

**VICTORIA COUNTY
JUNIOR COLLEGE DISTRICT**

ANNUAL FINANCIAL REPORT

AUGUST 31, 2010

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

**ANNUAL FINANCIAL REPORT
AUGUST 31, 2010**

TABLE OF CONTENTS

	<u>Page Number</u>
ORGANIZATIONAL DATA	
Names and Terms of the Board of Trustees	
Principal Administrative Officers	
FINANCIAL SECTION	
Independent Auditors' Report	1 - 2
Management's Discussion and Analysis	3 - 8
Basic Financial Statements	
Exhibits	
1 Statement of Net Assets	9
Affiliated Organization Statement of Financial Position	10
2 Statement of Revenues, Expenses and Changes in Net Assets	11
Affiliated Organization Statement of Activities	12
3 Statement of Cash Flows	13 -14
Notes to Financial Statements	15 - 31
SUPPLEMENTAL INFORMATION AND FINANCIAL ASSISTANCE SECTION	
Schedules	
A Schedule of Operating Revenues	32
B Schedule of Operating Expenses by Object	33
C Schedule of Non-Operating Revenues and Expenses	34
D Schedule of Net Assets by Source and Availability	35
E Schedule of Expenditures of Federal Awards	36 - 37
Notes to Schedule of Expenditures of Federal Awards	38 - 39
F Schedule of Expenditures of State Awards	40
Notes to Schedule of Expenditures of State Awards	41
OVERALL COMPLIANCE AND INTERNAL CONTROLS SECTION	
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	42 - 43
Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State of Texas Single Audit Circular	44 - 45
Schedule of Findings and Questioned Costs	46
Summary Schedule of Prior Audit Findings	47

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS

ANNUAL FINANCIAL REPORT
AUGUST 31, 2010
(Continued)

TABLE OF CONTENTS

	<u>Page Number</u>
STATISTICAL SUPPLEMENT	
Net Assets by Component	48
Revenues by Source	49
Program Expenses by Function	50
Tuition and Fees	51
Assessed Value and Taxable Assessed Value of Property	52
State Appropriation per FTSE and Contact Hour	53
Principal Taxpayers	54
Property Tax Levies and Collections	55
Ratios of Outstanding Debt	56
Legal Debt Margin Information	57
Pledged Revenue Coverage	58
Demographic and Economic Statistics - Taxing District	59
Principal Employers	60
Faculty, Staff, and Administrators Statistics	61
Enrollment Details	62
Student Profile	63
Transfers to Senior Institutions	64
Schedule of Capital Asset Information	65

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

**ORGANIZATIONAL DATA
FOR THE FISCAL YEAR 2009-2010**

Board of Trustees

Officers

Ronald B. Walker	President
Roger F. Welder	Vice President
Dr. Josie Rivera	Secretary

Members

		<u>Term Expires</u>
Robby Burdge	Victoria, Texas	2016
Luis A. Guerra	Victoria, Texas	2012
Catherine McHaney	Victoria, Texas	2016
Thomas M. O'Connor	Victoria, Texas	2014
Dr. Josie Rivera	Victoria, Texas	2012
Roger F. Welder	Victoria, Texas	2014
Ronald B. Walker	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

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FINANCIAL SECTION

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

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, 2010, 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 \$4,486,676 and revenues of \$229,203. 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, 2010, 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 29, 2010, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Victoria County Junior College District's financial statements as a whole. 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. The combining of individual nonmajor fund financial statements and the schedule of federal awards are the responsibility of management and were derived from and relate directly to underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



October 29, 2010

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

**Management's Discussion and Analysis
Year Ended August 31, 2010**

In June 1999, the Governmental Accounting Standards 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 2010 and 2009 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, 2010, net assets increased by \$1,268,270 (3.5%) from \$36,631,985 at August 31, 2009 to \$37,900,255 at August 31, 2010. Operating revenues increased by 51.6% or \$5,640,319. Operating expenses increased by \$10,187,678 (33.3%). Non-operating revenues (state appropriations, taxes, Title IV, gifts, and investment related income) increased by \$4,714,512 (21.4%), while non-operating expenses (interest on capital related debt) decreased by 7.2% or \$69,109.

Tuition and fee revenues increased 57.0% or \$2,922,441 over prior year due to an increase in the tuition and fee rates per semester credit hour ("SCH") and enrollment growth of 1.9%. Tuition and fee rates were set as follows for fiscal year 2010: 1) In-District Tuition rate remained the same at \$34 per SCH, 2) Non-Resident Tuition rate increased \$30 per SCH to \$100 per SCH, 3) Out-of-District Fee increased by \$21 per SCH to \$45 per SCH, 4) General Fee remained the same at \$20 per SCH, 5) Technology fee, a new fee, was set at \$15 per SCH.

During the fiscal year ended August 31, 2010, the District's base State funding was reduced by 5.0% or \$446,043. The District remains under the State's "hold harmless" clause, which allows the District to keep a level base funding. However, the State reduced all community college appropriations by 5% during fiscal year 2010. During this time, the District's enrollment head count increased by 1.9%. The State's funding for employee health insurance remained the same as prior year.

The Victoria College Board of Trustees voted to set the tax rate at \$0.1534 per \$100 valuation. The tax rate increased over the prior year tax rate by 6.2%. Property tax revenues increased 5.7% (\$413,350) due to the increased tax rate and an increase in assessed property values of 1.7%.

Interest and related investment income increased by \$53,894, or 17.9%. The increase in this non-operating revenue category is due to gains on the sales of various endowment investments. Poor market conditions continued during fiscal year 2010 resulting in fairly flat interest rate returns.

Short-term liabilities increased by \$2,719,515 or 58.9%. The increase is due primarily to an increase in Deferred Revenue related to student accounts receivable for fall 2010-2011 tuition and fees. Tuition and fees are higher in the current fiscal year due to an increase in enrollment headcount of 1.9% and due to increased tuition and fee rates.

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

**Management's Discussion and Analysis
Year Ended August 31, 2010**

Table 1 - Condensed Comparative Financial Information

Financial Statement Category	Current Year	Prior Year
Assets		
Cash and Investments	\$ 12,758,256	\$ 13,308,874
Other Assets	5,255,251	1,820,114
Capital Assets	<u>44,051,728</u>	<u>44,338,462</u>
Total Assets	62,065,235	59,467,450
Liabilities		
Current Liabilities	7,334,980	4,615,465
Long-term Liabilities	<u>16,830,000</u>	<u>18,220,000</u>
Total Liabilities	24,164,980	22,835,465
Net Assets		
Invested in Capital Assets, Net of Related Debt	25,831,728	24,733,462
Unrestricted	6,281,439	5,442,800
Restricted	<u>5,787,088</u>	<u>6,455,723</u>
Total Net Assets	<u>\$ 37,900,255</u>	<u>\$ 36,631,985</u>
Operating Revenues		
Tuition and Fees (net of discounts)	8,047,030	5,124,589
Local, State and Federal Grants and Contracts	3,688,661	1,993,257
Auxiliary Enterprise	4,220,013	3,125,265
Other	<u>622,889</u>	<u>695,163</u>
Total Operating Revenues	16,578,593	10,938,274
Operating Expenses		
Instruction	12,992,730	14,601,585
Public Service	30,237	77,842
Academic Support	2,352,102	1,788,565
Student Support	2,900,136	2,316,032
Institutional Support	3,373,468	3,222,605
Operation and Maintenance of Plant	3,298,347	3,168,194
Scholarships and Fellowships	11,054,217	773,917
Auxiliary Enterprises	3,398,618	3,623,675
Depreciation	<u>1,413,636</u>	<u>1,053,398</u>
Total Operating Expenses	<u>40,813,491</u>	<u>30,625,813</u>
Operating Income (Loss)	<u>(24,234,898)</u>	<u>(19,687,539)</u>
Non-Operating Revenues (Expenses)		
State Appropriations	8,604,742	9,049,224
Taxes	7,620,356	7,207,006
Title IV	9,734,191	4,449,021
Gifts	426,437	1,019,857
Interest on Capital Related Debt	(889,964)	(959,073)
Investment Related Income	<u>354,147</u>	<u>300,253</u>
Total Non-Operating Revenues (Expenses)	<u>25,849,909</u>	<u>21,066,288</u>
Income Before Other Revenues, (Expenses), Gains, (Losses)	1,615,011	1,378,749
Other Revenues, (Expenses), Gains, (Losses)	<u>48,779</u>	<u>(233,105)</u>
Increase (Decrease) in Net Assets	1,663,790	1,145,644
Beginning Net Assets, as Adjusted	<u>36,236,465</u>	<u>35,486,341</u>
Ending Net Assets	<u>\$ 37,900,255</u>	<u>\$ 36,631,985</u>

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

**Management's Discussion and Analysis
Year Ended August 31, 2010**

Capital Assets and Long Term Debt Administration

Capital Assets

The District's investment in capital assets as of August 31, 2010 was \$44,051,728 (net of accumulated depreciation). This amount represents a net decrease (including additions, dispositions, and depreciation expense) of \$286,734 over fiscal year 2009. During the fiscal year, construction in progress increased by \$536,360. 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, 2010 and 2009.

	Balance at 8/31/2010	Balance at 8/31/2009	\$ Change 2010-2009	% Change 2010-2009
Land	\$ 325,537	\$ 325,537	\$ -	0.0%
Construction in Progress	3,681,693	3,145,333	536,360	17.1%
Library Volumes and Periodicals	1,023,531	1,066,773	(43,242)	-4.1%
Buildings	46,024,031	46,024,031	-	0.0%
Site Improvements	6,383,314	6,326,347	56,967	0.9%
Telecommunications and Peripheral Equipment	1,159,269	1,228,184	(68,915)	-5.6%
Machinery, Equipment, Furniture and Vehicles	1,310,687	1,047,391	263,296	25.1%
Totals at Historical Costs	59,908,062	59,163,596	744,466	1.3%
Total Accumulated Depreciation	15,856,334	14,825,134	1,031,200	7.0%
Net Capital Assets	<u>\$ 44,051,728</u>	<u>\$ 44,338,462</u>	<u>\$ (286,734)</u>	-0.6%

Long-Term Debt

Long-term debt decreased by \$1,385,000 during the fiscal year. The District issued no new debt during fiscal year 2010. 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, 2010 and 2009.

	Balance at 8/31/2010	Balance at 8/31/2009	\$ Change 2010-2009	% Change 2010-2009
1999 Revenue Construction Bonds	\$ 3,410,000	\$ 3,710,000	\$ (300,000)	-8.1%
2006 Tax Bonds Payable	13,230,000	13,730,000	(500,000)	-3.6%
2007 Tax Bonds Payable	-	100,000	(100,000)	-100.0%
2008 Maintenance Tax Notes	1,580,000	2,065,000	(485,000)	-23.5%
Total Long-Term Debt	<u>\$ 18,220,000</u>	<u>\$ 19,605,000</u>	<u>\$ (1,385,000)</u>	-7.1%

During fiscal year 2010, there was a positive change in the credit ratings of the bonds outstanding. The District's bond rating improved to an AA rating with the bond rating agency Standard & Poor's. 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, 2010**

Enrollment Highlights

Credit student enrollment and contact hours increased by 1.9% during the fiscal year. Headcount was 4,062 for the fall 2009-2010 term compared to 3,987 for the fall 2008-2009 term. Non-credit enrollment decreased from 1,606 in the fall 2008-2009 term to 885 in the fall 2009-2010 term, a decrease of 44.9%. The reduction in non-credit enrollment is due, in part, to the conclusion of a Skills Development Grant from the Texas Workforce Commission. A new Skills Development Grant, which allows the District to offer specialized training to industry partners within its service area, is in place. The District anticipates non-credit enrollment will return to previous levels during fiscal year 2011.

