

**CENTRAL TEXAS COLLEGE DISTRICT**

**ANNUAL FINANCIAL REPORT**

**August 31, 2011**

**CENTRAL TEXAS COLLEGE DISTRICT**  
**August 31, 2011**

**ORGANIZATIONAL DATA**

|  |   |
|--|---|
| Organizational Data  | 1 |
| Independent Auditors' Report on the Basic Financial Statements | 2 |
| Management Discussion and Analysis                             | 4 |

**FINANCIAL STATEMENTS**

|   |    |
|---|----|
| Exhibits  |    |
| 1 - Statement of Net Assets   | 13 |
| 1-A - Statement of Financial Position (discretely presented component unit) | 14 |
| 2 - Statement of Revenues, Expenses and Changes in Net Assets               | 15 |
| 2-A - Statement of Activities (discretely presented component unit)         | 16 |
| 3 - Statement of Cash Flows   | 17 |
| Notes to the Basic Financial Statements                                     | 18 |

**SUPPLEMENTAL SCHEDULES**

|   |    |
|---|----|
| Schedules   |    |
| A Schedule of Operating Revenues                    | 37 |
| B Schedule of Operating Expenses by Object          | 38 |
| C Schedule of Non-Operating Revenues and Expenses   | 39 |
| D Schedule of Net Assets by Source and Availability | 40 |
| E Schedule of Expenditures of Federal Awards        | 41 |
| F Schedule of Expenditures of State Awards          | 43 |

**AUDITORS' REPORT ON CONTROLS AND COMPLIANCE**

|  |    |
|--|----|
| Independent Auditors' Report on Compliance and on<br>Internal Control over Financial Reporting Based on an<br>Audit of Financial Statements Performed in<br>Accordance with <i>Government Auditing Standards</i> | 45 |
| Independent Auditors' Report on Compliance with<br>Requirements Applicable to Each Major Program and<br>Internal Control over Compliance in Accordance<br>With OMB Circular A-133                                | 47 |

# CENTRAL TEXAS COLLEGE DISTRICT

## Table of Contents, Continued

|   |    |
|---|----|
| Schedule of Findings and Questioned Costs | 49 |
|---|----|

### **ADDITIONAL INFORMATION (UNAUDITED)**

#### Schedules

|     |  |    |
|-----|--|----|
| G   | Consolidating Statement of Revenues, Expenses<br>and Changes in Net Assets (Unaudited)   | 52 |
| G-1 | Consolidating Statement of Revenues, Expenses and Changes<br>In Net Assets Texas Campuses (Unaudited)                            | 53 |
| G-2 | Consolidating Statement of Revenues, Expenses and Changes<br>In Net Assets Continental and International<br>Campuses (Unaudited) | 54 |

### **STATISTICAL SUPPLEMENT (UNAUDITED)**

|   |    |
|---|----|
| Net Asset by Component (Unaudited)                                | 56 |
| Revenues by Source (Unaudited)                                    | 57 |
| Program Expenses by Function (Unaudited)                          | 58 |
| Tuition and Fees (Unaudited)                                      | 59 |
| Assessed Value and Taxable Assessed Value of Property (Unaudited) | 60 |
| State Appropriations per FTSE and Contact Hour (Unaudited)        | 61 |
| Principal Taxpayers (Unaudited)                                   | 62 |
| Property Tax Levies and Collections (Unaudited)                   | 63 |
| Ratios of Outstanding Debt (Unaudited)                            | 64 |
| Legal Debt Margin Information (Unaudited)                         | 65 |
| Pledged Revenue Coverage (Unaudited)                              | 66 |
| Demographic and Economic Statistics- Taxing District (Unaudited)  | 67 |
| Principal Employers (Unaudited)                                   | 68 |
| Faculty, Staff, and Administrators Statistics (Unaudited)         | 69 |
| Enrollment Details (Unaudited)                                    | 70 |
| Student Profile (Unaudited)                                       | 71 |
| Transfers to Senior Institutions (Unaudited)                      | 72 |
| Capital Asset Information (Unaudited)                             | 73 |
| Schedule of Insurance   | 74 |

**CENTRAL TEXAS COLLEGE DISTRICT**

**ORGANIZATIONAL DATA  
for the Fiscal Year 2011**

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**Board of Trustees**

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| <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, 2017           |
| Jimmy Towers, Secretary        | Killeen, TX        | May, 2013           |
| Don R. Armstrong, Member       | Killeen, TX        | May, 2017           |
| William L. Shine, Member       | Harker Heights, TX | May, 2015           |
| Dr. Scott Isdale, Member       | Belton, TX         | May, 2015           |

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**Key Officers**

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|                          |  |
|--------------------------|--|
| James R. Anderson, Ph.D. | Chancellor   |
| Al Erdman                | Deputy Chancellor, Resource Management                   |
| Jim Yeonopolus           | Deputy Chancellor, Continental & Overseas Operations     |
| John Hunt                | Deputy Chancellor, Texas Campus Operations               |
| Dana Watson, Ph.D.       | Deputy Chancellor, Education Programs & Support Services |
| Bob Liberty              | Comptroller  |





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

20 SOUTH FOURTH STREET 254 / 778 / 4783  
POST OFFICE BOX 160 800 / 460 / 4783  
TEMPLE, TEXAS 76503 FAX 254 / 778 / 4792

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Member of  
American Institute & Texas Society of  
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 (the College), as of and for the years ended August 31, 2011 and 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 audits provide 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, 2011 and 2010, and the respective changes in financial position and cash flows for the years 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 November 23, 2011, 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 basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The accompanying additional information and statistical supplements, 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 and schedule of expenditures of state awards are 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 the State of Texas Single Audit Circular, and are also not a required part of the financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The additional information and statistical supplements (marked "unaudited") have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Temple, Texas

November 23, 2011

**Central Texas College District  
Annual Financial Report  
Management’s Discussion and Analysis  
For the Year Ended August 31, 2011**

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, 2011. 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, 2011

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 \$10M during the year.
- The College's total assets increased approximately \$18 million or 8% during the fiscal year while total liabilities increased approximately \$4 million or 13%. This resulted in an increase to net assets of approximately \$14 million or 8%.
- 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 \$21.2M or 38% of total tuition and fees. Operating revenues clearly reflect military and distance learning initiatives.
- Local ad valorem tax revenues increased slightly as a result of continued construction in the college district, however the increase in new construction has slowed during the fiscal year and adjustments lowering many individual pieces of real estate occurred during the fiscal year. This coupled with additional exemptions to disabled veterans resulted in the minimal increase in tax revenues.

## **CENTRAL TEXAS COLLEGE DISTRICT**

### Management's Discussion and Analysis

For the Year Ended August 31, 2011

- The College Board of Trustees maintained the local ad valorem tax rate for maintenance and operation at \$.1409/100 in 2011. The College's tax rate has decreased or remained constant for more than the last fifteen 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>2011</u>   | <u>2010</u>  | <u>% Change</u> |
| Current assets:                          |               |              |                 |
| Cash and short-term investments          | \$ 108.8      | \$ 99.6      | 9.2             |
| Receivables                              | 18.4          | 20.3         | (9.4)           |
| Inventory, prepaid expenses and other    | <u>3.8</u>    | <u>3.3</u>   | <u>.2</u>       |
| Total current assets                     | 131.0         | 123.2        | 6.3             |
| Non-current assets:                      |               |              |                 |
| Restricted Cash                          | 1.4           | .8           | 75.0            |
| Long-term investments                    | 8.0           | 7.5          | 6.7             |
| Capital assets, net of depreciation      | <u>96.1</u>   | <u>86.8</u>  | <u>10.7</u>     |
| Total non-current assets                 | <u>105.5</u>  | <u>95.1</u>  | <u>10.9</u>     |
| Total assets                             | <u>236.5</u>  | <u>218.3</u> | <u>8.3</u>      |
| Current liabilities:                     |               |              |                 |
| Accounts payable and accrued liabilities | 18.4          | 15.5         | 18.7            |
| Deferred revenue                         | 16.8          | 15.5         | 8.4             |
| Long-term liabilities - current portion  | <u>.3</u>     | <u>.3</u>    | <u>-</u>        |
| Total current liabilities                | 35.5          | 31.3         | 13.4            |
| Non-current liabilities:                 |               |              |                 |
| Long-term liabilities                    | <u>1.4</u>    | <u>1.4</u>   | <u>-</u>        |
| Total liabilities                        | 36.9          | 32.7         | 12.8            |

## **CENTRAL TEXAS COLLEGE DISTRICT**

### Management's Discussion and Analysis

For the Year Ended August 31, 2011

#### Net assets

|   |                 |                 |            |
|---|-----------------|-----------------|------------|
| Invested in capital assets, net of related debt | 96.0            | 86.8            | 10.6       |
| Restricted                                      | .7              | .7              | -          |
| Unrestricted                                    | <u>102.9</u>    | <u>98.1</u>     | <u>4.9</u> |
| Total net assets                                | <u>199.6</u>    | <u>185.6</u>    | <u>7.5</u> |
| Total liabilities and net assets                | \$ <u>236.5</u> | \$ <u>218.3</u> | <u>8.3</u> |

Cash and investments increased significantly during the fiscal year due to increased revenues over expenditures. The college continues to enforce strict budgetary controls over all expenditures.

The decrease in receivables is due primarily to the fact that the majority of the colleges students are registered thru the GoArmyEd portal and the associated tuition and fees are paid by the federal government electronically. Payments made through this means are being processed more rapidly than previous years.

The increase in capital assets was largely due to the continued expansion of plant facilities. The Nursing facility and the Campus Center were both near completion at the end of the fiscal year.

The increase in deferred revenue is due to an approximate 8% increase in Fall 2012 tuition rates compared to Fall 2011.

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, 2011

|                                   | (In Millions)   |                 |                 |
|-----------------------------------|-----------------|-----------------|-----------------|
|                                   | <u>2011</u>     | <u>2010</u>     | <u>% Change</u> |
| Operating revenue:                |                 |                 |                 |
| Net tuition and fees              | \$ 55.2         | \$ 50.7         | 8.9             |
| Federal Funds                     | 28.4            | 32.9            | (13.7)          |
| Grants and Contracts              | 2.6             | 2.2             | 18.2            |
| Auxiliary Funds                   | 10.2            | 10.5            | (2.9)           |
| Other                             | <u>1.8</u>      | <u>1.8</u>      | <u>-</u>        |
| Total                             | 98.2            | 98.1            | .1              |
| Operating expenses                | <u>148.2</u>    | <u>142.7</u>    | <u>3.9</u>      |
| Net operating loss                | <u>( 50.0)</u>  | <u>(44.6)</u>   | <u>12.1</u>     |
| Non-operating revenues (expenses) |                 |                 |                 |
| State Appropriations              | 24.3            | 24.6            | (1.2)           |
| Local ad valorem taxes            | 11.0            | 10.8            | 1.9             |
| Federal Revenue, Non Operating    | 28.3            | 24.2            | 16.9            |
| Investment income                 | .6              | .7              | (14.3)          |
| Other revenues and expenses       | <u>(.2)</u>     | <u>(.4)</u>     | <u>50.0</u>     |
| Total                             | <u>64.0</u>     | <u>59.9</u>     | <u>6.8</u>      |
| Increase in net assets            | 14.0            | 15.3            | (8.5)           |
| Net assets - Beginning of year    | <u>185.6</u>    | <u>170.3</u>    | <u>9.0</u>      |
| Net assets - End of year          | \$ <u>199.6</u> | \$ <u>185.6</u> | <u>7.5</u>      |

Tuition and fees, net of scholarship allowances, increased this year due to the combination of a tuition increase of approximately 7% and enrollment increase of approximately 2% compared to the previous fiscal year.

Federal revenues decreased globally during the fiscal year. As the armed forces continue to tighten their belt, less funds were available for educational contracts.

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.

**CENTRAL TEXAS COLLEGE DISTRICT**

Management's Discussion and Analysis

For the Year Ended August 31, 2011

Federal revenues represent (35%) of total revenues and tuition and fees represent (34%). State appropriations (15%) are third and local ad valorem tax revenues (7%) are fourth.

**OPERATING EXPENSES (by functional classification)**

|                                    | (In Millions) |             |                 |
|------------------------------------|---------------|-------------|-----------------|
|                                    | <u>2011</u>   | <u>2010</u> | <u>% Change</u> |
| Instruction                        | \$ 58.6       | \$ 59.1     | (.8)            |
| Public service                     | 1.3           | 1.5         | (13.3)          |
| Academic support                   | 9.0           | 8.9         | 1.1             |
| Student services                   | 11.1          | 11.5        | (3.5)           |
| Institutional support              | 18.2          | 16.9        | 7.7             |
| Operation and maintenance of plant | 7.3           | 9.4         | (22.3)          |
| Depreciation                       | 3.4           | 3.2         | 6.3             |
| Scholarships and related expenses  | 29.9          | 22.5        | 32.9            |
| Auxiliary activities               | <u>9.4</u>    | <u>9.7</u>  | <u>(3.1)</u>    |
| Total Expenses                     | \$148.2       | \$142.7     | 3.9             |

**OPERATING EXPENSES (by natural classification)**

|                                   | (In Millions) |             |                 |
|-----------------------------------|---------------|-------------|-----------------|
|                                   | <u>2011</u>   | <u>2010</u> | <u>% Change</u> |
| Salaries and wages                | \$ 65.2       | \$ 66.7     | 2.2             |
| State Benefits                    | 4.4           | 4.4         | -               |
| Local Benefits                    | 12.2          | 11.0        | 10.9            |
| Scholarships and related expenses | 29.9          | 22.5        | 32.9            |
| Supplies and related expenses     | 33.1          | 34.9        | (5.2)           |
| Depreciation                      | <u>3.4</u>    | <u>3.2</u>  | <u>6.3</u>      |
|                                   | \$ 148.2      | \$142.7     | 3.9             |



## **CENTRAL TEXAS COLLEGE DISTRICT**

Management's Discussion and Analysis

For the Year Ended August 31, 2011

Salaries and wages, which clearly represent the largest operating expense, decreased slightly due to a year-long hiring freeze. This freeze was put in place due to the uncertainty in state funding. The increase in local benefits can primarily be attributed to the increase in the cost of health insurance to the college. The college's burden for health insurance for state eligible employees continues to skyrocket as state funding continues to fall short of actual expenditures. 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>2011</u>   | <u>2010</u> | <u>% Change</u> |
| Cash provided by (used in):              |               |             |                 |
| Operating activities                     | \$(37.7)      | \$(38.5)    | (2.1)           |
| Non-capital financing activities         | 60.2          | 50.9        | 18.3            |
| Capital and related financing activities | (12.8)        | (13.4)      | (4.5)           |
| Investing activities                     | <u>.2</u>     | <u>15.5</u> | <u>(98.7)</u>   |
| Net increase (decrease) in cash          | 9.9           | 14.5        | (31.2)          |
| Cash - beginning of year                 | <u>92.4</u>   | <u>77.9</u> | <u>18.6</u>     |
| Cash - end of year                       | \$102.3       | \$92.4      | 10.7            |

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. The major increase is attributed to increased federal funding in student financial aid programs.

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 decreased significantly during the year compared to the previous year. This was a result of maintaining the college's balances in bonds during the year at last year's level versus shifting from bonds to certificates of deposits as was done in the previous year.

## **CENTRAL TEXAS COLLEGE DISTRICT**

Management's Discussion and Analysis

For the Year Ended August 31, 2011

### **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, that impact should not materially affect our financial position due to our worldwide locations and robust distance learning program.

During the fiscal year we opened our new nursing building. The 85,000 square foot building consists 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. We also opened our new 48,000 square foot campus center which houses the bookstore, food service operations and a conference center capable of hosting approximately 500 people.

