

PARIS JUNIOR COLLEGE
Paris, Texas

REPORT OF AUDIT

August 31, 2017

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August 31, 2017**

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**Paris Junior College
Organizational Data
August 31, 2017**

Board of Regents

		<u>Term Expires October 31,</u>
	<u>Officers</u>	
Mr. Curtis Fendley	President	2018
Dr. Clifton Wilkerson	Vice President	2020
Ms. Berdie Gibson	Secretary	2022
	<u>Members</u>	
Mr. Jim Bell		2020
Ms. Ginna Bowman		2018
Mrs. Carolyn Lockett		2022
Mr. Charles Lynch		2020
Ms. Louise Taylor		2022
Mr. Mark Buster		2018

Principal Administrative Officers

Dr. Pamela Anglin	President
Mr. John Spradling	Vice President, Workforce Education
Dr. Pamela Millsap	Vice President, Academics
Ms. Keitha Carlton	Controller

McClanahan and Holmes, LLP
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN W. MOHUNDRO, CPA
GEORGE H. STRUVE, CPA
ANDREW B. REICH, CPA
RUSSELL P. WOOD, CPA
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INDEPENDENT AUDITORS' REPORT

Board of Regents
Paris Junior College
Paris, Texas

We have audited the accompanying financial statements of Paris Junior College (the College) and Paris Junior College Memorial Foundation (the Foundation), a discretely presented component unit, as of and for the years ended August 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Paris Junior College and Paris Junior College Memorial Foundation, a discretely presented component unit, as of August 31, 2017 and 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The statistical section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The schedule of expenditures of State of Texas awards, required by the State of Texas Single Audit Circular and the supplemental schedules, is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards, the schedule of expenditures of State of Texas Awards and the supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the schedule of expenditures of State of Texas awards, and the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Board of Regents
Paris Junior College

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
December 14, 2017

**Paris Junior College
Management's Discussion and Analysis
August 31, 2017**

Management of Paris Junior College provides this Management's Discussion and Analysis of Paris Junior College for readers of the College's financial statements. This narrative overview and analysis of the financial activities of the College is for the fiscal year ended August 31, 2017. We encourage readers to consider this information in conjunction with the College's financial statements and the notes to the financial statements which follow.

Financial Highlights

Net position increased by \$2,931,146 in 16/17 and by \$2,941,063 in 15/16.

Net position at the end of the year was \$45,546,782 in 16/17 and \$42,615,636 in 15/16.

Tuition and fee revenue increased 3.49% or \$406,287 from \$11,661,338 in 15/16 to \$12,067,625 in 16/17. While credit hours decreased 7.07% or 7,289 hours from 103,004 in 15/16 to 95,715 in 16/17, the decrease in revenue was partially offset by an increase in per hour tuition rates. The semester credit hour rates were increased as follows: \$5 for in-district tuition, \$14 for out-of-district tuition, and \$17 for non-resident tuition, respectively in 16/17.

Federal Non-Operating grants and contracts revenue decreased 10.77% or (\$882,762) from \$8,196,876 in 15/16 to \$7,314,114 in 16/17. Most of the decrease in federal grant revenue was from the Department of Education for Pell grants which decreased (\$934,069).

Paris Junior College completed the conversion to Jenzabar EX, a new enterprise resource planning solution (ERP), in 2017. The system went live in July 2017 and included the following modules: Admissions, Registration, Advising, Financial Aid, General Ledger, Accounts Receivable, Accounts Payable, Payroll, Human Resources, and Development. In addition, a new student portal called 'MyPJC' was launched which replaced the former 'Campus Connect' portal.

During 2017, Paris Junior College added two vehicles and a new bus to the fleet and replaced two chillers on campus. In addition, two new scoreboards were purchased for basketball and baseball.

The cost of these projects in 16/17 was \$458,620 and were funded through current operations. There were also several departmental equipment additions during the year with a total cost of \$281,402.

State appropriations decreased by (\$58,373) from \$10,187,172 in 15/16 to \$10,128,799 in 16/17. The decrease is due to the decrease from state retirement matching of (\$141,523) and professional nursing shortage reduction of (\$20,066). State appropriations for support related to education and general funding increased slightly by \$19,394 along with an increase from state funded group insurance of \$83,822.

While there continue to be funding and enrollment challenges, Paris Junior College's goal is to make sure there are accessible and affordable educational opportunities available to the residents of our area. This goal includes academic preparation for those who seek to transfer to a university as well as providing certificates and associate degrees in workforce programs to better meet the needs of local business and industry.

A taxing district annexation election was held in November, 2016 and all of Lamar County voted to be annexed into the Paris Junior College District. This will increase the tax base beginning in 2017-2018.

Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017

Overview of the Financial Statements

The Annual Financial Report consists of a series of financial statements. The core statements are known as the *Statement of Net Position*, the *Statement of Revenues, Expenses, and Changes in Net Position*, and the *Statement of Cash Flows*. These statements comply with all the Statements issued by the Governmental Accounting Standards Board (GASB) that are currently in effect.

Statement of Net Position

The Statement of Net Position presents all of the College's assets and liabilities with the difference between the two reported as "net position". Over time, increases or decreases in the College's net position may serve as a useful indicator of whether the financial position of the College is improving or deteriorating. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets.

The Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the college activities which are supported mainly by state appropriations, Federal revenue, ad valorem taxes and tuition and fee revenues. This approach is intended to summarize and simplify the user's analysis of costs of various college services to students and the public. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The two statements above report the College's net position and changes in net position. The change in net position provides the reader a tool to assist in determining whether the College's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the College.

Statement of Cash Flows

The Statement of Cash Flows is presented on the direct method to illustrate the sources and uses of cash for operating activities of the College. The primary purpose of cash flow analysis is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also may help users assess the College's ability to generate future net cash flows, to meet its obligations as they come due, and to determine its need for external financing.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to financial statements can be found immediately following the basic financial statements.

Affiliated Organization

The Paris Junior College Memorial Foundation is a component unit of Paris Junior College. The financial statements of the Foundation are presented with those of the College. The prescribed presentation is for the Foundation's statement to be presented separately in a format known as a discrete presentation. For fiscal year 2016-2017 the net assets of the Foundation increased \$442,235 from \$20,843,586 in 15/16 to \$21,285,821 in 16/17.

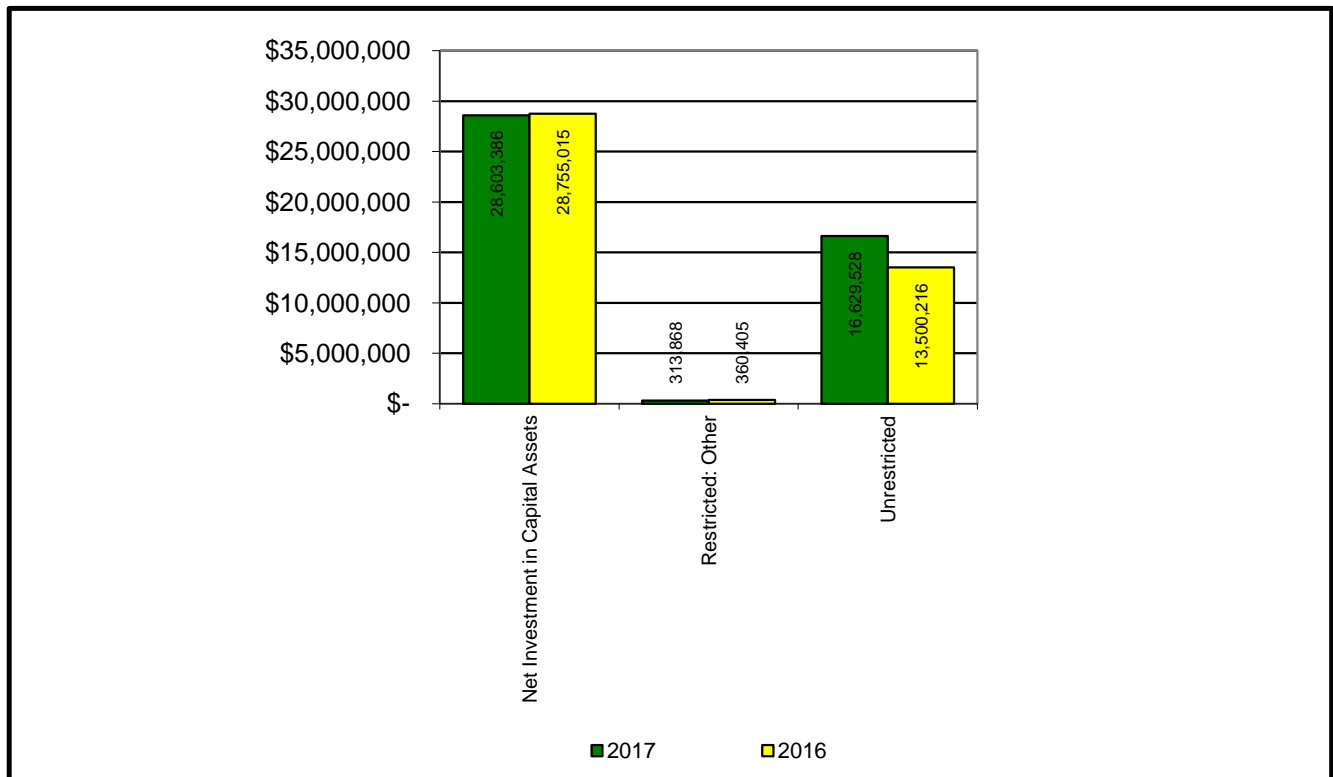
**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017**

Net Assets

Condensed Statement of Net Assets
August 31,

	2017	2016	2015
Current Assets	\$ 25,845,558	\$ 25,077,921	\$ 24,715,000
Non-Current Assets			
Notes Receivable	-	-	685,444
Capital Assets, Net of Accumulated Depreciation	41,548,386	42,326,015	42,236,777
Total Assets	<u>67,393,944</u>	<u>67,403,936</u>	<u>67,637,221</u>
Deferred Outflows of Resources	<u>1,191,220</u>	<u>1,442,284</u>	<u>538,144</u>
Current Liabilities	5,625,057	7,840,531	7,848,694
Non-Current Liabilities	16,250,480	17,105,974	19,665,407
Total Liabilities	<u>21,875,537</u>	<u>24,946,505</u>	<u>27,514,101</u>
Deferred Inflows of Resources	<u>1,162,845</u>	<u>1,284,079</u>	<u>986,691</u>
Net Position			
Net Investment in Capital Assets	28,603,386	28,755,015	26,226,034
Restricted: Other	313,868	360,405	331,723
Unrestricted	16,629,528	13,500,216	13,116,816
Total Net Position	<u>\$ 45,546,782</u>	<u>\$ 42,615,636</u>	<u>\$ 39,674,573</u>

Breakdown of Net Position



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017

**Condensed Statement of Revenues,
Expenses, and Changes in Net Position**
August 31,

	2017	2016	2015
Operating Revenues	\$ 11,063,720	\$ 11,960,835	\$ 12,025,615
Non-Operating Revenues	20,768,054	21,608,694	22,877,997
Total Revenues	<u>31,831,774</u>	<u>33,569,529</u>	<u>34,903,612</u>
Operating Expense	28,313,912	29,915,186	31,427,246
Non-Operating Expense	586,716	713,280	785,115
Total Expenses	<u>28,900,628</u>	<u>30,628,466</u>	<u>32,212,361</u>
Changes in Net Position	<u>2,931,146</u>	<u>2,941,063</u>	<u>2,691,251</u>
Net Position - Beginning of Year	42,615,636	39,674,573	40,637,835
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>-</u>	<u>(3,654,513)</u>
Balance at Beginning of Year, as Restated	<u>42,615,636</u>	<u>39,674,573</u>	<u>36,983,322</u>
Net Position - End of Year	<u>\$ 45,546,782</u>	<u>\$ 42,615,636</u>	<u>\$ 39,674,573</u>

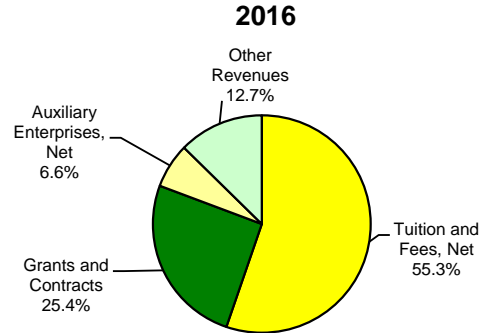
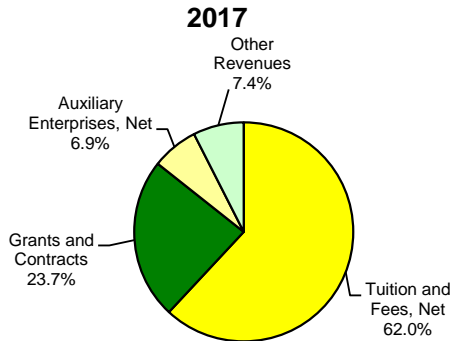
Discussion of GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

The statement of net assets assesses the balance of the College's *assets* (the resources it can use to provide services and operate the entity) against its *liabilities* (its obligations to turn over resources to other organizations or individuals). The Total Assets plus Deferred Outflows of Resources minus Total Liabilities and Deferred Inflows of Resources equals Total Net Position. Paris Junior College adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, for fiscal year 2014-2015. As part of that adoption, the College included a cumulative effect of change in accounting principle of (\$3,654,513) and the restatement was made directly to the beginning net position in 14/15.

