



**Financial Statements and Supplemental Information  
With Independent Auditor's Report**

**For the Year Ended August 31, 2013**

**Ede & Company, LLC  
Certified Public Accountants**



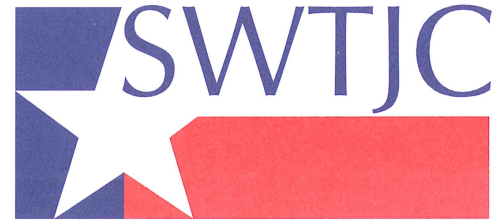
**SOUTHWEST TEXAS JUNIOR COLLEGE**

FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
WITH  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED  
AUGUST 31, 2013

**SOUTHWEST TEXAS JUNIOR COLLEGE  
2013 ANNUAL FINANCIAL REPORT**

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December 12, 2013

To the Members of the Board of Trustees, Taxpayers of Uvalde, Real, and Zavala counties, and to the citizens of the Southwest Texas Junior College Service Area:

I am pleased to submit the Annual Financial Report for the fiscal year 2013. A discussion and analysis of the College's financial statements provide an overview of the financial activities for the fiscal year ended August 31, 2013.

This was a transition year for the College. August 1, 2013, marked the first day under a new president. With this transition came a major reorganization of senior leadership roles and positions. Many of the individuals are the same; however, their roles and responsibilities have changed. There was a deliberate effort to streamline and focus areas of responsibilities to help provide the structure to move the institution forward.

This past year was denoted by a major change in the manner in which the State provides the college appropriation dollars. Hence forward, the State will incorporate performance funding as a key metric in appropriating funds. The college embraces this new methodology that rewards our efforts in the area of student success.

As the College strives toward excellence in student success, SWTJC is also planning for the future in terms of facilities. This past year the college invested \$2.5 million in deferred maintenance and energy conservation upgrades, and \$7.5 million to expand the Del Rio Campus. The college is also planning for another facility expansion this upcoming year for the Eagle Pass Campus, Crystal City Campus and Uvalde Campus.

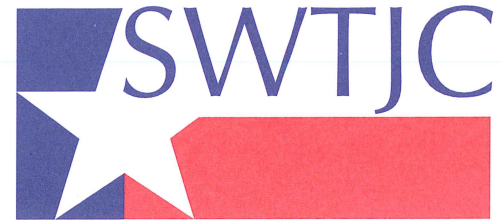
We are committed to building on the foundational work that we have accomplished and stand ready to move SWTJC forward. We are creating a culture where all employees are focused on student success. We are striving to improve both internal and external communication, and to continue to develop and enhance partnerships within our regional community. The goal of SWTJC is to be a vanguard of student success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hector Gonzales', is written over a light blue horizontal line.

Hector E. Gonzales Ph.D.

President



December 12, 2013

To President Gonzales, Members of the Board of Trustees, and Citizens of Southwest Texas Junior College:

*The annual financial report of Southwest Texas Junior College District (College) for the fiscal year ended August 31, 2013, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the representation, including all disclosures, rest with Southwest Texas Junior College. To the best of our knowledge, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities have been included.*

## COMPARATIVE FINANCIAL STATEMENTS

The 2013 audit report contains comparative data for the last two fiscal periods to ensure that the financial information will be available at a glance to financial statement users. Following the auditor's report the College has included a Management's Discussion and Analysis which provides summary information and a brief economic forecast in three segments:

1. A brief discussion of the basic financial statement,
2. Condensed comparative financial information, and
3. Analysis of the College's overall financial position and results of operation.

Segment 2, Condensed comparative financial information contains the following required elements:

- a. Total assets, distinguishing between capital and other assets
- b. Total liabilities, distinguishing between long-term and other liabilities
- c. Total net position, distinguishing among amounts invested in capital assets, net of related debt; restricted amounts; and unrestricted amounts
- d. Operating revenue by major source
- e. Operating expenses by function
- f. Non-operating revenue and expenses
- g. Income before other revenue, expenses, gains, and losses
- h. Changes in net position
- i. Ending net position
- j. Cash flow, distinguishing among operating activities, non-capital financing activities, capital and related financing activities, and investing activities.
- k. Changes in cash flow

We hope this Annual Financial Report presentation will help the reader better understand the overall financial status of the College as of August 31, 2013.

The Annual Financial Report is presented in five sections:

**Introductory section** includes the President's Letter, this transmittal letter, and the College's principal officials.

**The Financial section** includes the report of the independent accountants, the management discussion and analysis, the basic financial statements, notes to the financial statements and required supplemental financial information.

**The Statistical section** includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

**The Single Audit section** includes the annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, Non-Profit Organizations and the Uniform Grants Management Standards issued by the State of Texas. Information related to this single audit, including schedules of federal and state financial assistance and auditor's reports on internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

# SOUTHWEST TEXAS JUNIOR COLLEGE

## Organizational Data For the Fiscal Year 2012 - 2013

### Board of Trustees

<u>Name</u>	<u>County</u>	<u>Title</u>	Term Expires <u>May</u>
Rodolfo R. Flores	Uvalde	President	2014
Dr. Harry O. Watkins	Uvalde	Vice-President	2016
Dr. Antonio H. Rivera	Zavala	Secretary	2016
Tony Moreno	Uvalde	Member	2014
Maria Elena Lara	Uvalde	Member	2018
Victor Lopez	Zavala	Member	2018
Anita Shackelford	Real	Member	2018

### Administration

Dr. Hector E. Gonzales	President
Joe Barker	Vice President of Administrative Services
Dr. Blaine Bennett	Vice President of Student Services
Anne H. Tarski	Vice President of Finance
Dr. Mark Underwood	Vice President of Academic Affairs
Gilbert C. Bermea	Associate Vice President, Eagle Pass Campus
Margot Mata	Associate Vice President of Outreach
Derek Sandoval	Associate Vice President, Del Rio Campus
Dick Whipple	Associate Vice President of Institutional Advancement
Romelia Aranda	Dean of Workforce
Johnny Guzman	Dean of Applied Science
Dr. Cheryl Sanchez	Dean of Liberal Arts



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# EDE & COMPANY, LLC

Certified Public Accountants

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Donna Ede Jones

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## UNMODIFIED OPINIONS ON BASIC FINANCIAL STATEMENTS ACCOMPANIED BY REQUIRED SUPPLEMENTARY INFORMATION AND OTHER INFORMATION

### Independent Auditor's Report

Board of Trustees  
Southwest Texas Junior College  
2401 Garner Field Road  
Uvalde, Texas 78801

Members of the Board:

We have audited the accompanying financial statements of Southwest Texas Junior College as of and for the years ended August 31, 2013 and 2012, 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 Southwest Texas Junior College, as of August 31, 2013, and 2012, and the respective changes in financial position for the year 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 listed in the table of contents, 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*

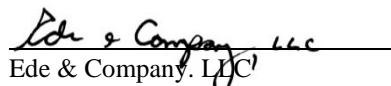
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Southwest Texas Junior College's basic financial statements. The exhibits identified in the Table of Contents as required statistical supplements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Texas Single Audit Circular, and are also not a required part of the basic financial statements.

The schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The exhibits identified in the Table of Contents as required statistical supplements have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2013, on our consideration of the Southwest Texas Junior 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 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 Southwest Texas Junior College's internal control over financial reporting and compliance.

  
Ede & Company, LLC  
Certified Public Accountants  
Knippa, Texas

November 21, 2013

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

The following Management Discussion and Analysis was prepared by Southwest Texas Junior College's management and provides an overview of the College's financial activities.

### **Basic Financial Statements**

In June 1999, GASB released Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* which was followed by GASB Statement No. 35, *Basic Financial Statements – Management Discussion and Analysis for Public Colleges and Universities*, which provided guidance to public colleges. Southwest Texas Junior College implemented these new reporting requirements in fiscal year 2002 in accordance with the implementation dates set forth in GASB 35.

The reporting format requires three basic financial statements that provide information for the College and its component unit, SWTJC Foundation, Inc.

Statement of Net Position – presents information on the College's assets, liabilities and the difference between them as net position. Net position is further identified as restricted and unrestricted.

Statement of Revenues, Expenses, and Changes in Net Position – presents information on the College's activities for the year then ended. Revenue and expenses are recorded as they incur, regardless of the timing of the related cash flow.

Statement of Cash Flows – is reported on the direct method. It reports cash flow from operations as major classes of receipts and expenses.

### **Comparative Financial Information**

A comparative analysis of financial information is included in the Management Discussion and Analysis.

### **Financial Analysis**

Total assets exceed total liabilities by \$17,253,300 (40%), of which \$7,425,127 (17%) is unrestricted. Of the College's total assets, \$22,095,353 (51%) is represented by capital assets including land, buildings and improvements, furniture, equipment, and library books, net of accumulated depreciation.

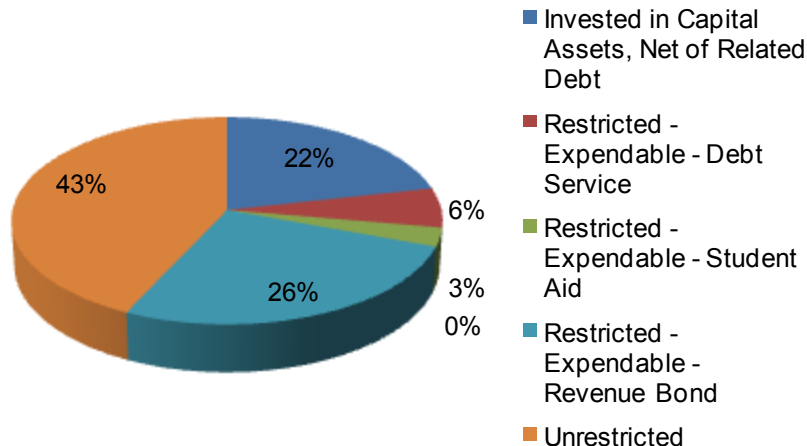
# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

### Southwest Texas Junior College's Net Position

	Year Ended 2013	Year Ended 2012	Year Ended 2011
<b>Assets</b>			
Current Assets	\$ 11,824,548	\$ 13,007,255	\$ 12,569,730
Restricted Cash and Cash Equivalents	2,113,848	1,469,476	522,738
Endowment Investments	2,826,392	3,040,029	3,034,957
Capital Assets	22,095,353	17,177,284	17,674,600
Other Noncurrent Investments	4,148,300	2,410,300	1,510,300
Total Assets	<u>43,008,441</u>	<u>37,104,344</u>	<u>35,312,325</u>
<b>Liabilities</b>			
Current Liabilities	8,511,865	9,618,162	9,618,162
Noncurrent Liabilities	17,243,276	8,526,685	8,526,685
Total Liabilities	<u>25,755,141</u>	<u>18,144,847</u>	<u>18,144,847</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	3,717,874	6,055,003	9,030,617
Restricted - Expendable - Debt Service	1,063,053	839,257	860,746
Restricted - Expendable - Student Aid	503,404	689,734	839,182
Restricted - Expendable - Maintenance Note	-	2,499,214	-
Restricted - Expendable - Revenue Bond	4,543,842	-	-
Unrestricted	7,425,127	7,326,594	6,436,933
Total Net Position	<u>\$ 17,253,300</u>	<u>\$ 17,409,802</u>	<u>\$ 17,167,478</u>

### Net Position



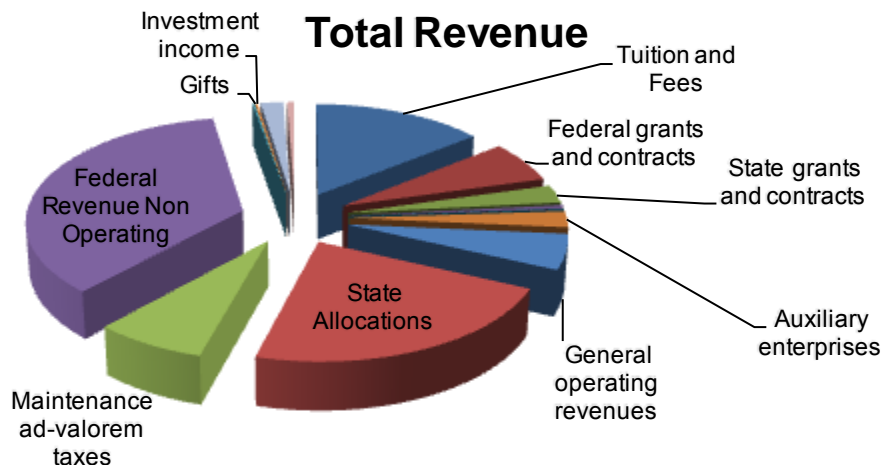
## MANAGEMENT'S DISCUSSION AND ANALYSIS August 31, 2013

For the year ended August 31, 2013, operations of Southwest Texas Junior College were primarily supported by appropriations from the state's general fund and tuition and fee revenue. Effective as of the 2006 fiscal year, state appropriations are reported as non-operating revenue. Total revenue is supplemented by federal and state grants and contracts, private gifts, and sales and service revenue for auxiliary and educational departments. The College is also supported by ad-valorem taxes of \$2,689,311 in the current year as compared to \$2,572,349 for the year ended August 31, 2012, and \$2,486,117 for the year ended August 31, 2011, listed as non-operating revenue.

State appropriations including restricted insurance and retirement payments totaled \$8,075,275 (24%), \$8,613,312 (24%), and \$9,360,771 (23%); tuition and fees totaled \$5,130,032 (15%), \$5,493,939 (15%), and \$5,930,984 (14%); and federal grants and contracts totaled \$15,021,311 (44%), \$14,824,867 (42%), and \$18,739,036 (45%), all for years ended August 31, 2013, 2012, and 2011, respectively.

Instruction continues to be the largest component of operating expenses at \$12,166,721 (35%) in the current year as compared to the year ended August 31, 2012, of \$11,910,414 (34%) and the year ended August 31, 2011 of \$12,484,217 (31%). Scholarships of \$4,802,594 (14%) in the current year compared to the year ended August 31, 2012, amount of \$5,275,942 (15%) and the year ended August 31, 2011, amount of \$8,171,634 (20%), passed through to students after being applied to tuition and fees. Included in operating expenses is depreciation of \$818,353 in the current year, \$823,623 for the year ended August 31, 2012, and \$759,582 for the year ended August 31, 2011, which represent non-cash expenses.

