



# *Callin County Community College District*

Allen      Frisco      McKinney      Plano      Rockwall      • Texas •

## Comprehensive Annual Financial Report

Fiscal Year Ended  
August 31, 2001

# **Collin County Community College District**

## **Comprehensive Annual Financial Report**

**For the  
Fiscal Year Ended August 31, 2001**

**Prepared by:**

**Administrative Services**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

**Comprehensive Annual Financial Report**

**Fiscal Year Ended August 31, 2001**

**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

	<u>Exhibit No.</u>	<u>Page No.</u>
	<u>Schedule No.</u>	
	<u>Table No.</u>	
Letter of Transmittal .....		1
GFOA Certificate of Achievement.....		14
Organizational Chart.....		15
Officials and Staff.....		16
Board of Trustees .....		17

**FINANCIAL SECTION**

Report of Independent Public Accountants.....	19
---	----

**General Purpose Financial Statements:**

Balance Sheet (All Fund Types) August 31, 2001 .....	Exhibit A.....	22
Statement of Changes in Fund Balances (All Fund Types) Year ended August 31, 2001 .....	Exhibit B.....	24
Statement of Current Funds Revenues, Expenditures and Other Changes Year ended August 31, 2001 .....	Exhibit C.....	26
Notes to Financial Statements .....		27

**Supplementary Data:**

Schedule of Cash, Cash Equivalents and Investments .....	Schedule A-1 .....	45
Schedule of Changes in Fund Balance – Unrestricted Current Funds – Auxiliary Enterprises.....	Schedule B-3 .....	46
Schedule of Changes in Fund Balance – Restricted Current Funds.....	Schedule B-4 .....	48
Schedule of Transfers.....	Schedule B-13 .....	52
Schedule of Detail of State Appropriations and Tuition and Fees .....	Schedule C-1 .....	53
Schedule of Current Funds Expenditures by Object Classification .....	Schedule C-2 .....	55
Schedule of Bonds Payable and Debt Service Requirements .....	Schedule D-1 .....	56
Schedule of Pledged Revenues and Fund Balances For Revenue Bonds Outstanding.....	Schedule D-2 .....	58

## **STATISTICAL SECTION (Unaudited)**

District Expenditures by Elements of Institutional Costs .....	Table 1 .....	62
District Revenues by Source .....	Table 2 .....	64
Property Tax Levies and Collections .....	Table 3 .....	66
Property Tax Rates – All Direct and Overlapping Governments .....	Table 4 .....	68
Principal Taxpayers .....	Table 5 .....	70
Computation of Legal Debt Margin .....	Table 6 .....	71
Ratio of Bonded General Obligation Debt to Assessed Value and Bonded Debt per Capita .....	Table 7 .....	72
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Expenditures .....	Table 8 .....	73
Revenue Bond Coverage .....	Table 9 .....	74
Property Tax Assessed Valuation by Category .....	Table 10 .....	76
Demographic Statistics .....	Table 11 .....	78
Student Enrollment .....	Table 12 .....	79
Student Enrollment Demographic Statistics .....	Table 13 .....	80
Tuition and Fee Schedule .....	Table 14 .....	81
Faculty Statistics .....	Table 15 .....	82
Miscellaneous Statistics .....	Table 16 .....	83

## **SINGLE AUDIT SECTION**

Report of Independent Public Accountants on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards .....		85
Report of Independent Public Accountants on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OBM Circular A-133 .....		86
Schedule of Expenditures of Federal Awards .....	Schedule D-3 .....	88
Notes to Schedule of Expenditures of Federal Awards .....		89
Schedule of Expenditures of State Awards .....	Schedule D-4 .....	90
Notes to Schedule of Expenditures of State Awards .....		91
Schedule of Findings and Questioned Costs .....		92



Collin County Community College District

# Introductory Section



December 18, 2001

Honorable Chairman, Board of Trustees, and President  
Collin County Community College District  
Plano, TX

Dear Board Members and President:

The following comprehensive annual financial report of the Collin County Community College District ("CCCCD" or the "District") for the fiscal year ended August 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section, which is unaudited, includes this transmittal letter, the District's organizational chart, and a list of the District's principal elected and appointed officials. The financial section includes the general-purpose financial statements and the report of the independent public accountants on the financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act amendments of 1996, U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State of Texas Single Audit Circular. Information related to this single audit, including the schedule of expenditures of federal awards, schedule of expenditures of state awards and related footnotes, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, is included in the single audit section of this report.

This report includes all funds of the District. The Board of Trustees has no financial accountability over Collin County, related foundations, or any other governmental unit; and accordingly, only financial data for Collin County Community College District is included in this report.

## GOVERNMENTAL STRUCTURE

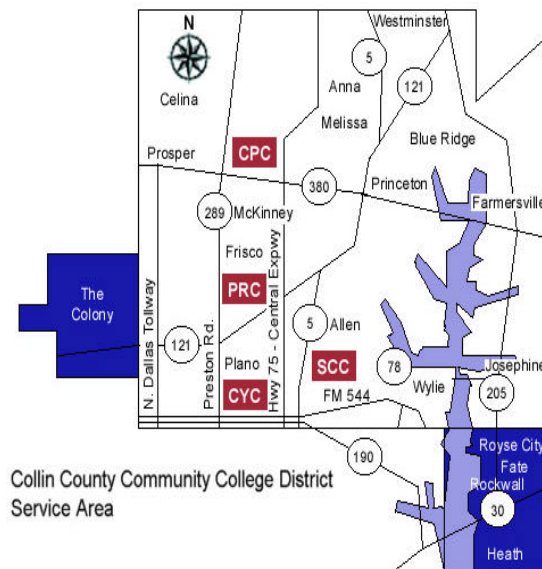
CCCCD was established as a public community college in an election held in Collin County, Texas, on April 6, 1985. The District operates as a community college district under the Constitution of the State of Texas and the Texas Education Code. The District is governed by an elected, nine-member Board of Trustees (hereinafter called

the “Board”). At each election (the first Saturday in May in even-numbered years) three Trustees are elected to serve a six-year, at-large position. The Board holds regularly scheduled meetings on the fourth Tuesday of each month unless otherwise announced. Board meetings are held in the Board Room at the Courtyard Center campus located in Plano unless otherwise provided in the notice for a meeting, which is in compliance with public notice requirements.

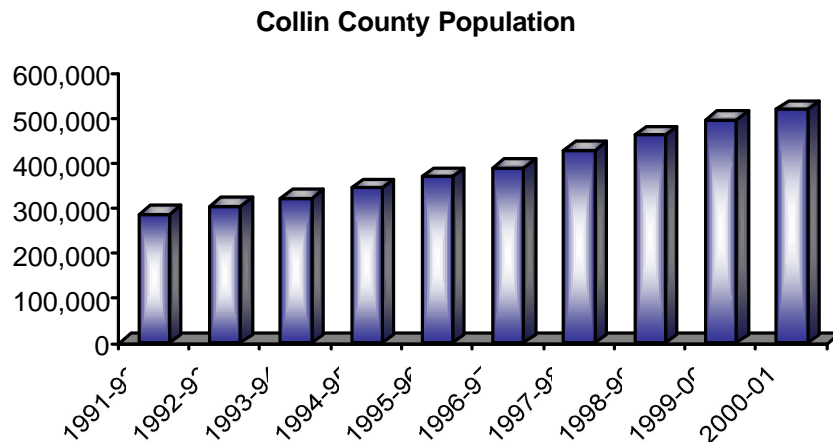
The Board has the final authority to determine and interpret the policies that govern the District and has complete and full control of the District’s activities limited only by the state legislature, the courts, and the will of the people as expressed in Board of Trustee elections. Official Board action is taken only in meetings that comply with the Open Meetings Act and are based on a majority vote of a quorum (five members) of the Board.

In general, the Board provides policy direction and sets goals for the District consistent with the District’s role and mission. Besides general Board business, trustees are charged with numerous statutory regulations, including appointing the tax assessor/collector, ordering elections, and issuing bonds. The Board is also responsible for appointing the President, setting the tax rate, causing the preparation and adoption of a budget for the ensuing fiscal year, and employing faculty and other employees of the District.

#### LOCAL ECONOMIC CONDITION AND OUTLOOK



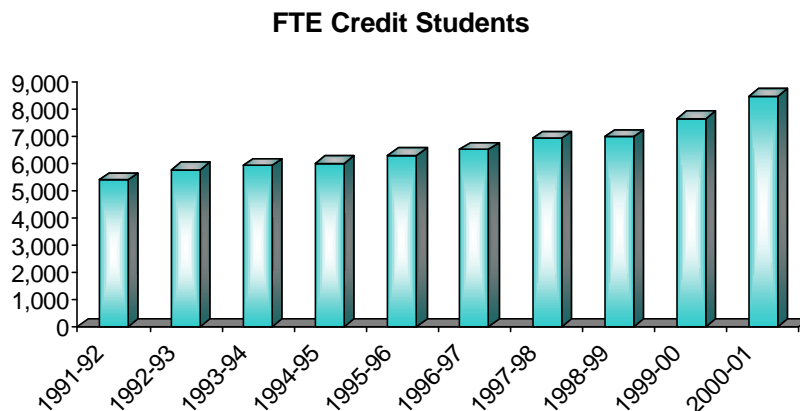
Located in the Dallas metropolitan area of North Central Texas, Collin County continues to be one of the fastest growing areas in the state and country. With an estimated fiscal year 2001 population of 519,755, Collin County experienced an increase of 22,949 persons during the past year. Throughout the decade, Collin County has yielded an approximate increase in population of more than eighty-one percent (81%) as illustrated by the graph on the following page.



Approximately 36% of the job growth in the state of Texas between 1995 and 2000 occurred in the Dallas-Fort Worth Metroplex area, which includes Collin County. Jobs requiring higher levels of education are increasing at higher rates than jobs requiring less education and training. The Dallas area has the second largest concentration of telecommunications and the fourth largest concentration of high-technology companies in the United States. The economic base consists of service industries, trade industries, manufacturing, computer technology, electronics, healthcare, oil and gas research, and agriculture. Major industries with headquarters or divisions located within the district include petroleum research, telecommunications, computer technology, electronics, retail, food industry, and insurance institutions. One of the County's greatest resources is its people. The County has a civilian employed labor force of approximately 306,000, which is up from prior years, and an unemployment rate of 4.70%, which compares favorably to both the state unemployment rate of 5.10% and the national unemployment rate of 4.90%.

Fall 2001 semester credit enrollment at CCCCDC grew for the seventh consecutive year to 14,239 students on census date, an increase of 9.6 percent over fall 2000. CCCCDC has six locations serving more than 32,000 credit and continuing education students. The following chart reflects the District's full-time equivalent (FTE) student growth, an increase of 50 percent over the past ten years.





## MAJOR INITIATIVES

National, state, and local awards and academic milestones over the past year have validated CCCCD's place as a leader in higher education. A partial list of CCCCD's accomplishments and major initiatives includes:

- CCCCD was one of the founding signers of the Texas Campus Compact. Campus Compact is a nationwide coalition of college and university presidents committed to helping students develop the values and skills of citizenship through participation in public and community service.
- In October 2000, CCCCD became the first community college in the nation to establish a Teacher Certification Program. Currently, the college offers training in more than 20 subject areas in secondary education. In addition, CCCCD students can apply their earned credits to master's degrees through an agreement with Texas A&M University-Commerce. The program was included in a \$2.8 million grant awarded by the U.S. Department of Labor.
- In August 2001, the U.S. Department of Education awarded a \$689,387 grant to the Teacher Certification Program. The three-year project, Tomorrow's Teachers to Use Technology (PT3), will model effective uses of instructional technology in the teacher certification program and assist new teachers in integrating technology into their classrooms.
- The Texas Workforce Commission awarded CCCCD an \$887,146 skills development grant, which trained more than 2,000 Collin County employees at 13 different companies.
- The college won the national Bellwether Award for combining two of its leading-edge academic programs, Learning Communities and Service Learning. The award, which recognizes outstanding and innovative practices in the area of instructional programs and services, was given to the college by the National Council of Instructional Administration and the Institute of Higher Education. The district's program, called collectively Engaged Scholarship, was chosen over 150 other entries from community colleges all across the country.
- The CCCCD Dance Repertory received two national Gala awards at the American College Dance Festival at the University of Arkansas in Little Rock. For the third time in four years, CCCCD was honored with Gala Awards.

- The Kennedy Center's American College Theater Festival (ACTF) sent special awards to the cast and crew of "suburbia." Numerous citations earned by CCCCD Theatre ranks them as one of the top four theater programs in the nation. Awards received from ACTF include Best Direction, Best Scenic and Lighting Design, Best Sound Design, and Best Supporting Actor.
- The Texas Association of Community Colleges honored CCCCD's Developmental Education Division by recognizing it as an exemplary program. Chosen as a model to replicate throughout Texas, CCCCD's plan for Developmental Education was one of seven selected.

Student organizations, professors and a student of CCCCD also received the following special recognition during 2001:

- The Collin Nursing Student Association (CNSA) was awarded the Image of Nursing award at the Texas Nursing Student Association Convention on March 2, 2001. The award is given to the chapter that best represents the profession of nursing to the general public in a responsive and caring way.
- CCCCD's chapter of Phi Theta Kappa, an International Honor Society for two-year schools, received recognition as one of the top chapters in the state of Texas.
- CCCCD theatre professor Brad Baker received the U.S. Community College Professor of the Year award from the Carnegie Foundation for the Advancement of Teaching, the Council for Advancement and Support of Education, and *USA Today*.
- English professor R. Scott Yarbrough was named a 2001 Piper Professor by the Minnie Stevens Piper Foundation. This prestigious title is bestowed annually to professors for superior teaching at Lone Star colleges or universities. This year the foundation conferred that title upon a mere 15 professors in the entire state of Texas, and of all the award-winning professors this year, only two, including Yarbrough, were from two-year Texas community colleges.
- Two CCCCD Engineering Technology professors received a national award from the Amateur Radio Relay League (ARRL). Professors Jeff Fant and Tom Mobley were presented the award in recognition of the promotion of amateur radio through the founding of area SGE (Student Game Enthusiast) middle and high school wireless clubs and Tech Camp.
- Thomas Doan, a 2001 CCCCD student, was named to the All-USA Academic Team by the international honor society Phi Theta Kappa, the American Association of Community Colleges (AACC) and the national daily newspaper *USA Today*. Doan was one of only 20 students selected nationally, out of 1,700 nominees, to the distinguished AACC First Team.

CCCCD affirms as its mission the commitment to provide, within the resources available, educational programs and services that meet the individual and community needs. The District seeks to promote lifelong individual growth and excellence through strengthening the intellect, character, and capabilities of all students. The college acts as a resource to local, state, national, and international communities by providing educational, cultural, and civic programs and services.

To achieve our mission, CCCCD will continue to promote the core values we adopted in 2000: learning, service and involvement, creativity and innovation, academic excellence,

dignity and respect, and integrity. The following strategic goals were developed which directed the District's efforts during 2001:

- Goal One: Elevate CCCCD to the echelon of world-class education.
- Goal Two: Develop a model teaching and learning environment.
- Goal Three: Expand, enhance and promote mutually beneficial relationships with business, industry, government, and education.
- Goal Four: Improve student achievement.
- Goal Five: Develop an exemplary information technology infrastructure that is responsive to the instructional and administrative needs of the District.

Just a few of the achievements during fiscal year 2001 which were directly related to the strategic goals included:

- Honors Institute opened in Fall 2000.
- Center for Advanced Studies in Mathematics and Natural Sciences opened in Fall 2000.
- Technology Learning Centers opened at Preston Ridge Campus and Spring Creek Campus.
- Facilities master plan approved.
- Training agreements signed with 27 new companies in Allen, McKinney, Plano, Richardson, Wylie, Dallas, Carrollton, and Irving.
- Group established to develop a Student Leadership Academy.

Over the past year, CCCCD's Workforce Development division formed a Business Solutions Group to attract additional clients. Our programs provide customized training to corporations, industry, and government entities. Companies such as Kone, Target Stores, Countrywide Home Loans, and Baylor Hospital depend on CCCCD to provide their employees with intensive, specialized workforce development programs.

CCCCD offers more than 100 associate degree and certificate programs. Since its inception in 1985, it has grown from offering small classes at local high schools to six instructional sites: the Central Park, Preston Ridge and Spring Creek campuses, the Courtyard Center for Professional and Economic Development, and CCCCD@Allen and College Center at Rockwall.

The District continues to meet the needs of the community in developing a professional workforce by expanding the educational training opportunities available to its residents. We participate, along with Grayson County College, North Central Texas College, and the University of North Texas, in an advanced technology grant of \$847,000 from the National Science Foundation. Grant funds will be used to implement the Advancing Careers in Technology and Science (ACTS) project. The project is designed to promote the value of 21<sup>st</sup> century high-tech jobs and revitalize mathematics and science in secondary and post-secondary education. It will impact more than 80,000 students in the North Central Texas area and is a direct response to the area's growing need for employees trained in high-tech areas.

During 2001, CCCCD added new certificate programs for Child Development Associate, E-Commerce and Advanced Horticulture. Both a degree and a certificate program for a

Criminal Justice specialization in Management Development were new during 2001. Also during the year, the Legal Office, Medical Office and Advanced General Office programs offered Office Support Specialization certificates.