**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017**

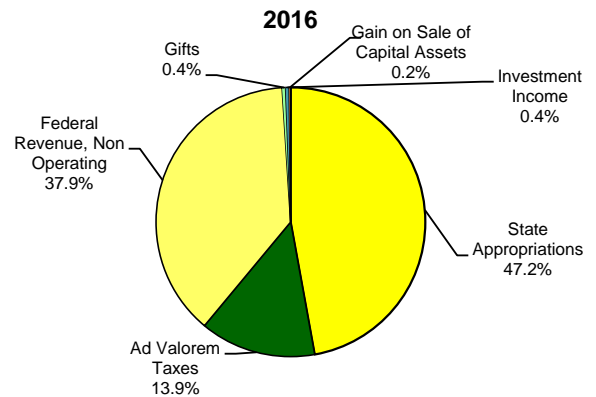
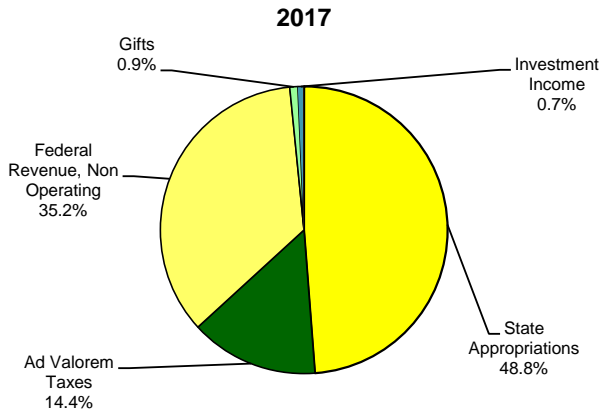
Operating Revenues
Years Ended August 31,

	2017	2016	2015
Tuition and Fees, Net	\$ 6,854,000	\$ 6,612,041	\$ 6,355,929
Grants and Contracts	2,624,030	3,041,954	3,725,887
Auxiliary Enterprises, Net	758,782	793,455	743,994
Other Revenues	826,908	1,513,385	1,199,805
Total Operating Revenues	\$ 11,063,720	\$ 11,960,835	\$ 12,025,615



Non-Operating Revenues
Years Ended August 31,

	2017	2016	2015
State Appropriations	\$ 10,128,799	\$ 10,187,172	\$ 10,033,579
Ad Valorem Taxes	2,997,380	3,004,129	2,964,030
Federal Revenue, Non Operating	7,314,114	8,196,876	9,648,664
Gifts	185,048	91,182	123,606
Investment Income	142,713	90,335	108,118
Gain on Sale of Capital Assets	-	39,000	-
Total Non-Operating Revenues	\$ 20,768,054	\$ 21,608,694	\$ 22,877,997

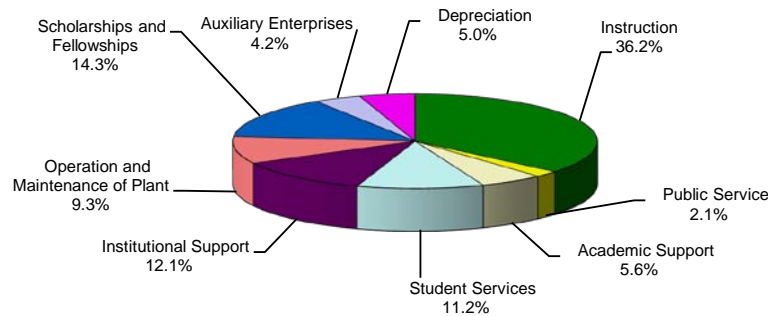


**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017**

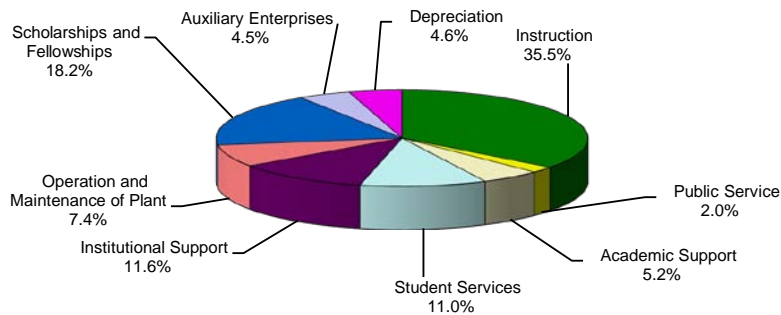
**Operating Expenses
Years Ended August 31,**

Operating Expenses:	2017	2016	2015
Instruction	\$ 10,238,951	\$ 10,599,106	\$ 11,600,874
Public Service	600,011	604,703	784,520
Academic Support	1,594,787	1,553,952	1,639,220
Student Services	3,178,497	3,286,505	3,323,382
Institutional Support	3,431,370	3,463,902	3,322,626
Operation and Maintenance of Plant	2,643,705	2,228,550	2,111,979
Scholarships and Fellowships	4,044,906	5,436,019	5,975,461
Auxiliary Enterprises	1,185,953	1,359,181	1,421,241
Depreciation	1,395,732	1,383,268	1,247,943
Total Operating Expenses	\$ 28,313,912	\$ 29,915,186	\$ 31,427,246

2017



2016



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2017

Capital Asset and Long-Term Debt Activity

Capital Assets

The College's investment in capital assets as of August 31, 2017 amounts to \$57,590,992 net of accumulated depreciation of \$16,042,606 leaving a net book value of \$41,548,386. This investment in capital assets includes land, collections, buildings and improvements, furniture and equipment, vehicles, and library books. Please refer to the notes to the financial statements for more detail on capital assets.

Long-Term Debt Activity

At the end of the fiscal year, the College had \$12,945,000 outstanding in bonds payable versus \$13,571,000 outstanding at the end of August 2016.

There are three revenue bonds outstanding at year end. The 2006, 2007, and 2012 revenue bonds' principal and interest outstanding at year end was \$17,252,589.

The College no longer carries an active bond rating; however, in the past the College's bond rating for debt was "A-" with a rating outlook for the intermediate to longer term of stable as rated by Standard & Poor's. The College's bond rating for debt was "A3" with a rating outlook for the intermediate to longer term of stable as rated by Moody's.

Paris Junior College
Exhibit 1
Statement of Net Position
August 31, 2017 and August 31, 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 11,152,101	\$ 8,263,219
Short-Term Investments	11,000,000	11,000,000
Accounts Receivable, Net	3,402,161	4,709,227
Inventories	71,727	72,769
Other Assets	219,569	1,032,706
Total Current Assets	<u>25,845,558</u>	<u>25,077,921</u>
Noncurrent Assets		
Capital Assets, Net (See Note 5)	<u>41,548,386</u>	<u>42,326,015</u>
Total Noncurrent Assets	<u>41,548,386</u>	<u>42,326,015</u>
 Total Assets	 <u>67,393,944</u>	 <u>67,403,936</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	<u>1,191,220</u>	<u>1,442,284</u>
 LIABILITIES		
Current Liabilities		
Accounts Payable	703,262	934,421
Accrued Liabilities	60,066	68,486
Funds Held for Others	41,454	58,955
Unearned Revenues	4,337,275	6,416,669
Bonds Payable - Current Portion	483,000	362,000
Total Current Liabilities	<u>5,625,057</u>	<u>7,840,531</u>
Noncurrent Liabilities		
Deposits	28,400	25,800
Pension Liability	3,760,080	3,871,174
Bonds Payable	12,462,000	13,209,000
Total Noncurrent Liabilities	<u>16,250,480</u>	<u>17,105,974</u>
 Total Liabilities	 <u>21,875,537</u>	 <u>24,946,505</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pensions	<u>1,162,845</u>	<u>1,284,079</u>
 NET POSITION		
Net Investment in Capital Assets	28,603,386	28,755,015
Restricted for:		
Other	313,868	360,405
Unrestricted	<u>16,629,528</u>	<u>13,500,216</u>
 Total Net Position (Schedule D)	 <u>\$ 45,546,782</u>	 <u>\$ 42,615,636</u>

The notes to the financial statements are an integral part of this statement.

**Paris Junior College
Affiliated Organization
Exhibit 1A
Statement of Financial Position
August 31, 2017 and August 31, 2016**

	2017	2016
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 310,954	\$ 474,117
Total Current Assets	310,954	474,117
Investments	20,915,955	20,309,687
Fixed Assets		
Property and Equipment, Net	6,412	7,282
Total Fixed Assets	6,412	7,282
Other Assets		
Property Held for Investment	7,500	7,500
Royalty Interests	45,000	45,000
Total Other Assets	52,500	52,500
Total Assets	\$ 21,285,821	\$ 20,843,586
LIABILITIES		
Liabilities		
Accounts Payable	\$ -	\$ -
Total Liabilities	-	-
NET ASSETS		
Unrestricted	23,690	22,225
Temporarily Restricted	11,420,226	11,164,197
Permanently Restricted	9,841,905	9,657,164
Total Net Assets	\$ 21,285,821	\$ 20,843,586

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Exhibit 2
Statement of Revenues, Expenses, and Changes in Net Position
Years Ended August 31, 2017 and August 31, 2016

OPERATING REVENUES	2017	2016
Tuition and Fees (Net of Discounts of \$5,213,625 and \$5,049,297, respectively)	\$ 6,854,000	\$ 6,612,041
Federal Grants and Contracts	1,663,086	1,801,929
State Grants and Contracts	779,692	882,886
Non-Governmental Grants and Contracts	181,252	357,139
Sales and Services of Educational Activities	87,508	171,563
Auxiliary Enterprises (Net of Discounts)	758,782	793,455
Other Operating Revenues	739,400	1,341,822
Total Operating Revenues (Schedule A)	11,063,720	11,960,835
OPERATING EXPENSES		
Instruction	10,238,951	10,599,106
Public Service	600,011	604,703
Academic Support	1,594,787	1,553,952
Student Services	3,178,497	3,286,505
Institutional Support	3,431,370	3,463,902
Operation and Maintenance of Plant	2,643,705	2,228,550
Scholarships and Fellowships	4,044,906	5,436,019
Auxiliary Enterprises	1,185,953	1,359,181
Depreciation	1,395,732	1,383,268
Total Operating Expenses (Schedule B)	28,313,912	29,915,186
Operating Income (Loss)	(17,250,192)	(17,954,351)
NON-OPERATING REVENUES (EXPENSES)		
State Appropriations	10,128,799	10,187,172
Maintenance Ad Valorem Taxes	2,997,380	3,004,129
Federal Revenue, Non Operating	7,314,114	8,196,876
Gifts	185,048	91,182
Investment Income	142,713	90,335
Interest on Capital Related Debt	(586,716)	(713,280)
Gain on Sale of Capital Assets	-	39,000
Net Non-Operating Revenues (Schedule C)	20,181,338	20,895,414
Increase in Net Position	2,931,146	2,941,063
NET POSITION		
Net Position - Beginning of Year	42,615,636	39,674,573
Net Position - End of Year	\$ 45,546,782	\$ 42,615,636

The notes to the financial statements are an integral part of this statement.

Paris Junior College
 Affiliated Organization
 Exhibit 2A
 Statement of Activities
 Year Ended August 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 5,789	\$ 27,255	\$ 157,779	\$ 190,823
Net Realized Gains/(Losses) on Investments, Net of Management Fees	-	1,152,850	-	1,152,850
Net Unrealized Gains/(Losses) on Investments	-	(242,714)	-	(242,714)
Interest	27	33,139	-	33,166
Dividends	19	457,653	26,935	484,607
Royalties	-	5,747	27	5,774
In-Kind Professional Services	62,770	-	-	62,770
Miscellaneous	-	605	-	605
Total Operating Revenue	68,605	1,434,535	184,741	1,687,881
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	1,178,505	(1,178,505)	-	-
Total Operating Revenues, Gains and Other Support	1,247,110	256,030	184,741	1,687,881
OPERATING EXPENSES				
Programs:				
Contributions to PJC for Scholarships	1,010,026	-	-	1,010,026
Other Scholarships	57,253	-	-	57,253
Contributions to PJC for Building Fund	-	-	-	-
Administration and Investment Fees				
Accounting	1,600	-	-	1,600
Other	113,127	-	-	113,127
In-Kind Professional Expenses	62,770	-	-	62,770
Total Operating Expenses	1,244,776	-	-	1,244,776
Changes in Net Assets from Operations	2,334	256,030	184,741	443,105
OTHER CHANGES				
Nonoperating Income (Expense):				
Depreciation	870	-	-	870
Changes in Net Assets	1,464	256,030	184,741	442,235
NET ASSETS, Beginning of Year	22,225	11,164,198	9,657,163	20,843,586
NET ASSETS, End of Year	\$ 23,689	\$ 11,420,228	\$ 9,841,904	\$ 21,285,821

The notes to the financial statements are an integral part of this statement.

Paris Junior College
 Affiliated Organization
 Exhibit 2A (Continued)
 Statement of Activities
 Year Ended August 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 2,953	\$ 2,970	\$ 123,995	\$ 129,918
Net Realized Gains/(Losses) on Investments, Net of Management Fees	(275,307)	(626,099)	-	(901,406)
Net Unrealized Gains/(Losses) on Investments	-	1,892,534	60,000	1,952,534
Interest	29	31,951	-	31,980
Dividends	18	468,367	26,935	495,320
Royalties	-	5,226	27	5,253
In-Kind Professional Services	62,770	-	-	62,770
Miscellaneous	(62,352)	609	62,360.00	617
Total Operating Revenue	(271,889)	1,775,558	273,317	1,776,986
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	1,123,315	(1,123,315)	-	-
Total Operating Revenues, Gains and Other Support	851,426	652,243	273,317	1,776,986
OPERATING EXPENSES				
Programs:				
Contributions to PJC for Scholarships	1,019,912	-	-	1,019,912
Other Scholarships	103,403	-	-	103,403
Administration and Investment Fees				
Accounting	7,550	-	-	7,550
Other	3,223	-	-	3,223
In-Kind Professional Expenses	62,770	-	-	62,770
Total Operating Expenses	1,196,858	-	-	1,196,858
Changes in Net Assets from Operations	(345,432)	652,243	273,317	580,128
OTHER CHANGES				
Nonoperating Income (Expense):				
Depreciation	870	-	-	870
Changes in Net Assets	(346,302)	652,243	273,317	579,258
NET ASSETS, Beginning of Year	368,527	10,511,955	9,383,846	20,264,328
NET ASSETS, End of Year	\$ 22,225	\$ 11,164,198	\$ 9,657,163	\$ 20,843,586

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Exhibit 3
Statement of Cash Flows
Years Ended August 31, 2017 and August 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	2017	2016
Receipts from Students and Other Customers	\$ 7,684,568	\$ 9,002,758
Receipts of Grants and Contracts	2,570,870	3,166,507
Payments to or for Employees	(14,994,044)	(15,573,676)
Payments to Suppliers for Goods or Services	(5,955,508)	(6,888,562)
Payment of Scholarships	(3,770,866)	(4,624,099)
Net Cash Provided (Used) by Operating Activities	<u>(14,464,980)</u>	<u>(14,917,072)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from State Appropriations	8,524,373	8,525,045
Receipts from Ad Valorem Taxes	3,018,433	3,004,369
Receipts from Non Operating Federal Revenue	7,314,114	8,196,876
Receipts from Gifts	185,048	91,182
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>19,041,968</u>	<u>19,817,472</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from Sale of Capital Assets	-	763,582
Purchases of Capital Assets	(618,103)	(1,472,506)
Principal Paid on Capital Debt	(626,000)	(3,338,000)
Interest Paid on Capital Debt	(586,716)	(713,280)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,830,819)</u>	<u>(4,760,204)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from Interest on Investments	142,713	90,335
Net Cash Provided (Used) by Investing Activities	<u>142,713</u>	<u>90,335</u>
Increase (Decrease) in Cash and Cash Equivalents	2,888,882	230,531
Cash and Cash Equivalents - Beginning of Year	8,263,219	8,032,688
Cash and Cash Equivalents - End of Year	<u>\$ 11,152,101</u>	<u>\$ 8,263,219</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (17,250,192)	\$ (17,954,351)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	1,395,732	1,383,268
Payments Made Directly by State for Benefits	1,604,426	1,662,127
Change in Assets and Liabilities:		
Receivables, Net	746,012	153,737
Deferred Outflow	251,064	(904,140)
Inventories	1,042	(21,883)
Other Assets	813,137	(303,622)
Accounts Payable	(231,159)	125,835
Accrued Liabilities	(8,420)	(55,791)
Pension Liability	(111,094)	645,667
Unearned Revenue	(1,539,393)	145,559
Deposits	2,600	(3,100)
Funds Held for Others	(17,501)	(87,766)
Deferred Inflow	(121,234)	297,388
Net Cash Provided (Used) by Operating Activities	<u>\$ (14,464,980)</u>	<u>\$ (14,917,072)</u>

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Notes to Financial Statements
August 31, 2017

1. Reporting Entity

Paris Junior College (PJC) was established in 1924, in accordance with the laws of the State of Texas, to serve the educational needs of Paris and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14. While the College receives funding from local, state and federal sources, and must comply with spending, reporting, and record-keeping requirements of these entities, it is not a component unit of any other governmental entity. One organization, the Paris Junior College Memorial Foundation, Inc. meets the criteria of GASB pronouncements and has been presented as a discrete component unit of the College (see Note 17).

