

**VICTORIA COUNTY  
JUNIOR COLLEGE DISTRICT**

**ANNUAL FINANCIAL REPORT**

**AUGUST 31, 2009**

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**ORGANIZATIONAL DATA  
FOR THE FISCAL YEAR 2008-2009**

**Board of Trustees**

**Officers**

Ronald B. Walker	President
Ernest G. Guajardo, Sr.	Vice President
Roger F. Welder	Secretary

**Members**

		<b><u>Term Expires</u></b>
Catherine McHaney	Victoria, Texas	2010
Ernest G. Guajardo, Sr.	Victoria, Texas	2010
Dr. Josie Rivera	Victoria, Texas	2012
Luis A. Guerra	Victoria, Texas	2012
Roger F. Welder	Victoria, Texas	2014
Ronald B. Walker	Victoria, Texas	2014
Thomas M. O'Connor	Victoria, Texas	2014

**Principal Administrative Officers**

Thomas Butler, Ed. D.	President
Keith Blundell, M.B.A., C.P.A.	Vice President of Administrative Services
Florinda Correa, M.S.	Vice President of Student Services
Patricia Vandervoort, M.A.	Vice President of Instruction
Jennifer Yancey, B.B.A.	Vice President of College Advancement and External Affairs
Tracey Bergstrom, M.B.A., C.P.A.	Director of Finance

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**ANNUAL FINANCIAL REPORT  
AUGUST 31, 2009**

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**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**ANNUAL FINANCIAL REPORT  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
Victoria County Junior College District  
Victoria, Texas

We have audited the accompanying financial statements of the Victoria County Junior College District, as of and for the year ended August 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Victoria County Junior College District's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Victoria College Foundation, Inc. (the "Affiliated Organization"), which reflects total assets of \$3,478,471 and revenues of \$717,935. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and in our opinion, insofar as it relates to the amounts included for the Victoria College Foundation, Inc., are based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the standards applicable to financial audits contained in the *State of Texas Single Audit Circular*. 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Victoria County Junior College District, as of August 31, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards* and the *State of Texas Single Audit Circular*, we have also issued our report dated October 16, 2009, on our consideration of the Victoria County Junior College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *State of Texas Single Audit Circular* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 7, is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Victoria County Junior College District's basic financial statements. The supplementary information and financial assistance section as denoted in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Victoria County Junior College District. The accompanying schedule of expenditures of State Awards is presented for purposes of additional analysis as required by the *State of Texas Single Audit Circular*, and is also not a required part of the basic financial statements of Victoria County Junior College District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The statistical supplement section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Pattullo, Brown & Hill, C.P.A.*

October 16, 2009

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**Management's Discussion and Analysis  
Year Ended August 31, 2009**

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In June 1999, the Governmental Accounting Standard's Board (GASB) released Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, which established a new reporting format for annual financial statements. In November 1999, GASB released Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, which applies the new reporting standards to public colleges and universities. The Victoria County Junior College District (the "District" or "College") adopted these new standards in 2002.

The following analysis provides an overview of the District's financial activities. Both 2009 and 2008 are presented in the audited financial statements. Management's discussion and analysis is designed to focus on current activities, the resulting change, and currently known facts; therefore, please read this discussion and analysis in conjunction with the District's basic financial statements and additional information.

The annual report consists of three basic financial statements that provide information on the District as a whole: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. This discussion and analysis is limited to the Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets for the primary government.

**Analysis of Financial Position**

For the fiscal year ended August 31, 2009, net assets increased by \$1,145,644 (3.2%) from \$35,486,341 at August 31, 2008 to \$36,631,985 at August 31, 2009. Operating revenues increased by 1.1% or \$119,133. Operating expenses increased by \$2,038,348 (7.1%). Non-operating revenues (state appropriations, taxes, Title IV, gifts, and investment related income) increased by \$1,300,271 (6.3%), while non-operating expenses (interest on capital related debt) decreased by .3% or \$3,016.

Tuition and fee revenues increased 7.5%, or \$357,189, over prior year due to an increase in the tuition and fee rates per semester credit hour ("SCH"). Tuition and fee rates were adjusted as follows: 1) In-District Tuition rate increased \$2 per SCH to \$34 per SCH, 2) Non-Resident Tuition rate increased \$10 per SCH to \$70 per SCH, 3) Out-of District Fee increased by \$2 per SCH to \$24 per SCH, 4) General Fee increased by \$3 per SCH to \$20 per SCH, 5) Distance Education Fee increased by \$10 to \$60 per course. The District received a workforce development grant from the State that paid approximately \$954,844 in continuing education tuition for area petro-chemical plant employees.

During the fiscal year ended August 31, 2009, the District received the same base State funding that it did for the fiscal year ended August 31, 2008. This was the result of the State's "hold harmless" clause that the legislature implemented in the last regular session. Under this clause, the District was able to keep a level base funding even though overall contact hours decreased. During this time, the District's enrollment head count remained flat while its contact hours increased .9%. In addition, the State's funding for employee health insurance remained the same as prior year. Faculty and staff received salary increases of 2%, which were funded by additional property taxes.

The Victoria College Board of Trustees voted to set the tax rate at \$0.1445 per \$100 valuation. The tax rate remained consistent with the prior year. Property tax revenues increased 10.2% (\$665,687) due to an increase in assessed property values of 9.3%.

Interest and related investment income decreased by \$293,818, or 49.5%. Expenditures of tax bond monies for construction and renovation as described above, coupled with poor market conditions, resulted in the reduction of interest and related investment income during the current fiscal year.

Short-term liabilities decreased by \$952,463 or 17.1%. The decrease is due primarily to a decrease in Accounts Payable related to the construction of new facilities.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**Management's Discussion and Analysis  
Year Ended August 31, 2009**

**Table 1 - Condensed Comparative Financial Information**

Financial Statement Category	Current Year	Prior Year
<b>Assets</b>		
Cash and Investments	\$ 13,308,874	\$ 17,873,141
Other Assets	1,820,114	1,701,042
Capital Assets	<u>44,338,462</u>	<u>41,085,086</u>
Total Assets	59,467,450	60,659,269
<b>Liabilities</b>		
Current Liabilities	4,615,465	5,567,928
Long-term Liabilities	<u>18,220,000</u>	<u>19,605,000</u>
Total Liabilities	22,835,465	25,172,928
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	24,733,462	20,190,086
Unrestricted	5,442,800	6,137,335
Restricted	<u>6,455,723</u>	<u>9,158,920</u>
Total Net Assets	<u>\$ 36,631,985</u>	<u>\$ 35,486,341</u>
<b>Operating Revenues</b>		
Tuition and Fees (net of discounts)	5,124,589	4,767,400
Local, State and Federal Grants and Contracts	1,993,257	2,014,579
Auxiliary Enterprise	3,125,265	3,113,534
Other	<u>695,163</u>	<u>923,628</u>
Total Operating Revenues	10,938,274	10,819,141
<b>Operating Expenses</b>		
Instruction	14,601,585	13,661,103
Public Service	77,842	125,757
Academic Support	1,788,565	1,733,719
Student Support	2,316,032	2,226,877
Institutional Support	3,222,605	2,990,168
Operation and Maintenance of Plant	3,168,194	2,510,001
Scholarships and Fellowships	773,917	1,009,727
Auxiliary Enterprises	3,623,675	3,328,411
Depreciation	<u>1,053,398</u>	<u>1,001,702</u>
Total Operating Expenses	<u>30,625,813</u>	<u>28,587,465</u>
Operating Income (Loss)	<u>(19,687,539)</u>	<u>(17,768,324)</u>
<b>Non-Operating Revenues (Expenses)</b>		
State Appropriations	9,049,224	8,994,688
Taxes	7,207,006	6,541,319
Title IV	4,449,021	4,444,670
Gifts	1,019,857	150,342
Interest on Capital Related Debt	(959,073)	(962,089)
Investment Related Income	<u>300,253</u>	<u>594,071</u>
Total Non-Operating Revenues (Expenses)	<u>21,066,288</u>	<u>19,763,001</u>
Income Before Other Revenues, (Expenses), Gains, (Losses)	1,378,749	1,994,677
<b>Other Revenues, (Expenses), Gains, (Losses)</b>	<u>(233,105)</u>	<u>(632,149)</u>
Increase (Decrease) in Net Assets	1,145,644	1,362,528
Beginning Net Assets	<u>35,486,341</u>	<u>34,123,813</u>
Ending Net Assets	<u>\$ 36,631,985</u>	<u>\$ 35,486,341</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**Management's Discussion and Analysis  
Year Ended August 31, 2009**

**Capital Assets and Long Term Debt Administration**

Capital Assets

The District's investment in capital assets as of August 31, 2009 was \$44,338,462 (net of accumulated depreciation). This amount represents a net increase (including additions, dispositions, and depreciation expense) of \$3,253,376 over fiscal year 2008. During the fiscal year, construction in progress decreased by \$11,719,056. The Health Science Center was completed during fiscal year 2009. Additional information regarding the District's capital assets can be found in Note 6 to the financial statements.

The following table summarizes the District's capital assets, net of accumulated depreciation, as of August 31, 2009 and 2008.

	Balance at 8/31/2009	Balance at 8/31/2008	\$ Change 2009-2008	% Change 2009-2008
Land	\$ 325,537	\$ 325,537	\$ -	0.0%
Construction in Progress	3,145,333	14,864,389	(11,719,056)	-78.8%
Library Volumes and Periodicals	1,066,773	1,093,213	(26,440)	-2.4%
Buildings	46,024,031	31,269,511	14,754,520	47.2%
Site Improvements	6,326,347	5,281,232	1,045,115	19.8%
Telecommunications and Peripheral Equipment	1,228,184	1,145,826	82,358	7.2%
Machinery, Equipment, Furniture and Vehicles	<u>1,047,391</u>	<u>981,357</u>	<u>66,034</u>	6.7%
Totals at Historical Costs	59,163,596	54,961,065	4,202,531	7.6%
Total Accumulated Depreciation	<u>14,825,134</u>	<u>13,875,979</u>	<u>949,155</u>	6.8%
Net Capital Assets	<u>\$ 44,338,462</u>	<u>\$ 41,085,086</u>	<u>\$ 3,253,376</u>	7.9%

Long-Term Debt

Long-term debt increased by \$1,290,000 during the fiscal year. The District issued no new debt during fiscal year 2009. Additional information regarding the District's long-term debt can be found in Notes 7, 8 and 9 to the financial statements.

The table below summarizes the District's long-term debt outstanding at August 31, 2009 and 2008.

	Balance at 8/31/2009	Balance at 8/31/2008	\$ Change 2009-2008	% Change 2009-2008
1999 Revenue Construction Bonds	\$ 3,710,000	\$ 3,995,000	\$ (285,000)	-7.1%
2006 Tax Bonds Payable	13,730,000	13,830,000	(100,000)	-0.7%
2007 Tax Bonds Payable	100,000	570,000	(470,000)	-82.5%
2008 Maintenance Tax Notes	<u>2,065,000</u>	<u>2,500,000</u>	<u>(435,000)</u>	
Total Long-Term Debt	<u>\$ 19,605,000</u>	<u>\$ 20,895,000</u>	<u>\$ (1,290,000)</u>	-6.2%

During fiscal year 2009, there were no changes to the credit ratings of the bonds outstanding. There are no known debt limitations that could affect the financing of facilities or services.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**Management's Discussion and Analysis  
Year Ended August 31, 2009**

**Enrollment Highlights**

Credit student enrollment remained relatively stable during the year. Headcount was flat, with a count of 3,987 in Fall 2007 and Fall 2008. There was a .9% increase in contact hours for the same period. Non-credit enrollment increased from 787 in Fall 2007 to 1606 in Fall 2008, an increase of 104.1%. The strength of the non-credit enrollment is due in part to a Skills Development Grant from the Texas Workforce Commission. The grant has allowed the District to offer specialized training to industry partners within its service area, thereby increasing the skill level of incumbent and new workers.

<b>Credit Students</b>	<b>2008-2009</b>					
		<b>Fall</b>	<b>Spring</b>	<b>Summer 1</b>	<b>Summer 2</b>	<b>Annual*</b>
	Enrollment	3,987	3,767	1,585	701	5,582
	Contact Hours	713,888	668,208	176,432	47,024	1,605,552
	<b>2007-2008</b>					
		<b>Fall</b>	<b>Spring</b>	<b>Summer 1</b>	<b>Summer 2</b>	<b>Annual*</b>
Enrollment	3,987	3,754	1,509	702	5,740	
Contact Hours	707,200	670,304	172,720	40,592	1,590,816	
<b>Non-Credit Students</b>	<b>2008-2009</b>					
		<b>Fall</b>	<b>Spring</b>	<b>Summer 1</b>	<b>Summer 2</b>	<b>Annual*</b>
	Enrollment	1,606	1,374	1,207	1,470	4,429
	Contact Hours	53,414	48,547	31,612	53,353	186,926
	<b>2007-2008</b>					
		<b>Fall</b>	<b>Spring</b>	<b>Summer 1</b>	<b>Summer 2</b>	<b>Annual*</b>
Enrollment	787	1,264	1,474	1,709	4,324	
Contact Hours	27,787	41,861	36,039	57,549	163,236	

\*-Unduplicated

Certificates and Degrees Conferred:

	Associate of Arts	Associate of Science	Associate of Applied Sciences	Work Force Certificates	Total Degrees & Certificates
<b>2008 – 2009</b>	47	76	199	249	571
<b>2007 - 2008</b>	47	69	185	205	506

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS**

**Management's Discussion and Analysis  
Year Ended August 31, 2009**

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**Strategic and Operational Planning**

In March 2009, after a period of college-wide review, the Victoria College Board of Trustees adopted a revised Mission Statement and Values Statements for the College. Subsequently, in August, 2009, the Victoria College Board of Trustees adopted the 2009-2012 Strategic Plan for The Victoria College. The plan addresses the key areas identified during town hall meetings at which administrators, faculty, staff, students and Board members participated in discussions to examine the strengths, weaknesses, opportunities and threats (SWOT) of the College. From these discussions, "Will" statements were developed that expressed the most important commitments of the college. These "Will" statements fell into three broad categories and are the origin for the College's new strategic planning areas. The areas, *Fostering Student Success*, *Meeting Community Needs* and *Ensuring Institutional Excellence* were further dissected into action items. These action items will guide College staff in the development of the multi-year strategic plan and annual operational plans.

Task forces have been formed to begin implementation of the strategic plan, focusing on What needs to be done, What outcomes are expected, Why it needs to be done, Who should have primary responsibility, and How the activities should be accomplished. This is a fluid process and the College is soliciting input and feedback from all constituents, inside and outside the institution. Administration understands that proper assessment methods are a priority. Key performance indicators are being developed that, when examined, will provide administration with the evidence of whether the College is continuously improving in pursuit of its goals. The new strategic plan will guide the College and its activities during the next three to five years. Periodic updates and reports will be presented to all College constituents.

College employees are also developing operational plans within their divisions, focusing on how each operational unit will conduct its business in fulfillment of the college's mission, values, and "will" statements, as well as how each unit can improve the institution through short-term, local actions. The operational plan also provides the framework for appropriate budgeting and hiring decisions.

**Enrollment Management**

The College experienced a slight increase in headcount and contact hours for Fall 2009. Because the College's service area is not anticipated to grow at any measureable rate over the next ten years, the College understands that in order to grow it must focus its efforts on retaining a larger share of its existing students and on recruiting those students have not traditionally considered post-secondary education. Numerous initiatives are underway to improve retention and recruitment, including increased student support services and targeted, aggressive recruitment strategies.