CCCCD has responded to the needs of the residents not able to attend regular day classes because of work schedules, other schedule conflicts, travel distance, disabilities, etc., by offering various alternative opportunities such as evening and weekend classes and distance learning through televised courses, video-based telecourses, video check-out courses, internet courses, live interactive cable courses, Virtual College of Texas, and a two-way audio and video conferencing system. "Fast-track" credit courses are also offered at the Courtyard Campus with five-week, eight-week, and full-semester classes. Also available are Maymester and Wintermester classes, which give the student the opportunity to complete a course in 11 days.

The District meets the needs of the community in many other various and innovative ways. Senior citizens of the community are served through the Seniors Active in Learning (SAIL) program, an education and social program designed for senior citizens. Many of our instructors have integrated community service into their class work, benefiting both the community and the student through external hands-on learning experiences, encouraging the application of knowledge to real-life situations. The District's fitness centers, a gymnasium, the library, and the tennis and racquetball courts are available to the public as well as students.

#### INTERLOCAL AGREEMENTS AND PARTNERSHIPS

The District's commitment to provide programs and services to the communities it serves is reflected by the many partnerships with local cities, schools and companies. Such agreements are efficient and cost-effective. With the City of Frisco, the District has a park as well as a recreation center featuring a natatorium and fitness center. The Superdome at Frisco™, site of the 2000 U.S. Olympic track cycling trials, was built through a three-way partnership with the City of Frisco and EDS. Oak Point Recreation Center, which has indoor and outdoor pools, is adjacent to the Spring Creek Campus through a shared use agreement with the City of Plano. The City of McKinney and CCCCDC share the Fire Science Training Facility on the Central Park Campus. Interlocal agreements with the Allen and Rockwall school districts made possible the creation of instructional sites at those high schools. The District occupies 10,000 square feet at Allen High School and almost 5,000 square feet at Rockwall High School. CCCCDC has reciprocal technical/occupational course agreements with the Dallas County Community College District and with Grayson County College (GCC), allowing students to enroll in programs not available in their home district at the in-county tuition rate.

The District participates in a purchasing consortium with various entities within Collin County to purchase various goods and services commonly used by all the entities to achieve anticipated cost savings. The District entered into an interlocal agreement during 2001 with the North Texas Demandstar Users Group. This group provides for both the purchase of goods and services at a cost savings and for notifications/publications on their website. In order to obtain additional savings through volume purchasing, the District also entered into an interlocal agreement with the Texas Cooperative Purchasing Network.

CCCCD participates in the Virtual College of Texas (VCT), a consortium of Texas community colleges that provides college courses to students via the internet, whereby the college can import and offer classes from other colleges in subjects which the college does not otherwise offer.

For the purpose of delivering CCCCC sign language classes to other areas of the State, the District entered into an interlocal agreement with Region 9 Education Service Center (ESC). This agreement provided for connecting CCCCC's distance learning classroom to the Region 9 ESC private wide-area network. The sign language classes began in January, 2001.

CCCCD and the University of North Texas and the University of Texas at Dallas have concurrent admissions agreements allowing our students to enroll at both CCCCC and the universities concurrently. There is also a concurrent admissions agreement with Texas A&M-Commerce for Graduate credit for the Teacher Certification program.

CCCCD will be building a wireless local-area learning network thanks to an \$843,399 grant from the Telecommunications Infrastructure Fund Board (TIFB) in Austin. The North Central Texas College District and CCCCC have agreed to form a partnership to explore an exciting new distance learning opportunity called the Boundary-less Internet Teaching System (BITS). This project will improve access to distance learning by taking advantage of the portability and mobility now being made available through the utilization of wireless network technologies. This grant will be used to design and install wireless educational networks, facilitate project management and provide customer training and service maintenance.

## FINANCIAL INFORMATION

The Administrative Services division is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits require estimates and judgments by management.

As a recipient of federal, state, and local financial awards, the District is also responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic review or evaluation by management, internal audit, and the independent auditors of the District. As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to major federal and state financial award programs, as well as to determine that the District has complied with significant applicable laws and regulations. The results of the District's single audit for the fiscal year ended August 31, 2001, provided no instances of material weakness in the internal control structure or significant violations of applicable laws and regulations.

In addition, Administrative Services maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Trustees. Activities of the unrestricted current funds, auxiliary enterprise funds, restricted funds, unexpended plant funds, and retirement-of-indebtedness funds are included in the annual appropriated budget. The District also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Encumbered amounts lapse at year-end; however, encumbrances are generally reappropriated as part of the next year's budget.

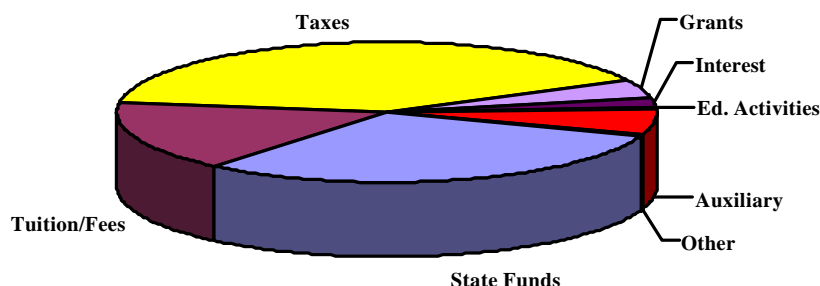
As demonstrated by the statements and schedules included in the financial section of this report, the District continues meeting its responsibility for sound financial management.

The following schedule presents a summary of current fund revenues for the fiscal year ended August 31, 2001, and the amount and percentage of increases/(decreases) in relation to prior year revenues.

Revenue	2001 Amount	Percent of total	2000 Amount	Amount of increase/ (decrease)	Percent of increase/ (decrease)
State appropriations	\$22,504,566	30.56%	\$21,317,463	\$1,187,103	5.57%
Tuition and fees	11,941,290	16.22%	10,211,121	1,730,169	16.94%
Taxes for current operations	29,590,389	40.17%	25,644,644	3,945,745	15.39%
Grants and contracts	3,084,227	4.19%	2,720,095	364,132	13.39%
Interest	1,669,237	2.27%	1,345,740	323,497	24.04%
Sales of educational activities	229,579	0.31%	174,998	54,581	31.19%
Auxiliary enterprises	4,429,892	6.02%	4,356,658	73,234	1.68%
Other	<u>190,428</u>	<u>.26%</u>	<u>239,386</u>	<u>(48,958)</u>	<u>(20.45%)</u>
Total	<u>\$73,639,608</u>	<u>100.00%</u>	<u>\$66,010,105</u>	<u>\$7,629,503</u>	<u>11.56%</u>

Revenues totaled \$73,639,608, an increase of \$7,629,503, or 11.56 percent from the previous year. Tuition and fees increased by \$1,730,169, or 16.94 percent as a result of an increase in both tuition and in the number of credit hours. The taxes for current operations increased by \$3,945,745, or 15.39 percent, due to an increase in the tax base and the appraised property valuation. Although average interest rates were lower in 2001, more funds were invested throughout the year resulting in an increase in interest income of \$323,497. Sales of educational activities include items such as library fines, rent revenue, testing fees, ticket sales, and dental services.

## 2001 Revenues

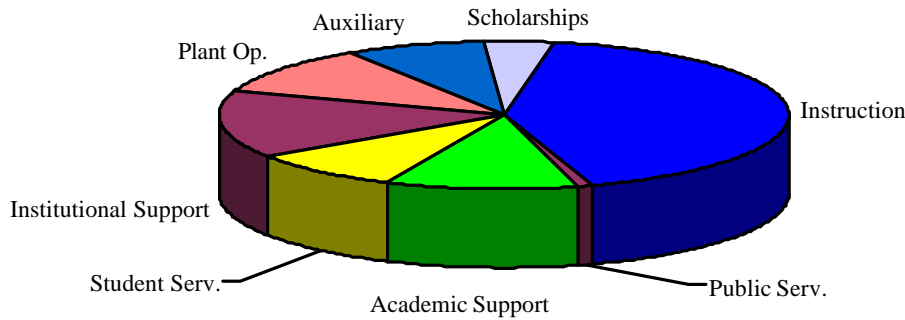


The following schedule presents a summary of current fund expenditures by the elements of cost excluding transfers for the fiscal year ended August 31, 2001, and the amount and percentage of increases/(decreases) in relation to the prior year's expenditures.

Expenditures	2001 Amount	Percent of total	2000 Amount	Amount of increase/ (decrease)	Percent of increase/ (decrease)
Current:					
Instruction	\$24,599,562	42.10%	\$22,220,613	\$2,378,949	10.71%
Research	0	0.00%	486	(486)	(100.00%)
Public service	627,273	1.07%	718,128	(90,855)	(12.65%)
Academic support	6,189,074	10.59%	5,681,486	507,588	8.93%
Student services	5,273,957	9.02%	5,018,877	255,080	5.08%
Institutional support	8,660,773	14.82%	7,935,450	725,323	9.14%
Operation and maintenance of plant	6,080,397	10.40%	5,689,644	390,753	6.87%
Auxiliary enterprises	4,760,889	8.15%	4,612,497	148,392	3.22%
Scholarships & fellowships	2,246,933	3.85%	1,692,566	554,367	32.75%
Total	<u>\$58,438,858</u>	<u>100.00%</u>	<u>\$53,569,747</u>	<u>\$4,869,111</u>	<u>9.09%</u>

Fiscal year 2001 current fund expenditures totaled \$58,438,858, an increase of \$4,869,111, or 9.09 percent over the previous year. Total public service expenditures decreased by \$90,855, or 12.65 percent primarily as a result of expired grants in that category. Increases can be attributed to salary increases, capital outlay, and renewal and replacement expenditures. The scholarships and fellowships increase of \$554,367, or 32.75 percent, is attributable to an increase in Pell Grant and TPEG awards.

### 2001 Expenditures



#### Unrestricted Current Fund Balance

The fund balance of the unrestricted current funds increased by \$12,296,883 in the year ended August 31, 2001, resulting in the unrestricted current fund balance of \$30,388,750.

#### Auxiliary Enterprises

The auxiliary enterprise funds account for activities that are essentially self-supporting and that serve students, faculty, and staff. The District's auxiliary enterprises consist of the bookstores, cafeterias, print shop, fitness centers, athletic programs, video rentals, facilities rental, motor pool, childcare centers, and fine arts programs. The auxiliary enterprises had a combined fund balance total of \$969,489, a net increase of \$55,524 for the fiscal year ended August 31, 2001.

#### Debt Administration

As of August 31, 2001, the District had \$43,769,284 of debt issues outstanding. These issues, net of unamortized discounts and premiums, included \$16,943,301 of general obligation bonds, and \$26,825,983 of revenue bonds. The District currently has an AA+ rating from Standard & Poor's Corporation and an Aa2 rating from Moody's Investors Service on general obligation bond issues. The District's general obligation bonded debt issuances are limited to the extent that the aggregate annual bond tax rates in the District shall never exceed \$0.12 per \$100 valuation of taxable property. The 2000-01 aggregate bond tax rate for the District was \$0.014049 per \$100 valuation of taxable property.

#### Cash Management

During the year, cash temporarily idle was invested in short-term investments. The average yield on investments was 5.41 percent. The District's investment performance is favorable when compared to the average yield rate of 4.80 percent for 90-day U.S. Treasury bills. The District earned interest revenue of \$2,092,984 on all investments for the year ended August 31, 2001.

Our investment policy, which is reviewed and updated annually, is designed to minimize credit and market risks while maintaining a competitive yield on the portfolio. Accordingly, bank deposits were either insured by federal depository insurance or collateralized



throughout the year. The securities pledged to the District as collateral are held by the Federal Reserve Bank, which acts as the District's agent.

#### Risk Management

Risk Management is the ongoing process by which financial loss and exposure to risk is assessed and action is taken to minimize risk, to transfer risk, and to finance risk through various devices, including insurance. All areas of the District are reviewed for possible risk management and loss-control activities. The Vice President of Administration is responsible for recommending to the President and the Board the amounts of insurance the District should carry and the amount of risk the District should assume through coinsurance and deductibles.

Programs covered include Property, Liability, Employee Educators Liability, Employee Dishonesty Coverage, Interscholastic Accident Insurance, Student Medical Professional Liability, Unemployment Compensation, and Workers' Compensation. Additionally, all eligible employees are provided with paid medical, dental, life, and accidental death and dismemberment insurance. Dependent coverage is also available at group rates.

For unemployment compensation, the District elects to participate in a program offered by the Texas Association of School Boards (TASB) rather than being a taxing employer with rates set by the Texas Employment Commission. The Texas School Services Foundation administers the program through TASB. Rates are factored according to the experience and size of the District. The program is a form of self-insurance with stop-loss coverage.

The District participates in a self-funded workers' compensation insurance program that is administered by Texas Political Subdivisions (TPS). The District budgets for the fixed cost and loss fund maximum. Fixed costs are primarily affected by payroll; however, the loss costs are determined by expected losses, which are determined primarily by historical loss experience. The fixed costs cover claims administration and loss control and are not recoverable. Loss costs are only paid if the District experiences losses.

The District strives to develop risk management programs which help better manage its resources. Firm adherence to a code of values and sound principles helps provide exceptional, cost-saving risk management.

#### OTHER INFORMATION

##### Independent Audit

State statutes require an annual audit by independent certified public accountants. The District's Board of Trustees selected the accounting firm of Arthur Andersen LLP. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act amendments of 1996 and related OMB Circular A-133 and the State of Texas Single Audit Circular. The auditors' reports related specifically to the single audit are included in the Single Audit Section.

##### Certificate of Achievement

The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Collin County Community College District for its comprehensive annual financial report (CAFR)

for the fiscal year ended August 31, 2000. This was the fourth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

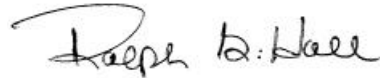
Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of certain staff of Administrative Services particularly in the Accounting Department. We would also like to thank the accounting firm of Arthur Andersen LLP for their assistance and timely completion of the audit. Due credit also should be given to the governing Board and President for their interest in planning and conducting the operations of the government in a responsible manner.

Respectfully submitted,



Kim Sinclair  
Interim Director of Accounting &  
Financial Reporting



Ralph G. Hall  
Vice President of Administration

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Collin County Community  
College District, Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
August 31, 2000

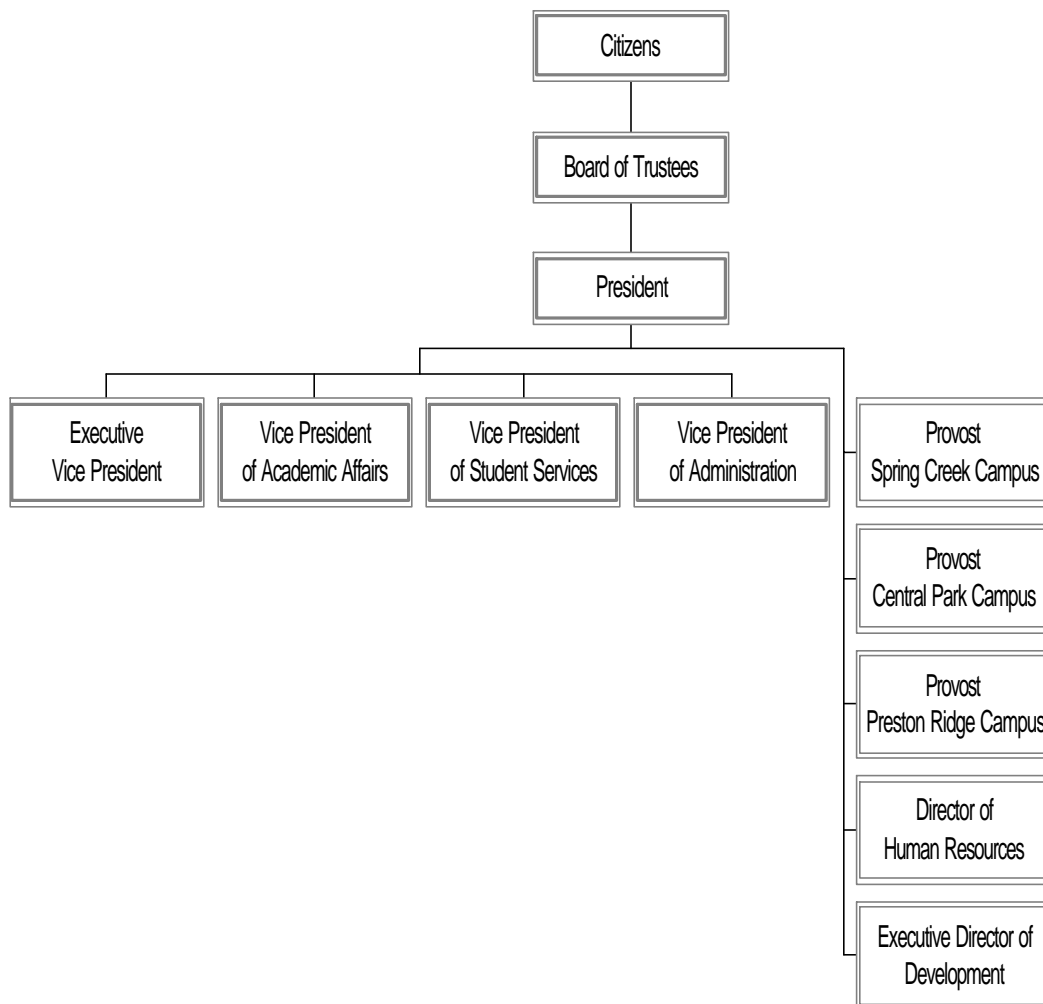
A Certificate of Achievement for Excellence in Financial  
Reporting is presented by the Government Finance Officers  
Association of the United States and Canada to  
government units and public employee retirement  
systems whose comprehensive annual financial  
reports (CAFRs) achieve the highest  
standards in government accounting  
and financial reporting.