Along with the growth of campus facilities, we anticipate enrollment numbers to continue to rise. As our enrollment increases, we have also focused on student retention. CTC was one of a handful of colleges and universities selected to implement an Advancement Via Individual Determination, or AVID, post-secondary system by the AVID Center and the Texas Higher Education Coordinating Board. The system is designed to increase student academic success, persistence and completion rates. These are all factors that we anticipate will affect our future state funding.

Our faculty and staff participated in a nationwide survey conducted by The Chronicle of Higher Education and results indicate that Central Texas College is one of the best colleges in the nation to work for. Based on survey results, CTC received high marks in the categories of job satisfaction and support and compensation and benefits. Other highly rated areas were teaching environment, professional/career development programs, diversity, supervisor or department chair relationships and facilities, work spaces and security. It is rewarding to know that our employees think as much of us as we do of them.

While we continue to open doors to new buildings, new programs and most importantly new educational opportunities, we are faced with challenges through pending state cuts to educational funding. As we evaluate our options, our focus will continue to be providing an affordable, accessible, quality education for our students.

## **FINANCIAL STATEMENTS**

**CENTRAL TEXAS COLLEGE DISTRICT  
STATEMENT OF NET ASSETS  
AUGUST 31, 2011 and AUGUST 31, 2010**

**Exhibit 1**

| <b>ASSETS</b>                                   | <b>FISCAL YEAR</b> |                    | <b>FISCAL YEAR</b> |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | <b>2011</b>        |                    | <b>2010</b>        |                    |
| <b>Current Assets</b>                           |                    |                    |                    |                    |
| Cash and Cash Equivalents                       | \$                 | 100,864,699        | \$                 | 91,539,330         |
| Short Term Investments                          |                    | 7,975,171          |                    | 8,098,100          |
| Accounts Receivable (net)                       |                    | 18,377,414         |                    | 20,291,102         |
| Inventories                                     |                    | 2,985,085          |                    | 2,971,766          |
| Prepaid Expenses                                |                    | 795,357            |                    | 304,702            |
| <b>Total Current Assets</b>                     |                    | <u>130,997,726</u> |                    | <u>123,205,000</u> |
| <b>Noncurrent Assets</b>                        |                    |                    |                    |                    |
| Restricted Cash and Cash Equivalents            |                    | 1,400,849          |                    | 860,002            |
| Other Long-Term Investments                     |                    | 7,996,500          |                    | 7,509,350          |
| Notes Receivable                                |                    | 22,478             |                    | 18,590             |
| Capital Assets (net) (See Note 6)               |                    | 96,075,921         |                    | 86,778,031         |
| <b>Total Noncurrent Assets</b>                  |                    | <u>105,495,748</u> |                    | <u>95,165,973</u>  |
| <b>Total Assets</b>                             |                    | <u>236,493,474</u> |                    | <u>218,370,973</u> |
| <b>LIABILITIES</b>                              |                    |                    |                    |                    |
| <b>Current Liabilities</b>                      |                    |                    |                    |                    |
| Accounts Payable                                |                    | 4,436,226          |                    | 3,992,696          |
| Accrued Liabilities                             |                    | 13,383,684         |                    | 11,474,199         |
| Accrued Compensable Absenses-Current Portion    |                    | 340,081            |                    | 344,633            |
| Funds Held for Others                           |                    | 531,473            |                    | 40,964             |
| Deferred Revenues                               |                    | 16,800,777         |                    | 15,492,800         |
| <b>Total Current Liabilities</b>                |                    | <u>35,492,241</u>  |                    | <u>31,345,292</u>  |
| <b>Noncurrent Liabilities</b>                   |                    |                    |                    |                    |
| Accrued Compensable Absenses                    |                    | 1,360,325          |                    | 1,378,533          |
| <b>Total Noncurrent Liabilities</b>             |                    | <u>1,360,325</u>   |                    | <u>1,378,533</u>   |
| <b>Total Liabilities</b>                        |                    | <u>36,852,566</u>  |                    | <u>32,723,825</u>  |
| <b>NET ASSETS</b>                               |                    |                    |                    |                    |
| Invested in Capital Assets, Net of Related Debt |                    | 96,075,921         |                    | 86,778,031         |
| Restricted for:                                 |                    |                    |                    |                    |
| Scholarships and Grants                         |                    | 676,122            |                    | 718,108            |
| Unrestricted                                    |                    | 102,888,865        |                    | 98,151,009         |
| <b>Total Net Assets (Schedule D)</b>            |                    | <u>199,640,908</u> |                    | <u>185,647,148</u> |
| <b>Total Liabilities and Net Assets</b>         | \$                 | <u>236,493,474</u> | \$                 | <u>218,370,973</u> |

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

**CENTRAL TEXAS COLLEGE FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AUGUST 31, 2011**

**Exhibit 1 - A**

|                          | UNRESTRICTED     | RESTRICTED        | ENDOWMENT           | TOTAL               |
|--------------------------|------------------|-------------------|---------------------|---------------------|
| <b>Assets</b>            |                  |                   |                     |                     |
| Cash & Cash Equivalents  | \$ 69,648        | \$ 129,902        | \$ 72,245           | \$ 271,795          |
| Investments              |                  | 438,126           | 3,400,067           | 3,838,193           |
| CSV - Life Insurance     |                  | 86,905            |                     | 86,905              |
| <b>Total Assets</b>      | <u>69,648</u>    | <u>654,933</u>    | <u>3,472,312</u>    | <u>4,196,893</u>    |
| <b>Liabilities</b>       |                  |                   |                     |                     |
| Accounts Payable         | <u>187</u>       | <u>176,233</u>    | <u>97,800</u>       | <u>274,220</u>      |
| <b>Total Liabilities</b> | <u>187</u>       | <u>176,233</u>    | <u>97,800</u>       | <u>274,220</u>      |
| <b>Net Assets</b>        |                  |                   |                     |                     |
| Unrestricted             | 69,461           |                   |                     | 69,461              |
| Permanently Restricted   |                  | 478,700           | 3,374,512           | 3,853,212           |
| <b>Total Net Assets</b>  | <u>\$ 69,461</u> | <u>\$ 478,700</u> | <u>\$ 3,374,512</u> | <u>\$ 3,922,673</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, 2011 and August 31, 2010**

**Exhibit 2**

|  | <u>FISCAL YEAR<br/>2011</u> | <u>FISCAL YEAR<br/>2010</u> |
|--|-----------------------------|-----------------------------|
| <b>Operating Revenues</b>  |                             |                             |
| Tuition and Fees (net of discounts of \$8,146,833 and \$5,824,697, respectively) | \$ 55,219,698               | \$ 50,668,812               |
| Federal Grants and Contracts   | 28,434,525                  | 32,877,875                  |
| State Grants and Contracts   | 855,888                     | 1,128,129                   |
| Non-Governmental Grants and Contracts  | 1,739,084                   | 1,069,553                   |
| Sales of Services of Educational Activities                                      | 556,531                     | 648,993                     |
| Auxiliary Enterprises ( net of discounts)  | 10,219,284                  | 10,466,791                  |
| General Operating Revenues   | <u>1,211,988</u>            | <u>1,291,498</u>            |
| <b>Total Operating Revenues (Schedule A)</b>                                     | <u>98,236,998</u>           | <u>98,151,651</u>           |
| <br>   |                             |                             |
| <b>Operating Expenses</b>  |                             |                             |
| Instruction  | 58,545,396                  | 59,059,389                  |
| Public Service   | 1,315,390                   | 1,542,806                   |
| Academic Support   | 8,988,451                   | 8,889,593                   |
| Student Services   | 11,130,144                  | 11,552,517                  |
| Institutional Support  | 18,233,169                  | 16,898,965                  |
| Operation and Maintenance of Plant   | 7,279,584                   | 9,396,426                   |
| Scholarships and Fellowships   | 29,886,446                  | 22,448,656                  |
| Auxiliary Enterprises  | 9,365,013                   | 9,720,039                   |
| Depreciation   | <u>3,432,376</u>            | <u>3,234,993</u>            |
| <b>Total Operating Expenses (Schedule B)</b>                                     | <u>148,175,969</u>          | <u>142,743,384</u>          |
| <br>   |                             |                             |
| <b>Operating Loss</b>  | <u>(49,938,971)</u>         | <u>(44,591,733)</u>         |
| <br>   |                             |                             |
| <b>Non-Operating Revenues (Expenses)</b>   |                             |                             |
| State Appropriations   | 24,277,218                  | 24,564,349                  |
| Maintenance Ad Valorem Taxes   | 10,954,001                  | 10,848,729                  |
| Federal Revenue, Non Operating   | 28,317,388                  | 24,223,413                  |
| Investment Income  | 582,191                     | 706,171                     |
| Interest on Capital Related Debt   |                             |                             |
| Other Non-Operating Revenues (Expenses)  | <u>(198,067)</u>            | <u>(445,356)</u>            |
| <b>Net Non-Operating Revenues (Schedule C)</b>                                   | <u>63,932,731</u>           | <u>59,897,306</u>           |
| <br>   |                             |                             |
| <b>Increase in Net Assets</b>  | <u>13,993,760</u>           | <u>15,305,573</u>           |
| <br>   |                             |                             |
| <b>Net Assets</b>  |                             |                             |
| Net Assets - Beginning of Year   | <u>185,647,148</u>          | <u>170,341,575</u>          |
| <b>Net Assets - End of Year</b>  | <u>\$ 199,640,908</u>       | <u>\$ 185,647,148</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, 2011**

**Exhibit 2-A**

|   | UNRESTRICTED     | RESTRICTED        | ENDOWMENT           | TOTAL               |
|---|------------------|-------------------|---------------------|---------------------|
| Revenue                                       |                  |                   |                     |                     |
| Contributions                                 | \$ 51,879        | \$ 56,286         | \$ 131,464          | \$ 239,629          |
| Donated Administrative Support                | 185,446          |                   |                     | 185,446             |
| Interest Income                               |                  | 2,620             | 60,342              | 62,962              |
| Unrealized/Realized Gains(Loss) on Investment |                  | 3,267             | 278,986             | 282,253             |
| Other Income                                  |                  | 3,053             | 6,750               | 9,803               |
| Total Revenues, Gains, Other Support          | <u>237,325</u>   | <u>65,226</u>     | <u>477,542</u>      | <u>780,093</u>      |
| Expenses                                      |                  |                   |                     |                     |
| Program                                       |                  |                   |                     |                     |
| Scholarships Awarded                          |                  | 45,034            | 99,743              | 144,777             |
| Support                                       |                  |                   |                     |                     |
| Management & General                          |                  | 308,411           |                     | 308,411             |
| Fund Raising                                  | 21,650           |                   |                     | 21,650              |
| Donated Administrative Support                | 185,446          |                   |                     | 185,446             |
| Total Expenses                                | <u>207,096</u>   | <u>353,445</u>    | <u>99,743</u>       | <u>660,284</u>      |
| Changes in Net Assets                         | 30,229           | (288,219)         | 377,799             | 119,809             |
| Net Assets at Beginning of Period             | 55,232           | 787,871           | 2,959,761           | 3,802,864           |
| Transfers                                     | <u>(16,000)</u>  | <u>(20,952)</u>   | <u>36,952</u>       |                     |
| Net Assets at End of Period                   | \$ <u>69,461</u> | \$ <u>478,700</u> | \$ <u>3,374,512</u> | \$ <u>3,922,673</u> |

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

**CENTRAL TEXAS COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
Years Ended August 31, 2011 and August 31, 2010**

**Exhibit 3**

|  | <b>Fiscal Year<br/>2011</b> | <b>Fiscal Year<br/>2010</b> |
|--|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                             |                             |
| Receipts from students and other customers   | \$ 54,014,310               | \$ 52,240,867               |
| Receipts from grants and contracts   | 35,139,186                  | 33,062,983                  |
| Payments to suppliers for goods and services   | (32,136,492)                | (36,037,911)                |
| Payments to or on behalf of employees  | (77,695,839)                | (78,275,686)                |
| Payments for scholarships and fellowships  | (29,814,844)                | (22,316,099)                |
| Payments for loans issued to students  | (37,328)                    | (32,299)                    |
| Receipts from collection of loans to students  | 34,550                      | 36,013                      |
| Other receipts (payments)  | 12,743,752                  | 12,785,683                  |
| Net cash (used) by operating activities  | <u>(37,752,705)</u>         | <u>(38,536,449)</u>         |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>  |                             |                             |
| Receipts from state appropriations   | 21,585,403                  | 21,773,748                  |
| Receipts from Ad valorem taxes   | 10,954,001                  | 10,848,729                  |
| Receipts from non operating federal revenue  | 27,299,371                  | 18,786,547                  |
| Payments for collection of taxes   | (173,782)                   | (172,246)                   |
| Receipts from student organizations and other agency transactions                                | 11,272,098                  | 10,789,257                  |
| Payments to student organizations and other agency transactions                                  | (10,781,589)                | (11,032,908)                |
| Other receipts (payments)  | 917                         | 198                         |
| Net cash provided (used ) by non-capital financing activities                                    | <u>60,156,419</u>           | <u>50,993,325</u>           |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                  |                             |                             |
| Proceeds from the sale of capital assets   | 237,718                     | 86,338                      |
| Purchases of capital assets  | (12,993,186)                | (13,516,175)                |
| Net cash provided (used) by capital and related financing activities                             | <u>(12,755,468)</u>         | <u>(13,429,837)</u>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                             |                             |
| Proceeds from sales and maturities of investments  | 39,494,556                  | 46,074,838                  |
| Receipts from interest on investments  | 582,191                     | 706,171                     |
| Purchases of investments   | (39,858,777)                | (31,294,301)                |
| Net cash provided (used) by investing activities   | <u>217,970</u>              | <u>15,486,708</u>           |
| Increase (decrease) in cash and cash equivalents   | <u>9,866,216</u>            | <u>14,513,747</u>           |
| Cash and cash equivalents-September 1, 2010  | 92,399,332                  | 77,885,585                  |
| Cash and cash equivalents-August 31, 2011  | <u>\$ 102,265,548</u>       | <u>\$ 92,399,332</u>        |
| <b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b> |                             |                             |
| Operating loss   | \$ (49,938,971)             | \$ (44,591,733)             |
| Adjustments to reconcile operating income to net cash used by operating activities:              |                             |                             |
| Depreciation expense   | 3,432,376                   | 3,234,993                   |
| Payments made directly by state for benefits   | 2,691,815                   | 2,790,601                   |
| Changes in assets and liabilities  |                             |                             |
| Receivables (net)  | 2,931,705                   | (4,691,071)                 |
| Inventories  | (13,319)                    | (167,518)                   |
| Prepaid expenses   | (490,655)                   | (7,177)                     |
| Accounts payable   | 443,530                     | (1,732,961)                 |
| Accrued liabilities  | 1,909,485                   | 1,413,271                   |
| Compensated absences   | (22,760)                    | 48,751                      |
| Deferred revenues  | 1,307,977                   | 5,161,930                   |
| Other Assets   | (3,888)                     | 4,465                       |
| Net cash provided (used) by operating activities   | <u>\$ (37,752,705)</u>      | <u>\$ (38,536,449)</u>      |

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



**CENTRAL TEXAS COLLEGE DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**August 31, 2011**

**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, 2011, 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 \$16,800,777 and \$15,492,800 have been reported as deferred revenues at August 31, 2011 and August 31, 2010 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.