**Resource Development**

The College remains sensitive to the need to keep the cost of higher education affordable, to both minimize the financial hardship on its students and increase the college-going rate of the communities it serves. Decreasing State financial support, increasing costs of technology and other costs of doing business, and the increasing age of the College infrastructure make this difficult. The College imposed a slight tax increase for the 2009-2010 academic year and adjusted student fees, particularly out-of-district fees, to address some of these issues. The out-of-district fee increase improved parity between students residing in the College's tax district and those residing in other areas. The College's goal is to make sure that any student wishing to attend school has the opportunity to do so and is not prohibited due to finances. The College community is extremely supportive and donations to the College and the Victoria College Foundation continue to increase. Despite the downturn in the economy, donations in support of students, facilities and programs increased nearly 26%. The College continues to aggressively seek financial support from other State and Federal sources.

**Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances and demonstrate the District's accountability for the money it receives. Questions concerning any information provided in the report or requests for additional financial information should be addressed to the Victoria County Junior College District, 2200 East Red River, Victoria, Texas 77901.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statement of Net Assets**  
**August 31, 2009**

	Current Year	Prior Year
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & cash equivalents	\$ 6,127,500	\$ 5,111,141
Restricted cash and cash equivalents	3,264,391	1,485,779
Endowment cash and cash equivalents	1,091,701	1,277,824
Short-term investments	653	646
Restricted short-term investments	41,537	41,129
Endowment short-term investments	1,564	1,549
Accounts receivable (net)	1,078,129	911,567
Restricted accounts receivable	-	15,118
Inventories	704,955	651,983
Prepaid expenses	37,030	122,374
Total Current Assets	12,347,460	9,619,110
<b>Noncurrent Assets</b>		
Endowment investments	2,781,528	2,944,027
Other noncurrent investments	-	7,011,046
Construction in progress	3,145,333	14,864,389
Investments in real estate	325,537	325,537
Capital assets (net) (See note 3)	40,867,592	25,895,160
Total Noncurrent Assets	47,119,990	51,040,159
Total Assets	59,467,450	60,659,269
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	725,405	2,063,278
Accrued liabilities	224,677	103,395
Funds held for others	451,843	512,768
Deferred revenues	1,828,540	1,598,487
Bonds payable - current portion	1,385,000	1,290,000
Total Current Liabilities	4,615,465	5,567,928
<b>Noncurrent Liabilities</b>		
Bonds payable	18,220,000	19,605,000
Total Noncurrent Liabilities	18,220,000	19,605,000
Total Liabilities	22,835,465	25,172,928
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	24,733,462	20,190,086
Restricted for		
Nonexpendable		
Student aid	3,164,956	3,289,748
Expendable		
Student aid	323,605	422,566
Unexpended bond proceeds	2,737,772	5,263,449
Debt service	229,390	183,157
Unrestricted	5,442,800	6,137,335
Total Net Assets (Schedule D)	\$ 36,631,985	\$ 35,486,341

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Affiliated Organization**  
**Statement of Financial Position**  
**August 31, 2009**

	Current Year	Prior Year
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & cash equivalents	\$ 154,066	\$ 117,514
Interest receivable	-	83
Transportation fund	61,519	231
Tuition assistance receivable	12,119	33,686
Total Current Assets	227,704	151,514
<b>Endowment Investments</b>		
Investments	2,946,716	2,811,079
Total Endowment Investments	2,946,716	2,811,079
Property (net)	304,051	244,458
Total Assets	\$ 3,478,471	\$ 3,207,051
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deferred rental income	\$ 35,750	\$ 35,750
Deferred grant income	35,320	1,925
Current portion of note payable	-	38,534
Total Current Liabilities	71,070	76,209
Total Liabilities	71,070	76,209
<b>NET ASSETS</b>		
Unrestricted net assets	460,685	319,763
Permanently restricted net assets	2,946,716	2,811,079
Total Net Assets	3,407,401	3,130,842
Total Liabilities and Net Assets	\$ 3,478,471	\$ 3,207,051

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statement of Revenues, Expenses and**  
**Changes in Net Assets**  
**For The Year Ended August 31, 2009**

	<u>Current Year</u>	<u>Prior Year</u>
<b>OPERATING REVENUES</b>		
Tuition and fees (net of discounts of \$2,215,491 & \$1,633,361, respectively)	\$ 5,124,589	\$ 4,767,400
Federal grants and contracts	392,051	798,666
State grants and contracts	1,477,213	1,210,413
Non-governmental grants and contracts	123,993	5,500
Sales and services of educational activities	340,014	356,044
Auxiliary enterprises (net of discounts of \$651,700 & \$563,526, respectively)	3,125,265	3,113,534
General operating revenues	<u>355,149</u>	<u>567,584</u>
Total Operating Revenues (Schedule A)	<u>10,938,274</u>	<u>10,819,141</u>
<b>OPERATING EXPENSES</b>		
Instruction	14,601,585	13,661,103
Public service	77,842	125,757
Academic support	1,788,565	1,733,719
Student services	2,316,032	2,226,877
Institutional support	3,222,605	2,990,168
Operation and maintenance of plant	3,168,194	2,510,001
Scholarships and fellowships	773,917	1,009,727
Auxiliary enterprises	3,623,675	3,328,411
Depreciation	<u>1,053,398</u>	<u>1,001,702</u>
Total Operating Expenses (Schedule B)	<u>30,625,813</u>	<u>28,587,465</u>
Operating (Loss)	<u>(19,687,539)</u>	<u>(17,768,324)</u>
<b>Non-Operating Revenues (Expenses)</b>		
State allocations	9,049,224	8,994,688
Maintenance ad valorem taxes		
Taxes for maintenance and operations	5,401,471	5,280,966
Taxes for general obligation bonds	1,805,535	1,260,353
Title IV	4,449,021	4,444,670
Gifts	1,019,857	150,342
Investment income (net of investment expenses)	300,253	582,239
Net increase (decrease) in fair value of investments	-	11,832
Interest on capital related debt	<u>(959,073)</u>	<u>(962,089)</u>
Total Non-Operating Revenues (Expenses) (Schedule C)	<u>21,066,288</u>	<u>19,763,001</u>
Income Before Other Revenues, (Expenses), Gains and (Losses)	<u>1,378,749</u>	<u>1,994,677</u>
<b>Other Revenues, (Expenses), Gains, (Losses)</b>		
Additions to permanent and term endowments	-	-
Transfers of endowments	<u>(233,105)</u>	<u>(632,149)</u>
Total Other Revenues, (Expenses), Gains, (Losses)	<u>(233,105)</u>	<u>(632,149)</u>
Increase in Net Assets	<u>1,145,644</u>	<u>1,362,528</u>
<b>NET ASSETS</b>		
Net Assets - Beginning of Year	<u>35,486,341</u>	<u>34,123,813</u>
Net Assets - End of Year	<u>\$ 36,631,985</u>	<u>\$ 35,486,341</u>

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Affiliated Organization**  
**Statement of Activities**  
**For The Year Ended August 31, 2009**

	Current Year	Prior Year
<b>UNRESTRICTED NET ASSETS</b>		
<b>Support and revenues</b>		
Contributions	\$ 674,432	\$ 365,152
Interest and dividends	603	4,364
Rental income	42,900	42,900
Total unrestricted support and revenues	717,935	412,416
Net assets released from restrictions	-	67,932
Total unrestricted support and revenues And reclassifications	717,935	480,348
<b>Expenses</b>		
Program	447,513	344,176
Management and general	22,231	20,473
Fundraising	107,269	95,628
Total unrestricted expenses	577,013	460,277
Increase in unrestricted net assets	140,922	20,071
<b>PERMANENTLY RESTRICTED NET ASSETS</b>		
Support and revenues		
Contributions	263,905	917,357
Interest and dividends	69,986	160,162
Net increase (decrease) in fair value of investments	(198,254)	(328,635)
Total permanently restricted support and revenues	135,637	748,884
Net assets released from restrictions	-	(67,932)
Total permanently restricted support and revenues And reclassifications	135,637	680,952
Increase in net assets	276,559	701,023
<b>NET ASSETS</b>		
Net Assets - Beginning of Year	3,130,842	2,429,819
Net Assets - End of Year	\$ 3,407,401	\$ 3,130,842

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statement of Cash Flows**  
**For The Year Ended August 31, 2009**

	Current Year	Prior Year
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 8,819,921	\$ 8,522,267
Receipts from grants and contracts	1,841,813	1,978,185
Other receipts	355,149	567,584
Payments to suppliers for goods or services	(8,175,212)	(5,513,617)
Payments to or on behalf of employees	(21,807,505)	(20,477,233)
Payments of scholarships and fellowships	(773,917)	(1,009,727)
Net cash provided (used) by operating activities	(19,739,751)	(15,932,541)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Receipts from state allocations	9,049,224	8,994,688
Receipts from federal (Title IV) allocations	4,449,021	4,444,670
Receipts from ad valorem tax revenues	5,401,471	5,280,966
Gifts and grants (other than capital)	1,019,857	138,510
Student organization and other agency transactions	(60,925)	60,371
Transfers to Victoria College Foundation, Inc.	(233,105)	(632,149)
Net cash provided by non-capital financing activities	19,625,543	18,287,056
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Receipts from ad valorem tax revenues	1,805,535	1,260,353
Proceeds on issuance of capital debt	-	2,500,000
Purchases of capital assets	(4,306,774)	(11,852,006)
Proceeds from disposal of capital assets	-	64,074
Payments on capital debt - principal	(1,290,000)	(805,000)
Payments on capital debt - interest	(959,073)	(962,089)
Net cash provided (used) by capital and related financing activities	(4,750,312)	(9,794,668)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturity of investments	7,173,545	4,141,704
Investment earnings	299,823	582,239
Purchase of investments	-	(9,955,073)
Net cash provided (used) by investing activities	7,473,368	(5,231,130)
Increase (decrease) in cash and cash equivalents	2,608,848	(12,671,283)
Cash and cash equivalents - September 1	7,874,744	20,546,027
Cash and cash equivalents - August 31	\$ 10,483,592	\$ 7,874,744
Endowment cash and cash equivalents	\$ 6,127,500	\$ 5,111,141
Short-term investments	3,264,391	1,485,779
Restricted short-term investments	1,091,701	1,277,824
Total cash and cash equivalents	\$ 10,483,592	\$ 7,874,744

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statement of Cash Flows**  
**For The Year Ended August 31, 2009**  
(Continued)

	Current Year	Prior Year
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating (loss)	\$ (19,687,539)	\$ (17,768,324)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:		
Depreciation expense	1,053,398	1,001,702
Changes in assets and liabilities:		
Receivables (net)	(151,444)	(36,394)
Inventories	(52,972)	(86,186)
Prepaid expenses	85,344	(79,474)
Accounts payable	(1,337,873)	748,939
Accrued liabilities	121,282	1,907
Deferred revenue	230,053	285,289
Net cash provided (used) by operating activities	\$ (19,739,751)	\$ (15,932,541)

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Notes to the Financial Statements**  
**August 31, 2009**

**1. Reporting Entity**

Victoria County Junior College District (the “District”) was created by a vote of the electorate of Victoria County, Texas, at an election held on December 2, 1947, in accordance with the laws of the State of Texas to serve the educational needs of Victoria County and the surrounding communities. The Board of Trustees (the “Board”), a seven-member group, is the level of government which has governing responsibilities over all activities related to public junior colleges within the jurisdiction of the District. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters, including taxing authority. The District receives funding from local, State of Texas and federal sources and must comply with the spending, reporting and record keeping requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Furthermore, all activities and organizations over which the Board exercises oversight responsibility have been included in the basic financial statements. The District is considered to be a special-purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity*.

**2. Summary of Significant Accounting Policies**

Report 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*. The District applies all applicable GASB pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. The District has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB. The District is reported as a special-purpose government engaged in business type activities.

Tuition Discounting

***Texas Public Education Grants*** – Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award is used by the student for tuition and fees, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

***Title IV, Higher Education Act Program Funds*** – Certain Title IV HEA Program funds are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the award is used by the student for tuition and fees, the amounts are recorded as revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

***Other Tuition Discounts*** – The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

## 2. Summary of Significant Accounting Policies (Continued)

### Basis of Accounting

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. 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 are provided for in the subsequent year's budget are reported as designations of net assets since they do not constitute expenditures or liabilities. All encumbrances outstanding for the year ended August 31, 2009 were canceled.

### Budgetary Data

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

### Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

### Investments

In accordance with GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. [The governing board has designated public funds investment pools comprised of \$43,754 and \$43,324 at August 31, 2009, and 2008, respectively, to be short-term investments.] Long-term investments have an original maturity of greater than one year at the time of purchase.

### Inventories

Inventories consist of consumable office supplies, physical plant supplies, food service supplies, and bookstore stock. Inventories are valued at cost under the "first-in, first-out" method for supplies and at average cost for bookstore stock and are charged to expense as consumed.

### Capital Assets

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

**2. Summary of Significant Accounting Policies (Continued)**

Capital Assets (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets applying the half-year convention. The following lives are used:

Buildings	50 years
Buildings and Site Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles and Other Equipment	10 years
Telecommunications and Peripheral Equipment	5 years

Deferred Revenues

Tuition and fees of \$1,711,671 and \$1,511,310 and federal, state and local grants of \$116,869 and \$87,177 have been reported as deferred revenues at August 31, 2009, and 2008, respectively.

Donor Restricted Endowments

Only earnings are available for expenditure for designated purposes from donor-restricted endowments. The District has set minimum endowment amounts. Smaller amounts may be endowed, but no expenditures will be made from those endowments until the minimum is met either through the addition of earnings and/or additional contributions.

Endowment assets are delineated as such on the Statement of Net Assets and are restricted for student aid.

Use of Estimates

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

Operating and Non-Operating Revenue and Expense Policy

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During its fiscal year ended August 31, 2009, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past year.

**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, 2009, the carrying amount of the District's deposits was \$10,483,592 and total bank balances equaled \$10,706,552. Bank balances of \$250,000 are covered by federal depository insurance and \$10,456,552 was covered by collateral pledged in the District's name. The collateral was held in the safekeeping departments of unrelated banks, which act as the pledging bank's agent.

Beginning September 1, 1997, the District adopted Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This GASB requires that investments be reported at fair value on the balance sheet. The District utilizes quoted market price as its indicator of fair value.