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by the College 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 College applies all applicable GASB pronouncements. The College 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 (TPEG), is shown with tuition and fee revenue amounts as a separate set-aside amount (TEC section 56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act (HEA) Program Funds

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

Other Tuition Discounts

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

Basis of Accounting

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

Budgetary Data

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

Cash and Cash Equivalents

The College'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.

Deferred Inflows

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so is not recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows in circumstances specifically authorized by the GASB.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

2. Summary of Significant Accounting Policies (Continued)

Deferred Outflows

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows in circumstances specifically authorized by the GASB.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

Inventories

Inventories consist of jewelry, horology, gemology, welding, and electronics tools, books, and materials for sale to students. Inventories are valued at cost using the first-in, first-out method.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation. For equipment, the College'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. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are charged to operating expense in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for land improvements, 15 years for library books, 10 years for furniture, machinery, vehicles, and other equipment, and 5 years for telecommunications and peripheral equipment.

Collections: In accordance with guidance issued by the Texas Comptroller of Public Accounts, collections are capitalized but not depreciated. Collections are valued at their historical cost or fair value at the date of donation. The College has statues and antique pianos and organs which it capitalizes as collections. These collections are not depreciated due to the inexhaustible nature of these assets.

Unearned Revenues

Tuition and fees and housing charges of \$3,123,949 and \$5,448,200 and federal, state and local grants of \$1,213,326 and \$968,469 have been reported as unearned revenues at August 31, 2017 and 2016, respectively.

Estimates

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

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a business-type entity and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal on-going operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operations of food services and the bookstore are not performed by the College but are contracted to independent vendors.

Change in Accounting Principle

The College implemented the provisions of GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of this statement resulted in an adjustment to net position in 2015 of (\$3,654,513).

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

2. Summary of Significant Accounting Policies (Continued)

Pensions

For the year ended August 31, 2015, Paris Junior College implemented the provisions of GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined based on the flow of economic resource measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability: deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, and liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

Restatement

In the year of implementation of GASB Statement 68, as amended by GASB Statement 71, a restatement to beginning net position will be required for the recording of the beginning net pension liability and for the recording of deferred outflows of resources for contributions made after the measurement date of the beginning net pension liability and the beginning of the reporting entity's fiscal year.

Beginning net position as of September 1, 2014, as been restated as follows for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

	2017	2016	2015
Increase (Decrease) in Net Position	\$ 2,931,146	\$ 2,941,063	\$ 2,691,251
NET POSITION			
Net Position - Beginning of Year	42,615,636	39,674,573	40,637,835
Cumulative Effect of Change in Accounting Principle	-	-	(3,654,513)
Net Position - Beginning of Year, as restated	42,615,636	39,674,573	36,983,322
Net Position - End of Year	\$ 45,546,782	\$ 42,615,636	\$ 39,674,573

3. Authorized Investments

Paris Junior College is authorized to invest in obligations and instruments as defined in the Public 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. At August 31, 2017, Paris Junior College's short-term investments consisted of certificates of deposit. Paris Junior College had no long-term investments at August 31, 2017.

4. Deposits and Investments

At August 31, 2017 and 2016, the carrying amount of Paris Junior College's deposits was \$22,148,620 and \$19,259,744, respectively, and total bank balances equaled \$23,079,106 and \$20,151,428. Bank balances of \$500,000 were covered by federal depository insurance at August 31, 2017 and 2016 and \$23,128,532 and \$21,238,247 were covered by collateral pledged in PJC's name. No collateral was held by PJC or by its agent.

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

	2017	2016
Bank Deposits		
Demand Deposits	\$ 11,148,620	\$ 8,259,744
Time Deposits	11,000,000	11,000,000
	22,148,620	19,259,744
Cash and Cash Equivalents		
Cash on Hand	3,475	3,475
Total Cash and Deposits	\$ 22,152,095	\$ 19,263,219

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

5. Capital Assets

Capital assets for the year ended August 31, 2017 were as follows:

	Balance September 1, 2016	Additions	Retirements	Balance August 31, 2017
<u>Not Depreciated:</u>				
Land	\$ 4,058,393	\$ -	\$ -	\$ 4,058,393
Construction in Progress	557,211	-	557,211	-
Collections	90,750	-	-	90,750
Subtotal	<u>4,706,354</u>	<u>-</u>	<u>557,211</u>	<u>4,149,143</u>
<u>Buildings and Other Capital Assets:</u>				
Buildings and Improvements	47,823,818	100,364	79,795	47,844,387
Furniture and Equipment	2,447,145	1,022,465	-	3,469,610
Vehicles	891,039	164,792	-	1,055,831
Library Books	1,104,533	9,611	42,123	1,072,021
Subtotal	<u>52,266,535</u>	<u>1,297,232</u>	<u>121,918</u>	<u>53,441,849</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	11,678,834	1,052,782	-	12,731,616
Furniture and Equipment	1,446,364	253,480	-	1,699,844
Vehicles	700,762	60,125	-	760,887
Library Books	820,914	71,468	42,123	850,259
Subtotal	<u>14,646,874</u>	<u>1,437,855</u>	<u>42,123</u>	<u>16,042,606</u>
Net Other Capital Assets	<u>37,619,661</u>	<u>(140,623)</u>	<u>79,795</u>	<u>37,399,243</u>
Net Capital Assets	<u>\$ 42,326,015</u>	<u>\$ (140,623)</u>	<u>\$ 637,006</u>	<u>\$ 41,548,386</u>

Capital assets for the year ended August 31, 2016 were as follows:

	Balance September 1, 2015	Additions	Retirements	Balance August 31, 2016
<u>Not Depreciated:</u>				
Land	\$ 4,058,393	\$ -	\$ -	\$ 4,058,393
Construction in Progress	-	557,211	-	557,211
Collections	90,750	-	-	90,750
Subtotal	<u>4,149,143</u>	<u>557,211</u>	<u>-</u>	<u>4,706,354</u>
<u>Buildings and Other Capital Assets:</u>				
Buildings and Improvements	47,052,339	1,496,061	724,582	47,823,818
Furniture and Equipment	2,322,311	124,834	-	2,447,145
Vehicles	860,039	31,000	-	891,039
Library Books	1,116,551	7,277	19,295	1,104,533
Subtotal	<u>51,351,240</u>	<u>1,659,172</u>	<u>743,877</u>	<u>52,266,535</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	10,582,638	1,096,196	-	11,678,834
Furniture and Equipment	1,272,935	173,429	-	1,446,364
Vehicles	641,459	59,303	-	700,762
Library Books	766,574	54,340	-	820,914
Subtotal	<u>13,263,606</u>	<u>1,383,268</u>	<u>-</u>	<u>14,646,874</u>
Net Other Capital Assets	<u>38,087,634</u>	<u>275,904</u>	<u>743,877</u>	<u>37,619,661</u>
Net Capital Assets	<u>\$ 42,236,777</u>	<u>\$ 833,115</u>	<u>\$ 743,877</u>	<u>\$ 42,326,015</u>

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

6. Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2017 was as follows:

	Balance September 1, 2016	Additions	Retirements	Balance August 31, 2017	Current Portion
Bonds					
Revenue Bonds	\$ 13,571,000	\$ -	\$ 626,000	\$ 12,945,000	\$ 483,000
Subtotal	13,571,000	-	626,000	12,945,000	483,000
Net Pension Liability	3,871,174	-	111,094	3,760,080	-
Total Noncurrent Liabilities	<u>\$ 17,442,174</u>	<u>\$ -</u>	<u>\$ 737,094</u>	<u>\$ 16,705,080</u>	<u>\$ 483,000</u>

Long-term liability activity for the year ended August 31, 2016 was as follows:

	Balance September 1, 2015	Additions	Retirements	Balance August 31, 2016	Current Portion
Bonds					
Revenue Bonds	\$ 16,909,000	\$ -	\$ 3,338,000	\$ 13,571,000	\$ 362,000
Subtotal	16,909,000	-	3,338,000	13,571,000	362,000
Net Pension Liability	3,225,507	645,667	-	3,871,174	-
Total Noncurrent Liabilities	<u>\$ 20,134,507</u>	<u>\$ 645,667</u>	<u>\$ 3,338,000</u>	<u>\$ 17,442,174</u>	<u>\$ 362,000</u>

PJC has three series of revenue bonds outstanding that bear interest from 4.45% to 4.50%. They are due serially in varying amounts aggregating from \$735,000 to \$1,109,000 through March 15, 2032. Revenues of PJC are pledged for the payment of principal and interest on these bonds. Interest of \$586,716 was paid for the year ended August 31, 2017 on revenue bonds.

Debt service requirements at August 31, 2017 were as follows:

Year Ending August 31,	Revenue Bonds		
	Principal	Interest	Total
2018	\$ 747,000	\$ 571,937	\$ 1,318,937
2019	782,000	538,572	1,320,572
2020	817,000	503,669	1,320,669
2021	854,000	467,182	1,321,182
2022	890,000	429,091	1,319,091
2023-2027	5,095,000	1,511,690	6,606,690
2028-2032	4,024,000	505,260	4,529,260
Totals	<u>13,209,000</u>	<u>4,527,401</u>	<u>17,736,401</u>
Less payment prior to year end of September 15, 2017 requirements	<u>264,000</u>	<u>219,812</u>	<u>483,812</u>
	<u>\$ 12,945,000</u>	<u>\$ 4,307,589</u>	<u>\$ 17,252,589</u>

General information related to bonds and notes payable is summarized below:

Revenue Bonds:

Tuition and General Fee Revenue Bonds, Series 2006
To acquire site, construct, and equip Greenville center
Issued August 16, 2006
\$7,500,000; all authorized bonds have been issued
Source of revenue for debt service – tuition and other fee revenues

August 31, 2017
\$ 5,273,000

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

6. Long-Term Liabilities (Continued)

Revenue Bonds (Continued):

Tuition and General Fee Revenue Bonds, Series 2007 To acquire site, construct, and equip Greenville center Issued August 16, 2007 \$6,000,000; all authorized bonds have been issued Source of revenue for debt service – tuition and other fee revenues	4,280,000
Tuition and General Fee Revenue Bonds, Series 2012 To prepare site, construct, and equip the Math and Science Building Issued May 24, 2012 \$4,000,000; all authorized bonds have been issued Source of revenue for debt service – tuition and other fee revenues	3,392,000

7. Employees' Retirement Plans

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

Teacher Retirement System of Texas-Defined Benefit Plan

Plan Description. Paris Junior College participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://www.trs.texas.gov/TRS%20Documents/cafr_2016.pdf; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512)542-6592.

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

7. Employees' Retirement Plans (Continued)

Contributions. Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas 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 paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2017.

	Contribution Rates	
	2017	2016
Member	7.7%	7.2%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
FY2016 Paris Junior College	\$ 307,172	
FY2016 State of Texas On-behalf Contributions	\$ 195,557	

Paris Junior College's contributions to the TRS pension plan in 2017 were \$310,910 as reported in the Schedule of District Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2017 were \$199,461.

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part of all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.
- In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

7. Employees' Retirement Plans (Continued)

Actuarial Assumptions. The total pension liability in the August 31, 2016, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2016
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Single Discount Rate	8.00%
Long-term Expected Investment Rate of Return*	8.00%
Municipal Bond Rate*	N/A*
Last year ending August 31 in the 2016 to 2115	
Projection period (100 years)	2115.00%
Inflation	2.50%
Salary increases including inflation	3.50% to 9.50%
Payroll Growth Rate	2.50%
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

*If a municipal bond rate was to be used, the rate would be 2.84 percent as of August 2016 (the weekly rate closest to but not later than the Measurement Date). The source for the rate is the Federal Reserve Statistical Release H.15, citing the Bond Buyer Index of general obligation bonds with 20 years to maturity and an average AA credit rating.