Credit Students	2009-2010	Fall	Spring	Summer	Annual*	
	Enrollment	4,062	4,037	2,041	5,667	
	Contact Hours	727,312	728,064	254,592	1,605,552	
	2008-2009	Fall	Spring	Summer 1	Summer 2	Annual*
	Enrollment	3,987	3,767	1,585	701	5,582
Contact Hours	713,888	668,208	176,432	47,024	1,605,552	
Non-Credit Students	2009-2010	Fall	Spring	Summer 1	Summer 2	Annual*
	Enrollment	885	763	798	1,763	2,959
	Contact Hours	32,052	40,854	25,293	61,969	160,168
	2008-2009	Fall	Spring	Summer 1	Summer 2	Annual*
	Enrollment	1,606	1,374	1,207	1,470	4,429
Contact Hours	53,414	48,547	31,612	53,353	186,926	

*-Unduplicated

Certificates and Degrees Conferred:

	Associate of Arts	Associate of Science	Associate of Applied Sciences	Work Force Certificates	Total Degrees & Certificates
2009 – 2010	39	83	167	262	551
2008 - 2009	47	76	199	249	571

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

**Management's Discussion and Analysis
Year Ended August 31, 2010**

Strategic and Operational Planning

Victoria College ("VC") continues on its path of implementing activities and programs to meet the objectives outlined in its 2009-2012 Strategic Plan. Teams were formed during 2009-2010 to address each of the items and an Action Item Progress Report was presented to the Board of Trustees in May of this year. Substantial progress has been made in the areas of fostering student success, meeting community needs, and ensuring institutional excellence.

Master Plan

The former campus master plan was completed in 2000, with a mid-cycle review in 2005. Many of the projects have been completed and others are under review for applicability today. A team will be formed in spring 2011 to begin researching and developing a new ten year plan.

Enrollment Management

Victoria College's Strategic Plan for 2009-2012 targets, among other things, recruitment efforts in areas of high need and high impact. While continuing its traditional recruiting efforts, VC has successfully broadened its recruitment focus to include communities and populations where there is both high need and a high probability of significant benefit to the community. This year, VC's credit enrollment numbers represent the results of this strategic focus. A 2% increase from fall 2008 to fall 2009 was followed by a 5% increase in spring 2010 (relative to spring 2009) and a 4% increase for summer 2010. This represents the first significant enrollment growth for VC in many years. With the exception of an enrollment spike in 2003, headcount has previously remained within 1% of 4000 students since the fall of 2000. Equally significant, was an increase in the number of full-time students, whose ranks increased as much as 20% in spring 2010. The College also saw increased enrollment in two important demographic groups. Male enrollment increased by an unprecedented 13% and Hispanic enrollment continued a steadily rising trend by adding another 7% in spring 2010, reaching an all-time high of 43% of total enrollment.

Title V

Victoria College was awarded a \$2.7 million, five-year grant to provide comprehensive support services to four area high schools through the implementation of College Access Resource and Success (CARS) Centers. The VC-operated centers will provide students with access to college readiness inventories, college entrance testing, and career exploration opportunities in order to assess and enhance their academic and other critical preparatory skills. The first center is on schedule to open in Gonzales High School in fall 2010. A new CARS Center will be opened each fall after that with the Calhoun High School Center opening in 2011 and Victoria East and West High Schools' Centers opening in 2012 and 2013. Additionally, this grant provides funding for VC's Comprehensive Transitions Initiative designed to assist students at VC with multiple levels of transition throughout their college experience. Services that are being made available through this initiative include: expanded Supplemental Instruction opportunities to increase student success in gateway courses; targeted intervention assistance to students on scholastic probation; implementation of a comprehensive First Year Experience course; and additional support services to students in Academic Foundations courses to facilitate the successful transition into college level course work.

Customized Training

Victoria College remains steadfast in its efforts to expand training opportunities throughout the service area and provide a skilled workforce for regional business and industry. This year, the College partnered with six petro-chemical industry partners and secured its third Skills Development Fund Grant in the amount of \$2.9 million. This grant will allow the college to train over 1,000 workers in over 130 courses for a total of approximately 74,000 hours of training. The College is now in the process of partnering with area long-term care providers to develop a customized training program and submit a proposal for similar funding that will enhance the workplace skills and increase advancement opportunities for long-term care workers throughout the region.

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

**Management's Discussion and Analysis
Year Ended August 31, 2010**

Resource Development

Victoria College aggressively seeks external support through donations and grants to help offset the cost of new program development, to enable the granting of student financial support, and to provide necessary funds for expansion and growth. The College strives to secure, for all area students seeking postsecondary education, the resources necessary to facilitate college enrollment and completion without accumulation of excessive financial burden. Despite tough economic times, generous community support allowed the VC Foundation to increase its endowment by \$275,000 and raise funds to provide over \$250,000 in student scholarships for the upcoming academic year.

Additionally, to ensure access and improve student success, Victoria College remains sensitive to the need to keep the cost of higher education affordable for students and works diligently to develop and enhance its resources in order to balance the needs of its students with the needs of its entire constituency of taxpayers, community members, and business and industry. As State financial support continues to decrease and the cost of doing business continues to increase, achieving this balance becomes progressively more difficult.

The VC Board of Trustees approved changes to both the College tax rate and VC's student fee schedule for fiscal year 2011. In spite of multiple challenges, the College was able to slightly reduce the College tax rate for 2010 from \$0.1534/100 to \$0.1531/100, a difference of \$13,861. After comprehensive review and careful deliberation of the overall financial outlook and anticipated financial need of the College, the Board approved an increase to the General Student Fee of \$2 per semester credit hour (SCH) to \$22 per SCH. This increase resulted in an estimated \$155,000 in additional revenues and facilitated the accomplishment of budgetary balance.

Additional resources were secured for the College through successful federal, state and private grant applications, resulting in a total of \$8.67 million in awarded funding for college program development, workforce training, student support services, and other initiatives. Victoria College also worked closely with Victoria Independent School District to secure \$2.9 million in grant funding to implement an Early College High School (ECHS) on the campus of VISD's Liberty Academy. The ECHS will begin enrolling students in fall 2011.

Upgraded Bond Ratings

In January 2010, Standard & Poor's performed their biannual evaluation of the College's Combined Fee Revenue Bonds, Series 1999. Based on the College's revenue diversity, growth in enrollment, history of operating surpluses, manageable debt burden and other factors, the rating agency raised the underlying rate on these bonds from "BBB+" to "A-" with a "Stable" outlook. In June 2010, Standard & Poor's performed their biannual evaluation of the College's Limited Tax Bonds, Series 2006. Based on the College's stable economic base, revenue-raising flexibility, and strong reserves, the rating agency raised the underlying rate on these bonds from "A+" to "AA" with a "Stable" outlook. Based on the College's improved bond rating and low interest rates, the College was able to refund its revenue bonds in October 2010. During that process, S&P reevaluated the underlying rating on these bonds and kept the rating at "A-," but changed the outlook from "Stable" to "Positive" mainly due to its significant growth in enrollment and the College's growth in the service area. The bond refunding will save the College \$300,000 over the remaining life of the new bonds.

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.

BASIC FINANCIAL STATEMENTS

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statement of Net Assets
August 31, 2010

	Current Year	Prior Year
ASSETS		
Current Assets		
Cash & cash equivalents	\$ 7,097,720	\$ 6,127,500
Restricted cash and cash equivalents	2,587,924	4,356,092
Short-term investments	2,220	653
Restricted short-term investments	41,620	41,537
Endowment short-term investments	-	1,564
Due from component unit	78,206	-
Accounts receivable (net)	3,273,665	1,078,129
Restricted accounts receivable	982,429	-
Inventories	717,279	704,955
Prepaid expenses	203,672	37,030
Total Current Assets	14,984,735	12,347,460
Noncurrent Assets		
Endowment investments	3,028,772	2,781,528
Construction in progress	3,681,693	3,145,333
Investments in real estate	325,537	325,537
Capital assets (net) (See note 3)	40,044,498	40,867,592
Total Noncurrent Assets	47,080,500	47,119,990
Total Assets	62,065,235	59,467,450
LIABILITIES		
Current Liabilities		
Accounts payable	786,183	725,405
Accrued liabilities	556,149	224,677
Funds held for others	372,205	451,843
Deferred revenues	4,230,443	1,828,540
Bonds payable - current portion	1,390,000	1,385,000
Total Current Liabilities	7,334,980	4,615,465
Noncurrent Liabilities		
Bonds payable	16,830,000	18,220,000
Total Noncurrent Liabilities	16,830,000	18,220,000
Total Liabilities	24,164,980	22,835,465
NET ASSETS		
Invested in capital assets, net of related debt	25,831,728	24,733,462
Restricted for		
Nonexpendable		
Student aid	2,797,525	3,164,956
Expendable		
Student aid	465,105	323,605
Unexpended bond proceeds	2,290,064	2,737,772
Debt service	234,394	229,390
Unrestricted	6,281,439	5,442,800
Total Net Assets (Schedule D)	\$ 37,900,255	\$ 36,631,985

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

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Affiliated Organization
Statement of Financial Position
August 31, 2010

	Current Year	Prior Year
ASSETS		
Current Assets		
Cash & cash equivalents	\$ 737,011	\$ 154,066
Tuition assistance receivable	3,560	12,119
Pledges receivable	25,284	61,319
Other current assets	135	200
Total Current Assets	765,990	227,704
Endowment Investments		
Investments	3,387,950	2,946,716
Total Endowment Investments	3,387,950	2,946,716
Property (net)	295,103	304,051
Total Assets	\$ 4,449,043	\$ 3,478,471
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 900	\$ -
Due to victoria college	78,205	-
Deferred rental income	35,750	35,750
Deferred grant income	10,767	35,320
Total Current Liabilities	125,622	71,070
Total Liabilities	125,622	71,070
NET ASSETS		
Unrestricted net assets	91,381	460,685
Temporarily restricted net assets	844,090	-
Permanently restricted net assets	3,387,950	2,946,716
Total Net Assets	4,323,421	3,407,401
Total Liabilities and Net Assets	\$ 4,449,043	\$ 3,478,471

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

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statement of Revenues, Expenses and
Changes in Net Assets
For The Year Ended August 31, 2010

	<u>Current Year</u>	<u>Prior Year</u>
OPERATING REVENUES		
Tuition and fees (net of discounts of \$2,779,364 & \$2,215,491, respectively)	\$ 8,047,030	\$ 5,124,589
Federal grants and contracts	2,451,571	392,051
State grants and contracts	1,031,716	1,477,213
Non-governmental grants and contracts	205,374	123,993
Sales and services of educational activities	359,456	340,014
Auxiliary enterprises (net of discounts of \$1,323,035 & \$651,700, respectively)	4,220,013	3,125,265
General operating revenues	<u>263,433</u>	<u>355,149</u>
Total Operating Revenues (Schedule A)	<u>16,578,593</u>	<u>10,938,274</u>
OPERATING EXPENSES		
Instruction	12,992,730	14,601,585
Public service	30,237	77,842
Academic support	2,352,102	1,788,565
Student services	2,900,136	2,316,032
Institutional support	3,373,468	3,222,605
Operation and maintenance of plant	3,298,347	3,168,194
Scholarships and fellowships	11,054,217	773,917
Auxiliary enterprises	3,398,618	3,623,675
Depreciation	<u>1,413,636</u>	<u>1,053,398</u>
Total Operating Expenses (Schedule B)	<u>40,813,491</u>	<u>30,625,813</u>
Operating (Loss)	<u>(24,234,898)</u>	<u>(19,687,539)</u>
Non-Operating Revenues (Expenses)		
State allocations	8,604,742	9,049,224
Maintenance ad valorem taxes		
Taxes for maintenance and operations	5,815,906	5,401,471
Taxes for general obligation bonds	1,804,450	1,805,535
Title IV	9,734,191	4,449,021
Gifts	426,437	1,019,857
Investment income (net of investment expenses)	354,147	300,253
Interest on capital related debt	<u>(889,964)</u>	<u>(959,073)</u>
Total Non-Operating Revenues (Expenses) (Schedule C)	<u>25,849,909</u>	<u>21,066,288</u>
Income Before Other Revenues, (Expenses), Gains and (Losses)	<u>1,615,011</u>	<u>1,378,749</u>
Other Revenues, (Expenses), Gains, (Losses)		
Loss on disposal of capital assets	(20,976)	-
Additions to permanent and term endowments	69,755	-
Transfers of endowments	<u>-</u>	<u>(233,105)</u>
Total Other Revenues, (Expenses), Gains, (Losses)	<u>48,779</u>	<u>(233,105)</u>
Increase in Net Assets	<u>1,663,790</u>	<u>1,145,644</u>
NET ASSETS		
Net Assets - Beginning of Year	36,631,985	35,486,341
Adjustment to Net Assets	<u>(395,520)</u>	<u>-</u>
Net Assets - End of Year	<u>\$ 37,900,255</u>	<u>\$ 36,631,985</u>

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

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Affiliated Organization
Statement of Activities
For The Year Ended August 31, 2010