At August 31, 2009, the District had no outstanding commitments to sell securities. Cash and cash equivalents reported on Exhibit 1, Statement of Net Assets, are comprised of the items reported below:

	<u>8/31/2009</u>	<u>8/31/2008</u>
Cash on hand	\$ 52,724	\$ 38,367
Demand Deposits	<u>10,430,868</u>	<u>7,836,377</u>
Total Cash and Deposits	<u>\$ 10,483,592</u>	<u>\$ 7,874,744</u>

The amortized cost and estimated market values of investment securities at August 31, 2009, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

The amortized cost and estimated fair values of investment securities at August 31 are summarized as follows:

	Rate	Maturity	2009		2008	
			Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
<b>Wells Fargo Managed Allocation Portfolio</b>						
Equity Mutual Funds	Variable	Open	1,771,560	1,716,140	1,750,729	1,766,324
Fixed Income Mutual Funds	Variable	Open	946,113	989,404	1,080,090	1,089,581
Money Market Funds	Variable	Open	75,984	75,984	88,122	88,122
Certificate of Deposit	N/A	Matured	-	-	4,147,463	4,147,463
Certificate of Deposit	N/A	Matured	-	-	1,336,610	1,336,610
Certificate of Deposit	N/A	Matured	-	-	508,991	508,991
Certificate of Deposit	N/A	Matured	-	-	508,991	508,991
Certificate of Deposit	N/A	Matured	-	-	508,991	508,991
			<u>\$ 2,793,657</u>	<u>\$ 2,781,528</u>	<u>\$ 9,929,987</u>	<u>\$ 9,955,073</u>
	Type		2009		2008	
			Cost	Estimated Fair Value	Cost	Estimated Fair Value
<b>Uncategorized Investments</b>						
	Tex Pool		<u>\$ 43,754</u>	<u>\$ 43,754</u>	<u>\$ 43,324</u>	<u>\$ 43,324</u>
	Total Uncategorized Investments		<u>\$ 43,754</u>	<u>\$ 43,754</u>	<u>\$ 43,324</u>	<u>\$ 43,324</u>

4. **Deposits and Investments** (Continued)

<u>Type of Security</u>	<u>Market Value 8/31/2009</u>	<u>Market Value 8/31/2008</u>
Wells Fargo Managed Allocation Portfolio	\$ 2,781,528	\$ 2,944,027
TexPool	43,754	43,324
Certificates of Deposit	-	7,011,046
Total Investments	<u>\$ 2,825,282</u>	<u>\$ 9,998,397</u>
Total Cash and Deposits	\$ 10,483,592	\$ 7,874,744
Total Investments	<u>2,825,282</u>	<u>9,998,397</u>
Total Deposits and Investments	<u>\$ 13,308,874</u>	<u>\$ 17,873,141</u>
Cash and Temporary Investments (Exhibit 1)	\$ 10,483,592	\$ 7,874,744
Investments (Exhibit 1)	<u>2,825,282</u>	<u>9,998,397</u>
Total Deposits and Investments	<u>\$ 13,308,874</u>	<u>\$ 17,873,141</u>

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures. The District has the following risks related to deposits and investments:

***Interest Rate Risk*** – In accordance with state law and District investment policy, the District does not purchase any investments with maturities greater than 10 years.

***Credit Risk*** – In accordance with state law and the District’s investment policy, investments in mutual funds and investment pools must be rated at least AAA, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A. All Tex Pool investments of the District are rated AAA.

***Concentration of Credit Risk*** – The District does not place a limit on the amount the District may invest in any one issuer. More than 5% of the District’s investments are in Wells Fargo Managed Allocation Portfolio (98.45%).

During the year ended August 31, 2009, the District realized losses of \$218,237 from the sale of investments. The calculation of realized gains and losses is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that have been held for more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net decrease in the fair value of investments during the year ended August 31, 2009 was \$162,499. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized loss on investments held a year-end was \$12,129.

During the year ended August 31, 2008, the District realized no gain or loss from the sale of investments. The calculation of realized gains is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments during the year ended August 31, 2008 was \$55,371. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized gain on investments held at year-end was \$25,086.

5. **Derivatives**

The District was not invested in derivative instruments for the fiscal year ended August 31, 2009.

**6. Capital Assets Activity**

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

	Primary Institution				Balance 8/31/2009
	Balance 9/1/2008	Changes During the Year			
		Additions	Deletions	Reclassifications	
<b><u>Not Depreciated:</u></b>					
Land	\$ 325,537	\$ -	\$ -	\$ -	\$ 325,537
Construction in Progress	14,864,389	4,080,579	-	(15,799,635)	3,145,333
Subtotal	<u>15,189,926</u>	<u>4,080,579</u>	<u>-</u>	<u>(15,799,635)</u>	<u>3,470,870</u>
<b>Other Capital Assets:</b>					
Library Volumes and Periodicals	1,093,213	77,803	(104,243)	-	1,066,773
Buildings	31,269,511	-	-	14,754,520	46,024,031
Site Improvements	5,281,232	-	-	1,045,115	6,326,347
Telecommunications and Peripheral Equipment	1,145,826	82,358	-	-	1,228,184
Machinery, Equipment, Furniture and Vehicles	981,357	66,034	-	-	1,047,391
Subtotal	<u>39,771,139</u>	<u>226,195</u>	<u>(104,243)</u>	<u>15,799,635</u>	<u>55,692,726</u>
<b>Accumulated Depreciations:</b>					
Library Volumes and Periodicals	506,584	67,157	(104,243)	-	469,498
Buildings	9,500,026	564,343	-	-	10,064,369
Site Improvements	2,581,478	223,166	-	-	2,804,644
Telecommunications and Peripheral Equipment	726,224	116,398	-	-	842,622
Machinery, Equipment, Furniture and Vehicles	561,667	82,334	-	-	644,001
Subtotal	<u>13,875,979</u>	<u>1,053,398</u>	<u>(104,243)</u>	<u>-</u>	<u>14,825,134</u>
Net Other Capital Assets	<u>25,895,160</u>	<u>(827,203)</u>	<u>-</u>	<u>15,799,635</u>	<u>40,867,592</u>
Net Capital Assets	<u>\$ 41,085,086</u>	<u>\$ 3,253,376</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,338,462</u>

**6. Capital Assets Activity** (Continued)

Capital asset activity for the year ended August 31, 2008, was as follows:

	Primary Institution				Balance 8/31/2008
	Balance	Changes During the Year			
	9/1/2007	Additions	Deletions	Reclassifications	
<b>Not Depreciated:</b>					
Land	\$ 325,537	\$ -	\$ -	\$ -	\$ 325,537
Construction in Progress	3,582,057	11,282,332	-	-	14,864,389
Subtotal	<u>3,907,594</u>	<u>11,282,332</u>	<u>-</u>	<u>-</u>	<u>15,189,926</u>
<b>Other Capital Assets:</b>					
Library Volumes and					
Periodicals	1,112,923	67,893	(87,603)	-	1,093,213
Buildings	31,337,201	-	(67,690)	-	31,269,511
Site Improvements	5,281,232	-	-	-	5,281,232
Telecommunications and					
Peripheral Equipment	777,950	367,876	-	-	1,145,826
Machinery, Equipment,					
Furniture and Vehicles	847,452	133,905	-	-	981,357
Subtotal	<u>39,356,758</u>	<u>569,674</u>	<u>(155,293)</u>	<u>-</u>	<u>39,771,139</u>
<b>Accumulated Depreciations:</b>					
Library Volumes and					
Periodicals	526,390	67,797	(87,603)	-	506,584
Buildings	8,945,546	558,096	(3,616)	-	9,500,026
Site Improvements	2,362,391	219,087	-	-	2,581,478
Telecommunications and					
Peripheral Equipment	646,521	79,703	-	-	726,224
Machinery, Equipment,					
Furniture and Vehicles	484,648	77,019	-	-	561,667
Subtotal	<u>12,965,496</u>	<u>1,001,702</u>	<u>(91,219)</u>	<u>-</u>	<u>13,875,979</u>
Net Other Capital Assets	<u>26,391,262</u>	<u>(432,028)</u>	<u>(64,074)</u>	<u>-</u>	<u>25,895,160</u>
Net Capital Assets	<u>\$ 30,298,856</u>	<u>\$ 10,850,304</u>	<u>\$ (64,074)</u>	<u>\$ -</u>	<u>\$ 41,085,086</u>

**7. Current and Long-Term Liabilities**

Current liabilities activity for the year ended August 31, 2009, was as follows:

	Balance	Additions	Reductions	Balance
	9/1/2008			8/31/2009
Accounts payable	\$ 2,063,278	\$ 14,096,671	\$ 15,434,544	\$ 725,405
Accrued liabilities	103,395	19,652,940	19,531,658	224,677
Funds held for others	512,768	-	60,925	451,843
Deferred revenues	1,598,487	1,825,540	1,598,487	1,825,540
Bonds				-
General obligation bonds	570,000	600,000	570,000	600,000
Revenue bonds	285,000	300,000	285,000	300,000
Notes				
Maintenance tax notes	435,000	485,000	435,000	485,000
	<u>\$ 5,567,928</u>	<u>\$ 36,960,151</u>	<u>\$ 37,915,614</u>	<u>\$ 4,612,465</u>

7. **Current and Long-Term Liabilities** (Continued)

Current liabilities activity for the year ended August 31, 2008, was as follows:

	Balance 9/1/2007	Additions	Reductions	Balance 8/31/2008
Accounts payable	\$ 1,314,339	\$ 20,678,344	\$ 19,929,405	\$ 2,063,278
Accrued liabilities	101,488	18,648,643	18,646,736	103,395
Funds held for others	452,397	60,371	-	512,768
Deferred revenues	1,313,198	1,598,487	1,313,198	1,598,487
Bonds				-
General obligation bonds	530,000	570,000	530,000	570,000
Revenue bonds	275,000	285,000	275,000	285,000
Notes				
Maintenance tax notes	-	435,000	-	435,000
	<u>\$ 3,986,422</u>	<u>\$ 42,275,845</u>	<u>\$ 40,694,339</u>	<u>\$ 5,567,928</u>

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

	Balance 9/1/2008	Additions	Reductions	Balance 8/31/2009
Bonds				-
General obligation bonds	13,830,000	-	600,000	13,230,000
Revenue bonds	3,710,000	-	300,000	3,410,000
Notes				
Maintenance tax notes	2,065,000	-	485,000	1,580,000
	<u>\$ 19,605,000</u>	<u>\$ -</u>	<u>\$ 1,385,000</u>	<u>\$ 18,220,000</u>

Long-term liabilities activity for the year ended August 31, 2008, was as follows:

	Balance 9/1/2007	Additions	Reductions	Balance 8/31/2008
Bonds				-
General obligation bonds	14,400,000	-	570,000	13,830,000
Revenue bonds	3,995,000	-	285,000	3,710,000
Notes				
Maintenance tax notes	-	2,500,000	435,000	2,065,000
	<u>\$ 18,395,000</u>	<u>\$ 2,500,000</u>	<u>\$ 1,290,000</u>	<u>\$ 19,605,000</u>

**8. Debt and Lease Obligations**

Debt service requirements at August 31, 2009 were as follows:

For the Year Ended August 31,	Revenue Bonds			General Obligation Bonds		
	1999 Combined Fee Revenue Bonds			2006 Limited Tax Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2010	300,000	175,209	475,209	500,000	656,261	1,156,261
2011	310,000	161,859	471,859	575,000	633,761	1,208,761
2012	325,000	147,909	472,909	600,000	607,886	1,207,886
2013	340,000	133,122	473,122	630,000	580,886	1,210,886
2014	360,000	117,312	477,312	655,000	551,906	1,206,906
2015-2019	2,075,000	312,157	2,387,157	3,780,000	2,260,984	6,040,984
2020-2024	-	-	-	4,745,000	1,292,680	6,037,680
2025-2027	-	-	-	2,245,000	173,994	2,418,994
Totals	<u>\$ 3,710,000</u>	<u>\$ 1,047,568</u>	<u>\$ 4,757,568</u>	<u>\$ 13,730,000</u>	<u>\$ 6,758,358</u>	<u>\$ 20,488,358</u>

For the Year Ended August 31,	General Obligation Bonds			Total Bonds		
	2007 Limited Tax Bonds					
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 100,000	\$ 3,900	\$ 103,900	\$ 900,000	\$ 835,370	\$ 1,735,370
2011	-	-	-	885,000	795,620	1,680,620
2012	-	-	-	925,000	755,795	1,680,795
2013	-	-	-	970,000	714,008	1,684,008
2014	-	-	-	1,015,000	669,218	1,684,218
2015-2019	-	-	-	5,855,000	2,573,141	8,428,141
2020-2024	-	-	-	4,745,000	1,292,680	6,037,680
2025-2027	-	-	-	2,245,000	173,994	2,418,994
Totals	<u>\$ 100,000</u>	<u>\$ 3,900</u>	<u>\$ 103,900</u>	<u>\$ 17,540,000</u>	<u>\$ 7,809,826</u>	<u>\$ 25,349,826</u>

For the Year Ended August 31,	Maintenance Tax Notes		
	2008 Maintenance Tax Notes		
	Principal	Interest	Total
2010	\$ 485,000	\$ 54,722	\$ 539,722
2011	505,000	41,870	546,870
2012	525,000	28,488	553,488
2013	550,000	14,575	564,575
Totals	<u>\$ 2,065,000</u>	<u>\$ 139,655</u>	<u>\$ 2,204,655</u>

The District currently has no capital lease obligations.

**9. Bonds Payable**

General information related to bonds payable is summarized below:

- Combined Fee Revenue Bonds, Series 1999
- Issued to construct General Services and Technology Buildings and associated improvements
- Issued June 1, 1999
- Amount authorized and issued - \$6,000,000
- Source of revenue for debt service – Tuition, general fee and general fund interest
  
- Limited Tax Bonds, Series 2006
- Issued to construct Health Sciences Center, Remodel existing Allied Health Building and associated improvements
- Issued August 1, 2006
- Amount authorized and issued - \$14,500,000
- Source of revenue for debt service – ad valorem taxes
  
- Limited Tax Bonds, Series 2007
- Issued to construct Health Sciences Center, Remodel existing Allied Health Building and associated improvements
- Issued February 15, 2007
- Amount authorized and issued - \$1,000,000
- Source of revenue for debt service – ad valorem taxes
  
- Maintenance Tax Notes, Series 2008
- Issued to purchase Enterprise Resource System
- Issued April 15, 2008
- Amount authorized and issued - \$2,500,000
- Source of revenue for debt service – maintenance and operations ad valorem tax

Bonds payable are due in annual installments varying from \$100,000 to \$1,150,000 with interest rates from 3.90% to 5.125% with the final installment due in 2027. Maintenance tax notes are due in annual installments varying from \$485,000 to \$550,000 with interest at 2.65% with the final installment due in 2013. The 1999 combined Fee Revenue Bonds may be redeemed beginning August 15, 2009.

Debt Service for the 1999 combined Fee Revenue Bonds was \$472,745 for the year ended August 31, 2009. Revenues totaling \$1,805,535 were available to meet this obligation.

**10. Short Term Debt**

The District used no short-term debt for the year ended August 31, 2009.

**11. Rental Agreement and Operating Lease Commitments**

Rental Agreement

The District has leased a building owned by Victoria College Foundation, Inc., its discrete component unit. The lease commenced on July 1, 2003, and ends on June 30, 2010. The minimum guaranteed rental payments are \$3,575 per month and will increase each year on the anniversary date by any percentage increase in the Consumer Price Index (CPI) unless waived by the Foundation. However, any decrease in the CPI will not result in a decrease in the minimum rent.

Minimum rentals for the duration of the lease are:

<u>Fiscal Year</u>	<u>Amount</u>
2010	\$ 35,750
	<u>\$ 35,750</u>

11. **Rental Agreement and Operating Lease Commitments** (Continued)

Operating Lease Commitments

The District has entered into an agreement for purchase of computer licenses beginning September 1, 2007, and ending August 31, 2010. Payments for the term of the agreement are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2010	\$ 96,000
	<u>\$ 96,000</u>

The District's negotiated a non-cancellable operating lease contract for copiers beginning November 14, 2008 and ending November 13, 2011.

The future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2010	\$ 111,576
2011	111,576
2012	18,596
	<u>\$ 241,748</u>

Rental expense paid for the years ended August 31, 2009 and 2008 for operating leases totaled \$147,891 and \$154,330, respectively.