For the year ended August 31, 2013, the result of operations was an operating loss of \$22,912,495, compared to the year ended August 31, 2012, amount of \$22,763,672 and the year ended August 31, 2011, amount of \$25,470,485. The current year operating loss combined with the current year net non-operating revenue of \$22,755,993 results in a decrease in net position of \$156,502.

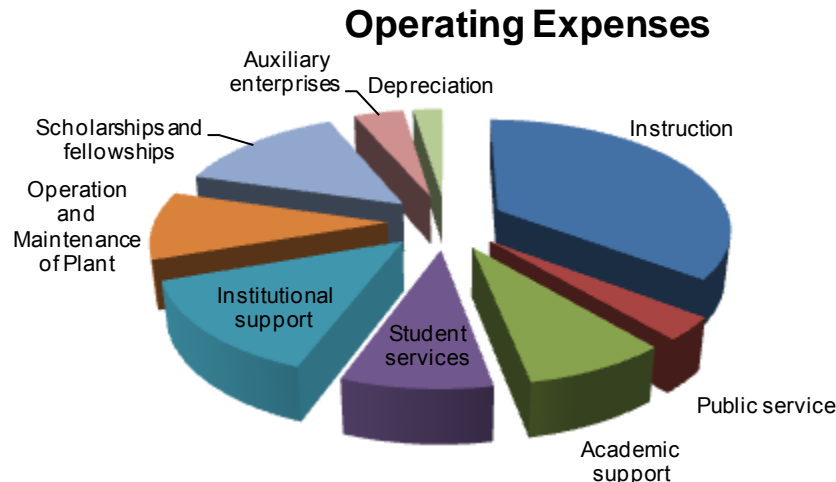


# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

### Southwest Texas Junior College's Change in Net Position

Operating Revenues	FY 2013	FY 2012	FY 2011
Tuition and Fees (net of discount of \$9,717,869; \$8,465,239; \$7,900,116)	\$ 5,130,032	\$ 5,493,939	\$ 5,930,984
Federal grants and contract	2,283,343	2,581,256	3,700,527
State grants and contracts	991,238	1,385,040	1,270,208
Non-governmental grants and contracts	189,125	112,713	56,904
Sales and services of educational activities	26,819	22,630	23,556
Auxiliary enterprises (net of discounts of \$349,967; \$464,009; \$881,955)	887,173	972,184	2,070,432
General operating revenues	<u>1,955,008</u>	<u>1,959,051</u>	<u>1,965,962</u>
<b>Total Operating Revenues (Schedule A)</b>	<b><u>11,462,738</u></b>	<b><u>12,526,813</u></b>	<b><u>15,018,573</u></b>
<b>Operating Expenses</b>			
Instruction	12,166,721	11,910,414	12,484,217
Public Service	1,151,997	1,511,783	2,068,587
Academic support	2,835,240	3,008,190	2,787,990
Student services	2,978,274	2,929,304	3,451,245
Institutional support	4,816,132	4,456,411	4,238,281
Operation and maintenance of plant	3,401,842	3,699,346	3,769,594
Scholarships and fellowships	4,802,594	5,275,942	8,171,634
Auxiliary enterprises	1,404,080	1,675,472	2,757,928
Depreciation	<u>818,353</u>	<u>823,623</u>	<u>759,582</u>
<b>Total Operating Expenses (Schedule B)</b>	<b><u>34,375,233</u></b>	<b><u>35,290,485</u></b>	<b><u>40,489,058</u></b>
<b>Operating Loss</b>	<b>(22,912,495)</b>	<b>(22,763,672)</b>	<b>(25,470,485)</b>
<b>Non-Operating Revenues (Expenses)</b>			
State Allocations	8,075,275	8,613,312	9,360,771
Maintenance ad-valorem taxes	2,689,311	2,572,349	2,486,117
Federal Revenue, Non Operating	12,737,968	12,243,611	15,038,509
Gifts	61,647	39,390	36,372
Investment income	68,390	73,443	71,539
Interest on Capital related debt	(676,830)	(383,417)	(384,648)
Other non-operating revenues	<u>(199,768)</u>	<u>(152,692)</u>	<u>(63,886)</u>
<b>Net Non-Operating Revenues (Schedule C)</b>	<b><u>22,755,993</u></b>	<b><u>23,005,996</u></b>	<b><u>26,544,774</u></b>
<b>Increase (Decrease) in Net Position</b>	<b>(156,502)</b>	<b>242,324</b>	<b>1,074,289</b>
<b>Net Position</b>			
Net Position - Beginning of Year	<u>17,409,802</u>	<u>17,167,478</u>	<u>16,093,189</u>
Net Position - End of Year	<b><u>\$ 17,253,300</u></b>	<b><u>\$ 17,409,802</u></b>	<b><u>\$ 17,167,478</u></b>



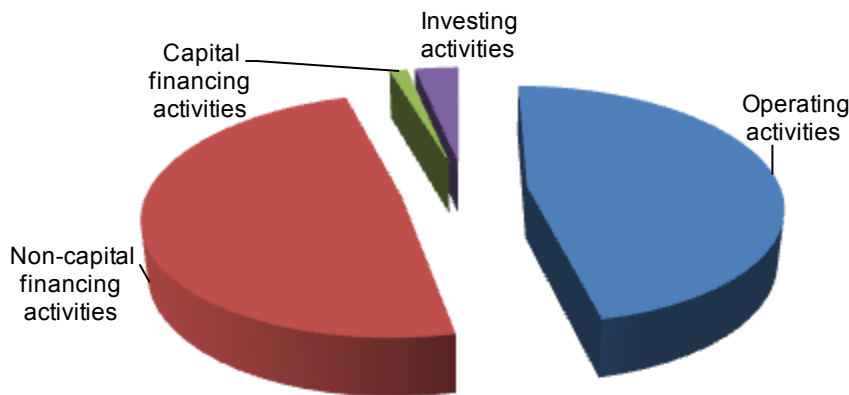
## MANAGEMENT'S DISCUSSION AND ANALYSIS August 31, 2013

Cash and cash equivalents increased during the current fiscal year by \$160,194. Cash was used by operating activities in the amount of \$20,722,917. Cash was provided from non-capital financing activities in the amount of \$21,741,494. Cash was also provided by capital and related financing activities in the amount of \$597,590. Cash was used in investing activities in the amount of \$1,455,973.