### **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:

## Cash and Deposits

|                           | <u>Fiscal Year 2011</u> | <u>Fiscal Year 2010</u> |
|---------------------------|-------------------------|-------------------------|
| Bank Deposits             |                         |                         |
| Demand Deposits           | \$ <u>1,562,131</u>     | \$ <u>6,301,136</u>     |
|                           | 1,562,131               | 6,301,136               |
| Cash and Cash Equivalents |                         |                         |
| Petty Cash on Hand        | 25,420                  | 24,977                  |
| Certificates of Deposit   | 58,051,362              | 49,000,000              |
| Tex Pool                  | 26,718,936              | 18,178,586              |
| Tex Star                  | 2,698,805               | 2,695,040               |
| Texas Term                | 13,147,794              | 16,128,333              |
| Corporate Stock           | <u>61,100</u>           | <u>71,260</u>           |
|                           | 100,703,417             | 86,098,196              |
| Total Cash and Deposits   | <u>\$102,265,548</u>    | <u>\$92,399,332</u>     |

## Reconciliation of Deposits and Investments to Exhibit 1

|                                       | <u>Market Value</u><br><u>August 31, 2011</u> | <u>Market Value</u><br><u>August 31, 2010</u> |
|---------------------------------------|---|---|
| U.S. Government Securities            | \$ 7,996,500                                  | \$ 15,607,450                                 |
| Commercial Paper                      | <u>7,975,171</u>                              | <u>                    </u>                   |
| Totals                                | 15,971,671                                    | 15,607,450                                    |
| <br>                                  |   |   |
| Total Cash and Deposits               | 102,265,548                                   | 92,399,332                                    |
| Total Investments                     | <u>15,971,671</u>                             | <u>15,607,450</u>                             |
| Total Deposits and Investments        | <u>118,237,219</u>                            | <u>108,006,782</u>                            |
| <br>                                  |   |   |
| Cash and Cash Equivalents (Exhibit 1) | 100,864,699                                   | 91,539,330                                    |
| Restricted Cash (Exhibit 1)           | 1,400,849                                     | 860,002                                       |
| Investments (Exhibit 1)               | <u>15,971,671</u>                             | <u>15,607,450</u>                             |
| TOTAL DEPOSITS AND INVESTMENTS        | <u>\$118,237,219</u>                          | <u>\$ 108,006,782</u>                         |

## Reconciliation of Deposits and Investments to Exhibit 1-A

|   | Market<br>Value<br><u>August 31, 2011</u> | Market<br>Value<br><u>August 31, 2010</u> |
|---|---|---|
| Uncategorized Investments                 |   |   |
| Common Fund - Bond Fund                   | \$ 1,046,211                              | \$ 996,255                                |
| Common Fund - Equity Fund                 | 2,029,657                                 | 1,686,168                                 |
| Common Fund - Fixed Income                | 520,568                                   | 774,071                                   |
| Common Fund - Real Estate Securities Fund | <u>241,757</u>                            | <u>203,993</u>                            |
| Totals                                    | 3,838,193                                 | 3,660,487                                 |
| <br>                                      |   |   |
| Total Cash and Deposits                   | 271,795                                   | 123,651                                   |
| Total Investments                         | <u>3,838,193</u>                          | <u>3,660,487</u>                          |
| Total Deposits and Investments            | <u>4,109,988</u>                          | <u>3,784,138</u>                          |
| <br>                                      |   |   |
| Cash and Cash Equivalents (Exhibit 1-A)   | 271,795                                   | 123,651                                   |
| Investments (Exhibit 1- A)                | <u>3,838,193</u>                          | <u>3,660,487</u>                          |
| TOTAL DEPOSITS AND INVESTMENTS            | \$ <u>4,109,988</u>                       | \$ <u>3,784,138</u>                       |

As of August 31, 2011 CTCD had the following investments and maturities

|                            | Fair Value           | Investment Maturities (in Years) |                     |             |
|----------------------------|----------------------|----------------------------------|---------------------|-------------|
|                            |                      | Less than 1                      | 1 to 2              | 2 to 3      |
| U.S. Government Securities | \$ 7,996,500         | \$                               | \$ 7,996,500        | \$ 0        |
| Commercial Paper           | <u>7,975,171</u>     | <u>7,975,171</u>                 |                     |             |
| Total Fair Value           | <u>\$ 15,971,671</u> | <u>\$ 7,975,171</u>              | <u>\$ 7,996,500</u> | <u>\$ 0</u> |

**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 FCAR Owner Trust Commercial Paper (50%), FHLMC (50%).

### 5. Derivatives

None



## 6. Capital Assets

Capital assets activity for the year ended August 31, 2011 was as follows:

|   | <u>Balance as of</u><br><u>September 1, 2010</u> | <u>Increases</u>   | <u>Decreases</u>   | <u>Balance as of</u><br><u>August 31, 2011</u> |
|---|--|--------------------|--------------------|--|
| <u>Not Depreciated:</u>                                 |  |                    |                    |  |
| Land  | \$ 896,168                                       |                    |                    | 896,168  |
| Construction in Progress                                | <u>14,489,472</u>                                | <u>11,204,660</u>  | <u>500,886</u>     | <u>25,193,246</u>                              |
| Subtotal  | <u>15,385,640</u>                                | <u>11,204,660</u>  | <u>500,886</u>     | <u>26,089,414</u>                              |
| <u>Buildings and Other</u>                              |  |                    |                    |  |
| <u>Capital Assets:</u>                                  |  |                    |                    |  |
| Buildings   | 89,210,588                                       | 156,518            |                    | 89,367,106                                     |
| Land Improvements                                       | <u>9,126,010</u>                                 | <u>510,094</u>     | _____              | <u>9,636,104</u>                               |
| Total Buildings and Other                               |  |                    |                    |  |
| Real Estate Improvements                                | 98,336,598                                       | 666,612            |                    | 99,003,210                                     |
| Library Books   | 2,380,540  | 62,820             | 187,823            | 2,255,537                                      |
| Furniture, Machinery,<br>Vehicles, &<br>Other Equipment | 8,732,364  | 818,635            | 401,183            | 9,149,816                                      |
| Telecommunications &<br>Peripheral Equipment            | <u>8,082,055</u>                                 | <u>741,344</u>     | <u>265,471</u>     | <u>8,557,928</u>                               |
| Total Buildings and Other<br>Capital Assets             | <u>117,531,557</u>                               | <u>2,289,411</u>   | <u>854,477</u>     | <u>118,966,491</u>                             |
| <u>Accumulated Depreciation:</u>                        |  |                    |                    |  |
| Buildings   | (29,210,600)                                     | (1,608,493)        | 520                | (30,818,573)                                   |
| Land Improvements                                       | <u>( 3,290,047)</u>                              | <u>( 418,958)</u>  | _____              | <u>( 3,709,005)</u>                            |
| Total Buildings and Other                               |  |                    |                    |  |
| Real Estate Improvements                                | (32,500,647)                                     | (2,027,451)        | 520                | (34,527,578)                                   |
| Library Books   | ( 1,953,163)                                     | ( 59,582)          |                    | ( 2,012,745)                                   |
| Furniture, Machinery,<br>Vehicles & Other<br>Equipment  | ( 5,567,548)                                     | ( 624,269)         | 325,567            | (5,866,250)                                    |
| Telecommunications &<br>Peripheral Equipment            | <u>( 6,117,808)</u>                              | <u>( 721,074)</u>  | <u>265,471</u>     | <u>( 6,573,411)</u>                            |
| Total Accumulated Depr                                  | <u>(46,139,166)</u>                              | <u>(3,432,376)</u> | <u>591,558</u>     | <u>(48,979,984)</u>                            |
| Net Capital Assets                                      | \$ <u>86,778,031</u>                             | <u>10,061,695</u>  | <u>( 763,805 )</u> | <u>96,075,921</u>                              |

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

|   | Balance as of<br>September 1, 2009 | Increases          | Decreases           | Balance as of<br>August 31, 2010 |
|---|------------------------------------|--------------------|---------------------|----------------------------------|
| <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,<br>Vehicles, &<br>Other Equipment | 8,821,324                          | 283,901            | 372,861             | 8,732,364                        |
| Telecommunications &<br>Peripheral Equipment            | <u>7,484,615</u>                   | <u>652,382</u>     | <u>54,942</u>       | <u>8,082,055</u>                 |
| Total Buildings and Other<br>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,<br>Vehicles & Other<br>Equipment  | (5,306,954)                        | (596,676)          | 336,082             | (5,567,548)                      |
| Telecommunications &<br>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>                |

## 7. Long-term Liabilities

Long-term liability activity for the year ended August 31, 2011 was as follows:

|                              | Balance<br>September 1, 2010 | Additions     | Reductions    | Balance<br>August 31, 2011 | Current        |
|------------------------------|------------------------------|---------------|---------------|----------------------------|----------------|
| Accrued compensable absences | <u>1,723,166</u>             | <u>71,066</u> | <u>93,826</u> | <u>1,700,406</u>           | <u>340,081</u> |
| Total Long-term liabilities  | \$ <u>1,723,166</u>          | <u>71,066</u> | <u>93,826</u> | <u>1,700,406</u>           | <u>340,081</u> |

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

|                                     | Balance<br><u>September 1, 2009</u> | <u>Additions</u> | <u>Reductions</u> | Balance<br><u>August 31, 2010</u> | <u>Current</u> |
|-------------------------------------|-------------------------------------|------------------|-------------------|-----------------------------------|----------------|
| <u>Accrued compensable absences</u> | <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> |

**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 CTCSD 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](http://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 2011 and 2010 and a state contribution rate of 6.664% for fiscal year 2011 and 6.64% for fiscal year 2010. In certain instances the reporting district is required to make all or a portion of the state's 6.664% contribution for fiscal year 2011 and 6.64% for fiscal year 2010.

### **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 \$1,692,648 and \$1,657,249 for the fiscal years ended August 31, 2011 and August 31, 2010 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 \$65,203,914 and \$66,718,744 for fiscal years 2011 and 2010, respectively. The total payroll of employees covered by the Teacher Retirement System was \$37,416,047 and \$37,610,508 and the total compensation of employees covered by the Optional Retirement System was \$9,484,396 and \$9,837,262 for fiscal years 2011 and 2010, 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, 2011, and 2010 were \$2,690,605 and \$2,635,174 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, 2011, and 2010, were \$516,152 and \$517,144 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, 2011, 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 \$1,700,406 and \$1,723,166 for fiscal year 2011 and fiscal year 2010. 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, 2011, 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, 2011 and August 31, 2010 were as follows:

|                                 | <u>Fiscal Year 2011</u>     | <u>Fiscal Year 2010</u>     |
|---------------------------------|-----------------------------|-----------------------------|
| Student Receivables             | \$ 8,866,669                | \$ 7,238,220                |
| Taxes Receivable                | 387,421                     | 364,966                     |
| Federal Receivables             | 11,838,405                  | 15,570,078                  |
| Accounts Receivable             | 1,321,028                   | 1,298,856                   |
| Interest Receivable             | <u>388,934</u>              | <u>266,468</u>              |
| Subtotal                        | <u>22,802,457</u>           | <u>24,738,588</u>           |
| Allowance for Doubtful Accounts | <u>(4,425,043)</u>          | <u>(4,447,486)</u>          |
| <b>TOTAL RECEIVABLES</b>        | <b>\$ <u>18,377,414</u></b> | <b>\$ <u>20,291,102</u></b> |

### Payables

Payables at August 31, 2011 and August 31, 2010, were as follows:

|                             | <u>Fiscal Year 2011</u>     | <u>Fiscal Year 2010</u>     |
|-----------------------------|-----------------------------|-----------------------------|
| Vendors Payable             | \$ 4,436,226                | \$ 3,992,696                |
| Salaries & Benefits Payable | <u>13,383,684</u>           | <u>11,474,199</u>           |
| <b>TOTAL PAYABLES</b>       | <b>\$ <u>17,819,910</u></b> | <b>\$ <u>15,466,895</u></b> |

## 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 2011 and 2010

for which monies have not been received nor funds expended total \$44,091,847 and \$40,272,687. Of these amounts, \$43,460,958, and \$39,738,974 were from Federal Contract and Grant Awards, and \$630,889 and \$533,713 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 \$413.26 per month for the year ended August 31, 2011 (\$385.38 per month for Fiscal Year 2010) and totaled \$2,691,815 for Fiscal Year 2011 (\$2,790,601 for the year ended 2010). The cost to the state of providing those benefits for 172 retirees in the year ended August 31, 2011 was \$937,117 (retiree benefits for 164 retirees cost \$941,539 in Fiscal Year 2010). For 400 active employees, the cost of providing benefits was \$1,754,698 for the Year ended August 31, 2011 (active employee benefits for 412 employees cost \$1,849,062 for the Year ended August 31, 2010). The cost to the CTCD of providing life insurance benefits for 600 active employees was \$79,380 and for 302 retirees was \$226,087 for the Fiscal year ended August 31, 2011 (\$200,352 for 633 active employees and \$77,751 for 299 retirees in Fiscal year 2010).

**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 2011</u> | <u>Fiscal Year 2010</u> |
|--|-------------------------|-------------------------|
| Assessed Valuation of the District:    | \$8,633,926,409         | \$8,414,740,441         |
| Less: Exemptions                       | <u>890,845,217</u>      | <u>760,451,631</u>      |
| Net Assessed Valuation of the District | \$7,743,081,192         | \$7,654,288,810         |

|  | FY 2011            |              |       | FY 2010            |              |       |
|--|--------------------|--------------|-------|--------------------|--------------|-------|
|  | 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 | .1409              | -0-          | .1409 |

Taxes levied for the year ended August 31, 2011 and 2010 are \$10,910,001 and \$10,784,892 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.

| Taxes Collected                  | FY 2011            |              |              | FY 2010            |              |              |
|----------------------------------|--------------------|--------------|--------------|--------------------|--------------|--------------|
|                                  | Current Operations | Debt Service | Total        | Current Operations | Debt Service | Total        |
| Current Taxes Collected          | \$10,782,234       |              | \$10,782,234 | \$10,662,998       |              | \$10,662,998 |
| Delinquent Taxes Collected       | 88,835             |              | 88,835       | 95,461             |              | 95,461       |
| Penalties and Interest Collected | 82,932             |              | 82,932       | 90,270             |              | 90,270       |
| Total Collections                | \$ 10,954,001      |              | \$10,954,001 | \$10,848,729       |              | \$10,848,729 |

Tax collections for the year ended August 31, 2011 and 2010 were 98.8% and 98.9%, 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, 2011 and 2010.



## **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, 2011. 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 \$148,829 and \$148,341 during the years ended August 31, 2011 and 2010. There was a receivable from the trust which totaled \$59,949 and \$61,465 for fiscal years ended August 31, 2011 and 2010.

## **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, 2011, 2010, and 2009, were \$819,035, \$702,412, and \$716,542, respectively, which equaled the required contributions each year.