12. **Employees' Retirement Plan**

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

Teacher Retirement System of Texas

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

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution required the legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4 percent for Fiscal Years 2008 and 2007 and a state contribution rate of 6.58 percent for Fiscal Year 2008 and a 6 percent for Fiscal Year 2007. In certain instances the reporting district is required to make all or a portion of the state's 6.58 percent contribution for Fiscal Year 2008 and 6 percent for Fiscal Year 2007.

Optional Retirement Plan

*Plan Description.* Participation in the Optional Retirement Program is in lieu of participation in the Teach Retirement System. The optional retirement program provides for the purchase of annuity contracts and operates under the provision of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

**12. Employees' Retirement Plan** (Continued)

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.58 percent and 6.4 percent, respectively. The District contributes 1.92 percent for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the state for the District was \$711,979 and \$658,120 for the fiscal years ended August 31, 2009, and 2008, respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the District.

The total payroll for all District employees was \$14,663,144 and \$13,511,381 for the fiscal years ended August 31, 2009, and 2008, respectively. The total payroll of employees covered by the Teacher Retirement System was \$8,969,035 and \$8,252,885, and the total payroll of employees covered by the Optional Retirement System was \$3,319,045 and \$3,811,768 for the fiscal years ended August 31, 2009, and 2008, respectively.

**13. Deferred Compensation Program**

The District does not have employees participating in the deferred compensation program that was instituted pursuant to authority granted in Government code 609.001.

**14. Compensable Absences**

Full-time employees of the District accrue sick leave based on the length of their contract. Sick leave may be accumulated up to eighty days, but no employee will receive compensation for sick leave upon termination of employment with the District. Since the District has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made. Administrative, clerical, and maintenance personnel receive vacation time based on length of employment. Vacation must be taken by August 31; the carry-over of vacation time is not allowed unless specifically authorized by the District's president. In the opinion of the administration, the liability for compensable absences is not material to the basic financial statements of the District.

**15. Pending Lawsuits**

On occasion, the District may become party to litigation and claims arising in the normal course of operations. The District is currently not involved in any litigation.

**16. Disaggregation of Receivables and Payables Balances**

**Receivables**

Receivables at August 31, 2009, were as follows:

	<u>Receivable</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivable</u>
Taxes	\$ 483,561	\$ (483,561)	\$ -
Receivable from Title IV students	256,293	-	256,293
Federal receivables	688,976	-	688,976
Installment contracts receivable	183,833	(183,833)	-
Vendor receivable	124,777	-	124,777
Payroll advances receivable	8,083	-	8,083
Accounts receivable (net)	<u>\$ 1,745,523</u>	<u>\$ (667,394)</u>	<u>\$ 1,078,129</u>

16. **Disaggregation of Receivables and Payables Balances** (Continued)

**Receivables** (Continued)

Receivables at August 31, 2008, were as follows:

	<u>Receivable</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivable</u>
Taxes	\$ 424,168	\$ (424,168)	\$ -
Receivable from Title IV students	202,186	-	202,186
Federal receivables	654,438	-	654,438
Installment contracts receivable	164,579	(164,579)	-
Vendor receivable	<u>49,823</u>	<u>-</u>	<u>49,823</u>
Accounts receivable (net)	<u>1,495,194</u>	<u>(588,747)</u>	<u>906,447</u>
Interest receivable			
District accounts receivable	<u>20,238</u>	<u>-</u>	<u>20,238</u>
Total receivables	<u>\$ 1,515,432</u>	<u>\$ (588,747)</u>	<u>\$ 926,685</u>

**Payables**

Payables at August 31, 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Accounts payable	<u>\$ 725,405</u>	<u>\$ 2,063,278</u>
Accrued liabilities:		
Accrued payroll	198,745	78,565
Employee benefits payable	<u>25,932</u>	<u>24,830</u>
Total accrued liabilities	<u>224,677</u>	<u>103,395</u>
Total payables	<u>\$ 950,082</u>	<u>\$ 2,166,673</u>

17. **Funds Held in Trust by Others**

No funds are held in trust by others on behalf of the District.

18. **Contract and Grant Award**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as accounts receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g. multi-year awards, or funds awarded during fiscal year August 31, 2009, and 2008, for which monies have not been received nor funds expended totaled \$4,591,363 and \$2,797,585, respectively. Of this amount \$4,188,510 and \$1,341,510 was from Federal Contracts and Grant Awards, and \$402,853 and \$1,456,075 was from State Contracts and Grant Awards, respectively.

19. **Self-Insured Plans**

The District has a self-insured arrangement for coverage of workers' compensation. Workers' compensation plans are on a pay-as-you-go basis, in which no assets are set aside. Estimated future payments for incurred claims are charged to current operations.

**20. Post Retirement Health Care and Life Insurance Benefits**

In addition to providing pension benefits, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age while working for the state.

Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums.

The state's contribution per full-time employee with individual coverage was \$360 per month for the year ended August 31, 2009 (\$360 per month for the year ended August 31, 2008) and totaled \$640,319 for the year ended August 31, 2009 (\$552,960 for the year ended August 31, 2008). The state's contribution for a full-time employee with individual and children coverage was \$498 per month for the year ended August 31, 2009 (\$498 per month for the year ended August 31, 2008) and \$287,130 for the year ended August 31, 2009 (\$322,704 for the year ended August 31, 2008). The state's contribution for a full-time employee with individual and spouse coverage was \$567 per month for the year ended August 31, 2009 (\$567 per month for the year ended August 31, 2008) and \$210,764 for the year ended August 31, 2009 (\$142,884 for the year ended August 31, 2008). The state's contribution for a full-time employee with family coverage was \$705 per month for the year ended August 31, 2009 (\$705 per month for the year ended August 31, 2008) and \$346,623 for the year ended August 31, 2009 (\$346,860 for the year ended August 31, 2008).

The cost of providing those benefits for 117 retirees was \$568,969, which consisted of \$529,413 from the state and \$39,556 from the District and for 270 active employees was \$1,415,206 which consisted of \$950,044 from the state and \$465,162 from the District for the year ended August 31, 2009. The cost of providing those benefits for 121 retirees was \$560,803 which consisted of \$518,723 from the state and \$42,080 from the District and for 265 active employees was \$1,407,935 which consisted of \$1,000,289 from the state and \$407,646 from the District for the year ended August 31, 2008.

**21. Ad Valorem Tax**

The District's ad valorem property tax is levied each October 1<sup>st</sup> on the assessed value listed as of the prior January 1<sup>st</sup> for all real and business personal property located in the District.

As of August 31:

	<u>2009</u>	<u>2008</u>	
Assessed Valuation of the District:	\$ 5,532,574,689	\$ 5,110,467,921	
Less: Exemptions	<u>(527,661,061)</u>	<u>(531,165,678)</u>	
Net Assessed Valuation of the District	<u>\$ 5,004,913,628</u>	<u>\$ 4,579,302,243</u>	
	<u>2009</u>		
	<u>Current</u>	<u>Debt</u>	<u>Total</u>
	<u>Operations</u>	<u>Service</u>	
Authorized Tax Rate per \$100 valuation	<u>\$ 0.500000</u>	<u>\$ 0.500000</u>	<u>\$ 1.000000</u>
Assessed Tax Rate per \$100 valuation	<u>\$ 0.118900</u>	<u>\$ 0.025600</u>	<u>\$ 0.144500</u>
	<u>2008</u>		
	<u>Current</u>	<u>Debt</u>	<u>Total</u>
	<u>Operations</u>	<u>Service</u>	
Authorized Tax Rate per \$100 valuation	<u>\$ 0.500000</u>	<u>\$ 0.500000</u>	<u>\$ 1.000000</u>
Assessed Tax Rate per \$100 valuation	<u>\$ 0.116700</u>	<u>\$ 0.027800</u>	<u>\$ 0.144500</u>

21. **Ad Valorem Tax** (Continued)

Taxes levied for the year ended August 31, 2009 and 2008 were \$7,088,449 and \$6,518,523, respectively. Penalties and interest are not assessed. Taxes are due on receipt of the tax bill and are considered delinquent if not paid before February 1 of the succeeding year and subject to lien as of July 1 of that year.

<u>Taxes Collected</u>	2009		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 4,108,342	\$ 1,520,665	\$ 5,629,007
Delinquent taxes collected	1,220,663	267,719	1,488,382
Penalties and interest collected	72,834	17,303	90,137
Less discounts and commissions	(368)	(152)	(520)
Total collections	<u>\$ 5,401,471</u>	<u>\$ 1,805,535</u>	<u>\$ 7,207,006</u>

  

<u>Taxes Collected</u>	2008		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 4,227,553	\$ 1,005,856	\$ 5,233,409
Delinquent taxes collected	995,882	239,605	1,235,487
Penalties and interest collected	60,110	15,445	75,555
Less discounts and commissions	(2,579)	(553)	(3,132)
Total collections	<u>\$ 5,280,966</u>	<u>\$ 1,260,353</u>	<u>\$ 6,541,319</u>

Tax collections for the years ended August 31, 2009 and 2008 were 97.22% and 99.48%, respectively, of current tax levy. Uncollected taxes are fully reserved at August 31. The use of tax proceeds is restricted to maintenance and operations and/or general obligation debt service.

22. **Income Taxes**

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 tax under internal Revenue code Section 511 (a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations. The District had no unrelated business income tax liability for the years ended August 31, 2008, and 2007.

23. **Discrete Component Unit**

Victoria College Foundation, Inc. (the "Foundation") was established as a separate nonprofit organization in 1978, to raise funds to provide student scholarships and assistance in the development and growth of the District. Under Governmental Accounting Standards Board (GASB) Statement 39 *Determining Whether Certain Organizations are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

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

24. **Restatement of Prior Year**

The comparative data for the fiscal year ended August 31, 2008 presented with this financial report has been restated from its original presentation in the 2008 financial report. Total net assets were unchanged. Non-operating revenues previously reported as operating revenues were reclassified.

**24. Restatement of Prior Year** (Continued)

These restatements of prior period balances are summarized in the schedule below:

	August 31, 2008		
	As Previously Reported	Increase (Decrease)	As Restated
<u>Statement of Revenues, Expenses and Changes in Net Assets</u>			
<b>OPERATING REVENUES</b>			
Federal grants and contracts	\$ 5,243,336	\$ (4,444,670)	\$ 798,666
Operating Loss	(13,323,654)	(4,444,670)	(17,768,324)
<b>NON-OPERATING REVENUES</b>			
Title IV	-	4,444,670	4,444,670
Total Non-Operating Revenues	15,318,331	4,444,670	19,763,001
<u>Statement of Cash Flows</u>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants and contracts	6,422,855	(4,444,670)	1,978,185
Net cash provided (used) by operating activities	(11,487,871)	(4,444,670)	(15,932,541)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Receipts from federal (Title IV) allocations	-	4,444,670	4,444,670
Net cash provided (used) by non-capital financing activities	13,842,386	4,444,670	18,287,056
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	(13,323,654)	(4,444,670)	(17,768,324)
Net cash provided (used) by operating activities	(11,487,871)	(4,444,670)	(15,932,541)

**25. Characterization of Title IV grant revenue**

In response to guidance provided by the Government Accounting Standards Board (GASB) as question/answer 7.72.10 in the Implementation Guide, revenue received for federal Title IV grant programs (i.e. Pell grants) is now characterized as non operating revenue as opposed to operating revenue.

**26. Subsequent Events**

In the opinion of the District's administration, no events have occurred subsequent to the statement of net assets date that would materially affect the financials.

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

To the Board of Trustees  
Victoria County Junior College District  
Victoria, Texas

We have audited the financial statements of the Victoria County Junior College District, as of and for the year ended August 31, 2009 and have issued our report thereon dated October 16, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the standards applicable to financial audits contained in the *State of Texas Single Audit Circular*.

**Internal Control Over Financial Reporting**

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

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Victoria County Junior College District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Victoria County Junior College District's financial statements that is more than inconsequential will not be prevented or detected by the Victoria County Junior College District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Victoria County Junior College District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Victoria County Junior College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *State of Texas Single Audit Circular*.

### **Public Funds Investment Act**

We have performed tests designed to verify the District's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2009, no instances of noncompliance were found.

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

*Patullo, Brown & Hill, C.P.*

October 16, 2009



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

To the Board of Trustees  
Victoria County Junior College District  
Victoria, Texas

**Compliance**

We have audited the compliance of Victoria County Junior College District, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended August 31, 2009. Victoria County Junior College District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. We have audited the compliance of Victoria County Junior College District, with the types of compliance requirements described in the *State of Texas Single Audit Circular* that are applicable to each of its major state programs for the year ended August 31, 2009. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major programs is the responsibility of Victoria County Junior College District's management. Our responsibility is to express an opinion on Victoria County Junior College District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the standards applicable to financial audits contained in the *State of Texas Single Audit Circular*. Those standards, OMB Circular A-133, and the *State of Texas Single Audit Circular* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Victoria County Junior College 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 Victoria County Junior College District's compliance with those requirements.

In our opinion, Victoria County Junior College 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, 2009.

**Internal Control Over Compliance**

The management of Victoria County Junior College District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Victoria County Junior College District's internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Victoria County Junior College District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

*Pattillo, Brum & Hill, LLP*

October 16, 2009

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Schedule of Operating Revenues**  
**For the Year Ended August 31, 2009**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Current Year	Prior Year
<b>Tuition:</b>						
State funded credit courses						
In-district resident tuition	\$ 1,353,459	\$ -	\$ 1,353,459	\$ -	\$ 1,353,459	\$ 1,238,393
Out-of-district resident tuition	1,119,777	-	1,119,777	-	1,119,777	1,048,742
Non-resident tuition	32,421	-	32,421	-	32,421	22,869
TPEG set aside (set aside)*	222,555	-	222,555	-	222,555	195,451
State funded continuing education	1,392,450	-	1,392,450	-	1,392,450	1,062,781
Non-state funded continuing education	107,084	-	107,084	-	107,084	119,028
Total Tuition	<u>4,227,746</u>	<u>-</u>	<u>4,227,746</u>	<u>-</u>	<u>4,227,746</u>	<u>3,687,264</u>
<b>Fees:</b>						
General fee	1,514,090	-	1,514,090	-	1,514,090	1,272,712
Out-of-district fees	808,913	-	808,913	-	808,913	767,022
Laboratory fee	187,648	-	187,648	-	187,648	185,241
Other fees						
Course fee	158,133	-	158,133	-	158,133	135,209
Distance education fee	443,550	-	443,550	-	443,550	353,313
Total Fees	<u>3,112,334</u>	<u>-</u>	<u>3,112,334</u>	<u>-</u>	<u>3,112,334</u>	<u>2,713,497</u>
<b>Scholarship Allowances and Discounts:</b>						
Remissions and exemptions - state	(103,947)	-	(103,947)	-	(103,947)	(85,013)
Title IV federal grants	(1,086,808)	-	(1,086,808)	-	(1,086,808)	(874,102)
Other federal grants	(3,189)	-	(3,189)	-	(3,189)	(7,302)
TPEG awards	(34,128)	-	(34,128)	-	(34,128)	(13,537)
Other state grants	(857,757)	-	(857,757)	-	(857,757)	(568,673)
Other local scholarships	(129,662)	-	(129,662)	-	(129,662)	(84,734)
Total Scholarship Allowances	<u>(2,215,491)</u>	<u>-</u>	<u>(2,215,491)</u>	<u>-</u>	<u>(2,215,491)</u>	<u>(1,633,361)</u>
Total Net Tuition and Fees	<u>5,124,589</u>	<u>-</u>	<u>5,124,589</u>	<u>-</u>	<u>5,124,589</u>	<u>4,767,400</u>
<b>Additional Operating Revenues:</b>						
Federal grants and contracts	38,856	353,195	392,051	-	392,051	798,666
State grants and contracts	16,668	1,460,545	1,477,213	-	1,477,213	1,210,413
Nongovernmental grants and contracts	-	123,993	123,993	-	123,993	5,500
Sales and services of educational activities	340,014	-	340,014	-	340,014	356,044
General operating revenues	355,149	-	355,149	-	355,149	567,584
Total Additional Operating Revenues	<u>750,687</u>	<u>1,937,733</u>	<u>2,688,420</u>	<u>-</u>	<u>2,688,420</u>	<u>2,938,207</u>
<b>Auxiliary Enterprises:</b>						
Bookstore	-	-	-	3,416,497	3,416,497	3,325,852
Title IV federal grants	-	-	-	(559,720)	(559,720)	(490,537)
Other federal grants	-	-	-	(69,097)	(69,097)	(59,789)
Other state grants	-	-	-	-	-	-
Other local scholarships	-	-	-	(22,883)	(22,883)	(13,200)
Net Bookstore	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,764,797</u>	<u>2,764,797</u>	<u>2,762,326</u>
Food service	-	-	-	342,336	342,336	322,568
Facilities rentals	-	-	-	18,132	18,132	28,640
Total Net Auxiliary Enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,125,265</u>	<u>3,125,265</u>	<u>3,113,534</u>
Total Operating Revenues	<u>\$ 5,875,276</u>	<u>\$ 1,937,733</u>	<u>\$ 7,813,009</u>	<u>\$ 3,125,265</u>	<u>\$ 10,938,274</u>	<u>\$ 10,819,141</u>
					(Exhibit 2)	(Exhibit 2)