Actuarial methods and assumptions were updated based on a study of actual experience for the four year period ending August 31, 2014, and adopted on September 24, 2015, by the TRS Board of Trustees, who have sole authority to determine the actuarial assumptions used for the plan. There were not changes to the actuarial assumptions or other inputs that affected the measurement of the total pension liability since the prior measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

7. **Employees' Retirement Plans** (Continued)

Discount Rate. The discount rate used to measure the total pension liability was 8.0 percent. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments in 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2016, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns*
Global Equity			
U.S.	18.0%	4.6%	1.0%
Non-U.S. Developed	13.0%	5.1%	0.8%
Emerging Markets	9.0%	5.9%	0.7%
Directional Hedge Funds	4.0%	3.2%	0.1%
Private Equity	13.0%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11.0%	0.7%	0.1%
Absolute Return	0.0%	1.8%	0.0%
Stable Value Hedge Funds	4.0%	3.0%	0.1%
Cash	1.0%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3.0%	0.9%	0.0%
Real Assets	16.0%	5.1%	1.1%
Energy and Natural Resources	3.0%	6.6%	0.2%
Commodities	0.0%	1.2%	0.0%
Risk Parity			
Risk Parity	5.0%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
Total	<u>100.0%</u>		<u>8.7%</u>

*The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

Source: Teacher Retirement System of Texas 2016 Comprehensive Annual Financial Report

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (8%) in measuring the 2016 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
Paris Junior College's Proportionate Share of the Net Pension Liability:	\$ 5,819,337	\$ 3,760,080	\$ 2,013,413

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

7. Employees' Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2017 Paris Junior College reported a liability of \$3,760,080 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Paris Junior College. The amount recognized by Paris Junior College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Paris Junior College were as follows:

Paris Junior College' Proportionate Share of the Collective Net Pension Liability	\$ 3,760,080
State's Proportionate Share that is Associated with Paris Junior College	2,359,068
Total	\$ 6,119,148

The net pension liability was measured as of August 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2016 through August 31, 2016.

At the measurement date of August 31, 2016, the employer's proportion of the collective net pension liability was 0.00995%, which was a decrease of 0.001% from its proportion measured as of August 31, 2015.

For the year ended August 31, 2017, Paris Junior College recognized pension expense of \$244,815 and revenue of \$244,815 for support provided by the State. Refer to the 2017 Schedule of On-Behalf Contributions for this information posted on the TRS website under GASB Statements 67 & 68.

At August 31, 2016, Paris Junior College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 58,957	\$ 112,274
Changes in Actuarial Assumptions	114,600	104,224
Difference Between Projected and Actual Investment Earnings	724,572	406,177
Changes in Proportion and Difference Between the Employer's Contributions and the Proportionate Share of Contributions	-	540,170
Contributions Paid to TRS Subsequent to the Measurement Date	293,091	-
Total	\$ 1,191,220	\$ 1,162,845

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2018	\$ (70,654)
2019	(70,654)
2020	132,434
2021	(86,256)
2022	(130,188)
Thereafter	(39,395)

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

7. Employees' Retirement Plans (Continued)

Optional Retirement Plan-Defined Contribution 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 provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. The percentages of participant salaries currently contributed by the state, the College and each participant are 3.234%, 3.366% and 6.65%, respectively. The College contributes 1.31 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. S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district. In certain instances, the College is required to make all or a portion of the State's contribution.

The retirement expense to the state for the College was \$308,812 and \$331,366 for the fiscal years ended August 31 2017 and 2016, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll for all College employees was \$11,896,664 and \$12,461,994 for fiscal years 2017 and 2016, respectively. The total payroll of employees covered by the Teacher Retirement System was \$7,505,463 and \$7,392,598, and the total payroll of employees covered by the Optional Retirement Program was \$3,320,424 and \$4,163,190 for fiscal years 2017 and 2016, respectively.

Deferred Compensation Program

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Texas Government Code 609.001.

As of August 31, 2017 and 2016, the College had 17 and 20 employees, respectively, participating in a deferred compensation program. A total of \$110,740 and \$106,840 in payroll deductions were invested in approved plans during the years ended August 31, 2017 and 2016, respectively.

8. Compensated Absences

Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. It is paid to an employee who misses work because of illness. No accumulated sick leave is paid upon termination of employment. Vacation leave does not accumulate or carryover to subsequent years. Therefore, Paris Junior College does not accrue a liability related to compensated absences.

9. Health Care and Life Insurance Benefits

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time employee was \$617 per month for the year ended August 31, 2017, (\$577 per month for 2016) and totaled \$1,254,329 for 2017 (\$1,170,506 for the year ended 2016). The cost of providing those benefits for 124 retirees in the year ended 2017 as \$420,549 (retiree benefits for 114 retirees cost \$383,310 in 2016). For 195 active employees, the cost of providing benefits was \$833,780 for the year ended 2017 (active employee benefits for 209 employees cost \$787,196 for the year ended 2016). S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

10. Postemployment Benefits Other Than Pensions

Plan Description. 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. Paris Junior College contributes to the State Retiree Health Plan (SRHP), a cost-sharing, multiple-employer, defined benefit postemployment healthcare plan administered by the ERS. SRHP provides medical benefits to retired employees of participating universities, community colleges and state agencies in accordance with Chapter 1551, Texas Insurance Code. Benefit and contribution provisions of the SRHP are authorized by State law and may be amended by the Texas Legislature.

The ERS issues a publicly available financial report that includes financial statements and required supplementary information for SRHP. That report may be obtained from ERS via their website at www.ers.state.tx.us/.

Funding Policy. Section 1551.055 of Chapter 1551, Texas Insurance Code provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. Plan members or beneficiaries receiving benefits pay any premium over and above the employer contribution.

The employer's share of the cost of retiree healthcare coverage for the current year is known as the implicit rate subsidy. It is the difference between the claims costs for the retirees and the amounts contributed by the retirees. The ERS Board of Trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB Statement 45.

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years.

Beginning September 1, 2013, S.B. 1812 limited the State's contribution to 50 percent of eligible employees for community colleges.

The College's contributions to SRHP for the years ended August 31, 2017, 2016, and 2015 were \$423,969, \$383,806 and \$281,214, respectively which equaled the required contributions each year.

11. Disaggregation of Receivables and Payables Balances

Receivables at August 31, 2017 and 2016, were as follows:

	2017	2016
Student Receivables	\$ 3,989,684	\$ 5,492,291
Taxes Receivables	372,909	393,962
Federal Receivables	638,330	340,313
Other Receivables	387,791	326,214
Subtotal	5,388,714	6,552,780
Allowance for Doubtful Accounts	(1,986,553)	(1,843,553)
Total	\$ 3,402,161	\$ 4,709,227

Payables at August 31, 2017 and 2016, were as follows:

	2017	2016
Vendors Payable	\$ 703,262	\$ 934,421
Accrued Liabilities	60,066	68,486
Other Payables	41,454	58,955
Total	\$ 804,782	\$ 1,061,862

12. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Accounts Receivable 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 institution has not yet performed services are not included in the financial statements.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

13. Self-Insured Plans

PJC has various self-insured arrangements for coverage in the areas of workers' compensation and unemployment compensation. Accrued liabilities are generally based on actuarial valuation and represent the present value of unpaid expected claims. Estimated future payments for incurred claims are charged to current funds expenditures.

14. Property Tax

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

	2017	2016	
Assessed Valuation of the District	\$ 2,466,533,581	\$ 2,293,017,296	
Less: Exemptions and Abatements	794,309,795	713,657,553	
Net Assessed Valuation of the District	\$ 1,672,223,786	\$ 1,579,359,743	
	Current Operations	Debt Service	Total
2017			
Tax Rate per \$100 Valuation for Authorized	\$ 0.2700	\$ 0.5000	\$ 0.770
Tax Rate per \$100 Valuation for Assessed	\$ 0.1773	\$ -	\$ 0.1773
2016			
Tax Rate per \$100 Valuation for Authorized	\$ 0.2700	\$ 0.5000	\$ 0.770
Tax Rate per \$100 Valuation for Assessed	\$ 0.1875	\$ -	\$ 0.1875

Taxes levied for the years ended August 31, 2017 and 2016, are \$2,960,964 and \$2,952,918, respectively including penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

Taxes Collected	Current Operations	Debt Service	Total
2017			
Current Taxes Collected	\$ 2,820,924	\$ -	\$ 2,820,924
Delinquent Taxes Collected	71,262	-	71,262
Penalties and Interest Collected	105,194	-	105,194
Total Collected	\$ 2,997,380	\$ -	\$ 2,997,380
2016			
Current Taxes Collected	\$ 2,844,818	\$ -	\$ 2,844,818
Delinquent Taxes Collected	98,646	-	98,646
Penalties and Interest Collected	60,665	-	60,665
Total Collected	\$ 3,004,129	\$ -	\$ 3,004,129

Tax collections for the years ended August 31, 2017 and 2016, were 95.27% and 96.34%, respectively of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

15. Tax Abatements

Paris Junior College has entered into property tax abatement agreements with local businesses under the Property Redevelopment & Tax Abatement Act, Texas Tax Code Chapter 312. Under the Act, localities may grant property tax abatements from 0 to 100 percent of a business' property tax bill for attracting or retaining businesses within their taxing jurisdictions. The abatements were granted to businesses located within or promising to relocate to the taxing district of Paris Junior College for (i) jobs created, (ii) jobs retained in cases of existing employers within the taxing district, and (iii) broadening of the tax base, and expansion of economic base. Paris Junior College discontinued granting tax abatements in 2015.

For the fiscal year ended August 31, 2017, Paris Junior College had commitments outstanding for abated property taxes totaling \$497,269 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- An 80 percent property tax abatement to Campbell Soup Company for expansion and addition of a new juice line. The abatement amounted to \$216,802.
- A 100 percent property tax abatement to Kimberly-Clark Corporation for expansion and addition of new equipment. The abatement amounted to \$181,206.
- A 60 percent property tax abatement to Essent PRMC LP for expansion. The abatement amounted to \$52,442.

16. Income Taxes

The College is exempt from income taxes under Internal Revenue Code Section 115, Income of States, Municipalities, Etc., although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations. The College had no unrelated business income tax liability for the years ended August 31, 2017 and 2016.

17. Component Unit

The Paris Junior College Memorial Foundation, Inc. - Discrete Component Unit

The Paris Junior College Memorial Foundation, Inc. was established as a separate nonprofit corporation in 1944 to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No. 39, *Determining Whether Certain Organization 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's financial statements are included in the College's annual report as a discrete component unit (see table of contents). Selected disclosures are included in the College's financial statements.

General and Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Foundation maintains its accounts in accordance with the principles of fund accounting. Resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund. For reporting purposes, however, the Foundation classifies net position and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net position of the Foundation and changes therein are classified and reported as follows:

Unrestricted: Net position that is not subject to donor-imposed restrictions and may be used for any operating purpose of the Foundation.

Temporarily Restricted: Net position that is subject to donor-imposed stipulations that require the passage of time and/or the occurrence of a specific event.

Permanently Restricted: Net position that is required to be maintained in perpetuity, with only the income used for operating activities, due to donor-imposed restrictions.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

17. Component Unit (Continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. The carrying amounts of other investments are based on the historical cost of those investments. Realized and unrealized gains and losses are reported in the statement of activities.

In accordance with generally accepted account principles, investment in financial and nonfinancial assets are reported in a three-tiered hierarchy as follows:

Level I - Assets are based on quoted prices or unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the Foundation's year end.

Level II - Assets are based on other than quoted prices or adjusted quoted prices of similar assets or liabilities in markets that are not active.

Level III - Assets are based on unobservable inputs and shall reflect the Foundation's own assumptions about the assets or liabilities.

This fair value hierarchy gives the highest priority to Level I assets and the lowest priority to Level III assets.

Capital Assets and Depreciation

Capital assets are recorded at cost or at estimated fair market value at the date of the gift if donated. Such donations are reported as unrestricted support unless the donor has restricted the asset to a specific purpose. Assets donated with specific restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies temporarily restricted net position to unrestricted net position at that time.

Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful lives range from 10 to 30 years.

Contributions

Contributions are recognized as revenues in the period unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributed Services

The services of the Foundation employees and certain operating costs have been donated by the College. The estimated value of these contributed services is \$62,770 and \$61,920 for the years ended August 31, 2016 and 2015, respectively, and has been included in revenues and expenses in the accompanying financial statements.

Federal Income Taxes

The income of the Foundation, except for unrelated business income, is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Foundation had no unrelated business income during the years ended August 31, 2017 and 2016.

Use of Estimates

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

Risks and Uncertainties

The Foundation invests in various investment securities which are inherently exposed to various risks such as interest rate fluctuations, and market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2017

17. Component Unit (Continued)

Reclassifications

Certain amounts relating to the prior year have been reclassified to conform to the current year presentation. The reclassifications have no effect on the previously reported net assets.

Investments

The following schedule summarizes the Foundation's investments as of August 31, 2017 and 2016:

Type of Security	Fair Value	
	2017	2016
Basic Materials	\$ -	\$ 126,120
Consumer Cyclical	2,010,316	2,061,689
Consumer Non-Cyclical	535,379	590,447
Energy	3,954,527	4,142,255
Financial	7,593,162	7,134,975
Healthcare	2,343,018	1,473,335
Industrial	1,511,715	1,794,245
Technology	2,272,540	2,098,603
Preferred Stock	-	330,200
Closed End Funds (Precious Metals)	91,149	126,852
Corporate Bonds	142,075	263,433
Government Bonds	1,311	-
Municipal Bonds	286,852	159,274
Exchange Traded Funds	-	5,036
Mutual Funds (Equity)	-	3,223
Unit Investment Trust	3,902	-
Unit Investment Trust	170,009	-
Total Investments	<u>\$ 20,915,955</u>	<u>\$ 20,309,687</u>

The Foundation holds investment assets of common stock valued at \$480,000 that is a Level II investment. The remainder of the Foundation's investments are Level I investments.

Fees paid for by the Foundation investment management services amounted to \$63,444 and \$55,819 for the years ended August 31, 2017 and 2016.