### Southwest Texas Junior College's Statement of Cash Flows

	2013	2012	2011
Net cash used by operating activities	\$ (20,722,917)	\$ (20,888,749)	\$ (21,013,619)
Net cash provided by non-capital financing activities	21,741,494	21,940,748	24,635,306
Net cash provided/(used) by capital and related financing activities	597,590	1,234,319	(1,186,318)
Net cash used by investing activities	<u>(1,455,973)</u>	<u>(831,629)</u>	<u>(646,317)</u>
Increase (decrease) in cash and cash equivalents	160,194	1,454,689	1,789,052
Cash and Cash equivalents at beginning of year	<u>10,566,556</u>	<u>9,111,867</u>	<u>7,322,815</u>
Cash and cash equivalents at end of year	<u><u>\$ 10,726,750</u></u>	<u><u>\$ 10,566,556</u></u>	<u><u>\$ 9,111,867</u></u>

### Cash Flows By Activity



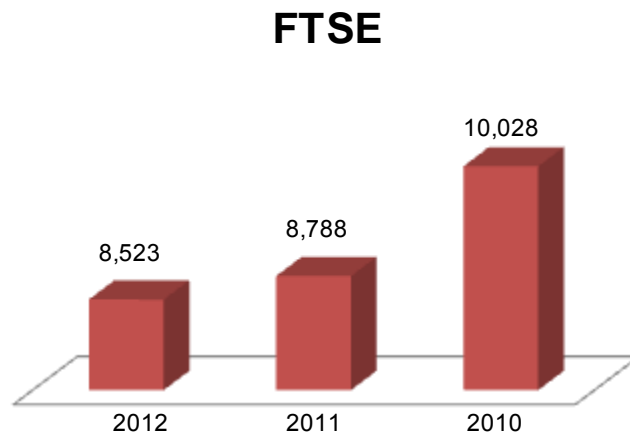
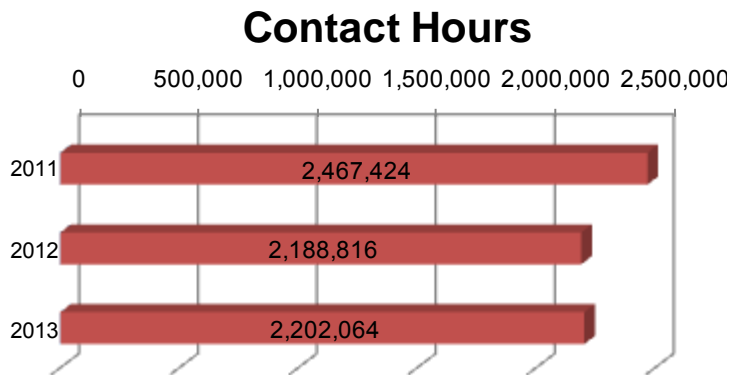


# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

Enrollment in academic and technical programs decreased in the 2013 fiscal year, while contact hours increased slightly.

	<u>FTSE</u>	<u>Contact Hours</u>
2011	10,028	2,467,424
2012	8,788	2,188,816
2013	8,523	2,202,064



# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **August 31, 2013**

### **Capital Assets**

In 2001, the Southwest Texas Junior College Board changed equipment capitalization from \$250 to \$5,000.

As a result of implementing GASB 34-35, in the fiscal year ended August 31, 2013, SWTJC recorded a depreciation expense of \$818,353, \$823,623 in the fiscal year ended August 31, 2012, and \$759,582 in the fiscal year ended August 31, 2011. The method of accounting for expenditures for plant and retirement of indebtedness remains unchanged.

### **Long-term Debt**

In 2006, Southwest Texas Junior College incurred \$9,000,000 in long-term debt through two revenue bond issues. The first, \$3.5 million, is a private placement issue with proceeds used for the construction of a new student services building and the subsequent renovations of existing spaces. Refer to note 8 in the notes to the financial statements for further details. Construction of the new building was completed in May of 2008.

The second, \$5.5 million, is a private placement issue with proceeds used for the construction of a new educational facility for Sul Ross State University Rio Grande College. Refer to note 8 in the notes to the financial statements for more information. The building was completed in December 2007.

In 2012, Southwest Texas Junior College incurred \$2,500,000 in long term debt through a maintenance tax note issue. It is a private placement with proceeds used for updating energy systems. The energy savings acquired will provide the payment for the note. Refer to note 9 in the notes to the financial statements for more information. Energy systems work commenced in the fall of 2012 and was completed in the summer of 2013.

In 2013, Southwest Texas Junior College incurred \$7,500,000 in long term debt through a revenue bond issue. It is a private placement with proceeds used for an administration building and a classroom building on the Del Rio campus. Refer to note 8 in the notes to the financial statements for more information. At year end, 2013, the building was under construction.

### **Net Position**

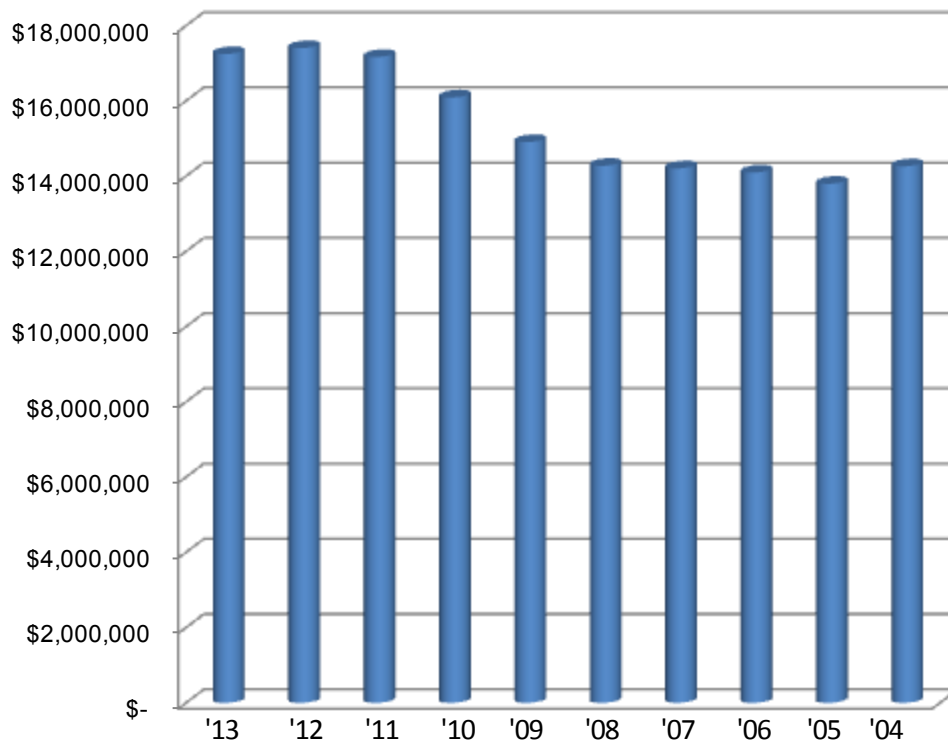
In 2002, in accordance with GASB 34-35, Southwest Texas Junior College began reporting Net Position by Source and Availability. Until 2007, the College reported Endowment Funds as Other Restricted Funds. Starting with the year 2007, these Endowment Funds were correctly reported in the Unrestricted category as Quasi Unrestricted (restrictions self-imposed by the Board of Trustees). For the year 2013, Endowment Funds amounted to \$3,188,789; 43% of Unrestricted Funds.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