## **SUPPLEMENTAL SCHEDULES**

CENTRAL TEXAS COLLEGE DISTRICT  
SCHEDULE OF OPERATING REVENUES

For the Year Ended August 31, 2011 (With Memorandum Totals for the Year Ended August 31, 2010)

|  | <u>UNRESTRICTED</u>  | <u>RESTRICTED</u>   | <u>TOTAL<br/>EDUCATIONAL<br/>ACTIVITIES</u> | <u>AUXILIARY<br/>ENTERPRISES</u> | <u>FY 2011<br/>TOTAL</u> | <u>FY 2010<br/>TOTAL</u> |
|--|----------------------|---------------------|---|----------------------------------|--------------------------|--------------------------|
| <b>Tuition</b>                               |                      |                     |   |                                  |                          |                          |
| State Funded Courses :                       |                      |                     |   |                                  |                          |                          |
| In-District Resident Tuition                 | \$ 10,656,812        | \$                  | \$ 10,656,812                               | \$                               | \$ 10,656,812            | \$ 6,963,599             |
| Out-of-District Tuition                      | 3,946,967            |                     | 3,946,967                                   |                                  | 3,946,967                | 3,469,850                |
| Non-resident Tuition                         | 24,865,895           |                     | 24,865,895                                  |                                  | 24,865,895               | 21,955,650               |
| TPEG (set aside) *                           | 1,010,524            |                     | 1,010,524                                   |                                  | 1,010,524                | 841,460                  |
| Continuing Education                         | 55,415               |                     | 55,415                                      |                                  | 55,415                   | 124,694                  |
| Non-State Funded :                           |                      |                     |   |                                  |                          |                          |
| Continuing Education                         | 16,855               |                     | 16,855                                      |                                  | 16,855                   | 6,175                    |
| C & I and API Operations                     | 20,586,396           |                     | 20,586,396                                  |                                  | 20,586,396               | 19,618,372               |
| <b>Total Tuition</b>                         | <u>61,138,864</u>    |                     | <u>61,138,864</u>                           |                                  | <u>61,138,864</u>        | <u>52,979,800</u>        |
| <b>Fees</b>                                  |                      |                     |   |                                  |                          |                          |
| Laboratory Fees                              | 12,648               |                     | 12,648                                      |                                  | 12,648                   | 47,551                   |
| General Fees                                 |                      |                     |   |                                  |                          | 393,359                  |
| Other Fees                                   | 2,215,039            |                     | 2,215,039                                   |                                  | 2,215,039                | 3,072,799                |
| <b>Total Fees</b>                            | <u>2,227,687</u>     |                     | <u>2,227,687</u>                            |                                  | <u>2,227,687</u>         | <u>3,513,709</u>         |
| <b>Scholarship allowances and discounts</b>  |                      |                     |   |                                  |                          |                          |
| Remissions and Exemptions-State              | (416,149)            |                     | (416,149)                                   |                                  | (416,149)                | (284,830)                |
| Title IV Federal Grants                      | (7,507,957)          |                     | (7,507,957)                                 |                                  | (7,507,957)              | (5,485,978)              |
| TPEG awards                                  | (222,053)            |                     | (222,053)                                   |                                  | (222,053)                | (48,103)                 |
| Other State Grants                           | (694)                |                     | (694)                                       |                                  | (694)                    | (5,786)                  |
| <b>Total Scholarship Allowances</b>          | <u>(8,146,853)</u>   |                     | <u>(8,146,853)</u>                          |                                  | <u>(8,146,853)</u>       | <u>(5,824,697)</u>       |
| <b>Total Net Tuition and Fees</b>            | <u>55,219,698</u>    |                     | <u>55,219,698</u>                           |                                  | <u>55,219,698</u>        | <u>50,668,812</u>        |
| <b>Additional Operating Revenues</b>         |                      |                     |   |                                  |                          |                          |
| Federal Grants and Contracts                 | 27,853,934           | 580,591             | 28,434,525                                  |                                  | 28,434,525               | 32,877,875               |
| State Grants and Contracts                   | 111,723              | 744,165             | 855,888                                     |                                  | 855,888                  | 1,128,129                |
| Nongovernmental grants and contracts         | 1,376,783            | 362,301             | 1,739,084                                   |                                  | 1,739,084                | 1,069,553                |
| Sales and services of educational activities | 556,531              |                     | 556,531                                     |                                  | 556,531                  | 648,993                  |
| General operating revenues                   | 1,211,988            |                     | 1,211,988                                   |                                  | 1,211,988                | 1,291,498                |
| <b>Total Additional Operating Revenue</b>    | <u>31,110,959</u>    | <u>1,687,057</u>    | <u>32,798,016</u>                           |                                  | <u>32,798,016</u>        | <u>37,016,048</u>        |
| <b>Auxiliary Enterprises</b>                 |                      |                     |   |                                  |                          |                          |
| Bookstore                                    |                      |                     |   | 11,872,356                       | 11,872,356               | 11,794,271               |
| Less Discounts                               |                      |                     |   | (2,627,434)                      | (2,627,434)              | (2,175,586)              |
| Student Housing                              |                      |                     |   | 807,873                          | 807,873                  | 799,883                  |
| Less Discounts                               |                      |                     |   | (101,628)                        | (101,628)                | (93,489)                 |
| Planetarium                                  |                      |                     |   | 268,117                          | 268,117                  | 141,712                  |
| Other  |                      |                     |   |                                  |                          |                          |
| <b>Total Net Auxiliary Enterprises</b>       |                      |                     |   | <u>10,219,284</u>                | <u>10,219,284</u>        | <u>10,466,791</u>        |
| <b>Total Operating Revenues</b>              | <u>\$ 86,330,657</u> | <u>\$ 1,687,057</u> | <u>\$ 88,017,714</u>                        | <u>\$ 10,219,284</u>             | <u>\$ 98,236,998</u>     | <u>\$ 98,151,651</u>     |
|  |                      |                     |   |                                  | (Exhibit 2)              | (Exhibit 2)              |

\* In accordance with Education Code 56.033, \$1,010,524 and \$841,460 for years August 31, 2011 and 2010, 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, 2011 (with Memorandum Totals for the Year Ended August 31, 2010)

Schedule B

|  | Operating Expenses    |                     |                      | Fiscal Year<br>2011  | Fiscal Year<br>2010   |                       |
|--|-----------------------|---------------------|----------------------|----------------------|-----------------------|-----------------------|
|  | Salaries<br>and Wages | Benefits            |                      |                      |                       | Other<br>Expenses     |
|  |                       | State               | Local                |                      |                       |                       |
| <b>Unrestricted - Educational Activities</b>                             |                       |                     |                      |                      |                       |                       |
| Instruction  | \$ 39,115,521         | \$                  | \$ 4,299,961         | \$ 12,609,207        | \$ 56,024,689         | \$ 56,149,371         |
| Public Service   | 506,673               |                     | 160,508              | 648,209              | 1,315,390             | 1,542,806             |
| Academic Support   | 5,421,377             |                     | 1,291,521            | 1,959,050            | 8,671,948             | 8,579,945             |
| Student Services   | 7,725,450             |                     | 1,210,830            | 956,304              | 9,892,584             | 10,275,562            |
| Institutional Support  | 8,465,231             |                     | 4,046,265            | 4,535,572            | 17,047,068            | 15,571,806            |
| Operation and Maintenance of Plant                                       | 2,562,313             |                     | 893,421              | 3,823,850            | 7,279,584             | 9,396,426             |
| <b>Total Unrestricted Educational Activities</b>                         | <u>63,796,565</u>     |                     | <u>11,902,506</u>    | <u>24,532,192</u>    | <u>100,231,263</u>    | <u>101,515,916</u>    |
| <b>Restricted-Educational Activities</b>                                 |                       |                     |                      |                      |                       |                       |
| Instruction  | 282,880               | 2,124,034           | 63,241               | 50,552               | 2,520,707             | 2,910,018             |
| Public Service   |                       |                     |                      |                      |                       |                       |
| Academic Support   |                       | 316,503             |                      |                      | 316,503               | 309,648               |
| Student Services   | 211,047               | 757,825             | 37,034               | 231,654              | 1,237,560             | 1,276,955             |
| Institutional Support  |                       | 1,186,101           |                      |                      | 1,186,101             | 1,327,159             |
| Operation and Maintenance of Plant                                       |                       |                     |                      |                      |                       |                       |
| Scholarships and Fellowships   | 88,707                |                     | 1,395                | 29,796,344           | 29,886,446            | 22,448,656            |
| <b>Total Restricted Educational Activities</b>                           | <u>582,634</u>        | <u>4,384,463</u>    | <u>101,670</u>       | <u>30,078,550</u>    | <u>35,147,317</u>     | <u>28,272,436</u>     |
| <b>Total Educational Activities</b>                                      | <u>64,379,199</u>     | <u>4,384,463</u>    | <u>12,004,176</u>    | <u>54,610,742</u>    | <u>135,378,580</u>    | <u>129,788,352</u>    |
| <b>Auxiliary Enterprises</b>   | 824,715               |                     | 220,748              | 8,319,550            | 9,365,013             | 9,720,039             |
| <b>Depreciation Expense-Buildings and other real estate improvements</b> |                       |                     |                      | 2,087,033            | 2,087,033             | 1,955,584             |
| <b>Depreciation Expense-Equipment and furniture</b>                      |                       |                     |                      | 1,345,343            | 1,345,343             | 1,279,409             |
| <b>Total Operating Expenses</b>  | <u>\$ 65,203,914</u>  | <u>\$ 4,384,463</u> | <u>\$ 12,224,924</u> | <u>\$ 66,362,668</u> | <u>\$ 148,175,969</u> | <u>\$ 142,743,384</u> |
|  |                       |                     |                      | (Exhibit 2)          | (Exhibit 2)           | (Exhibit 2)           |

**CENTRAL TEXAS COLLEGE DISTRICT**  
**SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES**  
**Year Ended August 31, 2011 (with Memorandum Totals for the Year Ended August 31, 2010)**

Schedule C

|   | <u>Unrestricted</u>         | <u>Restricted</u>           | <u>Auxiliary<br/>Enterprises</u>      | <u>FY 2011<br/>Total</u>    | <u>FY 2010<br/>Total</u>    |
|---|-----------------------------|-----------------------------|---------------------------------------|-----------------------------|-----------------------------|
| <b>NON-OPERATING REVENUES</b>           |                             |                             |                                       |                             |                             |
| State Appropriations                    |                             |                             |                                       |                             |                             |
| Education and general state support     | \$ 19,594,210               | \$                          | \$                                    | \$ 19,594,210               | \$ 19,792,634               |
| Dramatic enrollment growth              | 55,012                      |                             |                                       | 55,012                      | 48,496                      |
| State group insurance                   |                             | 2,691,815                   |                                       | 2,691,815                   | 2,790,601                   |
| State retirement matching               |                             | 1,692,648                   |                                       | 1,692,648                   | 1,657,249                   |
| Professional nursing shortage reduction |                             | 243,533                     |                                       | 243,533                     | 275,369                     |
| Total state appropriations              | <u>19,649,222</u>           | <u>4,627,996</u>            |                                       | <u>24,277,218</u>           | <u>24,564,349</u>           |
| Maintenance ad valorem taxes            | 10,954,001                  |                             |                                       | 10,954,001                  | 10,848,729                  |
| Federal revenue, non operating          |                             | 28,317,388                  |                                       | 28,317,388                  | 24,223,413                  |
| Gain on disposal of capital assets      | 4,740                       |                             |                                       | 4,740                       | 2,115                       |
| Investment income                       | 582,191                     |                             |                                       | 582,191                     | 706,171                     |
| Other                                   | <u>917</u>                  |                             |                                       | <u>917</u>                  | <u>198</u>                  |
| <b>Total non-operating revenues</b>     | <b>31,191,071</b>           | <b>32,945,384</b>           |                                       | <b>64,136,455</b>           | <b>60,344,975</b>           |
| <b>NON-OPERATING EXPENSES</b>           |                             |                             |                                       |                             |                             |
| Loss on disposal of capital assets      | 29,942                      |                             |                                       | 29,942                      | 275,423                     |
| Other                                   | <u>173,782</u>              |                             |                                       | <u>173,782</u>              | <u>172,246</u>              |
| <b>Total non-operating expenses</b>     | <b>203,724</b>              |                             |                                       | <b>203,724</b>              | <b>447,669</b>              |
| <b>Net non-operating revenues</b>       | <b>\$ <u>30,987,347</u></b> | <b>\$ <u>32,945,384</u></b> | <b>\$ <u>                    </u></b> | <b>\$ <u>63,932,731</u></b> | <b>\$ <u>59,897,306</u></b> |
|   |                             |                             |                                       | <b>(Exhibit 2)</b>          | <b>(Exhibit 2)</b>          |

CENTRAL TEXAS COLLEGE DISTRICT  
 SCHEDULE OF NET ASSETS BY SOURCE AND AVAILABILITY  
 Year Ended August 31, 2011 (with Memorandum Totals for the Year Ended August 31, 2010)

Schedule D

|  | Detail by Source |             |                |   |               | Available for Current Operations |              |
|--|------------------|-------------|----------------|---|---------------|----------------------------------|--------------|
|  | Unrestricted     | Restricted  |                | Capital Assets<br>Net of Depreciation<br>& Related Debt | Total         | Yes                              | No           |
|  |                  | Expendable  | Non-Expendable |   |               |                                  |              |
| <b>Current</b>                               |                  |             |                |   |               |                                  |              |
| Unrestricted                                 | \$ 16,728,128    | \$          | \$             | \$  | \$ 16,728,128 | \$ 16,728,128                    | \$           |
| Board Designated                             | 86,155,082       |             |                |   | 86,155,082    | 86,155,082                       |              |
| Restricted                                   |                  | 676,122     |                |   | 676,122       | 676,122                          |              |
| <b>Loan</b>                                  | 5,655            |             |                |   | 5,655         |                                  | 5,655        |
| <b>Plant</b>                                 |                  |             |                |   |               |                                  |              |
| Investment in Plant                          |                  |             |                | 96,075,921  | 96,075,921    |                                  | 96,075,921   |
| <b>Total Net Assets, August 31, 2011</b>     | 102,888,865      | 676,122     |                | 96,075,921  | 199,640,908   | 103,559,332                      | 96,081,576   |
|  |                  |             |                |   | (Exhibit 1)   |                                  |              |
| <b>Total Net Assets, August 31, 2010</b>     | 98,151,009       | 718,108     |                | 86,778,031  | 185,647,148   | 98,865,384                       | 86,781,764   |
|  |                  |             |                |   | (Exhibit 1)   |                                  |              |
| <b>Net Increase (Decrease) in Net Assets</b> | \$ 4,737,856     | \$ (41,986) | \$             | \$ 9,297,890  | \$ 13,993,760 | \$ 4,693,948                     | \$ 9,299,812 |
|  |                  |             |                |   | (Exhibit 2)   |                                  |              |

CENTRAL TEXAS COLLEGE DISTRICT

Schedule E

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2011

| Federal Grantor<br>Pass-Through Grantor<br>Program Title | Federal<br>CFDA<br>Number | Pass-Through<br>Grantor's<br>Number | Expenditures<br>and<br>Pass Through<br>Disbursements |
|--|---------------------------|-------------------------------------|--|
| <b>U.S. DEPARTMENT OF LABOR:</b>                         |                           |                                     |  |
| Pass-Through From:                                       |                           |                                     |  |
| Texas Workforce Commission                               |                           |                                     |  |
| Austin Community College                                 |                           |                                     |  |
| Energy Efficiency and Renewable Energy Training Pgm      | 17.259                    |                                     | \$ 61,154  |
| Total U.S. Department of Labor                           |                           |                                     | <u>61,154</u>  |
| <b>U.S. DEPARTMENT OF EDUCATION:</b>                     |                           |                                     |  |
| Direct Programs:   |                           |                                     |  |
| Student Financial Aid Cluster                            |                           |                                     |  |
| Supplemental Educational Opportunity Grant Program       | 84.007                    |                                     | 89,070   |
| Federal College Work-study Program                       | 84.033                    |                                     | 68,517   |
| Federal Pell Grant Program                               | 84.063                    |                                     | 28,009,116   |
| Direct Loans   | 84.268                    |                                     | 10,316,218   |
| Academic Competitiveness Grant                           | 84.375                    |                                     | 73,063   |
| Pass-Through From:                                       |                           |                                     |  |
| Texas Education Agency                                   |                           |                                     |  |
| Adult Education  | 84.002A                   | 341000308                           | 6,677  |
| Adult Education  | 84.002A                   | 341000108                           | 55,071   |
| Adult Education-Correctional                             | 84.002A                   | 341000208                           | 38,992   |
| Subtotal CFDA  |                           |                                     | <u>100,740</u>                                       |
| Texas Higher Education Coordinating Board:               |                           |                                     |  |
| Carl D. Perkins Funds-Basic                              | 84.048                    | 104208                              | 452,104  |
| Leveraging Educational Assistance Partnerships           | 84.069A                   |                                     | 8,048  |
| Special Leveraging Educational Assistance Partnerships   | 84.069B                   |                                     | 10,976   |
| College Access Challenge Grant                           | 84.378                    | 1152                                | 7,534  |
| Temple College   |                           |                                     |  |
| Carl D. Perkins Funds - Tech Prep                        | 84.243                    | 101719                              | 1,983  |
| Total U.S. Department of Education                       |                           |                                     | <u>39,137,369</u>                                    |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>     |                           |                                     |  |
| Pass-Through From:                                       |                           |                                     |  |
| Texas Education Agency                                   |                           |                                     |  |
| Temporary Assistance to Needy Families                   | 93.558                    | 336250108                           | 41,039   |
| Total U. S. Department of Health and Human Services      |                           |                                     | <u>41,039</u>  |
| <b>Total Federal Financial Assistance</b>                |                           |                                     | \$ <u><u>39,239,562</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, 2011**