	Current Year	Prior Year
UNRESTRICTED NET ASSETS		
Support and revenues		
Contributions	\$ 563,466	\$ 674,432
Interest and dividends	20	603
Rental income	42,900	42,900
Total unrestricted support and revenues	606,386	717,935
Net assets released from restrictions	76,685	-
Net assets transferred from victoria college	381,078	-
Net assets classified as temporarily restricted	(844,090)	-
Total unrestricted support and revenues And reclassifications	220,059	717,935
Expenses		
Program	431,162	447,513
Management and general	42,388	22,231
Fundraising	115,813	107,269
Total unrestricted expenses	589,363	577,013
Increase in unrestricted net assets	(369,304)	140,922
TEMPORARILY RESTRICTED NET ASSETS		
Net assets classified as temporarily restricted	844,090	-
Total temporarily restricted reclassifications	844,090	-
PERMANENTLY RESTRICTED NET ASSETS		
Support and revenues		
Contributions	274,395	263,905
Interest and dividends	69,517	69,986
Net increase (decrease) in fair value of investments	174,007	(198,254)
Total permanently restricted support and revenues	517,919	135,637
Net assets released from restrictions	(76,685)	-
Total permanently restricted support and revenues And reclassifications	441,234	135,637
Increase in net assets	916,020	276,559
NET ASSETS		
Net Assets - Beginning of Year	3,407,401	3,130,842
Net Assets - End of Year	\$ 4,323,421	\$ 3,407,401

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

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statement of Cash Flows
For The Year Ended August 31, 2010

	Current Year	Prior Year
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	\$ 15,028,402	\$ 8,819,921
Receipts from grants and contracts	510,696	1,841,813
Other receipts	185,227	355,149
Payments to suppliers for goods or services	(6,845,390)	(8,175,212)
Payments to or on behalf of employees	(19,774,909)	(20,286,346)
Payments of scholarships and fellowships	(11,054,217)	(773,917)
Net cash provided (used) by operating activities	(21,950,191)	(18,218,592)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state allocations	7,092,687	7,528,065
Receipts from federal (Title IV) allocations	9,734,191	4,449,021
Receipts from ad valorem tax revenues	5,815,906	5,401,471
Gifts and grants (other than capital)	426,437	1,019,857
Student organization and other agency transactions	(475,158)	(60,925)
Transfers to Victoria College Foundation, Inc.	-	(233,105)
Net cash provided by non-capital financing activities	22,594,063	18,104,384
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Receipts from ad valorem tax revenues	1,804,450	1,805,535
Purchases of capital assets	(1,151,454)	(4,306,774)
Proceeds from disposal of capital assets	24,552	-
Loss on disposal of capital assets	(20,976)	-
Payments on capital debt - principal	(1,385,000)	(1,290,000)
Payments on capital debt - interest	(889,964)	(959,073)
Net cash provided (used) by capital and related financing activities	(1,618,392)	(4,750,312)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturity of investments	(247,244)	7,173,545
Investment earnings	354,061	299,823
Additions to permanent and term endowments	69,755	-
Net cash provided (used) by investing activities	176,572	7,473,368
Increase (decrease) in cash and cash equivalents	(797,948)	2,608,848
Cash and cash equivalents - September 1	10,483,592	7,874,744
Cash and cash equivalents - August 31	\$ 9,685,644	\$ 10,483,592
Cash & cash equivalents	\$ 7,097,720	\$ 6,127,500
Restricted cash and cash equivalents	2,587,924	4,356,092
Total cash and cash equivalents	\$ 9,685,644	\$ 10,483,592

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statement of Cash Flows
For The Year Ended August 31, 2010
(Continued)

	Current Year	Prior Year
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating (loss)	\$ (24,234,898)	\$ (19,687,539)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:		
Depreciation expense	1,413,636	1,053,398
State group insurance	1,512,055	1,521,159
Changes in assets and liabilities:		
Receivables (net)	(3,177,965)	(151,444)
Due from component unit	(78,206)	-
Inventories	(12,324)	(52,972)
Prepaid expenses	(166,642)	85,344
Accounts payable	60,778	(1,337,873)
Accrued liabilities	331,472	121,282
Deferred revenue	2,401,903	230,053
Net cash provided (used) by operating activities	\$ (21,950,191)	\$ (18,218,592)

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

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Notes to the Financial Statements
August 31, 2010

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 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*. While the District receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity. Furthermore, all activities and organizations over which the Board exercises oversight responsibility have been included in the basic financial statements.

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, 2010 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 1st. 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 1st.

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 \$43,840 and \$43,754 at August 31, 2010, and 2009, 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 \$3,872,425 and \$1,711,671 and federal, state and local grants of \$326,071 and \$107,737 and Gift cards outstanding of \$31,947 and \$9,132 have been reported as deferred revenues at August 31, 2010, and 2009, 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, 2010, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past year.

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

Prior Period Adjustment

During the year under audit, it was determined that certain amounts defined as Funds Held for Others and Restricted Expendable Student Aid, were inaccurately reported as components of Restricted Non-expendable Student Aid, in the prior year. The District also corrected for items related to accumulated depreciation and auxiliary enterprises that were recorded in a prior year. As a result, the District has restated Opening Net Assets as follows:

Opening Net Assets		\$ 36,631,985
Non-expendable Student Aid, Decrease	(621,443)	
Expendable Student Aid, Increase	226,908	
Accumulated Depreciation, Decrease	(3,576)	
Auxiliary, Increase	<u>2,591</u>	
Adjustments to Net Assets		<u>(395,520)</u>
Opening Net Assets, as restated		<u>\$ 36,236,465</u>

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, 2010, the carrying amount of the District's deposits was \$9,685,644 and total bank balances equaled \$9,688,976. Bank balances of \$250,000 are covered by federal depository insurance and \$9,438,976 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, 2010, 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>8/31/2010</u>	<u>8/31/2009</u>
Cash on hand	\$ 128,080	\$ 52,724
Demand Deposits	<u>9,557,564</u>	<u>10,430,868</u>
Total Cash and Deposits	<u>\$ 9,685,644</u>	<u>\$10,483,592</u>

The amortized cost and estimated market values of investment securities at August 31, 2010 and 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.

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

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

	Rate	Maturity	2010		2009	
			Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Wells Fargo Managed Allocation Portfolio						
Equity Mutual Funds	Variable	Open	\$ 1,803,383	\$ 1,767,702	\$ 1,771,560	\$ 1,716,140
Fixed Income Mutual Funds	Variable	Open	1,072,490	1,169,684	946,113	989,404
Money Market Funds	Variable	Open	91,386	91,386	75,984	75,984
			<u>\$ 2,967,259</u>	<u>\$ 3,028,772</u>	<u>\$ 2,793,657</u>	<u>\$ 2,781,528</u>

Type	2010		2009	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
Uncategorized Investments				
Tex Pool	\$ 43,840	\$ 43,840	\$ 43,754	\$ 43,754
Total Uncategorized Investments	<u>\$ 43,840</u>	<u>\$ 43,840</u>	<u>\$ 43,754</u>	<u>\$ 43,754</u>

Reconciliation of Deposits and Investments to Exhibit 1

Type of Security	Market Value 8/31/2010	Market Value 8/31/2009
Wells Fargo Managed Allocation Portfolio	\$ 3,028,772	\$ 2,781,528
Tex Pool	43,840	43,754
Total Investments	<u>\$ 3,072,612</u>	<u>\$ 2,825,282</u>
Total Cash and Deposits	\$ 9,685,644	\$ 10,483,592
Total Investments	3,072,612	2,825,282
Total Deposits and Investments	<u>\$ 12,758,256</u>	<u>\$ 13,308,874</u>
Cash and Temporary Investments (Exhibit 1)	\$ 9,685,644	\$ 10,483,592
Investments (Exhibit 1)	3,072,612	2,825,282
Total Deposits and Investments	<u>\$ 12,758,256</u>	<u>\$ 13,308,874</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 (98.57%).

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

During the year ended August 31, 2010, the District realized gains of \$83,385 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, 2010 was \$247,244. 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 \$61,513.

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.

5. **Derivatives**

The District was not invested in derivative instruments for the fiscal year ended August 31, 2010.

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6. **Capital Assets Activity**

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

	Primary Institution				
	Balance 9/1/2009	Changes During the Year			Balance 8/31/2010
		Additions	Deletions	Reclassifications	
<u>Not Depreciated:</u>					
Land	\$ 325,537	\$ -	\$ -	\$ -	\$ 325,537
Construction in Progress	3,145,333	593,327	-	(56,967)	3,681,693
Subtotal	<u>3,470,870</u>	<u>593,327</u>	<u>-</u>	<u>(56,967)</u>	<u>4,007,230</u>
Other Capital Assets:					
Library Volumes and Periodicals	1,066,773	56,913	(100,155)	-	1,023,531
Buildings	46,024,031	-	-	-	46,024,031
Site Improvements	6,326,347	-	-	56,967	6,383,314
Telecommunications and Peripheral Equipment	1,228,184	166,161	(235,076)	-	1,159,269
Machinery, Equipment, Furniture and Vehicles	<u>1,047,391</u>	<u>335,053</u>	<u>(71,757)</u>	<u>-</u>	<u>1,310,687</u>
Subtotal	<u>55,692,726</u>	<u>558,127</u>	<u>(406,988)</u>	<u>56,967</u>	<u>55,900,832</u>
Accumulated Depreciations:					
Library Volumes and Periodicals	469,498	66,341	(96,389)	-	439,450
Buildings	10,064,369	847,186	-	-	10,911,555
Site Improvements	2,804,644	270,314	-	-	3,074,958
Telecommunications and Peripheral Equipment	842,622	132,903	(218,253)	(423)	756,849
Machinery, Equipment, Furniture and Vehicles	<u>644,001</u>	<u>96,892</u>	<u>(71,370)</u>	<u>3,999</u>	<u>673,522</u>
Subtotal	<u>14,825,134</u>	<u>1,413,636</u>	<u>(386,012)</u>	<u>3,576</u>	<u>15,856,334</u>
Net Other Capital Assets	<u>40,867,592</u>	<u>(855,509)</u>	<u>(20,976)</u>	<u>53,391</u>	<u>40,044,498</u>
Net Capital Assets	<u>\$ 44,338,462</u>	<u>\$ (262,182)</u>	<u>\$ (20,976)</u>	<u>\$ (3,576)</u>	<u>\$ 44,051,728</u>

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

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

	Primary Institution				Balance 8/31/2009
	Balance	Changes During the Year			
	9/1/2008	Additions	Deletions	Reclassifications	
Not Depreciated:					
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>
Other Capital Assets:					
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>
Accumulated Depreciations:					
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>

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

Current liabilities activity for the year ended August 31, 2010, was as follows:

	Balance	Additions	Reductions	Balance
	9/1/2009			8/31/2010
Accounts payable	\$ 725,405	\$ 16,580,463	\$ 16,519,685	\$ 786,183
Accrued liabilities	224,677	7,549,800	7,218,328	556,149
Funds held for others	451,843	-	79,638	372,205
Deferred revenues	1,825,540	4,230,443	1,825,540	4,230,443
Bonds				
General obligation bonds	600,000	575,000	600,000	575,000
Revenue bonds	300,000	310,000	300,000	310,000
Notes				
Maintenance tax notes	485,000	505,000	485,000	505,000
	<u>\$ 4,612,465</u>	<u>\$ 29,750,706</u>	<u>\$ 27,028,191</u>	<u>\$ 7,334,980</u>

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

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

	<u>Balance</u> <u>9/1/2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>8/31/2009</u>
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>

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

	<u>Balance</u> <u>9/1/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>8/31/2010</u>
Bonds				
General obligation bonds	13,230,000	-	575,000	12,655,000
Revenue bonds	3,410,000	-	310,000	3,100,000
Notes				
Maintenance tax notes	1,580,000	-	505,000	1,075,000
	<u>\$ 18,220,000</u>	<u>\$ -</u>	<u>\$ 1,390,000</u>	<u>\$ 16,830,000</u>

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

	<u>Balance</u> <u>9/1/2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>8/31/2009</u>
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>

8. Debt and Lease Obligations

Debt service requirements at August 31, 2010 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
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	375,000	100,392	475,392	685,000	522,432	1,207,432
2016-2020	1,700,000	211,765	1,911,765	3,960,000	2,079,820	6,039,820
2021-2025	-	-	-	4,975,000	1,066,468	6,041,468
2026-2027	-	-	-	1,150,000	58,938	1,208,938
Totals	<u>\$ 3,410,000</u>	<u>\$ 872,359</u>	<u>\$ 4,282,359</u>	<u>\$ 13,230,000</u>	<u>\$ 6,102,097</u>	<u>\$ 19,332,097</u>

For the Year Ended August 31,	Total Bonds			Maintenance Tax Notes 2008 Maintenance Tax Notes		
	Principal	Interest	Total	Principal	Interest	Total
	2011	\$ 885,000	\$ 795,620	\$ 1,680,620	\$ 505,000	\$ 41,870
2012	925,000	755,795	1,680,795	525,000	28,488	553,488
2013	970,000	714,008	1,684,008	550,000	14,575	564,575
2014	1,015,000	669,218	1,684,218	-	-	-
2015	1,060,000	622,824	1,682,824	-	-	-
2016-2020	5,660,000	2,291,585	7,951,585	-	-	-
2021-2025	4,975,000	1,066,468	6,041,468	-	-	-
2026-2027	1,150,000	58,938	1,208,938	-	-	-
Totals	<u>\$ 16,640,000</u>	<u>\$ 6,974,456</u>	<u>\$ 23,614,456</u>	<u>\$ 1,580,000</u>	<u>\$ 84,933</u>	<u>\$ 1,664,933</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

- 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 \$575,000 to \$1,150,000 with interest rates from 4.50% to 5.125% with the final installment due in 2026. Maintenance tax notes are due in annual installments varying from \$505,000 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 \$475,209 for the year ended August 31, 2010. Revenues totaling \$1,720,962 were available to meet this obligation.