*Thomas A. Brewer*  
President

*Jeffrey L. Esser*  
Executive Director

# Collin County Community College District Organizational Chart



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

**Officials and Staff**

**For the year ended August 31, 2001**

**Elected Officials**

<u>Board of Trustees</u>	<u>City</u>	<u>Term Expires</u>
Samuel E. Roach Chairman, Place 4	Frisco, Texas	May, 2006
J. R. (Bob) Collins Vice Chair, Place 8	Farmersville, Texas	May, 2002
Cynthia W. Bauge Secretary, Place 2	Plano, Texas	May, 2004
Fortino P. (Tino) Trujillo Treasurer, Place 7	Plano, Texas	May, 2002
Jim Biggerstaff Place 5	Plano, Texas	May, 2006
Brenda Willard Goodell Place 9	Celina, Texas	May, 2002
Carey Cox Place 6	McKinney, Texas	May, 2006
Glenn W. Justice Place 1	Parker, Texas	May, 2004
E. T. Boon Place 3	Allen, Texas	May, 2004

**Principal Administrative Officers**

<u>Name</u>	<u>Position</u>
Dr. Cary Israel	President
Ralph G. Hall	Vice President of Administration
Dr. Toni Jenkins	Executive Vice President
Dr. Sheryl Kappus	Vice President of Academic Affairs
Dr. Mary McRae	Vice President of Student Services
TBA	Director of Accounting and Financial Reporting
Kim Sinclair	Assistant Director of Accounting and Financial Reporting (Interim Director)

# BOARD OF TRUSTEES



Sam Roach, Chairman



Cynthia W. Bauge,  
Secretary



Jim Biggerstaff



E. T. Boon

The Board of Trustees is a nine member governing board that serves without compensation and is elected at large by the voters of Collin County. The Board manages and governs the CCCC District, provides policy direction, establishes goals, and appoints the faculty and staff. The Board is also responsible for the levy, assessment, and collection of taxes, the issuance of bonds, the adoption of an annual budget, the execution of contracts, and the performance of an annual audit. The Board of Trustees sets campus admission standards consistent with the role and mission of the District. Regular board meetings are held the fourth Tuesday of each month and are open to the public.



Glenn W. Justice



J.R. (Bob) Collins,  
Vice Chair



Fortino (Tino)  
Trujillo, Treasurer



Brenda Willard Goodell



Carey Cox





Collin County Community College District

# Financial Section



**Report of Independent Public Accountants**

To the Board of Trustees of  
Collin County Community College District:

We have audited the accompanying general purpose financial statements of the Collin County Community College District (the "District") as of and for the year ended August 31, 2001, as listed in the Table of Contents. These general purpose financial statements and supplemental schedules referred to below are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements and supplemental schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2001, and its changes in fund balances and its current funds revenues, expenditures, and other changes for the year then ended in conformity with accounting principles generally accepted in the United States.

As more fully explained in Note 2(g) to the general purpose financial statements, effective September 1, 2000, the District changed its accounting for fixed assets by increasing the capitalization threshold from \$500 to \$5,000.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedules of expenditures of federal and state awards (D-3 and D-4) are presented for purposes of additional analysis as required by the 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, respectively, and are not a required part of the general purpose financial statements. This information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The supplemental schedules (Schedules A-1, B-3, B-4, B-13, C-1, C-2, D-1, and D-2) are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District. This information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The introductory and statistical sections listed in the Table of Contents were not audited by us and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we have also issued our report dated November 16, 2001, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Arthur Andersen LLP*

Dallas, Texas,  
November 16, 2001

---

## **COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

### **Combined Financial Statements Overview (General Purpose Financial Statements)**

These basic financial statements and related footnotes provide a summary overview of the financial position of all funds.

---



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Balance Sheet**  
**August 31, 2001**  
**(with comparative totals at August 31, 2000)**

	Current funds			
	Unrestricted	Auxiliary enterprises	Restricted	Total
<u>Assets</u>				
Cash & cash equivalents (Sch. A-1, Note 4)	\$ 8,085	18,500	0	26,585
Short-term investments (Sch. A-1, Notes 3 and 4)	37,987,786	0	0	37,987,786
Accounts receivable (with no allowance)	601,757	221,879	0	823,636
Tuition and fees receivable (with no allowance)	158,662	0	0	158,662
Tax receivable (net of allowance for doubtful accounts of \$931,348)	16,410	0	0	16,410
Due from other funds (Note 13)	583,716	0	0	583,716
Prepaid expenditures/expenses	1,082,477	15,698	22,877	1,121,052
Federal receivables	0	0	196,544	196,544
State receivables	0	0	55,185	55,185
Consumable inventory	0	109,770	0	109,770
Inventories for resale	0	2,070,160	0	2,070,160
Land (Note 5)	0	0	0	0
Buildings (Note 5)	0	0	0	0
Improvements other than buildings (Note 5)	0	0	0	0
Equipment (Note 5)	0	0	0	0
Library books (Note 5)	0	0	0	0
Total assets	<u>40,438,893</u>	<u>2,436,007</u>	<u>274,606</u>	<u>43,149,506</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Bank overdrafts	2,941,091	0	0	2,941,091
Accounts payable	1,059,142	504,489	36,424	1,600,055
Accrued interest on bonds	0	0	0	0
Deposits payable	100	0	0	100
Due to other funds (Note 13)	966,282	491,443	10,986	1,468,711
Deferred revenues	4,664,500	470,586	0	5,135,086
Accrued compensated absences payable (Note 2h)	419,028	0	0	419,028
Bonds payable (Sch. D-1, Note 6)	0	0	0	0
Amount held for others	0	0	0	0
Total liabilities	<u>10,050,143</u>	<u>1,466,518</u>	<u>47,410</u>	<u>11,564,071</u>
Fund Balances:				
Unrestricted:				
Reserved:				
Encumbrances	440,118	0	0	440,118
Accounts receivable	601,757	221,879	0	823,636
Consumable inventories	0	109,770	0	109,770
Prepaid expenditures/expenses	1,082,477	15,698	0	1,098,175
Unreserved:				
Designated - insurance deductibles	100,000	0	0	100,000
Undesignated	28,164,398	622,142	0	28,786,540
Restricted:				
Other	0	0	32,097	32,097
Texas Public Education Grant	0	0	195,099	195,099
Unexpended plant	0	0	0	0
Retirement of indebtedness	0	0	0	0
Net investment in plant	0	0	0	0
Student loans	0	0	0	0
Total fund balances (Exh. B)	<u>30,388,750</u>	<u>969,489</u>	<u>227,196</u>	<u>31,585,435</u>
Commitments and contingencies (Note 12)				
Total liabilities and fund balances	<u>\$ 40,438,893</u>	<u>2,436,007</u>	<u>274,606</u>	<u>43,149,506</u>

See accompanying notes to financial statements.

**Exhibit A**

<u>Unexpended</u>	<u>Plant funds</u>		<u>Student loans</u>	<u>Agency funds</u>	<u>Totals (memorandum only)</u>	
	<u>Retirement of indebtedness</u>	<u>Investment in plant</u>			<u>2001</u>	<u>2000</u>
0	0	0	0	0	26,585	33,470
145,583	4,051,760	0	0	0	42,185,129	27,944,314
0	0	0	11,222	0	834,858	587,845
0	0	0	0	0	158,662	110,575
0	2,882	0	0	0	19,292	24,677
475	0	0	20,299	945,508	1,549,998	1,885,227
0	2,492	0	0	0	1,123,544	1,013,845
0	0	0	0	0	196,544	302,707
0	0	0	0	0	55,185	284,356
0	0	0	0	0	109,770	109,258
0	0	0	0	0	2,070,160	1,726,832
0	0	24,708,004	0	0	24,708,004	24,708,004
0	0	89,670,603	0	0	89,670,603	89,420,140
0	0	7,085,121	0	0	7,085,121	6,496,862
0	0	6,107,099	0	0	6,107,099	17,372,417
0	0	4,097,307	0	0	4,097,307	3,918,472
<u>146,058</u>	<u>4,057,134</u>	<u>131,668,134</u>	<u>31,521</u>	<u>945,508</u>	<u>179,997,861</u>	<u>175,939,001</u>
0	0	0	0	0	2,941,091	1,422,463
112,608	0	0	0	0	1,712,663	1,553,868
0	145,336	0	0	0	145,336	163,708
0	0	0	0	0	100	500
0	81,287	0	0	0	1,549,998	1,885,227
0	0	0	0	0	5,135,086	4,352,785
0	0	0	0	0	419,028	405,950
0	437,125	43,332,159	0	0	43,769,284	49,184,842
0	0	0	0	945,508	945,508	797,835
<u>112,608</u>	<u>663,748</u>	<u>43,332,159</u>	<u>0</u>	<u>945,508</u>	<u>56,618,094</u>	<u>59,767,178</u>
0	0	0	0	0	440,118	514,566
0	0	0	0	0	823,636	524,435
0	0	0	0	0	109,770	109,258
0	0	0	0	0	1,098,175	1,005,893
0	0	0	0	0	100,000	100,000
0	0	0	0	0	28,786,540	16,751,680
0	0	0	0	0	32,097	24,220
0	0	0	0	0	195,099	218,968
33,450	0	0	0	0	33,450	605,294
0	3,393,386	0	0	0	3,393,386	3,185,095
0	0	88,335,975	0	0	88,335,975	93,081,352
0	0	0	31,521	0	31,521	51,062
<u>33,450</u>	<u>3,393,386</u>	<u>88,335,975</u>	<u>31,521</u>	<u>0</u>	<u>123,379,767</u>	<u>116,171,823</u>
<u>146,058</u>	<u>4,057,134</u>	<u>131,668,134</u>	<u>31,521</u>	<u>945,508</u>	<u>179,997,861</u>	<u>175,939,001</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Statement of Changes in Fund Balances**  
**For the year ended August 31, 2001**  
**(with comparative totals for the year ended August 31, 2000)**

	Current funds			
	<u>Unrestricted</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>	<u>Total</u>
Fund balances, September 1, 2000	\$ 18,091,867	913,965	243,188	19,249,020
Revenues and other additions:				
Unrestricted current funds revenue	62,583,430	4,736,959	0	67,320,389
State appropriations - restricted	0	0	3,400,154	3,400,154
Tax revenues for debt service (Note 15)	0	0	0	0
Federal grants and contracts	0	0	2,405,721	2,405,721
State grants and contracts	0	0	539,661	539,661
Local grants and contracts	0	0	0	0
Private gifts, grants and contracts	0	0	27,213	27,213
Investment income	0	0	7,236	7,236
Miscellaneous income	0	0	0	0
Net decrease in bonds payable	0	0	0	0
Bond proceeds on sale of bonds	0	0	0	0
Expended for plant facilities (includes \$1,225,321 charged to current funds expenditures) (Note 5)	0	0	0	0
Total revenues and other additions	62,583,430	4,736,959	6,379,985	73,700,374
Expenditures and other deductions:				
Expenditures (Exh. C, Sch. C-2)	46,812,562	4,760,889	6,865,407	58,438,858
Expended for plant (includes \$47,953 not capitalized)	0	0	0	0
Indirect costs	0	0	45,653	45,653
Administrative and collection costs	0	0	0	0
Net increase in bonds payable	0	0	0	0
Retirement of indebtedness	0	0	0	0
Interest on indebtedness	0	0	0	0
Disposal of plant facilities	0	0	0	0
Total expenditures and other deductions	46,812,562	4,760,889	6,911,060	58,484,511
Transfers - additions (deductions):				
Mandatory transfers:				
Retirement of indebtedness:				
Building use fee	(2,319,488)	0	0	(2,319,488)
Tuition	(33,965)	0	0	(33,965)
Ad valorem	(525,995)	0	0	(525,995)
Texas Public Education Grant	(387,405)	0	387,405	0
FSEOG match paid by TPEG	(61,860)	0	61,860	0
Grant matching	(65,818)	0	65,818	0
Non-mandatory transfers - auxiliary	(79,454)	79,454	0	0
Total transfers - additions (deductions)	(3,473,985)	79,454	515,083	(2,879,448)
Net increase (decrease) for the fiscal year	12,296,883	55,524	(15,992)	12,336,415
Fund balances, August 31, 2001 (Exh. A)	\$ 30,388,750	969,489	227,196	31,585,435
		(Sch. B-3)	(Sch. B-4)	

See accompanying notes to financial statements.

**Exhibit B**

Plant funds				Totals	
<u>Unexpended</u>	<u>Retirement of indebtedness</u>	<u>Investment in plant</u>	<u>Student loans</u>	<u>(memorandum only)</u>	
<u>605,294</u>	<u>3,185,095</u>	<u>93,081,352</u>	<u>51,062</u>	<u>2001</u>	<u>2000</u>
				<u>116,171,823</u>	<u>100,484,962</u>
0	0	0	0	67,320,389	60,407,444
0	0	0	0	3,400,154	2,997,873
0	5,196,442	0	0	5,196,442	5,360,685
0	0	0	0	2,405,721	2,019,900
0	0	0	0	539,661	549,089
0	0	0		0	12,664
28,621	0	0	0	55,834	166,336
93,943	322,568	0	0	423,747	483,360
3,631	0	0	0	3,631	14,362
0	0	5,502,384	0	5,502,384	6,283,245
0	8,944,494	0	0	8,944,494	0
0	0	1,875,407	0	1,875,407	6,041,489
<u>126,195</u>	<u>14,463,504</u>	<u>7,377,791</u>	<u>0</u>	<u>95,667,864</u>	<u>84,336,447</u>
0	0	0	19,541	58,458,399	53,569,747
698,039	0	0	0	698,039	3,791,496
0	0	0	0	45,653	31,264
0	96,416	0	0	96,416	84,376
0	86,826	0	0	86,826	82,968
0	14,450,000	0	0	14,450,000	6,295,000
0	2,501,419	0	0	2,501,419	2,791,614
0	0	12,123,168	0	12,123,168	2,003,121
<u>698,039</u>	<u>17,134,661</u>	<u>12,123,168</u>	<u>19,541</u>	<u>88,459,920</u>	<u>68,649,586</u>
0	2,319,488	0	0	0	0
0	33,965	0	0	0	0
0	525,995	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>2,879,448</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(571,844)</u>	<u>208,291</u>	<u>(4,745,377)</u>	<u>(19,541)</u>	<u>7,207,944</u>	<u>15,686,861</u>
<u>33,450</u>	<u>3,393,386</u>	<u>88,335,975</u>	<u>31,521</u>	<u>123,379,767</u>	<u>116,171,823</u>

**Exhibit C**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Statement of Current Funds Revenues, Expenditures and Other Changes**  
**For the year ended August 31, 2001**  
**(with comparative totals for the year ended August 31, 2000)**

				Totals (memorandum only)	
	Unrestricted	Auxiliary enterprises	Restricted	2001	2000
Revenues:					
State appropriations - general revenue	\$ 19,104,412	0	3,400,154	22,504,566	21,317,463
Tuition and fees	11,683,068	258,222	0	11,941,290	10,211,121
Taxes for current operations (Note 15)	29,590,389	0	0	29,590,389	25,644,644
Federal grants and contracts	116,991	0	2,384,439	2,501,430	2,097,348
State grants and contracts	24,371	0	516,637	541,008	584,418
Private gifts, grants, and contracts	23,800	0	17,989	41,789	38,329
Interest income	1,669,237	0	0	1,669,237	1,345,740
Sales and services of educational activities	229,579	0	0	229,579	174,998
Sales and services of auxiliary enterprises	0	4,429,892	0	4,429,892	4,356,658
Other miscellaneous	141,583	48,845	0	190,428	239,386
Total current funds revenues	62,583,430	4,736,959	6,319,219	73,639,608	66,010,105
	(Exh. B)	(Exh. B)			
Expenditures and transfers:					
Educational and general:					
Instruction	22,540,334	0	2,059,228	24,599,562	22,220,613
Research	0	0	0	0	486
Public service	12,057	0	615,216	627,273	718,128
Academic support	5,508,234	0	680,840	6,189,074	5,681,486
Student services	4,332,926	0	941,031	5,273,957	5,018,877
Institutional support	8,213,880	0	446,893	8,660,773	7,935,450
Operation and maintenance of plant	5,960,796	0	119,601	6,080,397	5,689,644
Scholarships and fellowships	244,335	0	2,002,598	2,246,933	1,692,566
Total educational and general expenditures	46,812,562	0	6,865,407	53,677,969	48,957,250
	(Exh. B)				
Auxiliary enterprises - expenditures	0	4,760,889	0	4,760,889	4,612,497
		(Exh. B)			
Mandatory transfers for (deductions):					
Principal and interest	(2,879,448)	0	0	(2,879,448)	(3,653,110)
Texas Public Education Grant	(387,405)	0	418,510	31,105	(30,684)
FSEOG match paid by TPEG	(61,860)	0	61,860	0	0
Other matching grants	(65,818)	0	65,818	0	0
Total expenditures and mandatory transfers	50,207,093	4,760,889	6,319,219	61,287,201	57,253,541
Other transfers and additions/(deductions):					
Non-mandatory transfers	(79,454)	79,454	0	0	(2,806,944)
Excess/(deficit) of restricted receipts over/(under)					
transfer to revenues	0	0	60,766	60,766	(16,254)
Excess/(deficit) TPEG transfer over grants awarded	0	0	(31,105)	(31,105)	30,684
Indirect cost recovered	0	0	(45,653)	(45,653)	(31,264)
Net increase (decrease) in fund balances	\$ 12,296,883	55,524	(15,992)	12,336,415	5,932,786

See accompanying notes to financial statements.



# COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

August 31, 2001

(1) Reporting Entity

The Collin County Community College District (the "District") was established in 1985, in accordance with the laws of the State of Texas, to serve the educational needs of the District. The District's student body is comprised mainly of residents of Collin County and surrounding communities. The District is considered to be a special purpose entity, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While the District 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.

(2) Summary of Significant Accounting Policies

(a) Reporting Guidelines

The significant accounting policies followed by the District 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. These requirements are in substantial conformity with the American Institute of Certified Public Accountants (AICPA) Industry Audit Guide, *Audits of Colleges and Universities*, as amended by AICPA Statement of Position (SOP) 74-8, *Financial Accounting and Reporting by Colleges and Universities*, and as modified by applicable Financial Accounting Standards Board (FASB) pronouncements issued through November 30, 1989, and as modified by all applicable GASB pronouncements cited in Codification Section Co5, "Colleges and Universities."

(b) Basis of Accounting

The financial statements of the District have been prepared on the accrual basis of accounting except that depreciation expenses related to plant fund assets are not recorded. The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds for the year ended August 31, 2001, and does not purport to present the results of operations or the net income or loss for the periods as would a statement of income or a statement of revenues and expenses.

(c) Fund Accounting

In order to observe the limitations and restrictions placed on the use of the resources available to the District, the accounts are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained

for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund groups.

Within each fund group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes by action of the Board of Trustees (the "Board"). Externally restricted funds may only be utilized in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the Board retains full control of use in achieving any of the District's institutional purposes. Significant Board designated fund balances have been reflected in the accompanying financial statements.

All gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets are accounted for in the fund that owned the assets. Ordinary income derived from investments, receivables, and other sources is accounted for in the fund owning such assets.

All unrestricted revenue is accounted for in the unrestricted current funds. The portion of tuition revenue dedicated to the Texas Public Education Grant program is reported in the restricted current fund as a mandatory transfer. Property tax revenues are recognized upon receipt in the unrestricted current and retirement-of-indebtedness funds. Restricted gifts, grants, appropriations, and other restricted revenues are accounted for in the appropriate restricted funds. As restricted current funds are expended for current operating purposes, an equal amount is recognized as revenues.

Deferred revenues represent revenues of unrestricted current funds that are applicable to a future period, when they become earned. Restricted funds received but not earned are recorded as additions to fund balance until earned, and a receivable is recorded for expenditures made for costs not yet reimbursed.

The different fund groups used by the District are defined as follows:

#### Current Funds

Funds available for current operating and maintenance purposes as well as those restricted by donors and other outside agencies for specific operating purposes. Current funds are segregated into separate fund groups:

##### Unrestricted Current Funds

Funds received by an institution that have no limitations or stipulations placed on them by external agencies or donors. The funds are used for carrying out the primary purposes of an institution, such as education and administration.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal purchase and replacement of equipment and library holdings; (2) mandatory transfers in the case of required provisions for debt amortization and interest; and (3) transfers of a nonmandatory nature for all other cases.

### Auxiliary Enterprises

Funds for activities that serve students, faculty, or staff for charges that are directly related to, although not necessarily equal to, the cost of the service. Examples are food services and bookstores.

### Restricted Current Funds

Funds available for current purposes, but with restrictions from outside agencies or persons. Revenues are reported only to the extent of expenditures made in the current year.

### Plant Funds

Plant funds are divided into three separate balanced fund groups:

#### Unexpended

Funds for the construction, rehabilitation, and acquisition of physical properties for institutional purposes.

#### Retirement of Indebtedness

Funds accumulated to meet debt service charges and the retirement of indebtedness.

#### Investment in Plant

Funds already expended for plant properties. Plant properties are stated at cost at date of acquisition or fair market value at date of donation for gifts.

### Loan Funds

Loan funds are limited to the purpose of making emergency loans to students.

### Agency Funds

Funds held by the District as custodial or fiscal agent for student organizations and clubs, faculty members, and others.

#### (d) Inventories

Consumable inventories consist of office supplies and are stated at cost. Other inventories, consisting principally of textbooks, are stated at the lower of cost or market as determined by the retail method.

#### (e) Cash and Cash Equivalents

All highly liquid investments purchased with a maturity of three months or less are considered cash equivalents.

(f) Investments

Investments exclusive of physical plant are recorded at cost; investments received by gift are recorded at fair value at the date of acquisition.

(g) Plant and Equipment

To the extent that current funds are used to purchase plant assets, the amounts so used are accounted for as expenditures in the current fund. When plant assets are sold or otherwise disposed of, the carrying value is removed from the asset and net investment balances in plant accounts. Assets with a purchase cost greater than \$5,000 are capitalized and recorded in the Investment in Plant Fund. Interest costs incurred during construction of physical plant are expensed as incurred. Depreciation on buildings and equipment is not recorded.

Effective September 1, 2000, the District changed its capitalization policy whereby assets with an original cost greater than \$5,000 are capitalized in the Investment in Plant Fund. The District's previous capitalization threshold was \$500. Due to the change in the capitalization threshold, during the year ended August 31, 2001, the District wrote off \$11,705,612 of assets with original costs of less than \$5,000.

(h) Vested Vacation Benefits and Other Compensated Absences

Vacation is earned in varying amounts up to a maximum of 20 days for employees with 11 years or more of service. Unused vacation leave carried forward from one year to the next is limited to 15 days for each employee. Upon termination, employees are paid for earned but unused vacation up to the 10 day maximum allowed (the cumulative liability for earned but unused vacation and estimated Medicare and retirement benefits calculated on August 31, 2001, was \$419,028). District employees are entitled to sick leave, which is accumulated but does not vest. Therefore, no liability for accumulated sick leave has been recorded in the accompanying financial statements.

(i) Income Tax Status

The District 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. The District had no significant unrelated business income tax liability for the year ended August 31, 2001, and, therefore, has not recorded a liability for income taxes.

(j) Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountant's Industry Guide, *Audits of Colleges and Universities*. Funds received but not expended during the reporting period are shown as additions to fund balance on Exhibit B. As funds are expended, an equal amount is recognized as revenue on Exhibit C. For federal contract and grant awards, funds expended but not collected are reported as federal receivables on Exhibit A. Non-federal contract and grant awards for which funds are expended but not collected are reported as state receivables or accounts receivable on Exhibit A. Contract and award amounts that are not yet funded and for which the District has not yet performed services are not included in the financial statements.

(k) Memorandum Totals

The balance sheet in columnar form, the statement of changes in fund balances, and the statement of current funds revenues, expenditures and other changes are shown with memorandum totals for the current and prior years. Interfund borrowing has not been eliminated, but has been offset in the assets and liabilities sections to the extent that each fund has receivables and payables from the same fund. The memorandum totals are presented only to facilitate financial analysis and do not purport to present financial position or results of operations in conformity with accounting principles generally accepted in the United States. Neither is such data comparable to a consolidation.

(l) Encumbrance Accounting

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment or Board appropriation related to unperformed contracts for goods and services. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding at year-end that were provided for in the subsequent year's budget are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

(m) Risk Management

For several previous years, the District participated in a self-funded workers' compensation program in which the remaining outstanding claims are administered by Claims Administrative Services of Tyler, Texas. Total claims paid by the District to Claims Administrative Services during the year ended August 31, 2001 were \$22,779. Total estimated claims outstanding for the year ended August 31, 2001 were \$33,895. The District now pays a premium to Texas Political Subdivisions for the fixed cost and loss fund maximum. Fixed costs are primarily affected by payroll; the loss costs, however, are determined by expected losses, which are determined primarily by historical loss experience. The fixed costs cover claims administration and loss control and are not recoverable by the District. Loss costs are only paid if the District experiences losses.

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accrued liabilities include provisions for claims reported and claims incurred but not reported.

Changes in the fund's claims liability amount in fiscal years 1999, 2000, and 2001 were:

	Beginning of fiscal year <u>liability</u>	Current year claims & changes in <u>estimates</u>	Claim <u>payments</u>	Balance at fiscal <u>year-end</u>
1999	\$133,887	\$ 0	\$12,892	\$120,995
2000	120,995	(62,209)	10,373	48,413
2001	48,413	8,261	22,779	33,895

(3) Authorized Investments

The 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.

(4) Deposits and Investments

At August 31, 2001, the net carrying amount of the District's deposits was an overdraft of \$2,941,091 and total bank balances equaled \$371,078. Bank balances up to \$100,000 were covered by federal depository insurance, and the remainder was covered by collateral pledged in the District's name. The collateral was held in the District's name by the safekeeping department of the Federal Reserve Bank which acts as the pledging bank's agent (Category 1) and had a fair value of approximately \$516,895 at August 31, 2001. The District is subject to custodial credit risk in the event of the bank's nonperformance under the collateral agreement.

Cash and deposits, as reported on Exhibit A, Balance Sheet, consist of the items reported below:

Cash and Deposits

Cash and cash equivalents	
Petty cash on hand	<u>26,585</u>
Total cash and deposits	<u>\$26,585</u>

To comply with the reporting requirements of GASB Statement No. 3, *Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, the District's investments are categorized under "Investment Categories" to give an indication of credit risk assumed by the District at year-end. Credit risk is the risk that another party to a deposit or investment transaction will not fulfill its obligations. This is not to be confused with market risk, which is the risk that the fair value of an investment, collateral protecting a deposit, or securities underlying a repurchase agreement will decline. Market risk is not depicted in this note.

The following categories of custodial credit risk are included:

- Category 1: Investments that are insured or registered, or securities held by the District or its agent in the District's name.
- Category 2: Uninsured and unregistered investments, with securities held by the counter-party's trust department or agent in the District's name.
- Category 3: Uninsured and unregistered investments, with securities held by the counter-party, or by its trust department or agent but not in the District's name.

The District has no investments at August 31, 2001 which are required to be categorized.

<u>Type of security</u>	<u>Category</u>			<u>Carrying amount</u>	<u>Fair value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Uncategorized investments					
TexPool				<u>42,185,129</u>	<u>42,207,782</u>
Total investments				<u>\$42,185,129</u>	<u>\$42,207,782</u>

TexPool represents an investment service authorized by the Texas Legislature and administered by the State Comptroller. The purpose of TexPool is to allow for the pooling of public funds to provide a higher yield on the pooled investment than would be possible with the investment of the individual public entity's funds. TexPool investments are subject to the same safety requirements maintained by the State Treasury for all state funds. The Legislature has authorized only certain investment instruments for public funds, including repurchase agreements, U.S. Treasury bills and bonds, securities of other U.S. government agencies, commercial paper, and other safe instruments. The carrying value of TexPool represents the District's investment at cost. The investment in TexPool plus accrued interest may be generally redeemed whenever the District chooses. At August 31, 2001, the investments in TexPool were earning approximately 3.84%. Investment in a pool of a local government is based upon a contract and not the security itself. Therefore, the District's investment in TexPool, according to GASB Codification, Section I50, is not categorized in Categories 1-3.

Under the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain External Investments and External Investment Pool*, governmental entities, including governmental external investment pools, should report investments at fair value in the balance sheet. GASB Statement No. 31 provides an exception to the fair value

reporting for investments in an external pool if the pool operates as a “2a7-like” pool. This exception applies to TexPool and allows the fund to report its investments at amortized cost rather than fair value. Therefore, the value of the District's investment in TexPool is equal to the amount of funds on deposit, and does not include any unrealized gains or losses.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAAm by Standard and Poors. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard and Poors, as well as the Office of the Comptroller of Public Accounts for review.

(5) Plant Funds

The following table summarizes changes in fixed assets balances during the year ended August 31, 2001:

	<u>Balance at August 31, 2000</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at August 31, 2001</u>
Land	\$ 24,708,004	\$ 0	\$ 0	\$ 24,708,004
Improvements	6,496,862	588,259	0	7,085,121
Buildings	89,420,140	250,463	0	89,670,603
Equipment	17,372,417	639,932	11,905,250	6,107,099
Library books	<u>3,918,472</u>	<u>396,753</u>	<u>217,918</u>	<u>4,097,307</u>
Total	<u>\$141,915,895</u>	<u>\$1,875,407</u>	<u>\$12,123,168</u>	<u>\$131,668,134</u>

At August 31, 2001, amounts committed under construction contracts were approximately \$291,965. These commitments are for architectural and engineering fees related to the expansion of the Spring Creek Campus. Construction of Module I, consisting of an addition of approximately 38,000 square feet for classrooms, including two advanced technology classrooms, chemistry and biology labs, and faculty offices, is expected to begin in 2002.



(6) Bonds Payable

Bonds payable as of August 31, 2001, consisted of the following:

<u>Bond issue</u>	<u>Purpose</u>	<u>Date issued</u>	<u>Amount issued*</u>	<u>Revenue source</u>	<u>Outstanding balance</u>
Series 1993 Revenue Bonds	Acquire, renovate and equip Courtyard Center for Professional and Economic Development	3/1/93	5,000,000	Pledged revenues from general use fees, gross revenues from the bookstore, tuition pledge	2,900,000
Series 1994 Revenue Bonds	Construction of Phase I of Preston Ridge Campus	3/1/94	10,000,000	Same as 1993 revenue series	4,375,000
Series 1996 Refunding Bonds	Refund 1986 General Obligation Bonds	1/15/96	8,233,827	Ad valorem taxes	7,998,807
Series 1997 Revenue Bonds	Expand Spring Creek Campus; construction of fire training and shooting range facility at Central Park Campus	6/15/97	6,620,000	Same as 1993 revenue series	5,860,000
Series 1998 Revenue Refunding Bonds	Partially refunded 1990, 1992, 1993, and 1994 Revenue Bonds and expand Preston Ridge Campus buildings and equipment	6/15/98	15,275,000	Same as 1993 revenue series	13,690,983
Series 2001 Refunding Bonds	Refund 1992 refunding bonds and lower the overall annual debt requirements of the District	6/15/01	8,795,000	Ad valorem taxes	<u>8,944,494</u>
					<u>\$43,769,284</u>

\*As of 08/31/01, all authorized bonds have been issued. (See Note 18)

Bonds payable are due in annual installments varying from \$130,000 to \$825,000 in fiscal year 2002 with interest rates from 4.15% to 8.75% with the final installment due in 2018. The principal and interest requirements for the next five years and beyond is summarized below for bonds issued:

<u>Fiscal year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	6,623,565	1,919,343	8,542,908
2003	5,641,415	1,785,408	7,426,823
2004	5,293,564	1,427,815	6,721,379
2005	4,763,564	1,184,674	5,948,238
2006	3,531,193	1,012,473	4,543,666
Beyond five years	<u>17,915,983</u>	<u>4,415,796</u>	<u>22,331,779</u>
Total	<u>\$43,769,284</u>	<u>\$11,745,509</u>	<u>\$55,514,793</u>

The following table presents the balance of Defeased Bonds Outstanding as of August 31, 2001, which are not included in the District's financial statements:

<u>Bond Issue</u>	<u>Year Refunded</u>	<u>Par Value Outstanding</u>
Revenue Bond Series 1993	1998	1,050,000
Revenue Bond Series 1994	1998	3,550,000
Refunding Series 1992	2001	<u>8,860,000</u>
Total		<u>\$13,460,000</u>

In June, 2001 the District issued \$8,795,000 in Tax Refunding Bonds with an average interest rate of 4.50 percent to advance refund \$8,860,000 of outstanding 1992 Series bonds with an average interest rate of 6.21 percent. The net proceeds of \$9,125,722 (after payment of \$149,008 in underwriting fees and other issuance costs) plus an additional \$248,833 transferred from prior issue debt service funds, \$188,022 of reoffering premium, and \$42,876 in accrued interest were used to purchase State and Local Government Series (SLGS) government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1992 Series bonds. As a result, the 1992 Series bonds are considered to be defeased and the liability for those bonds has been removed from the amount of bonds payable in the Investment in Plant Fund.

The District advance refunded the 1992 Series bonds to reduce its total debt service payments over the next four years by \$534,753 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$387,625.

The Series 2001 Refunding bonds are comprised of current interest bonds. An issuance discount of \$38,528 and a premium of \$188,022 will be amortized over the life of the bonds using the straight-line method.

The Series 1996 and 2001 Refunding bonds are tax-supported general obligation bonds. The tax rates authorized and assessed to pay principal and interest on these bonds are set forth in Note (15). The Series 1993, 1994, 1997, and 1998

revenue bonds are collateralized by pledged revenues of the Unrestricted Current Fund other than state appropriations or those raised by local taxation. In addition, they impose certain restrictions on the District with respect to the maintenance of insurance and other financial covenants. At August 31, 2001, the District was in compliance with these restrictions and had made all applicable insurance premium payments. Insurance policies in force at August 31, 2001, include boiler explosion, fire and extended coverage, public liability, and vehicle property damage.