Note 1: Federal Assistance Reconciliation

|   |    |                          |
|---|----|--------------------------|
| Federal Grants and Contracts revenue-per Schedule A                   | \$ | 28,434,525               |
| Add Non Operating Federal Revenue from Schedule C                     |    | 28,317,388               |
| Add Direct Loans  |    | 10,316,218               |
| Less Expenditures Not Subject to Federal Single Audit                 |    | <u>(27,828,569)</u>      |
| Total Federal Revenues per Schedule of Expenditures of Federal Awards | \$ | <u><u>39,239,562</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, 2011**

| Grantor Agency<br>Program Title   | Grant<br>Contract<br>Number | Expenditures             |
|---|-----------------------------|--------------------------|
| Texas Education Agency<br>Adult Education<br>Basic Program  | 301000108                   | \$ 155,648               |
| Texas Higher Education Coordinating Board<br>Certified Education Aide Program                                 |                             | 27,592                   |
| Early High School Graduation (HB 1479)  |                             | 33,486                   |
| College Work-Study Program  |                             | 17,830                   |
| Texas Grant Program   |                             | 181,264                  |
| Texas Equal Opportunity Grant   |                             | 172,643                  |
| AVID Texas Post Secondary Project   |                             | 11,028                   |
| Work-Study for AVID Tutors  |                             | 3,200                    |
| Work-Study Student Mentorship Program   |                             | 43,707                   |
| Jobs and Education for Texans   |                             | 9,822                    |
| Dependent children of active duty armed forces deployed for combat military operations                        |                             | 50,548                   |
| Statewide Longitudinal Data System Project  |                             | 2,073                    |
| Financial Aid -Professional Nursing   |                             | 5,027                    |
| Financial Aid - LVN Nursing   |                             | 492                      |
| Top 10% Scholarship   |                             | 22,000                   |
| El Paso Community College<br>Community College Development Education Incentive Program                        |                             | 62,805                   |
| Texas Workforce Commission<br>College Credit for Heroes   |                             | 7,765                    |
| <b>Total State Financial Assistance</b>   |                             | <b>\$ <u>806,930</u></b> |
| <hr/> Note 1: State Assistance Reconciliation   |                             |                          |
| State Revenues - per Schedule A<br>State Financial Assistance<br>Per Schedule of expenditures of state awards |                             | \$ 806,930               |
| State Financial Assistance<br>Tuition and fees<br>included in Schedule A                                      |                             | 48,958                   |
| Total State Revenues per Schedule A   |                             | <b>\$ <u>855,888</u></b> |

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

20 SOUTH FOURTH STREET 254/778/4783  
POST OFFICE BOX 160 800/460/4783  
TEMPLE, TEXAS 76503 FAX 254/778/4792

KILLEEN • COPPERAS COVE • TEMPLE

Member of  
American Institute & Texas Society of  
Certified Public Accountants

**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 years ended August 31, 2011 and 2010, and have issued our report thereon dated November 23, 2011. 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.

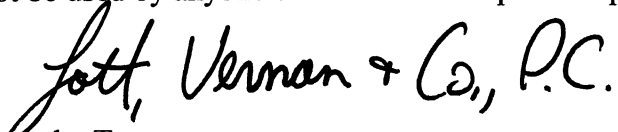
Compliance and Other Matters

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*.

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.

  
Temple, Texas  
November 23, 2011



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

20 SOUTH FOURTH STREET 254/778/4783  
POST OFFICE BOX 160 800/460/4783  
TEMPLE, TEXAS 76503 FAX 254/778/4792

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Member of  
American Institute & Texas Society of  
Certified Public Accountants

**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 AND  
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

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* and the State of Texas Single Audit Circular that could have a direct and material effect on each of the College's major federal and state programs for the year ended August 31, 2011. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Texas Single Audit Circular. Those standards, OMB Circular A-133 and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the 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, Central Texas College District 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, 2011.

**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 AND  
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR (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 and the State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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.

*Jett, Vernon & Co., P.C.*

Temple, Texas

November 23, 2011

**CENTRAL TEXAS COLLEGE DISTRICT**

**Schedule of Findings and Questioned Costs  
August 31, 2011**

**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? \_\_\_\_\_ yes X no  
Significant deficiencies identified that  
are not considered to be material  
weakness(es)? \_\_\_\_\_ yes X none reported
  
- 3. Noncompliance material to financial  
statements noted? \_\_\_\_\_ yes X no

**Federal Awards**

- 4. Internal control over major programs:  
Material weakness(es) identified? \_\_\_\_\_ yes X no  
Significant deficiencies identified that  
are not considered to be material  
weakness(es)? \_\_\_\_\_ yes X none reported
  
- 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? \_\_\_\_\_ yes X no
  
- 7. Identification of major programs:

**Federal Programs**

**WIA Cluster:**

- Energy Efficiency and Renewable  
Energy Training Program 17.259

**Student Financial Assistance Cluster:**

- Federal Supplemental Educational  
Opportunity Grants 84.007
- Federal Work-study  
Program 84.033
- Federal Pell Grant  
Program 84.063
- Federal Direct Student  
Loans 84.268
- Academic Competitiveness  
Grants 84.375

**State Programs**

- Texas Equal Opportunity Grant
- Dependent Children of Active  
Duty Forces Deployed for  
Combat Military Operations



**CENTRAL TEXAS COLLEGE DISTRICT**

**Schedule of Findings and Questioned Costs (Continued)**

**August 31, 2011**

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, 2011**

|   | TEXAS<br>CAMPUSES   | AMERICAN<br>PREPARATORY &<br>INSTITUTE | CONTINENTAL<br>INTERNATIONAL<br>CAMPUSES | TOTAL               |
|---|---------------------|--|--|---------------------|
| <b>REVENUES</b>                                 |                     |  |  |                     |
| <b>Operating Revenues</b>                       |                     |  |  |                     |
| Tuition and Fees                                | \$ 34,530,606       | 77,185                                 | 20,611,907                               | 55,219,698          |
| Federal Grants and Contracts                    | 7,236,002           |  | 21,198,523                               | 28,434,525          |
| State Grants and Contracts                      | 855,888             |  |  | 855,888             |
| Non-Governmental and Contracts                  | 1,739,084           |  |  | 1,739,084           |
| Sales and Services of Educational Activities    |                     | 556,531                                |  | 556,531             |
| Sales & Services of Auxiliary Enterprises       | 8,155,697           |  | 2,063,587                                | 10,219,284          |
| Miscellaneous Income                            | 1,185,821           | 1,037                                  | 25,130                                   | 1,211,988           |
| <b>Total Operating Revenues</b>                 | <b>53,703,098</b>   | <b>634,753</b>                         | <b>43,899,147</b>                        | <b>98,236,998</b>   |
| <b>EXPENSES</b>                                 |                     |  |  |                     |
| <b>Operating Expenses</b>                       |                     |  |  |                     |
| Instruction                                     | 34,476,220          | 114,197                                | 23,954,979                               | 58,545,396          |
| Public Services                                 | 1,315,390           |  |  | 1,315,390           |
| Academic Support                                | 3,384,625           | 176,494                                | 5,427,332                                | 8,988,451           |
| Student Services                                | 7,924,579           |  | 3,205,565                                | 11,130,144          |
| Institutional Support                           | 15,744,707          | 597,784                                | 1,890,678                                | 18,233,169          |
| Operation and Maintenance of Plant              | 6,725,646           |  | 553,938                                  | 7,279,584           |
| Scholarships and Fellowships                    | 29,886,446          |  |  | 29,886,446          |
| Auxiliary Enterprises                           | 7,315,654           |  | 2,049,359                                | 9,365,013           |
| Depreciation                                    | 3,401,455           |  | 30,921                                   | 3,432,376           |
| <b>Total Operating Expenses</b>                 | <b>110,174,722</b>  | <b>888,475</b>                         | <b>37,112,772</b>                        | <b>148,175,969</b>  |
| <b>Operating Income(Loss)</b>                   | <b>(56,471,624)</b> | <b>(253,722)</b>                       | <b>6,786,375</b>                         | <b>(49,938,971)</b> |
| <b>Non-Operating Revenues (Expenses)</b>        |                     |  |  |                     |
| State Appropriations-General Revenue            | 24,277,218          |  |  | 24,277,218          |
| Taxes for Maintenance and Operations            | 10,954,001          |  |  | 10,954,001          |
| Federal Revenue, Non Operating                  | 28,317,388          |  |  | 28,317,388          |
| Investment Income                               | 582,073             |  | 118                                      | 582,191             |
| Other Non-Operating                             | (198,067)           |  |  | (198,067)           |
| <b>Net Non-Operating Revenue</b>                | <b>63,932,613</b>   |  | <b>118</b>                               | <b>63,932,731</b>   |
| <b>Other Revenues, Expenses, Gains (Losses)</b> |                     |  |  |                     |
| Allocation of Distance Learning                 | (5,059,095)         |  | 5,059,095                                |                     |
| Allocation of Systems                           | 3,412,616           | (6,506)                                | (3,406,110)                              |                     |
| <b>Increase (Decrease) in Net Assets</b>        | <b>\$ 5,814,510</b> | <b>(260,228)</b>                       | <b>8,439,478</b>                         | <b>13,993,760</b>   |

**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, 2011**

|   | <b>CENTRAL</b>      | <b>FT.HOOD/SAC</b> | <b>DIST ED</b>    | <b>SYSTEMS</b>      | <b>KNCT</b>      | <b>AUXILIARY</b> | <b>TOTAL</b>        |
|---|---------------------|--------------------|-------------------|---------------------|------------------|------------------|---------------------|
| <b>REVENUES</b>                                 |                     |                    |                   |                     |                  |                  |                     |
| <b>Operating Revenues</b>                       |                     |                    |                   |                     |                  |                  |                     |
| Tuition and Fees                                | \$ 9,062,102        | 4,225,625          | 21,230,429        | 10,405              |                  | 2,045            | 34,530,606          |
| Federal Grants and Contracts                    | 454,087             | 3,654,718          | 2,361,348         |                     | 765,849          |                  | 7,236,002           |
| State Grants and Contracts                      | 668,721             | 187,167            |                   |                     |                  |                  | 855,888             |
| Non-Governmental and Contracts                  | 638,950             |                    | 1,457             | 856,507             |                  | 242,170          | 1,739,084           |
| Sales & Services of Auxiliary Enterprises       |                     |                    | 123,527           |                     | 8,032,170        |                  | 8,155,697           |
| Miscellaneous Income                            | 92,873              | 6,000              |                   | 145,071             | 934,419          | 7,458            | 1,185,821           |
| <b>Total Operating Revenues</b>                 | <b>10,916,733</b>   | <b>8,073,510</b>   | <b>23,716,761</b> | <b>1,011,983</b>    | <b>1,700,268</b> | <b>8,283,843</b> | <b>53,703,098</b>   |
| <b>EXPENSES</b>                                 |                     |                    |                   |                     |                  |                  |                     |
| <b>Operating Expenses</b>                       |                     |                    |                   |                     |                  |                  |                     |
| Instruction                                     | 18,765,782          | 7,890,852          | 7,819,586         |                     |                  |                  | 34,476,220          |
| Public Services                                 |                     |                    |                   |                     | 1,315,390        |                  | 1,315,390           |
| Academic Support                                | 1,531,398           | 930,016            | 495,813           | 427,398             |                  |                  | 3,384,625           |
| Student Services                                | 2,967,502           | 738,476            | 1,159,669         | 3,058,932           |                  |                  | 7,924,579           |
| Institutional Support                           | 6,225,551           | 257,621            | 2,230,318         | 7,017,029           | 2,428            | 11,760           | 15,744,707          |
| Operation and Maintenance of Plant              | 6,672,820           | 52,826             |                   |                     |                  |                  | 6,725,646           |
| Scholarships and Fellowships                    | 29,886,446          |                    |                   |                     |                  | 7,247,420        | 29,886,446          |
| Auxiliary Enterprises                           |                     |                    | 68,234            |                     |                  |                  | 68,234              |
| Depreciation                                    | 1,646,265           | 136,924            | 4,268             | 797,691             | 362,576          | 453,731          | 7,315,654           |
| <b>Total Operating Expenses</b>                 | <b>67,695,764</b>   | <b>10,006,715</b>  | <b>11,777,888</b> | <b>11,301,050</b>   | <b>1,680,394</b> | <b>7,712,911</b> | <b>110,174,722</b>  |
| <b>Operating Income(Loss)</b>                   | <b>(56,779,031)</b> | <b>(1,933,205)</b> | <b>11,938,873</b> | <b>(10,289,067)</b> | <b>19,874</b>    | <b>570,932</b>   | <b>(56,471,624)</b> |
| <b>Non-Operating Revenues (Expenses)</b>        |                     |                    |                   |                     |                  |                  |                     |
| State Appropriations-General Revenue            | 15,915,938          |                    |                   |                     |                  |                  | 15,915,938          |
| Taxes for Maintenance and Operations            | 10,954,001          |                    | 669,707           | 773,603             |                  |                  | 24,277,218          |
| Federal Revenue, Non Operating                  | 28,317,388          |                    |                   |                     |                  |                  | 28,317,388          |
| Investment Income                               | 904                 |                    |                   | 581,169             |                  |                  | 582,073             |
| Other Non-Operating                             | (193,327)           |                    |                   | (4,740)             |                  |                  | (198,067)           |
| <b>Net Non-Operating Revenue</b>                | <b>54,994,904</b>   |                    | <b>669,707</b>    | <b>1,350,032</b>    |                  |                  | <b>63,932,613</b>   |
| <b>Other Revenues, Expenses, Gains (Losses)</b> |                     |                    |                   |                     |                  |                  |                     |
| Allocation of Distance Education                | 4,384,549           |                    | (1,798,789)       |                     |                  |                  | (5,059,095)         |
| Allocation of Systems                           | (2,784,257)         |                    | (994,208)         | 8,865,357           | (115,683)        | (192,446)        | 3,412,616           |
| <b>Increase (Decrease) in Net Assets</b>        | <b>\$ (183,835)</b> | <b>5,789,346</b>   |                   | <b>(73,678)</b>     | <b>(95,809)</b>  | <b>378,486</b>   | <b>5,814,510</b>    |

