010**

Exhibit 1 - A

	UNRESTRICTED	RESTRICTED	ENDOWMENT	TOTAL
Assets				
Cash & Cash Equivalents	\$ 55,830	\$ 22,879	\$ 44,942	\$ 123,651
Investments		684,648	2,975,839	3,660,487
CSV - Life Insurance		82,344		82,344
Total Assets	<u>55,830</u>	<u>789,871</u>	<u>3,020,781</u>	<u>3,866,482</u>
Liabilities				
Accounts Payable	<u>598</u>	<u>2,000</u>	<u>61,020</u>	<u>63,618</u>
Total Liabilities	<u>598</u>	<u>2,000</u>	<u>61,020</u>	<u>63,618</u>
Net Assets				
Unrestricted	55,232			55,232
Permanently Restricted		787,871	2,959,761	3,747,632
Total Net Assets	<u>\$ 55,232</u>	<u>\$ 787,871</u>	<u>\$ 2,959,761</u>	<u>\$ 3,802,864</u>

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

CENTRAL TEXAS COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years Ended August 31, 2010 and August 31, 2009

Exhibit 2

	<u>FISCAL YEAR</u> <u>2010</u>	<u>FISCAL YEAR</u> <u>2009</u>
Operating Revenues		
Tuition and Fees (net of discounts of \$11,963,940 and \$7,882,238, respectively)	\$ 50,668,812	\$ 45,352,318
Federal Grants and Contracts	32,877,875	35,321,777
State Grants and Contracts	1,128,129	1,274,857
Non-Governmental Grants and Contracts	1,069,553	1,140,487
Sales of Services of Educational Activities	648,993	718,623
Auxiliary Enterprises (net of discounts)	10,466,791	9,724,354
General Operating Revenues	1,291,498	1,723,941
Total Operating Revenues (Schedule A)	<u>98,151,651</u>	<u>95,256,357</u>
Operating Expenses		
Instruction	59,059,389	60,088,479
Public Service	1,542,806	1,493,069
Academic Support	8,889,593	8,861,919
Student Services	11,552,517	10,649,764
Institutional Support	16,898,965	16,460,951
Operation and Maintenance of Plant	9,396,426	7,707,450
Scholarships and Fellowships	22,448,656	14,136,588
Auxiliary Enterprises	9,720,039	9,178,533
Depreciation	3,234,993	2,918,933
Total Operating Expenses (Schedule B)	<u>142,743,384</u>	<u>131,495,686</u>
Operating Loss	<u>(44,591,733)</u>	<u>(36,239,329)</u>
Non-Operating Revenues (Expenses)		
State Appropriations	24,564,349	24,557,821
Maintenance Ad Valorem Taxes	10,848,729	10,616,386
Federal Revenue, Non Operating	24,223,413	10,652,116
Investment Income	706,171	2,070,185
Interest on Capital Related Debt		
Other Non-Operating Revenues (Expenses)	(445,356)	(188,099)
Net Non-Operating Revenues (Schedule C)	<u>59,897,306</u>	<u>47,708,409</u>
Increase in Net Assets	<u>15,305,573</u>	<u>11,469,080</u>
Net Assets		
Net Assets - Beginning of Year	170,341,575	158,872,495
Net Assets - End of Year	<u>\$ 185,647,148</u>	<u>\$ 170,341,575</u>

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

**CENTRAL TEXAS COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2010**

Exhibit 2-A

	UNRESTRICTED	RESTRICTED	ENDOWMENT	TOTAL
Revenue				
Contributions	\$ 53,155	\$ 55,773	\$ 81,186	\$ 190,114
Donated Administrative Support	174,363			174,363
Interest Income		2,842	60,456	63,298
Unrealized/Realized Gains(Loss) on Investment		7,591	189,023	196,614
Other Income		3,137	13,950	17,087
Total Revenues, Gains, Other Support	<u>227,518</u>	<u>69,343</u>	<u>344,615</u>	<u>641,476</u>
Expenses				
Program				
Scholarships Awarded		7,040	88,238	95,278
Support				
Management & General		49,630		49,630
Fund Raising	19,354			19,354
Donated Administrative Support	174,363			174,363
Total Expenses	<u>193,717</u>	<u>56,670</u>	<u>88,238</u>	<u>338,625</u>
Changes in Net Assets	33,801	12,673	256,377	302,851
Net Assets at Beginning of Period	47,997	775,219	2,676,797	3,500,013
Transfers	<u>(26,566)</u>	<u>(21)</u>	<u>26,587</u>	
Net Assets at End of Period	\$ <u>55,232</u>	\$ <u>787,871</u>	\$ <u>2,959,761</u>	\$ <u>3,802,864</u>

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

**CENTRAL TEXAS COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
Years Ended August 31, 2010 and August 31, 2009**

Exhibit 3

	Fiscal Year 2010	Fiscal Year 2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	\$ 52,240,867	\$ 46,691,517
Receipts from grants and contracts	33,062,983	40,129,314
Payments to suppliers for goods and services	(36,037,911)	(32,954,144)
Payments to or on behalf of employees	(78,275,686)	(74,140,209)
Payments for scholarships and fellowships	(22,316,099)	(14,015,175)
Payments for loans issued to students	(32,299)	(49,903)
Receipts from collection of loans to students	36,013	59,975
Other receipts (payments)	12,785,683	11,574,532
Net cash (used) by operating activities	<u>(38,536,449)</u>	<u>(22,704,093)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations	21,773,748	21,818,965
Receipts from Ad valorem taxes	10,848,729	10,616,386
Receipts from non operating federal revenue	18,786,547	10,652,116
Payments for collection of taxes	(172,246)	(161,059)
Receipts from student organizations and other agency transactions	10,789,257	259,348
Payments to student organizations and other agency transactions	(11,032,908)	(253,359)
Other receipts (payments)	198	(6,035)
Net cash provided (used) by non-capital financing activities	<u>50,993,325</u>	<u>42,926,362</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from the sale of capital assets	86,338	48,852
Purchases of capital assets	(13,516,175)	(20,148,438)
Net cash provided (used) by capital and related financing activities	<u>(13,429,837)</u>	<u>(20,099,586)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	46,074,838	68,281,752
Receipts from interest on investments	706,171	2,070,185
Purchases of investments	(31,294,301)	(58,114,150)
Net cash provided (used) by investing activities	<u>15,486,708</u>	<u>12,237,787</u>
Increase (decrease) in cash and cash equivalents	<u>14,513,747</u>	<u>12,360,470</u>
Cash and cash equivalents-September 1, 2009	77,885,585	65,525,115
Cash and cash equivalents-August 31, 2010	<u>\$ 92,399,332</u>	<u>\$ 77,885,585</u>
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating loss	\$ (44,591,733)	\$ (36,239,329)
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation expense	3,234,993	2,918,933
Payments made directly by state for benefits	2,790,601	2,738,856
Changes in assets and liabilities		
Receivables (net)	(4,691,071)	1,781,465
Inventories	(167,518)	(687,108)
Prepaid expenses	(7,177)	1,108,448
Accounts payable	(1,732,961)	2,222,964
Accrued liabilities	1,413,271	1,103,390
Compensated absences	48,751	112,762
Deferred revenues	5,161,930	2,223,955
Other Assets	4,465	11,571
Net cash provided (used) by operating activities	<u>\$ (38,536,449)</u>	<u>\$ (22,704,093)</u>

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

CENTRAL TEXAS COLLEGE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010

1. Reporting Entity

The Central Texas College District (CTCD) was established in July, 1965, in accordance with the laws of the State of Texas, to serve the educational needs of the public and the surrounding communities. CTCD is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While CTCD 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.

Institutions:

At August 31, 2010, CTCD is composed of two institutions and is organized by campuses.

Central Texas College - (CTC) - is a two-year community college accredited by the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) to offer associate degrees and certificates of completion. CTC offers instructional programs that include traditional university parallel courses, online courses and degrees, one-year and two-year occupational education and technology programs, general education courses, dual credit programs with area high schools, developmental (remedial) studies, non-credit continuing education courses, literacy education, and workforce development training. In addition, CTC provides comprehensive student developmental services that assist students in defining goals, identifying abilities and interests, and the selection of an appropriate course of study to prepare for the future.

American Preparatory Institute - (API) - is accredited by the Commission on Secondary Schools of the Southern Association of Colleges and Schools to provide pre-secondary and secondary education as well as high school diplomas. API provides a complete curriculum development support staff to provide and maintain materials in basic skills, high school diploma and related programs. It provides the opportunity for adults; both civilian and military, beyond normal public school age to earn a high school diploma from a state and regionally accredited institution. Other API programs include a basic skills education program, pre-college/post high school refresher courses, and special courses.

Texas Campuses:

The Texas Campuses include the "Central Campus" at Killeen, Texas, the "Fort Hood/Service Area Campus" on the Fort Hood reservation and the Service Area which includes an eleven county area as defined by the Texas Higher Education Coordinating Board. Administrative services, student services and other types of activities associated with a more traditional junior college campus are all part of the Texas Campuses. These include a testing center, career guidance, counseling and registration centers, and the primary library facility.

The Fort Hood/Service Area Campus headquarters is located in facilities on the Fort Hood military installation. Registration, counseling and guidance, and associated types of activities are provided. In addition to serving students who live in rural and isolated small farming communities, the Service Area student population includes men and women who are incarcerated at the Texas Department of Criminal Justice - Institutional Division in Gatesville and San Saba.

The Fort Hood/Service Area Campus assists students in the transition from: high school to college, high school to technical vocational skills training and high school to gainful employment. In addition, programs in computer literacy and upgrading of basic skills are also provided.

The Texas Campuses conduct programs which are eligible for state funding.

Continental and International Campuses:

The Navy Campus provides an educational program which includes a full range of academic support courses, technical/vocational education courses and specialized courses of training and instruction as requested by the U.S. Navy.

Programs and services provided by this campus include ships of the Atlantic and Pacific fleets wherever they are located in the performance of their mission, selected ashore ports and other designated Navy stations. In addition, this campus supervises all federal and state prison programs outside the State of Texas.

The Continental Campus provides an educational program which includes a full range of academic support courses, technical/vocational educational courses, specialized courses of training and instruction as requested by U.S. Army, Navy, Air Force, and Marine Corps installations, including non-credit vocational/technical education and Military Occupational Specialty (MOS) and MOS-Related programs and associated support activities. The geographic area in which services are provided by this campus includes all U.S. military installations in the continental United States including Alaska and Hawaii. In addition, this campus administers college leadership courses to Air Force Reserve personnel at all locations throughout the United States.

The Europe Campus has its headquarters on a U.S. Army military installation in Mannheim, Germany. The Europe Campus provides an educational program which includes a full range of academic support courses, technical/vocational educational courses, specialized courses of training and instruction, MOS and MOS-related programs, and associated support activities. The geographic area in which services are provided by this campus presently includes U.S. military installations in Germany, Italy, Greece, Turkey, United Kingdom, Iceland, Azores, Spain, Belgium, the Sinai, Bosnia, Afghanistan, Djibouti, Egypt, Kosovo, Kuwait, Saudi Arabia, Uzbekistan, Iraq and Qatar.

The Pacific Far East Campus has its headquarters on a U.S. Army installation in Bupyeong, Republic of Korea. The Pacific Far East Campus provides an educational program which includes functional skills, technical/vocational education courses, specialized courses of training and instruction as requested by the U.S. Navy, U.S. Marine Corps Pacific, U.S. Forces Korea, Eighth U.S. Army, and Pacific Air Force, including non-credit technical/vocational education. The geographic area served by this campus includes U.S. military installations in Japan, Korea, Okinawa, Diego Garcia and Guam.

Collectively, the Navy, Continental, Europe and Pacific Far East Campuses comprise the Continental and International Campuses of CTCD. Programs and services are provided on a contractual basis or by memorandum of understanding.

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by CTCD in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. CTCD applies all applicable GASB pronouncements and all applicable Financial Accounting Standard Board (FASB) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. CTCD has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB. CTCD is reported as a special purpose government engaged in business-type activities.

Tuition Discounting

Texas Public Education Grants

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

Title IV, Higher Education Act Program Funds

Certain Title IV HEA Program Funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

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

Basis of Accounting

The financial statements of CTCD have been prepared on the accrual basis whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

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

Cash and Cash Equivalents

CTCD'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.

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. Fair values are based on published market rates. 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.