The 1996 Refunding bonds are comprised of current interest bonds and capital appreciation bonds. The issuance discount of \$38,090 on the current interest bonds is being amortized over the life of the bonds using the straight-line method. The difference between the issuance price of the capital appreciation bonds and its stated maturity value of \$2,140,000 is being amortized over the life of the bonds using the effective interest method.

The 1998 Refunding bonds are comprised of Consolidated Fund Revenue Refunding and Improvement Bonds. An issuance discount of \$26,188 and a premium of \$39,232 are being amortized over the life of the bonds using the straight-line method.

The Series 1993, 1994, 1997, and 1998 Revenue bonds require a mandatory transfer of gross revenue to the Retirement of Indebtedness Fund as set forth in the bonds' covenants. This transfer is to provide for principal and interest payments as they become due.

(7) Employees' Retirement Plan

The State of Texas (the "State") has joint contributory retirement plans for almost all its employees. One of the primary plans in which the District participates is administered by the Teacher Retirement System of Texas (TRS or the "System"), a multi-employer defined benefit public employee retirement system (PERS). It is a cost-sharing system with one exception: all risks and costs are not shared by the District, but are the liability of the State. The System administers retirement and disability annuities and death and survivor benefits to employees and to beneficiaries of employees covered under the plan. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The System also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas, 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

All District employees, except those employed less than one-half the standard workload and those exempted by law, are required to participate in the System as a condition of employment. Employees who retire on or after age 65 with five years of credited service, or at or after age 60 with 20 years of credited service, or at or

after age 50 with 30 years of credited service, are entitled to a retirement benefit payable monthly for life, equal to two percent of their final-average salary for each year of credited service. Final-average salary is the employee's average salary over the best three years of credited service. Benefits fully vest on reaching five years of credited service. Vested employees may retire at or after age 50, or at any age with 30 years of credited service, and receive benefits. The System also provides death and disability benefits as discussed in Note (9). Benefits are established by state statute.

State law provides for fiscal years 1999, 2000, and 2001, a state contribution rate of 6.0% and a member contribution rate of 6.4%. Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following state funding policy: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation of all members of the system during that fiscal year, and (2) a state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize the System'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 contributions to the System made on behalf of the District's employees for the years ended August 31, 1999, 2000, and 2001, were approximately \$598,100, \$683,400, and \$744,600, respectively, on wages covered by the System of approximately \$9,968,800, \$11,389,600, and \$12,409,300 respectively. The District's total payroll, including full-time and part-time employees, was approximately \$25,827,500, \$29,268,500, and \$31,713,600 respectively.

The TRS does not separately account for each of its component government agencies because it bears sole responsibility for retirement commitments beyond contributions fixed by the Legislature.

The State has also established an optional retirement program for institutions of higher education. The Optional Retirement Program (ORP) is a defined contribution plan. The Texas Higher Education Coordinating Board (THECB) is responsible for amending pension provisions and contribution requirements. Participation in the optional retirement program is in lieu of participation in the PERS and at the option of full-time teaching faculty, reference librarians, the president, vice-presidents, deans, associate deans, and directors. Other professional staff may also be eligible for participation in the optional retirement program if those positions held are advertised in national publications and are at a salary rate equivalent to the rate for teaching faculty for the institution. The ORP provides for the purchase of annuity contracts.

The percentages of participant salaries currently contributed by the State and each participant are 6.00% and 6.65%, respectively. Total contributions by participants for the year ended August 31, 2001, were \$715,668. The District contributes 1.19% for ORP participants employed at the District at August 31, 1995, or employed as an ORP participant at another college at August 31, 1995. Since these are individual annuity contracts, the State has no additional or unfunded

liability for this program. The payroll for District employees covered by ORP for the year ended August 31, 2001, was approximately \$10,762,000.

The THECB allocated funds to the District based on 6.0% of salaries of employees not considered part of the eight elements of cost. These employees were in the areas of auxiliary units, physical plant, and ad vocational. The Coordinating Board also made an annual payment of 1.31% differential for ORP participants employed at the District at August 31, 1995, or employed as an ORP participant at another college at August 31, 1995.

Part-time and limited-service employees of the District are provided the option of participating in the social security system of the U.S. Government or the Program for Extra Retirement Compensation (the "PERC plan"). The PERC plan, as established by the District under the provisions of the Omnibus Budget Reconciliation Act of 1990, requires participants to contribute a minimum of 7.5% of their pay to a tax-sheltered annuity administered by Metropolitan Life Insurance Company. Contributions to the PERC plan are immediately 100% vested. The District makes no contributions to the PERC plan. For the year ended August 31, 2001, total payroll of participants in the PERC plan was approximately \$3,538,400; the District's total part-time employee payroll was approximately \$6,047,900.

(8) Deferred Compensation Program

District 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.

(9) Post-Retirement Health Care and Life Insurance Benefits

In addition to the pension benefits described in Note (7) above, the State provides post-retirement health care and life insurance benefits to all employees who retire from the District on or after attaining age 55 with at least ten years of service at the District or other institutions of higher education with the same plan as 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. For fiscal year 2001, 30 District retirees met the eligibility requirements. The State also pays 100% of the premiums for term life policies up to \$5,000 and certain other health care plans.

The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$225.58 per month for the year ended August 31, 2001, and totaled \$1,904,460, for the year. The State will also pay an additional amount for a spouse, child(ren) or both for a maximum amount of \$353.98, \$311.55 and \$439.95, respectively. The cost of providing those benefits for the year was \$97,026, for 30 retirees and \$1,807,434, for 670 active employees. The District supplemented such benefits at a cost of \$435,891 for the year ended August 31, 2001.

The State also provided a contribution for the State Kids Insurance Program (SKIP). The SKIP program ensures that all children of state and higher education employees have access to more affordable health care. The State contribution for SKIP for the year ended August 31, 2001 was \$1,839.

(10) Operating Lease Commitments and Rental Agreements

At August 31, 2001, the District had the following commitments for operating leases and rental agreements having initial or remaining noncancellable terms in excess of one year:

2002	\$85,113
2003	<u>4,434</u>
	<u>\$89,547</u>

Included in current expenditures are the following amounts of rent paid or due under operating leases:

<u>Fund Group</u>	<u>Amount</u>
Unrestricted current funds	\$166,272
Auxiliary current funds	193,948
Restricted funds	<u>5,427</u>
Total for the year ended August 31, 2001	<u>\$365,647</u>

(11) Related Parties

The Collin County Community College District Foundation (the "Foundation") is a nonprofit organization with the sole purpose of supporting the educational and other activities of the District. The District does not appoint a voting majority nor does it fund or is it obligated to pay debt related to the Foundation. The Foundation solicits donations and acts as coordinator of gifts made by other parties. The Foundation paid to or on behalf of the District an amount totaling approximately \$203,500 during the year ended August 31, 2001. During the fiscal year, the District furnished certain services, such as office space, utilities and staff assistance, to the Foundation. The costs of these services were not significant to the District.

(12) Contingencies

The District participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. These financial statements do not contain any liability for reimbursement which may arise as a result of these audits. In the opinion of District management, such reimbursement would not be significant to the District's financial statements.

The District participates in the Federal Family Education Loan Program (the "Loan Program"), which includes the Federal Stafford Loan Program and Federal Parents Loans for Undergraduate Students. The Loan Program does not require the District to disburse cash as the loans are made by various lenders and not the District; however, the District is required to perform certain administrative functions under the Loan Program. Total loans made by the lenders during fiscal year 2001 were approximately \$1,147,600.

(13) Interfund Borrowings

All interfund borrowings have been made with unrestricted funds and are payable within one year without interest.

A summary of interfund borrowings by fund at August 31, 2001, follows:

	<u>Receivable</u>	<u>Payable</u>
Current Unrestricted Fund:		
Current Restricted Fund	\$ 10,986	\$ 0
Auxiliary Fund	491,443	0
Loan Fund	0	20,299
Agency Fund	0	945,508
Unexpended Plant Fund	81,287	475
Current Restricted Fund - Current Unrestricted Fund	0	10,986
Auxiliary Fund - Current Unrestricted Fund	0	491,443
Loan Fund - Current Unrestricted Fund	20,299	0
Agency Fund - Current Unrestricted Fund	945,508	0
Unexpended Plant Fund - Current Unrestricted Fund	475	0
Debt Plant Fund - Current Unrestricted Fund	0	81,287
	<u>\$1,549,998</u>	<u>\$1,549,998</u>

(14) Deferred Revenues

Revenues, primarily consisting of tuition and fees, related to academic terms in the next fiscal year are recorded on the balance sheet as deferred revenues in the current fiscal year.

(15) Property Tax

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. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Property taxes attach an automatic enforceable lien on property the first day of January. The lien is removed if taxes are paid by February 1. Exemptions include \$30,000 for over age 65 and \$20,000 for disabled persons in addition to Homestead and Veteran exemptions.

At August 31, 2001:

Assessed Valuation of the District:	\$42,197,212,110
Less: Exemptions	5,417,064,839
Less: Abatements	<u>398,648,684</u>
Net Assessed Valuation of the District:	36,381,498,587
Plus: Supplements through August 31, 2001	<u>468,358</u>
Adjusted Assessed Valuation	<u>\$36,381,966,945</u>

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Tax rate per \$100 valuation authorized	\$ .08000	\$ .120000	\$ .200000
Tax rate per \$100 valuation assessed	\$ .08000	\$ .014049	\$ .094049

Taxes levied for the year ended August 31, 2001, were \$34,709,032.

<u>Taxes Collected</u>	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$29,024,590	\$5,097,064	\$34,121,654
Delinquent taxes collected	314,260	55,205	369,465
Penalties and interest collected	<u>251,539</u>	<u>44,173</u>	<u>295,712</u>
Total collections	<u>\$29,590,389</u>	<u>\$5,196,442</u>	<u>\$34,786,831</u>

The use of tax proceeds is restricted to either maintenance and operations or debt service expenditures. Tax collections for the year ended August 31, 2001, were 98.31% of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes.

(16) Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for current operating funds for the fiscal year beginning September 1. The budget, which is prepared on the accrual basis of accounting, must be approved by the College's Board of Trustees, and a copy is submitted and filed with THECB, the Legislative Budget Board, the Legislative Reference Library, and the Governor's Office of Budget and Planning.

(17) New Accounting Pronouncements

GASB has issued Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34* which establishes specific standards for the basic financial statements, management's discussion and analysis (MD&A), and certain required supplementary information other than MD&A. This statement will become effective for the District in fiscal year 2002. Management has been attending training workshops and participating in task force meetings in order to determine the impact of this statement and to implement any modifications to accounting procedures and reporting requirements.

GASB has issued Statement No. 37, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus – an Amendment of GASB Statements No. 21 and No. 34". The amendments to Statement 21 are necessary because of the changes to the fiduciary fund structure required by Statement 34. Generally, escheat property that was reported in an expendable trust fund in the previous model should be



reported in a private-purpose trust fund under Statement 34. Additionally, the amendments either (1) clarify certain provisions that, in retrospect, may not be sufficiently clear for consistent application or (2) modify other provisions that the GASB Board believes may have unintended consequences in some circumstances. This statement will become effective for the District in fiscal year 2002.

GASB has issued Statement No. 38, "Certain Financial Statement Note Disclosures" which modifies, establishes, and rescinds certain financial statement disclosure requirements. This Statement will become effective to the District in two phases – paragraphs 6-11 will become effective in fiscal year 2002 and paragraphs 12-15 will become effective in fiscal year 2003.

Management has not yet determined the impact of these statements on the financial statements.

(18) Subsequent Event

On November 6, 2001, a \$57 million general obligation bond referendum was passed by the voters of Collin County. This will accommodate enrollment growth by providing additional classrooms and will address deferred maintenance needs of existing buildings.





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Cash, Cash Equivalents and Investments**  
**August 31, 2001**

	Current funds			Plant funds					
	<u>Unrestricted</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>	<u>Unexpended</u>	<u>Retirement of indebtedness</u>	<u>Investment in plant</u>	<u>Student loans</u>	<u>Agency funds</u>	<u>Total</u>
Cash on hand:									
Petty cash	\$ 8,085	18,500	0	0	0	0	0	0	26,585
Total cash and cash equivalents (Exhibit A)	8,085	18,500	0	0	0	0	0	0	26,585
Short-term investments:									
TexPool	37,987,786	0	0	145,583	4,051,760	0	0	0	42,185,129
Total short-term investments (Exhibit A)	37,987,786	0	0	145,583	4,051,760	0	0	0	42,185,129
Total cash, cash equivalents, and investments	\$ 37,995,871	18,500	0	145,583	4,051,760	0	0	0	42,211,714
Short-term bank overdraft	\$ (2,941,091)	0	0	0	0	0	0	0	(2,941,091)



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Changes in Fund Balance - Unrestricted Current Funds - Auxiliary Enterprises**  
**For the year ended August 31, 2001**

	<u>Student activities</u>	<u>Intercollegiate athletics</u>	<u>Food services</u>	<u>Bookstore</u>
<b>Revenues</b>				
Sales and services	\$ 0	131,417	91,976	3,784,563
Student fees	258,222	0	0	0
Miscellaneous income	0	3,529	88	11,514
Total revenue (Exhibit C)	<u>258,222</u>	<u>134,946</u>	<u>92,064</u>	<u>3,796,077</u>
<b>Expenditures</b>				
Salaries and wages	0	122,780	0	297,211
Staff benefits	0	0	0	41,481
Other operating expenses	102,839	407,880	33,241	3,210,857
Capital outlay	0	10,158	0	0
Total expenditures (Exhibit C)	<u>102,839</u>	<u>540,818</u>	<u>33,241</u>	<u>3,549,549</u>
Excess (deficit) of revenue over (under) expenditures	<u>155,383</u>	<u>(405,872)</u>	<u>58,823</u>	<u>246,528</u>
 Summary of fund balances as of September 1, 2000	<u>0</u>	<u>77,473</u>	<u>0</u>	<u>835,575</u>
Additions (deductions):				
Transfer from operating fund	0	0	0	0
Excess (deficit) of revenue over (under) expenditures	155,383	(405,872)	58,823	246,528
 Intrafund transfers				
Student activities	(155,383)	114,824	0	0
Bookstore	0	157,546	0	(162,467)
Food service	0	58,823	(58,823)	0
Facilities rental	0	47,059	0	0
Fitness center	0	0	0	0
Fine arts	0	0	0	0
Print shop	0	0	0	0
Total intrafund transfers	<u>(155,383)</u>	<u>378,252</u>	<u>(58,823)</u>	<u>(162,467)</u>
Total additions (deductions)	<u>0</u>	<u>(27,620)</u>	<u>0</u>	<u>84,061</u>
Fund balance August 31, 2001 (Exhibit B) \$	<u>0</u>	<u>49,853</u>	<u>0</u>	<u>919,636</u>

**Schedule B-3**

<u>Child Care center</u>	<u>Fitness center</u>	<u>Movie video rental</u>	<u>Facilities rental</u>	<u>Fine arts</u>	<u>Print shop</u>	<u>Total</u>
238,666	69,556	7,947	61,533	17,860	26,374	4,429,892
0	0	0	0	0	0	258,222
0	28,550	0	0	5,164	0	48,845
<u>238,666</u>	<u>98,106</u>	<u>7,947</u>	<u>61,533</u>	<u>23,024</u>	<u>26,374</u>	<u>4,736,959</u>
260,382	89,032	0	13,895	0	77,043	860,343
0	0	0	0	0	0	41,481
57,738	13,995	0	579	64,500	(50,669)	3,840,960
0	0	7,947	0	0	0	18,105
<u>318,120</u>	<u>103,027</u>	<u>7,947</u>	<u>14,474</u>	<u>64,500</u>	<u>26,374</u>	<u>4,760,889</u>
<u>(79,454)</u>	<u>(4,921)</u>	<u>0</u>	<u>47,059</u>	<u>(41,476)</u>	<u>0</u>	<u>(23,930)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>917</u>	<u>0</u>	<u>913,965</u>
79,454	0	0	0	0	0	79,454
(79,454)	(4,921)	0	47,059	(41,476)	0	(23,930)
0	0	0	0	40,559	0	0
0	4,921	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	(47,059)	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>4,921</u>	<u>0</u>	<u>(47,059)</u>	<u>40,559</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(917)</u>	<u>0</u>	<u>55,524</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>969,489</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Changes in Fund Balance - Restricted Current Funds**  
**For the year ended August 31, 2001**