\* In accordance with Education Code 56.003, \$222,555 and \$195,451 of tuition was set aside for Texas Public Education Grants (TPEG) for the years ended August 31, 2009 and 2008, respectively.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Schedule of Operating Expenses by Object**  
**For the Year Ended August 31, 2009**

	Operating Expenses				Current Year Total	Prior Year Total
	Salaries and Wages	Benefits		Other Expenses		
		State Benefits	Local Benefits			
<b>Unrestricted - Educational Activities</b>						
Instruction	\$ 7,519,438	\$ -	\$ 840,478	\$ 2,365,546	\$ 10,725,462	\$ 9,374,572
Public service	23,419	-	2,512	51,911	77,842	125,757
Academic support	1,185,066	-	130,931	271,037	1,587,034	1,535,253
Student services	1,192,869	-	133,554	353,793	1,680,216	1,512,235
Institutional support	2,018,834	-	218,193	642,257	2,879,284	2,680,799
Operation and maintenance of plant	864,514	-	162,893	2,140,787	3,168,194	2,510,001
Scholarships and fellowships	-	-	-	111,543	111,543	72,205
Total Unrestricted Educational Activities	<u>12,804,140</u>	<u>-</u>	<u>1,488,561</u>	<u>5,936,874</u>	<u>20,229,575</u>	<u>17,810,822</u>
<b>Restricted - Educational Activities</b>						
Instruction	1,078,321	1,449,410	94,493	1,253,899	3,876,123	4,286,531
Public service	-	-	-	-	-	-
Academic support	-	201,531	-	-	201,531	198,466
Student services	227,569	238,875	19,942	149,430	635,816	714,642
Institutional support	-	343,321	-	-	343,321	309,369
Operation and maintenance of plant	-	-	-	-	-	-
Scholarships and fellowships	-	-	-	662,374	662,374	937,522
Total Restricted Educational Activities	<u>1,305,890</u>	<u>2,233,137</u>	<u>114,435</u>	<u>2,065,703</u>	<u>5,719,165</u>	<u>6,446,530</u>
Total Educational Activities	14,110,030	2,233,137	1,602,996	8,002,577	25,948,740	24,257,352
<b>Auxiliary Enterprises</b>	348,061	-	112,311	3,163,303	3,623,675	3,328,411
Depreciation Expense						
Buildings and other real estate improvements	-	-	-	787,509	787,509	777,183
Equipment and furniture	-	-	-	198,732	198,732	156,722
Library volumes and periodicals	-	-	-	67,157	67,157	67,797
Total Operating Expenses	<u>\$ 14,458,091</u>	<u>\$ 2,233,137</u>	<u>\$ 1,715,307</u>	<u>\$ 12,219,278</u>	<u>\$ 30,625,813</u> (Exhibit 2)	<u>\$ 28,587,465</u> (Exhibit 2)

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Schedule of Non-Operating Revenues and Expenses**  
**For the Year Ended August 31, 2009**

	Unrestricted	Restricted	Auxiliary Enterprises	Current Year	Prior Year
<b>Non-Operating Revenues</b>					
<b>State Allocations:</b>					
Education and general state support	\$ 6,816,087	\$ -	\$ -	\$ 6,816,087	\$ 6,816,087
State group insurance	-	1,521,159	-	1,521,159	1,520,481
State retirement matching	-	711,978	-	711,978	658,120
Dramatic enrollment funding	-	-	-	-	-
Total State allocations	<u>6,816,087</u>	<u>2,233,137</u>	<u>-</u>	<u>9,049,224</u>	<u>8,994,688</u>
Ad valorem taxes:					
Taxes for maintenance and operations	4,878,138	-	-	4,878,138	5,280,966
Taxes for general obligation bonds	-	2,328,868	-	2,328,868	1,260,353
Title IV	-	4,449,021	-	4,449,021	4,444,670
Gifts	112,246	907,611	-	1,019,857	150,342
Investment income	112,200	144,313	43,740	300,253	582,239
Net (decrease) in fair value of investments	-	-	-	-	11,832
Total Non-Operating Revenues	<u>11,918,671</u>	<u>10,062,950</u>	<u>43,740</u>	<u>22,025,361</u>	<u>20,725,090</u>
<b>Non-Operating Expenses</b>					
Interest on capital related debt	-	959,073	-	959,073	962,089
Total Non-Operating Expenses	<u>-</u>	<u>959,073</u>	<u>-</u>	<u>959,073</u>	<u>962,089</u>
Net Non-Operating Revenues	<u>\$ 11,918,671</u>	<u>\$ 9,103,877</u>	<u>\$ 43,740</u>	<u>\$ 21,066,288</u> (Exhibit 2)	<u>\$ 19,763,001</u> (Exhibit 2)

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Schedule of Net Assets by Source and Availability**  
**For the Year Ended August 31, 2009**

	Detail by Source				
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Current Year Total
		Expendable	Non-Expendable		
Current					
Unrestricted	\$ 2,686,097	\$ -	\$ -	\$ -	\$ 2,686,097
Restricted for:					
Nonexpendable:					
Student aid	-	-	3,164,956	-	3,164,956
Expendable:					
Student aid	-	323,605	-	-	323,605
Unexpended bond proceeds	-	2,737,772	-	-	2,737,772
Auxiliary enterprises	2,756,703	-	-	-	2,756,703
Plant					
Debt Service	-	229,390	-	-	229,390
Investment in Plant	-	-	-	24,733,462	24,733,462
Total Net Assets, August 31, 2009	<u>5,442,800</u>	<u>3,290,767</u>	<u>3,164,956</u>	<u>24,733,462</u>	<u>36,631,985</u> (Exhibit 1)
Total Net Assets, August 31, 2008	<u>6,137,335</u>	<u>5,869,172</u>	<u>3,289,748</u>	<u>20,190,086</u>	<u>35,486,341</u> (Exhibit 1)
Net Increase (Decrease) in Net Assets	<u>\$ (694,535)</u>	<u>\$ (2,578,405)</u>	<u>\$ (124,792)</u>	<u>\$ 4,543,376</u>	<u>\$ 1,145,644</u> (Exhibit 2)

**SCHEDULE D**

	Available for Current Operations		Prior Year Total	Available for Current Operations	
	Yes	No		Yes	No
Current					
Unrestricted	\$ 2,686,097	\$ -	\$ 3,596,898	\$ 3,596,898	\$ -
Restricted for:					
Nonexpendable:					
Student aid	-	3,164,956	3,289,748	-	3,289,748
Expendable:					
Student aid	-	323,605	422,566	-	422,566
Unexpended bond proceeds	-	2,737,772	5,263,449	-	5,263,449
Auxiliary enterprises	2,756,703	-	2,540,437	2,540,437	-
Plant					
Debt Service	-	229,390	183,157	-	183,157
Investment in Plant	-	<u>24,733,462</u>	<u>20,190,086</u>	-	<u>20,190,086</u>
Total Net Assets, August 31, 2009	<u>5,442,800</u>	<u>31,189,185</u>	<u>35,486,341</u>	<u>6,137,335</u>	<u>29,349,006</u>
			(Exhibit 1)		
Total Net Assets, August 31, 2008	<u>6,137,335</u>	<u>29,349,006</u>	<u>34,123,813</u>	<u>5,420,774</u>	<u>28,703,039</u>
			(Exhibit 2)		
Net Increase (Decrease) in Net Assets	<u>\$ (694,535)</u>	<u>\$ 1,840,179</u>	<u>\$ 1,362,528</u>	<u>\$ 716,561</u>	<u>\$ 645,967</u>
			(Exhibit 2)		

**SCHEDULE E**

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS  
Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2009**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Pass-Through Disbursements and Expenditures</b>
<b>U.S. DEPARTMENT OF LABOR</b>			
<i>Direct Programs:</i>			
Nuclear Power Tech (Community Based Job Training)	17.269	CB-18197-09-60	\$ 30,236
Community Based Job Training Grants	17.261	CB-15223-06-60	<u>169,868</u>
Total Direct Programs			<u>200,104</u>
<i>Passed through UTMB:</i>			
Pecan Valley Area Health Education Center - Prof Corps	94.600	UOSPC-00000360	23,083
Pecan Valley Area Health Education Center - Geriatric Ed	93.969	D31HP08839	<u>9,208</u>
Total UTMB			<u>32,291</u>
Total U.S. Department of Labor			<u>232,395</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Direct Programs:</i>			
SEOG	84.007	P007A087874	104,206
Strengthening Institutions - Hispanic Serving Institutions	84.031	P031S030025	39,874
Federal College Workstudy Program	84.033	P033A087874	75,770
Student Support Services	84.042	P042A060605	230,651
Federal Pell Grant Program	84.063	P063P082339	3,169,147
Academic Competitiveness Grant	84.375	P375AQ82339	<u>67,585</u>
Total Direct Programs			<u>3,687,233</u>
<i>Pass Through From Texas Education Agency:</i>			
Adult Basic Education	84.002	094100017110240	226,585
Adult Basic Education - Institutional	84.002	094100017110240	<u>27,417</u>
Total Adult Basic Education			<u>254,002</u>
<i>Pass Through From Texas Higher Education Coordinating Board:</i>			
Leveraging Educational Assistance Partnership	84.069a	-	5,064
Special Leveraging Educational Assistance Partnership	84.069b	-	6,513
College Access Challenge Grant	84.378	-	43,926
Carl Perkins Voc. Ed. - Basic	84.048	94253	254,949
Carl Perkins Voc. Ed. - Basic Reserve	84.048	94411	2,000
Carl Perkins Voc. Ed. - Tech Prep	84.243	91725	<u>233,971</u>
Total Texas Higher Education Coordinating Board			<u>546,423</u>
Total U.S. Department of Education			<u>4,487,658</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Direct Program:</i>			
Texas Prefreshman Engineering Program (TexPREP)	10.223	2007-38422-18081	<u>18,630</u>
Total TexPREP			<u>18,630</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended August 31, 2009**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

*Passed Through From the University of Texas - Medical Branch at Galveston:*

Model State - Supported Area Health Education Centers	93.107	5U77HP01066-06-00	78,000
Total Health Education & Training Centers			78,000

*Passed Through From Texas Education Agency:*

Temporary Assistance for Needy Families	93.558	093625017110235	24,389
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Total U.S. Department of Health and Human Services			102,389
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<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 4,841,072</b>
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**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2009**

**Note 1: Federal Assistance Reconciliation**

**Federal Assistance Reconciliation**

Federal grants and contracts revenue per Schedule A	\$ 392,051
Title IV grants and contracts revenue per Schedule C	<u>4,449,021</u>
Total Federal Revenues per Schedule of Expenditures of Federal Awards	<u>\$ 4,841,072</u>

**Note 2: Significant Accounting Policies Used in Preparing the Schedule**

See Note 2 of the notes to the basic financial statements for the District's significant accounting policies. 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 that 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. 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.

**Note 3: Expenditures not Subject to Federal Single Audit**

All expenditures are subject to Federal Single Audit.

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

Federal Grantor/ CFDA Number/ Program Name	New Loans Processed	Administrative Costs Recovered	Total Loans Processed & Admin. Costs Recovered
Department of Education 84.032 Federal Family Education Loan Program	<u>\$ 3,288,398</u>	<u>\$ -</u>	<u>\$ 3,288,398</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Notes to Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended August 31, 2009**

**Note 5: Nonmonetary Federal Assistance Received**

No nonmonetary federal assistance was received.

**Note 6: Amounts Passed Through by the District**

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Carl Perkins Vocational Education - Tech Prep program CFDA 84.243 from the U.S. Department of Education through the Texas Higher Education Coordinating Board.