Inventories

Inventories consist of consumable office supplies, physical plant supplies and bookstore stock. Inventories are valued by the first in, first out method and are charged to expense as consumed.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation. For equipment, CTCD's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. 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

Deferred Revenue

Tuition and fees of \$15,492,800 and \$10,330,870 have been reported as deferred revenues at August 31, 2010 and August 31, 2009 respectively.

Related Intra-District Transactions

In order to provide effective and efficient operation and management of the various operating units and campuses of CTCD, policy, executive direction, and administrative control functions are performed by the Central Texas College Systems. Each campus shares the cost of operation of this administrative function.

Similarly, each Continental and International Campus shares the administrative costs associated with the operation of a specific educational program at that campus.

Contractual Services

Substantially all training programs and other services under contractual agreements with various U.S. military and other organizations are accounted for as operating revenues. All such activity conducted by CTCD is paid on a reimbursement basis in that CTCD presents claims for payment after services have been provided. Most of these contracts include separate funding of indirect costs.

Expenditures made under certain contractual arrangements are accounted for as operating expenses. Excess revenues or expenditures from such activities, indirect cost recoveries, and any receivables related to services which have been provided as of the net asset date are included in operations.

Accounts receivable includes retainage which has been billed, but which is not due pursuant to retainage provisions in federal contracts until completion of performance and acceptance by the government. Amounts included in accounts receivable as retainage are not significant and are substantially collectible in one to two years. Losses on contracts are recorded in full as they are identified.

Reclassifications

Certain comparative data have been reclassified to present such amounts in a manner consistent with the current year's financial statements.

Estimates

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

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of food service is not performed by the College.

3. Authorized Investments

The Central Texas College 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) certificates of deposit, and (5) other instruments and obligations authorized by statute. The Board of Trustees of Central Texas College District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the College District are in compliance with the Trustees' investment policies. In addition, there were no instances of non-compliance with regards to the Public Funds Investment Act.

4. Deposits and Investments

Cash and Deposits included and reported on Exhibit 1, Statement of Net Assets; consist of the items reported below:

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Bank Deposits		
Demand Deposits	<u>\$ 6,301,136</u>	<u>\$ 9,156,885</u>
	6,301,136	9,156,885
Cash and Cash Equivalents		
Petty Cash on Hand	24,977	23,350
Certificates of Deposit	49,000,000	31,000,000
Tex Pool	18,178,586	17,349,849
Tex Star	2,695,040	2,689,926
Texas Term	16,128,333	17,589,875
Corporate Stock	<u>71,260</u>	<u>75,700</u>
	86,098,196	68,728,700
Total Cash and Deposits	<u>\$92,399,332</u>	<u>\$77,885,585</u>

Reconciliation of Deposits and Investments to Exhibit 1

	Market Value <u>August 31, 2010</u>	Market Value <u>August 31, 2009</u>
U.S. Government Securities	<u>\$ 15,607,450</u>	<u>\$ 30,387,987</u>
Totals	15,607,450	30,387,987
Total Cash and Deposits	92,399,332	77,885,585
Total Investments	<u>15,607,450</u>	<u>30,387,987</u>
Total Deposits and Investments	<u>108,006,782</u>	<u>108,273,572</u>
Cash and Cash Equivalents (Exhibit 1)	91,539,330	77,687,745
Restricted Cash (Exhibit 1)	860,002	197,840
Investments (Exhibit 1)	<u>15,607,450</u>	<u>30,387,987</u>
TOTAL DEPOSITS AND INVESTMENTS	<u>\$108,006,782</u>	<u>\$ 108,273,572</u>

Reconciliation of Deposits and Investments to Exhibit 1-A

	Market Value <u>August 31, 2010</u>	Market Value <u>August 31, 2009</u>
Uncategorized Investments		
Common Fund - Bond Fund	\$ 996,255	\$ 913,442
Common Fund - Equity Fund	1,686,168	2,297,195
Common Fund - Fixed Income	774,071	
Common Fund - Real Estate Securities Fund	<u>203,993</u>	<u>154,920</u>
Totals	3,660,487	3,365,557
Total Cash and Deposits	123,651	117,456
Total Investments	<u>3,660,487</u>	<u>3,365,557</u>
Total Deposits and Investments	<u>3,784,138</u>	<u>3,483,013</u>
Cash and Cash Equivalents (Exhibit 1-A)	123,651	117,456
Investments (Exhibit 1- A)	<u>3,660,487</u>	<u>3,365,557</u>
TOTAL DEPOSITS AND INVESTMENTS	\$ <u>3,784,138</u>	\$ <u>3,483,013</u>

As of August 31, 2010 CTCD had the following investments and maturities

	<u>Fair Value</u>	<u>Weight Average Maturity (Years)</u>
U.S. Government Securities	\$ 15,607,450	1.49
Certificates of Deposit	49,000,000	0.60
Investment Pool	37,001,959	0.10
Corporate Stock	<u>71,260</u>	0.00
Total Fair Value	\$ 101,680,669	
Portfolio weighted average maturity		0.55

Interest Rate Risk In accordance with state law and CTCD policy, CTCD does not purchase any investments with maturities greater than 10 years.

Credit Risk In accordance with state law and CTCD's investment policy investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A.

Concentration of Credit Risk CTCD does not place a limit on the amount that may be invested in any one issuer. More than 5% of CTCD's investments are in Union State Bank Certificates of Deposit (21%) and Comerica Bank Certificates of Deposit (20%).

5. Derivatives

None

6. Capital Assets

Capital assets activity for the year ended August 31, 2010 was as follows:

	<u>Balance as of</u> <u>September 1, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance as of</u> <u>August 31, 2010</u>
<u>Not Depreciated:</u>				
Land	\$ 896,168			896,168
Construction in Progress	<u>17,575,309</u>	<u>11,969,081</u>	<u>15,054,918</u>	<u>14,489,472</u>
Subtotal	<u>18,471,477</u>	<u>11,969,081</u>	<u>15,054,918</u>	<u>15,385,640</u>
<u>Buildings and Other</u>				
<u>Capital Assets:</u>				
Buildings	74,023,331	15,571,436	384,179	89,210,588
Land Improvements	<u>9,126,010</u>			<u>9,126,010</u>
Total Buildings and Other				
Real Estate Improvements	83,149,341	15,571,436	384,179	98,336,598
Library Books	2,353,733	94,293	67,486	2,380,540
Furniture, Machinery, Vehicles, & Other Equipment	8,821,324	283,901	372,861	8,732,364
Telecommunications & Peripheral Equipment	<u>7,484,615</u>	<u>652,382</u>	<u>54,942</u>	<u>8,082,055</u>
Total Buildings and Other Capital Assets	<u>101,809,013</u>	<u>16,602,012</u>	<u>879,468</u>	<u>117,531,557</u>
<u>Accumulated Depreciation:</u>				
Buildings	(27,885,868)	(1,470,267)	145,535	(29,210,600)
Land Improvements	<u>(2,882,369)</u>	<u>(407,678)</u>		<u>(3,290,047)</u>
Total Buildings and Other				
Real Estate Improvements	(30,768,237)	(1,877,945)	145,535	(32,500,647)
Library Books	(1,875,525)	(77,638)		(1,953,163)
Furniture, Machinery, Vehicles & Other Equipment	(5,306,954)	(596,676)	336,082	(5,567,548)
Telecommunications & Peripheral Equipment	<u>(5,473,279)</u>	<u>(682,734)</u>	<u>38,205</u>	<u>(6,117,808)</u>
Total Accumulated Depr	<u>(43,423,995)</u>	<u>(3,234,993)</u>	<u>519,822</u>	<u>(46,139,166)</u>
Net Capital Assets	\$ <u>76,856,495</u>	<u>25,336,100</u>	<u>(15,414,564)</u>	<u>86,778,031</u>

Capital assets activity for the year ended August 31, 2009 was as follows:

	<u>Balance as of</u> <u>September 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance as of</u> <u>August 31, 2009</u>
<u>Not Depreciated:</u>				
Land	\$ 896,168			896,168
Construction in Progress	<u>4,841,719</u>	<u>16,403,768</u>	<u>3,670,178</u>	<u>17,575,309</u>
Subtotal	<u>5,737,887</u>	<u>16,403,768</u>	<u>3,670,178</u>	<u>18,471,477</u>
<u>Buildings and Other</u>				
<u>Capital Assets:</u>				
Buildings	73,197,706	840,965	15,340	74,023,331
Land Improvements	<u>5,096,117</u>	<u>4,029,893</u>	_____	<u>9,126,010</u>
Total Buildings and Other				
Real Estate Improvements	78,293,823	4,870,858	15,340	83,149,341
Library Books	2,316,080	86,799	49,146	2,353,733
Furniture, Machinery, Vehicles, & Other Equipment	8,059,701	1,312,589	550,966	8,821,324
Telecommunications & Peripheral Equipment	<u>6,589,955</u>	<u>1,144,602</u>	<u>249,942</u>	<u>7,484,615</u>
Total Buildings and Other Capital Assets	<u>95,259,559</u>	<u>7,414,848</u>	<u>865,394</u>	<u>101,809,013</u>
<u>Accumulated Depreciation:</u>				
Buildings	(26,563,569)	(1,322,299)		(27,885,868)
Land Improvements	<u>(2,632,511)</u>	<u>(249,858)</u>	_____	<u>(2,882,369)</u>
Total Buildings and Other				
Real Estate Improvements	(29,196,080)	(1,572,157)		(30,768,237)
Library Books	(1,791,109)	(84,416)		(1,875,525)
Furniture, Machinery, Vehicles & Other Equipment	(5,254,124)	(593,740)	540,910	(5,306,954)
Telecommunications & Peripheral Equipment	<u>(5,059,287)</u>	<u>(661,087)</u>	<u>247,095</u>	<u>(5,473,279)</u>
Total Accumulated Depr	<u>(41,300,600)</u>	<u>(2,911,400)</u>	<u>788,005</u>	<u>(43,423,995)</u>
Net Capital Assets	\$ <u>59,696,846</u>	<u>20,907,216</u>	<u>(3,747,567)</u>	<u>76,856,495</u>

7. Long-term Liabilities

Long-term liability activity for the year ended August 31, 2010 was as follows:

	Balance September 1, 2009	Additions	Reductions	Balance August 31, 2010	Current
Accrued compensable absences	<u>1,674,415</u>	<u>90,117</u>	<u>41,366</u>	<u>1,723,166</u>	<u>344,633</u>
Total Long-term liabilities	\$ <u>1,674,415</u>	<u>90,117</u>	<u>41,366</u>	<u>1,723,166</u>	<u>344,633</u>

Long-term liability activity for the year ended August 31, 2009 was as follows:

	Balance September 1, 2008	Additions	Reductions	Balance August 31, 2009	Current
Accrued compensable absences	<u>1,561,653</u>	<u>132,298</u>	<u>19,536</u>	<u>1,674,415</u>	<u>334,883</u>
Total Long-term liabilities	\$ <u>1,561,653</u>	<u>132,298</u>	<u>19,536</u>	<u>1,674,415</u>	<u>334,883</u>

8. Debt and Lease Obligations

None.

9. Bonds Payable

None.

10. Advance Refunding Bonds

None.

11. Defeased Bonds Outstanding

None.

12. Short - Term Debt

None.

13. Employees' Retirement Plan

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

Teacher Retirement System of Texas

Plan Description. The CTCD contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing, multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a publicly available financial report with required supplementary information which can be obtained from www.trs.state.tx.us, under the TRS Publications heading.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize TRS'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 provides for a member contribution rate of 6.4% for fiscal years 2010 and 2009 and a state contribution rate of 6.64% for fiscal year 2010 and 6.58% for fiscal year 2009. In certain instances the reporting district is required to make all or a portion of the state's 6.64% contribution for fiscal year 2010 and 6.58% for fiscal year 2009.

Optional Retirement Plan

Plan Description. Participation in the ORP is in lieu of participation in the TRS. 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.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentage of participant salaries currently contributed by the state and each participant are 6.4 and 6.58%, respectively. CTCD contributes 2.1% for employees who were participating in the optional retirement program prior to September 1, 1995. 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.

The retirement expense to the State for the CTCD was \$1,657,249 and \$1,584,750 for the fiscal years ended August 31, 2010 and August 31, 2009 respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of CTCD.