Year	Net Capital Assets	Change in Net Position				Unrestricted	Total	Net Change
		Restricted for:						
		Unused Bond	Debt Service	Student Aid	Other			
2013	\$ 3,717,874	\$ 4,543,842	\$ 1,063,054	\$ 503,403	\$ -	\$ 7,425,127	\$ 17,253,300	\$ (156,502)
2012	6,055,003	2,499,214	839,257	689,734	-	7,326,594	17,409,802	242,324
2011	9,030,617	-	860,746	839,182	-	6,436,933	17,167,478	1,074,292
2010	8,151,843	-	989,435	618,550	-	6,333,358	16,093,186	1,185,014
2009	8,293,391	-	562,034	198,659	-	5,854,088	14,908,172	630,882
2008	8,188,931	-	376,038	209,826	-	5,502,495	14,277,290	69,531
2007	4,128,283	4,155,920	66,792	413,393	-	5,443,371	14,207,759	111,313
2006	389,530	8,402,603	121,273	229,722	3,285,606	1,667,712	14,096,446	297,749
2005	8,765,422	-	-	-	3,350,469	1,682,806	13,798,697	(463,509)
2004	8,525,609	-	-	-	3,581,180	2,155,417	14,262,206	950,490

### Net Position



# MANAGEMENT'S DISCUSSION AND ANALYSIS

## August 31, 2013

### Other Conditions and Factors

**Aspen Institute:** In 2011, Southwest Texas Junior College was recognized by the Aspen Institute in Washington D.C. as one of the top 10 community colleges in the nation. SWTJC is aggressively working to implement many of the suggestions of the Aspen committee in order to continue to excel as one of the nation's most outstanding community colleges.

**Lumina Foundation's Latino Student Success Grant Initiative:** SWTJC has been awarded a \$600,000, three year grant to increase Latino student success in graduation and transfer by 15% by 2015. The initiative is focused on utilizing a diverse community partnership which includes: Hispanic Association of Colleges and Universities (HACU), Texas Association of Community Colleges (TACC), Middle Rio Grande Workforce Solutions and Development Board, Intercultural Development Research Association (IDRA), Uvalde Independent School District (UCISD), Sul Ross State University – Rio Grande College (SRU-RGC), University of Texas – Austin Jackson School of Geosciences, AVID, HEB, Inc., and Texas State Representative Tracy O. King.

**Partnerships:** During the past year, the college has announced a “two year plus two year for \$10,000” bachelor degree program in concert with SRU-RGC. SWTJC will provide instruction for the first two years of the student's college degree plan with a seamless transition to the final two years at SRU-RGC. The total tuition and fee cost will be \$10,000. Both colleges are co-located in the three main population centers of the service area. The two colleges are striving to strengthen and expand this model to provide the students in our region a low cost, quality model for bachelor degrees.

**Facilities:** In 2013, SWTJC commenced building new facilities in Del Rio. The College began the planning for a new classroom building on the Eagle Pass campus, renovations to the Uvalde campus, and new technical classrooms and a library for the Crystal City campus.

**State Economy:** The 83<sup>rd</sup> Regular Session of the Texas State Legislature modified the formula for funding Texas community colleges. Each college will receive \$500,000 per year as core funding. The remaining amount will be based 90% on contact hours and 10% on success points. A success point is awarded when a student passes a milestone in his/her educational endeavors. These milestones are completing developmental math and English, achieving 15 and 30 credit hours, finishing all core requirements, transferring, and graduation.

The Legislature agreed to drop the required re-allocation of formula funding on a yearly basis and passed a law requiring a 50/50 cost of employee benefits split between the State and the colleges. SWTJC anticipates that this will increase budget stabilization.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **August 31, 2013**

**Enrollment:** Although enrollment is still lower than the College's record year of 2011, the 2013 enrollment numbers were slightly higher than 2012. In fall 2013, enrollment continued to decrease for all campuses but Eagle Pass. Currently, the Uvalde campus has enrolled 21% of the students, Del Rio 16%, and Eagle Pass 26%. Administration believes that the College will continue to have strong growth in Eagle Pass.

**Reorganization:** Dr. Hector Gonzales assumed duties as the president of the College on August 1, 2013, and reorganized the personnel chart. The College now has four vice-presidents (Student Services, Finance, Administrative Services, and Academic Affairs), four associate vice presidents (Del Rio, Eagle Pass, Institutional Advancement, and Outreach), and three deans (College of Liberal Arts, College of Applied Sciences, and Workforce). These administrators make up the cabinet and meet with the president weekly to encourage communication.

## SOUTHWEST TEXAS JUNIOR COLLEGE

Statement of Net Position  
August 31, 2013 and August 31, 2012

<b>ASSETS</b>	<b><u>FY2013</u></b>	<b><u>FY2012</u></b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 8,612,902	\$ 9,097,080
Accounts receivable (net of \$1,011,343; \$994,101)	2,774,682	3,433,457
Taxes receivable (net of \$48,298; \$51,783)	334,687	364,510
Inventories	77,277	87,208
Prepaid expenses	25,000	25,000
<b>Total Current Assets</b>	<b><u>11,824,548</u></b>	<b><u>13,007,255</u></b>
<b>Noncurrent Assets:</b>		
Restricted cash and cash equivalents	2,113,848	1,469,476
Endowment investments	2,826,392	3,040,029
Other long-term investments	4,148,300	2,410,300
Capital assets (net of \$13,914,942; \$13,172,365)	<u>22,095,353</u>	<u>17,177,284</u>
<b>Total Noncurrent Assets</b>	<b><u>31,183,893</u></b>	<b><u>24,097,089</u></b>
<b>Total Assets</b>	<b><u>43,008,441</u></b>	<b><u>37,104,344</u></b>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts payable	1,088,237	944,711
Accrued liabilities	342,789	580,446
Deposits	227,471	236,212
Unearned revenues	5,661,090	6,508,461
Notes payable - current portion	832,278	632,278
Bonds payable - current portion	360,000	245,000
<b>Total Current Liabilities</b>	<b><u>8,511,865</u></b>	<b><u>9,147,108</u></b>
<b>Noncurrent Liabilities:</b>		
Lease payable	58,276	302,434
Notes payable	2,300,000	2,500,000
Bonds payable	<u>14,885,000</u>	<u>7,745,000</u>
<b>Total Noncurrent Liabilities</b>	<b><u>17,243,276</u></b>	<b><u>10,547,434</u></b>
<b>Total Liabilities</b>	<b><u>25,755,141</u></b>	<b><u>19,694,542</u></b>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	3,717,874	6,055,003
Restricted for:		
Expendable		
Debt service	1,063,054	839,257
Maintenance note	-	2,499,214
Revenue bond	4,543,842	-
Student aid	503,403	689,734
Unrestricted	<u>7,425,127</u>	<u>7,326,594</u>
<b>Total Net Position (Schedule D)</b>	<b><u>\$ 17,253,300</u></b>	<b><u>\$ 17,409,802</u></b>