		Additions		
	Balances 09/01/2000	Gifts, grants and appropriations	Investment income	Other additions
Instruction				
State appropriations (summarized)	\$ 0	2,059,228	0	0
Total instruction	0	2,059,228	0	0
Public service				
State appropriations (summarized)	0	207	0	0
Federal grants and contracts (summarized)	0	67,606	0	0
State grants and contracts (summarized)	0	520,317	0	0
Local sources:				
SBDC - match	0	0	0	0
Private sources:				
Kaufman Foundation - Project NEW	6,505	0	0	0
Program income - SBDC	16,369	0	0	7,323
Total public service	22,874	588,130	0	7,323
Academic support				
State appropriations (summarized)	0	402,340	0	0
Federal grants and contracts (summarized)	(8,759)	286,650	0	0
State grants and contracts (summarized)	0	0	0	0
Private sources:				
Cisco Learning Institute	0	15,000	0	0
Total academic support	(8,759)	703,990	0	0
Student services				
State appropriations (summarized)	0	371,885	0	0
Federal grants and contracts (summarized)	8,758	549,928	0	0
Local sources:				
JLD - match	0	0	0	0
Private sources:				
G & C allocation	0	0	0	(110)
AAUW	0	5,000	0	0
Total student services	8,758	926,813	0	(110)
Institutional support				
State appropriations (summarized)	0	446,893	0	0
Total institutional support	0	446,893	0	0
Operation and maintenance of plant				
State appropriations (summarized)	0	119,601	0	0
Total operation and maintenance of plant	\$ 0	119,601	0	0

(continued)

**Schedule B-4**

Adjustments and transfers in	Deductions					Balances 08/31/01
	Salaries and wages	Fringe benefits	Awards and expenses	Capital outlay	Other deductions	
0	103,585	1,955,643	0	0	0	0
0	103,585	1,955,643	0	0	0	0
0	0	207	0	0	0	0
0	56,445	9,411	1,750	0	0	0
0	78,549	16,216	401,181	0	24,371	0
41,208	32,358	4,596	4,254	0	0	0
0	0	0	1,124	0	0	5,381
0	2,840	75	6,210	0	1	14,566
41,208	170,192	30,505	414,519	0	24,372	19,947
0	0	402,340	0	0	0	0
0	119,100	15,782	135,768	0	7,241	0
0	0	0	0	0	0	0
0	0	0	7,850	0	0	7,150
0	119,100	418,122	143,618	0	7,241	7,150
0	0	371,885	0	0	0	0
0	306,108	44,401	194,137	0	14,040	0
24,610	19,196	5,414	0	0	0	0
0	0	(110)	0	0	0	0
24,610	325,304	421,590	194,137	0	14,040	5,000
0	0	446,893	0	0	0	0
0	0	446,893	0	0	0	0
0	0	119,601	0	0	0	0
0	0	119,601	0	0	0	0



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Changes in Fund Balance - Restricted Current Funds**  
**For the year ended August 31, 2001**

		Additions			
		Balances 09/01/2000	Gifts, grants and appropriations	Investment income	Other additions
(continued from previous pages)					
Scholarships and fellowships					
Federal grants and contracts (summarized)	\$	0	1,501,536	0	0
Local sources:					
TPEG		218,968	0	7,236	0
FSEOG match		0	0	0	0
Texas Grant Program		1,347	19,345	0	0
Total scholarships and fellowships		<u>220,315</u>	<u>1,520,881</u>	<u>7,236</u>	<u>0</u>
Total restricted current funds	\$	<u>243,188</u>	<u>6,365,536</u>	<u>7,236</u>	<u>7,213</u>
			(a)	(Exh. B)	(b)
			(Exh. B)		(Exh. B)
(a) Analysis of gifts, grants and appropriations:					
State appropriations	\$	3,400,154			
Federal grants and contracts		2,405,721			
State grants and contracts		539,661			
Private gifts, grants and contracts		20,000			
Total gifts, grants and appropriations	\$	<u>6,365,536</u>			
(b) Analysis of other additions:					
Other additions	\$	<u>7,213</u>			
Total other additions	\$	<u>7,213</u>			
(c) Analysis of adjustments & transfers in (out):					
Transfers -					
TPEG from unrestricted funds	\$	387,405			
FSEOG match from TPEG		61,860			
Matching grants		65,818			
Total adjustments and transfers	\$	<u>515,083</u>			
(d) Analysis of other deductions:					
Indirect cost recovered	\$	<u>45,653</u>			
Total other deductions	\$	<u>45,653</u>			



**Schedule B-4**

Adjustments and <u>transfers in</u>	Deductions					Balances <u>08/31/01</u>
	<u>Salaries and wages</u>	<u>Fringe benefits</u>	<u>Awards and expenses</u>	<u>Capital outlay</u>	<u>Other deductions</u>	
0	0	0	1,501,536	0	0	0
387,405	0	0	418,510	0	0	195,099
61,860	0	0	61,860	0	0	0
0	0	0	20,692	0	0	0
<u>449,265</u>	<u>0</u>	<u>0</u>	<u>2,002,598</u>	<u>0</u>	<u>0</u>	<u>195,099</u>
<u>515,083</u>	<u>718,181</u>	<u>3,392,354</u>	<u>2,754,872</u>	<u>0</u>	<u>45,653</u>	<u>227,196</u>
(c)	(Sch. C-2)	(Sch. C-2)	(Sch. C-2)	(Sch. C-2)	(d) (Sch. C)	(Exh. B)



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Transfers**  
**For the year ended August 31, 2001**

Funds transferred from:		Funds transferred to:			
<u>Fund</u>	<u>Amount</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>	<u>Unexpended</u>	<u>Retirement of indebtedness</u>
Mandatory					
Unrestricted funds					
Retirement of indebtedness:					
Building use fee	\$ 2,319,488	0	0	0	2,319,488
Tuition	33,965	0	0	0	33,965
Ad valorem	525,995	0	0	0	525,995
Texas Public Education Grant (TPEG)	387,405	0	387,405	0	0
FSEOG match paid by TPEG	61,860	0	61,860	0	0
Grant matching	65,818	0	65,818	0	0
Total unrestricted funds	<u>3,394,531</u>	<u>0</u>	<u>515,083</u>	<u>0</u>	<u>2,879,448</u>
Total mandatory transfers	<u>3,394,531</u>	<u>0</u>	<u>515,083</u>	<u>0</u>	<u>2,879,448</u>
Non-mandatory					
Unrestricted funds					
Auxiliary	79,454	79,454	0	0	0
Total unrestricted funds	<u>79,454</u>	<u>79,454</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total non-mandatory transfers	<u>79,454</u>	<u>79,454</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total transfers among funds	<u>\$ 3,473,985</u>	<u>79,454</u>	<u>515,083</u>	<u>0</u>	<u>2,879,448</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Detail of State Appropriations and Tuition and Fees**  
**For the year ended August 31, 2001**

	<u>Unrestricted</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>	<u>Total</u>
State appropriations:				
Education and general state support	\$ 19,104,412	0	0	19,104,412
State group insurance	0	0	1,906,299	1,906,299
State retirement matching	0	0	1,390,270	1,390,270
Other - remedial	0	0	103,585	103,585
Total state appropriations	<u>19,104,412</u>	<u>0</u>	<u>3,400,154</u>	<u>22,504,566</u>
Tuition and fees: (a)				
State funded courses:				
In-district resident tuition	3,206,418	0	0	3,206,418
Out-of-district resident tuition	1,294,404	0	0	1,294,404
Nonresident tuition	1,462,245	0	0	1,462,245
Continuing education	2,508,159	0	0	2,508,159
Non-State funded continuing education	157,419	0	0	157,419
Subtotal tuition	<u>8,628,645</u>	<u>0</u>	<u>0</u>	<u>8,628,645</u>
Building use fee	2,319,488	0	0	2,319,488
General fees	226,419	0	0	226,419
Student service fees	0	258,222	0	258,222
Lab fees	264,182	0	0	264,182
Subtotal fees	<u>2,810,089</u>	<u>258,222</u>	<u>0</u>	<u>3,068,311</u>
Remissions and exemptions - state	226,010	0	0	226,010
Remissions and exemptions - local	18,324	0	0	18,324
Total tuition and fees	<u>\$ 11,683,068</u>	<u>258,222</u>	<u>0</u>	<u>11,941,290</u>

(Exh. C)

- a) Amounts reported for tuition categories should agree with those reported on the Fiscal Activities Report. In accordance with Education Code 56.033, \$449,265 of tuition was set aside for Texas Public Education Grants (TPEG).





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Current Funds Expenditures by Object Classification**  
**For the year ended August 31, 2001**

	<u>Salaries and wages</u>	<u>Staff benefits</u>	<u>Other expenses</u>	<u>Capital outlay</u>	<u>Total</u>
Unrestricted funds - educational and general:					
Instruction	\$ 17,877,189	839,645	3,441,682	381,818	22,540,334
Public service	1,892	89	10,076	0	12,057
Academic support	3,677,924	172,743	1,177,084	480,483	5,508,234
Student services	3,399,530	159,667	773,729	0	4,332,926
Institutional support	4,085,204	191,872	3,831,941	104,863	8,213,880
Operation and maintenance of plant	1,093,314	51,350	4,576,080	240,052	5,960,796
Scholarships and fellowships	0	0	244,335	0	244,335
Total unrestricted	<u>30,135,053</u>	<u>1,415,366</u>	<u>14,054,927</u>	<u>1,207,216</u>	<u>46,812,562</u> (Exh. C)
Restricted fund - educational and general:					
Instruction	103,585	1,955,643	0	0	2,059,228
Research	0	0	0	0	0
Public service	170,192	30,505	414,519	0	615,216
Academic support	119,100	418,122	143,618	0	680,840
Student services	325,304	421,590	194,137	0	941,031
Institutional support	0	446,893	0	0	446,893
Operation and maintenance of plant	0	119,601	0	0	119,601
Scholarships and fellowships	0	0	2,002,598	0	2,002,598
Total restricted	<u>718,181</u>	<u>3,392,354</u>	<u>2,754,872</u>	<u>0</u>	<u>6,865,407</u> (Exh. C)
Total educational and general	<u>30,853,234</u>	<u>4,807,720</u>	<u>16,809,799</u>	<u>1,207,216</u>	<u>53,677,969</u>
Auxiliary enterprises	<u>860,343</u>	<u>41,481</u>	<u>3,840,960</u>	<u>18,105</u>	<u>4,760,889</u> (Exh. C)
Total current funds expenditures	<u>\$ 31,713,577</u>	<u>4,849,201</u>	<u>20,650,759</u>	<u>1,225,321</u>	<u>58,438,858</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Bonds Payable and Debt Service Requirements**  
**For the year ended August 31, 2001**

<u>Description</u>	<u>Bonds issued to date</u>	<u>Range of interest rates</u>	<u>Bonds outstanding 09/01/2000</u>	<u>Bonds issued after 09/01/2000</u>	<u>Discount amortization/ (accretion)</u>	<u>Bonds matured or retired</u>	<u>Bonds outstanding 08/31/2001</u>
1992 Refunding bonds	\$ 32,041,016	5.70 - 6.375%	12,685,000	0	0	12,685,000	0
1996 Refunding bonds	8,233,827	4.15 - 4.60%	8,033,172	0	90,635	125,000	7,998,807
2001 Refunding bonds	8,795,000	4.50%	0	8,795,000	149,494	0	8,944,494
Subtotal	<u>49,069,843</u>		<u>20,718,172</u>	<u>8,795,000</u>	<u>240,129</u>	<u>12,810,000</u>	<u>16,943,301</u>
1992 Revenue bonds	4,500,000	5.75 - 8.75%	200,000	0	0	200,000	0
1993 Revenue bonds	5,000,000	4.75 - 7.75%	3,100,000	0	0	200,000	2,900,000
1994 Revenue bonds	10,000,000	4.50 - 7.50%	4,775,000	0	0	400,000	4,375,000
1997 Revenue bonds	6,620,000	4.70 - 6.70%	6,070,000	0	0	210,000	5,860,000
1998 Revenue refunding bonds	15,275,000	4.50 - 5.00%	14,321,670	0	(687)	630,000	13,690,983
Subtotal	<u>41,395,000</u>		<u>28,466,670</u>	<u>0</u>	<u>(687)</u>	<u>1,640,000</u>	<u>26,825,983</u>
Grand Total	<u>\$ 90,464,843</u>		<u>49,184,842</u>	<u>8,795,000</u>	<u>239,442</u>	<u>14,450,000</u>	<u>43,769,284</u> (Exh. A)

Summary of debt service requirements to maturity									
Maturities			Year ending August 31,						
First year	Last year	First call date	2002	2003	2004	2005	2006	All other years	Total requirements
1992	2001	08/15/2002	0	0	0	0	0	0	0
1996	2006	08/15/2006	402,300	2,406,775	2,281,775	2,153,115	2,029,240	0	9,273,205
2001	2005	None	5,155,775	2,041,575	1,472,875	836,000	0	0	9,506,225
			<u>5,558,075</u>	<u>4,448,350</u>	<u>3,754,650</u>	<u>2,989,115</u>	<u>2,029,240</u>	<u>0</u>	<u>18,779,430</u>
1993	2001	02/01/2001	0	0	0	0	0	0	0
1996	2013	02/01/2003	363,394	373,613	361,613	373,938	384,700	1,950,913	3,808,171
1996	2014	02/01/2004	637,113	633,800	634,788	635,650	635,025	2,346,800	5,523,176
1998	2017	02/01/2008	526,423	525,845	524,263	523,970	525,523	6,034,003	8,660,027
1999	2018	02/01/2008	1,457,903	1,445,215	1,446,065	1,425,565	969,178	12,000,063	18,743,989
			<u>2,984,833</u>	<u>2,978,473</u>	<u>2,966,729</u>	<u>2,959,123</u>	<u>2,514,426</u>	<u>22,331,779</u>	<u>36,735,363</u>
			<u>8,542,908</u>	<u>7,426,823</u>	<u>6,721,379</u>	<u>5,948,238</u>	<u>4,543,666</u>	<u>22,331,779</u>	<u>55,514,793</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Pledged Revenues and Fund Balances**  
**For Revenue Bonds Outstanding**  
**For the year ended August 31, 2001**

<u>Description</u>	<u>Pledged revenues and related expenditures</u>						(a+b-c)
	<u>Pledged</u>	<u>Interest</u>	<u>Interest</u>	<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>Net</u>
	<u>revenues</u>	<u>earned on</u>	<u>earned on</u>	<u>Total</u>	<u>Other</u>	<u>Operating</u>	<u>available</u>
		<u>investments</u>	<u>investments</u>	<u>pledged</u>	<u>revenue</u>	<u>expense</u>	<u>for debt</u>
		<u>(debt service)</u>	<u>(operating)</u>	<u>revenues</u>	<u>sources</u>		<u>service</u>
Tuition and fee revenue for the Series 1992, 1993, 1994, 1997 and 1998 bond issues	\$ 2,796,661	150,000	73,315	3,019,976	0	1,150	3,018,826



**Schedule D-2**

		<u>Restricted account balances</u>			
Debt service principal <u>paid</u>	Debt service interest <u>paid</u>	<u>Interest and sinking fund</u>		<u>Bond reserve fund</u>	
		<u>Required</u>	<u>Actual</u>	<u>Required</u>	<u>Actual</u>
<u>1,640,000</u>	<u>1,378,826</u>	<u>0</u>	<u>0</u>	<u>2,681,500</u>	<u>2,857,860</u>





Collin County Community College District

# Statistical Section

---

## **COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

### **Statistical Tables**

These statistical tables provide selected financial and demographic information. The statistical tables are for informational purposes only and are not audited.

---



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**District Expenditures by Elements of Institutional Costs**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Fiscal year</u>	<u>Instruction</u>	<u>Research</u>	<u>Public service</u>	<u>Academic support</u>	<u>Student services</u>	<u>Institutional support</u>
1991-92	\$8,189,093	\$0	\$2,732,534	\$3,684,607	\$2,843,888	\$2,915,443
1992-93	9,571,331	0	2,241,715	4,147,569	3,325,668	3,265,612
1993-94	10,396,368	0	2,246,144	4,617,451	3,481,115	3,676,941
1994-95	12,984,369	0	2,274,485	3,883,133	3,879,120	4,359,490
1995-96	14,776,507	0	1,224,369	4,009,224	4,432,973	4,483,662
1996-97	15,939,186	0	525,639	4,281,573	4,203,369	5,040,732
1997-98	18,617,804	154	782,517	4,656,938	4,576,397	5,608,341
1998-99	20,514,108	360	690,201	5,557,250	4,957,294	6,307,376
1999-00	22,220,613	486	718,128	5,681,486	5,018,877	7,935,450
2000-01	24,599,562	0	627,273	6,189,074	5,273,957	8,660,773

(1) Excludes refunded bonds in fiscal year 91-92 of \$29,500,000, fiscal year 95-96 of \$8,000,000, and fiscal year 00-01 of \$8,860,000.