The total payroll for all College employees was \$66,718,744 and \$63,572,847 for fiscal years 2010 and 2009, respectively. The total payroll of employees covered by the Teacher Retirement System was \$37,610,508 and \$35,603,428 and the total compensation of employees covered by the Optional Retirement System was \$9,837,262 and \$9,869,020 for fiscal years 2010 and 2009, respectively.

Additionally, substantially all employees of CTCD participate in a defined contribution pension program which is subject to the provisions of the Employment Retirement Income Security Act of 1974, as amended. Participating employees are required to contribute 6% of covered compensation, while CTCD contributes 7%. Total employer contributions made by CTCD during the years ending August 31, 2010, and 2009 were \$2,635,174 and \$2,502,563 respectively.

In July 1991, CTCD implemented a supplemental retirement program to comply with the Omnibus Budget Reconciliation Act of 1990. All part-time employees are required to contribute 3.75% of covered compensation while CTCD contributes 3.75%. Total employer contributions made by CTCD during the year ending August 31, 2010, and 2009, were \$517,144 and \$499,462 respectively.

14. Deferred Compensation Program

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government code 609.001. As of August 31, 2010, the CTCD had no employees participating in the program and no payroll deductions had been invested in approved plans.

15. Compensable Absences

Full-time employees earn annual leave from .83 to 2.08 days per month depending on the number of years employed with the CTCD. CTCD's policy is that an employee may carry their accrued leave forward from one fiscal year to another fiscal year with a maximum number of days up to 50 for those employees with 20 or more years of service. Employees with at least six months of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. CTCD recognized the accrued liability for the unpaid annual leave in the amounts of \$1,723,166 and \$1,674,415 for fiscal year 2010 and fiscal year 2009. Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. It is paid to an employee who misses work from illness. Employees are not entitled to payment for accumulated sick leave upon termination. CTCD's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave is minimal.

16. Pending Lawsuits and Claims

On August 31, 2010, various claims involving CTCD were pending. While the ultimate liability with respect to litigation and other claims asserted against the College cannot be reasonably estimated at this time, this liability, to the extent not provided by insurance or otherwise, is not likely to have a material effect on the College.

CTCD's contracts with the U.S. Government are subject to examination by the Defense Contract Auditing Agency. Management believes that adjustments, if any, resulting from such examination will have no significant impact on the financial condition or results of operations.

17. Disaggregation of Receivables, Payables and Other Operating Revenues Balances

Receivables

Receivables at August 31, 2010 and August 31, 2009 were as follows:

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Student Receivables	\$ 7,238,220	\$ 4,169,279
Taxes Receivable	364,966	359,355
Federal Receivables	15,570,078	8,526,683
Accounts Receivable	1,298,856	1,192,099
Interest Receivable	<u>266,468</u>	<u>305,834</u>
Subtotal	<u>24,738,588</u>	<u>14,553,250</u>
Allowance for Doubtful Accounts	<u>(4,447,486)</u>	<u>(4,390,084)</u>
TOTAL RECEIVABLES	\$ <u>20,291,102</u>	\$ <u>10,163,166</u>

Payables

Payables at August 31, 2010 and August 31, 2009, were as follows:

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Vendors Payable	\$ 3,992,696	\$ 5,725,658
Salaries & Benefits Payable	<u>11,474,199</u>	<u>10,060,928</u>
TOTAL PAYABLES	\$ <u>15,466,895</u>	\$ <u>15,786,586</u>

18. Funds Held in Trust by Others

There are no balances or transactions of funds held in trust by others on behalf of CTCD.

19. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivables on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during fiscal years 2010 and 2009

for which monies have not been received nor funds expended total \$40,272,687 and \$44,150,486. Of these amounts, \$39,738,974, and \$43,554,449 were from Federal Contract and Grant Awards, and \$533,713 and \$596,037 were from State Contract and Grant Awards.

20. Self Insured Plans

CTCD does not currently maintain self-insured arrangements. First dollar worker’s compensation insurance coverage is carried for all College operations. Employee health and medical malpractice plans are funded. Coverage for unemployment compensation is maintained through the State of Texas as well as numerous other states in which the College contracts education. Accrued liabilities are generally based on actuarial valuation, and represent the present value of unpaid expected claims. Estimated future payments for incurred claims are charged to current operations.

21. Post Retirement Health Care and Life Insurance Benefits

In addition to providing pension benefits, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age 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 recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time active and retired employee was \$385.38 per month for the year ended August 31, 2010 (\$360.54 per month for Fiscal Year 2009) and totaled \$2,790,601 for Fiscal Year 2010 (\$2,738,856 for the year ended 2009). The cost to the state of providing those benefits for 164 retirees in the year ended August 31, 2009 was \$941,539 (retiree benefits for 161 retirees cost \$764,704 in Fiscal Year 2009). For 412 active employees, the cost of providing benefits was \$1,849,062 for the Year ended August 31, 2010 (active employee benefits for 404 employees cost \$1,974,152 for the Year ended August 31, 2009). The cost to the state of providing life insurance benefits for 633 active employees was \$200,352 and for 299 retirees was \$77,751 for the Fiscal year ended August 31, 2010 (\$194,469 for 591 active employees and \$77,120 for 300 retirees in Fiscal year 2009).

22. Ad Valorem Taxes

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.

At August 31:

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Assessed Valuation of the District:	\$8,414,740,441	\$8,109,973,401
Less: Exemptions	<u>760,451,631</u>	<u>618,272,776</u>
Net Assessed Valuation of the District	\$7,654,288,810	\$7,491,700,625

	FY 2010			FY 2009		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate per \$100 valuation (Maximum per enabling legislation)	.25	.25	.50	.25	.25	.50
Assessed Tax Rate per \$100 valuation	.1409	-0-	.1409	.1410	-0-	.1410

Taxes levied for the year ended August 31, 2010 and 2009 are \$10,784,892 and \$10,563,298 respectively, (which includes any penalty and interest assessed if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed.

	FY 2010			FY 2009		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Taxes Collected						
Current Taxes Collected	\$10,662,998		\$10,662,998	\$10,440,242		\$10,440,242
Delinquent Taxes Collected	95,461		95,461	89,737		89,737
Penalties and Interest Collected	90,270		90,270	86,407		86,407
Total Collections	\$ 10,848,729		\$10,848,729	\$10,616,386		\$10,616,386

Tax collections for the year ended August 31, 2010 and 2009 were 98.9% and 98.8%, respectively of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

23. Branch Campus Maintenance Tax

N/A

24. Income Taxes

The College 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*. CTCD had no unrelated business income tax liability for the year ended August 31, 2010 and 2009.

25. Component Units

Central Texas College Foundation - Discrete Component Unit

Central Texas College Foundation (the Foundation) was established as a separate nonprofit organization in 1992, to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No 39, Determining Whether Certain Organizations are Component Units, the Foundation is a component unit of CTCD because CTCD provides financial support to the Foundation and the economic resources received or held by the Foundation are entirely or almost entirely for the benefit of CTCD.

Accordingly, the Foundation financial statements are included in the College's annual report as a discrete component unit (see table of contents). Complete financial statements of the Central Texas College Foundation can be obtained from the administrative office of the Foundation.

26. Related Parties (Not a Component Unit)

The CTC Employee's Pension Plan and Trust provided certain services on behalf of the CTCD during the year ended August 31, 2010. The Employee's Pension Plan and Trust serves as fiduciary for the CTCD's defined contribution pension programs. During the fiscal year, the CTCD furnished certain services such as office space, utilities and staff assistance to the Trust for which the Trust reimbursed the CTCD at cost for these services which totaled \$148,341 and \$140,272 during the years ended August 31, 2010 and 2009. There was a receivable from the trust which totaled \$61,465 and \$55,454 for fiscal years ended August 31, 2010 and 2009.

27. Subsequent Events

None.

28. Postemployment Benefits Other than Pensions

Plan Description. CTCD 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/>.

Funding Policy. 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.

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 college's contributions to SRHP for the years ended August 31, 2010, 2009, and 2008, were \$702,412, \$716,542, and \$726,254, respectively, which equaled the required contributions each year.

SUPPLEMENTAL SCHEDULES

CENTRAL TEXAS COLLEGE DISTRICT
SCHEDULE OF OPERATING REVENUES

For the Year Ended August 31, 2010 (With Memorandum Totals for the Year Ended August 31, 2009)

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL EDUCATIONAL ACTIVITIES</u>	<u>AUXILIARY ENTERPRISES</u>	<u>FY 2010 TOTAL</u>	<u>FY 2009 TOTAL</u>
Tuition						
State Funded Courses :						
In-District Resident Tuition	\$ 8,928,157	\$	\$ 8,928,157	\$	\$ 8,928,157	\$ 7,829,977
Out-of-District Tuition	4,206,559		4,206,559		4,206,559	3,131,990
Non-resident Tuition	25,393,626		25,393,626		25,393,626	20,357,938
TPEG (set aside) *	841,460		841,460		841,460	576,765
Continuing Education	124,694		124,694		124,694	50,906
Non-State Funded :						
Continuing Education	6,175		6,175		6,175	194,243
C & I and API Operations	19,618,372		19,618,372		19,618,372	16,053,420
Total Tuition	<u>59,119,043</u>		<u>59,119,043</u>		<u>59,119,043</u>	<u>48,195,239</u>
Fees						
Laboratory Fees	47,551		47,551		47,551	400,741
General Fees	393,359		393,359		393,359	1,499,850
Other Fees	3,072,799		3,072,799		3,072,799	3,138,726
Total Fees	<u>3,513,709</u>		<u>3,513,709</u>		<u>3,513,709</u>	<u>5,039,317</u>
Scholarship allowances and discounts						
Remissions and Exemptions-State	(6,424,073)		(6,424,073)		(6,424,073)	(4,222,225)
Title IV Federal Grants	(5,485,978)		(5,485,978)		(5,485,978)	(3,454,040)
TPEG awards	(48,103)		(48,103)		(48,103)	(204,789)
Other State Grants	(5,786)		(5,786)		(5,786)	(1,184)
Total Scholarship Allowances	<u>(11,963,940)</u>		<u>(11,963,940)</u>		<u>(11,963,940)</u>	<u>(7,882,238)</u>
Total Net Tuition and Fees	<u>50,668,812</u>		<u>50,668,812</u>		<u>50,668,812</u>	<u>45,352,318</u>
Additional Operating Revenues						
Federal Grants and Contracts	31,639,480	1,238,395	32,877,875		32,877,875	35,321,777
State Grants and Contracts	363,688	764,441	1,128,129		1,128,129	1,274,857
Nongovernmental grants and contracts	721,334	348,219	1,069,553		1,069,553	1,140,487
Sales and services of educational activities	648,993		648,993		648,993	718,623
General operating revenues	1,291,498		1,291,498		1,291,498	1,723,941
Total Additional Operating Revenue	<u>34,664,993</u>	<u>2,351,055</u>	<u>37,016,048</u>		<u>37,016,048</u>	<u>40,179,685</u>
Auxiliary Enterprises						
Bookstore				11,794,271	11,794,271	10,043,208
Less Discounts				(2,175,586)	(2,175,586)	(1,219,315)
Food Service						
Student Housing				799,883	799,883	756,842
Less Discounts				(93,489)	(93,489)	(43,546)
Planetarium				141,712	141,712	187,165
Other						
Total Net Auxiliary Enterprises				<u>10,466,791</u>	<u>10,466,791</u>	<u>9,724,354</u>
Total Operating Revenues	<u>\$ 85,333,805</u>	<u>\$ 2,351,055</u>	<u>\$ 87,684,860</u>	<u>\$ 10,466,791</u>	<u>\$ 98,151,651</u>	<u>\$ 95,256,357</u>
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, \$841,460 and \$576,765 for years August 31, 2010 and 2009, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

CENTRAL TEXAS COLLEGE DISTRICT
 SCHEDULE OF OPERATING EXPENSES BY OBJECT
 Year Ended August 31, 2010 (with Memorandum Totals for the Year Ended August 31, 2009)