Capital Assets

The following schedule summarizes the Foundation's capital assets as of August 31, 2017 and 2016:

	2017	2016
Land	\$ 500	\$ 500
Building	170,273	170,273
Improvements	14,603	14,603
	<u>185,376</u>	<u>185,376</u>
Accumulated Depreciation	(178,964)	(178,094)
Total Property and Equipment	<u>\$ 6,412</u>	<u>\$ 7,282</u>

**Paris Junior College
Required Supplementary Information
August 31, 2017**

Schedule of Share of Net Pension Liability

Fiscal year ending August 31*,	2017**	2016**	2015**
Paris Junior College's Proportionate Share of Collective Net Pension Liability (%)	0.009950%	0.010951%	0.012075%
Paris Junior College's Proportionate Share of Collective Net Pension Liability (\$)	\$ 3,760,080	\$ 3,871,174	\$ 3,225,507
State's Proportionate Share of Net Pension Liability Associated with Paris Junior College	2,359,068	2,508,903	2,233,999
Total	\$ 6,119,148	\$ 6,380,077	\$ 5,459,506
Paris Junior College's Covered Payroll Amount	\$ 7,505,463	\$ 7,392,598	\$ 7,722,452
Paris Junior College's Proportionate Share of Collective Net Pension Liability as a Percentage of Covered Payroll	50.10%	52.37%	41.77%
Plan Fiduciary Net Position as Percentage of the Total Pension Liability	78.00%	78.43%	83.25%

*The amounts presented above are as of the measurement date of the collective net pension liability.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule of Pension Contributions

Fiscal year ending August 31*,	2017**	2016**	2015**
Legally Required Contributions	\$ 310,910	\$ 307,172	\$ 316,189
Actual Contributions	310,910	307,172	316,189
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -
Paris Junior College Covered Employee Payroll Amount	\$ 7,505,463	\$ 7,392,598	\$ 7,722,452
Ratio of: Actual Contributions / ER Covered Payroll Amount	4.14%	4.16%	4.09%

*The amounts presented above are as of the most recent fiscal year-end.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Paris Junior College
Notes to Required Supplementary Information
August 31, 2017

Defined Benefit Pension Plan

Changes of Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of Assumptions

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

Paris Junior College
Schedule A
Schedule of Operating Revenues
Year Ended August 31, 2017 (With Memorandum Totals for the Year Ended August 31, 2016)

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2017 Total	2016 Total
Tuition and Fees						
Tuition						
State Funded Courses						
In-District Resident Tuition	\$ 507,674	\$ -	\$ 507,674	\$ -	\$ 507,674	\$ 582,784
Out-of-District Resident Tuition	8,139,533	-	8,139,533	-	8,139,533	7,297,249
Non-Resident Tuition	289,793	-	289,793	-	289,793	237,719
TPEG Credit (Set-Aside)	498,794	-	498,794	-	498,794	478,761
State Funded Continuing Education	467,568	-	467,568	-	467,568	416,509
Non-State Funded Continuing Education	58,446	-	58,446	-	58,446	73,683
TPEG Non-Credit (Set-Aside)	31,565	-	31,565	-	31,565	25,172
Total Tuition	<u>9,993,373</u>	<u>-</u>	<u>9,993,373</u>	<u>-</u>	<u>9,993,373</u>	<u>9,111,877</u>
Fees						
General Fee	1,560,390	-	1,560,390	-	1,560,390	1,308,207
Registration Fee	191,871	-	191,871	-	191,871	252,147
Laboratory Fee	214,590	-	214,590	-	214,590	260,274
Internet Course Fee	-	-	-	-	-	457,614
Installment Handling Fee	40,775	-	40,775	-	40,775	31,275
Other Fees	66,626	-	66,626	-	66,626	239,944
Total Fees	<u>2,074,252</u>	<u>-</u>	<u>2,074,252</u>	<u>-</u>	<u>2,074,252</u>	<u>2,549,461</u>
Scholarship Allowances and Discounts						
Scholarship Allowances	(228,705)	-	(228,705)	-	(228,705)	(488,201)
Remissions and Exemptions	(1,120,452)	-	(1,120,452)	-	(1,120,452)	(661,296)
TPEG Allowances	(327,305)	-	(327,305)	-	(327,305)	(257,710)
Federal Grants to Students	(3,537,163)	-	(3,537,163)	-	(3,537,163)	(3,642,090)
Total Scholarship Allowances and Discounts	<u>(5,213,625)</u>	<u>-</u>	<u>(5,213,625)</u>	<u>-</u>	<u>(5,213,625)</u>	<u>(5,049,297)</u>
Total Net Tuition and Fees	<u>6,854,000</u>	<u>-</u>	<u>6,854,000</u>	<u>-</u>	<u>6,854,000</u>	<u>6,612,041</u>
Other Operating Revenues						
Federal Grants and Contracts	-	1,663,086	1,663,086	-	1,663,086	1,801,929
State Grants and Contracts	-	779,692	779,692	-	779,692	882,886
Non-Governmental Grants and Contracts	181,252	-	181,252	-	181,252	357,139
Sales and Services of Educational Activities	10,494	-	10,494	77,014	87,508	171,563
Other Operating Revenues	739,400	-	739,400	-	739,400	1,341,822
Total Other Operating Revenues	<u>931,146</u>	<u>2,442,778</u>	<u>3,373,924</u>	<u>77,014</u>	<u>3,450,938</u>	<u>4,555,339</u>
Auxiliary Enterprises						
Residential Life	-	-	-	967,417	967,417	1,067,663
Scholarship Allowances and Discounts	-	-	-	(337,248)	(337,248)	(389,149)
Net Residential Life	-	-	-	630,169	630,169	678,514
Bookstore	-	-	-	119,838	119,838	108,269
Athletics	-	-	-	8,775	8,775	6,672
Total Net Auxiliary Enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>758,782</u>	<u>758,782</u>	<u>793,455</u>
Total Operating Revenues (Exhibit 2)	<u>\$ 7,785,146</u>	<u>\$ 2,442,778</u>	<u>\$ 10,227,924</u>	<u>\$ 835,796</u>	<u>\$ 11,063,720</u>	<u>\$ 11,960,835</u>

In accordance with Education Code 56.033, \$530,359 and \$503,933 for years ended August 31, 2017 and 2016, respectively, was set aside for Texas Public Education Grants (TPEG).

Paris Junior College
Schedule B
Schedule of Operating Expenses by Object
Year Ended August 31, 2017 (With Memorandum Totals for Year Ended August 31, 2016)

	<u>Operating Expenses</u>					<u>2017 Total</u>	<u>2016 Total</u>
	<u>Salaries and Wages</u>	<u>Benefits</u>		<u>Other Expenses</u>			
		<u>State</u>	<u>Local</u>				
Unrestricted - Educational Activities							
Instruction	\$ 6,423,929	\$ -	\$ 1,549,313	\$ 573,699	\$ 8,546,941	\$ 8,927,112	
Public Service	102,878	-	39,675	19,662	162,215	169,285	
Academic Support	948,965	-	233,892	256,646	1,439,503	1,401,943	
Student Services	1,242,883	-	277,099	320,795	1,840,777	1,824,747	
Institutional Support	1,540,365	-	360,748	1,290,750	3,191,863	3,229,323	
Operation and Maintenance of Plant	756,566	-	275,065	1,612,074	2,643,705	2,228,550	
Scholarships and Fellowships	-	-	-	274,040	274,040	811,920	
Total Unrestricted - Educational Activities	<u>11,015,586</u>	<u>-</u>	<u>2,735,792</u>	<u>4,347,666</u>	<u>18,099,044</u>	<u>18,592,880</u>	
Restricted - Educational Activities							
Instruction	191,617	1,009,341	45,671	445,381	1,692,010	1,671,994	
Public Service	156,128	16,324	59,890	205,454	437,796	435,418	
Academic Support	-	155,284	-	-	155,284	152,009	
Student Services	483,279	183,970	160,852	509,619	1,337,720	1,461,758	
Institutional Support	-	239,507	-	-	239,507	234,579	
Operation and Maintenance of Plant	-	-	-	-	-	-	
Scholarships and Fellowships	-	-	-	3,770,866	3,770,866	4,624,099	
Total Restricted - Educational Activities	<u>831,024</u>	<u>1,604,426</u>	<u>266,413</u>	<u>4,931,320</u>	<u>7,633,183</u>	<u>8,579,857</u>	
Total Educational Activities	<u>11,846,610</u>	<u>1,604,426</u>	<u>3,002,205</u>	<u>9,278,986</u>	<u>25,732,227</u>	<u>27,172,737</u>	
Auxiliary Enterprises	132,660	-	31,305	1,021,988	1,185,953	1,359,181	
Depreciation Expense-Buildings and Other Real Estate Improvements	-	-	-	1,052,782	1,052,782	1,096,196	
Depreciation Expense-Equipment	-	-	-	342,950	342,950	287,072	
Total	<u>\$ 11,979,270</u>	<u>\$ 1,604,426</u>	<u>\$ 3,033,510</u>	<u>\$ 11,696,706</u>	<u>\$ 28,313,912</u>	<u>\$ 29,915,186</u>	

Paris Junior College
Schedule C
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2017 (With Memorandum Totals for the Year Ended August 31, 2016)

	<u>Unrestricted</u>	<u>Auxiliary Enterprises</u>	<u>Restricted</u>	<u>2017 Total</u>	<u>2016 Total</u>
Non-Operating Revenues:					
State Appropriations					
Education and General - State Support	\$ 8,504,599	\$ -	\$ -	\$ 8,504,599	\$ 8,485,205
State Group Insurance	-	-	1,254,329	1,254,329	1,170,507
State Retirement Matching	-	-	350,097	350,097	491,620
Professional Nursing Shortage Reduction	-	-	19,774	19,774	39,840
Total State Appropriations	<u>8,504,599</u>	<u>-</u>	<u>1,624,200</u>	<u>10,128,799</u>	<u>10,187,172</u>
Ad Valorem Taxes	2,997,380	-	-	2,997,380	3,004,129
Federal Revenue, Non Operating	7,314,114	-	-	7,314,114	8,196,876
Gifts	185,048	-	-	185,048	91,182
Investment Income	142,713	-	-	142,713	90,335
Gain on Disposal of Capital Assets	-	-	-	-	39,000
Total Non-Operating Revenues	<u>19,143,854</u>	<u>-</u>	<u>1,624,200</u>	<u>20,768,054</u>	<u>21,608,694</u>
Non-Operating Expenses:					
Interest on Capital Related Debt	<u>586,716</u>	<u>-</u>	<u>-</u>	<u>586,716</u>	<u>713,280</u>
Total Non-Operating Expenses	<u>586,716</u>	<u>-</u>	<u>-</u>	<u>586,716</u>	<u>713,280</u>
Net Non-Operating Revenues	<u>\$ 18,557,138</u>	<u>\$ -</u>	<u>\$ 1,624,200</u>	<u>\$ 20,181,338</u>	<u>\$ 20,895,414</u>
				(Exhibit 2)	(Exhibit 2)

Paris Junior College
Schedule D
Schedule of Net Position by Source and Availability
Year Ended August 31, 2017 (With Memorandum Totals for the Year Ended August 31, 2016)

	Detail by Source					Available for Current Operations	
	Restricted			Net Investment in Capital Assets	Total	Yes	No
	Unrestricted	Expendable	Non-Expendable				
Current:							
Unrestricted	\$ 15,608,457	\$ -	\$ -	\$ -	\$ 15,608,457	\$ 15,608,457	\$ -
Board Designated	-	663,722	-	-	663,722	-	663,722
Restricted	-	69,716	-	-	69,716	-	69,716
Auxiliary Enterprises	357,349	-	-	-	357,349	357,349	-
Loan	-	-	-	-	-	-	-
Endowment:							
Quasi:							
Unrestricted	-	-	-	-	-	-	-
Restricted	-	244,152	-	-	244,152	-	244,152
Endowment							
True	-	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
Plant:							
Unexpended	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Investment in Plant	-	-	-	28,603,386	28,603,386	-	28,603,386
Total Net Position, August 31, 2017	15,965,806	977,590	-	28,603,386	45,546,782 (Exhibit 1)	15,965,806	29,580,976
Net Increase (Decrease) in Net Position	\$ 3,129,312	\$ (46,537)	\$ -	\$ (151,629)	\$ 2,931,146 (Exhibit 2)	\$ 3,340,966	\$ (409,820)

Paris Junior College
Schedule E
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures and Pass-Through Disbursements
<u>U. S. Department of Education</u>				
Direct Programs:				
TRIO Cluster				
Talent Search	84.044	N/A	\$ -	\$ 298,429
Upward Bound	84.047	N/A	-	365,825
Educational Opportunity Center	84.066	N/A	-	295,072
			<u>-</u>	<u>959,326</u>
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants				
	84.007	N/A	-	109,991
Federal Work-Study Program	84.033	N/A	-	106,419
Federal Pell Grant Programs	84.063	N/A	-	6,810,470
			<u>-</u>	<u>7,026,880</u>
Pass-Through from:				
Texas Workforce Commission				
Adult Education - Basic Grants to States	84.002	0716AEL004	181,958	315,782
Adult Education - Basic Grants to States	84.002	0716AELB04	-	15,906
Career Pathways Project	93.558	1315SSF000	-	26,750
			<u>181,958</u>	<u>358,438</u>
Texas Higher Education Coordinating Board				
Career and Technical Education - Basic	84.048	1642020601	-	164,031
Total U. S. Department of Education			<u>181,958</u>	<u>8,508,675</u>
<u>U. S. Department of Veterans Affairs</u>				
Veterans Benefits Administration	64.028	N/A	-	287,231
<u>U. S. Small Business Administration</u>				
Pass-Through from:				
Dallas County Community College District				
Small Business Development Centers	59.037	6-603001-EZ-0014	-	9,572
Small Business Development Centers	59.037	SBAHQ-17-B-0002	-	102,785
Total U. S. Small Business Administration			<u>-</u>	<u>112,357</u>

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through Disbursements and Expenditures	Pass-Through Disbursements and Expenditures
<u>U. S. Department of Health and Human Services</u>				
Pass-Through from:				
Texas Workforce Commission				
Temporary Assistance for Needy Families	93.558	0716AEL004	2,515	16,924
Total U. S. Department of Health and Human Services			2,515	16,924
<u>Corporation for National and Community Services</u>				
Pass-Through from:				
State Comptroller				
Retired Senior Volunteer Program	94.002	14SRWTX009	-	24,410
Retired Senior Volunteer Program	94.002	17SRWTX005	-	27,603
Total Corporation for National and Community Services			-	52,013
Total Federal Financial Assistance			\$ 184,473	\$ 8,977,200

Notes to schedule on following page.

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2017

Note 1: Federal Financial Assistance Reconciliation

Federal Grants and Contracts Revenue - Per Schedule A	\$	-	\$	1,663,086
Add: Non Operating Federal Revenue		-		<u>7,314,114</u>
Total Federal Financial Assistance	\$	-	\$	<u><u>8,977,200</u></u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The expenditures included in the schedule are reported for PJC's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represented funds which have been expended by PJC for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. PJC has followed guidelines issued by various entities in the preparation of the schedule.