Anstwell-Tivoli ISD	\$	165
Bloomington ISD		4,943
Calhoun County ISD		1,206
Cuero ISD		2,394
Edna ISD		859
Ganado ISD		4,907
Gonzales ISD		5,010
Hallettsville ISD		2,031
Industrial ISD		2,519
Moulton ISD		205
Nixon-Smilely ISD		2,149
Nordheim ISD		100
Refugio ISD		1,006
Shiner ISD		182
Victoria ISD		6,725
Woodsboro ISD		1,115
Yoakum ISD		7,145
Yorktown ISD		<u>1,473</u>
 Total Amount Passed-Through	 \$	 <u><u>44,134</u></u>

**SCHEDULE F**

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS  
Schedule of Expenditures of State Awards  
For the Year Ended August 31, 2009**

<b>Grantor Agency/ Program Title</b>	<b>Grant Contract Number</b>	<b>Expenditures</b>
<b>TEXAS HIGHER EDUCATION COORDINATING BOARD</b>		
Texas College Workstudy Program	-	\$ 16,078
Collegiate G-Force Workstudy Mentorship		59,444
Law Enforcement Officer Standards & Education	-	871
Early High School Graduation (HB 1479)	-	24,781
Texas Public Education Grant Program	-	222,555
Texas Grant Program	-	157,430
Certified Ed Aide Program	-	19,450
Financial Aid - Prof Nursing	-	6,455
Financial Aid - LVN Nursing	-	721
Nursing and Allied Health	-	117,237
Professional Nursing Shortage Reduction	-	139,900
TexPrep - UTSA	-	4,640
GED - College Prep Intense Summer Program		26,223
Developmental Education Summer Bridge		23,426
Summer Bridge 07 Scholarship	-	471
Summer Bridge Lighthouse	-	6,496
Summer Bridge TG	-	18,573
P16 Council Special Advisor	-	10,238
Crossroads Area - P16 Council	-	10,182
Nursing Innovation Grant Program (NIGP)	-	75,945
Total Texas Higher Education Coordinating Board		<u>941,116</u>
<b>TEXAS EDUCATION AGENCY</b>		
Adult Basic Education	090100017110240	51,920
Temporary Assistance for Needy Families	093625017110235	13,555
Total Texas Education Agency		<u>65,475</u>
<b>UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON</b>		
Pecan Valley Area Health Education Center - UTSW Med Ctr	CM0900612	9,941
Pecan Valley Area Health Education Center - Health Prof Std Housing	UTMBG-0000305146	9,000
Pecan Valley Area Health Education Center	UTMBG-0000205146	192,723
		<u>211,664</u>
<b>TEXAS WORKFORCE COMMISSION</b>		
Skills Development Fund	1906SDF000	947,487
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<u>\$ 2,165,742</u>

Notes to the Schedule on the following page.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS  
Notes to Schedule of Expenditures of State Awards  
For the Year Ended August 31, 2009**

**Note 1: State Assistance Reconciliation**

<b>State Assistance Reconciliation</b>	
per Schedule of Expenditures of State Awards	\$ <u>2,165,742</u>
Less: Early High School Graduation (HB1479)	(24,781)
Financial Aid - Prof & LVN Nursing	(7,176)
Professional Nursing Shortage Program	(139,900)
Nursing and Allied Health	<u>(117,237)</u>
Total included in "Tuition and Fees"	<u>(289,094)</u>
Less current year expenditures from programs:	
Texas Public Education Grant Program	(222,555)
Texas Grant Program	(157,430)
Certified Ed Aide Program	<u>(19,450)</u>
	<u>(399,435)</u>
Total State Revenues per Schedule A	<u>\$ 1,477,213</u>

**Note 2: Significant Accounting Policies Used in Preparing the Schedule**

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

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT  
VICTORIA, TEXAS  
Schedule of Findings and Questioned Costs  
For the Year Ended August 31, 2009**

**I. Summary of Auditors' Results**

Type of auditors' report on financial statements:	Unqualified.
Internal control over financial reporting: Material weakness(es) identified?	None.
Significant deficiencies identified that are not considered to be material weakness(es)?	None.
Internal control over major programs: Material weakness(es) identified?	None.
Significant deficiencies identified that are not considered to be material weakness(es)?	None.
Noncompliance which is material to the basic financial statements	None.
Type of auditors' report on compliance with major programs	Unqualified.
Findings and questioned costs for federal awards as defined in Section 501(a), OMB Circular A-133 and the State of Texas Single Audit Circular	None.
Dollar threshold considered between Type A and Type B federal programs	\$300,000
Dollar threshold considered between Type A and Type B state programs	\$300,000
Low risk auditee statement	Yes
Major federal programs	The Student Financial Aid Cluster (CFDA #84.007, #84.033, #84.063, and #84.375)
Major state program	TWC - Skills Development Fund

**II. Findings Relating to the Financial Statements which are Required to be Reported  
in Accordance with Generally Accepted Government Auditing Standards**

The audit disclosed no finding required to be reported.

**III. Findings and Questioned Costs for Federal Awards**

None

**IV. Findings and Questioned Costs for State Awards**

None

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended August 31, 2009**

There were no findings in the prior year for either federal or state programs.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 1**  
**Net Assets by Component**  
**Fiscal Years 2002 through 2009**

(unaudited)

(amounts expressed in thousands)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Invested in capital assets, net of related debt	\$ 24,733	\$ 20,190	\$ 11,099	\$ 8,513
Restricted - expendable	3,291	5,869	13,571	14,389
Restricted - nonexpendable	3,165	3,290	4,033	4,293
Unrestricted	5,443	6,137	5,421	5,715
<b>Total primary government net assets</b>	<u>\$ 36,632</u>	<u>\$ 35,486</u>	<u>\$ 34,124</u>	<u>\$ 32,910</u>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

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

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 21,596	\$ 21,191	\$ 20,085	\$ 16,403
388	441	494	502
4,102	3,534	4,286	3,909
5,683	5,092	4,316	6,637
<u>\$ 31,769</u>	<u>\$ 30,258</u>	<u>\$ 29,181</u>	<u>\$ 27,451</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 2**  
**Revenues by Source**  
**Fiscal Years 2002 through 2009**  
(unaudited)

	<b>For the Year Ended August 31,</b>			
	<b>(amounts expressed in thousands)</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Tuition and Fees (Net of Discounts)	\$ 5,125	\$ 4,767	\$ 4,206	\$ 3,822
Governmental Grants and Contracts				
Federal Grants and Contracts	392	799	731	643
State Grants and Contracts	1,477	1,210	1,042	652
Local Grants and Contracts	-	-	-	-
Non-Governmental Grants and Contracts	124	6	1	52
Sales and services of educational activities	340	356	298	353
Auxiliary enterprises	3,125	3,114	2,821	2,561
Other Operating Revenues	355	568	219	232
<b>Total Operating Revenues</b>	<b>10,938</b>	<b>10,820</b>	<b>9,318</b>	<b>8,315</b>
State Appropriations	9,049	8,995	8,917	8,821
Ad Valorem Taxes	7,207	6,541	6,019	5,651
Title IV	4,449	4,444	4,838	5,185
Gifts	1,020	150	514	153
Investment income	300	582	1,131	311
Other non-operating revenues	-	12	32	(72)
<b>Total Non-Operating Revenues</b>	<b>22,025</b>	<b>20,724</b>	<b>21,451</b>	<b>20,049</b>
<b>Total Revenues</b>	<b>\$ 32,963</b>	<b>\$ 31,544</b>	<b>\$ 30,769</b>	<b>\$ 28,364</b>

	<b>For the Year Ended August 31,</b>			
	<b>(amounts expressed in thousands)</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Tuition and fees (net of discounts)	15.55%	15.11%	13.67%	13.47%
Governmental grants and contracts				
Federal grants and contracts	1.19%	2.53%	2.38%	2.27%
State grants and contracts	4.48%	3.84%	3.39%	2.30%
Local grants and contracts	0.00%	0.00%	0.00%	0.00%
Non-governmental grants and contracts	0.38%	0.02%	0.00%	0.18%
Sales and services of educational activities	1.03%	1.13%	0.97%	1.24%
Auxiliary enterprises	9.48%	9.87%	9.17%	9.03%
Other operating revenues	1.08%	1.80%	0.71%	0.82%
<b>Total Operating Revenues</b>	<b>33.18%</b>	<b>34.30%</b>	<b>30.28%</b>	<b>29.32%</b>
State appropriations	27.45%	28.52%	28.98%	31.10%
Ad valorem taxes	21.86%	20.74%	19.56%	19.92%
Gifts	3.09%	0.48%	1.67%	0.54%
Investment income	0.91%	1.85%	3.68%	1.10%
Other non-operating revenues	0.00%	0.04%	0.10%	-0.25%
<b>Total Non-Operating Revenues</b>	<b>53.32%</b>	<b>51.61%</b>	<b>53.99%</b>	<b>52.40%</b>
<b>Total Revenues</b>	<b>86.50%</b>	<b>85.91%</b>	<b>84.28%</b>	<b>81.72%</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

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

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 3,555	\$ 3,629	\$ 3,112	\$ 2,849
144	277	402	281
365	612	988	956
-	-	-	-
6	-	59	73
330	268	149	151
2,610	2,766	2,406	2,385
242	276	117	160
<u>7,252</u>	<u>7,828</u>	<u>7,233</u>	<u>6,855</u>
8,524	8,517	9,217	9,769
5,602	5,373	5,010	4,955
5,487	5,044	4,363	3,603
689	187	435	297
308	187	246	317
(53)	(35)	(38)	(5)
<u>20,557</u>	<u>19,273</u>	<u>19,233</u>	<u>18,936</u>
<u>\$ 27,809</u>	<u>\$ 27,101</u>	<u>\$ 26,466</u>	<u>\$ 25,791</u>

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

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
12.78%	13.39%	11.76%	11.05%
0.52%	1.02%	1.52%	1.09%
1.31%	2.26%	3.73%	3.71%
0.00%	0.00%	0.00%	0.00%
0.02%	0.00%	0.22%	0.28%
1.19%	0.99%	0.56%	0.59%
9.39%	10.21%	9.09%	9.25%
0.87%	1.02%	0.44%	0.62%
<u>26.08%</u>	<u>28.88%</u>	<u>27.33%</u>	<u>26.58%</u>
30.65%	31.43%	34.83%	37.88%
20.14%	19.83%	18.93%	19.21%
2.48%	0.69%	1.64%	1.15%
1.11%	0.69%	0.93%	1.23%
-0.19%	-0.13%	-0.14%	-0.02%
<u>54.19%</u>	<u>52.50%</u>	<u>56.19%</u>	<u>59.45%</u>
<u>80.27%</u>	<u>81.39%</u>	<u>83.51%</u>	<u>86.03%</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 3**  
**Program Expenses by Function**  
**Fiscal Years 2002 through 2009**  
(unaudited)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction	\$ 14,601	\$ 13,661	\$ 13,663	\$ 12,485
Public service	78	126	204	71
Academic support	1,788	1,733	1,835	1,434
Student services	2,316	2,227	2,167	2,148
Institutional support	3,223	2,990	2,949	3,027
Operation and maintenance of plant	3,168	2,510	2,622	2,704
Scholarships and fellowships	774	1,010	771	1,318
Auxiliary enterprises	3,624	3,328	3,204	3,058
Depreciation	1,054	1,002	975	949
<b>Total Operating Expenses</b>	<u>30,626</u>	<u>28,587</u>	<u>28,390</u>	<u>27,194</u>
Interest on capital related debt	959	962	941	267
<b>Total Non-Operating Expenses</b>	<u>959</u>	<u>962</u>	<u>941</u>	<u>267</u>
<b>Total Expenses</b>	<u>\$ 31,585</u>	<u>\$ 29,549</u>	<u>\$ 29,331</u>	<u>\$ 27,461</u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction	42.10%	45.83%	46.58%	45.46%
Public service	0.27%	0.43%	0.70%	0.26%
Academic support	6.10%	5.91%	6.26%	5.22%
Student services	7.90%	7.59%	7.39%	7.82%
Institutional support	10.99%	10.19%	10.05%	11.02%
Operation and maintenance of plant	10.80%	8.56%	8.94%	9.85%
Scholarships and fellowships	2.64%	3.44%	2.63%	4.80%
Auxiliary enterprises	12.36%	11.35%	10.92%	11.14%
Depreciation	3.59%	3.42%	3.32%	3.46%
<b>Total Operating Expenses</b>	<u>96.73%</u>	<u>96.72%</u>	<u>96.79%</u>	<u>99.03%</u>
Interest on capital related debt	3.27%	3.28%	3.21%	0.97%
<b>Total Non-Operating Expenses</b>	<u>3.27%</u>	<u>3.28%</u>	<u>3.21%</u>	<u>0.97%</u>
<b>Total Expenses</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

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

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 11,362	\$ 10,976	\$ 11,369	\$ 11,194
-	-	-	-
1,280	1,397	1,246	1,324
2,003	1,949	1,983	1,663
2,569	2,377	2,479	2,458
2,152	2,036	2,095	2,168
1,980	2,216	2,033	1,879
3,070	3,014	2,655	2,558
923	794	723	719
<u>25,339</u>	<u>24,759</u>	<u>24,583</u>	<u>23,963</u>
<u>322</u>	<u>384</u>	<u>442</u>	<u>496</u>
<u>322</u>	<u>384</u>	<u>442</u>	<u>496</u>
<u>\$ 25,661</u>	<u>\$ 25,143</u>	<u>\$ 25,025</u>	<u>\$ 24,459</u>

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

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
44.28%	43.65%	45.43%	45.77%
0.00%	0.00%	0.00%	0.00%
4.99%	5.56%	4.98%	5.41%
7.81%	7.75%	7.92%	6.80%
10.01%	9.45%	9.91%	10.05%
8.39%	8.10%	8.37%	8.86%
7.72%	8.81%	8.12%	7.68%
11.96%	11.99%	10.61%	10.46%
3.60%	3.16%	2.89%	2.94%
<u>98.75%</u>	<u>98.47%</u>	<u>98.23%</u>	<u>97.97%</u>
<u>1.25%</u>	<u>1.53%</u>	<u>1.77%</u>	<u>2.03%</u>
<u>1.25%</u>	<u>1.53%</u>	<u>1.77%</u>	<u>2.03%</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**

**VICTORIA, TEXAS**

**Statistical Supplement 4**

**Tuition and Fees**

**Last Ten Academic Years**

(unaudited)

<b>Resident</b>
<b>Fees per Semester Credit Hour (SCH)</b>

<u>Academic Year (Fall)</u>	<u>In-District Tuition</u>	<u>Out-of-District Fees</u>	<u>General Fees</u>	<u>Registration Fee (per student)</u>	<u>Facilities Use Fees</u>
2008	\$ 34	\$ 24	\$ 20	\$ -	\$ -
2007	32	22	17	-	-
2006	30	20	14	-	-
2005	27	14	12	-	-
2004	27	14	-	2	8
2003	22	11	-	2	8
2002	20	10	-	2	8
2001	20	10	-	2	7
2000	19	10	-	2	5
1999	18	9	-	2	5

<b>Non-resident</b>
<b>Fees per Semester Credit Hour (SCH)</b>

<u>Academic Year (Fall)</u>	<u>Non-Resident Tuition Out of State</u>	<u>Non-Resident Tuition International</u>	<u>General Fees</u>	<u>Registration Fee (per student)</u>	<u>Facilities Use Fees</u>
2008	\$ 70	\$ 70	\$ 20	\$ -	\$ -
2007	60	60	17	-	-
2006	55	55	14	-	-
2005	55	55	12	-	-
2004	55	55	-	2	8
2003	55	55	-	2	8
2002	100	100	-	2	8
2001	100	100	-	2	7
2000	100	100	-	2	5
1999	100	100	-	2	5

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

<b>Resident</b>
<b>Flat fees per semester</b>

<u>Technology Fees</u>	<u>Student Services Fees</u>	<u>Transcript/ Diploma Fees</u>	<u>Cost for 12 SCH In-District</u>	<u>Cost for 12 SCH Out-of-District</u>	<u>Increase from Prior Year In-District</u>	<u>Increase from Prior Year Out-of-District</u>
\$ -	\$ -	\$ -	648	936	10.20%	9.86%
-	-	-	588	852	9.29%	9.51%
10	-	-	538	778	14.96%	22.33%
-	-	-	468	636	2.63%	1.92%
-	10	2	456	624	15.15%	18.18%
-	10	2	396	528	6.45%	7.32%
-	10	2	372	492	3.33%	2.50%
-	10	2	360	480	3.45%	2.56%
24	10	2	348	468	4.19%	5.88%
24	10	-	334	442	8.44%	6.25%

<b>Non-resident</b>
<b>Flat fees per semester</b>

<u>Technology Fees</u>	<u>Student Services Fees</u>	<u>Transcript/ Diploma Fees</u>	<u>Cost for 12 SCH Out of State</u>	<u>Cost for 12 SCH International</u>	<u>Increase from Prior Year Out of State</u>	<u>Increase from Prior Year International</u>
\$ -	\$ -	\$ -	1,080	1,080	16.88%	16.88%
-	-	-	924	924	10.26%	10.26%
10	-	-	838	838	4.23%	4.23%
-	-	-	804	804	1.52%	1.52%
-	10	2	792	792	0.00%	0.00%
-	10	2	792	792	-40.54%	-40.54%
-	10	2	1,332	1,332	0.91%	0.91%
-	10	2	1,320	1,320	0.00%	0.00%
24	10	2	1,320	1,320	0.15%	0.15%
24	10	-	1,318	1,318	1.07%	1.07%