10. **Short Term Debt**

The District used no short-term debt for the year ended August 31, 2010.

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

Operating Lease Commitments

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>
2011	\$ 111,576
2012	<u>18,596</u>
	<u>\$ 130,172</u>

Rental expense paid for the years ended August 31, 2010 and 2009 for operating leases totaled \$196,443 and \$147,891, 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, 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 2010, 2009, and 2008 and a state contribution rate of 6.644 percent for fiscal year 2010 and a 6.58 percent for fiscal years 2009 and 2008. In certain instances, the reporting district is required to make all or a portion of the state's 6.644 percent contribution, limited to 6.4 percent for the period of September through December 2009 and increased to 6.644 percent for the period of January through August 2010, and 6.58 percent for fiscal years 2009 and 2008.

Optional Retirement Plan

Plan Description. Participation in the Optional Retirement Program is in lieu of participation in the Teacher 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.

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 \$722,643 and \$711,979 for the fiscal years ended August 31, 2010, and 2009, 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 \$15,046,861 and \$14,663,144 for the fiscal years ended August 31, 2010, and 2009, respectively. The total payroll of employees covered by the Teacher Retirement System was \$9,681,975 and \$8,969,035, and the total payroll of employees covered by the Optional Retirement System was \$3,526,310 and \$3,319,045 for the fiscal years ended August 31, 2010, and 2009, 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, 2010, were as follows:

	<u>Receivable</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivable</u>
Student accounts receivable	\$ 2,673,154	\$ (139,525)	\$ 2,533,629
Taxes	533,444	(533,444)	-
Receivable from Title IV students	335,355	(83,839)	251,516
Third-party contractor receivable	398,685	-	398,685
Installment contracts receivable	297,687	(259,919)	37,768
Vendor receivable	51,524	-	51,524
Non-student returned checks receivable	323	-	323
Payroll advances receivable	<u>220</u>	<u>-</u>	<u>220</u>
Accounts receivable (net)	<u>\$ 4,290,392</u>	<u>\$ (1,016,727)</u>	<u>\$ 3,273,665</u>

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	<u>8,083</u>	<u>-</u>	<u>8,083</u>
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)

Payables

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

	<u>2010</u>	<u>2009</u>
Accounts payable	\$ 786,183	\$ 725,405
Accrued liabilities:		
Accrued payroll	242,833	198,745
Employee benefits payable	204,501	25,932
Sales tax payable	<u>108,815</u>	<u>-</u>
Total accrued liabilities	<u>556,149</u>	<u>224,677</u>
Total payables	<u>\$ 1,342,332</u>	<u>\$ 950,082</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, 2010, and 2009, for which monies have not been received nor funds expended totaled \$6,603,224 and \$4,591,363, respectively. Of this amount \$5,519,916 and \$4,188,510 was from Federal Contracts and Grant Awards, and \$1,083,308 and \$402,853 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.

20. Post Retirement Health Care and Life Insurance Benefits (Continued)

The state's contribution per full-time employee with individual coverage was \$385 per month for the year ended August 31, 2010 (\$360 per month for fiscal year 2009) and totaled \$631,252 for the year ended August 31, 2010 (\$640,319 for the year ended August 31, 2009). The state's contribution per full-time employee with individual and children coverage was \$532 per month for the year ended August 31, 2010 (\$498 per month for fiscal year 2009) and totaled \$357,852 for the year ended August 31, 2010 (\$287,130 for the year ended August 31, 2009). The state's contribution for a full-time employee with individual and spouse coverage was \$605 per month for the year ended August 31, 2010 (\$567 per month for fiscal year 2009) and totaled \$174,441 for the year ended August 31, 2010 (\$210,764 for the year ended August 31, 2009). The state's contribution for a full-time employee with family coverage was \$753 per month for the year ended August 31, 2010 (\$705 per month for fiscal year 2009) and totaled \$343,468 for the year ended August 31, 2010 (\$346,623 for the year ended August 31, 2009).

The cost of providing those benefits for 114 retirees in the year ended August 31, 2010 was \$592,746 (retiree benefits for 117 retirees cost \$568,969 in fiscal year 2009). For 274 active employees, the cost of providing benefits was \$1,560,261 for the year ended August 31, 2010 (active employee benefits for 270 employees cost \$1,415,206 for the year ended August 31, 2009).

21. Ad Valorem Tax

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

As of August 31:

	<u>2010</u>	<u>2009</u>
Assessed Valuation of the District:	\$ 5,629,170,763	\$ 5,532,574,689
Less: Exemptions	<u>(525,452,699)</u>	<u>(527,661,061)</u>
Net Assessed Valuation of the District	<u>\$ 5,103,718,064</u>	<u>\$ 5,004,913,628</u>

	<u>2010</u>		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</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>\$ 0.128000</u>	<u>\$ 0.025400</u>	<u>\$ 0.153400</u>

	<u>2009</u>		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</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>

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

Taxes levied for the year ended August 31, 2010 and 2009 were \$7,613,759 and \$7,088,449, 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>	2010		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 4,566,550	\$ 1,552,754	\$ 6,119,304
Delinquent taxes collected	1,182,689	237,205	1,419,894
Penalties and interest collected	72,198	15,752	87,950
Less discounts and commissions	(5,531)	(1,261)	(6,792)
Total collections	<u>\$ 5,815,906</u>	<u>\$ 1,804,450</u>	<u>\$ 7,620,356</u>

<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>

Tax collections for the years ended August 31, 2010 and 2009 were 97.41% and 97.22%, 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, 2010, and 2009.

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, 2009 presented with this financial report has been restated from its original presentation in the 2009 financial report. Total net assets were unchanged, except as detailed in note #2, Prior Period Adjustment. Non-operating revenues – State Allocations – State Retirement Matching were previously reported on the Statement of Cash Flows as cash received with an offsetting expense. Those revenues are now being reported as a reconciling item.

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

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

	August 31, 2009		
	As Previously Reported	Increase (Decrease)	As Restated
<u>Statement of Net Assets</u>			
ASSETS			
CURRENT ASSETS			
Restricted cash and cash equivalents	3,264,391	1,091,701	4,356,092
Endowment cash and cash equivalents	1,091,701	(1,091,701)	-
Total current assets	12,347,460	-	12,347,460
<u>Statement of Cash Flows</u>			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to or on behalf of employees	(21,807,505)	1,521,159	(20,286,346)
Net cash provided (used) by operating activities	(19,739,751)	1,521,159	(18,218,592)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Receipts from state allocations	9,049,224	(1,521,159)	7,528,065
Net cash provided (used) by non-capital financing activities	19,625,543	(1,521,159)	18,104,384
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
State group insurance	-	1,521,159	1,521,159
Net cash provided (used) by operating activities	(19,739,751)	1,521,159	(18,218,592)

25. **Subsequent Events**

The District issued \$3,455,000 Victoria County Junior College District Combined Fee Revenue Refunding Bonds, Series 2010 subsequent to year end.

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**SUPPLEMENTAL INFORMATION
AND
FINANCIAL ASSISTANCE SECTION**

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
 VICTORIA, TEXAS
 Schedule of Operating Revenues
 For the Year Ended August 31, 2010

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Current Year	Prior Year
Tuition:						
State funded credit courses						
In-district resident tuition	\$ 1,817,772	\$ -	\$ 1,817,772	\$ -	\$ 1,817,772	\$ 1,353,459
Out-of-district resident tuition	1,713,789	-	1,713,789	-	1,713,789	1,119,777
Non-resident tuition	116,088	-	116,088	-	116,088	32,421
TPEG set aside (set aside)*	197,284	-	197,284	-	197,284	222,555
State funded continuing education	612,709	-	612,709	-	612,709	1,392,450
Non-state funded continuing education	117,356	-	117,356	-	117,356	107,084
Total Tuition	<u>4,574,998</u>	<u>-</u>	<u>4,574,998</u>	<u>-</u>	<u>4,574,998</u>	<u>4,227,746</u>
Fees:						
General fee	2,130,560	-	2,130,560	-	2,130,560	1,514,090
Technology fee	1,651,553	-	1,651,553	-	1,651,553	-
Out-of-district fees	2,107,387	-	2,107,387	-	2,107,387	808,913
Laboratory fee	167,712	-	167,712	-	167,712	187,648
Other fees						
Course fee	194,184	-	194,184	-	194,184	158,133
Distance education fee	-	-	-	-	-	443,550
Total Fees	<u>6,251,396</u>	<u>-</u>	<u>6,251,396</u>	<u>-</u>	<u>6,251,396</u>	<u>3,112,334</u>
Scholarship Allowances and Discounts:						
Remissions and exemptions - state	(111,520)	-	(111,520)	-	(111,520)	(103,947)
Title IV federal grants	(2,340,586)	-	(2,340,586)	-	(2,340,586)	(1,086,808)
Other federal grants	(25,860)	-	(25,860)	-	(25,860)	(3,189)
TPEG awards	(21,509)	-	(21,509)	-	(21,509)	(34,128)
Other state grants	(77,181)	-	(77,181)	-	(77,181)	(857,757)
Other local scholarships	(202,708)	-	(202,708)	-	(202,708)	(129,662)
Total Scholarship Allowances	<u>(2,779,364)</u>	<u>-</u>	<u>(2,779,364)</u>	<u>-</u>	<u>(2,779,364)</u>	<u>(2,215,491)</u>
Total Net Tuition and Fees	<u>8,047,030</u>	<u>-</u>	<u>8,047,030</u>	<u>-</u>	<u>8,047,030</u>	<u>5,124,589</u>
Additional Operating Revenues:						
Federal grants and contracts	51,117	2,400,454	2,451,571	-	2,451,571	392,051
State grants and contracts	14,452	1,017,264	1,031,716	-	1,031,716	1,477,213
Nongovernmental grants and contracts	-	205,374	205,374	-	205,374	123,993
Sales and services of educational activities	359,456	-	359,456	-	359,456	340,014
General operating revenues	263,433	-	263,433	-	263,433	355,149
Total Additional Operating Revenues	<u>688,458</u>	<u>3,623,092</u>	<u>4,311,550</u>	<u>-</u>	<u>4,311,550</u>	<u>2,688,420</u>
Auxiliary Enterprises:						
Bookstore	-	-	-	5,149,911	5,149,911	3,416,497
Title IV federal grants	-	-	-	(1,225,698)	(1,225,698)	(559,720)
Other federal grants	-	-	-	(16,569)	(16,569)	(69,097)
TPEG awards	-	-	-	(46,652)	(46,652)	-
Other local scholarships	-	-	-	(34,116)	(34,116)	(22,883)
Net Bookstore	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,826,876</u>	<u>3,826,876</u>	<u>2,764,797</u>
Food service	-	-	-	369,211	369,211	342,336
Facilities rentals	-	-	-	23,926	23,926	18,132
Total Net Auxiliary Enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,220,013</u>	<u>4,220,013</u>	<u>3,125,265</u>
Total Operating Revenues	<u>\$ 8,735,488</u>	<u>\$ 3,623,092</u>	<u>\$ 12,358,580</u>	<u>\$ 4,220,013</u>	<u>\$ 16,578,593</u> (Exhibit 2)	<u>\$ 10,938,274</u> (Exhibit 2)

* In accordance with Education Code 56.003, \$197,284 and \$222,555 of tuition was set aside for Texas Public Education Grants (TPEG) for the years ended August 31, 2010 and 2009, respectively.