Paris Junior College
Schedule F
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2017

<u>Grantor/Program/Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
<u>Texas Workforce Commission</u>		
Adult Basic Education	0716AEL001	\$ 64,489
Adult Basic Education	0716AEL004	45,939
Skills Development		
Skills for Small Business Grant	0715SSD002	7,074
Skills for Small Business Grant-QMF Steel, Inc.	0716SDF001	32,869
Saputo Dairy Foods SFSB Grant	0717SDF000	24,372
Campbell Soup SBSF Grant	0717SDF002	43,485
		<u>218,228</u>
<u>Texas Comptroller of Public Accounts</u>		
Retired Senior Volunteer Program	15SRWTX014	35,570
Texas Workstudy	N/A	34,815
		<u>70,385</u>
<u>Texas Higher Education Coordinating Board</u>		
TEOG Grant Program	N/A	416,658
TSTEM Challenge Scholarship	N/A	27,372
		<u>444,030</u>
<u>Dallas County Community College District</u>		
Small Business Development Center	6-603001-EZ-0014	7,789
Small Business Development Center	SBAHQ-17-B-0002	39,260
Total Dallas County Community College District		<u>47,049</u>
Total State Financial Assistance		<u>\$ 779,692</u>

Paris Junior College
Schedule F (Continued)
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2017

Notes to schedule below.

Note 1: State Financial Assistance Reconciliation

State Grants and Contracts Revenues - Per Schedule A	\$ 779,692
Reconciling Items	-
Total State Financial Assistance	<u>\$ 779,692</u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The Schedule of Expenditures of State of Texas Awards is presented using accrual accounting. See Note 2 to financial statements for Paris Junior College's significant accounting policies. These expenditures are reported on Paris Junior College's fiscal year. The expenditure reports to funding agencies are prepared on the award period basis.

Note 3: Indirect Cost Rate

Paris Junior College has elected not to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

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Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

We have audited, in accordance with the 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, the financial statements of Paris Junior College and Paris Junior College Memorial Foundation, a discretely presented component unit, as of and for the year ended August 31, 2017, and the related notes to the financial statements, which collectively comprise Paris Junior College's basic financial statements, and have issued our report thereon dated December 14, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Paris Junior College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Paris Junior College's internal control. Accordingly, we do not express an opinion on the effectiveness of Paris Junior College's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Paris Junior College's financial statements are free from 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

Board of Regents
Paris Junior College

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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Public Funds Investment Act

We have performed tests designed to verify Paris Junior College's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2017, no instances of noncompliance were found.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
December 14, 2017

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Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance

Board of Regents
Paris Junior College
Paris, Texas

Report on Compliance for Each Major Federal Program

We have audited Paris Junior College's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paris Junior College's major federal programs for the year ended August 31, 2017. Paris Junior College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Paris Junior College's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Paris Junior College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Paris Junior College's compliance.

Opinion on Each Major Federal Program

In our opinion, Paris Junior College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2017.

Report on Internal Control over Compliance

Management of Paris Junior College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Paris Junior College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Paris Junior College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
December 14, 2017

Paris Junior College
Schedule of Findings and Questioned Costs
Year Ended August 31, 2017

A. Summary of Auditors' Results

1. Financial Statements

Type of Auditors' Report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Non-compliance material to financial statements noted? Yes X No

2. Federal and State Awards

Internal control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 Yes X No

Major programs are as follows:

Federal
 Student Financial Assistance Cluster 84.007, 84.033, 84.063

State
 TEOG Grant Program

The threshold used to distinguish between Type A and Type B federal programs was \$750,000 and state programs was \$300,000.

Paris Junior College was classified as a low-risk auditee in the context of OMB Circular A-133.

B. Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

C. Findings and Questioned Costs for Federal and State Awards

<u>Program</u>	<u>Finding/Non-Compliance</u>	<u>Questioned Costs</u>
-	None	\$ -

**Paris Junior College
Corrective Action Plan
Year Ended August 31, 2017**

Finding/Recommendation

Not Applicable

Paris Junior College
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2017

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Status of Prior Year's Finding/Noncompliance</u>
Not Applicable		

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FAX 903-784-4310

304 WEST CHESTNUT
DENISON, TEXAS 75020
903-465-6070
FAX 903-465-6093

1400 WEST RUSSELL
BONHAM, TEXAS 75418
903-583-5574
FAX 903-583-9453

Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance In Accordance With
State of Texas Single Audit Circular

Board of Regents
Paris Junior College
Paris, Texas

Report on Compliance for Each Major State Program

We have audited Paris Junior College's compliance with the types of compliance requirements that are applicable to its major state programs that could have a direct and material effect on each of Paris Junior College's major state programs for the year ended August 31, 2017. Paris Junior College's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Paris Junior College's major state programs based on our audit of the types of compliance requirements referred to above. 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 the State of Texas Single Audit Circular. Those standards and the 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 could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Paris Junior College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination on Paris Junior College's compliance.

Opinion on Each Major State Program

In our opinion, Paris Junior College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state programs for the year ended August 31, 2017.

Report on Internal Control over Compliance

Management of Paris Junior College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Paris Junior College's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paris Junior College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
December 14, 2017

Paris Junior College
Statistical Supplement 1
Net Position by Component
Fiscal Years 2008 to 2017
(Unaudited)

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net Investment in Capital Assets	\$ 28,603,386	\$ 28,755,015	\$ 26,226,034	\$ 25,140,579	\$ 23,539,988	\$ 19,473,463	\$ 16,009,890	\$ 11,785,483	\$ 11,178,834	\$ 11,766,009
Restricted - Expendable	313,868	360,405	331,723	275,417	247,179	246,341	232,791	11,520	2,932	2,482
Restricted - Nonexpendable										
Unrestricted	16,629,528	13,500,216	13,116,816	15,221,839	15,903,612	17,945,890	17,563,313	17,348,103	14,177,654	10,464,051
Total Primary Government Net Position	\$ 45,546,782	\$ 42,615,636	\$ 39,674,573	\$ 40,637,835	\$ 39,690,779	\$ 37,665,694	\$ 33,805,994	\$ 29,145,106	\$ 25,359,420	\$ 22,232,542
Net Position, Beginning of Year*	\$ 42,615,636	\$ 39,674,573	\$ 40,637,835	\$ 39,690,779	\$ 37,665,694	\$ 33,805,994	\$ 29,145,106	\$ 25,359,420	\$ 22,232,542	\$ 18,711,086
Cumulative Effect of Change in Accounting Principle (Note 2)	NA	NA	(3,654,513)	NA	NA	NA	NA	NA	NA	NA
Balance at Beginning of Year, as Restated	NA	NA	36,983,322	NA	NA	NA	NA	NA	NA	NA
Increase (Decrease) in Net Position	\$ 2,931,146	\$ 2,941,063	\$ 2,691,251	\$ 947,056	\$ 2,025,085	\$ 3,859,700	\$ 4,660,888	\$ 3,785,686	\$ 3,126,878	\$ 3,521,456

*In fiscal year 2015, net position as of the beginning of the year was restated (reduced) by \$3,654,513 for the cumulative effect of applying GASB Statement 68. See Note 2.

Paris Junior College
Statistical Supplement 2
Revenues by Source
Fiscal Years 2008 to 2017
(Unaudited)

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Tuition and Fees (Net of Discounts)	\$ 6,854,000	\$ 6,612,041	\$ 6,355,929	\$ 5,899,150	\$ 5,375,845	\$ 5,691,298	\$ 5,454,475	\$ 5,582,016	\$ 5,239,223	\$ 4,819,974
Governmental Grants and Contracts										
Federal Grants and Contracts	1,663,086	1,801,929	1,797,770	1,623,050	1,748,075	1,746,425	1,963,597	2,069,057	1,886,669	1,921,363
State Grants and Contracts	779,692	882,886	1,633,441	860,173	1,258,116	818,975	776,689	607,885	593,121	341,649
Non-Governmental Grants and Contracts	181,252	357,139	294,676	245,159	240,837	346,271	314,041	583,564	583,095	465,028
Sales and Services of Educational Activities	87,508	171,563	237,668	223,390	177,480	190,804	189,307	189,056	161,900	130,826
Auxiliary Enterprises	758,782	793,455	743,994	786,393	760,768	891,110	962,936	656,827	642,046	604,678
Other Operating Revenues	739,400	1,341,822	962,137	717,232	606,621	550,788	497,361	500,040	311,573	318,980
Total Operating Revenues	11,063,720	11,960,835	12,025,615	10,354,547	10,167,742	10,235,671	10,158,406	10,188,445	9,417,627	8,602,498
State Appropriations	10,128,799	10,187,172	10,033,579	9,910,893	10,299,398	10,196,611	10,607,656	10,705,191	10,076,934	10,025,687
Ad Valorem Taxes	2,997,380	3,004,129	2,964,030	2,920,185	2,891,428	2,900,541	2,898,389	2,897,212	2,889,522	2,916,897
Federal Revenue, Non Operating	7,314,114	8,196,873	9,648,664	10,920,270	12,075,279	13,640,575	14,422,193	11,863,665	6,528,064	5,034,142
Gifts	185,048	91,182	123,606	55,551	64,632	20,931	332,478	-	-	-
Investment Income	142,713	90,335	108,118	119,236	74,012	75,920	224,466	243,697	601,252	656,458
Gain on Sale of Fixed Assets	-	39,000	-	-	-	-	404,807	-	-	618,627
Total Non-Operating Revenues	20,768,054	21,608,691	22,877,997	23,926,135	25,404,749	26,834,578	28,889,989	25,709,765	20,095,772	19,251,811
Total Revenues	\$ 31,831,774	\$ 33,569,526	\$ 34,903,612	\$ 34,280,682	\$ 35,572,491	\$ 37,070,249	\$ 39,048,395	\$ 35,898,210	\$ 29,513,399	\$ 27,854,309

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Tuition and Fees (Net of Discounts)	21.53%	19.70%	18.21%	17.21%	15.11%	15.35%	13.97%	15.55%	17.75%	17.30%
Governmental Grants and Contracts										
Federal Grants and Contracts	5.22%	5.37%	5.15%	4.73%	4.91%	4.71%	5.03%	5.76%	6.39%	6.90%
State Grants and Contracts	2.45%	2.63%	4.68%	2.51%	3.54%	2.21%	1.99%	1.69%	2.01%	1.23%
Non-Governmental Grants and Contracts	0.57%	1.06%	0.84%	0.72%	0.68%	0.93%	0.80%	1.63%	1.98%	1.67%
Sales and Services of Educational Activities	0.27%	0.51%	0.68%	0.65%	0.50%	0.51%	0.48%	0.53%	0.55%	0.47%
Auxiliary Enterprises	2.38%	2.36%	2.13%	2.29%	2.14%	2.40%	2.47%	1.83%	2.18%	2.17%
Other Operating Revenues	2.32%	4.00%	2.76%	2.09%	1.71%	1.49%	1.27%	1.39%	1.06%	1.15%
Total Operating Revenues	34.74%	35.63%	34.45%	30.21%	28.58%	27.61%	26.01%	28.38%	31.91%	30.89%
State Appropriations	31.82%	30.35%	28.75%	28.91%	28.95%	27.51%	27.17%	29.82%	34.14%	35.99%
Ad Valorem Taxes	9.42%	8.95%	8.49%	8.52%	8.13%	7.82%	7.42%	8.07%	9.79%	10.47%
Federal Revenue, Non Operating	22.99%	24.42%	27.64%	31.86%	33.95%	36.80%	36.93%	33.05%	22.12%	18.07%
Gifts	0.58%	0.27%	0.35%	0.16%	0.18%	0.06%	0.85%	0.00%	0.00%	0.00%
Investment Income	0.45%	0.27%	0.31%	0.35%	0.21%	0.20%	0.57%	0.68%	2.04%	2.36%
Gain on Disposal of Fixed Assets	0.00%	0.11%	0.00%	0.00%	0.00%	0.00%	1.04%	0.00%	0.00%	2.22%
Total Non-Operating Revenues	65.26%	64.37%	65.55%	69.79%	71.42%	72.39%	73.99%	71.62%	68.09%	69.11%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Paris Junior College
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2007 to 2017
(Unaudited)

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	\$ 10,238,951	\$ 10,599,106	\$ 11,600,874	\$ 11,429,490	\$ 11,032,784	\$ 11,053,115	\$ 11,779,911	\$ 11,238,591	\$ 9,887,824	\$ 9,528,810
Public Service	600,011	604,703	784,520	624,806	1,092,323	1,105,584	1,019,181	1,118,489	1,035,595	696,999
Academic Support	1,594,787	1,553,952	1,639,220	1,372,191	1,638,575	1,538,113	1,685,412	1,400,601	1,198,515	1,230,326
Student Services	3,178,497	3,286,505	3,323,382	3,324,474	3,565,273	3,192,520	3,000,559	2,975,408	2,809,666	2,750,682
Institutional Support	3,431,370	3,463,902	3,322,626	3,945,668	3,539,775	3,249,999	2,780,207	2,581,385	2,639,290	2,592,714
Operation and Maintenance of Plant	2,643,705	2,228,550	2,111,979	2,433,236	2,547,222	2,457,614	2,407,225	2,596,478	2,326,401	2,316,465
Scholarships and Fellowships	4,044,906	5,436,019	5,975,461	6,615,052	7,081,595	7,811,971	9,039,031	7,697,696	4,190,181	2,959,238
Auxiliary Enterprises	1,185,953	1,359,181	1,421,241	1,574,201	1,284,865	1,209,647	1,183,468	986,041	963,875	967,794
Depreciation	1,395,732	1,383,268	1,247,943	1,197,470	927,899	859,076	788,462	806,441	753,304	640,288
Total Operating Expenses	28,313,912	29,915,186	31,427,246	32,516,588	32,710,311	32,477,639	33,683,456	31,401,130	25,804,651	23,683,316
Interest on Capital Related Debt	586,716	713,280	785,115	817,038	837,095	732,910	704,051	711,394	581,870	649,537
Loss on Disposal of Fixed Assets	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	586,716	713,280	785,115	817,038	837,095	732,910	704,051	711,394	581,870	649,537
Total Expenses	\$ 28,900,628	\$ 30,628,466	\$ 32,212,361	\$ 33,333,626	\$ 33,547,406	\$ 33,210,549	\$ 34,387,507	\$ 32,112,524	\$ 26,386,521	\$ 24,332,853