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 5**  
**Assessed Value and Taxable Assessed Value of Property**  
**Last Ten Fiscal Years**  
(unaudited)

(amounts expressed in thousands)

<b>Fiscal Year</b>	<b>Assessed Valuation of Property</b>	<b>Less: Exemptions</b>	<b>Taxable Assessed Value (TAV)</b>	<b>Ratio of Taxable Assessed Value to Assessed Value</b>
2008-09	\$ 5,532,575	\$ 527,661	\$ 5,004,914	90.46%
2007-08	5,110,468	531,166	4,579,302	89.61%
2006-07	4,757,836	512,677	4,245,159	89.22%
2005-06	4,468,419	513,513	3,954,906	88.51%
2004-05	4,296,112	521,420	3,774,692	87.86%
2003-04	3,778,842	230,649	3,548,193	93.90%
2002-03	3,736,823	188,802	3,548,021	94.95%
2001-02	4,215,371	685,670	3,529,701	83.73%
2000-01	4,057,943	722,964	3,334,979	82.18%
1999-00	3,936,589	683,943	3,252,646	82.63%

Source: Victoria County Appraisal District  
Notes: Property is assessed at full market value.  
(a) per \$100 Taxable Assessed Valuation

<b>Direct Rate</b>
--------------------

<b>Maintenance &amp; Operations</b>	<b>(a)</b>	<b>Debt Service</b>	<b>(a)</b>	<b>Total</b>	<b>(a)</b>
\$	0.1189	\$	0.0256	\$	0.1445
	0.1167		0.0278		0.1445
	0.1113		0.0303		0.1416
	0.1129		0.0287		0.1416
	0.1148		0.0313		0.1461
	0.1166		0.0325		0.1491
	0.1070		0.0324		0.1394
	0.1085		0.0309		0.1394
	0.1059		0.0335		0.1394
	0.1087		0.0307		0.1394

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 6**  
**State Appropriation per FTSE and Contact Hour**  
**Last Ten Fiscal Years**

(unaudited)

(amounts expressed in thousands)

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour			
		FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2008-09	\$ 6,816	2,677	\$ 2,546	1,046	560	1,606	\$ 4.24
2007-08	6,816	2,665	2,558	1,043	563	1,606	4.24
2006-07	6,837	2,767	2,471	1,051	579	1,630	4.19
2005-06	6,847	2,720	2,517	1,073	591	1,664	4.11
2004-05	6,809	2,926	2,327	1,099	627	1,726	3.94
2003-04	6,809	2,908	2,341	1,113	623	1,736	3.92
2002-03	7,054	2,815	2,506	1,076	625	1,701	4.15
2001-02	7,692	2,793	2,754	1,047	652	1,699	4.53
2000-01	7,296	2,852	2,558	1,033	725	1,758	4.15
1999-00	7,114	2,809	2,533	1,011	692	1,703	4.18
1998-99	6,662	2,802	2,378	881	833	1,714	3.89

Notes:

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

(a) Source CBM001

(b) Source CBM00A

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 7**  
**Principal Taxpayers**  
**Last Ten Tax Years**  
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
		2008	2007	2006	2005	2004
AEP Texas Central Co.	Utility	\$ 45,193	\$ 40,557	\$ 51,016	\$ 55,279	\$ 53,731
Air Liquide America Corp.	Manufacturing	25,167	24,404	27,680	30,141	33,292
Carlisle Plastics Inc.	Manufacturing	-	-	-	-	24,793
Central Power & Light	Utility	-	-	-	-	-
Covalence Specialty Materials	Manufacturing	-	22,450	-	-	-
E. I DuPont De Nemours & Co	Manufacturing	43,452	39,219	32,672	40,473	38,696
Equistar Chemicals LP	Manufacturing	37,317	46,528	45,499	52,201	49,849
H E Butt Grocery Co.	Grocery Store	-	-	-	-	-
H S Victoria LP	Shopping Mall	-	-	-	20,747	21,132
Invista	Manufacturing	343,268	419,296	428,491	461,648	462,791
Invista S A R L	Manufacturing	37,966	-	-	-	-
James Wayne A	Real Estate	-	-	-	-	-
MRO Commercial Inc.	Shopping Mall	-	-	-	-	-
Schlumberger Well Services, Inc.	Well Service	-	21,602	-	-	-
South Texas Electric Co-op, Inc.	Utility	85,652	23,659	20,508	-	-
Southwestern Bell Telephone	Utility	24,694	28,447	26,208	28,900	28,212
Tyco Plastics LP	Manufacturing	-	-	25,909	22,957	-
Union Gas Operating Co.	Natural Gas	27,475	26,322	34,505	27,454	21,085
Victoria Hospital LLC	Hospital	-	-	19,537	19,975	20,785
Victoria Regional Medical Center	Hospital	-	-	-	-	-
Victoria Retail Properties LP	Shopping Mall	-	-	-	-	-
Victoria WLE LP	Manufacturing	50,091	-	-	-	-
VTK Limited	Office Building	-	-	-	-	-
<b>Totals</b>		<b>\$ 720,275</b>	<b>\$ 692,484</b>	<b>\$ 712,025</b>	<b>\$ 759,775</b>	<b>\$ 754,366</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 5,004,913</b>	<b>\$ 4,212,710</b>	<b>\$ 3,954,906</b>	<b>\$ 3,774,692</b>	<b>\$ 3,548,193</b>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year				
		2008	2007	2006	2005	2004
AEP Texas Central Co.	Utility	0.90%	0.96%	1.29%	1.46%	1.51%
Air Liquide America Corp.	Manufacturing	0.50%	0.58%	0.70%	0.80%	0.94%
Carlisle Plastics Inc.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.70%
Central Power & Light	Utility	0.00%	0.00%	0.00%	0.00%	0.00%
Covalence Specialty Materials	Manufacturing	0.00%	0.53%	0.00%	0.00%	0.00%
E. I DuPont De Nemours & Co	Manufacturing	0.87%	0.93%	0.83%	1.07%	1.09%
Equistar Chemicals LP	Manufacturing	0.75%	1.10%	1.15%	1.38%	1.40%
H E Butt Grocery Co.	Grocery Store	0.00%	0.00%	0.00%	0.00%	0.00%
H S Victoria LP	Shopping Mall	0.00%	0.00%	0.00%	0.55%	0.60%
Invista	Manufacturing	6.86%	9.95%	10.83%	12.23%	13.04%
Invista S A R L	Manufacturing	0.76%	0.00%	0.00%	0.00%	0.00%
James Wayne A	Real Estate	0.00%	0.00%	0.00%	0.00%	0.00%
MRO Commercial Inc.	Shopping Mall	0.00%	0.00%	0.00%	0.00%	0.00%
Schlumberger Well Services, Inc.	Well Service	0.00%	0.51%	0.00%	0.00%	0.00%
South Texas Electric Co-op, Inc.	Utility	1.71%	0.56%	0.52%	0.00%	0.00%
Southwestern Bell Telephone	Utility	0.49%	0.68%	0.66%	0.77%	0.80%
Tyco Plastics LP	Manufacturing	0.00%	0.00%	0.66%	0.61%	0.00%
Union Gas Operating Co.	Natural Gas	0.55%	0.62%	0.87%	0.73%	0.59%
Victoria Hospital LLC	Hospital	0.00%	0.00%	0.49%	0.53%	0.59%
Victoria Regional Medical Center	Hospital	0.00%	0.00%	0.00%	0.00%	0.00%
Victoria Retail Properties LP	Shopping Mall	0.00%	0.00%	0.00%	0.00%	0.00%
Victoria WLE LP	Manufacturing	1.00%	0.00%	0.00%	0.00%	0.00%
VTK Limited	Office Building	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Totals</b>		<b>14.39%</b>	<b>16.44%</b>	<b>18.00%</b>	<b>20.13%</b>	<b>21.26%</b>

Source: Victoria County Appraisal District

Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
2003	2002	2001	2000	1999

2003	2002	2001	2000	1999
\$ 51,987	\$ 49,356	\$ 41,463	\$ -	\$ -
35,161	43,356	49,712	53,587	56,198
24,734	24,865	23,015	22,722	24,910
-	17,080	18,588	59,870	57,969
-	-	-	-	-
536,526	549,543	586,771	594,325	608,979
49,276	51,452	54,751	59,870	69,249
14,650	-	-	9,754	-
-	-	-	-	-
-	-	-	-	-
-	-	-	10,461	-
-	-	20,382	22,096	20,800
-	-	-	-	-
-	-	-	-	-
32,497	35,797	36,476	38,959	38,088
-	-	-	-	-
16,453	18,924	66,461	-	-
20,021	20,023	18,534	18,534	18,528
-	-	-	-	18,712
26,067	26,848	-	-	-
-	-	-	-	-
-	-	-	-	10,117
<b>\$ 807,372</b>	<b>\$ 837,244</b>	<b>\$ 916,153</b>	<b>\$ 890,178</b>	<b>\$ 923,550</b>

<b>\$ 3,548,021</b>	<b>\$ 3,529,701</b>	<b>\$ 3,334,979</b>	<b>\$ 3,252,646</b>	<b>\$ 3,164,280</b>
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% of Taxable Assessed Value (TAV) by Tax Year				
2003	2002	2001	2000	1999

2003	2002	2001	2000	1999
1.47%	1.40%	1.24%	0.00%	0.00%
0.99%	1.23%	1.49%	1.65%	1.78%
0.70%	0.70%	0.69%	0.70%	0.79%
0.00%	0.48%	0.56%	1.84%	1.83%
0.00%	0.00%	0.00%	0.00%	0.00%
15.12%	15.57%	17.59%	18.27%	19.25%
1.39%	1.46%	1.64%	1.84%	2.19%
0.41%	0.00%	0.00%	0.30%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.32%	0.00%
0.00%	0.00%	0.61%	0.68%	0.66%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
0.92%	1.01%	1.09%	1.20%	1.20%
0.00%	0.00%	0.00%	0.00%	0.00%
0.46%	0.54%	1.99%	0.00%	0.00%
0.56%	0.57%	0.56%	0.57%	0.59%
0.00%	0.00%	0.00%	0.00%	0.59%
0.73%	0.76%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.32%
<b>22.76%</b>	<b>23.72%</b>	<b>27.47%</b>	<b>27.37%</b>	<b>29.19%</b>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 8**  
**Property Tax Levies and Collections**  
**Last Ten Tax Years**

(unaudited)

(amounts expressed in thousands)

<b>Fiscal Year Ended August 31,</b>	<b>Levy (a)</b>	<b>Cumulative Levy Adjustments</b>	<b>Adjusted Tax Levy (b)</b>	<b>Collections - Current Levy (c)</b>	<b>Percentage</b>	<b>Prior Collections of Prior Levies (d)</b>
2009	\$ 7,088	\$ (14)	\$ 7,074	\$ 6,992	98.84%	\$ -
2008	6,519	(16)	6,503	6,358	97.77%	-
2007	5,970	(8)	5,962	5,829	97.77%	-
2006	5,600	(18)	5,582	5,465	97.90%	-
2005	5,515	26	5,541	5,406	97.56%	80
2004	5,290	3	5,293	5,179	97.85%	81
2003	4,962	(17)	4,945	4,832	97.71%	84
2002	4,909	(2)	4,907	4,740	96.60%	143
2001	4,645	(24)	4,621	4,498	97.34%	110
2000	4,532	(29)	4,503	4,379	97.25%	111

Source: Local Tax Assessor/Collector and District records.

(a) As reported in notes to the financial statements for the year of the levy.

(b) As of August 31st of the current reporting year.

(c) Property tax only - does not include penalties and interest.

(d) Represents cumulative collections of prior years not collected in the current year of the tax levy.

(e) Represents current year collections of prior year levies.

	<b>Current Collections of Prior Levies (e)</b>	<b>Total Collections (c+d+e)</b>	<b>Cumulative Collections of Adjusted Levy</b>
\$	215	\$ 7,207	101.88%
	111	5,829	89.64%
	-	5,829	97.77%
	75	5,540	99.25%
	23	5,509	99.42%
	9	5,269	99.55%
	5	4,921	99.51%
	3	4,886	99.57%
	2	4,610	99.76%
	2	4,492	99.76%

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**

**VICTORIA, TEXAS**

**Statistical Supplement 9**

**Ratios of Outstanding Debt**

**Last Ten Fiscal Years**

(unaudited)

	<b>For the Year Ended August 31,</b>				
	<b>(amounts expressed in thousands)</b>				
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>General Bonded Debt</b>					
General obligation bonds	\$ 13,830	\$ 14,400	\$ 14,930	\$ 14,500	\$ 1,110
Notes	-	-	-	-	-
Less: Funds restricted for debt service	(229)	(183)	(163)	(131)	(101)
Net general bonded debt	<u>13,601</u>	<u>14,217</u>	<u>14,767</u>	<u>14,369</u>	<u>1,009</u>
<b>Other Debt</b>					
Revenue bonds	3,710	3,995	4,270	4,535	4,790
Maintenance tax notes	2,065	2,500	-	-	-
Notes	-	-	-	-	-
Capital lease obligations	-	-	-	-	-
Total Outstanding Debt	<u>\$ 19,376</u>	<u>\$ 20,712</u>	<u>\$ 19,037</u>	<u>\$ 18,904</u>	<u>\$ 5,799</u>
<b>General Bonded Debt Ratios</b>					
Per Capita	\$ 156.77	\$ 164.76	\$ 171.33	\$ 167.77	\$ 11.78
Per FTSE	5,081	5,335	5,337	5,283	345
As a percentage of Taxable Assessed Value	0.27%	0.31%	0.35%	0.36%	0.03%
<b>Total Outstanding Debt Ratios</b>					
Per Capita	\$ 223.34	\$ 240.03	\$ 220.87	\$ 220.72	\$ 67.72
Per FTSE	7,238	7,772	6,880	6,950	1,982
As a percentage of Taxable Assessed	0.39%	0.45%	0.45%	0.48%	0.15%

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

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

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 2,195	\$ 3,225	\$ 4,210	\$ 5,140	\$ 6,045
-	-	-	-	-
(58)	(38)	(25)	(72)	(95)
<u>2,137</u>	<u>3,187</u>	<u>4,185</u>	<u>5,068</u>	<u>5,950</u>
5,030	5,260	5,475	5,680	5,875
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 7,167</u>	<u>\$ 8,447</u>	<u>\$ 9,660</u>	<u>\$ 10,748</u>	<u>\$ 11,825</u>
\$ 25.02	\$ 37.44	\$ 49.35	\$ 60.27	\$ 70.85
735	1,136	1,494	1,777	2,118
0.06%	0.09%	0.12%	0.15%	0.18%
\$ 83.92	\$ 99.24	\$ 113.92	\$ 127.82	\$ 140.80
2,465	3,010	3,448	3,769	4,210
0.20%	0.24%	0.27%	0.32%	0.36%

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 10**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
(unaudited)

	<b>For the Year Ended August 31,</b>				
	<b>(amount expressed in thousands)</b>				
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Taxable Assessed Value	\$ 5,004,914	\$ 4,579,302	\$ 4,245,159	\$ 3,954,906	\$ 3,774,692
<b>General Obligation Bonds</b>					
Statutory Tax Levy Limit for Debt Service	\$ 25,025	\$ 22,897	\$ 21,226	\$ 19,775	\$ 18,873
Less: Funds Restricted for Repayment of General Obligation Bonds	(229)	(183)	(163)	(131)	(101)
Total Net General Obligation Debt	24,796	22,714	21,063	19,644	18,772
Current Year Debt Service Requirements	1,253	1,252	1,288	1,136	1,161
Excess of Statutory Limit for Debt Service Over Current Requirements	\$ 23,543	\$ 21,462	\$ 19,775	\$ 18,508	\$ 17,611
Net Current Requirements as a % of Statutory Limit	4.09%	4.67%	5.30%	5.08%	5.62%

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

**For the Year Ended August 31,**

**(amount expressed in thousands)**

<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<u>\$ 3,548,193</u>	<u>\$ 3,548,021</u>	<u>\$ 3,529,701</u>	<u>\$ 3,334,979</u>	<u>\$ 3,252,646</u>
\$ 17,741	\$ 17,740	\$ 17,649	\$ 16,675	\$ 16,263
<u>(58)</u>	<u>(38)</u>	<u>(25)</u>	<u>(72)</u>	<u>(95)</u>
17,683	17,702	17,624	16,603	16,168
<u>1,154</u>	<u>1,153</u>	<u>1,141</u>	<u>1,155</u>	<u>1,138</u>
<u>\$ 16,529</u>	<u>\$ 16,549</u>	<u>\$ 16,483</u>	<u>\$ 15,448</u>	<u>\$ 15,030</u>
6.18%	6.29%	6.32%	6.49%	6.41%

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 11**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
(unaudited)

**Revenue Bonds**

<b>Pledged Revenues (\$000 omitted)</b>
---

Fiscal Year Ended August 31,	Tuition (a)	General Fee	Facility Use Fees	Registration Fees	Investment Income	Total
2009	\$ 119	\$ 1,512	\$ -	\$ -	\$ -	\$ 1,631
2008	133	1,273	-	-	78	1,484
2007	133	1,182	-	-	238	1,553
2006	131	1,013	-	-	199	1,343
2005	133	958	-	-	139	1,230
2004	138	-	679	161	61	1,039
2003	134	-	657	155	59	1,005
2002	129	-	667	155	126	1,077
2001	130	-	598	161	265	1,154
2000	130	-	386	157	256	929

(a) Per the bond covenant, tuition is pledged at \$15 per student for Fall and Spring semesters and \$7.50 per student for Summer semesters.