Schedule B

	Operating Expenses			Fiscal Year 2010	Fiscal Year 2009	
	Salaries and Wages	Benefits				Other Expenses
		State	Local			
Unrestricted - Educational Activities						
Instruction	\$ 39,946,250	\$	\$ 4,371,319	\$ 11,831,802	\$ 56,149,371	\$ 57,858,011
Public Service	531,030		174,027	837,749	1,542,806	1,493,069
Academic Support	5,466,527		1,097,529	2,015,889	8,579,945	8,579,418
Student Services	8,270,770		1,230,206	774,586	10,275,562	9,445,297
Institutional Support	8,436,954		2,841,015	4,293,837	15,571,806	15,005,941
Operation and Maintenance of Plant	2,605,998		912,510	5,877,918	9,396,426	7,707,450
Total Unrestricted Educational Activities	<u>65,257,529</u>		<u>10,626,606</u>	<u>25,631,781</u>	<u>101,515,916</u>	<u>100,089,186</u>
Restricted-Educational Activities						
Instruction	293,996	2,089,242	74,293	452,487	2,910,018	2,230,468
Public Service						
Academic Support		309,648			309,648	282,501
Student Services	241,470	721,801	45,100	268,584	1,276,955	1,204,467
Institutional Support		1,327,159			1,327,159	1,455,010
Operation and Maintenance of Plant						
Scholarships and Fellowships	141,064		2,092	22,305,500	22,448,656	14,136,588
Total Restricted Educational Activities	<u>676,530</u>	<u>4,447,850</u>	<u>121,485</u>	<u>23,026,571</u>	<u>28,272,436</u>	<u>19,309,034</u>
Total Educational Activities	<u>65,934,059</u>	<u>4,447,850</u>	<u>10,748,091</u>	<u>48,658,352</u>	<u>129,788,352</u>	<u>119,398,220</u>
Auxiliary Enterprises	784,685		212,450	8,722,904	9,720,039	9,178,533
Depreciation Expense-Buildings and other real estate improvements				1,955,584	1,955,584	1,664,106
Depreciation Expense-Equipment and furniture				1,279,409	1,279,409	1,254,827
Total Operating Expenses	<u>\$ 66,718,744</u>	<u>\$ 4,447,850</u>	<u>\$ 10,960,541</u>	<u>\$ 60,616,249</u>	<u>\$ 142,743,384</u>	<u>\$ 131,495,686</u>
				(Exhibit 2)	(Exhibit 2)	

CENTRAL TEXAS COLLEGE DISTRICT
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
Year Ended August 31, 2010 (with Memorandum Totals for the Year Ended August 31, 2009)

Schedule C

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>FY 2010 Total</u>	<u>FY 2009 Total</u>
NON-OPERATING REVENUES					
State Appropriations					
Education and general state support	\$ 19,792,634	\$	\$	\$ 19,792,634	\$ 20,013,118
Dramatic enrollment growth	48,496			48,496	1,254
State group insurance		2,790,601		2,790,601	2,738,856
State retirement matching		1,657,249		1,657,249	1,584,750
Professional nursing shortage reduction		275,369		275,369	219,843
Total state appropriations	<u>19,841,130</u>	<u>4,723,219</u>	<u></u>	<u>24,564,349</u>	<u>24,557,821</u>
Maintenance ad valorem taxes	10,848,729			10,848,729	10,616,386
Federal revenue, non operating		24,223,413		24,223,413	10,652,116
Gain on disposal of capital assets	2,115			2,115	
Investment income	706,171			706,171	2,070,185
Other	<u>198</u>	<u></u>	<u></u>	<u>198</u>	<u></u>
Total non-operating revenues	31,398,343	28,946,632		60,344,975	47,896,508
NON-OPERATING EXPENSES					
Loss on disposal of capital assets	275,423			275,423	
Other	<u>172,246</u>	<u></u>	<u></u>	<u>172,246</u>	<u>188,099</u>
Total non-operating expenses	447,669			447,669	188,099
Net non-operating revenues	\$ <u>30,950,674</u>	<u>28,946,632</u>	\$ <u></u>	\$ <u>59,897,306</u>	\$ <u>47,708,409</u>
				(Exhibit 2)	(Exhibit 2)

CENTRAL TEXAS COLLEGE DISTRICT
 SCHEDULE OF NET ASSETS BY SOURCE AND AVAILABILITY
 Year Ended August 31, 2010 (with Memorandum Totals for the Year Ended August 31, 2009)

Schedule D

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current							
Unrestricted	\$ 31,553,795	\$	\$	\$	\$ 31,553,795	\$ 31,553,795	\$
Board Designated	64,593,481				64,593,481	64,593,481	
Restricted		718,108			718,108	718,108	
Loan	3,733				3,733		3,733
Plant							
Investment in Plant				88,778,031	88,778,031		88,778,031
Total Net Assets, August 31, 2010	96,151,009	718,108		88,778,031	185,647,148	96,865,384	88,781,764
					(Exhibit 1)		
Total Net Assets, August 31, 2009	92,780,368	704,712		76,856,495	170,341,575	89,745,541	80,596,034
					(Exhibit 1)		
Net Increase (Decrease) in Net Assets	\$ 3,370,641	\$ 13,396	\$	\$ 11,921,536	\$ 15,305,573	\$ 7,119,843	\$ 8,185,730
					(Exhibit 2)		

CENTRAL TEXAS COLLEGE DISTRICT

Schedule E

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2010**

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass Through Disbursements
U.S. DEPARTMENT OF EDUCATION:			
Direct Programs:			
Student Financial Aid Cluster			
Supplemental Educational Opportunity Grant Program	84.007		\$ 104,399
Federal College Work-study Program	84.033		108,791
Federal Pell Grant Program	84.063		20,447,863
Direct Loans	84.268		8,086,512
Academic Competitive Grant	84.375		68,367
Pass-Through From:			
Texas Education Agency			
Adult Education	84.002A	341000308	11,012
Adult Education	84.002A	341000108	151,599
Adult Education-Correctional	84.002A	341000208	39,737
Subtotal CFDA			<u>202,348</u>
Texas Higher Education Coordinating Board:			
Carl D. Perkins Funds-Basic	84.048	104208	488,250
Leveraging Educational Assistance Partnerships	84.069A		7,706
Special Leveraging Educational Assistance Partnerships	84.069B		9,907
College Access Challenge Grant	84.378	1152	88,954
State Fiscal Stabilization Fund- Government Services	84.397A		348,579
Temple College			
Carl D. Perkins Funds - Tech Prep	84.243	101719	2,072
Total U.S. Department of Education			<u>29,963,748</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through From:			
Texas Education Agency			
Temporary Assistance to Needy Families	93.558	336250108	60,996
Total U. S. Department of Health and Human Services			<u>60,996</u>
Total Federal Financial Assistance			\$ <u><u>30,024,744</u></u>

Notes to Schedule on Following Page

CENTRAL TEXAS COLLEGE DISTRICT
SCHEDULE E (Continued)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2010

Note 1: Federal Assistance Reconciliation

Federal Grants and Contracts revenue-per Schedule A	\$	32,877,875
Add Non Operating Federal Revenue from Schedule C		24,223,413
Add Direct Loans		8,086,512
Less Expenditures Not Subject to Federal Single Audit		<u>(35,163,056)</u>
Total Federal Revenues per Schedule of Expenditures of Federal Awards	\$	<u><u>30,024,744</u></u>

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

The expenditures included in the schedule are reported for the college's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the college 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 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 college has followed all applicable guidelines issued by various entities in the preparation of the schedule.

Note 3: Expenditures not subject to federal single audit.

CTCD receives amounts under contractual agreements with various U.S. military and other organizations for training programs and other services provided that are not subject to OMB-133 audits and therefore are not included in the above Federal schedule.

Note 4: Student Loans Processed and Administrative Costs Recovered - Not Included in Schedule

None

Note 5: Nonmonetary federal assistance received

None

Note 6: Amounts passed through by the College

None

CENTRAL TEXAS COLLEGE DISTRICT

Schedule F

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended August 31, 2010

Grantor Agency Program Title	Grant Contract Number	Expenditures
Texas Education Agency Adult Education Basic Program	301000108	\$ 37,962
Texas Higher Education Coordinating Board Certified Education Aide Program		29,522
Early High School Graduation (HB 1479)		30,232
Texas Grant Program		285,827
Texas Equal Opportunity Grant		206,214
College and Career Readiness Roundup		4,168
AVID Texas Post Secondary Project		20,000
Work-Study Student Mentorship Program		41,261
P-16 Regional Councils Grant		42,602
Community College Developmental Education Incentive Program		5,769
Jobs and Education for Texans		35,426
Dependent children of active duty armed forces deployed for combat military operations		51,645
Total State Financial Assistance		\$ <u>790,628</u>

Note 1: State Assistance Reconciliation

State Revenues - per Schedule A State Financial Assistance Per Schedule of expenditures of state awards	\$ 790,628
State Financial Assistance Tuition and fees included in Schedule A	337,501
Total State Revenues per Schedule A	\$ <u>1,128,129</u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The accompanying schedule is presented using the accrual basis of accounting. See Note 2 to the financial statements for the Central Texas College's significant accounting policies. These expenditures are reported on Central Texas College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis.

**AUDITORS' REPORTS ON
CONTROL AND COMPLIANCE**



LOTT, VERNON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Trustees
Central Texas College District
Killeen, Texas

We have audited the financial statements of Central Texas College District, as of and for the year ended August 31, 2010, and have issued our report thereon dated December 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including the Public Funds Investment Act (Chapter 2256, Texas

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

Government Code), 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*.

We noted certain other matters that we reported to management of the College in a separate letter dated December 1, 2010.

This report is intended solely for the information and use of the Audit Committee, Board of Trustees, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Lott, Vernon & Co., P.C.

Temple, Texas
December 1, 2010



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
Central Texas College District
Killeen, Texas

Members of the Board:

Compliance

We have audited the Central Texas College District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the College's major federal or state programs for the year ended August 31, 2010. The College's major federal and state programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the College's compliance with those requirements.

In our opinion, the College complied, in all material respects, with the 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, 2010.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 (CONTINUED)**

Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the College's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Audit Committee, Board of Trustees, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Lott, Vernon & Co., P.C.

Temple, Texas
December 1, 2010

CENTRAL TEXAS COLLEGE DISTRICT

Schedule of Findings and Questioned Costs
August 31, 2010

I. Summary of Audit Results

Financial Statements

- 1. Type of auditor's report issued: unqualified
2. Internal control over financial reporting: Material weakness(es) identified? Significant deficiencies identified that are not considered to be material weakness(es)?
3. Noncompliance material to financial statements noted?

Federal Awards

- 4. Internal control over major programs: Material weakness(es) identified? Significant deficiencies identified that are not considered to be material weakness(es)?
5. Type of auditor's report issued on compliance for major programs: unqualified
6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

7. Identification of major programs:

Federal Programs

Table with 2 columns: Program Name, Amount. Rows include Student Financial Aid Cluster, SEOG, Loan Program, Federal College Workstudy Program, Federal Pell Grant Program, Direct Loans, Academic Competitiveness Grant, Adult Education, Carl Perkins Basic, State Fiscal Stabilization.