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	35.42%	34.60%	36.01%	34.29%	32.89%	33.28%	34.26%	35.00%	37.47%	39.16%
Public Service	2.08%	1.97%	2.44%	1.87%	3.26%	3.33%	2.96%	3.48%	3.92%	2.86%
Academic Support	5.52%	5.07%	5.09%	4.12%	4.88%	4.63%	4.90%	4.36%	4.54%	5.06%
Student Services	11.00%	10.73%	10.32%	9.97%	10.63%	9.61%	8.73%	9.27%	10.65%	11.30%
Institutional Support	11.87%	11.31%	10.31%	11.84%	10.55%	9.79%	8.08%	8.04%	10.00%	10.66%
Operation and Maintenance of Plant	9.15%	7.28%	6.56%	7.30%	7.59%	7.40%	7.00%	8.09%	8.82%	9.52%
Scholarships and Fellowships	14.00%	17.75%	18.55%	19.84%	21.11%	23.52%	26.29%	23.97%	15.88%	12.16%
Auxiliary Enterprises	4.10%	4.44%	4.41%	4.72%	3.83%	3.64%	3.44%	3.07%	3.65%	3.98%
Depreciation	4.83%	4.52%	3.87%	3.59%	2.77%	2.59%	2.29%	2.51%	2.85%	2.63%
Total Operating Expenses	97.96%	97.67%	97.56%	97.55%	97.50%	97.79%	97.95%	97.78%	97.79%	97.33%
Interest on Capital Related Debt	2.03%	2.33%	2.44%	2.45%	2.50%	2.21%	2.05%	2.22%	2.21%	2.67%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Non-Operating Expenses	2.03%	2.33%	2.44%	2.45%	2.50%	2.21%	2.05%	2.22%	2.21%	2.67%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Paris Junior College
Statistical Supplement 4
Tuition and Fees
Last Ten Academic Years
(Unaudited)

Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Registration Fee	In-District Tuition	Out-of-District Tuition	Technology Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2016	\$ 30	\$ 55	\$ 100	\$ -	\$ -	\$ 228	\$ -	\$ -	\$ 918	\$ 1,458	18.60%	20.90%
2015	30	50	86	-	-	144	-	-	774	1,206	0.00%	5.24%
2014	30	50	81	-	-	144	-	-	774	1,146	8.40%	5.52%
2013	30	50	81	-	-	84	-	-	714	1,086	5.31%	3.43%
2012	30	47	78	-	-	84	-	-	678	1,050	5.61%	3.55%
2011	30	44	75	-	-	84	-	-	642	1,014	10.31%	6.29%
2010	30	39	70	-	-	84	-	-	582	954	2.11%	2.58%
2009	30	38	68	-	-	84	-	-	570	930	2.15%	1.31%
2008	30	37	67	-	-	84	-	-	558	918	4.49%	2.68%
2007	30	35	65	-	-	69	15	-	534	894	0.00%	0.00%

Non - Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Registration Fee	Non-Resident Tuition Out-of-State	Non-Resident Tuition International	Technology Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity Fee	Cost for 12 SCH Out-of-State	Cost for 12 SCH International	Increase from Prior Year Out-of-State	Increase from Prior Year International
2016	\$ 30	\$ 150	\$ 150	\$ -	\$ -	\$ 228	\$ -	\$ -	\$ 2,058	\$ 2,058	16.27%	16.27%
2015	30	133	133	-	-	144	-	-	1,770	1,770	3.51%	3.51%
2014	30	128	128	-	-	144	-	-	1,710	1,710	3.64%	3.64%
2013	30	128	128	-	-	84	-	-	1,650	1,650	2.23%	2.23%
2012	30	125	125	-	-	84	-	-	1,614	1,614	3.86%	3.86%
2011	30	120	120	-	-	84	-	-	1,554	1,554	7.47%	7.47%
2010	30	111	111	-	-	84	-	-	1,446	1,446	2.55%	2.55%
2009	30	108	108	-	-	84	-	-	1,410	1,410	0.86%	0.86%
2008	30	107	107	-	-	84	-	-	1,398	1,398	1.75%	1.75%
2007	30	105	105	-	-	69	15	-	1,374	1,374	0.00%	0.00%

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

Paris Junior College
Statistical Supplement 5
Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2016-17	\$ 2,466,533,581	\$ 794,309,795	\$ 1,672,223,786	67.80%	\$ 0.1773	\$ -	\$ 0.1773
2015-16	2,293,017,296	713,657,553	1,579,359,743	68.88%	0.1875	-	0.1875
2014-15	2,258,829,833	682,439,819	1,576,390,014	69.79%	0.1866	-	0.1866
2013-14	2,113,987,770	566,770,766	1,547,217,004	73.19%	0.1866	-	0.1866
2012-13	2,083,119,258	538,072,809	1,545,046,449	74.17%	0.1870	-	0.1870
2011-12	2,047,880,472	540,397,032	1,507,483,440	73.61%	0.1900	-	0.1900
2010-11	2,065,438,985	540,197,794	1,525,241,191	73.85%	0.1850	-	0.1850
2009-10	2,054,521,295	507,864,326	1,546,656,969	75.28%	0.1850	-	0.1850
2008-09	2,008,299,818	478,863,243	1,529,436,575	76.16%	0.1874	-	0.1874
2007-08	1,867,391,327	395,309,866	1,472,081,461	78.83%	0.1980	-	0.1980

Source: Lamar County Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

Paris Junior College
Statistical Supplement 6
State Appropriations per FTSE and Contact Hour
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Appropriations per FTSE			Appropriations per Contact Hour			
	State Appropriations	FTSE	State Appropriations per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (a)	Total Contact Hours	State Appropriations per Contact Hour
2016-17	\$ 10,128,799	7,412	\$ 1,367	1,549,776	640,948	2,190,724	\$ 4.62
2015-16	10,187,172	7,924	1,286	1,672,640	697,917	2,370,557	4.30
2014-15	10,033,579	8,375	1,198	1,743,692	788,415	2,532,107	3.96
2013-14	9,910,893	8,849	1,120	1,839,540	827,104	2,666,644	3.72
2012-13	10,299,398	8,931	1,153	1,849,280	784,626	2,633,906	3.91
2011-12	10,196,611	9,825	1,038	2,043,536	868,525	2,912,061	3.50
2010-11	10,607,656	10,281	1,032	2,121,168	984,662	3,105,830	3.42
2009-10	10,705,191	9,818	1,090	2,021,600	888,604	2,910,204	3.68
2008-09	10,076,934	7,776	1,296	1,784,192	629,081	2,413,273	4.18
2007-08	10,025,687	6,974	1,438	1,627,184	605,767	2,232,951	4.49

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

**Paris Junior College
Statistical Supplement 7
Principal Taxpayers
Last Ten Tax Years
(Unaudited)**

Taxpayer	Owner ID:	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
			2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
La Frontera Holdings, LLC*	10682837	Utility	\$ 296,943	\$ 211,870	\$ 211,905	\$ 210,303	\$ 205,185	\$ 199,234	\$ 199,224	\$ 207,027	\$ 225,707	\$ 260,629
Campbell Soup Company	106828326	Manufacturing	88,017	47,182	47,098	47,163	53,439	35,315	37,797	39,382	46,979	67,153
Kimberly-Clark Corporation	106828329	Manufacturing	88,006	95,117	109,106	122,143	116,106	104,568	104,568	113,075	114,658	124,364
Essent PRMC LP	166229	Medical	27,369	30,364	26,808	26,811	31,732	26,898	30,955	32,214	36,065	45,154
Paris Generation LP	106804840	Utility	21,979	20,551	21,980	21,511	27,965	-	17,950	18,580	19,250	21,456
Oncor Electric Delivery Co.	16828342	Utility	20,788	21,992	20,129	19,169	22,581	23,702	23,702	26,265	24,952	27,268
Huhtamaki	106828330	Manufacturing	12,775	-	7,323	-	-	-	-	-	-	-
Alpha Lake LTD	125029	Rental Facilities	10,596	10,597	10,597	10,596	-	-	-	-	-	-
Wal-Mart Property Tax Department	105237	Retail	10,390	10,189	9,432	-	-	-	-	-	-	-
Turner Industries Group LLC	106828325	Manufacturing	10,390	-	7,442	-	-	-	-	-	-	12,330
Campbell Soup	38122	Manufacturing	-	29,404	30,879	32,912	34,669	18,592	35,315	23,763	24,779	9,551
Campbell Soup Supply LLC	160217	Manufacturing	-	10,857	9,700	-	-	9,716	-	-	-	-
Silgan Can Co.	106828363	Manufacturing	-	-	16,519	17,116	14,987	15,213	15,213	14,688	23,127	17,365
Kimberly Clark Corp	70760	Manufacturing	-	-	10,203	10,504	11,314	12,100	12,100	13,989	15,268	-
Wal-Mart Stores #148-C	132609	Retail	-	-	9,285	-	-	-	-	-	-	-
Essent PRMC LP-North Campus PP	106833315	Medical	-	-	8,733	-	-	-	-	-	-	-
Paris Warehouse 107 Inc.	132812	Commercial	-	-	8,312	-	-	-	-	-	-	-
HD Development Prop LP	167508	Commercial	-	-	6,965	-	-	-	-	-	-	-
Kimberly Clark Global Sales	106833316	Manufacturing	-	-	6,866	-	-	10,855	-	-	-	-
First Federal Savings & Loan	15699	Commercial	-	-	5,549	-	-	-	-	-	-	-
Essent PRMC LP	106828423	Medical	-	-	-	-	10,402	-	13,245	12,638	14,906	-
Sara Lee Bakery Group	unavailable	Manufacturing	-	-	-	-	-	-	-	-	-	17,045
Totals			\$ 290,310	\$ 276,253	\$ 372,926	\$ 307,925	\$ 323,195	\$ 256,959	\$ 290,845	\$ 294,594	\$ 319,984	\$ 341,686
Total Taxable Assessed Value			\$ 1,672,223	\$1,579,360	\$1,547,217	\$1,545,046	\$1,507,483	\$1,525,241	\$1,546,656	\$1,529,436	\$1,472,081	\$1,394,216

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
La Frontera Holdings, LLC*	Utility	18.80%	13.41%	13.70%	13.61%	13.27%	12.88%	12.88%	13.54%	15.33%	18.69%
Campbell Soup Company	Manufacturing	5.57%	2.99%	3.04%	3.05%	3.46%	2.28%	2.44%	2.57%	3.19%	4.82%
Kimberly-Clark Corporation	Manufacturing	5.57%	6.02%	7.05%	7.91%	7.51%	6.76%	6.76%	7.39%	7.79%	8.92%
Essent PRMC LP	Medical	1.73%	1.92%	1.73%	1.74%	2.05%	1.74%	2.00%	2.11%	2.45%	3.24%
Paris Generation LP	Utility	1.39%	1.30%	1.42%	1.39%	1.81%	0.00%	1.16%	1.21%	1.31%	1.54%
Oncor Electric Delivery Co.	Utility	1.32%	1.39%	1.30%	1.24%	1.46%	1.53%	1.53%	1.72%	1.70%	1.96%
Huhtamaki	Manufacturing	0.81%	0.00%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Alpha Lake LTD	Rental Facilities	0.67%	0.67%	0.68%	0.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wal-Mart Property Tax Department	Retail	0.66%	0.65%	0.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Turner Industries Group LLC	Manufacturing	0.66%	0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.88%
Campbell Soup	Manufacturing	0.00%	1.86%	2.00%	2.13%	2.24%	1.20%	2.28%	1.55%	1.68%	0.69%
Campbell Soup Supply LLC	Manufacturing	0.00%	0.69%	0.63%	0.00%	0.00%	0.63%	0.00%	0.00%	0.00%	0.00%
Silgan Can Co.	Manufacturing	0.00%	0.00%	1.07%	1.11%	0.97%	0.98%	0.98%	0.96%	1.57%	1.25%
Kimberly Clark Corp	Manufacturing	0.00%	0.00%	0.66%	0.68%	0.73%	0.78%	0.78%	0.91%	1.04%	0.00%
Wal-Mart Stores #148-C	Retail	0.00%	0.00%	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Essent PRMC LP-North Campus PP	Medical	0.00%	0.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Paris Warehouse 107 Inc.	Commercial	0.00%	0.00%	0.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HD Development Prop LP	Commercial	0.00%	0.00%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Kimberly Clark Global Sales	Manufacturing	0.00%	0.00%	0.44%	0.00%	0.00%	0.70%	0.00%	0.00%	0.00%	0.00%
First Federal Savings & Loan	Commercial	0.00%	0.00%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Essent PRMC LP	Medical	0.00%	0.00%	0.00%	0.00%	0.67%	0.00%	0.86%	0.83%	1.01%	0.00%
Sara Lee Bakery Group	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.22%
Totals		37.18%	30.91%	37.80%	33.54%	34.16%	29.50%	31.69%	32.80%	37.07%	43.20%

Paris Junior College
Statistical Supplement 8
Ad Valorem Levies and Collections
Last Ten Tax Years
(Unaudited)

Year Ended August 31,	Total Tax Levy	Collections - Current Levy (a)	Percentage of Current Levy	Current Collections of Prior Levies (a)	Total Collections (a)	Percentage of Current Levy
2017	\$ 2,960,964	\$ 2,820,924	95.27%	\$ 71,262	\$ 2,892,186	97.68%
2016	2,952,918	2,844,818	96.34%	98,646	2,943,464	99.68%
2015	2,934,536	2,859,705	97.45%	53,970	2,913,675	99.29%
2014	2,889,546	2,819,644	97.58%	59,461	2,879,105	99.64%
2013	2,935,588	2,786,812	94.93%	60,522	2,847,334	96.99%
2012	2,861,009	2,787,555	97.43%	59,212	2,846,767	99.50%
2011	2,875,251	2,795,000	97.21%	59,174	2,854,174	99.27%
2010	2,863,163	2,787,564	97.36%	59,998	2,847,562	99.46%
2009	2,867,269	2,795,183	97.49%	53,927	2,849,110	99.37%
2008	2,849,934	2,807,110	98.50%	69,098	2,876,208	100.92%

Source: Lamar County Appraisal District and District records.
(a) Ad valorem taxes only - does not include penalties and interest.