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

**SOUTHWEST TEXAS JUNIOR COLLEGE FOUNDATION, INC.**

**Comparative Statement of Financial Position  
August 31, 2013**

	<b>August 31, 2013</b>	<b>August 31, 2012</b>
<b>ASSETS</b>		
<u>Current Assets</u>		
Cash and cash equivalents	\$ 348,959.09	\$ 343,177.68
Short-term Investments	886,317.89	-
	1,235,276.98	343,177.68
<u>Property and equipment, at cost</u>		
Land	2,498,646.23	668,646.23
Buildings	10,416,334.72	10,416,334.71
Improvements	822,140.09	385,889.09
Furniture and fixtures	19,387.00	19,387.00
	13,756,508.04	11,490,257.03
Less accumulated depreciation	3,582,024.44	3,284,172.92
Net property and equipment	10,174,483.60	8,206,084.11
<b>TOTAL ASSETS</b>	<b>\$ 11,409,760.58</b>	<b>\$ 8,549,261.79</b>
<b>LIABILITIES AND NET ASSETS</b>		
<u>Current liabilities</u>		
A/P - SWTJC	\$ 21,677.63	\$ -
Contingent Liability	120,470.00	-
Deposit	25,000.00	25,000.00
Current portion of long-term debt	361,802.03	234,583.00
	528,949.66	259,583.00
<u>Long-term liabilities</u>		
Long-term debt, less current maturities Notes payable	2,018,420.77	782,133.64
Total liabilities	2,547,370.43	1,041,716.64
Net assets - Permanently restricted	8,862,390.15	7,507,545.15
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,409,760.58</b>	<b>\$ 8,549,261.79</b>

**Southwest Texas Junior College**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Years Ended August 31, 2013 and August 31, 2012**

<b>Operating Revenues</b>	<b><u>FY 2013</u></b>	<b><u>FY 2012</u></b>
Tuition and fees (net of discounts of \$9,717,869; \$8,465,239)	\$ 5,130,032	\$ 5,493,939
Federal grants and contracts	2,283,343	2,581,256
State grants and contracts	991,238	1,385,040
Non-governmental grants and contracts	189,125	112,713
Sales and services of educational activities	26,819	22,630
Auxiliary enterprises (net of discounts of \$349,967; \$464,009)	887,173	972,184
General operating revenues	<u>1,955,008</u>	<u>1,959,051</u>
<b>Total Operating Revenues (Schedule A)</b>	<u>11,462,738</u>	<u>12,526,813</u>
<b>Operating Expenses</b>		
Instruction	12,166,721	11,910,414
Public service	1,151,997	1,511,783
Academic support	2,835,240	3,008,190
Student services	2,978,274	2,929,304
Institutional support	4,816,132	4,456,411
Operation and maintenance of plant	3,401,842	3,699,346
Scholarships and fellowships	4,802,594	5,275,942
Auxiliary enterprises	1,404,080	1,675,472
Depreciation	<u>818,353</u>	<u>823,623</u>
<b>Total Operating Expenses (Schedule B)</b>	<u>34,375,233</u>	<u>35,290,485</u>
<b>Operating Loss</b>	<u>(22,912,495)</u>	<u>(22,763,672)</u>
<b>Non-Operating Revenues (Expenses)</b>		
State Allocations	8,075,275	8,613,312
Maintenance ad-valorem taxes	2,689,311	2,572,349
Federal Revenue, Non Operating	12,737,968	12,243,611
Gifts	61,647	39,390
Investment income	68,390	73,443
Interest on capital related debt	(676,830)	(383,417)
Other non-operating revenues (expenses)	<u>(199,768)</u>	<u>(152,692)</u>
<b>Net Non-Operating Revenues (Schedule C)</b>	<u>22,755,993</u>	<u>23,005,996</u>
<b>Increase (Decrease) in Net Position</b>	(156,502)	242,324
<b>Net Position</b>		
Net Position - Beginning of Year	<u>17,409,802</u>	<u>17,167,478</u>
Net Position - End of Year	<u>\$ 17,253,300</u>	<u>\$ 17,409,802</u>

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



**SOUTHWEST TEXAS JUNIOR COLLEGE FOUNDATION, INC.**

**Comparative Statement of Activities  
Years Ended August 31, 2013 and August 31, 2012**

	<u>August 31, 2013 Permanently Restricted</u>	<u>August 31, 2012 Permanently Restricted</u>
<b><u>Support and Revenues:</u></b>		
Support:		
Contributions	\$ 861,161.62	\$ -
Revenue:		
Rental income	947,102.00	1,197,600.00
Interest income	31,072.93	1,781.35
Realized Gain/(Loss) on Investments	164.35	-
Unrealized Gain/(Loss) on Investments	(58,634.16)	-
Total revenue	<u>919,705.12</u>	<u>1,199,381.35</u>
Total support and revenue	1,780,866.74	1,199,381.35
<b><u>Expenses:</u></b>		
Depreciation	297,851.51	276,038.95
Interest	111,624.24	70,031.73
Professional Fees	-	174,777.75
Repair & Maintenance	-	28,235.00
Scholarship	10,000.00	-
Miscellaneous	6,545.99	550.00
Total expenses	<u>426,021.74</u>	<u>549,633.43</u>
Change in net assets	1,354,845.00	649,747.92
Net assets, beginning of year	<u>7,507,545.15</u>	<u>6,857,797.23</u>
<b>Net assets, end of year</b>	<u><u>\$ 8,862,390.15</u></u>	<u><u>\$ 7,507,545.15</u></u>

## SOUTHWEST TEXAS JUNIOR COLLEGE

Statement of Cash Flows  
Years Ended August 31, 2013 and August 31, 2012

	<u>FY2013</u>	<u>FY2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from student and other customers	\$ 5,846,687	\$ 5,932,875
Receipts from grants and contracts	3,463,706	4,079,009
Other receipts	1,955,008	1,959,051
Payment to or on behalf of employees	(19,847,884)	(19,763,135)
Payment to suppliers for goods or services	(7,337,840)	(7,820,607)
Payment of scholarships	(4,802,594)	(5,275,942)
Net cash provided (used) by operating activities	<u>(20,722,917)</u>	<u>(20,888,749)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State appropriations	6,422,513	7,304,514
Ad valorem tax revenue	2,719,134	2,505,925
Receipts from non operating federal revenue	12,737,968	12,243,611
Other non-operating revenue	(138,121)	(113,302)
Net cash provided (used) by non-capital financing	<u>21,741,494</u>	<u>21,940,748</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from bond issue	7,500,000	-
Proceeds from transportation note	75,000	-
Proceeds from maintenance note	-	2,500,000
Purchases of capital assets	(5,736,422)	(326,307)
Payments on capital debt and leases -- principal	(564,158)	(555,957)
Payments on capital debt and leases -- interest	(676,830)	(383,417)
Net cash provided (used) by capital and related financing activities	<u>597,590</u>	<u>1,234,319</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from maturity of investments	26,465,000	6,498,000
Receipts from interest	68,390	73,443
Purchase of investments	(27,989,363)	(7,403,072)
Net cash provided (used) by investing activities	<u>(1,455,973)</u>	<u>(831,629)</u>
Increase (decrease) in cash and cash equivalents	160,194	1,454,689
Cash and cash equivalents - Beginning of Year	<u>10,566,556</u>	<u>9,111,867</u>
Cash and cash equivalents - End of Year	<u>\$ 10,726,750</u>	<u>\$ 10,566,556</u>
<b>Reconciliation of operating income (loss) to net cash provided (used)</b>		
by operating activities:		
Operating income (loss)	\$ (22,912,495)	\$ (22,763,672)
Adjustment to reconcile operating loss to net cash used		
by operating activities:		
Depreciation expense	818,353	823,623
Bad debt expense	29,769	135,063
Payments made directly by state for benefits	1,652,762	1,308,798
Changes in assets and liabilities		
Receivables, net	629,006	(972,992)
Inventories	9,931	974,554
Prepaid expenses	-	225
Accounts payable	143,526	(878,305)
Accrued liabilities	(237,657)	201,906
Deposits	(8,741)	2,497
Funds held for others	-	(28,084)
Unearned revenue	(847,371)	307,638
Net cash provided (used) by operating activities	<u>\$ (20,722,917)</u>	<u>\$ (20,888,749)</u>