State Programs

- Texas Grant
- Adult Education

CENTRAL TEXAS COLLEGE DISTRICT

**Schedule of Findings and Questioned Costs (Continued)
August 31, 2010**

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

9. Auditee qualified as low-risk auditee? X yes no

II. Financial Statement Findings
- None.

III. Federal and State Award Findings
and Questioned Costs
- None.

**ADDITIONAL INFORMATION
(UNAUDITED)**

CENTRAL TEXAS COLLEGE DISTRICT

SCHEDULE G

CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (UNAUDITED)

For the Period Ended August 31, 2010

	TEXAS CAMPUSES	AMERICAN PREPARATORY & INSTITUTE	CONTINENTAL INTERNATIONAL CAMPUSES	TOTAL
REVENUES				
Operating Revenues				
Tuition and Fees	\$ 31,326,163	123,145	19,219,504	50,668,812
Federal Grants and Contracts	10,361,070		22,516,805	32,877,875
State Grants and Contracts	1,128,129			1,128,129
Local Grants and Contracts	1,069,553			1,069,553
Sales and Services of Educational Activities		648,993		648,993
Sales & Services of Auxiliary Enterprises	8,234,948		2,231,843	10,466,791
Miscellaneous Income	1,244,377	3,085	44,036	1,291,498
Total Operating Revenues	53,364,240	775,223	44,012,188	98,151,651
EXPENSES				
Operating Expenses				
Instruction	35,302,255	114,058	23,643,076	59,059,389
Public Services	1,542,806			1,542,806
Academic Support	3,560,239	169,033	5,160,321	8,889,593
Student Services	7,660,838		3,891,679	11,552,517
Institutional Support	14,516,038	640,333	1,742,594	16,898,965
Operation and Maintenance of Plant	8,909,063		487,363	9,396,426
Scholarships and Fellowships	22,448,656			22,448,656
Auxiliary Enterprises	7,454,117		2,265,922	9,720,039
Depreciation	3,201,090		33,903	3,234,993
Total Operating Expenses	104,595,102	923,424	37,224,858	142,743,384
Operating Income(Loss)	(51,230,862)	(148,201)	6,787,330	(44,591,733)
Non-Operating Revenues (Expenses)				
State Appropriations-General Revenue	24,564,349			24,564,349
Taxes for Maintenance and Operations	10,848,729			10,848,729
Federal Revenue, Non Operating	24,223,413			24,223,413
Investment Income	706,031		140	706,171
Other Non-Operating	(442,023)		(3,333)	(445,356)
Net Non-Operating Revenue	59,900,499		(3,193)	59,897,306
Other Revenues, Expenses, Gains (Losses)				
Allocation of Distance Learning	(5,309,283)		5,309,283	
Allocation of Systems	3,381,995	(165,389)	(3,216,606)	
Increase (Decrease) in Net Assets	\$ 6,742,349	(313,590)	8,876,814	15,305,573

CENTRAL TEXAS COLLEGE DISTRICT
SCHEDULE G-1
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (UNAUDITED)
TEXAS CAMPUSES
For the Period Ended August 31, 2010

	CENTRAL	FT. HOOD/SAC	DIST ED	SYSTEMS	KNCT	AUXILIARY	TOTAL
REVENUES							
Operating Revenues							
Tuition and Fees	\$ 7,701,396	4,047,790	19,565,737	7,139		4,101	31,326,163
Federal Grants and Contracts	629,276	5,005,264	4,012,681		713,849		10,361,070
State Grants and Contracts	1,085,606	42,523					1,128,129
Local Grants and Contracts	585,493		2,303	432,127		49,630	1,069,553
Sales & Services of Auxiliary Enterprises			89,006			8,145,942	8,234,948
Miscellaneous Income	149,735	6,000		93,921		6,890	1,244,377
Total Operating Revenues	10,151,506	9,101,577	23,669,727	533,187	1,701,680	8,206,563	53,364,240
EXPENSES							
Operating Expenses							
Instruction	17,827,036	8,793,166	8,682,053				35,302,255
Public Services					1,542,806		1,542,806
Academic Support	1,450,261	1,000,606	587,476	521,896			3,560,239
Student Services	3,032,293	691,560	1,115,985	2,821,000			7,660,838
Institutional Support	5,347,116	186,449	2,218,164	6,744,854	13,559	5,896	14,516,038
Operation and Maintenance of Plant	8,869,233	39,830					8,909,063
Scholarships and Fellowships	22,448,656		86,255			7,367,862	22,448,656
Auxiliary Enterprises							7,454,117
Depreciation	1,521,619	93,206	3,640	785,623		353,645	3,201,090
Total Operating Expenses	60,496,214	10,804,817	12,693,573	10,873,373	1,910,010	7,817,115	104,595,102
Operating Income(Loss)	(50,344,708)	(1,703,240)	10,976,154	(10,340,186)	(208,330)	389,448	(51,230,862)
Non-Operating Revenues (Expenses)							
State Appropriations-General Revenue	16,605,647						24,564,349
Taxes for Maintenance and Operations	10,848,729			731,952			10,848,729
Federal Revenue, Non Operating	24,223,413						24,223,413
Investment Income	576			705,455			706,031
Other Non-Operating	(205,494)	(238,644)		2,115			(442,023)
Net Non-Operating Revenue	51,472,871	6,347,196	640,910	1,439,522			59,900,499
Other Revenues, Expenses, Gains (Losses)							
Allocation of Distance Education	3,267,249		1,633,626	(10,210,158)			(5,309,283)
Allocation of Systems	(2,601,399)		(1,078,734)	8,774,174	(131,073)	(174,067)	3,381,995
Increase (Decrease) in Net Assets	\$ 1,794,013	5,198,848	(126,490)	(339,403)	215,381	6,742,349	6,742,349

**CENTRAL TEXAS COLLEGE DISTRICT
SCHEDULE G-2
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (UNAUDITED)
CONTINENTAL & INTERNATIONAL CAMPUSES
For the Period Ended August 31, 2010**

	<u>EUROPE CAMPUS</u>	<u>PACIFIC FAR EAST CAMPUS</u>	<u>CONTINENTAL CAMPUS</u>	<u>NAVY CAMPUS</u>	<u>TOTAL CONTINENTAL & INTERNATIONAL</u>
REVENUES					
Operating Revenues					
Tuition and Fees	\$ 5,671,116	5,363,022	7,449,202	736,164	19,219,504
Federal Grants and Contracts	10,863,567	166,610	1,667,205	9,819,423	22,516,805
Sales & Services of Auxiliary Enterprises	128,702	444,554	507,051	1,151,536	2,231,843
Miscellaneous Income	562	9,113	18,173	16,188	44,036
Total Operating Revenues	<u>16,663,947</u>	<u>5,983,299</u>	<u>9,641,631</u>	<u>11,723,311</u>	<u>44,012,188</u>
EXPENSES					
Operating Expenses					
Instruction	9,362,173	1,373,813	5,051,273	7,855,817	23,643,076
Academic Support	1,099,484	892,139	1,940,559	1,228,139	5,160,321
Student Services	2,131,131	680,627	710,356	369,565	3,891,679
Institutional Support	1,120,022	67,857	269,197	285,518	1,742,594
Operation and Maintenance of Plant	174,156	158,800	73,794	80,613	487,363
Auxiliary Enterprises	163,700	628,278	164,822	1,309,122	2,265,922
Depreciation	17,275		8,719	7,909	33,903
Total Operating Expenses	<u>14,067,941</u>	<u>3,801,514</u>	<u>8,218,720</u>	<u>11,136,683</u>	<u>37,224,858</u>
Operating Income(Loss)	<u>2,596,006</u>	<u>2,181,785</u>	<u>1,422,911</u>	<u>586,628</u>	<u>6,787,330</u>
Non-Operating Revenues (Expenses)					
Investment Income					140
Other Non-Operating	(3,333)				(3,333)
Net Non-Operating Revenue	<u>(3,333)</u>	<u>140</u>			<u>(3,193)</u>
Other Revenues, Expenses, Gains (Losses)					
Allocation of Distance Education	2,450,438	204,203	2,552,540	102,102	5,309,283
Allocation of Systems	(873,667)	(446,429)	(1,377,769)	(518,741)	(3,216,606)
Increase (Decrease) in Net Assets	<u>\$ 4,169,444</u>	<u>1,939,699</u>	<u>2,597,682</u>	<u>169,989</u>	<u>8,876,814</u>

**STATISTICAL SUPPLEMENT
(UNAUDITED)**

Central Texas College District
Statistical Supplement 1
Net Assets by Component
Fiscal Years 2002 to 2010
(unaudited)
(amounts expressed in thousands)

	For the Fiscal Year Ended August 31,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	
Invested in capital assets, net of related debt	\$88,778	\$76,856	\$59,697	\$53,584	\$52,728	\$51,200	\$49,858	\$49,342	\$39,623	
Restricted - expendable	718	704	611	626	613	961	1,561	2,201	877	
Unrestricted	96,151	92,782	98,564	90,072	81,495	72,208	66,797	55,809	52,644	
Total primary government net assets	\$ 185,647	\$ 170,342	\$ 158,872	\$ 144,282	\$ 134,836	\$ 124,369	\$ 118,216	\$ 107,352	\$ 93,144	

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2010 are available.

Central Texas College District
Statistical Supplement 2
Revenues by Source
Fiscal Years 2002 to 2010
(unaudited)

For the Year Ended August 31,									
(amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	\$50,669	\$45,352	\$34,296	\$27,788	\$28,033	\$25,666	\$26,806	\$20,779	\$13,998
Governmental Grants and Contracts									
Federal Grants and Contracts	32,878	35,322	43,662	43,197	44,451	38,983	35,310	33,925	30,189
State Grants and Contracts	1,128	1,275	1,260	1,003	995	1,037	967	2,152	1,224
Non-Governmental Grants and Contracts	1,070	1,140	850	729	956	810	603	252	279
Sales and services of educational activities	649	718	632	603	560	642	678	763	814
Auxiliary enterprises	10,467	9,725	8,811	9,106	9,544	9,320	9,212	8,050	5,966
Other Operating Revenues	1,291	1,724	2,233	2,245	1,723	1,064	969	1,413	845
Total Operating Revenues	98,152	95,256	91,744	84,671	86,262	77,522	74,545	67,334	53,315
State Appropriations	24,564	24,558	24,230	23,300	22,992	21,095	20,869	20,917	21,935
Ad Valorem Taxes	10,849	10,616	9,691	8,370	7,354	6,592	6,171	5,779	5,503
Federal Grants and Contracts, Non Operating	24,223	10,652	8,852	7,874	8,196	8,958	8,660	7,316	5,912
Investment income	706	2,070	3,624	4,388	3,191	1,462	641	634	1,058
Other non-operating revenues	2	-	3,099	-	-	-	-	-	-
Total Non-Operating Revenues	60,344	47,896	49,496	43,932	41,733	38,107	36,341	34,646	34,408
Total Revenues	\$ 158,496	\$ 143,152	\$ 141,240	\$ 128,603	\$ 127,995	\$ 115,629	\$ 110,886	\$ 101,980	\$ 87,723

For the Year Ended August 31,									
(amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and fees (net of discounts)	31.97%	31.68%	24.28%	21.61%	21.90%	22.20%	24.17%	20.38%	15.96%
Governmental grants and contracts									
Federal grants and contracts	20.74%	24.67%	30.91%	33.59%	34.73%	33.71%	31.84%	33.27%	34.41%
State grants and contracts	0.71%	0.89%	0.89%	0.78%	0.78%	0.90%	0.87%	2.11%	1.40%
Non-governmental grants and contracts	0.68%	0.80%	0.60%	0.57%	0.75%	0.70%	0.54%	0.25%	0.32%
Sales and services of educational activities	0.41%	0.50%	0.45%	0.47%	0.44%	0.56%	0.61%	0.75%	0.93%
Auxiliary enterprises	6.60%	6.79%	6.24%	7.08%	7.46%	8.06%	8.31%	7.89%	6.80%
Other operating revenues	0.81%	1.20%	1.58%	1.75%	1.35%	0.92%	0.87%	1.39%	0.96%
Total Operating Revenues	61.93%	66.54%	64.96%	65.84%	67.39%	67.04%	67.23%	66.03%	60.78%
State appropriations	15.50%	17.16%	17.16%	18.12%	17.96%	18.24%	18.82%	20.51%	25.00%
Ad valorem taxes	6.84%	7.42%	6.86%	6.51%	5.75%	5.70%	5.57%	5.67%	6.27%
Federal Grants and Contracts, Non Operating	15.28%	7.44%	6.27%	6.12%	6.40%	7.75%	7.81%	7.17%	6.74%
Investment income	0.45%	1.45%	2.57%	3.41%	2.49%	1.26%	0.58%	0.62%	1.21%
Other non-operating revenues	0.00%	0.00%	2.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Non-Operating Revenues	38.07%	33.46%	35.04%	34.16%	32.61%	32.96%	32.77%	33.97%	39.22%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2010 are available.