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Operating Expenses by Object
For the Year Ended August 31, 2010

	Operating Expenses				Current Year Total	Prior Year Total
	Salaries and Wages	Benefits		Other Expenses		
		State Benefits	Local Benefits			
Unrestricted - Educational Activities						
Instruction	\$ 7,420,868	\$ -	\$ 797,361	\$ 1,543,641	\$ 9,761,870	\$ 10,725,462
Public service	22,231	-	1,895	5,688	29,814	77,842
Academic support	1,421,971	-	161,153	486,243	2,069,367	1,587,034
Student services	1,543,173	-	182,945	303,385	2,029,503	1,680,216
Institutional support	1,870,703	-	214,312	899,458	2,984,473	2,879,284
Operation and maintenance of plant	932,254	-	345,267	2,020,826	3,298,347	3,168,194
Scholarships and fellowships	144,509	-	-	137,800	282,309	111,543
Total Unrestricted Educational Activities	<u>13,355,709</u>	<u>-</u>	<u>1,702,933</u>	<u>5,397,041</u>	<u>20,455,683</u>	<u>20,229,575</u>
Restricted - Educational Activities						
Instruction	958,108	1,196,406	218,388	857,958	3,230,860	3,876,123
Public service	-	423	-	-	423	-
Academic support	-	282,735	-	-	282,735	201,531
Student services	215,597	356,935	35,548	262,553	870,633	635,816
Institutional support	-	388,995	-	-	388,995	343,321
Scholarships and fellowships	90,202	-	-	10,681,706	10,771,908	662,374
Total Restricted Educational Activities	<u>1,263,907</u>	<u>2,225,494</u>	<u>253,936</u>	<u>11,802,217</u>	<u>15,545,554</u>	<u>5,719,165</u>
Total Educational Activities	14,619,616	2,225,494	1,956,869	17,199,258	36,001,237	25,948,740
Auxiliary Enterprises	413,356	-	115,848	2,869,414	3,398,618	3,623,675
Depreciation Expense						
Buildings and other real estate improvements	-	-	-	1,117,500	1,117,500	787,509
Equipment and furniture	-	-	-	229,795	229,795	198,732
Library volumes and periodicals	-	-	-	66,341	66,341	67,157
Total Operating Expenses	<u>\$ 15,032,972</u>	<u>\$ 2,225,494</u>	<u>\$ 2,072,717</u>	<u>\$ 21,482,308</u>	<u>\$ 40,813,491</u> (Exhibit 2)	<u>\$ 30,625,813</u> (Exhibit 2)

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2010

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>Current Year</u>	<u>Prior Year</u>
Non-Operating Revenues					
State Allocations:					
Education and general state support	\$ 6,370,044	\$ -	\$ -	\$ 6,370,044	\$ 6,816,087
State group insurance	-	1,512,055	-	1,512,055	1,521,159
State retirement matching	-	722,643	-	722,643	711,978
Total State allocations	<u>6,370,044</u>	<u>2,234,698</u>	<u>-</u>	<u>8,604,742</u>	<u>9,049,224</u>
Ad valorem taxes:					
Taxes for maintenance and operations	5,815,906	-	-	5,815,906	5,401,471
Taxes for general obligation bonds	-	1,804,450	-	1,804,450	1,805,535
Title IV	-	9,734,191	-	9,734,191	4,449,021
Gifts	303,476	122,961	-	426,437	1,019,857
Investment income	88,861	254,281	11,005	354,147	300,253
Total Non-Operating Revenues	<u>12,578,287</u>	<u>14,150,581</u>	<u>11,005</u>	<u>26,739,873</u>	<u>22,025,361</u>
Non-Operating Expenses					
Interest on capital related debt	-	889,964	-	889,964	959,073
Total Non-Operating Expenses	<u>-</u>	<u>889,964</u>	<u>-</u>	<u>889,964</u>	<u>959,073</u>
Net Non-Operating Revenues	<u>\$ 12,578,287</u>	<u>\$ 13,260,617</u>	<u>\$ 11,005</u>	<u>\$ 25,849,909</u> (Exhibit 2)	<u>\$ 21,066,288</u> (Exhibit 2)

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Net Assets by Source and Availability
For the Year Ended August 31, 2010

	Detail by Source				
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Current Year Total
		Expendable	Non-Expendable		
Current					
Unrestricted	\$ 2,689,746	\$ -	\$ -	\$ -	\$ 2,689,746
Restricted for:					
Nonexpendable:					
Student aid	-	-	2,797,525	-	2,797,525
Expendable:					
Student aid	-	465,105	-	-	465,105
Unexpended bond proceeds	-	2,290,064	-	-	2,290,064
Auxiliary enterprises	3,591,693	-	-	-	3,591,693
Plant					
Debt Service	-	234,394	-	-	234,394
Investment in Plant	-	-	-	25,831,728	25,831,728
Total Net Assets, August 31, 2010	6,281,439	2,989,563	2,797,525	25,831,728	37,900,255 (Exhibit 1)
Total Net Assets, August 31, 2009	5,442,800	3,290,767	3,164,956	24,733,462	36,631,985 (Exhibit 1)
Adjustment to net assets	2,591	226,908	(621,443)	(3,576)	(395,520) (Exhibit 2)
Net Increase (Decrease) in Net Assets	<u>\$ 836,048</u>	<u>\$ (528,112)</u>	<u>\$ 254,012</u>	<u>\$ 1,101,842</u>	<u>\$ 1,663,790</u> (Exhibit 2)

SCHEDULE D

	Available for Current Operations			Available for Current Operations	
	Yes	No	Prior Year Total	Yes	No
Current					
Unrestricted	\$ 2,689,746	\$ -	\$ 2,686,097	\$ 2,686,097	\$ -
Restricted for:					
Nonexpendable:					
Student aid	-	2,797,525	3,164,956	-	3,164,956
Expendable:					
Student aid	-	465,105	323,605	-	323,605
Unexpended bond proceeds	-	2,290,064	2,737,772	-	2,737,772
Auxiliary enterprises	3,591,693	-	2,756,703	2,756,703	-
Plant					
Debt Service	-	234,394	229,390	-	229,390
Investment in Plant	-	25,831,728	24,733,462	-	24,733,462
Total Net Assets, August 31, 2010	<u>6,281,439</u>	<u>31,618,816</u>	<u>36,631,985</u> (Exhibit 1)	<u>5,442,800</u>	<u>31,189,185</u>
Total Net Assets, August 31, 2009	<u>5,442,800</u>	<u>31,189,185</u>	<u>35,486,341</u> (Exhibit 2)	<u>6,137,335</u>	<u>29,349,006</u>
Adjustment to net assets	<u>2,591</u>	<u>(398,111)</u>	-	-	-
Net Increase (Decrease) in Net Assets	<u>\$ 836,048</u>	<u>\$ 827,742</u>	<u>\$ 1,145,644</u> (Exhibit 2)	<u>\$ (694,535)</u>	<u>\$ 1,840,179</u>

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SCHEDULE E

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2010**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through Disbursements and Expenditures
U.S. DEPARTMENT OF LABOR			
<i>Direct Programs:</i>			
Community Based Job Training Grants	17.269	CB-18197-09-60-A-48	\$ 191,168
Total Direct Programs			<u>191,168</u>
<i>Passed through Texas Workforce Commission:</i>			
ARRA - WIA Adult Program	17.258	1910XSD000	28,206
ARRA - WIA Dislocated Workers	17.260	1910XSD000	329,458
Total Texas Workforce Commission			<u>357,664</u>
<i>Passed through Texas Engineering Experiment Station:</i>			
WIA Dislocated Workers	17.260	C09-00717	42,852
Total Texas Engineering Experiment Station			<u>42,852</u>
Total U.S. Department of Labor			<u>591,684</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Direct Programs:</i>			
Federal Supplemental Educational Opportunity Grants	84.007	P007A097874	102,692
Higher Education Institutional Aid	84.031	P031S090139	320,918
Federal Work-Study Program	84.033	P033A097874	77,094
TRIO - Student Support Services	84.042	P042A060605	290,220
Federal Pell Grant Program	84.063	P063P092339	5,455,483
Federal Pell Grant Program	84.063	P063Q082339	5
Federal Pell Grant Program	84.063	P063Q092339	8,445
Federal PLUS Loans	84.268		2,066
Federal Direct Student Loans - Subsidized	84.268		115,512
Federal Direct Student Loans - Unsubsidized	84.268		137,524
Federal Direct Student Loans - Stafford Subsidized	84.268		1,629,226
Federal Direct Student Loans - Stafford Unsubsidized	84.268		2,168,656
Academic Competitiveness Grant	84.375	P375092339	111,260
Total Direct Programs			<u>10,419,101</u>
<i>Pass Through From Texas Education Agency:</i>			
Adult Basic Education - Basic Grants to States	84.002	104100017110312	260,315
Total Adult Basic Education			<u>260,315</u>
<i>Pass Through Texas Engineering Experiment Station:</i>			
ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	84.397	73503	100,000
Total Texas Engineering Experiment Station			<u>100,000</u>
<i>Pass Through From Texas Higher Education Coordinating Board:</i>			
Leveraging Educational Assistance Partnership	84.069A	-	5,150
Special Leveraging Educational Assistance Partnership	84.069B	-	6,622
College Access Challenge Grant	84.378	1154-01	46,074

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended August 31, 2010

Pass Through From Texas Higher Education Coordinating Board: (Continued)

ARRA - State Fiscal Stabilization Fund (SFSF) -			
Government Services, Recovery Act	84.397A	3582	54,806
Career and Technical Education - Basic Grants to States	84.048	104252	222,429
Tech Prep Education	84.243	101725	<u>223,188</u>
Total Texas Higher Education Coordinating Board			<u>558,269</u>
Total U.S. Department of Education			<u>11,337,685</u>

U.S. NUCLEAR REGULATORY COMMISSION

Direct Program:

U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008	NRC-38-09-963	<u>81,490</u>
Total U.S. Nuclear Regulatory Commission			<u>81,490</u>

U.S. DEPARTMENT OF AGRICULTURE

Passed Through Sul Ross State University

Hispanic Serving Institutions Education Grants	10.223	2007-38422-18081-VC-01	<u>27,909</u>
Total Sul Ross State University			<u>27,909</u>

Passed Through University of Texas San Antonio

Hispanic Serving Institutions Education Grants	10.223	2010 TexPREP	<u>7,700</u>
Total University of Texas San Antonio			<u>7,700</u>

Total U.S. Department of Health and Human Services			<u>35,609</u>
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U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

Geriatric Education Centers	93.969	D31HP08839	10,498
Social Services Block Grants	93.667	10-039 / 529-10-0036-00001	17,310
Area Health Education Centers Point of Service			
Maintenance & Service Awards	93.107	2 U77HP01066-07-00	<u>87,500</u>
Total Health Education & Training Centers			<u>115,308</u>

Passed Through From Texas Education Agency:

Temporary Assistance for Needy Families	93.558	103625017110292	<u>23,986</u>
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Total U.S. Department of Health and Human Services			<u>139,294</u>
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TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 12,185,762</u>
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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, 2010**

Note 1: Federal Assistance Reconciliation

Federal Assistance Reconciliation

Federal grants and contracts revenue per Schedule A	\$ 2,451,571
Title IV grants and contracts revenue per Schedule C	9,734,191
Total Federal Revenues per Schedule of Expenditures of Federal Awards	\$ 12,185,762

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 - Included in Schedule

Federal Grantor/ CFDA Number/ Program Name	New Loans Processed	Administrative Costs Recovered	Total Loans Processed & Admin. Costs Recovered
Department of Education 84.268 Federal Direct Student Loans (includes PLUS, subsidized and unsubsidized)	\$ 4,052,984	\$ -	\$ 4,052,984

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Notes to Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended August 31, 2010

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.