**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, 2011**

|   | <u>EUROPE CAMPUS</u> | <u>PACIFIC FAR EAST CAMPUS</u> | <u>CONTINENTAL CAMPUS</u> | <u>NAVY CAMPUS</u> | <u>TOTAL CONTINENTAL &amp; INTERNATIONAL</u> |
|---|----------------------|--------------------------------|---------------------------|--------------------|--|
| <b>REVENUES</b>                                 |                      |                                |                           |                    |  |
| <b>Operating Revenues</b>                       |                      |                                |                           |                    |  |
| Tuition and Fees                                | \$ 3,729,509         | 4,725,028                      | 11,499,468                | 657,902            | 20,611,907                                   |
| Federal Grants and Contracts                    | 10,346,836           | 71,292                         | 1,384,297                 | 9,396,098          | 21,198,523                                   |
| Sales & Services of Auxiliary Enterprises       | 76,863               | 354,777                        | 392,427                   | 1,239,520          | 2,063,587                                    |
| Miscellaneous Income                            | 569                  | 9,977                          | 13,349                    | 1,235              | 25,130                                       |
| <b>Total Operating Revenues</b>                 | <u>14,153,777</u>    | <u>5,161,074</u>               | <u>13,289,541</u>         | <u>11,294,755</u>  | <u>43,899,147</u>                            |
| <b>EXPENSES</b>                                 |                      |                                |                           |                    |  |
| <b>Operating Expenses</b>                       |                      |                                |                           |                    |  |
| Instruction                                     | 8,613,320            | 1,269,362                      | 6,376,712                 | 7,695,585          | 23,954,979                                   |
| Academic Support                                | 1,122,479            | 1,152,363                      | 2,003,892                 | 1,148,598          | 5,427,332                                    |
| Student Services                                | 1,623,307            | 725,067                        | 680,974                   | 176,217            | 3,205,565                                    |
| Institutional Support                           | 859,620              | 308,230                        | 383,848                   | 338,980            | 1,890,678                                    |
| Operation and Maintenance of Plant              | 163,994              | 167,953                        | 138,780                   | 83,211             | 553,938                                      |
| Auxiliary Enterprises                           | 156,111              | 524,914                        | 200,003                   | 1,168,331          | 2,049,359                                    |
| Depreciation                                    | 16,808               |                                | 8,719                     | 5,394              | 30,921                                       |
| <b>Total Operating Expenses</b>                 | <u>12,555,639</u>    | <u>4,147,889</u>               | <u>9,792,928</u>          | <u>10,616,316</u>  | <u>37,112,772</u>                            |
| <b>Operating Income(Loss)</b>                   | <u>1,598,138</u>     | <u>1,013,185</u>               | <u>3,496,613</u>          | <u>678,439</u>     | <u>6,786,375</u>                             |
| <b>Non-Operating Revenues (Expenses)</b>        |                      |                                |                           |                    |  |
| Investment Income                               |                      | 118                            |                           |                    | 118  |
| Other Non-Operating                             |                      |                                |                           |                    |  |
| <b>Net Non-Operating Revenue</b>                |                      | <u>118</u>                     |                           |                    | <u>118</u>                                   |
| <b>Other Revenues, Expenses, Gains (Losses)</b> |                      |                                |                           |                    |  |
| Allocation of Distance Education                | 2,023,638            | 224,849                        | 2,698,184                 | 112,424            | 5,059,095                                    |
| Allocation of Systems                           | (760,025)            | (547,468)                      | (1,522,786)               | (575,831)          | (3,406,110)                                  |
| <b>Increase (Decrease) in Net Assets</b>        | <u>\$ 2,861,751</u>  | <u>690,684</u>                 | <u>4,672,011</u>          | <u>215,032</u>     | <u>8,439,478</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           |  |
| <b>Total primary government net assets</b>      | <b>\$ 185,647</b>                    | <b>\$ 170,342</b> | <b>\$ 158,872</b> | <b>\$ 144,282</b> | <b>\$ 134,836</b> | <b>\$ 124,369</b> | <b>\$ 118,216</b> | <b>\$ 107,352</b> | <b>\$ 93,144</b> |  |

**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              |
| <b>Total Operating Revenues</b>              | <b>98,152</b>                    | <b>95,256</b>     | <b>91,744</b>     | <b>84,671</b>     | <b>86,262</b>     | <b>77,522</b>     | <b>74,545</b>     | <b>67,334</b>     | <b>53,315</b>    |
| 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             | -                 | -                 | -                 | -                 | -                 | -                |
| <b>Total Non-Operating Revenues</b>          | <b>60,344</b>                    | <b>47,896</b>     | <b>49,496</b>     | <b>43,932</b>     | <b>41,733</b>     | <b>38,107</b>     | <b>36,341</b>     | <b>34,646</b>     | <b>34,408</b>    |
| <b>Total Revenues</b>                        | <b>\$ 158,496</b>                | <b>\$ 143,152</b> | <b>\$ 141,240</b> | <b>\$ 128,603</b> | <b>\$ 127,995</b> | <b>\$ 115,629</b> | <b>\$ 110,886</b> | <b>\$ 101,980</b> | <b>\$ 87,723</b> |

|  | 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%          |
| <b>Total Operating Revenues</b>              | <b>61.93%</b>                    | <b>66.54%</b>  | <b>64.96%</b>  | <b>65.84%</b>  | <b>67.39%</b>  | <b>67.04%</b>  | <b>67.23%</b>  | <b>66.03%</b>  | <b>60.78%</b>  |
| 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%          |
| <b>Total Non-Operating Revenues</b>          | <b>38.07%</b>                    | <b>33.46%</b>  | <b>35.04%</b>  | <b>34.16%</b>  | <b>32.61%</b>  | <b>32.96%</b>  | <b>32.77%</b>  | <b>33.97%</b>  | <b>39.22%</b>  |
| <b>Total Revenues</b>                        | <b>100.00%</b>                   | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> |

**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            |
| <b>Total Operating Expenses</b>     | <b>142,743</b>    | <b>131,496</b>    | <b>126,254</b>    | <b>118,808</b>    | <b>117,110</b>    | <b>108,990</b>    | <b>99,447</b>     | <b>87,683</b>    | <b>77,323</b>    |
| 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               |
| <b>Total Non-Operating Expenses</b> | <b>448</b>        | <b>188</b>        | <b>397</b>        | <b>349</b>        | <b>418</b>        | <b>486</b>        | <b>574</b>        | <b>661</b>       | <b>748</b>       |
| <b>Total Expenses</b>               | <b>\$ 143,191</b> | <b>\$ 131,684</b> | <b>\$ 126,651</b> | <b>\$ 119,157</b> | <b>\$ 117,528</b> | <b>\$ 109,476</b> | <b>\$ 100,021</b> | <b>\$ 88,344</b> | <b>\$ 78,071</b> |

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%          |
| <b>Total Operating Expenses</b>     | <b>99.69%</b>  | <b>99.86%</b>  | <b>99.67%</b>  | <b>99.70%</b>  | <b>99.64%</b>  | <b>99.56%</b>  | <b>99.43%</b>  | <b>99.25%</b>  | <b>99.04%</b>  |
| 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%          |
| <b>Total Non-Operating Expenses</b> | <b>0.31%</b>   | <b>0.14%</b>   | <b>0.33%</b>   | <b>0.30%</b>   | <b>0.36%</b>   | <b>0.44%</b>   | <b>0.57%</b>   | <b>0.75%</b>   | <b>0.96%</b>   |
| <b>Total Expenses</b>               | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> |

**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<br>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 |
|----------------------|---------------------|-------------------------|-------------|------------------|-----------------------------|---------------------------------|--------------------------------------|--|
| 2010                 | \$ 54               | \$ 68                   | 0           | \$ 0             | \$ 648                      | \$ 816                          | 12.50%                               | 13.33%                                   |
| 2009                 | 48                  | 60                      | 0           | 0                | 576                         | 720                             | 20.00%                               | 20.00%                                   |
| 2008                 | 40                  | 50                      | 8           | 0                | 480                         | 600                             | 11.11%                               | 8.70%                                    |
| 2007                 | 36                  | 46                      | 8           | 0                | 432                         | 552                             | 0.00%                                | 0.00%                                    |
| 2006                 | 36                  | 46                      | 8           | 0                | 432                         | 552                             | 12.50%                               | 17.95%                                   |
| 2005                 | 32                  | 39                      | 8           | 0                | 384                         | 468                             | 6.67%                                | 11.43%                                   |
| 2004                 | 30                  | 35                      | 8           | 0                | 360                         | 420                             | 36.36%                               | 29.63%                                   |
| 2003                 | 22                  | 27                      | 8           | 0                | 264                         | 324                             | 4.76%                                | 3.85%                                    |
| 2002                 | 21                  | 26                      | 8           | 0                | 252                         | 312                             | 0.00%                                | 0.00%                                    |
| 2001                 | 21                  | 26                      | 8           | 0                | 252                         | 312                             | 5.00%                                | 4.00%                                    |

|   |
|---|
| Non - Resident<br>Fees per Semester Credit Hour (SCH) |
|---|

| Academic Year (Fall) | Non-Resident Tuition Out of State | Non-Resident Tuition International | 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 |
|----------------------|-----------------------------------|------------------------------------|-------------|------------------|------------------------------|-------------------------------|---------------------------------------|--|
| 2010                 | \$ 160                            | \$ 160                             | 0           | \$ 0             | \$ 1,920                     | \$ 1,920                      | 6.67%                                 | 6.67%                                  |
| 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%                                 |

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)   |
| 2010-11     | \$ 8,633,923                     | \$ 890,845       | \$ 7,743,078                 | 89.68%  | \$ 0.140900                  | \$ 0.000000      | \$ 0.140900 |
| 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    |

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<br>Appropriation | FTSE<br>(a) | State<br>Appropriation<br>per FTSE | Academic<br>Contact<br>Hours (a) | Voc/Tech<br>Contact<br>Hours (b) | Total<br>Contact<br>Hours | State<br>Appropriation<br>per Contact<br>Hour |
| 2010-11     | \$ 19,594              | 10,908      | \$ 1,796                           | 4,446                            | 2,558                            | 7,004                     | \$ 2.80                                       |
| 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  |

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) |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|-------------------------------------|------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                     |                  | 2010   | 2009                | 2008                | 2007                | 2006                | 2005                | 2004                | 2003                | 2002                | 2001                |
| OnCor Electrical Delivery Co        | Utility          | \$ 71,821  | \$ 62,772           | \$ 66,131           | \$ 61,907           | \$ 60,659           | \$ 55,124           | \$ 53,333           | \$ 48,808           | \$ 49,252           | \$ 49,872           |
| Wal-Mart Real Estate                | Real Estate      | 36,652   | 35,752              | 35,177              | 35,697              | 9,370               | 9,260               | 8,013               | 8,013               | 7,773               | 7,773               |
| Central Telephone Co                | Utility          | 26,587   | 39,701              | 42,451              | 40,184              | 40,184              | 46,140              | 50,152              | 46,380              | 43,174              | 42,341              |
| Market Heights LTD                  | Real Estate      | 23,817   | 23,694              |                     |                     |                     |                     |                     |                     |                     |                     |
| Butt, HE Grocery Co                 | Retail           | 18,198   | 18,488              | 17,041              | 17,128              |                     | 7,850               | 8,133               | 5,221               | 5,787               | 5,851               |
| Killeen Mall LLC                    | Real Estate      | 16,892   | 16,975              | 16,975              | 16,976              | 16,977              | 17,048              | 12,286              |                     |                     |                     |
| TWE/Advance Newhouse                | Utility          | 15,103   | 17,095              | 16,597              | 20,041              |                     |                     |                     |                     |                     |                     |
| WaterCrest Place LP                 | Real Estate      | 13,790   | 13,486              | 13,890              |                     |                     |                     |                     |                     |                     |                     |
| Stone Creek Investment LLC          | Real Estate      | 13,617   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Feiga/Sierra Creek LP               | Real Estate      | 11,024   |                     | 10,575              | 9,700               | 9,535               | 9,160               | 9,544               | 9,544               | 8,341               | 8,449               |
| Secretary of Veterans Affairs       | Government       |  | 14,630              |                     |                     |                     |                     | 8,724               | 8,330               | 6,501               | 5,533               |
| Sallie Mae Inc                      | Financial        |  | 12,756              | 12,767              | 12,788              | 12,809              | 12,577              | 12,514              | 15,870              | 19,565              | 19,565              |
| 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              |
| 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               |
| 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               |                     |                     |                     |                     |                     |
| <b>Totals</b>                       |                  | <b>\$ 247,501</b>  | <b>\$ 255,349</b>   | <b>\$ 241,915</b>   | <b>\$ 231,984</b>   | <b>\$ 178,266</b>   | <b>\$ 210,548</b>   | <b>\$ 191,519</b>   | <b>\$ 188,959</b>   | <b>\$ 183,277</b>   | <b>\$ 173,919</b>   |
| <b>Total Taxable Assessed Value</b> |                  | <b>\$ 7,743,078</b>                                      | <b>\$ 7,654,288</b> | <b>\$ 7,491,701</b> | <b>\$ 6,777,158</b> | <b>\$ 5,967,301</b> | <b>\$ 5,072,408</b> | <b>\$ 4,515,301</b> | <b>\$ 4,342,805</b> | <b>\$ 4,041,499</b> | <b>\$ 3,753,346</b> |

| Taxpayer                      | Type of Business | % of Taxable Assessed Value (TAV) by Tax Year |              |              |              |              |              |              |              |              |              |
|-------------------------------|------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                               |                  | 2010  | 2009         | 2008         | 2007         | 2006         | 2005         | 2004         | 2003         | 2002         | 2001         |
| TXU/OnCor                     | Utility          | 1.42%   | 1.24%        | 1.30%        | 1.22%        | 1.20%        | 1.09%        | 1.18%        | 1.12%        | 1.22%        | 1.33%        |
| Wal-Mart Real Estate          | Real Estate      | 0.72%   | 0.70%        | 0.69%        | 0.70%        | 0.18%        | 0.18%        | 0.18%        | 0.18%        | 0.19%        | 0.21%        |
| Central Telephone Co          | Utility          | 0.52%   | 0.78%        | 0.84%        | 0.79%        | 0.79%        | 0.91%        | 1.11%        | 1.07%        | 1.07%        | 1.13%        |
| Market Heights LTD            | Real Estate      | 0.47%   | 0.47%        |              |              |              |              |              |              |              |              |
| Butt, HE Grocery Co           | Retail           | 0.36%   | 0.36%        | 0.34%        | 0.34%        |              | 0.15%        | 0.18%        | 0.12%        | 0.14%        | 0.16%        |
| Killeen Mall LLC              | Real Estate      | 0.33%   | 0.78%        | 0.84%        | 0.79%        | 0.79%        | 0.91%        | 1.11%        |              |              |              |
| TWE/Advance Newhouse          | Utility          | 0.30%   | 0.34%        | 0.33%        | 0.40%        |              |              |              |              |              |              |
| WaterCrest Place LP           | Real Estate      | 0.27%   | 0.27%        | 0.27%        |              |              |              |              |              |              |              |
| Stone Creek Investment LLC    | Real Estate      | 0.27%   |              |              |              |              |              |              |              |              |              |
| Feiga/Sierra Creek LP         | Real Estate      | 0.22%   |              | 0.21%        | 0.19%        | 0.19%        | 0.18%        | 0.21%        | 0.22%        | 0.21%        | 0.23%        |
| Secretary of Veterans Affairs | Government       |   | 0.70%        |              |              |              |              | 0.19%        | 0.19%        | 0.16%        | 0.15%        |
| Sallie Mae Inc                | Financial        |   | 0.25%        | 0.25%        | 0.25%        | 0.25%        | 0.25%        | 0.28%        | 0.37%        | 0.48%        | 0.52%        |
| 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%        |
| TH West Malls Real Estate     | Real Estate      |   |              |              |              |              |              |              | 0.29%        |              |              |
| WXIZ Southwest Malls          | Real Estate      |   |              |              |              |              |              |              |              | 0.31%        | 0.33%        |
| Cen Tex Homes                 | Construction     |   |              |              |              |              | 0.29%        |              |              |              |              |
| Wal-Mart Stores #0407         | Retail           |   |              |              |              | 0.20%        | 0.20%        | 0.20%        | 0.21%        | 0.22%        | 0.25%        |
| 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%        |              |              |              |              |              |
| <b>Totals</b>                 |                  | <b>4.88%</b>                                  | <b>5.03%</b> | <b>4.77%</b> | <b>4.57%</b> | <b>3.51%</b> | <b>4.15%</b> | <b>4.24%</b> | <b>4.18%</b> | <b>4.53%</b> | <b>4.63%</b> |

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 |
|-----------------------------|-----------|-----------------------------|-----------------------|--------------------------------|------------|---------------------------------------|---|---------------------------|---|
| 2011                        | \$ 10,910 | \$ -                        | \$ 10,910             | \$ 10,782                      | 98.83%     | \$ 2,453                              | \$ 89                                   | \$ 10,871                 | 99.64%                                  |
| 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%                                  |