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

**SOUTHWEST TEXAS JUNIOR COLLEGE FOUNDATION, INC.**

**Comparative Statement of Cash Flows  
Years Ended August 31, 2013 and August 31, 2012**

	<b>August 31, 2013</b>	<b>August 31, 2012</b>
<b><u>Cash flows from operating activities:</u></b>		
Change in net assets	\$ 1,354,845.00	\$ 649,747.92
Add items not affecting cash:		
Accounts Payable	21,677.63	-
Contingent Liability	120,470.00	-
Unrealized Loss on Investment	58,634.16	-
Depreciation	297,851.51	276,038.95
Net cash provided by operating activities	1,853,478.30	925,786.87
<b><u>Cash flow from investing activities:</u></b>		
Purchase of capital assets	(2,266,251.00)	(73,322.71)
Purchase of short-term investments	(944,952.05)	-
Proceeds from maturity of short-term investments	-	200,000.00
Net cash used in investing activities	(3,211,203.05)	126,677.29
<b><u>Cash flow from financing activities:</u></b>		
Proceeds from long-term debt issue	1,709,530.00	-
Principal payments of long-term debt	(346,023.84)	(1,142,066.64)
Net cash provided by financing activities	1,363,506.16	(1,142,066.64)
<b>Net increase in cash and cash equivalents</b>	5,781.41	(89,602.48)
Cash and cash equivalents - beginning of year	343,177.68	432,780.16
Cash and cash equivalents - end of year	\$ 348,959.09	\$ 343,177.68

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**1. Reporting Entity**

Southwest Texas Junior College (SWTJC) was established in 1946, in accordance with the laws of the State of Texas, to serve the educational needs of the Tri-county District (Real, Zavala, and Uvalde Counties) and the surrounding communities. The College is governed by a seven member Board of Trustees elected from the three counties of which the district is comprised. Members are elected at large from each of the counties. The College is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While SWTJC receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

**2. Summary of Significant Accounting Policies**

**Report Guidelines**

The significant accounting policies followed by SWTJC 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 Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award for tuition is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

*Title IV, Higher Education Act Program Funds*

Certain Title IV HEA Program funds are received by the college to pass through to the student. These funds are initially received by the college and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as tuition discount.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

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

If the amount is disbursed 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 disbursed 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 all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

**Budgetary Data**

Each community college 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 Trustees adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and the 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.

**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 purchases.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

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

**Inventories**

Inventories consist of consumable office supplies, physical plant supplies, and food service supplies. Inventories are valued at the “first-in, first-out” method and are charged to expense as consumed.

**Capital Assets**

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

**Unearned Revenues**

Tuition and fees of \$6,055,018 and \$6,120,813 have been reported as unearned revenues at August 31, 2013 and August 31, 2012, respectively.

**Estimates**

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

**Operating and Non-Operating Revenue and Expense Policy**

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

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**3. Authorized Investments**

The College is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than "A" by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

**4. Deposits and Investments**

District Policies and Legal and Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial credit risk for deposits.

Foreign Currency Risk The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit by not participating in foreign currency transactions.

District Policies and Legal and Contractual Provisions Governing Investments

**Compliance with the Public Funds Investment Act**

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity; (2) portfolio diversification; (3) allowable investments; (4) acceptable risk levels; (5) expected rates of return; (6) maximum allowable stated maturity of portfolio investments; (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio; (8) investment staff quality and capabilities; and, (9) bid solicitation preferences for certificates of deposit.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

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

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit; (3) certain municipal securities; (4) money market savings accounts; (5) repurchase agreements; (6) bankers acceptances; (7) mutual funds; (8) investment pools; (9) guaranteed investment contracts; and, (10) common trust funds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act.

Southwest Texas Junior College is in substantial compliance with the requirements of the Act and with local policies.

**Cash and Deposits**

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

August 31, 2013	<u>SWTJC</u>	<u>Foundation</u>
<u>Current Assets</u>		
Demand Deposits	\$ 5,977,902	\$ 348,959
Time Deposits	2,610,000	200,000
Petty Cash on Hand	25,000	-
Total Current Cash and Deposits	<u>8,612,902</u>	<u>548,959</u>
 <u>Noncurrent Assets</u>		
Demand Deposits - Restricted	1,563,644	-
Demand Deposits - Endowments	550,204	-
Time Deposits	-	-
Total Noncurrent Cash and Deposits	<u>2,113,848</u>	<u>-</u>
 Total Cash and Deposits	 <u>\$ 10,726,750</u>	 <u>\$ 548,959</u>



**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

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

August 31, 2012	<u>SWTJC</u>	<u>Foundation</u>
<u>Current Assets</u>		
Demand Deposits	\$ 6,457,080	\$ 343,178
Time Deposits	2,610,000	-
Petty Cash on Hand	30,000	-
Total Current Cash and Deposits	<u>9,097,080</u>	<u>343,178</u>
<u>Noncurrent Assets</u>		
Demand Deposits - Restricted	492,011	-
Demand Deposits - Endowments	527,465	-
Time Deposits	450,000	-
Total Noncurrent Cash and Deposits	<u>1,469,476</u>	<u>-</u>
Total Cash and Deposits	<u>\$ 10,566,556</u>	<u>\$ 343,178</u>

Additional polices and contractual provisions governing deposits and investments for Southwest Texas Junior College are specified below:

Credit Risk To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations the District limits investments to depository bank certificates of deposits and state sponsored investment pools.

Custodial Credit Risk for Investments To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party the District requires counterparties to register the securities in the name of the District and hand them over to the District or its designated agent. All of the securities are in the District's name and held by the District or its agent.

Concentration of Credit Risk To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District investments in both depository bank certificates of deposits and state sponsored investment pools.

Interest Rate Risk To limit the risk that changes in interest rates will adversely affect the fair value of investments, the District requires the investment portfolio to have the following maturities:

Current/Operating Funds: an average weighted maturity of 365 days or less

Endowment Funds: an average weighted maturity of three (3) years or less

Debt Service Funds: an average weighted maturity of 365 days or less

Debt Service Reserve Funds: an average weighted maturity of five (5) years or less

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

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

*Foreign Currency Risk for Investments* The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment by not investing in foreign currencies.