Bloomington ISD	\$	1,135
Calhoun County ISD		4,600
Cuero ISD		593
Edna ISD		647
Ganado ISD		2,297
Goliad ISD		2,179
Gonzales ISD		2,768
Hallettsville ISD		2,169
Industrial ISD		2,012
Moulton ISD		1,251
Nixon-Smilely ISD		1,494
Nordheim ISD		1,753
Refugio ISD		3,838
Shiner ISD		3,498
Victoria ISD		14,468
Woodsboro ISD		1,422
Yoakum ISD		3,524
Yorktown ISD		358
		<hr/>
Total Amount Passed-Through	\$	<u>50,006</u>

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SCHEDULE F

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2010**

Grantor Agency/ Program Title	Grant Contract Number	Expenditures
TEXAS HIGHER EDUCATION COORDINATING BOARD		
College Work-study Program	-	\$ 13,108
Texas Educational Opportunity Grant Program	-	79,685
Early High School - HB1479	-	38,142
Texas Public Education Grant Program	-	188,629
Texas Grant Program	-	237,883
Certified Educational Aide Program	-	29,406
Professional Nursing Shortage Scholarship	-	7,276
Professional Nursing Shortage Reduction	-	56,921
Vocational Nursing Scholarship	-	940
Higher Education Performance Incentive Scholarship	-	10,224
Robert E. Byrd Scholarship	-	750
Jobs and Education for Texans	-	24,946
TG - Lighthouse Initiative Summer Bridge Program	-	9,523
P-16 College Readiness Special Advisors	-	10,316
Crossroads Area P-16 Council	-	250
Nursing Innovation Grant Program	-	2,500
Total Texas Higher Education Coordinating Board		<u>710,499</u>
UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON		
Pecan Valley Area Health Education Center - Health Prof Std Housing	UTMBG-0000305146	9,600
Pecan Valley Area Health Education Center	UTMBG-348044	205,097
		<u>214,697</u>
DEPARTMENT OF STATE HEALTH SERVICES		
<i>Passed through Victoria City-County Health Department:</i>		
Community Diabetes Project		<u>12,000</u>
<i>Passed through Texas Education Agency:</i>		
Temporary Assistance for Needy Families	103625017110292	10,536
GR - Adult Ed	100100017110312	84,107
Total Texas Education Agency		<u>94,643</u>
Total Department of State Health Services		<u>106,643</u>
TEXAS WORKFORCE COMMISSION		
Victoria College in Partnership with a Petrochemical Consortium	1910XSD000	<u>58,770</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 1,090,609</u>

Notes to the Schedule on the following page.

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Notes to Schedule of Expenditures of State Awards
For the Year Ended August 31, 2010

Note 1: State Assistance Reconciliation

State Assistance Reconciliation

per Schedule of Expenditures of State Awards		\$	<u>1,090,609</u>
Less: Early High School Graduation (HB1479)			(38,142)
Certified Ed Aide Program			<u>(29,406)</u>
Total included in "Tuition and Fees"			<u>(67,548)</u>
Excess of TPEG set-aside over allowances			<u>8,655</u>
Total State Revenues per Schedule A		\$	<u><u>1,031,716</u></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.

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**OVERALL COMPLIANCE AND
INTERNAL CONTROLS SECTION**

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

**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, 2010, which collectively comprise of Victoria County Junior College District's basic financial statements and have issued our report thereon dated October 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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, 2010, no instances of noncompliance were found.

This report is intended solely for the information and use of management, audit committee, Board of Trustees, others within the entity, state 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.

Patricia Brant Hall, C.P.A.

October 29, 2010



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, 2010. 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, 2010. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal 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, 2010.

Internal Control Over Compliance

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 and to test and report on internal control over compliance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Victoria County Junior College District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the audit committee, Board of Trustees, others within the entity, state 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, LLP

October 29, 2010

**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Schedule of Findings and Questioned Costs
For the Year Ended August 31, 2010**

I. Summary of Auditors' Results

Type of auditors' report on financial statements:	Unqualified.
Internal control over financial reporting: Material weakness(es) identified?	No.
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported.
Internal control over major programs: Material weakness(es) identified?	No.
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported.
Noncompliance which is material to the basic financial statements	No.
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	No.
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) The WIA Cluster - ARRA (CFDA #17.258 and #17.260) Higher Education Institutional Aid (CFDA #84.031) State Fiscal Stabilization Fund - ARRA (CFDA #84.397 and #84.397A)
Major state program	Texas Education Opportunity Grant Program Texas Grant Program

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 reported.

IV. Findings and Questioned Costs for State Awards

None reported.

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**VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Summary Schedule of Prior Audit Findings
For the Year Ended August 31, 2010**

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

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STATISTICAL SUPPLEMENT

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statistical Supplement 1
Net Assets by Component
Fiscal Years 2002 through 2010
(unaudited)
(amounts expressed in thousands)

For the Fiscal Year Ended August 31,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Invested in capital assets, net of related debt	\$ 25,832	\$ 24,733	\$ 20,190	\$ 11,099
Restricted - expendable	2,990	3,291	5,869	13,571
Restricted - nonexpendable	2,797	3,165	3,290	4,033
Unrestricted	6,281	5,443	6,137	5,421
Total primary government net assets	<u>\$ 37,900</u>	<u>\$ 36,632</u>	<u>\$ 35,486</u>	<u>\$ 34,124</u>

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

For the Fiscal Year Ended August 31,

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 8,513	\$ 21,596	\$ 21,191	\$ 20,085	\$ 16,403
14,389	388	441	494	502
4,293	4,102	3,534	4,286	3,909
5,715	5,683	5,092	4,316	6,637
<u>\$ 32,910</u>	<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 2010
(unaudited)

		For the Year Ended August 31, (amounts expressed in thousands)			
		2010	2009	2008	2007
Tuition and Fees (Net of Discounts)		\$ 8,047	\$ 5,125	\$ 4,767	\$ 4,206
Governmental Grants and Contracts					
Federal Grants and Contracts		2,452	392	799	731
State Grants and Contracts		1,032	1,477	1,210	1,042
Local Grants and Contracts		-	-	-	-
Non-Governmental Grants and Contracts		205	124	6	1
Sales and services of educational activities		360	340	356	298
Auxiliary enterprises		4,220	3,125	3,114	2,821
Other Operating Revenues		263	355	568	219
	Total Operating Revenues	<u>16,579</u>	<u>10,938</u>	<u>10,820</u>	<u>9,318</u>
State Appropriations		8,605	9,049	8,995	8,917
Ad Valorem Taxes		7,620	7,207	6,541	6,019
Title IV		9,734	4,449	4,444	4,838
Gifts		426	1,020	150	514
Investment income		354	300	582	1,131
Other non-operating revenues		-	-	12	32
	Total Non-Operating Revenues	<u>26,739</u>	<u>22,025</u>	<u>20,724</u>	<u>21,451</u>
Total Revenues		<u><u>\$ 43,318</u></u>	<u><u>\$ 32,963</u></u>	<u><u>\$ 31,544</u></u>	<u><u>\$ 30,769</u></u>

		For the Year Ended August 31, (amounts expressed in thousands)			
		2010	2009	2008	2007
Tuition and fees (net of discounts)		18.58%	15.55%	15.11%	13.67%
Governmental grants and contracts					
Federal grants and contracts		5.66%	1.19%	2.53%	2.38%
State grants and contracts		2.38%	4.48%	3.84%	3.39%
Local grants and contracts		0.00%	0.00%	0.00%	0.00%
Non-governmental grants and contracts		0.47%	0.38%	0.02%	0.00%
Sales and services of educational activities		0.83%	1.03%	1.13%	0.97%
Auxiliary enterprises		9.74%	9.48%	9.87%	9.17%
Other operating revenues		0.61%	1.08%	1.80%	0.71%
	Total Operating Revenues	<u>38.27%</u>	<u>33.18%</u>	<u>34.30%</u>	<u>30.28%</u>
State appropriations		19.86%	27.45%	28.52%	28.98%
Ad valorem taxes		17.59%	21.86%	20.74%	19.56%
Gifts		0.98%	3.09%	0.48%	1.67%
Investment income		0.82%	0.91%	1.85%	3.68%
Other non-operating revenues		0.00%	0.00%	0.04%	0.10%
	Total Non-Operating Revenues	<u>39.26%</u>	<u>53.32%</u>	<u>51.61%</u>	<u>53.99%</u>
Total Revenues		<u><u>77.53%</u></u>	<u><u>86.50%</u></u>	<u><u>85.91%</u></u>	<u><u>84.28%</u></u>

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

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 3,822	\$ 3,555	\$ 3,629	\$ 3,112	\$ 2,849
643	144	277	402	281
652	365	612	988	956
-	-	-	-	-
52	6	-	59	73
353	330	268	149	151
2,561	2,610	2,766	2,406	2,385
232	242	276	117	160
<u>8,315</u>	<u>7,252</u>	<u>7,828</u>	<u>7,233</u>	<u>6,855</u>
8,821	8,524	8,517	9,217	9,769
5,651	5,602	5,373	5,010	4,955
5,185	5,487	5,044	4,363	3,603
153	689	187	435	297
311	308	187	246	317
(72)	(53)	(35)	(38)	(5)
<u>20,049</u>	<u>20,557</u>	<u>19,273</u>	<u>19,233</u>	<u>18,936</u>
<u>\$ 28,364</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)

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
13.47%	12.78%	13.39%	11.76%	11.05%
2.27%	0.52%	1.02%	1.52%	1.09%
2.30%	1.31%	2.26%	3.73%	3.71%
0.00%	0.00%	0.00%	0.00%	0.00%
0.18%	0.02%	0.00%	0.22%	0.28%
1.24%	1.19%	0.99%	0.56%	0.59%
9.03%	9.39%	10.21%	9.09%	9.25%
0.82%	0.87%	1.02%	0.44%	0.62%
<u>29.32%</u>	<u>26.08%</u>	<u>28.88%</u>	<u>27.33%</u>	<u>26.58%</u>
31.10%	30.65%	31.43%	34.83%	37.88%
19.92%	20.14%	19.83%	18.93%	19.21%
0.54%	2.48%	0.69%	1.64%	1.15%
1.10%	1.11%	0.69%	0.93%	1.23%
-0.25%	-0.19%	-0.13%	-0.14%	-0.02%
<u>52.40%</u>	<u>54.19%</u>	<u>52.50%</u>	<u>56.19%</u>	<u>59.45%</u>
<u>81.72%</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 2010
(unaudited)

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction	\$ 12,992	\$ 14,601	\$ 13,661	\$ 13,663
Public service	30	78	126	204
Academic support	2,352	1,788	1,733	1,835
Student services	2,900	2,316	2,227	2,167
Institutional support	3,374	3,223	2,990	2,949
Operation and maintenance of plant	3,298	3,168	2,510	2,622
Scholarships and fellowships	11,054	774	1,010	771
Auxiliary enterprises	3,399	3,624	3,328	3,204
Depreciation	1,414	1,054	1,002	975
Total Operating Expenses	<u>40,813</u>	<u>30,626</u>	<u>28,587</u>	<u>28,390</u>
Interest on capital related debt	890	959	962	941
Total Non-Operating Expenses	<u>890</u>	<u>959</u>	<u>962</u>	<u>941</u>
Total Expenses	<u>\$ 41,703</u>	<u>\$ 31,585</u>	<u>\$ 29,549</u>	<u>\$ 29,331</u>

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction	31.15%	42.08%	45.83%	46.58%
Public service	0.07%	0.27%	0.43%	0.70%
Academic support	5.64%	6.10%	5.91%	6.26%
Student services	6.95%	7.90%	7.59%	7.39%
Institutional support	8.09%	10.99%	10.19%	10.05%
Operation and maintenance of plant	7.91%	10.80%	8.56%	8.94%
Scholarships and fellowships	26.51%	2.64%	3.44%	2.63%
Auxiliary enterprises	8.15%	12.36%	11.35%	10.92%
Depreciation	3.39%	3.59%	3.42%	3.32%
Total Operating Expenses	<u>97.87%</u>	<u>96.73%</u>	<u>96.72%</u>	<u>96.79%</u>
Interest on capital related debt	2.13%	3.27%	3.28%	3.21%
Total Non-Operating Expenses	<u>2.13%</u>	<u>3.27%</u>	<u>3.28%</u>	<u>3.21%</u>
Total Expenses	<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 2002-2010 are available.