**Table 1**

<b>Operation &amp; maintenance of plant</b>	<b>Scholarships and fellowships</b>	<b>Auxiliary enterprises</b>	<b>General obligation debt service (1)</b>	<b>Totals</b>
\$2,231,815	\$895,627	\$2,213,019	\$8,184,220	\$33,890,246
2,284,711	915,789	2,303,076	8,023,326	36,078,797
2,682,612	1,157,087	2,567,898	7,778,306	38,603,922
2,818,983	1,253,351	2,800,479	7,090,674	41,344,084
3,377,842	1,228,951	3,125,149	7,129,997	43,788,674
3,757,267	1,254,659	2,859,933	7,553,440	45,415,798
4,458,397	1,525,954	3,836,049	5,886,242	49,948,793
5,202,532	1,581,500	4,059,977	5,277,719	54,148,317
5,689,644	1,692,566	4,612,497	6,209,184	59,778,931
6,080,397	2,246,933	4,760,889	4,873,469	63,312,327



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**District Revenues by Source (1)**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>State appropriations</b>	<b>Local funds</b>		<b>Grants and contracts</b>
		<b>Tuition</b>	<b>Taxes for current operations</b>	
1991-92	\$11,764,978	\$4,040,756	\$6,829,855	\$3,943,367
1992-93	12,499,626	4,170,978	7,182,445	3,790,343
1993-94	14,253,887	5,072,724	8,697,225	3,630,775
1994-95	14,349,799	5,936,624	11,020,414	3,904,815
1995-96	17,337,527	6,517,237	13,100,916	2,850,250
1996-97	16,285,311	7,161,460	15,360,063	1,941,406
1997-98	17,836,415	8,602,466	17,991,632	2,407,330
1998-99	18,584,272	8,936,224	21,733,127	2,409,749
1999-00	21,317,463	10,211,121	25,644,644	2,720,095
2000-01	22,504,566	11,941,290	29,590,389	3,084,227

(1) Includes current funds: unrestricted, auxiliary, and restricted; excludes interfund transfers.

**Table 2**

<b><u>Investment income</u></b>	<b><u>Miscellaneous</u></b>	<b><u>Sales from auxiliary enterprises</u></b>	<b><u>Totals</u></b>
\$228,256	\$107,379	\$2,320,785	\$29,235,376
290,839	192,343	2,120,736	30,247,310
316,098	162,544	2,402,347	34,535,600
648,430	155,794	2,636,638	38,652,514
742,847	163,423	2,853,278	43,565,478
854,755	208,735	2,557,594	44,369,324
956,231	330,124	3,694,913	51,819,111
953,435	295,544	3,777,036	56,689,387
1,345,740	414,384	4,356,658	66,010,105
1,669,237	420,007	4,429,892	73,639,608





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>Total tax levy</b>	<b>Current tax collections</b>	<b>Percent of current tax levy collected</b>	<b>Delinquent tax collections</b>	<b>Total tax collections</b>
1991-92	\$13,512,167	\$13,354,075	98.83%	\$394,555	\$13,748,630
1992-93	14,677,891	14,423,963	98.27%	581,245	15,005,208
1993-94	15,552,521	15,253,913	98.08%	895,825	16,149,738
1994-95	17,092,801	16,848,374	98.57%	263,229	17,111,603
1995-96	18,922,156	18,671,329	98.67%	280,624	18,951,953
1996-97	21,061,813	20,755,641	98.55%	268,282	21,023,923
1997-98	23,615,924	23,316,268	98.73%	299,573	23,615,841
1998-99	27,134,516	26,681,647	98.33%	259,911	26,941,558
1999-00	30,624,529	30,270,985	98.85%	471,761	30,742,746
2000-01	34,709,032	34,121,654	98.31%	369,465	34,491,119

**Table 3**

<b>Percent of total tax collections to tax levy</b>	<b>Outstanding delinquent taxes</b>	<b>Percent of delinquent taxes to tax levy</b>
101.75%	\$292,950	2.17%
102.23%	381,161	2.60%
103.84%	625,848	4.02%
100.11%	637,965	3.73%
100.16%	594,683	3.14%
99.82%	644,894	3.06%
99.99%	646,998	2.74%
99.29%	832,218	3.07%
100.39%	708,050	2.31%
99.37%	931,348	2.68%



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Property Tax Rates - All Direct and Overlapping Governments**  
**(Per \$100 of Assessed Value)**  
**Last Ten Years**  
**(Unaudited)**

<b><u>Governmental subdivision</u></b>	<b><u>Percent applicable to CCCC</u></b>	<b><u>Tax year 1992</u></b>	<b><u>Tax year 1993</u></b>	<b><u>Tax year 1994</u></b>	<b><u>Tax year 1995</u></b>
CCCCD	100.00%	\$0.091380	\$0.098550	\$0.098550	\$0.098550
<b>Cities:</b>					
Allen	100.00%	0.731000	0.766000	0.740000	0.715600
Anna	100.00%	0.570770	0.570770	0.570000	0.570770
Blue Ridge	100.00%	0.421100	0.441900	0.499200	0.668600
Celina	100.00%	0.606650	0.632530	0.669450	0.709630
Fairview	100.00%	0.150000	0.162500	0.163500	0.163100
Farmersville	100.00%	0.698340	0.651920	0.706500	0.682500
Frisco	99.00%	0.435000	0.450000	0.437000	0.398000
Josephine	95.00%	0.361500	0.395900	0.413700	0.415460
Lavon	100.00%	0.211000	0.211000	0.223970	0.240000
Lucas	100.00%	0.318860	0.330390	0.330390	0.330390
McKinney	100.00%	0.629000	0.651250	0.651250	0.626250
Melissa	100.00%	0.320000	0.320000	0.320000	0.320000
Murphy	100.00%	0.611380	0.749000	0.758800	0.717500
New Hope	100.00%	0.220000	0.220000	0.220000	0.220000
Parker	100.00%	0.306000	0.315700	0.316400	0.326600
Plano	100.00%	0.510200	0.510200	0.510200	0.510200
Princeton	100.00%	0.853000	0.853000	0.853000	0.853000
Prosper	100.00%	0.330000	0.330000	0.338450	0.321400
Richardson	3.31%	0.392800	0.409990	0.453850	0.453850
Sachse	0.22%	0.555000	0.601000	0.650000	0.649500
St. Paul	100.00%	0.219300	0.220000	0.220000	0.220000
Westminister	100.00%	0.151100	0.163600	0.172210	0.192690
Wylie	100.00%	0.615000	0.615000	0.635000	0.635000
<b>School Districts:</b>					
Allen ISD	100.00%	0.697800	0.650400	1.668600	1.668600
Anna ISD	100.00%	0.427800	0.427800	1.330000	1.350000
Blue Ridge ISD	93.33%	0.320200	0.359400	1.259000	1.320000
Celina ISD	89.38%	0.400200	0.405200	1.343280	1.380000
Community ISD	98.76%	0.550000	0.550000	1.440000	1.440000
Farmersville ISD	100.00%	0.389300	0.389300	1.495600	1.495600
Frisco ISD	73.87%	0.587800	0.670400	1.367700	1.367700
Lovejoy ISD	100.00%	0.537800	0.530000	1.460000	1.580000
McKinney ISD	100.00%	0.630000	0.690000	1.400000	1.460000
Melissa ISD	100.00%	0.623250	0.623250	1.522850	1.522850
Plano ISD	100.00%	0.580800	0.561600	1.471600	1.477800
Princeton ISD	100.00%	0.557800	0.500400	1.410000	1.470000
Prosper ISD	81.54%	0.563800	0.470000	1.370000	1.392410
Wylie ISD	100.00%	0.690000	0.593900	1.550000	1.550000
County Education District	100.00%	0.792200	0.899600	0.000000	0.000000
<b>Special Districts:</b>					
Seis Lagos U.D.	100.00%	0.510000	0.550000	0.695160	1.100000
Collin County	100.00%	0.220900	0.260000	0.260000	0.260000
Frisco M.U.D. #1	100.00%	0.360000	0.360000	0.359570	0.341700

Source: Central Appraisal District

**Table 4**

<b><u>Tax year</u></b> <b><u>1996</u></b>	<b><u>Tax year</u></b> <b><u>1997</u></b>	<b><u>Tax year</u></b> <b><u>1998</u></b>	<b><u>Tax year</u></b> <b><u>1999</u></b>	<b><u>Tax year</u></b> <b><u>2000</u></b>	<b><u>Tax year</u></b> <b><u>2001</u></b>
\$0.098550	\$0.098550	\$0.098550	\$0.096723	\$0.094049	\$0.092843
0.665000	0.580580	0.575000	0.574000	0.564000	0.563000
0.570770	0.581180	0.542240	0.532782	0.529900	0.580000
0.601530	0.604850	0.544620	0.517836	0.535900	0.545101
0.725960	0.752293	0.806593	0.806593	0.806593	0.806593
0.157510	0.154470	0.151430	0.149999	0.139900	0.139900
0.746950	0.736960	0.728390	0.659986	0.631943	0.597755
0.443400	0.412000	0.372700	0.372700	0.370000	0.367000
0.427890	0.044795	0.451932	0.431888	0.433513	0.433513
0.400000	0.407190	0.399500	0.414500	0.414500	0.414500
0.328270	0.322507	0.322507	0.322507	0.372507	0.372507
0.634900	0.598000	0.598000	0.598000	0.598000	0.598000
0.326000	0.324400	0.324400	0.324400	0.420000	0.420000
0.718800	0.659600	0.687100	0.544400	0.414000	0.376400
0.210000	0.200000	0.199700	0.210000	0.210000	0.210000
0.322000	0.384150	0.350000	0.350000	0.316955	0.294210
0.498500	0.498500	0.468500	0.468500	0.458500	0.453500
0.853000	0.839000	0.830000	0.782626	0.782626	0.701300
0.325900	0.355000	0.369512	0.360000	0.360000	0.360000
0.443850	0.443850	0.443850	0.443850	0.443850	0.443850
0.649500	0.674700	0.674700	0.646700	0.626640	0.588821
0.220000	0.210000	0.220000	0.220000	0.250000	0.263550
0.196590	0.170105	0.172939	0.148706	0.240000	0.240000
0.655000	0.675000	0.675000	0.700000	0.725000	0.720000
1.605000	1.661100	1.736900	1.892900	1.762040	1.831416
1.356000	1.418800	1.500000	1.480000	1.560247	1.560247
1.350000	1.400000	1.470000	1.380000	1.725000	1.650000
1.380000	1.530000	1.630000	1.630000	1.590000	1.590000
1.440000	1.460000	1.500000	1.292820	1.500000	1.430178
1.495600	1.495600	1.560000	0.659986	1.489000	1.489000
1.399900	1.528600	1.513600	1.440000	1.420000	1.440000
1.540000	1.540000	1.630000	1.650000	1.620000	1.620000
1.460000	1.540000	1.560000	1.590000	1.640000	1.785000
1.522850	1.519310	1.674647	1.598000	1.592445	1.711273
1.489400	1.519300	1.539500	1.579200	1.531000	1.628500
1.470000	1.500000	1.500000	1.378200	1.308803	1.500000
1.405720	1.492187	1.523708	1.539522	1.522197	1.720249
1.550000	1.550000	1.600000	1.570000	1.570000	1.560900
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1.090000	1.019760	0.918667	0.788286	0.626900	0.529910
0.260000	0.260000	0.250000	0.250000	0.250000	0.250000
0.290140	0.160000	0.120000	0.120000	0.090000	0.070000



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Principal Taxpayers**  
**August 31, 2001**  
**(Unaudited)**

**Table 5**

<b><u>Taxpayer</u></b>	<b><u>Type of business</u></b>	<b><u>2001 Taxable assessed value</u></b>	<b><u>Percentage of total assessed value</u></b>
Texas Utilities Electric Co.	Public utility	\$397,482,131	1.09%
Electronic Data Systems Corp.	Commercial	328,676,896	0.90%
Digital Switch Corp./Alcatel	Electronics manufacturer	200,519,680	0.55%
J C Penney Co., Inc.	Commercial	181,503,814	0.50%
Southwestern Bell Telephone	Telephone utility	156,967,985	0.43%
Fujitsu Network Transmission	Electronics manufacturer	112,085,539	0.31%
Texas Instruments, Inc.	Electronics manufacturer	92,807,629	0.26%
Collin Creek Mall	Commercial	89,305,727	0.25%
Stonebriar Mall, Ltd.	Commercial	88,096,255	0.24%
General Telephone	Telephone utility	<u>81,832,886</u>	<u>0.22%</u>
Totals		<u><u>\$1,729,278,542</u></u>	
Total assessed value		<u><u>\$36,381,498,587</u></u>	



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT  
Computation of Legal Debt Margin  
August 31, 2001  
(Unaudited)**

Collin County Community College District is limited to a maximum tax rate limit of \$.12 per \$100 valuation of taxable property for bonded debt.

Total debt limit	\$ 0.120000
Current debt tax rate	<u>0.014049</u>
Available debt tax rate	<u><u>\$ 0.105951</u></u>

**Table 7**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Ratio of Bonded General Obligation Debt to Assessed Value and Bonded Debt per Capita**  
**(Per \$100 of Assessed Value)**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>Population (1)</b>	<b>Assessed value after exemptions</b>	<b>Bonded tax debt</b>	<b>Ratio of bonded debt to assessed value</b>	<b>Bonded debt per capita</b>
1991-92	285,600	\$14,746,073,391	\$52,947,644	0.36%	\$185
1992-93	304,100	14,896,651,699	48,841,853	0.33%	161
1993-94	322,800	15,068,967,000	44,764,306	0.30%	139
1994-95	344,450	17,283,107,871	43,665,487	0.25%	127
1995-96	370,950	19,134,305,654	39,727,851	0.21%	107
1996-97	390,500	21,336,036,503	34,933,931	0.16%	89
1997-98	429,650	23,604,560,147	30,175,103	0.13%	70
1998-99	462,042	27,531,603,441	25,437,762	0.09%	55
1999-00	496,806	31,666,653,852	20,718,172	0.07%	42
2000-01	519,755	36,381,498,587	16,943,301	0.05%	33

(1) Source: North Central Texas Council of Governments.

**Table 8**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Ratio of Annual Debt Service Expenditures for General Obligation**  
**Bonded Debt to Total General Expenditures**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total general obligation debt service (1)</b>	<b>Total general expenditures</b>	<b>Ratio of debt service to total general expenditures</b>
1991-92	\$4,089,470	\$4,094,750	\$8,184,220	\$33,890,246	24.15%
1992-93	4,460,000	3,563,326	8,023,326	36,078,797	22.24%
1993-94	4,480,000	3,298,306	7,778,306	38,603,922	20.15%
1994-95	4,510,000	2,580,674	7,090,674	41,344,084	17.15%
1995-96	4,600,000	2,529,997	7,129,997	43,788,674	16.28%
1996-97	5,330,000	2,223,440	7,553,440	45,415,798	16.63%
1997-98	3,937,404	1,948,838	5,886,242	49,948,793	11.78%
1998-99	3,595,965	1,681,754	5,277,719	54,148,317	9.75%
1999-00	4,815,000	1,394,184	6,209,184	59,778,931	10.39%
2000-01	3,950,000	923,469	4,873,469	63,312,327	7.70%

(1) Excludes refunded bonds in fiscal year 91-92, fiscal year 95-96, and fiscal year 00-01.





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Revenue Bond Coverage**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>Tuition pledge revenue (1)</b>	<b>Building fee revenue(2)</b>	<b>College cafeteria revenue (3)</b>	<b>College bookstore revenue (3)</b>	<b>Total gross revenue available for debt service</b>
1991-92	\$256,732	\$510,545	\$38,885	\$2,025,168	\$2,831,330
1992-93	341,168	570,991	42,618	1,931,519	2,886,296
1993-94	343,170	1,135,242	61,000	2,029,626	3,569,038
1994-95	349,125	1,624,328	60,294	2,243,803	4,277,550
1995-96	362,033	1,668,632	68,610	2,512,409	4,611,684
1996-97	376,418	1,692,453	70,179	2,165,759	4,304,809
1997-98	394,343	1,861,528	89,108	3,177,995	5,522,974
1998-99	412,230	1,933,911	90,812	3,145,009	5,581,962
1999-00	434,175	2,074,410	90,793	3,320,387	5,919,765
2000-01	477,173	2,319,488	92,064	3,796,077	6,684,802

(1) \$15.00 per semester headcount, \$7.50 per summer semester

(2) \$9.00 per credit hour

(3) Gross revenues of the cafeterias and bookstores

**Table 9**

<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>	<b><u>Coverage</u></b>
\$150,000	\$320,250	\$470,250	6.02
250,000	753,613	1,003,613	2.88
325,000	996,686	1,321,686	2.70
425,000	1,650,433	2,075,433	2.06
875,000	1,358,494	2,233,494	2.06
925,000	1,289,350	2,214,350	1.94
1,110,000	1,668,060	2,778,060	1.99
1,325,000	1,673,325	2,998,325	1.86
1,480,000	1,480,398	2,960,398	2.00
1,640,000	1,378,826	3,018,826	2.21



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Property Tax Assessed Valuation by Category**  
**Last Five Years**  
**(Unaudited)**

Taxable appraised value  
for fiscal year ended August 31,

Category	2001		2000	
	Amount	% of Total	Amount	% of Total
Real, residential, single-family	\$22,334,722,188	54.10%	\$19,244,544,759	53.74%
Real, residential, multi-family	2,596,086,781	6.29%	2,237,515,109	6.25%
Real, vacant lots/tracts	1,011,868,071	2.45%	918,507,099	2.56%
Real, acreage (land only)	4,216,422,528	10.21%	3,980,195,572	11.12%
Real, farm and ranch improvements	376,649,693	0.91%	328,470,266	0.92%
Real, commercial and industrial	6,570,743,309	15.92%	5,181,429,202	14.47%
Real, oil, gas, and other mineral reserves	300	0.00%	300	0.00%
Real and intangible personal, utilities	714,921,703	1.73%	621,370,121	1.74%
Tangible personal, business	3,289,441,704	7.97%	3,233,056,301	9.03%
Tangible personal, other	72,317,156	0.18%	62,286,343	0.17%
Special Inventory	100,529,678	0.24%	0	0.00%
Total appraised value before exemptions	41,283,703,111	100.00%	35,807,375,072	100.00%
Less: Total Exemption/Reductions	(4,902,204,524)		(4,140,721,220)	
Taxable Assessed Value	<u>\$36,381,498,587</u>		<u>\$31,666,653,852</u>	