Central Texas College District
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2002 to 2010
(unaudited)

For the Year Ended August 31,									
(amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$59,059	\$60,088	\$59,077	\$56,877	\$56,171	\$49,512	\$42,169	\$42,698	\$41,027
Public service	1,543	1,493	1,832	1,263	1,348	1,324	1,298	1,780	1,272
Academic support	8,890	8,862	8,244	8,202	8,262	8,217	8,395	3,681	3,385
Student services	11,552	10,650	9,585	9,197	8,383	7,611	6,526	5,385	4,999
Institutional support	16,899	16,461	18,104	15,007	14,568	13,009	13,050	11,514	9,535
Operation and maintenance of plant	9,396	7,707	7,698	7,396	7,570	6,345	6,235	5,185	4,941
Scholarships and fellowships	22,449	14,137	9,977	8,443	8,821	10,031	9,572	5,741	2,937
Auxiliary enterprises	9,720	9,179	8,750	9,419	9,170	8,402	9,937	9,485	7,612
Depreciation	3,235	2,919	2,987	3,004	2,817	4,539	2,265	2,214	1,615
Total Operating Expenses	142,743	131,496	126,254	118,808	117,110	108,990	99,447	87,683	77,323
Interest on capital related debt	-	-	235	311	396	482	573	652	735
Other Non-Operating Expenses	448	188	162	38	22	4	1	9	13
Total Non-Operating Expenses	448	188	397	349	418	486	574	661	748
Total Expenses	\$ 143,191	\$ 131,684	\$ 126,651	\$ 119,157	\$ 117,528	\$ 109,476	\$ 100,021	\$ 88,344	\$ 78,071

For the Year Ended August 31,									
(amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	41.24%	45.63%	46.65%	47.73%	47.79%	45.23%	42.16%	48.33%	52.55%
Public service	1.08%	1.13%	1.45%	1.06%	1.15%	1.21%	1.30%	2.01%	1.63%
Academic support	6.21%	6.73%	6.51%	6.88%	7.03%	7.51%	8.39%	4.17%	4.34%
Student services	8.07%	8.09%	7.57%	7.72%	7.13%	6.95%	6.52%	6.10%	6.40%
Institutional support	11.80%	12.50%	14.29%	12.59%	12.40%	11.88%	13.05%	13.03%	12.21%
Operation and maintenance of plant	6.56%	5.85%	6.08%	6.21%	6.44%	5.80%	6.23%	5.87%	6.33%
Scholarships and fellowships	15.68%	10.74%	7.88%	7.09%	7.51%	9.16%	9.57%	6.50%	3.76%
Auxiliary enterprises	6.79%	6.97%	6.90%	7.90%	7.80%	7.67%	9.93%	10.74%	9.75%
Depreciation	2.26%	2.22%	2.36%	2.52%	2.40%	4.15%	2.26%	2.51%	2.07%
Total Operating Expenses	99.69%	99.86%	99.67%	99.70%	99.64%	99.56%	99.43%	99.25%	99.04%
Interest on capital related debt	0.00%	0.00%	0.20%	0.26%	0.34%	0.44%	0.57%	0.74%	0.94%
Loss on disposal of fixed assets	0.31%	0.14%	0.13%	0.03%	0.02%	0.00%	0.00%	0.01%	0.02%
Total Non-Operating Expenses	0.31%	0.14%	0.33%	0.30%	0.36%	0.44%	0.57%	0.75%	0.96%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2010 are available.

Central Texas College District
 Statistical Supplement 4
 Tuition and Fees
 Last Ten Academic Years
 (unaudited)

Resident Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	In-District Tuition	Out-of-District Tuition	General Fee	Building Use Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2009	\$ 48	\$ 60	\$ 0	\$ 0	\$ 576	\$ 720	0.00%	3.45%
2008	40	50	8	0	576	696	9.09%	7.41%
2007	36	46	8	0	528	648	0.00%	0.00%
2006	36	46	8	0	528	648	10.00%	14.89%
2005	32	39	8	0	480	564	5.26%	9.30%
2004	30	35	8	0	456	516	26.67%	22.86%
2003	22	27	8	0	360	420	3.45%	2.94%
2002	21	26	8	0	348	408	0.00%	0.00%
2001	21	26	8	0	348	408	3.57%	3.03%
2000	20	25	8	0	336	396	0.00%	0.00%

Non - Resident Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Non-Resident Out of State Tuition	Non-Resident International Tuition	General Fee	Building Use Fee	Cost for 12 SCH Out of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
2009	\$ 150	\$ 150	\$ 0	\$ 0	\$ 1,800	\$ 1,800	8.70%	8.70%
2008	130	130	8	0	1,656	1,656	0.00%	0.00%
2007	130	130	8	0	1,656	1,656	0.00%	0.00%
2006	130	130	8	0	1,656	1,656	0.00%	0.00%
2005	130	130	8	0	1,656	1,656	16.54%	16.54%
2004	500	500	8	0	1,421	1,421	0.00%	0.00%
2003	500	500	8	0	1,421	1,421	23.24%	23.24%
2002	375	375	8	0	1,153	1,153	28.68%	28.68%
2001	250	250	8	0	896	896	28.74%	28.74%
2000	50	50	8	0	696	696	0.00%	0.00%

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

Central Texas College District
Statistical Supplement 5
Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(unaudited)

Fiscal Year	(amounts expressed in thousands)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total (a)
2009-10	\$ 8,414,740	\$ 760,452	\$ 7,654,288	90.96%	\$ 0.140900	\$ 0.000000	0.140900
2008-09	8,109,974	618,273	7,491,701	92.38%	0.141000	0.000000	0.141000
2007-08	7,364,163	587,005	6,777,158	92.03%	0.142000	0.000000	0.142000
2006-07	6,528,514	561,213	5,967,301	91.40%	0.142000	0.000000	0.142000
2005-06	5,566,431	494,023	5,072,408	91.12%	0.146000	0.000000	0.146000
2004-05	4,998,484	483,183	4,515,301	90.33%	0.147000	0.000000	0.147000
2003-04	4,802,084	459,279	4,342,805	90.44%	0.147500	0.000000	0.147500
2002-03	4,468,995	427,496	4,041,499	90.43%	0.147500	0.000000	0.147500
2001-02	4,133,454	380,108	3,753,346	90.80%	0.148500	0.000000	0.148500
2000-01	3,868,335	331,641	3,536,694	91.43%	0.148500	0.000000	0.148500

Source: Local Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

Central Texas College District
Statistical Supplement 6
State Appropriation per FTSE and Contact Hour
Last Ten Fiscal Years
(unaudited)
(amounts expressed in thousands)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			
	State Appropriation	FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2009-10	\$ 19,793	10,618	\$ 1,864	4,113	2,515	6,628	\$ 2.99
2008-09	20,013	8,668	2,309	3,497	2,184	5,681	3.52
2007-08	20,013	8,504	2,353	3,466	2,270	5,736	3.49
2006-07	19,375	7,884	2,458	3,397	2,031	5,428	3.57
2005-06	19,375	7,685	2,521	3,228	2,134	5,362	3.61
2004-05	17,843	8,365	2,133	3,307	2,281	5,588	3.19
2003-04	17,843	7,655	2,331	2,920	2,365	5,285	3.38
2002-03	17,062	7,816	2,183	2,953	2,430	5,383	3.17
2001-02	18,466	5,696	3,242	2,645	1,961	4,606	4.01
2000-01	17,979	5,697	3,156	2,320	1,781	4,101	4.38

Notes:

FTSE is defined as the number of full time students plus total hours taken by part-time students divided by 12.

(a) Source CBM001

(b) Source CBM00A

Central Texas College District
Statistical Supplement 7
Principal Taxpayers
Last Ten Tax Years
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
TXU/OnCour	Utility	\$ 62,772	\$ 66,131	\$ 61,907	\$ 60,659	\$ 55,124	\$ 53,333	\$ 48,808	\$ 49,252	\$ 49,872	\$ 43,807
Central Telephone Co	Utility	39,701	42,451	40,184	40,184	46,140	50,152	46,380	43,174	42,341	41,188
Wal-Mart Real Estate	Real Estate	35,752	35,177	35,697	9,370	9,260	8,013	8,013	7,773	7,773	7,682
Market Heights LTD	Real Estate	23,694									
Butt, HE Grocery Co	Retail	18,488	17,041	17,128		7,850	8,133	5,221	5,787	5,851	
TWE/Advance Newhouse	Utility	17,095	16,597	20,041							
Killeen Mall LLC	Real Estate	16,975	16,975	16,976	16,977	17,048	12,286				
Secretary of Veterans Affairs	Government	14,630					8,724	8,330	6,501	5,533	
WaterCrest Place LP	Real Estate	13,486	13,890								
Sallie Mae Inc	Financial	12,756	12,767	12,788	12,809	12,577	12,514	15,870	19,565	19,565	19,565
Feiga/Sierra Creek LP	Real Estate		10,575	9,700	9,535	9,160	9,544	9,544	8,341	8,449	8,233
WLC Brookside Apartments LP	Real Estate		10,311								
Automax	Retail			8,869							
KC-Copper Mountain LP	Real Estate			8,694							
Texas Cable Partners	Utility				18,582	20,851	19,792				
Time Warner Cable	Utility							18,492	15,776	12,857	7,143
TH West Malls Real Estate	Real Estate							12,434			
WXIZ Southwest Malls	Real Estate									12,371	12,371
Cen Tex Homes	Construction					14,688					
Wal-Mart Stores #0407	Retail				10,150	10,056	9,028	9,208	8,993	9,307	7,431
Stone Stream Associates LP	Real Estate					7,794		6,659	5,744		
Wal Mart #3319	Retail				8,835						
Arbors 2003 LP	Real Estate				8,752						
Totals		\$ 255,349	\$ 241,915	\$ 231,984	\$ 178,266	\$ 210,548	\$ 191,519	\$ 188,959	\$ 183,277	\$ 173,919	\$ 147,420
Total Taxable Assessed Value		\$ 7,654,288	\$ 7,491,701	\$ 6,777,158	\$ 5,967,301	\$ 5,072,408	\$ 4,515,301	\$ 4,342,805	\$ 4,041,499	\$ 3,753,346	\$ 3,536,694

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
TXU/OnCour	Utility	1.24%	1.30%	1.22%	1.20%	1.09%	1.18%	1.12%	1.22%	1.33%	1.24%
Central Telephone Co	Utility	0.78%	0.84%	0.79%	0.79%	0.91%	1.11%	1.07%	1.07%	1.13%	1.16%
Wal-Mart Real Estate	Real Estate	0.70%	0.69%	0.70%	0.18%	0.18%	0.18%	0.18%	0.19%	0.21%	0.22%
Market Heights LTD	Real Estate	0.47%									
Butt, HE Grocery Co	Retail	0.36%	0.34%	0.34%		0.15%	0.18%	0.12%	0.14%	0.16%	
TWE/Advance Newhouse	Utility	0.34%	0.33%	0.40%							
Killeen Mall LLC	Real Estate	0.78%	0.84%	0.79%	0.79%	0.91%	1.11%				
Secretary of Veterans Affairs	Government	0.70%					0.19%	0.19%	0.16%	0.15%	
WaterCrest Place LP	Real Estate	0.27%	0.27%								
Sallie Mae Inc	Financial	0.25%	0.25%	0.25%	0.25%	0.25%	0.28%	0.37%	0.48%	0.52%	0.55%
Feiga/Sierra Creek LP	Real Estate		0.21%	0.19%	0.19%	0.18%	0.21%	0.22%	0.21%	0.23%	0.23%
WLC Brookside Apartments LP	Real Estate		0.20%								
Automax	Retail			0.17%							
KC-Copper Mountain LP	Real Estate			0.17%							
Texas Cable Partners	Utility				0.37%	0.41%	0.44%				
Time Warner Cable	Utility							0.43%	0.39%	0.34%	0.20%
TH West Malls Real Estate	Real Estate							0.29%			
WXIZ Southwest Malls	Real Estate								0.31%	0.33%	0.35%
Cen Tex Homes	Construction					0.29%					
Wal-Mart Stores #0407	Retail				0.20%	0.20%	0.20%	0.21%	0.22%	0.25%	0.21%
Stone Stream Associates LP	Real Estate					0.15%		0.15%	0.14%		
Wal Mart #3319	Retail				0.17%						
Arbors 2003 LP	Real Estate				0.17%						
Totals		5.03%	4.77%	4.57%	3.51%	4.15%	4.24%	4.18%	4.53%	4.63%	4.17%

Source: Local County Appraisal District
The institution previously did not present this schedule and the tax appraisal district could only provide what was reported.

Central Texas College District
Statistical Supplement 8
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 of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
2010	\$ 10,785	\$ -	\$ 10,785	\$ 10,663	98.87%	2,358	95	10,758	99.75%
2009	10,563	-	10,563	10,440	98.84%	2,268	90	10,530	99.69%
2008	9,624	-	9,624	9,512	98.84%	2,171	97	9,609	99.84%
2007	8,474	-	8,474	8,357	98.62%	2,022	149	8,506	100.38%
2006	7,406	-	7,406	7,250	97.89%	1,872	150	7,400	99.92%
2005	6,637	-	6,637	6,566	98.93%	1,777	95	6,661	100.36%
2004	6,384	-	6,384	6,047	94.72%	1,653	124	6,171	96.66%
2003	5,961	-	5,961	5,409	90.74%	1,284	369	5,778	96.93%
2002	5,536	-	5,536	5,137	92.79%	935	349	5,486	99.10%
2001	5,252	-	5,252	4,927	93.81%	696	239	5,166	98.36%

Source: Local Tax Assessor/Collector and District records.