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 12,485	\$ 11,362	\$ 10,976	\$ 11,369	\$ 11,194
71	-	-	-	-
1,434	1,280	1,397	1,246	1,324
2,148	2,003	1,949	1,983	1,663
3,027	2,569	2,377	2,479	2,458
2,704	2,152	2,036	2,095	2,168
1,318	1,980	2,216	2,033	1,879
3,058	3,070	3,014	2,655	2,558
949	923	794	723	719
<u>27,194</u>	<u>25,339</u>	<u>24,759</u>	<u>24,583</u>	<u>23,963</u>
<u>267</u>	<u>322</u>	<u>384</u>	<u>442</u>	<u>496</u>
<u>267</u>	<u>322</u>	<u>384</u>	<u>442</u>	<u>496</u>
<u>\$ 27,461</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)

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
45.46%	44.28%	43.65%	45.43%	45.77%
0.26%	0.00%	0.00%	0.00%	0.00%
5.22%	4.99%	5.56%	4.98%	5.41%
7.82%	7.81%	7.75%	7.92%	6.80%
11.02%	10.01%	9.45%	9.91%	10.05%
9.85%	8.39%	8.10%	8.37%	8.86%
4.80%	7.72%	8.81%	8.12%	7.68%
11.14%	11.96%	11.99%	10.61%	10.46%
<u>3.46%</u>	<u>3.60%</u>	<u>3.16%</u>	<u>2.89%</u>	<u>2.94%</u>
<u>99.03%</u>	<u>98.75%</u>	<u>98.47%</u>	<u>98.23%</u>	<u>97.97%</u>
<u>0.97%</u>	<u>1.25%</u>	<u>1.53%</u>	<u>1.77%</u>	<u>2.03%</u>
<u>0.97%</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>	<u>100.00%</u>

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statistical Supplement 4
Tuition and Fees
Last Ten Academic Years
(unaudited)

Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	In-District Tuition	Out-of-District Fees	General Fees	Registration Fee (per student)	Facilities Use Fees
2009	\$ 34	\$ 45	\$ 20	\$ -	\$ -
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

Non-resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Non-Resident Tuition Out of State	Non-Resident Tuition International	General Fees	Registration Fee (per student)	Facilities Use Fees
2009	\$ 100	\$ 100	\$ 20	\$ -	\$ -
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

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

Resident
Flat fees per semester

<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>
\$ 15	\$ -	\$ -	828	1,368	27.78%	46.15%
-	-	-	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%

Non-resident
Flat fees per semester

<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>
\$ 15	\$ -	\$ -	1,620	1,620	50.00%	50.00%
-	-	-	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%

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)

Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value
2009-10	\$ 5,629,171	\$ 525,453	\$ 5,103,718	90.67%
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%

Source: Victoria County Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

Direct Rate

Maintenance & Operations	Debt	Service	(a)	Total	(a)
\$ 0.1280	\$ 0.0254	\$ 0.1534			
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			

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**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
2009-10	\$ 6,370	2,751	\$ 2,316	1,122	588	1,710	\$ 3.73
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

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)				
		2009	2008	2007	2006	2005
AEP Texas Central Co.	Utility	\$ 42,579	\$ 45,193	\$ 40,557	\$ 51,016	\$ 55,279
Air Liquide America Corp.	Manufacturing	-	25,167	24,404	27,680	30,141
Carlisle Plastics Inc.	Manufacturing	-	-	-	-	-
Central Power & Light	Utility	-	-	-	-	-
Covalence Specialty Materials	Manufacturing	-	-	22,450	-	-
E. I DuPont De Nemours & Co	Manufacturing	36,398	43,452	39,219	32,672	40,473
Equistar Chemicals LP	Manufacturing	22,407	37,317	46,528	45,499	52,201
H E Butt Grocery Co.	Grocery Store	-	-	-	-	-
H S Victoria LP	Shopping Mall	-	-	-	-	20,747
Invista	Manufacturing	229,276	343,268	419,296	428,491	461,648
Invista S A R L	Manufacturing	36,499	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	85,512	85,652	23,659	20,508	-
Southwestern Bell Telephone	Utility	23,631	24,694	28,447	26,208	28,900
Tyco Plastics LP	Manufacturing	-	-	-	25,909	22,957
Union Gas Operating Co.	Natural Gas	26,036	27,475	26,322	34,505	27,454
Victoria Hospital LLC	Hospital	23,497	-	-	19,537	19,975
Victoria Regional Medical Center	Hospital	-	-	-	-	-
Victoria Retail Properties LP	Shopping Mall	-	-	-	-	-
Victoria WLE LP	Manufacturing	76,180	50,091	-	-	-
VTK Limited	Office Building	-	-	-	-	-
Totals		\$ 602,015	\$ 720,275	\$ 692,484	\$ 712,025	\$ 759,775
Total Taxable Assessed Value		\$ 5,103,718	\$ 5,004,913	\$ 4,212,710	\$ 3,954,906	\$ 3,774,692

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year				
		2009	2008	2007	2006	2005
AEP Texas Central Co.	Utility	0.83%	0.90%	0.96%	1.29%	1.46%
Air Liquide America Corp.	Manufacturing	0.00%	0.50%	0.58%	0.70%	0.80%
Carlisle Plastics Inc.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%
Central Power & Light	Utility	0.00%	0.00%	0.00%	0.00%	0.00%
Covalence Specialty Materials	Manufacturing	0.00%	0.00%	0.53%	0.00%	0.00%
E. I DuPont De Nemours & Co	Manufacturing	0.71%	0.87%	0.93%	0.83%	1.07%
Equistar Chemicals LP	Manufacturing	0.44%	0.75%	1.10%	1.15%	1.38%
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%	0.00%	0.55%
Invista	Manufacturing	4.49%	6.86%	9.95%	10.83%	12.23%
Invista S A R L	Manufacturing	0.72%	0.76%	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%	0.00%	0.51%	0.00%	0.00%
South Texas Electric Co-op, Inc.	Utility	1.68%	1.71%	0.56%	0.52%	0.00%
Southwestern Bell Telephone	Utility	0.46%	0.49%	0.68%	0.66%	0.77%
Tyco Plastics LP	Manufacturing	0.00%	0.00%	0.00%	0.66%	0.61%
Union Gas Operating Co.	Natural Gas	0.51%	0.55%	0.62%	0.87%	0.73%
Victoria Hospital LLC	Hospital	0.46%	0.00%	0.00%	0.49%	0.53%
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	1.49%	1.00%	0.00%	0.00%	0.00%
VTK Limited	Office Building	0.00%	0.00%	0.00%	0.00%	0.00%
Totals		11.80%	14.39%	16.44%	18.00%	20.13%

Source: Victoria County Appraisal District

Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)					
	2004	2003	2002	2001	2000
\$	53,731	\$ 51,987	\$ 49,356	\$ 41,463	\$ -
	33,292	35,161	43,356	49,712	53,587
	24,793	24,734	24,865	23,015	22,722
	-	-	17,080	18,588	59,870
	-	-	-	-	-
	38,696	536,526	549,543	586,771	594,325
	49,849	49,276	51,452	54,751	59,870
	-	14,650	-	-	9,754
	21,132	-	-	-	-
	462,791	-	-	-	-
	-	-	-	-	-
	-	-	-	-	10,461
	-	-	-	20,382	22,096
	-	-	-	-	-
	-	-	-	-	-
	28,212	32,497	35,797	36,476	38,959
	-	-	-	-	-
	21,085	16,453	18,924	66,461	-
	20,785	20,021	20,023	18,534	18,534
	-	-	-	-	-
	-	26,067	26,848	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
\$	754,366	\$ 807,372	\$ 837,244	\$ 916,153	\$ 890,178
\$	3,548,193	\$ 3,548,021	\$ 3,529,701	\$ 3,334,979	\$ 3,252,646

% of Taxable Assessed Value (TAV) by Tax Year					
	2004	2003	2002	2001	2000
	1.42%	1.47%	1.40%	1.24%	0.00%
	0.88%	0.99%	1.23%	1.49%	1.65%
	0.66%	0.70%	0.70%	0.69%	0.70%
	0.00%	0.00%	0.48%	0.56%	1.84%
	0.00%	0.00%	0.00%	0.00%	0.00%
	1.03%	15.12%	15.57%	17.59%	18.27%
	1.32%	1.39%	1.46%	1.64%	1.84%
	0.00%	0.41%	0.00%	0.00%	0.30%
	0.56%	0.00%	0.00%	0.00%	0.00%
	12.26%	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%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.75%	0.92%	1.01%	1.09%	1.20%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.56%	0.46%	0.54%	1.99%	0.00%
	0.55%	0.56%	0.57%	0.56%	0.57%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	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%
	19.98%	22.76%	23.72%	27.47%	27.37%

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

Statistical Supplement 8

Property Tax Levies and Collections

Last Ten Tax Years

(unaudited)

(amounts expressed in thousands)

Fiscal Year Ended August 31,	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Current Levy (c)	Percentage	Prior Collections of Prior Levies (d)
2010	\$ 7,614	\$ (6)	\$ 7,608	\$ 7,419	97.52%	\$ -
2009	7,088	(14)	7,074	6,892	97.43%	-
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.

	Current Collections of Prior Levies (e)	Total Collections (c+d+e)	Cumulative Collections of Adjusted Levy
\$	131	\$ 7,550	99.24%
	215	7,107	100.47%
	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)

	For the Year Ended August 31,				
	(amounts expressed in thousands)				
	2010	2009	2008	2007	2006
General Bonded Debt					
General obligation bonds	\$ 13,230	\$ 13,830	\$ 14,400	\$ 14,930	\$ 14,500
Notes	-	-	-	-	-
Less: Funds restricted for debt service	<u>(234)</u>	<u>(229)</u>	<u>(183)</u>	<u>(163)</u>	<u>(131)</u>
Net general bonded debt	<u>12,996</u>	<u>13,601</u>	<u>14,217</u>	<u>14,767</u>	<u>14,369</u>
Other Debt					
Revenue bonds	3,410	3,710	3,995	4,270	4,535
Maintenance tax notes	1,580	2,065	2,500	-	-
Notes	-	-	-	-	-
Capital lease obligations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Outstanding Debt	<u>\$ 17,986</u>	<u>\$ 19,376</u>	<u>\$ 20,712</u>	<u>\$ 19,037</u>	<u>\$ 18,904</u>
General Bonded Debt Ratios					
Per Capita	\$ 149.80	\$ 157.62	\$ 164.95	\$ 172.42	\$ 167.79
Per FTSE	4,855	5,104	5,138	5,429	4,911
As a percentage of Taxable Assessed Value	0.26%	0.30%	0.33%	0.37%	0.38%
Total Outstanding Debt Ratios					
Per Capita	\$ 207.32	\$ 224.54	\$ 240.30	\$ 222.27	\$ 220.75
Per FTSE	6,719	7,271	7,485	6,999	6,461
As a percentage of Taxable Assessed	0.36%	0.42%	0.49%	0.48%	0.50%

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>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 1,110	\$ 2,195	\$ 3,225	\$ 4,210	\$ 5,140
-	-	-	-	-
<u>(101)</u>	<u>(58)</u>	<u>(38)</u>	<u>(25)</u>	<u>(72)</u>
<u>1,009</u>	<u>2,137</u>	<u>3,187</u>	<u>4,185</u>	<u>5,068</u>
4,790	5,030	5,260	5,475	5,680
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 5,799</u>	<u>\$ 7,167</u>	<u>\$ 8,447</u>	<u>\$ 9,660</u>	<u>\$ 10,748</u>

\$ 11.78	\$ 25.02	\$ 37.44	\$ 49.35	\$ 60.27
345	735	1,136	1,494	1,777
0.03%	0.06%	0.09%	0.12%	0.15%

\$ 67.72	\$ 83.92	\$ 99.24	\$ 113.92	\$ 127.82
1,982	2,465	3,010	3,448	3,769
0.15%	0.20%	0.24%	0.27%	0.32%

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

	For the Year Ended August 31,				
	(amount expressed in thousands)				
	2010	2009	2008	2007	2006
Taxable Assessed Value	<u>\$ 5,103,718</u>	<u>\$ 5,004,914</u>	<u>\$ 4,579,302</u>	<u>\$ 4,245,159</u>	<u>\$ 3,954,906</u>
General Obligation Bonds					
Statutory Tax Levy Limit for Debt Service	\$ 25,519	\$ 25,025	\$ 22,897	\$ 21,226	\$ 19,775
Less: Funds Restricted for Repayment of General Obligation Bonds	<u>(234)</u>	<u>(229)</u>	<u>(183)</u>	<u>(163)</u>	<u>(131)</u>
Total Net General Obligation Debt	25,285	24,796	22,714	21,063	19,644
Current Year Debt Service Requirements	<u>1,260</u>	<u>1,253</u>	<u>1,252</u>	<u>1,288</u>	<u>1,136</u>
Excess of Statutory Limit for Debt Service Over Current Requirements	<u>\$ 24,025</u>	<u>\$ 23,543</u>	<u>\$ 21,462</u>	<u>\$ 19,775</u>	<u>\$ 18,508</u>
Net Current Requirements as a % of Statutory Limit	4.02%	4.09%	4.67%	5.30%	5.08%

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)

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<u>\$ 3,774,692</u>	<u>\$ 3,548,193</u>	<u>\$ 3,548,021</u>	<u>\$ 3,529,701</u>	<u>\$ 3,334,979</u>
\$ 18,873	\$ 17,741	\$ 17,740	\$ 17,649	\$ 16,675
<u>(101)</u>	<u>(58)</u>	<u>(38)</u>	<u>(25)</u>	<u>(72)</u>
18,772	17,683	17,702	17,624	16,603
<u>1,161</u>	<u>1,154</u>	<u>1,153</u>	<u>1,141</u>	<u>1,155</u>
<u>\$ 17,611</u>	<u>\$ 16,529</u>	<u>\$ 16,549</u>	<u>\$ 16,483</u>	<u>\$ 15,448</u>
5.62%	6.18%	6.29%	6.32%	6.49%

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

Revenue Bonds

Pledged Revenues (\$000 omitted)

Fiscal Year Ended August 31,	Tuition (a)	General Fee	Facility Use Fees	Registration Fees	Investment Income	Total
2010	\$ 132	\$ 1,589	\$ -	\$ -	\$ -	\$ 1,721
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

(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.