<b>Debt Service Requirements (\$000 omitted)</b>
--

<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Coverage Ratio</b>
\$ 285	\$ 188	\$ 473	3.45
275	200	475	3.12
265	216	481	3.23
255	232	487	2.76
240	246	486	2.53
230	260	490	2.12
215	273	488	2.06
205	285	490	2.20
195	297	492	2.35
125	367	492	1.89

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 12**  
**Demographic and Economic Statistics - Taxing District**  
**Last Ten Fiscal Years**  
(unaudited)

<b>Calendar Year</b>	<b>District Population</b>	<b>District Personal Income (a) (thousands of dollars)</b>	<b>District Personal Income Per Capita</b>	<b>District Unemployment Rate</b>
2008	86,755	a	a	3.9%
2007	86,291	\$ 3,026,271	\$ 35,121	3.5%
2006	85,258	2,851,188	33,442	3.6%
2005	85,086	2,616,252	30,748	4.6%
2004	85,250	2,499,138	29,315	6.1%
2003	85,041	2,369,083	27,858	6.2%
2002	84,873	2,318,156	27,313	5.9%
2001	84,685	2,275,727	26,837	4.1%
2000	84,088	2,231,228	26,534	4.4%
1999	83,984	2,040,988	24,302	4.2%

**Sources:**

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

**Notes:**

a. Not yet available.

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 13**  
**Principal Employers**  
**Current Fiscal Year**  
(unaudited)

<b>Employer</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>	<b>Industry / Service Type</b>
Victoria ISD	2,100	10.91%	Education
Formosa Plastic	1,500	7.79%	Petrochemical/Plastics
Citizens Medical Center	1,382	7.18%	Hospital
The Inteplast Group	1,200	6.23%	Plastic Products
DeTar Healthcare System	1,014	5.27%	Hospital
Dow - Seadrift Operations	700	3.64%	Petrochemical
Calhoun ISD	654	3.40%	Education
Victoria County	620	3.22%	Government
City of Victoria	609	3.16%	Government
Invista	600	3.12%	Petrochemical
<b>Total</b>	<b>10,379</b>	<b>53.93%</b>	

**Source:**

Texas Workforce Commission

<http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE>

Victoria Economic Development Board

<http://www.victoriaedc.com/index.php?module=ContentExpress&file=index&func=display&ceid=71&meid=95>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 14**  
**Faculty, Staff, and Administrators Statistics**  
**Last Ten Fiscal Years**  
(unaudited)

	<b>For the Year Ended August 31,</b>				
	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
<b>Faculty</b>					
Full-Time	105	110	101	100	98
Part-Time	<u>81</u>	<u>72</u>	<u>73</u>	<u>58</u>	<u>79</u>
Total	<u><u>186</u></u>	<u><u>182</u></u>	<u><u>174</u></u>	<u><u>158</u></u>	<u><u>177</u></u>
<b>Percent</b>					
Full-Time	56.5%	60.4%	58.0%	63.3%	55.4%
Part-Time	43.5%	39.6%	42.0%	36.7%	44.6%
<b>Staff and Administrators</b>					
Full-Time	164	164	175	165	165
Part-Time	<u>8</u>	<u>7</u>	<u>4</u>	<u>6</u>	<u>7</u>
Total	<u><u>172</u></u>	<u><u>171</u></u>	<u><u>179</u></u>	<u><u>170</u></u>	<u><u>172</u></u>
<b>Percent</b>					
Full-Time	95.3%	95.9%	97.8%	97.1%	95.9%
Part-Time	4.7%	4.1%	2.2%	3.5%	4.1%
FTSE per Full-time Faculty	25.5	24.2	27.4	27.2	29.9
FTSE per Full-Time Staff Member	16.3	16.3	15.8	16.5	17.7
Average Annual Faculty Salary	\$47,608	\$49,313	\$47,473	\$45,247	\$44,349

**For the Year Ended August 31,**

<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
98	102	120	118	111
<u>60</u>	<u>87</u>	<u>92</u>	<u>99</u>	<u>91</u>
<u><u>158</u></u>	<u><u>189</u></u>	<u><u>212</u></u>	<u><u>217</u></u>	<u><u>202</u></u>
62.0%	54.0%	56.6%	54.4%	55.0%
38.0%	46.0%	43.4%	45.6%	45.0%
165	166	155	145	146
<u>6</u>	<u>6</u>	<u>4</u>	<u>5</u>	<u>7</u>
<u><u>171</u></u>	<u><u>172</u></u>	<u><u>159</u></u>	<u><u>150</u></u>	<u><u>153</u></u>
96.5%	96.5%	97.5%	96.7%	95.4%
3.5%	3.5%	2.5%	3.3%	4.6%
29.7	27.6	23.3	24.2	25.3
17.6	17.0	18.0	19.7	19.2
\$43,262	\$42,511	\$41,656	\$42,511	\$41,656

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**

**VICTORIA, TEXAS**

**Statistical Supplement 15**

**Enrollment Details**

**Last Five Fiscal Years**

(unaudited)

<b>Student Classification</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
00-30 hours	2,379	59.62%	2,380	59.69%	2,366	58.62%
31-60 hours	1,022	25.61%	1,019	25.56%	1,091	27.03%
> 60 hours	589	14.76%	588	14.75%	579	14.35%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>

<b>Semester Hour Load</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 3	47	1.18%	37	0.93%	39	0.97%
3-5 semester hours	939	23.53%	979	24.55%	933	23.12%
6-8 Semester hours	943	23.63%	922	23.13%	963	23.86%
9-11 semester hours	758	19.00%	737	18.49%	662	16.40%
12-14 semester hours	1,000	25.06%	1,029	25.81%	1,142	28.30%
15-17 semester hours	174	4.36%	161	4.04%	171	4.24%
18 & over	129	3.23%	122	3.06%	126	3.12%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>
 Average course load	 8.58		 8.51		 8.69	

<b>Tuition Status</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Texas Resident (in-District)	2,088	52.33%	2,105	52.80%	2,146	53.17%
Texas Resident (out-of-District)	1,884	47.22%	1,844	46.25%	1,865	46.21%
Non-Resident Tuition	18	0.45%	38	0.95%	25	0.62%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>

Fall 2005		Fall 2004	
Number	Percent	Number	Percent
2,375	59.66%	2,415	59.84%
1,093	27.46%	1,058	26.21%
513	12.89%	563	13.95%
<u>3,981</u>	<u>100.00%</u>	<u>4,036</u>	<u>100.00%</u>

Fall 2005		Fall 2004	
Number	Percent	Number	Percent
25	0.63%	31	0.77%
853	21.43%	804	19.92%
917	23.03%	938	23.24%
664	16.68%	679	16.82%
1,230	30.90%	1,233	30.55%
146	3.67%	172	4.26%
146	3.67%	179	4.44%
<u>3,981</u>	<u>100.00%</u>	<u>4,036</u>	<u>100.00%</u>

8.89

9.05

Fall 2005		Fall 2004	
Number	Percent	Number	Percent
2,166	54.41%	2,275	56.37%
1,781	44.74%	1,728	42.81%
34	0.85%	33	0.82%
<u>3,981</u>	<u>100.00%</u>	<u>4,036</u>	<u>100.00%</u>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**

**VICTORIA, TEXAS**

**Statistical Supplement 16**

**Student Profile**

**Last Five Fiscal Years**

(unaudited)

<b>Gender</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	1,349	33.81%	2,653	66.54%	2,712	67.20%
Male	2,641	66.19%	1,334	33.46%	1,324	32.80%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>

<b>Ethnic Origin</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
White	2,369	59.37%	2,384	59.79%	2,432	60.26%
Hispanic	1,311	32.86%	1,335	33.48%	1,307	32.38%
African American	202	5.06%	180	4.51%	209	5.18%
Asian	66	1.65%	59	1.48%	59	1.46%
Foreign	34	0.85%	19	0.48%	16	0.40%
Native American	8	0.20%	10	0.25%	13	0.32%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>

<b>Age</b>	<b>Fall 2008</b>		<b>Fall 2007</b>		<b>Fall 2006</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 18	518	12.98%	481	12.06%	486	12.04%
18 -21	1,617	40.53%	1,648	41.33%	1,588	39.35%
22 - 24	560	14.04%	534	13.39%	569	14.10%
25 - 35	805	20.18%	801	20.09%	831	20.59%
36 - 50	399	10.00%	432	10.84%	454	11.25%
51 & over	91	2.28%	91	2.28%	108	2.68%
<b>Total</b>	<b>3,990</b>	<b>100.00%</b>	<b>3,987</b>	<b>100.00%</b>	<b>4,036</b>	<b>100.00%</b>

Average Age	24.22	24.39	24.70
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Fall 2005		Fall 2004	
Number	Percent	Number	Percent
2,623	65.89%	2,652	65.71%
1,358	34.11%	1,384	34.29%
3,981	100.00%	4,036	100.00%

Fall 2005		Fall 2004	
Number	Percent	Number	Percent
2,433	61.12%	2,495	61.82%
1,285	32.28%	1,292	32.01%
186	4.67%	178	4.41%
52	1.31%	47	1.16%
12	0.30%	10	0.25%
13	0.33%	14	0.35%
3,981	100.00%	4,036	100.00%

Fall 2005		Fall 2004	
Number	Percent	Number	Percent
447	11.23%	384	9.51%
1,575	39.56%	1,647	40.81%
608	15.27%	601	14.89%
797	20.02%	797	19.75%
460	11.55%	495	12.26%
94	2.36%	112	2.78%
3,981	100.00%	4,036	100.00%

24.70

25.09

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2007 Fall Students as of Fall 2008**  
(Includes only public senior colleges in Texas)

	<b>Transfer Student Count Academic</b>	<b>Transfer Student Count Technical</b>	<b>Transfer Student Count Tech- Prep</b>	<b>Total of All Sample Transfer Students</b>	<b>%of All Sample Transfer Students</b>
1 University of Houston - Victoria	215	10	8	233	34.62%
2 Texas A&M University - College Station	111	3	1	115	17.09%
3 Texas State University	88	2	1	91	13.52%
4 University of Texas - San Antonio	51	-	2	53	7.88%
5 University of Texas - Austin	51	1	-	52	7.73%
6 Texas A&M University - Corpus Christi	33	-	2	35	5.20%
7 Texas A&M University - Kingsville	17	-	2	19	2.82%
8 Sam Houston State University	18	-	-	18	2.67%
9 Texas Tech University	12	-	-	12	1.78%
10 University of North Texas	12	-	-	12	1.78%
11 University of Houston	8	-	-	8	1.19%
12 Texas A&M University - Galveston	3	-	-	3	0.45%
13 University of Texas Medical Branch Galveston	2	1	-	3	0.45%
14 Tarleton State University	2	-	-	2	0.30%
15 Texas Women's University	2	-	-	2	0.30%
16 University of Texas - Arlington	1	-	1	2	0.30%
17 University of Texas - Dallas	2	-	-	2	0.30%
18 University of Texas - Permian Basin	2	-	-	2	0.30%
19 Lamar University	1	-	-	1	0.15%
20 Midwestern State Univeristy	1	-	-	1	0.15%
21 Prairie View A&M University	1	-	-	1	0.15%
22 Stephen F. Austin State University	1	-	-	1	0.15%
23 Texas Southern University	1	-	-	1	0.15%
24 University of Houston - Downtown	1	-	-	1	0.15%
25 University of Texas - Pan American	1	-	-	1	0.15%
26 University of Texas Health Science Center - San Antonio	1	-	-	1	0.15%
27 West Texas A&M University	1	-	-	1	0.15%
<b>Totals</b>	<b>639</b>	<b>17</b>	<b>17</b>	<b>673</b>	<b>100.00%</b>

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT**  
**VICTORIA, TEXAS**  
**Statistical Supplement 18**  
**Schedule of Capital Asset Information**  
**Fiscal Years 2004 through 2009**

	<b>For the Year Ended August 31,</b>					
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Academic buildings	10	9	9	9	9	9
Square footage	325,927	245,030	245,030	245,030	245,030	245,030
Libraries	1	1	1	1	1	1
Square footage	49,768	49,768	49,768	49,768	49,768	49,768
Number of Volumes	295,923	295,923	295,923	295,923	289,953	287,001
Administrative and support buildings	2	2	2	2	2	2
Square footage	22,509	22,509	22,509	22,509	22,509	22,509
Museums	1	1	1	1	1	1
Square footage	8,850	8,850	8,850	8,850	8,850	8,850
Student Center	1	1	1	1	1	1
Square footage	31,659	31,659	31,659	31,659	31,659	31,659
Dining Facilities	1	1	1	1	1	1
Average daily customers	1,000	1,000	1,000	1,000	1,000	1,000
Bookstore	1	1	1	1	1	1
Athletic Facilities	2	2	2	2	2	2
Square footage	73,308	73,308	73,308	73,308	73,308	73,308
Gymnasiums	1	1	1	1	1	1
Fitness Centers	1	1	1	1	1	1
Tennis Courts	1	1	1	1	1	1
Plant facilities	1	1	1	1	1	1
Square footage	27,000	27,000	27,000	27,000	27,000	27,000
Transportation						
Light Trucks/Vans	2	2	2	2	2	2
Ambulances	1	1	1	1	1	1