Paris Junior College
Statistical Supplement 9
Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Bonded Debt										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds Restricted for Debt Service	-	-	-	-	-	-	-	-	-	-
Net General Bonded Debt	-	-	-	-	-	-	-	-	-	-
Other Debt										
Revenue Bonds	12,945,000	13,571,000	16,909,000	17,624,000	18,310,000	18,828,000	15,325,000	15,802,000	12,740,000	13,064,000
Notes	-	-	-	-	-	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	-	-	-	-	-
Total Outstanding Debt	\$ 12,945,000	\$ 13,571,000	\$ 16,909,000	\$ 17,624,000	\$ 18,310,000	\$ 18,828,000	\$ 15,325,000	\$ 15,802,000	\$ 12,740,000	\$ 13,064,000
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-	-	-	-	-	-
As a Percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Outstanding Debt Ratios										
Per Capita	\$ 259.99	\$ 274.49	\$ 341.44	\$ 356.57	\$ 367.59	\$ 376.00	\$ 307.77	\$ 316.26	\$ 258.49	\$ 265.23
Per FTSE	1,746	1,713	2,019	1,992	2,050	1,916	1,491	1,609	1,638	1,873
As a Percentage of Taxable Assessed Value	0.77%	0.86%	1.07%	1.14%	1.19%	1.25%	1.00%	1.02%	0.83%	0.94%

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

Paris Junior College
Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

	Year Ended August 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Taxable Assessed Value	\$ 1,672,223,786	\$ 1,579,359,743	\$ 1,576,390,014	\$ 1,547,217,004	\$ 1,545,046,449	\$ 1,507,483,440	\$ 1,525,241,191	\$ 1,546,656,969	\$ 1,529,436,575	\$ 1,472,081,461
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	\$ 8,361,119	\$ 7,896,799	\$ 7,881,950	\$ 7,736,085	\$ 7,725,232	\$ 7,537,417	\$ 7,626,206	\$ 7,733,285	\$ 7,647,183	\$ 7,360,407
Less: Funds Restricted for										
Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	8,361,119	7,896,799	7,881,950	7,736,085	7,725,232	7,537,417	7,626,206	7,733,285	7,647,183	7,360,407
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for										
Debt Service Over Current Requirements	\$ 8,361,119	\$ 7,896,799	\$ 7,881,950	\$ 7,736,085	\$ 7,725,232	\$ 7,537,417	\$ 7,626,206	\$ 7,733,285	\$ 7,647,183	\$ 7,360,407
Net Current Requirements as a % of Statutory Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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.

Paris Junior College
Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Revenue Bonds

Year Ended August 31,	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Tuition	General Fee	Total	Principal	Interest	Total	
2017	\$ 9,993,373	\$ 1,560,390	11,553,763	\$ 626,000	\$ 586,716	\$ 1,212,716	9.53%
2016	9,111,877	1,308,207	10,420,084	751,000	702,313	1,453,313	7.17%
2015	9,356,478	1,385,179	10,741,657	715,000	785,115	1,500,115	7.16%
2014	9,830,225	874,248	10,704,473	686,000	817,038	1,503,038	7.12%
2013	9,637,223	870,890	10,508,113	676,000	828,712	1,504,712	6.98%
2012	10,363,730	953,370	11,317,100	508,000	821,386	1,329,386	8.51%
2011	9,530,791	996,642	10,527,433	488,000	692,681	1,180,681	8.92%
2010	8,578,378	965,527	9,543,905	468,000	714,155	1,182,155	8.07%
2009	6,814,468	781,276	7,595,744	329,000	570,660	899,660	8.44%
2008	6,127,357	553,735	6,681,092	316,000	584,892	900,892	7.42%

Paris Junior College
Statistical Supplement 12
Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(Unaudited)

Calendar Year	County Population	County Personal Income	County Personal Income Per Capita	County Unemployment Rate
2016	49,791	(a)	(a)	5.1%
2015	49,440	\$ 1,857,879,000	\$ 37,578	4.8%
2014	49,523	1,859,083,000	37,540	6.1%
2013	49,426	1,804,479,000	36,509	7.9%
2012	49,811	1,750,363,000	35,140	9.0%
2011	50,074	1,657,062,000	33,092	9.7%
2010	49,793	1,521,784,000	31,079	9.0%
2009	49,965	1,521,784,000	31,079	7.8%
2008	49,286	1,451,272,000	29,641	5.5%
2007	49,255	1,349,975,000	27,500	4.7%

Sources:

Population from U.S. Bureau of the Census.

All info. from www.tracer2.com

www.fedstats.gov

www.txcip.org (all info)

Notes:

Information provided is for Lamar County. District specific information not available.

(a) Not available

**Paris Junior College
Statistical Supplement 13
Principal Employers
Fiscal Years 2007 to 2016
(Unaudited)**

Current Fiscal Year

Employer	(Avg) Number of Employees	% of Employment
Paris Regional Medical Center	900	16.17%
Campbell Soup Company	790	14.19%
Kimberly-Clark Corporation	650	11.68%
Paris ISD	635	11.41%
Turner Industries	606	10.89%
The Results Company	510	9.16%
North Lamar ISD	478	8.59%
Paris Junior College	372	6.68%
City of Paris	315	5.66%
RK Hall Construction	310	5.57%
Total	5,566	100.00%

Nine Years Prior

Employer	(Avg) Number of Employees	% of Employment
Paris Regional Medical Center	900	15.40%
Campbell Soup Company	872	14.92%
Kimberly-Clark Corporation	730	12.49%
Paris ISD	618	10.57%
Turner Industries	700	11.97%
The Results Company	500	8.55%
North Lamar ISD	480	8.21%
Paris Junior College	436	7.45%
City of Paris	310	5.30%
RK Hall Construction	300	5.13%
Total	5,846	100.00%

Source:

City of Paris and Local Entities
www.parisedc.com/major-employers/
www.sitesontexas.com

Paris Junior College
Statistical Supplement 14
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Faculty										
Full-Time	83	88	92	92	96	91	99	93	95	96
Part-Time	138	146	159	186	185	192	149	125	118	107
Total	221	234	251	278	281	283	248	218	213	203
Percent										
Full-Time	38%	38%	37%	33%	34%	32%	40%	43%	44.6%	47.3%
Part-Time	62%	62%	63%	67%	66%	68%	60%	57%	55.4%	52.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Staff and Administrators										
Full-Time	121	116	113	120	141	148	155	148	149	142
Part-Time	30	41	47	51	66	61	68	89	65	55
Total	151	157	160	171	207	209	223	237	214	197
Percent										
Full-Time	80.1%	73.9%	70.6%	70.2%	68.1%	70.8%	69.5%	62.4%	69.6%	72.1%
Part-Time	19.9%	26.1%	29.4%	29.8%	31.9%	29.2%	30.5%	37.6%	30.4%	27.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
FTSE per Full-Time Faculty	22.00	22.00	22.00	22.17	22.46	28.56	29.91	23.98	24.51	22.59
FTSE per Full-Time Staff Member	22.00	23.00	25.00	24.92	21.77	26.35	25.03	18.35	19.21	15.40
Average Annual Faculty Salary	\$ 58,158	\$ 58,941	\$ 59,310	\$ 57,888	\$ 54,423	\$ 54,493	\$ 55,808	\$ 50,118	\$ 48,449	\$ 50,442

Paris Junior College
Statistical Supplement 16
Student Profile
Last Five Fiscal Years
(Unaudited)

Gender	Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	2,831	58.91%	2,978	59.56%	3,066	60.28%	3,143	59.26%	3,321	60.24%
Male	1,975	41.09%	2,022	40.44%	2,020	39.72%	2,161	40.74%	2,192	39.76%
Total	4,806	100.00%	5,000	100.00%	5,086	100.00%	5,304	100.00%	5,513	100.00%

Ethnic Origin	Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Caucasian	3,357	69.85%	3,532	70.64%	3,683	72.41%	3,889	73.32%	4,081	74.03%
Hispanic	738	15.36%	735	14.70%	631	12.41%	624	11.76%	567	10.28%
African American	499	10.38%	532	10.64%	566	11.13%	578	10.90%	649	11.77%
Asian	49	1.02%	48	0.96%	44	0.87%	46	0.87%	48	0.87%
Native American	82	1.71%	85	1.70%	97	1.91%	107	2.02%	104	1.89%
Other	81	1.69%	68	1.36%	65	1.28%	60	1.13%	64	1.16%
Total	4,806	100.00%	5,000	100.00%	5,086	100.00%	5,304	100.00%	5,513	100.00%

Age	Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,548	32.21%	1,427	28.54%	1,279	25.15%	1,299	24.49%	1,288	23.36%
18 -21	1,879	39.10%	1,978	39.56%	1,965	38.64%	1,973	37.20%	1,963	35.61%
22 - 24	395	8.22%	443	8.86%	512	10.07%	530	9.99%	548	9.94%
25 - 35	641	13.34%	710	14.20%	791	15.55%	886	16.70%	1,023	18.56%
36 - 50	271	5.64%	332	6.64%	407	8.00%	473	8.92%	542	9.83%
51 and over	72	1.50%	110	2.20%	132	2.60%	143	2.70%	149	2.70%
Total	4,806	100.00%	5,000	100.00%	5,086	100.00%	5,304	100.00%	5,513	100.00%

Average Age	22.0	22.0	23.0	23.0	24.0
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Paris Junior College
Statistical Supplement 17
Transfers to Senior Institutions
2015 Fall Students as of Fall 2016
(Includes Only Public Senior Colleges in Texas)
(unaudited)

	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all PJC Transfer Students	% of all PJC Transfer Students
	Academic	Technical	Tech-Prep		
Angelo State University	3	-	-	3	0.26%
Midwestern State University	10	-	-	10	0.87%
Prairie View A&M University	3	-	-	3	0.26%
Sam Houston State University	18	-	-	18	1.56%
Stephen F. Austin State University	28	-	1	29	2.52%
Tarleton State University	34	-	-	34	2.95%
Texas A&M University	70	-	-	70	6.07%
Texas A&M University - Commerce	615	5	15	635	55.07%
Texas A&M University - Corpus Christi	4	-	-	4	0.35%
Texas A&M University - Texarkana	13	-	-	13	1.13%
Texas A&M University - Galveston	1	-	-	1	0.09%
Texas A&M University System Health Science Center	3	-	-	3	0.26%
Texas Southern University	2	-	-	2	0.17%
Texas State University	23	-	1	24	2.08%
Texas Tech University	35	1	1	37	3.21%
Texas Tech University Health Science Center	1	-	-	1	0.09%
Texas Woman's University	30	-	-	30	2.60%
The University of Texas at Arlington	31	-	3	34	2.95%
The University of Texas at Austin	21	-	-	21	1.82%
The University of Texas at Dallas	20	-	-	20	1.73%
The University of Texas at San Antonio	5	-	-	5	0.43%
The University of Texas at Tyler	49	-	-	49	4.25%
The University of Texas Medical Branch at Galveston	2	-	-	2	0.17%
The University of Texas of the Permian Basin	1	-	-	1	0.09%
University of Houston	3	-	-	3	0.26%
University of Houston - Victoria	2	-	-	2	0.17%
University of North Texas	92	1	2	95	8.24%
University of North Texas at Dallas	1	-	-	1	0.09%
West Texas A&M University	3	-	-	3	0.26%
Totals	1,123	7	23	1,153	100.00%

Source:

<http://www.txhighereddata.org/reports/performance/ctcasalf/ctcaddl/>

Paris Junior College
Statistical Supplement 18
Schedule of Capital Asset Information
Fiscal Years 2013 to 2017
(Unaudited)

	Fiscal Year 2017 Square Footage	Fiscal Year 2016 Square Footage	Fiscal Year 2015 Square Footage	Fiscal Year 2014 Square Footage	Fiscal Year 2013 Square Footage
<u>Academic Buildings</u>					
Agriculture Barn	4,800	4,800	4,800	4,800	4,800
Applied Sciences Center	45,000	45,000	45,000	45,000	45,000
Applied Technology	64,600	64,600	64,600	64,600	64,600
Annex 1 Cosmetology	5,000	5,000	5,000	5,000	5,000
Annex 3 Art	7,500	7,500	7,500	7,500	7,500
Greenville Technical Center (current)	39,000	39,000	39,000	39,000	39,000
Henry P. Mayer Center for the Musical Arts	10,000	10,000	10,000	10,000	10,000
A. Frank Grimes Natural Sciences	15,276	15,276	15,276	15,276	15,276
Math and Science Technology Building	42,000	42,000	42,000	42,000	42,000
PJC Recreational Center	18,321	18,321	18,321	18,321	18,321
Sulphur Springs, High School	-	-	10,888	10,888	-
Sulphur Springs, Loop 301	21,000	21,000	-	-	-
<u>Libraries</u>					
Mike Rheudasil Learning Center	54,000	54,000	54,000	54,000	54,000
<u>Administrative and Support Buildings</u>					
College Store	3,000	3,000	3,000	3,000	3,000
DeShong Chapel	1,668	1,668	1,668	1,668	1,668
Jess B. Alford Center	8,436	8,436	8,436	8,436	8,436
Louise B. Williams Administration	26,300	26,300	26,300	26,300	26,300
Mary Jo Gabbert	2,150	2,150	2,150	2,150	2,150
Willow Creek Office	3,196	3,196	3,196	3,196	3,196
<u>Dormitories</u>					
Clara Rice Thompson Hall	13,308	13,308	13,308	13,308	13,308
Dixon L. Hatcher Hall	13,308	13,308	13,308	13,308	13,308
South Campus	33,000	33,000	33,000	33,000	33,000
<u>Apartments</u>					
B.E. Masters Apartment Complex	48,848	48,848	48,848	48,848	48,848
<u>Dining Facilities</u>					
J.R. McLemore Student Center	24,960	24,960	24,960	24,960	24,960
<u>Athletic Facilities</u>					
Golf Storage	176	176	176	176	176
Harold E. Hunt Physical Education Center	17,815	17,815	17,815	17,815	17,815
H.L. Hollis Fieldhouse	1,901	1,901	1,901	1,901	1,901
Old Gymnasium	13,500	13,500	13,500	13,500	13,500
<u>Plant Facilities</u>					
Downtown Center	-	17,775	17,775	17,775	17,775
Mechanical Building #1	1,745	1,745	1,745	1,745	1,745
Mechanical Building #2	1,975	1,975	1,975	1,975	1,975
Physical Plant Operations	4,946	4,946	4,946	4,946	4,946
Vehicle Shop	2,880	2,880	2,880	2,880	2,880
Total Square Footage	549,609	567,384	557,272	557,272	546,384
<u>Transportation</u>					
Cars	15	13	12	13	13
Light Trucks/Vans	27	27	27	29	29
Bus	5	4	4	4	4
Total	47	44	43	46	46