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)

|   | 2011 | 2010 | 2009 | 2008 | 2007     | 2006     | 2005     | 2004      | 2003      | 2002      |
|---|------|------|------|------|----------|----------|----------|-----------|-----------|-----------|
| <b>General Bonded Debt</b>              |      |      |      |      |          |          |          |           |           |           |
| General obligation bonds                | \$ - | \$ - | \$ - | \$ - | \$ -     | \$ -     | \$ -     | \$ -      | \$ -      | \$ -      |
| Notes                                   | -    | -    | -    | -    | -        | -        | -        | -         | -         | -         |
| Less: Funds restricted for debt service | -    | -    | -    | -    | -        | -        | -        | -         | -         | -         |
| Net general bonded debt                 | \$ - | \$ - | \$ - | \$ - | \$ -     | \$ -     | \$ -     | \$ -      | \$ -      | \$ -      |
| <b>Other Debt</b>                       |      |      |      |      |          |          |          |           |           |           |
| Revenue bonds                           | \$ - | \$ - | \$ - | \$ - | \$ 4,445 | \$ 6,530 | \$ 8,530 | \$ 10,440 | \$ 12,260 | \$ 14,000 |
| Notes                                   | -    | -    | -    | -    | -        | -        | -        | -         | -         | -         |
| Capital lease obligations               | -    | -    | -    | -    | -        | -        | -        | -         | -         | 22        |
| Total Outstanding Debt                  | \$ - | \$ - | \$ - | \$ - | \$ 4,445 | \$ 6,530 | \$ 8,530 | \$ 10,440 | \$ 12,260 | \$ 14,022 |

**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 |
| Per FTSE                                  | -     | -     | -     | -     | 564      | 850      | 1,110    | 1,358    | 1,595    | 1,825    |
| As a percentage of Taxable Assessed Value | 0.00% | 0.00% | 0.00% | 0.00% | 0.09%    | 0.13%    | 0.17%    | 0.21%    | 0.24%    | 0.28%    |

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) |      |      |      |      |      |      |      |      |      |
|--|--|------|------|------|------|------|------|------|------|------|
|  | 2011   | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| Taxable Assessed Value   | \$ -   | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| <b>General Obligation Bonds</b>                                      |  |      |      |      |      |      |      |      |      |      |
| 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<br>Ended August 31 | Pledged Revenues (\$000 omitted) |             |                   |                      |                 |                                 |       |           |          |       | Debt Service Requirements (\$000 omitted) |   |  |
|--------------------------------|----------------------------------|-------------|-------------------|----------------------|-----------------|---------------------------------|-------|-----------|----------|-------|---|---|--|
|                                | Tuition                          | General Fee | Bookstore Revenue | Food Service Revenue | Housing Revenue | Computer Services Center Rental | Total | Principal | Interest | Total | Coverage Ratio                            |   |  |
| 2011                           | \$ -                             | \$ -        | \$ -              | \$ -                 | \$ -            | \$ -                            | \$ -  | \$ -      | \$ -     | \$ -  | -   | - |  |
| 2010                           | -                                | -           | -                 | -                    | -               | -                               | -     | -         | -        | -     | -   | - |  |
| 2009                           | -                                | -           | -                 | -                    | -               | -                               | -     | -         | -        | -     | -   | - |  |
| 2008                           | -                                | -           | -                 | -                    | -               | -                               | -     | -         | -        | -     | -   | - |  |
| 2007                           | -                                | 1,100       | 4,713             | 484                  | 487             | -                               | 6,784 | 2,085     | 294      | 2,379 | 2.85                                      |   |  |
| 2006                           | -                                | 1,717       | 4,536             | 845                  | 424             | -                               | 7,522 | 2,000     | 379      | 2,379 | 3.16                                      |   |  |
| 2005                           | -                                | 1,408       | 4,456             | 944                  | 419             | -                               | 7,227 | 1,910     | 465      | 2,375 | 3.04                                      |   |  |
| 2004                           | -                                | 1,467       | 4,622             | 987                  | 463             | -                               | 7,539 | 1,820     | 556      | 2,376 | 3.17                                      |   |  |
| 2003                           | 279                              | 1,456       | 4,815             | 1,035                | 893             | 234                             | 8,712 | 1,740     | 634      | 2,374 | 3.67                                      |   |  |
| 2002                           | 311                              | 1,374       | 4,000             | 1,100                | 984             | 234                             | 8,003 | 1,665     | 709      | 2,374 | 3.37                                      |   |  |

**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 |
|---------------|---------------------|---|-------------------------------------|----------------------------|
| 2010          | 310,235             | a   | a                                   | 7.5%                       |
| 2009          | 285,787             | 11,385,468                                      | 39,839                              | 6.7%                       |
| 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%                       |

**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%                          |
| <b>Total</b>                             | <b>70,140</b>       | <b>82.40%</b>                  |

**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%                          |
| <b>Total</b>                             | <b>62,330</b>       | <b>81.96%</b>                  |

**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 |          |          |          |          |          |          |          |          |          |
|---------------------------------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
|                                 | 2010        | 2009     | 2008     | 2007     | 2006     | 2005     | 2004     | 2003     | 2002     | 2001     |
| <b>Faculty</b>                  |             |          |          |          |          |          |          |          |          |          |
| Full-Time                       | 247         | 252      | 252      | 272      | 285      | 275      | 226      | 222      | 220      | 217      |
| Part-Time                       | 2,199       | 2,215    | 2,161    | 2,220    | 2,014    | 2,449    | 1,547    | 1,748    | 1,514    | 1,098    |
| Total                           | 2,446       | 2,467    | 2,413    | 2,492    | 2,299    | 2,724    | 1,773    | 1,970    | 1,734    | 1,315    |
| <b>Percent</b>                  |             |          |          |          |          |          |          |          |          |          |
| Full-Time                       | 10.1%       | 10.2%    | 10.4%    | 10.9%    | 12.4%    | 10.1%    | 12.7%    | 11.3%    | 12.7%    | 16.5%    |
| Part-Time                       | 89.9%       | 89.8%    | 89.6%    | 89.1%    | 87.6%    | 89.9%    | 87.3%    | 88.7%    | 87.3%    | 83.5%    |
| <b>Staff and Administrators</b> |             |          |          |          |          |          |          |          |          |          |
| Full-Time                       | 956         | 972      | 964      | 938      | 920      | 969      | 687      | 664      | 632      | 582      |
| Part-Time                       | 411         | 435      | 409      | 444      | 535      | 627      | 351      | 315      | 265      | 232      |
| Total                           | 1,367       | 1,407    | 1,373    | 1,382    | 1,455    | 1,596    | 1,038    | 979      | 897      | 814      |
| <b>Percent</b>                  |             |          |          |          |          |          |          |          |          |          |
| Full-Time                       | 69.9%       | 69.1%    | 70.2%    | 67.9%    | 63.2%    | 60.7%    | 66.2%    | 67.8%    | 70.5%    | 71.5%    |
| Part-Time                       | 30.1%       | 30.9%    | 29.8%    | 32.1%    | 36.8%    | 39.3%    | 33.8%    | 32.2%    | 29.5%    | 28.5%    |
| FTSE per Full-time Faculty      | 42.99       | 34.40    | 33.75    | 28.99    | 26.96    | 30.42    | 33.87    | 35.21    | 25.89    | 26.25    |
| FTSE per Full-Time Staff Member | 11.11       | 8.92     | 8.82     | 8.41     | 8.35     | 8.63     | 11.14    | 11.77    | 9.01     | 9.79     |
| Average Annual Faculty Salary   | \$57,999    | \$56,778 | \$54,026 | \$50,929 | \$47,756 | \$47,917 | \$46,766 | \$45,268 | \$44,939 | \$48,952 |

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

| Student Classification | Fall 2010 |         | 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 | Number    | Percent |
| 00-30 hours            | 10,007    | 78.57%  | 8,142     | 68.58%  | 7,890     | 83.22%  | 6,386     | 77.03%  | 4,653     | 63.16%  | 6,133     | 70.46%  | 5,520     | 68.67%  | 5,309     | 69.39%  | 5,811     | 73.23%  | 5,127     | 70.90%  |
| 31-60 hours            | 1,896     | 14.89%  | 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             | 834       | 6.55%   | 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                  | 12,737    | 100.00% | 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   | Fall 2010 |         | 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 | Number    | Percent |
| Less than 3          | 329       | 2.56%   | 323       | 2.72%   | 180       | 1.90%   | 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   | 4,237     | 33.27%  | 3,223     | 27.15%  | 3,262     | 34.41%  | 2,899     | 34.97%  | 2,369     | 32.16%  | 2,779     | 31.98%  | 2,655     | 33.03%  | 2,405     | 31.43%  | 2,315     | 29.17%  | 1,996     | 27.60%  |
| 6-8 Semester hours   | 3,371     | 26.47%  | 3,699     | 31.15%  | 2,670     | 28.16%  | 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  | 1,919     | 15.07%  | 1,447     | 12.19%  | 1,195     | 12.60%  | 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 | 2,498     | 19.61%  | 2,676     | 22.54%  | 1,808     | 19.07%  | 1,651     | 19.92%  | 1,752     | 23.78%  | 1,669     | 19.18%  | 1,882     | 23.41%  | 1,718     | 22.45%  | 1,684     | 21.22%  | 1,579     | 21.84%  |
| 15-17 semester hours | 346       | 2.72%   | 346       | 2.91%   | 330       | 3.48%   | 318       | 3.84%   | 385       | 5.23%   | 309       | 3.55%   | 417       | 5.19%   | 295       | 3.86%   | 495       | 6.24%   | 450       | 6.22%   |
| 18 & over            | 37        | 0.29%   | 159       | 1.34%   | 36        | 0.38%   | 33        | 0.40%   | 21        | 0.29%   | 90        | 1.03%   | 106       | 1.32%   | 105       | 1.37%   | 74        | 0.93%   | 90        | 1.24%   |
| Total                | 12,737    | 100.00% | 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 course load | Fall 2010 | Fall 2009 | Fall 2008 | Fall 2007 | Fall 2006 | Fall 2005 | Fall 2004 | Fall 2003 | Fall 2002 | Fall 2001 |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                     | 7.6       | 7.6       | 7.9       | 8.0       | 8.0       | 7.8       | 8.0       | 8.0       | 7.9       | 8.0       |

| Tuition Status                   | Fall 2010 |         | 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 | Number    | Percent |
| Texas Resident (in-District)     | 9,140     | 71.76%  | 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) | 3,294     | 25.86%  | 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             | 303       | 2.36%   | 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                            | 12,737    | 100.00% | 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 ten fiscal years  
 (unaudited)

|                         | Fall 2010 |         | 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 | Number    | Percent |    |
| Gender                  |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |    |
| Female                  | 7,641     | 59.99%  | 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                    | 5,096     | 40.01%  | 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                   | 12,737    | 100.00% | 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           |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |    |
| White                   | 5,707     | 44.81%  | 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                | 2,414     | 18.95%  | 2,254     | 18.99%  | 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        | 3,361     | 26.39%  | 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                   | 330       | 2.59%   | 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%   |    |
| Native Hawaiian/Pac Isl | 225       | 1.77%   |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |    |
| Foreign                 | 115       | 0.90%   | 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/Alaskan | 131       | 1.03%   | 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%   |    |
| Multi-Racial            | 61        | 0.48%   |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |    |
| Other (Unknown)         | 993       | 7.73%   | 299       | 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                   | 12,737    | 100.00% | 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                     |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |           |         |    |
| Under 18                | 1,366     | 10.72%  | 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                 | 2,781     | 21.83%  | 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                 | 1,682     | 13.21%  | 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                 | 4,409     | 34.62%  | 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                 | 2,174     | 17.07%  | 1,904     | 16.04%  | 1,443     | 15.22%  | 1,292     | 15.59%  | 1,149     | 15.69%  | 1,498     | 17.21%  | 1,468     | 18.26%  | 1,475     | 19.28%  | 1,588     | 20.01%  | 1,457     | 20.15%  |    |
| 51 & over               | 925       | 7.26%   | 290       | 2.45%   | 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                   | 12,737    | 100.00% | 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             | 28        |         | 27        |         | 27        |         | 27        |         | 27        |         | 28        |         | 28        |         | 28        |         | 28        |         | 28        |         | 28 |

**Central Texas College District**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2009-2010 Students as of Fall 2010**  
**(Includes only public senior colleges in Texas)**  
**(unaudited)**

|  | Transfer<br>Student<br>Count | Transfer<br>Student<br>Count | Transfer<br>Student<br>Count | Total of<br>all Sample<br>Transfer<br>Students | % of<br>all Sample<br>Transfer<br>Students |
|--|------------------------------|------------------------------|------------------------------|--|--|
|  | Academic                     | Technical                    | Tech-Prep                    |  |  |
| Texas A&M University - Central Texas                         | 395                          | 45                           | 38                           | 478  | 31.89%                                     |
| Texas A&M University   | 139                          |                              | 1                            | 140  | 9.34%                                      |
| Texas State University                                       | 124                          | 2                            |                              | 126  | 8.41%                                      |
| Tarleton State University                                    | 104                          | 4                            | 8                            | 116  | 7.74%                                      |
| The University of Texas at Austin                            | 99                           |                              |                              | 99   | 6.60%                                      |
| Texas Tech University  | 81                           | 1                            | 1                            | 83   | 5.54%                                      |
| University of North Texas                                    | 64                           | 1                            | 1                            | 66   | 4.40%                                      |
| The University of Texas at San Antonio                       | 60                           | 1                            |                              | 61   | 4.07%                                      |
| Angelo State University                                      | 55                           |                              | 1                            | 56   | 3.74%                                      |
| The University of Texas at Arlington                         | 46                           | 2                            | 2                            | 50   | 3.34%                                      |
| Sam Houston State University                                 | 44                           |                              | 1                            | 45   | 3.00%                                      |
| Stephen F. Austin State University                           | 27                           |                              | 1                            | 28   | 1.87%                                      |
| University of Houston  | 23                           |                              |                              | 23   | 1.53%                                      |
| Prairie View A&M University                                  | 17                           |                              |                              | 17   | 1.13%                                      |
| West Texas A&M University                                    | 12                           | 1                            |                              | 13   | 0.87%                                      |
| Texas Women's University                                     | 12                           |                              |                              | 12   | 0.80%                                      |
| Texas A&M University at Corpus Christi                       | 10                           |                              | 1                            | 11   | 0.73%                                      |
| Texas A&M University at Commerce                             | 9                            | 1                            |                              | 10   | 0.67%                                      |
| Midwestern State University                                  | 6                            |                              | 1                            | 7  | 0.47%                                      |
| Texas Southern University                                    | 7                            |                              |                              | 7  | 0.47%                                      |
| Texas Tech University Health Sciences Center                 | 5                            |                              | 1                            | 6  | 0.40%                                      |
| The University of Texas at Tyler                             | 6                            |                              |                              | 6  | 0.40%                                      |
| The University of Texas at El Paso                           | 5                            |                              |                              | 5  | 0.33%                                      |
| The University of Texas at Dallas                            | 3                            | 1                            |                              | 4  | 0.27%                                      |
| The University of Texas Health Science Center at San Antonio | 4                            |                              |                              | 4  | 0.27%                                      |
| The University of Texas at Brownsville                       | 1                            |                              | 2                            | 3  | 0.20%                                      |
| Lamar University   | 2                            |                              |                              | 2  | 0.13%                                      |
| Sul Ross State University                                    | 1                            |                              | 1                            | 2  | 0.13%                                      |
| Texas A&M International University                           | 1                            | 1                            |                              | 2  | 0.13%                                      |
| The University of Texas Medical Branch at Galveston          | 1                            | 1                            |                              | 2  | 0.13%                                      |
| The University of Texas of the Permian Basin                 | 2                            |                              |                              | 2  | 0.13%                                      |
| The University of Texas-Pan American                         | 2                            |                              |                              | 2  | 0.13%                                      |
| University of Houston at Clear Lake                          | 1                            |                              | 1                            | 2  | 0.13%                                      |
| Sul Ross State University - Rio Grande College               | 1                            |                              |                              | 1  | 0.07%                                      |
| Texas A&M University at Galveston                            | 1                            |                              |                              | 1  | 0.07%                                      |
| Texas A&M University at Kingsville                           | 1                            |                              |                              | 1  | 0.07%                                      |
| Texas A&M University at San Antonio                          | 1                            |                              |                              | 1  | 0.07%                                      |
| Texas A&M University at Texarkana                            | 1                            |                              |                              | 1  | 0.07%                                      |
| Texas A&M University System Health Science Center            | 1                            |                              |                              | 1  | 0.07%                                      |
| The University of Texas Health Science Center at Houston     | 1                            |                              |                              | 1  | 0.07%                                      |
| University of Houston Downtown                               | 1                            |                              |                              | 1  | 0.07%                                      |
| University of Houston Victoria                               | 1                            |                              |                              | 1  | 0.07%                                      |
| <b>Totals</b>  | <b>1,377</b>                 | <b>61</b>                    | <b>61</b>                    | <b>1,499</b>                                   | <b>100%</b>                                |