(a) As reported in notes to the financial statements 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.

Central Texas College District
Statistical Supplement 9
Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)

For the Year Ended August 31 (amounts expressed in thousands)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Bonded Debt										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Debt										
Revenue bonds	\$ -	\$ -	\$ -	\$ 4,445	\$ 6,530	\$ 8,530	\$ 10,440	\$ 12,260	\$ 14,000	\$ 15,665
Notes	-	-	-	-	-	-	-	-	-	-
Capital lease obligations	-	-	-	-	-	-	-	-	22	1,268
Total Outstanding Debt	\$ -	\$ -	\$ -	\$ 4,445	\$ 6,530	\$ 8,530	\$ 10,440	\$ 12,260	\$ 14,022	\$ 16,933

General Bonded Debt Ratios										
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-	-	-	-	-	-
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Outstanding Debt Ratios										
Per Capita	\$ -	\$ -	\$ -	\$ 17.47	\$ 25.50	\$ 33.31	\$ 40.77	\$ 47.88	\$ 54.76	\$ 66.13
Per FTSE	-	-	-	564	850	1,110	1,358	1,595	1,825	2,203
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.09%	0.13%	0.17%	0.21%	0.24%	0.28%	0.33%

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-equivalent enrollment.

Central Texas College District
Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

	For the Year Ended August 31 (amount expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Taxable Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	-	-	-	-	-	-	-	-	-	-
Less: Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	-	-	-	-	-	-	-	-	-	-
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for Debt Service over Current Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Current Requirements as a % of Statutory Limit										

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

**Central Texas College District
Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)**

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)										Debt Service Requirements (\$000 omitted)		
	Tuition	General Fee	Bookstore Revenue	Food Service Revenue	Housing Revenue	Housing Revenue	Computer Services Center Rental	Computer Services Center Rental	Total	Principal	Interest	Total	Coverage Ratio
2010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2009	-	-	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-	-
2007	-	1,100	4,713	484	487	487	-	6,784	2,085	294	2,379	2,379	2.85
2006	-	1,717	4,536	845	424	424	-	7,522	2,000	379	2,379	2,379	3.16
2005	-	1,408	4,456	944	419	419	-	7,227	1,910	465	2,375	2,375	3.04
2004	-	1,467	4,622	987	463	463	-	7,539	1,820	556	2,376	2,376	3.17
2003	279	1,456	4,815	1,035	893	893	234	8,712	1,740	634	2,374	2,374	3.67
2002	311	1,374	4,000	1,100	984	984	234	8,003	1,665	709	2,374	2,374	3.37
2001	270	1,325	3,368	1,089	992	992	234	7,278	2,474	819	3,293	3,293	2.21

**Central Texas College District
Statistical Supplement 12
Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(unaudited)**

Calendar Year	District Population	District Personal Income (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2009	285,787	a	a	7.7%
2008	285,598	10,761,807	37,682	5.1%
2007	265,694	9,143,593	34,414	4.5%
2006	258,953	8,826,958	34,087	5.2%
2005	254,365	7,920,672	31,139	5.1%
2004	250,466	7,124,285	28,444	5.5%
2003	249,193	6,678,408	26,800	6.4%
2002	244,763	6,282,305	25,667	6.0%
2001	240,735	5,943,406	24,689	5.0%
2000	238,742	5,676,368	23,776	4.3%

Sources:

Population from U.S. Bureau of the Census.
Personal income from U.S. bureau of Economic Analysis.
Unemployment rate from the Texas Workforce Commission

Notes:

a. Not yet available

Central Texas College District
Statistical Supplement 13
Principal Employers
(unaudited)

Current Fiscal Year

Employer	Number of Employees	Percentage of Total Employment
Military	52,000	61.09%
Killeen Independent School District	6,000	7.05%
Civilian Personnel Office	5,580	6.56%
Central Texas College	1,500	1.76%
Metroplex Health System	1,200	1.41%
City of Killeen	1,100	1.29%
Westar Aerospace & Performance Group Inc	1,050	1.23%
L-3 Communications Vertex Aerospace	600	0.70%
Aegis Communications	600	0.70%
ESP Incorporated	510	0.60%
Total	70,140	82.40%

Four Years Prior

Employer	Number of Employees	Percentage of Total Employment
Military	46,071	60.58%
Killeen Independent School District	5,786	7.61%
Civilian Personnel Office	3,785	4.98%
Central Texas College	1,330	1.75%
Metroplex Health System	1,184	1.56%
Westar Aerospace & Performance Group Inc	1,050	1.38%
City of Killeen	943	1.24%
Post Exchange System	914	1.20%
Sallie Mae	640	0.84%
First National Bank	627	0.82%
Total	62,330	81.96%

Source:

The Greater Killeen Chamber of Commerce

Note:

This institution previously did not present this schedule and chose to implement prospectively.

Central Texas College District
Statistical Supplement 14
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(unaudited)

	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Faculty										
Full-Time	252	252	272	285	275	226	222	220	217	194
Part-Time	2,215	2,161	2,220	2,014	2,449	1,547	1,748	1,514	1,098	1,188
Total	2,467	2,413	2,492	2,299	2,724	1,773	1,970	1,734	1,315	1,382
Percent										
Full-Time	10.2%	10.4%	10.9%	12.4%	10.1%	12.7%	11.3%	12.7%	16.5%	14.0%
Part-Time	89.8%	89.6%	89.1%	87.6%	89.9%	87.3%	88.7%	87.3%	83.5%	86.0%
Staff and Administrators										
Full-Time	972	964	938	920	969	687	664	632	582	551
Part-Time	435	409	444	535	627	351	315	265	232	207
Total	1,407	1,373	1,382	1,455	1,596	1,038	979	897	814	758
Percent										
Full-Time	69.1%	70.2%	67.9%	63.2%	60.7%	66.2%	67.8%	70.5%	71.5%	72.7%
Part-Time	30.9%	29.8%	32.1%	36.8%	39.3%	33.8%	32.2%	29.5%	28.5%	27.3%
FTSE per Full-time Faculty	34.40	33.75	28.99	26.96	30.42	33.87	35.21	25.89	26.25	30.46
FTSE per Full-Time Staff Member	8.92	8.82	8.41	8.35	8.63	11.14	11.77	9.01	9.79	10.72
Average Annual Faculty Salary	\$56,778	\$54,026	\$50,929	\$47,756	\$47,917	\$46,766	\$45,268	\$44,939	\$48,952	\$45,620

Central Texas College District
Statistical Supplement 15
Enrollment Details
Last nine fiscal years
(unaudited)

Student Classification	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002		Fall 2001	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	8,142	66.58%	7,690	83.22%	6,366	77.03%	4,653	63.16%	6,133	70.46%	5,520	66.67%	5,309	69.39%	5,811	73.23%	5,127	70.90%
31-60 hours	2,503	21.08%	1,040	10.97%	1,434	17.30%	1,906	25.87%	2,571	29.54%	1,842	22.92%	1,596	20.86%	1,407	17.73%	1,415	19.57%
> 60 hours	1,228	10.34%	551	5.81%	470	5.67%	808	10.97%	0	0.00%	676	8.41%	746	9.75%	717	9.04%	689	9.53%
Total	11,873	100.00%	9,481	100.00%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%
Semester Hour Load																		
Less than 3	323	2.72%	180	2.41%	219	2.64%	158	2.14%	376	4.32%	525	6.53%	463	6.05%	497	6.26%	573	7.92%
3-5 semester hours	3,223	27.15%	3,262	43.60%	2,899	34.97%	2,369	32.16%	2,779	31.93%	2,655	33.03%	2,405	31.43%	2,315	29.17%	1,996	27.60%
6-8 Semester hours	3,699	31.15%	2,670	35.69%	2,129	25.68%	1,719	23.33%	2,311	26.55%	1,237	15.39%	1,778	23.24%	1,875	23.63%	1,637	22.64%
9-11 semester hours	1,447	12.19%	1,195	15.97%	1,041	12.56%	963	13.07%	1,170	13.44%	1,216	15.13%	887	11.59%	995	12.54%	906	12.53%
12-14 semester hours	2,676	22.54%	1,808	24.17%	1,651	19.92%	1,752	23.78%	1,669	19.18%	1,862	23.41%	1,718	22.45%	1,684	21.22%	1,579	21.84%
15-17 semester hours	346	2.91%	330	4.41%	318	3.84%	385	5.23%	309	3.55%	417	5.19%	295	3.86%	495	6.24%	450	6.22%
18 & over	159	1.34%	36	0.48%	33	0.40%	21	0.29%	90	1.03%	106	1.32%	105	1.37%	74	0.93%	90	1.24%
Total	11,873	100.00%	9,481	126.73%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%
Average course load	7.6		7.9		8.0		8.0		7.8		8.0		8.0		7.9		8.0	
Tuition Status																		
Texas Resident (in-District)	8,654	72.89%	6,787	71.59%	5,954	71.82%	5,370	72.89%	6,619	76.05%	5,956	74.10%	5,605	73.26%	5,810	73.22%	5,223	72.23%
Texas Resident (out-of-District)	2,920	24.59%	2,423	25.56%	2,087	25.17%	1,757	23.85%	1,851	21.27%	1,895	23.58%	1,839	24.04%	1,933	24.36%	1,715	23.72%
Non-Resident Tuition	299	2.52%	271	2.86%	249	3.00%	240	3.26%	234	2.69%	187	2.33%	207	2.71%	192	2.42%	293	4.05%
Total	11,873	100.00%	9,481	100.00%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%

Central Texas College District
Statistical Supplement 16
Student Profile
Last nine fiscal years
(unaudited)

Gender	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002		Fall 2001	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	7,026	59.18%	5,825	61.44%	5,148	62.10%	4,716	64.02%	5,215	59.91%	5,006	62.28%	4,798	62.71%	4,761	60.00%	4,346	60.10%
Male	4,847	40.82%	3,656	38.56%	3,142	37.90%	2,651	35.98%	3,489	40.09%	3,032	37.72%	2,853	37.29%	3,174	40.00%	2,885	39.90%
Total	11,873	100.00%	9,481	100.00%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%

Ethnic Origin	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002		Fall 2001	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	5,408	45.55%	4,374	46.13%	3,802	45.86%	3,454	46.88%	3,969	45.60%	3,925	48.83%	3,716	48.57%	3,893	49.06%	3,534	48.87%
Hispanic	2,254	18.98%	1,738	18.33%	1,467	17.70%	1,213	16.47%	1,480	17.00%	1,314	16.35%	1,240	16.21%	1,244	15.68%	1,143	15.81%
African American	3,168	26.68%	2,583	27.24%	2,265	27.32%	2,165	29.39%	2,619	30.09%	2,262	28.14%	2,193	28.66%	2,272	28.63%	2,047	28.31%
Asian	559	4.71%	437	4.61%	410	4.95%	323	4.38%	365	4.19%	372	4.63%	321	4.20%	328	4.13%	322	4.45%
Foreign	118	0.99%	144	1.52%	150	1.81%	133	1.81%	97	1.11%	87	1.08%	94	1.23%	121	1.52%	120	1.66%
Native American	127	1.07%	84	0.89%	84	1.01%	63	0.86%	94	1.08%	64	0.80%	70	0.91%	56	0.71%	51	0.71%
Other	239	2.01%	121	1.28%	112	1.35%	16	0.22%	80	0.92%	14	0.17%	17	0.22%	21	0.26%	14	0.19%
Total	11,873	100.00%	9,481	100.00%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%

Age	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002		Fall 2001	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,519	12.79%	1,372	14.47%	915	11.04%	575	7.81%	515	5.92%	336	4.18%	300	3.92%	390	4.91%	310	4.29%
18 - 21	2,574	21.68%	2,292	24.17%	2,089	25.20%	2,061	27.98%	2,282	26.22%	2,134	26.55%	2,056	26.87%	2,090	26.34%	1,984	27.44%
22 - 24	1,619	13.64%	1,293	13.64%	1,177	14.20%	1,046	14.20%	1,336	15.35%	1,161	14.44%	1,033	13.50%	1,043	13.14%	1,000	13.83%
25 - 35	4,027	33.92%	2,884	30.42%	2,650	31.97%	2,368	32.14%	2,897	33.28%	2,760	34.34%	2,613	34.15%	2,643	33.31%	2,334	32.28%
36 - 50	1,904	16.04%	1,443	15.22%	1,292	15.59%	1,149	15.60%	1,498	17.21%	1,468	18.26%	1,475	19.28%	1,588	20.01%	1,457	20.15%
51 & over	230	1.94%	197	2.08%	167	2.01%	168	2.28%	176	2.02%	179	2.23%	174	2.27%	181	2.28%	146	2.02%
Total	11,873	100.00%	9,481	100.00%	8,290	100.00%	7,367	100.00%	8,704	100.00%	8,038	100.00%	7,651	100.00%	7,935	100.00%	7,231	100.00%