**Table 10**

1999		1998		1997	
Amount	% of Total	Amount	% of Total	Amount	% of Total
\$17,261,210,533	54.73%	\$15,248,824,836	56.00%	\$13,130,858,782	56.54%
1,805,054,248	5.73%	1,511,869,613	5.55%	1,175,417,760	5.06%
744,144,110	2.36%	657,867,003	2.42%	645,273,722	2.78%
3,283,492,529	10.41%	2,729,395,655	10.02%	2,265,298,100	9.75%
290,512,753	0.92%	262,752,116	0.97%	216,144,156	0.93%
4,347,091,022	13.78%	3,412,971,773	12.53%	2,890,264,752	12.45%
300	0.00%	300	0.00%	600	0.00%
566,958,983	1.80%	513,509,781	1.89%	482,447,387	2.08%
3,181,833,480	10.09%	2,850,293,742	10.47%	2,384,402,961	10.27%
56,234,341	0.18%	40,785,710	0.15%	33,026,182	0.14%
0	0.00%	0	0.00%	0	0.00%
31,536,532,299	100.00%	27,228,270,529	100.00%	23,223,134,402	100.00%
(4,004,928,858)		(3,623,710,382)		(1,887,097,899)	
<u>\$27,531,603,441</u>		<u>\$23,604,560,147</u>		<u>\$21,336,036,503</u>	



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Demographic Statistics (1)**  
**Last Ten Fiscal Years**  
**(Unaudited)**

**Table 11**

<b>Fiscal year</b>	<b>Population (1)</b>	<b>Median household effective buying income</b>	<b>Collin County unemployment rate (2)</b>	<b>State unemployment rate (2)</b>	<b>National unemployment rate (3)</b>
1991-92	285,600	\$53,256	5.40%	7.50%	7.50%
1992-93	304,100	57,187	4.20%	7.00%	6.90%
1993-94	322,800	60,180	4.10%	6.40%	6.10%
1994-95	344,450	48,846	3.20%	6.00%	5.60%
1995-96	370,950	51,171	2.70%	5.60%	5.40%
1996-97	390,500	52,714	2.40%	5.50%	4.70%
1997-98	429,650	55,289	2.30%	5.00%	4.50%
1998-99	462,042	58,002	2.20%	4.40%	4.20%
1999-00	496,806	N/A	2.20%	4.30%	4.10%
2000-01	519,755	N/A	4.70%	5.10%	4.90%

(1) Source: North Central Texas Council of Governments

(2) Source: Texas Workforce Commission

(3) Source: U.S. Department of Labor

N/A = Not available

**Table 12**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Student Enrollment (Unduplicated)**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal year</b>	<b>Full-time equivalents (FTE)</b>	<b>State appropriations per FTE (1)</b>	<b>Total fiscal year credit hours</b>	<b>Total fiscal year contact hours</b>
1991-92	5,654	\$2,081	169,625	3,633,192
1992-93	5,717	2,186	171,502	3,693,168
1993-94	5,832	2,444	174,945	3,750,144
1994-95	5,866	2,446	175,987	3,810,120
1995-96	6,129	2,829	183,867	3,939,142
1996-97	6,294	2,587	188,833	4,032,027
1997-98	6,709	2,659	207,271	4,349,794
1998-99	6,971	2,666	209,139	4,425,696
1999-00	7,629	2,794	228,258	4,831,741
2000-01	8,482	2,653	254,465	5,395,136

(1) State appropriations include only the formula produced amounts for academic and vocational technical programs.



**Table 13**

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT  
Student Enrollment Demographic Statistics (Unduplicated)  
(Unaudited)**

<b>Fiscal year</b>	<b>Attendance</b>	<b>Gender</b>		<b>Residency</b>		
	<b>Headcount</b>	<b>Male</b>	<b>Female</b>	<b>In-District</b>	<b>Out of county</b>	<b>Out of state</b>
1991-92	16,174	6,993	9,181	13,628	1,815	731
1992-93	16,173	7,025	9,148	13,171	2,163	839
1993-94	16,203	7,046	9,157	12,880	2,384	939
1994-95	16,587	7,136	9,451	12,820	2,742	1,025
1995-96	17,183	7,447	9,736	13,041	3,296	846
1996-97	17,530	7,484	10,046	13,268	3,393	869
1997-98	18,694	8,091	10,603	13,707	3,779	1,208
1998-99	18,461	8,073	10,388	13,557	3,586	1,318
1999-00	20,002	8,846	11,156	14,490	3,972	1,540
2000-01	21,697	9,686	12,011	15,435	4,408	1,854

<b>Fiscal year</b>	<b>Average age of student</b>	<b>Ethnic background</b>				
		<b>Black</b>	<b>Caucasian</b>	<b>Hispanic</b>	<b>Asian</b>	<b>Other</b>
1991-92	28.3	578	14,312	649	537	98
1992-93	28.3	582	14,130	738	611	112
1993-94	28.2	645	13,934	785	693	146
1994-95	28.3	668	14,063	884	811	161
1995-96	28.1	720	14,298	1,028	983	154
1996-97	27.6	786	14,242	1,029	1,012	461
1997-98	27.6	946	14,863	1,142	1,469	274
1998-99	27.1	964	14,459	1,168	1,668	202
1999-00	26.8	1,152	15,469	1,334	1,851	196
2000-01	26.3	1,222	16,102	1,423	1,645	1,305



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Tuition and Fee Schedule**  
**Last Ten Fiscal Years**  
**(Unaudited)**

**Table 14**

**Cost for Collin County resident student per semester credit hour :**

<b>Fiscal year</b>	<b>Tuition (per credit hour)</b>	<b>Student activities fee (per credit hour)</b>	<b>Building fee (per credit hour)</b>	<b>Total cost (per credit hour)</b>	<b>Percentage increase (per credit hour)</b>
1991-92	\$15.00	\$0.00	\$3.00	\$18.00	0.00%
1992-93	15.00	0.00	3.00	18.00	0.00%
1993-94	15.00	0.00	6.00	21.00	16.67%
1994-95	13.00	0.00	9.00	22.00	4.76%
1995-96	13.50	0.50	9.00	23.00	4.55%
1996-97	14.50	0.50	9.00	24.00	4.35%
1997-98	16.00	1.00	9.00	26.00	8.33%
1998-99	16.00	1.00	9.00	26.00	0.00%
1999-00	16.00	1.00	9.00	26.00	0.00%
2000-01	19.00	1.00	9.00	29.00	11.54%

In addition to the above, some classes also include a lab fee and all students pay a one-time \$2.00 student ID fee, as well as a nonrefundable \$2.00 per semester student records fee.

The out-of-county tuition is \$37 per credit hour and the out-of-state tuition is \$72 per credit hour.





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Faculty Statistics**  
**August 31, 2001**  
**(Unaudited)**

**Table 15**

<b><u>Years of experience</u></b>	<b><u>Number of full time faculty</u></b>	<b><u>Percentage of total</u></b>
00 - 04	27	14.4%
05 - 09	43	22.9%
10 - 14	42	22.3%
15 - 19	39	20.7%
20 - 24	26	13.8%
More than 25	11	5.9%

<b><u>Type of degree</u></b>	<b><u>Number of full time faculty</u></b>	<b><u>Percentage of total</u></b>
No degree	1	0.5%
Associate's	7	3.7%
Bachelor's	7	3.7%
Master's	118	62.8%
Doctorate	53	28.2%
Juris Doctorate	2	1.1%

Note: This includes instructors in technical-vocational programs where the major emphasis for hiring is on skills and experience in the instructor's field of study.



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Miscellaneous Statistics**  
**August 31, 2001**  
**(Unaudited)**

**Table 16**

Date of formation:	April 6, 1985
Form of government:	State of Texas political subdivision governed by a nine-member Board of Trustees
Area of District:	Collin County, Texas (approx. 836 square miles)
Most recent general obligation bond ratings:	
Moody's Investors Service	Aa2
Standard and Poor's Corporation	AA+
Authorized but unissued bonds as of 8/31/01:	\$0
Accredited by:	Commission on Colleges of the Southern Association of Colleges and Schools
Number of full-time employees:	643
Number of part-time employees:	1,076
Number of student assistants:	248





Collin County Community College District

# Single Audit Section

**Report of Independent Public Accountants on Compliance and on  
Internal Control Over Financial Reporting Based on an Audit of Financial  
Statements Performed in Accordance with Government Auditing Standards**

To the Board of Trustees of  
Collin County Community College District:

We have audited the general purpose financial statements of the Collin County Community College District (the "District"), as of and for the year ended August 31, 2001, and have issued our report thereon dated November 16, 2001. As more fully explained in Note 2(g) of the general purpose financial statements, effective September 1, 2000, the District changed its accounting for fixed assets by increasing the capitalization threshold from \$500 to \$5,000. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants (including the Public Funds Investment Act), 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 that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to District management in a separate letter dated November 16, 2001.

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

*Arthur Andersen LLP*

Dallas, Texas,  
November 16, 2001

**Report of Independent Public Accountants on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133**

To the Board of Trustees of  
Collin County Community College District:

**Compliance**

We have audited the compliance of the Collin County Community College District (the "District") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement (March 2001) and the State of Texas Single Audit Circular, respectively, that are applicable to each of its major federal and state programs for the year ended August 31, 2001. The District'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 District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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, ("SAC"), respectively. Those standards, OMB Circular A-133, and SAC 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 District'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 District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended August 31, 2001.

**Internal Control Over Compliance**

The management of the District 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 District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal or state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to District management in a separate letter dated November 16, 2001.

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

*Arthur Andersen LLP*

Dallas, Texas,  
November 16, 2001



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended August 31, 2001**

<u>Federal grantor/pass-through grantor/ program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor's number</u>	<u>Disbursements/ expenditures</u>
<u>U.S. Department of Labor</u>			
Passed through North Texas Human Resource Group: School-to-Careers 00/01	17.249	607	\$ 220
<u>National Science Foundation:</u>			
Direct Program:			
NSF - Advancing Careers in Technology and Science	47.076	DUE-9950025	285,151
Passed through the University of Texas at El Paso:			
Alliance for Minority Participation 96/00	47.071	HRD-9255166	7,989
Alliance for Minority Participation 96/01	47.071	HRD-9701775	17,611
Subtotal Alliance for Minority Participation			25,600
Passed through the Springfield Technical Community College:			
Northeast Center for Telecommunications Technologies	47.076	N/A**	1,500
Total National Science Foundation			312,251
<u>U.S. Small Business Administration:</u>			
Passed through Dallas County Community College District:			
Small Business Development Center 99/00	59.037	0-7620-0046-14	7,537
Small Business Development Center 00/01	59.037	1-7620-0046-15	60,068
Total U.S. Small Business Administration			67,605
<u>U.S. Department of Education</u>			
Direct programs:			
Federal SEOG 00/01*	84.007		167,395
Federal work study 99/00*	84.033		16,487
Federal work study 00/01*	84.033		115,590
Federal Pell grant 99/00*	84.063		(644)
Federal Pell grant 00/01*	84.063		1,316,601
Teacher's Technology 01/02	84.342A		4,145
Subtotal direct programs			1,619,574
Passed through Weatherford College:			
Carl Perkins voc. tech. ed.-Texas Counselors' Network	84.048	11111	1,000
Passed through the Texas Higher Education Coordinating Board:			
Carl Perkins voc. tech. ed. - alternative teach cert. 00/01	84.048	11103	107,140
Carl Perkins voc. tech. ed. - annual application 00/01	84.048	14213	93,530
Carl Perkins voc. tech. ed. - Networks 00/01	84.048	11501	69,384
Subtotal Carl Perkins voc. tech. ed. - passed through THECB			270,054
Carl Perkins voc. tech. ed. - Tech-Prep 00/01	84.243	11706	284,879
Passed through University of Arkansas - Little Rock:			
RSA Region VI interpreter education project	84.160A	H160A000003	1,000
Total U.S. Department of Education			2,176,507
Total Federal financial awards			\$ 2,556,583

\*Independent Auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

\*\* N.A. - Not available

See accompanying notes to Schedule of Expenditures of Federal Awards.





**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the year ended August 31, 2001**

(1) Federal awards reconciliation

Federal revenues - per Exhibit C:	
Federal grants and contracts	\$ 2,384,439
Federal work study - unrestricted	95,709
Indirect/administrative costs recoveries	21,282
Total federal revenues per Exhibit C	<u>2,501,430</u>
Reconciling item:	
Add:	
Funds passed through to others	<u>55,153</u>
Total pass-through and expenditures per federal schedule	<u>\$ 2,556,583</u>

(2) Significant accounting policies used in preparing the schedule

The expenditures included in the schedule are reported for the District'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 District 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 general purpose 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 District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

(3) Student loans processed and administrative costs recovered - not included in schedule

Federal grantor CFDA number/program name	New loans processed	Administrative cost recovered	Total loans processed and admin. cost recovered
U.S. Department of Education			
84.032 Federal Stafford loan program	\$ 1,129,521	\$ 0	\$ 1,129,521
84.032 Federal PLUS loan program	18,068	0	18,068
Total U.S. Department of Education	<u>\$ 1,147,589</u>	<u>\$ 0</u>	<u>\$ 1,147,589</u>

(4) Amounts passed-through by the District

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Tech Prep program CFDA 84.243 passed-through the Texas Higher Education Coordinating Board:

Anna Independent School District	\$ 1,066
Bland Independent School District	15,454
Celina Independent School District	303
Commerce Independent School District	2,900
Community High School	198
Ford High School	898
Plano Independent School District	733
Shepton High School	678
Tom Bean Independent School District	944
Total	<u>\$ 23,174</u>

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Vocational Education program CFDA 84.048 passed-through the Texas Higher Education Coordinating Board:

North Central Texas College	\$ 8,190
North Harris Montgomery Community College	7,912
Paris Junior College	5,877
Weatherford College	10,000
Total	<u>\$ 31,979</u>



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Expenditures of State Awards**  
**For the year ended August 31, 2001**

**Schedule D-4**

Federal grantor/pass-through grantor/ program title	Grantor's number	Disbursements and expenditures
<u>Texas Workforce Commission</u>		
WTC Skills Development grant*	POT-041SDF0389	\$ 493,488
<u>Texas Higher Education Coordinating Board</u>		
Texas Grant Program 00/01 Renewal	13099	9,221
Texas Grant Program 00/01 New Awards	13099	11,471
Total Texas Higher Education Coordinating Board		20,692
<u>Passed through Dallas County Community College District</u>		
Small Business Development Center 99/00	0-7620-0046-14	2,077
Small Business Development Center 00/01	1-7620-0046-15	24,751
Total Small Business Development Center		26,828
Total state financial awards		\$ 541,008

See accompanying notes to Schedule of Expenditures of State Awards.

\*Independent Auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with the State of Texas Single Audit Circular.



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**  
**Notes to Schedule of Expenditures of State Awards**  
**For the year ended August 31, 2001**

(1) State awards reconciliation

State revenues - per Exhibit C:

State financial awards	\$ 516,637
Indirect/administrative cost recoveries	24,371
Total State revenues per Exhibit C	<u>\$ 541,008</u>

(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 general purpose financial statements for the District's significant accounting policies. These expenditures are reported in the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis.

**Collin County Community College District**

**Schedule of Findings and Questioned Costs  
For the Year Ended August 31, 2001**

**Section I. Summary of Auditor's Results:**

*Financial Statements*

Type of auditor's report issued: *unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   x   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   x   none reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ yes   x   no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes   x   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   x   none reported

Type of auditor's report issued on compliance for major programs: *unqualified*

- Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133 \_\_\_\_\_ yes   x   no

The major program included on the schedule of expenditures of federal awards is the U.S. Department of Education, Student Financial Aid cluster which is considered as one major program in accordance with OMB Circular A-133 Section .105.

The dollar threshold used to distinguish between Type A and Type B programs, as described in Section .520(b), is \$300,000.

The District qualified as a "low risk" auditee under Section .530.

*State Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes   x   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   x   none reported

**Collin County Community College District**

**Schedule of Findings and Questioned Costs  
For the Year Ended August 31, 2001**

**Section I. Summary of Auditor's Results (continued):**

Type of auditor's report issued on compliance for major programs: *unqualified*

- Any audit findings disclosed that are required to be reported in accordance with the State of Texas Single Audit Circular \_\_\_\_\_ yes   x   no

The major state program which is included on the schedule of expenditures of state awards is the Texas Workforce Commission Skills Development Grant (Grant Number POT-041SDF0389) in accordance with the State of Texas Single Audit Circular.

The dollar threshold used to distinguish between Type A and Type B programs, as described in Section .520(b), is \$300,000.

The District qualified as a "low risk" auditee under Section .530.

**Section II. Financial Statement Findings:**

There were no findings relating to the general purpose financial statements which are required to be reported in accordance with Government Auditing Standards. However, we have noted other matters involving the internal control over financial reporting that we have reported to District management in a separate letter dated November 16, 2001.

**Section III. Federal and State Award Findings and Questioned Costs:**

There were no major findings or questioned costs for federal and state awards for the year ended August 31, 2001.