Central Texas College District  
Statistical Supplement 18  
Capital Asset Information  
Fiscal Years 2002 to 2011  
(unaudited)

|                                      | Fiscal Year |         |         |         |         |         |         |         |         |         |         |
|--------------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                      | 2011        | 2010    | 2009    | 2008    | 2007    | 2006    | 2005    | 2004    | 2003    | 2002    |         |
| Academic buildings                   | 17          | 14      | 13      | 13      | 13      | 13      | 13      | 13      | 13      | 13      |         |
| Square footage (in thousands)        | 593,118     | 400,077 | 374,077 | 374,077 | 374,077 | 374,077 | 374,077 | 374,077 | 374,077 | 374,077 | 13      |
| Libraries                            | 1           | 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  | 43,520  |
| Number of Volumes (in thousands)     | 100,000     | 80,000  | 80,000  | 80,000  | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Administrative and support buildings | 11          | 13      | 13      | 13      | 13      | 13      | 12      | 12      | 12      | 12      | 12      |
| Square footage (in thousands)        | 194,030     | 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       | 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  | 29,429  |
| Number of Beds                       | 120         | 120     | 120     | 120     | 120     | 120     | 120     | 120     | 120     | 120     | 120     |
| Apartments                           | 52          | 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  | 44,020  |
| Number of beds                       | 76          | 76      | 76      | 76      | 76      | 76      | 76      | 76      | 76      | 76      | 76      |
| Dining Facilities                    | 1           | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Square footage (in thousands)        | 48,583      | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  | 34,620  |
| Average daily customers              | 360         | 225     | 225     | 225     | 625     | 625     | 625     | 625     | 625     | 625     | 625     |
| Athletic Facilities                  | 1           | 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  | 54,173  |
| Stadiums                             | 1           | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Gymnasiums                           | 1           | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Fitness Centers                      | 1           | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Tennis Court                         | 1           | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Plant facilities                     | 3           | 4       | 3       | 3       | 2       | 2       | 2       | 2       | 2       | 2       | 2       |
| Square footage (in thousands)        | 10,019      | 23,876  | 22,797  | 22,797  | 20,397  | 20,397  | 20,397  | 20,397  | 20,397  | 20,397  | 20,397  |
| Transportation                       |             |         |         |         |         |         |         |         |         |         |         |
| Cars                                 | 5           | 7       | 5       | 5       | 5       | 6       | 7       | 7       | 7       | 7       | 7       |
| Light Trucks/Vans                    | 38          | 39      | 38      | 38      | 36      | 31      | 32      | 32      | 32      | 32      | 32      |
| Buses                                | 1           | 4       | 4       | 4       | 5       | 4       | 5       | 5       | 5       | 5       | 5       |



INSURANCE SCHEDULE  
FY 2010-2011

| Carrier   | Policy #              | Coverage  | Limits   |
|---|-----------------------|---|--|
| Catlin Insurance Company<br>W. Brown & Associates<br>Policy Period:<br>09/01/10– 09/01/11 | NAR4008521            | <p><b><u>Aviation Hull Liability</u></b><br/>Bodily Injury/Prop. Damage/Ea. Person</p> <p>Passenger Liability (EA Person)</p> <p>Medical Coverage (including crew)</p> <p><b><u>Physical Damage Deductible</u></b></p>                                | <p>1,000,000</p> <p>100,000 planes 1-9<br/>100,000/300,000 planes 10-13<br/>100,000/500,000 plane 14</p> <p>3,000/6,000 planes 1-9<br/>3,000/12,000 planes 10-13<br/>3,000-18,000 plane 14</p> <p>2,500 planes 1-13<br/>3,500 plane 14</p> |
| Catlin Insurance Company<br>W. Brown & Associates<br>Policy Period:<br>09/01/10– 09/01/11 | NAF4002735            | <p><b><u>Aviation Premises Liability</u></b><br/>General Aggregate<br/>Personal Injury &amp; Advertising</p> <p>Fire Damage<br/>Medical Expenses/Any One Person<br/>Each Occurrence</p> <p><b><u>Deductibles</u></b><br/>Ea. Property Damage Loss</p> | <p>4,000,000<br/>2,000,000</p> <p>50,000<br/>1,000<br/>5,000</p> <p>2,500 planes 1-13<br/>3,500 plane 14</p>   |
| Travelers Insurance Company<br>Policy Period:<br>09/01/10 – 09/01/11                      | BA-342D9639-08-CAG    | <p><b><u>Business Auto</u></b> (Texas)<br/>Liability (property &amp; bodily injury)<br/>Deductible (comprehensive coverage)</p>   | <p>1,000,000<br/>1,000</p>   |
| Travelers Insurance Company<br>Policy Period:<br>09/01/09 – 09/01/11                      | Y-810-342D9627-TIL-08 | <p><b><u>Business Auto</u></b> (CA &amp; VA)<br/>Liability (property &amp; bodily injury)<br/>UIM/UM<br/>Deductible</p>   | <p>1,000,000<br/>1,000,000<br/>1,000</p>   |

INSURANCE SCHEDULE  
FY 2010-2011

| Carrier  | Policy #                 | Coverage   | Limits  |
|--|--------------------------|--|---|
| Travelers Insurance Company<br>Policy Period:<br>09/01/09 – 09/01/11 | KTK-CMB-<br>0236C04-2-09 | <b>Commercial Property – U.S.</b><br>Policy Limit<br>Blanket (Bldg. Limit)<br>Blanket (Business personal Property Limit)<br>Books and Textbooks<br>Vending Machines<br>Copier Equipment<br>Property of Others<br>Electronic Data Processing Equipment, Data and Media any one occurrence<br>Accounts Receivable & Valuable Papers<br>Fine Arts<br><br>Newly Acquired/Constructed Property<br>Personal Affects Officers & Employees<br>Covered Property at Undescribed Location (any occurrence)<br>Covered property in Transit<br>Debris Removal<br>Pollution Cleanup<br>Claim Data Expense<br>Ordinance or Law<br>Business Income, Rental Value, & (any occurrence)<br>Newly Acquired Locations (Bus. Income)<br>Extra Expense (any occurrence)<br>Earthquake & Flood<br>Boiler & Machinery (Insured's Location)<br>Fungus, Wet Rot, Dry Rot<br>Contractors Equipment (any occurrence)<br>Money/Securities (any occurrence)<br>Inside or outside<br>Errors & Omissions<br>Radio Transmitting Equip & Towers | 100,000,000<br>Included<br>Included<br>5,370,787<br>434,585<br>1, 057,768<br>100,000<br>13,720,801<br>250,000<br>100,000/1,000<br>max per item<br>2,500,000<br>1,000/100,000<br>100,000<br>100,000<br>250,000<br>100,000<br>25,000<br>1,000,000<br>31,248,000<br>500,000<br>1,000,000<br>10,000,000<br>Included<br>15,000/100,000<br>250,000<br>5,000<br>1,000,000<br>3,610,605 |

INSURANCE SCHEDULE  
FY 2010-2011

| Carrier  | Policy #                | Coverage   | Limits  |
|--|-------------------------|--|---|
|  |                         | <u><b>Deductibles</b></u><br>Fine Arts<br>Business Income, Rental Value, &<br>Extra Expense Coverage<br><br>Earthquake & Flood<br>Windstorm<br><br>Boiler & Machinery<br>Radio Transmitting Equip & Towers<br>1100 ft. tower<br>440 ft. tower)<br>All Other Covered Loss     | 2,500<br><br>48 Hours<br><br>100,000<br>250,000<br>High Hazards<br>Counties<br>100,000<br>All Other<br>Locations<br>10,000<br>25,000<br>100,000<br>50,000<br>25,000 |
| Illinois Union Insurance Company -<br>ACE<br>Policy Period:<br>09/01/10 – 09/01/11 | EON<br>G24943483<br>002 | <u><b>Educator's Legal Liability</b></u><br>Each Occurrence<br>Annual Aggregate/Defense Costs<br>School Officials' Liability Deductible<br>Deductible  | 2,000,000<br>2,000,000<br>0<br>100,000  |
| Chubb<br>Federal Insurance Co<br>Policy Period:<br>09/01/10 – 09/01/11             | 8179-9645               | <u><b>Fiduciary &amp; Crime Liability<br/>(Employer's Liability)</b></u><br><u><b>Fiduciary</b></u><br>Each Loss/Each Policy Period<br>Deductible/Per Claim<br><u><b>Crime</b></u><br>Depositors Forgery<br>Employee Theft<br>Computer/Fund Transfer Fraud<br><br>Deductible | 4,000,000<br>10,000<br><br>500,000<br>500,000<br>100,000<br><br>5,000   |

INSURANCE SCHEDULE  
FY 2010-2011

| Carrier  | Policy #          | Coverage  | Limits                                |
|--|-------------------|---|---------------------------------------|
| <b>Continental Ins. Co.</b><br>Policy Period:<br>09/01/10 – 09/01/11 | WP 41 386<br>6634 | <b><u>Foreign Package</u></b><br>Deductible   | 2,500                                 |
|  |                   | <b><u>Business Personal Property</u></b><br>Europe  | 1,335,455                             |
|  |                   | PFEC – Korea  | 1,048,102                             |
|  |                   | PFEC – Yokosuka & Okinawa Japan   | 359,002                               |
|  |                   | Textbooks – world wide  | 504,692                               |
|  |                   | <b><u>General Liability</u></b><br>BI & Property Damage   | 1,000,000/2,000,000                   |
|  |                   | Products/Comp. Oper.  | 1,000,000                             |
|  |                   | Personal/Advertising Inj.   | 1,000,000                             |
|  |                   | Premises Legal Liability  | 10,000                                |
|  |                   | Medical Expense (any one person)  | 50,000                                |
|  |                   | Medical Expense (any one accident)  |                                       |
|  |                   | <b><u>Employee Benefits Liability</u></b><br>Employee Benefits Liability                            | 1,000,000                             |
|  |                   | Deductible  | 1,000                                 |
|  |                   | <b><u>Foreign Auto Dic/Excess Liability</u></b><br>Bodily Injury Combined Single Limit              | 1,000,000                             |
|  |                   | Auto Med Expense/Per Person   | 10,000                                |
|  |                   | Auto Med Expense/Per Acc.   | 50,000                                |
|  |                   | <b><u>Foreign Worker's Compensation<br/>Non-Defense Base Act</u></b><br>BI Accident – Each Accident | 1,000,000                             |
|  |                   | BI Disease – Each Employee  | 1,000,000                             |
|  |                   | BI Disease – Policy Limit   | 1,000,000                             |
|  |                   | Sub-limits  | 100,000/250,000                       |
|  |                   | <b><u>Kidnap/Ransom/Wrongful Detention</u></b>  | 25,000                                |
|  |                   | <b><u>International/Confiscation/Expropriation/Nationalization</u></b>                              | 25,000<br>+ 120 day<br>waiting period |

INSURANCE SCHEDULE  
FY 2010-2011

| Carrier  | Policy #             | Coverage  | Limits   |
|--|----------------------|---|--|
| Continental Insurance Co.<br>Policy Period:<br>09/01/10 – 09/01/11                                       | DBA 41 386<br>6648   | <b><u>Foreign - Defense Base Act</u></b><br>Bodily Inj. By Accident/Ea Accident<br>Bodily Inj. By Disease/Policy Limit<br>Excess Repatriation/Per Employee<br>Excess Repatriation/Aggregate | 1,000,000<br>1,000,000<br>100,000<br>250,000           |
| Continental Ins.<br>Policy Period:<br>09/01/10 – 09/01/11  | 271008000076         | <b><u>Foreign – Local Admitted<br/>General Liability – Rota Spain</u></b><br>BI & Property Damage<br>Personal and Advertising Injury<br>Premises Legal Liability<br>Judiciary Bond          | 797,043<br>119,564<br>79,723<br>7,972                  |
| United Educators<br>Policy Period:<br>09/01/10 – 09/01/11  | CGL 2010<br>00062900 | <b><u>General Liability</u></b><br>Each Occurrence<br>Annual Aggregate/Products<br>Medical Payment per Person<br>Fire Legal Liability<br>Deductible   | 1,000,000<br>3,000,000<br>5,000<br>1,000,000<br>25,000 |
| United Educators<br>Policy Period:<br>09/01/10 – 09/01/11  | GLX 2010<br>00062900 | <b><u>General Liability - Umbrella</u></b><br>Each Occurrence/Aggregate<br>Sexual Molestation<br>Underlying Limit Retention   | 10,000,000<br>10,000,000<br>1,000,000                  |
| Scottsdale Insurance Co.<br>Policy Period:<br>09/01/10 – 09/01/11  | PKS0000278           | <b><u>Law Enforcement Liability</u></b><br>Deductible   | 2,000,000<br>25,000                                    |
| American International Specialty<br>Lines - AIG<br>Policy Period:<br>09/01/08 – 09/01/11 – 3 year policy | PLC12175560          | <b><u>Pollution Liability</u></b><br>Each Incident Limit<br>Aggregate<br>Deductible   | 1,000,000<br>1,000,000<br>25,000                       |
| Commerce & Industry Insurance<br>Company<br>Policy Period:<br>09/01/10 – 09/01/11                        | 000009727            | <b><u>Pollution Liability</u></b> (Storage<br>Tanks)<br>Each Occurrence<br>Aggregate<br>Deductible  | 1,000,000<br>2,000,000<br>5,000                        |

INSURANCE SCHEDULE  
FY 2010-2011

| <b>Carrier</b>   | <b>Policy #</b>        | <b>Coverage</b>  | <b>Limits</b>                               |
|--|------------------------|--|---|
| Ace American Ins. Co.<br>Policy Period:<br>04/05/10 – 04/05/11             | KO5897014              | <b><u>Post Secondary Institutional Bond</u></b><br>State of Washington   | 25,000                                      |
| Westchester Fire Ins. Co.<br>Policy Period:<br>1/1/10-1/1/12 – 2 year bond | KO7983323              | <b><u>Post Secondary Institutional Bond</u></b><br>State of Georgia  | 100,000                                     |
| ACE Indemnity Insurance Co.<br>09/22/08 – 09/22/11 – 3 year bond           | K03515680              | <b><u>Post Secondary Institutional Bond</u></b><br>State of Louisiana  | \$10,000                                    |
| Liberty Mutual Insurance Company<br>Policy Period:<br>09/01/10 – 09/01/11  | WC5-Z91-<br>422347-010 | <b><u>Workers' Compensation/Employers' Liability - Domestic</u></b><br><br>Bodily Inj. By Accident/Ea Accident<br>Bodily Inj. By Disease/Policy Limit<br>Bodily Injury by Disease/Ea. Employee | <br><br>1,000,000<br>1,000,000<br>1,000,000 |