Average Age	27	27	27	27	28	28	28	28	28	28	28	28	28	28	28	28	28	28

Central Texas College District
Statistical Supplement 17
Transfers to Senior Institutions
2008-2009 Students as of Fall 2009
(Includes only public senior colleges in Texas)
(unaudited)

	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
Texas A&M University - Central Texas	357	49	28	434	32.05%
Tarleton State University	110	4	7	121	8.94%
Texas State University	112	4	2	118	8.71%
Texas A&M University	111		2	113	8.35%
The University of Texas at Austin	88		1	89	6.57%
Texas Tech University	67		1	68	5.02%
Angelo State University	67			67	4.95%
The University of Texas at San Antonio	63	1	1	65	4.80%
University of North Texas	49			49	3.62%
Sam Houston State University	36		2	38	2.81%
The University of Texas at Arlington	31	2	2	35	2.58%
University of Houston	20	1	1	22	1.62%
Stephen F. Austin State University	17		1	18	1.33%
Prairie View A&M University	15			15	1.11%
Texas A&M University at Corpus Christi	14			14	1.03%
Texas Women's University	10			10	0.74%
The University of Texas at Dallas	7			7	0.52%
Midwestern State University	4		2	6	0.44%
Texas Southern University	6			6	0.44%
The University of Texas at El Paso	6			6	0.44%
West Texas A&M University	5	1		6	0.44%
Texas A&M University at Galveston	5			5	0.37%
Texas Tech University Health Sciences Center	3		2	5	0.37%
The University of Texas of the Permian Basin	5			5	0.37%
Lamar University	4			4	0.30%
Texas A&M University at Commerce	4			4	0.30%
The University of Texas-Pan American	3	1		4	0.30%
University of Houston Downtown	4			4	0.30%
Texas A&M University at Kingsville	3			3	0.22%
Sul Ross State University	2			2	0.15%
Texas A&M International University		1	1	2	0.15%
The University of Texas at Tyler	2			2	0.15%
University of Houston at Clear Lake	1		1	2	0.15%
Sul Ross State University - Rio Grande College	1			1	0.07%
Texas A&M University at San Antonio	1			1	0.07%
The University of Texas at Brownsville			1	1	0.07%
The University of Texas Health Science Center at Houston	1			1	0.07%
University of North Texas at Dallas			1	1	0.07%
Totals	1,234	64	56	1,354	100%

Central Texas College District
Statistical Supplement 18
Capital Asset Information
Fiscal Years 2002 to 2010
(unaudited)

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	
Academic buildings	14	13	13	13	13	13	13	13	13	13
Square footage (in thousands)	400,077	374,077	374,077	374,077	374,077	374,077	374,077	374,077	374,077	374,077
Libraries	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	43,520	43,520	43,520	43,520	43,520	43,520	43,520	43,520	43,520	43,520
Number of Volumes (in thousands)	80,000	80,000	80,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Administrative and support buildings	13	13	13	13	13	12	12	12	12	12
Square footage (in thousands)	206,661	206,661	206,661	206,661	204,261	189,340	189,340	189,340	189,340	189,340
Dormitories	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429
Number of Beds	120	120	120	120	120	120	120	120	120	120
Apartments	52	52	52	52	52	52	52	52	52	52
Square footage (in thousands)	44,020	44,020	44,020	44,020	44,020	44,020	44,020	44,020	44,020	44,020
Number of beds	76	76	76	76	76	76	76	76	76	76
Dining Facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	34,620	34,620	34,620	34,620	34,620	34,620	34,620	34,620	34,620	34,620
Average daily customers	225	225	225	625	625	625	625	625	625	625
Athletic Facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	54,173	54,173	54,173	54,173	54,173	54,173	54,173	54,173	54,173	54,173
Stadiums	1	1	1	1	1	1	1	1	1	1
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	1	1	1	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	4	3	3	2	2	2	2	2	2	2
Square footage (in thousands)	23,876	22,797	22,797	20,397	20,397	20,397	20,397	20,397	20,397	20,397
Transportation										
Cars	7	5	5	5	6	7	7	7	7	7
Light Trucks/Vans	39	38	38	36	31	32	32	32	32	32
Buses	4	4	4	5	4	5	5	5	5	5

INSURANCE SCHEDULE
FY 2009-2010

Carrier	Policy #	Coverage	Limits
Catlin Insurance Company Policy Period: 09/01/09– 09/01/10	NAR4002734	<u>Aviation Hull Liability</u> Each Occurrence (Combined Liability) Bodily Injury/Prop. Damage/Ea. Person on ground Passenger Liability (EA Person) Medical Coverage (EA Person) Student/Renter Liability – Ea. Occur. Aircraft Deductible/Single Engine	1,000,000 1,000,000 100,000 3,000 100,000 2,500
Catlin Insurance Company Policy Period: 09/01/09 – 09/01/10	NAF3050752	<u>Aviation Premises Liability</u> General Aggregate Ea. Occurrence Fire Damage Medical Expenses/Any One Person Each Occurrence Deductible/Ea. Property Damage Loss	4,000,000 2,000,000 50,000 1,000 5,000 2,500
Travelers Insurance Company Policy Period: 09/01/08 – 09/01/09	BA-342D9639- 08-CAG	<u>Business Auto</u> (Texas) Combined Single Limit (prop & bi) Deductible	1,000,000 1,000
Travelers Insurance Company Policy Period: 09/01/09 – 09/01/10	Y-810- 342D9627-TIL- 08	<u>Business Auto (CA & VA)</u> Liability (property & BI) UIM/UM (VA) Med-pay Deductible	1,000,000 70,000 5,000 1,000
Travelers Insurance Company Policy Period: 09/01/09 – 09/01/10	KTK-CMB- 0236C04-2-09	<u>Commercial Package – U.S. Property</u> Blanket (Bldg. Limit) Blanket (Business personal Property Limit) Blanket Flood (100,000 Deductible) Blanket Quake (100,000 Deductible) Blanket (Business Income) Blanket (Extra Expense) Accounts Receivable (any one occurrence) Valuable Papers Newly Acquired/Constructed Property Newly Acquired Locations (Bus. Income) Personal Property of Others(any Occurrence) Windstorm (Deductible) All other peril (Deductible) Boiler & Machinery (Insured's Location Only, 10,000 deductible) Ordinance or Law <u>Inland Marine</u> Electronic Data Processing Equipment	Included Included 10,000,000 10,000,000 31,248,000 1,000,000 250,000 250,000 2,500,000 500,000 100,000 100,000 25,000 50,000,000 1,000,000 9,653,855 100,000 5,370,787 434,585 1,057,768

INSURANCE SCHEDULE
FY 2009-2010

		Fine Arts Textbooks Vending Machines Copiers Leased Equipment Deductible Radio Transmitting Equip & Towers (25,000 deductible except 100,000 on 1100 ft. tower & 50,000 on 440 ft. tower)	25,000 5,061,350
Illinois Union Insurance Company - ACE Policy Period: 09/01/09 – 09/01/10	EONG2494348 3	Directors & Officers Each Occurrence per Wrongful Act Annual Aggregate/Defense Costs Director's/Officer's Ded. Employment Practices Ded.	2,000,000 2,000,000 100,000 150,000
Federal Insurance Co. Policy Period: 09/01/09 – 09/01/10	8179-9645	Fiduciary & Crime Liability (Employer's Liability) Fiduciary Each Loss/Each Policy Period Deductible/Per Claim Crime Depositors Forgery Employee Theft Computer/Fund Transfer Fraud Deductible	4,000,000 10,000 500,000 500,000 100,000 5,000
Continental Ins. Co. Policy Period: 09/01/09 – 09/01/10	WP 413866634	Foreign Package Property Personal Property Deductible (windstorm) All Other Perils General Liability Each Occurrence Aggregate/BI & Ppty Dmg Products/Comp. Oper/BI & Ppty Dmg Personal/Advertising Inj. Premises Legal Liability Medical Expense (any one person) Medical Expense (any one accident) <u>Sublimits:</u> Employee Benefits Liability Each Claim Annual Aggregate Deductible Foreign Auto Dic/Excess Liability Owned Auto Excess DIC Bodily Injury Prop Damage Liab. Combined Single	3,431,605 25,000 2,500 1,000,000 2,000,000 1,000,000 1,000,000 1,000,000 10,000 50,000 1,000,000 1,000,000 1,000 1,000,000 1,000,000

INSURANCE SCHEDULE
FY 2009-2010

		Limit Auto Med Expense/Per Person 10,000 Auto Med Expense/Per Acc. 50,000 Hired Non-Owned Excess DIC Liab./Per Acc. Limit 1,000,000 Hired Auto Physical Damage 1,000 Hired Auto Phy. Damage/Per Acc. 10,000 Kidnap & Ransom/EA Occurrence 25,000 <u>Foreign Worker's Compensation Non-Defense Base Act</u> BI Accident – Each Accident 1,000,000 BI Disease – Each Employee 1,000,000 BI Disease – Policy Limit 1,000,000 Repatriation Expense – Per Employee 100,000 Repatriation Expense – Annual 100,000 Aggregate Hired Auto Physical Damage \$1,000 Per Accident/\$10,000	
Continental Insurance Co. Policy Period: 09/01/09 – 09/01/10	DBA41386664 8	<u>Foreign - Defense Base Act</u> Bodily Inj. By Accident/Ea Accident 1,000,000 Bodily Inj. By Disease/Policy Limit 1,000,000 Repatriation Expense/Per Employee 100,000 Repatriation Expense/Aggregate 250,000 <u>Foreign – Local Admitted General Liability – Rota Spain</u> BI & Property Damage 859,571 Products/Completed Operations 859,571 Personal and Advertizing Injury 128,935 Premises Legal Liability 85,957 Judiciary Bond 8,596	
Continental Ins. Policy Period: 09/01/09 – 09/01/10	271008000076		
United Educators Insurance Company Policy Period: 09/01/09 – 09/01/10	CGL20090006 2900	<u>General Liability</u> Each Occurrence 1,000,000 Annual Aggregate/Products 3,000,000 Fire Damage 300,000 Deductible (Ea. Occurrence) 25,000	
United Educators Policy Period: 09/01/09 – 09/01/10	GLX200900629 00	<u>General Liability - Umbrella</u> Each Occurrence/Aggregate 10,000,000 Sexual Molestation Annual Aggregate Retention 10,000,000 Retention 10,000	
Scottsdale Insurance Co. Policy Period: 09/01/09 – 09/01/10	PKS0000278	<u>Law Enforcement Liability</u> Aggregate 2,000,000 Each Occurrence 2,000,000 Deductible 25,000	

**INSURANCE SCHEDULE
FY 2009-2010**

American International Specialty Lines Policy Period: 09/01/08 – 09/01/11 – 3 year policy	PLC12175560	<u>Pollution Liability</u> Each Incident Limit Aggregate Deductible	1,000,000 1,000,000 25,000
Commerce & Industry Insurance Company Policy Period: 09/01/09 – 09/01/10	000009727	<u>Pollution Liability</u> (Storage Tanks) Each Occurrence Aggregate Deductible	1,000,000 2,000,000 5,000
Ace American Ins. Co. Policy Period: 04/05/09 – 04/05/10	KO5897014	<u>Post Secondary Institutional Bond</u> State of Washington	25,000
Westchester Fire Ins. Co. Policy Period: 12/9/09 – 12-9/10	KO7983323	<u>Post Secondary Institutional Bond</u> State of Georgia	75,000
Liberty Mutual Insurance Company Policy Period: 09/01/09 – 09/01/10	WC2-Z91- 422347-019	<u>Workers' Compensation/Employers' Liability - Domestic</u> Bodily Inj. By Accident/Ea Accident Bodily Inj. By Disease/Policy Limit Bodily Injury by Disease/Ea. Employee	 1,000,000 1,000,000 1,000,000