Debt Service Requirements (\$000 omitted)
--

	Principal	Interest	Total	Coverage Ratio
\$	300	\$ 175	\$ 475	3.62
	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

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

Calendar Year	District Population	District Personal Income (a) (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2009	86,236	a	a	7.1%
2008	86,755	\$ 3,278,989	\$ 37,788	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.

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

Employer	Number of Employees	Percentage of Total Employment	Industry / Service Type
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
Total	10,379	53.93%	

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>

Note: These are the principal employers for the Victoria County Junior College District residents; however, all employers are not necessarily located in Victoria County.

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

	For the Year Ended August 31,				
	2009	2008	2007	2006	2005
Faculty					
Full-Time	103	105	110	101	100
Part-Time	<u>89</u>	<u>81</u>	<u>72</u>	<u>73</u>	<u>58</u>
Total	<u><u>192</u></u>	<u><u>186</u></u>	<u><u>182</u></u>	<u><u>174</u></u>	<u><u>158</u></u>
Percent					
Full-Time	53.6%	56.5%	60.4%	58.0%	63.3%
Part-Time	46.4%	43.5%	39.6%	42.0%	36.7%
Staff and Administrators					
Full-Time	164	164	164	175	165
Part-Time	<u>8</u>	<u>8</u>	<u>7</u>	<u>4</u>	<u>6</u>
Total	<u><u>172</u></u>	<u><u>172</u></u>	<u><u>171</u></u>	<u><u>179</u></u>	<u><u>170</u></u>
Percent					
Full-Time	95.3%	95.3%	95.9%	97.8%	97.1%
Part-Time	4.7%	4.7%	4.1%	2.2%	3.5%
FTSE per Full-time Faculty	26.7	25.5	24.2	27.4	27.2
FTSE per Full-Time Staff Member	16.8	16.3	16.3	15.8	16.5
Average Annual Faculty Salary	\$50,427	\$47,608	\$49,313	\$47,473	\$45,247

For the Year Ended August 31,

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
98	98	102	120	118
<u>79</u>	<u>60</u>	<u>87</u>	<u>92</u>	<u>99</u>
<u>177</u>	<u>158</u>	<u>189</u>	<u>212</u>	<u>217</u>
55.4%	62.0%	54.0%	56.6%	54.4%
44.6%	38.0%	46.0%	43.4%	45.6%
165	165	166	155	145
<u>7</u>	<u>6</u>	<u>6</u>	<u>4</u>	<u>5</u>
<u>172</u>	<u>171</u>	<u>172</u>	<u>159</u>	<u>150</u>
95.9%	96.5%	96.5%	97.5%	96.7%
4.1%	3.5%	3.5%	2.5%	3.3%
29.9	29.7	27.6	23.3	24.2
17.7	17.6	17.0	18.0	19.7
\$44,349	\$43,262	\$42,511	\$41,656	\$42,511

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT

VICTORIA, TEXAS

Statistical Supplement 15

Enrollment Details

Last Five Fiscal Years

(unaudited)

Student Classification	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
00-30 hours	2,464	60.26%	2,379	58.18%	2,380	59.65%
31-60 hours	1,039	25.41%	1,022	24.99%	1,019	25.54%
> 60 hours	586	14.33%	589	14.40%	588	14.74%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Semester Hour Load	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
Less than 3	46	1.12%	47	1.15%	37	0.93%
3-5 semester hours	832	20.35%	939	22.96%	979	24.54%
6-8 Semester hours	972	23.77%	943	23.06%	922	23.11%
9-11 semester hours	702	17.17%	758	18.54%	737	18.47%
12-14 semester hours	1,246	30.47%	1,000	24.46%	1,029	25.79%
15-17 semester hours	263	6.43%	174	4.26%	161	4.04%
18 & over	28	0.68%	129	3.15%	122	3.06%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Average course load	8.38	8.58	8.51
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Tuition Status	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	2,212	54.10%	2,088	51.06%	2,105	52.76%
Texas Resident (out-of-District)	1,854	45.34%	1,884	46.07%	1,844	46.22%
Non-Resident Tuition	23	0.56%	18	0.44%	38	0.95%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Fall 2006		Fall 2005	
Number	Percent	Number	Percent
2,366	58.62%	2,375	59.66%
1,091	27.03%	1,093	27.46%
579	14.35%	513	12.89%
<u>4,036</u>	<u>100.00%</u>	<u>3,981</u>	<u>100.00%</u>

Fall 2006		Fall 2005	
Number	Percent	Number	Percent
39	0.97%	25	0.63%
933	23.12%	853	21.43%
963	23.86%	917	23.03%
662	16.40%	664	16.68%
1,142	28.30%	1,230	30.90%
171	4.24%	146	3.67%
126	3.12%	146	3.67%
<u>4,036</u>	<u>100.00%</u>	<u>3,981</u>	<u>100.00%</u>

8.69

8.89

Fall 2006		Fall 2005	
Number	Percent	Number	Percent
2,146	53.17%	2,166	54.41%
1,865	46.21%	1,781	44.74%
25	0.62%	34	0.85%
<u>4,036</u>	<u>100.00%</u>	<u>3,981</u>	<u>100.00%</u>

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT

VICTORIA, TEXAS

Statistical Supplement 16

Student Profile

Last Five Fiscal Years

(unaudited)

Gender	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
Female	2,682	65.59%	1,349	32.99%	2,653	66.49%
Male	1,407	34.41%	2,641	64.59%	1,334	33.43%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Ethnic Origin	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
White	2,353	57.54%	2,369	57.94%	2,384	59.75%
Hispanic	1,408	34.43%	1,311	32.06%	1,335	33.46%
African American	235	5.75%	202	4.94%	180	4.51%
Asian	50	1.22%	66	1.61%	59	1.48%
Foreign	33	0.81%	34	0.83%	19	0.48%
Native American	10	0.24%	8	0.20%	10	0.25%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Age	Fall 2009		Fall 2008		Fall 2007	
	Number	Percent	Number	Percent	Number	Percent
Under 18	470	11.49%	518	12.67%	481	12.06%
18 -21	1,687	41.26%	1,617	39.55%	1,648	41.30%
22 - 24	589	14.40%	560	13.70%	534	13.38%
25 - 35	902	22.06%	805	19.69%	801	20.08%
36 - 50	367	8.98%	399	9.76%	432	10.83%
51 & over	74	1.81%	91	2.23%	91	2.28%
Total	4,089	100.00%	3,990	97.58%	3,987	99.92%

Average Age	24.30	24.22	24.39
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Fall 2006		Fall 2005	
Number	Percent	Number	Percent
2,712	68.02%	2,623	64.99%
1,324	33.21%	1,358	33.65%
4,036	101.23%	3,981	100.00%

Fall 2006		Fall 2005	
Number	Percent	Number	Percent
2,432	61.00%	2,433	60.28%
1,307	32.78%	1,285	31.84%
209	5.24%	186	4.61%
59	1.48%	52	1.29%
16	0.40%	12	0.30%
13	0.33%	13	0.32%
4,036	101.23%	3,981	100.00%

Fall 2006		Fall 2005	
Number	Percent	Number	Percent
486	12.19%	447	11.08%
1,588	39.83%	1,575	39.02%
569	14.27%	608	15.06%
831	20.84%	797	19.75%
454	11.39%	460	11.40%
108	2.71%	94	2.33%
4,036	101.23%	3,981	100.00%

24.70

24.70

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VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statistical Supplement 17
Transfers to Senior Institutions
2008 Fall Students as of Fall 2009
(Includes only public senior colleges in Texas)

	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech- Prep	Total of All Sample Transfer Students	% of All Sample Transfer Students
1 University of Houston - Victoria	219	3	10	232	52.73%
2 Texas State University	103	1	-	104	23.64%
3 Texas A&M University - College Station	93	-	-	93	21.14%
4 University of Texas - Austin	59	-	1	60	13.64%
5 University of Texas - San Antonio	32	2	4	38	8.64%
6 Texas A&M University - Corpus Christi	30	-	5	35	7.95%
7 Texas A&M University - Kingsville	21	-	-	21	4.77%
8 Sam Houston State University	17	-	1	18	4.09%
9 Texas Tech University	18	-	-	18	4.09%
10 Texas Tech University Health Science Center	6	-	1	7	1.59%
11 University of Houston	6	-	-	6	1.36%
12 University of Texas - Dallas	5	-	-	5	1.14%
13 Stephen F. Austin State University	3	1	-	4	0.91%
14 Tarleton State University	3	-	1	4	0.91%
15 University of Texas - Arlington	3	-	1	4	0.91%
16 University of North Texas	3	-	-	3	0.68%
17 University of Texas - Pan American	3	-	-	3	0.68%
18 West Texas A&M University	3	-	-	3	0.68%
19 Angelo State University	-	1	1	2	0.45%
20 Texas A&M University - Commerce	-	1	1	2	0.45%
21 University of Texas Medial Branch Galveston	2	-	-	2	0.45%
22 Lamar University	1	-	-	1	0.23%
23 Prairie View A&M University	1	-	-	1	0.23%
24 Sul Ross State University	1	-	-	1	0.23%
25 Texas A&M International University	1	-	-	1	0.23%
26 Texas A&M University - Galveston	1	-	-	1	0.23%
27 Texas Southern University	1	-	-	1	0.23%
28 University of Texas Health Science Center - San Antonio	1	-	-	1	0.23%
29 University of Texas M.D. Anderson Cancer Center	1	-	-	1	0.23%
Totals	418	6	16	440	100.00%

VICTORIA COUNTY JUNIOR COLLEGE DISTRICT
VICTORIA, TEXAS
Statistical Supplement 18
Schedule of Capital Asset Information
Fiscal Years 2004 through 2010

	For the Year Ended August 31,				
	2010	2009	2008	2007	2006
Academic buildings	10	10	9	9	9
Square footage	325,927	325,927	245,030	245,030	245,030
Libraries	1	1	1	1	1
Square footage	49,768	49,768	49,768	49,768	49,768
Number of Volumes	295,923	295,923	295,923	295,923	295,923
Administrative and support buildings	2	2	2	2	2
Square footage	22,509	22,509	22,509	22,509	22,509
Museums	1	1	1	1	1
Square footage	8,850	8,850	8,850	8,850	8,850
Student Center	1	1	1	1	1
Square footage	31,659	31,659	31,659	31,659	31,659
Dining Facilities	1	1	1	1	1
Average daily customers	1,000	1,000	1,000	1,000	1,000
Bookstore	1	1	1	1	1
Athletic Facilities	2	2	2	2	2
Square footage	73,308	73,308	73,308	73,308	73,308
Gymnasiums	1	1	1	1	1
Fitness Centers	1	1	1	1	1
Tennis Courts	1	1	1	1	1
Plant facilities	1	1	1	1	1
Square footage	27,000	27,000	27,000	27,000	27,000
Transportation					
Light Trucks/Vans	2	2	2	2	2
Ambulances	1	1	1	1	1

2005	2004
9	9
245,030	245,030
1	1
49,768	49,768
289,953	287,001
2	2
22,509	22,509
1	1
8,850	8,850
1	1
31,659	31,659
1	1
1,000	1,000
1	1
2	2
73,308	73,308
1	1
1	1
1	1
1	1
27,000	27,000
2	2
1	1

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