**Reconciliation of Deposits and Investments to Exhibit 1**

<u>Type of Security</u>	<u>August 31, 2013</u>	<u>August 31, 2012</u>
Real Estate Investment	\$ 13,655	\$ 42,491
Corporate Stocks	165,392	140,366
Other Investments	55,645	27,472
Total Cash and Deposits	8,116,750	7,506,556
Total Certificates of Deposits	9,350,000	8,300,000
	<u>\$ 17,701,442</u>	<u>\$ 16,016,885</u>
Cash and Cash Equivalents (Exhibit 1)	\$ 8,612,902	\$ 9,097,080
Restricted Cash and Cash Equivalents (Exhibit 1)	2,113,848	1,469,476
Endowment Investments (Exhibit 1)	2,826,392	3,040,029
Other Long-Term Investments (Exhibit 1)	4,148,300	2,410,300
	<u>\$ 17,701,442</u>	<u>\$ 16,016,885</u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**5. Changes in Property and Equipment**

Changes in property and equipment for SWTJC for the year ended August 31, 2013 were as follows:

	<u>Sept. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Aug. 31, 2013</u>
<u>Not Depreciated</u>				
Land	\$ 813,442	\$ -	\$ -	\$ 813,442
Construction In Progress	-	3,361,776		3,361,776
Subtotal	<u>813,442</u>	<u>3,361,776</u>	<u>-</u>	<u>4,175,218</u>
<u>Other Capital Assets</u>				
Buildings	19,078,443	2,011,152	-	21,089,595
Land Improvements	2,534,605	-	-	2,534,605
Furniture & Fixtures	2,804,218	175,551	75,776	2,903,993
Library Books	1,145,653	26,911	-	1,172,564
Telecommunication and Peripheral Equipment	3,973,288	161,032	-	4,134,320
Subtotal	<u>29,536,207</u>	<u>2,374,646</u>	<u>75,776</u>	<u>31,835,077</u>
<u>Accumulated Depreciation</u>				
Buildings	5,906,710	339,495	-	6,246,205
Land Improvements	1,718,401	44,722	-	1,763,123
Furniture & Fixtures	2,071,028	167,103	75,776	2,162,355
Library Books	246,282	27,938	-	274,220
Telecommunication and Peripheral Equipment	3,229,944	239,095	-	3,469,039
Subtotal	<u>13,172,365</u>	<u>818,353</u>	<u>75,776</u>	<u>13,914,942</u>
Net Other Capital Assets	<u>16,363,842</u>	<u>1,556,293</u>	<u>-</u>	<u>17,920,135</u>
Net Capital Assets	<u>\$ 17,177,284</u>	<u>\$ 4,918,069</u>	<u>\$ -</u>	<u>\$ 22,095,353</u>

Reconciliation of Capital Assets to Statement of Net Position

SWTJC - Capital Assets (Exhibit 1)	\$ 22,095,353
Total	<u>\$ 22,095,353</u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**5. Changes in Property and Equipment (Continued)**

Changes in property and equipment for SWTJC for the year ended August 31, 2012 were as follows:

	<u>Sept. 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Aug. 31, 2012</u>
<u>Not Depreciated</u>				
Land	\$ 813,442	\$ -	\$ -	\$ 813,442
Construction In Progress	22,189	-	22,189	-
Subtotal	<u>835,631</u>	<u>-</u>	<u>22,189</u>	<u>813,442</u>
<u>Other Capital Assets</u>				
Buildings	19,024,491	53,952	-	19,078,443
Land Improvements	2,476,107	58,498	-	2,534,605
Furniture & Fixtures	2,727,777	76,441	-	2,804,218
Library Books	1,131,243	14,410	-	1,145,653
Telecommunication and Peripheral Equipment	3,828,093	145,195	-	3,973,288
Subtotal	<u>29,187,711</u>	<u>348,496</u>	<u>-</u>	<u>29,536,207</u>
<u>Accumulated Depreciation</u>				
Buildings	5,569,537	337,173	-	5,906,710
Land Improvements	1,673,211	45,190	-	1,718,401
Furniture & Fixtures	1,896,419	174,609	-	2,071,028
Library Books	217,526	28,756	-	246,282
Telecommunication and Peripheral Equipment	2,992,049	237,895	-	3,229,944
Subtotal	<u>12,348,742</u>	<u>823,623</u>	<u>-</u>	<u>13,172,365</u>
Net Other Capital Assets	<u>16,838,969</u>	<u>(475,127)</u>	<u>-</u>	<u>16,363,842</u>
Net Capital Assets	<u>\$ 17,674,600</u>	<u>\$ (475,127)</u>	<u>\$ 22,189</u>	<u>\$ 17,177,284</u>

Reconciliation of Capital Assets to Statement of Net Position

SWTJC - Capital Assets (Exhibit 1)	\$ 17,177,284
Total	<u>\$ 17,177,284</u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**5. Changes in Property and Equipment (Continued)**

Changes in property and equipment for the Foundation for the years ended August 31, 2013 and August 31, 2012 were as follows:

	<u>Sept. 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Aug. 31, 2013</u>
Land	\$ 668,646	\$ 1,830,000	\$ -	\$ 2,498,646
Buildings	10,416,334	-	-	10,416,334
Improvements	385,889	436,251	-	822,140
Furniture & Fixtures	19,387	-	-	19,387
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>11,490,256</u>	<u>2,266,251</u>	<u>-</u>	<u>13,756,507</u>
Accumulated Depreciation	<u>3,284,172</u>	<u>\$ 297,851</u>	<u>\$ -</u>	<u>3,582,023</u>
Net Property & Equipment	<u>\$ 8,206,084</u>			<u>\$ 10,174,484</u>
Reconciliation to Statement of Financial Position Total				<u>\$ 10,174,484</u> <u>\$ 10,174,484</u>
	<u>Sept. 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Aug. 31, 2012</u>
Land	\$ 668,646	\$ -	\$ -	\$ 668,646
Buildings	10,416,334	-	-	10,416,334
Improvements	312,566	73,323	-	385,889
Furniture & Fixtures	19,387	-	-	19,387
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>11,416,933</u>	<u>73,323</u>	<u>-</u>	<u>11,490,256</u>
Accumulated Depreciation	<u>3,008,133</u>	<u>\$ 276,039</u>	<u>\$ -</u>	<u>3,284,172</u>
Net Property & Equipment	<u>\$ 8,408,800</u>			<u>\$ 8,206,084</u>
Reconciliation to Statement of Financial Position Total				<u>\$ 8,206,084</u> <u>\$ 8,206,084</u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**6. Long-Term Liabilities**

Long-term liability activity for the year ended August 31, 2013 was as follows:

	<u>September 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>August 31, 2013</u>	<u>Current Portion</u>
SWTJC					
Revenue Bonds	\$ 7,990,000	\$ 7,500,000	\$ 245,000	\$ 15,245,000	\$ 360,000
Maintenance Tax Notes	2,500,000	-	-	2,500,000	200,000
Capital Leases Payable	302,434	-	244,158	58,276	
Total Long-Term Liabilities	<u>\$ 10,792,434</u>	<u>\$ 7,500,000</u>	<u>\$ 489,158</u>	<u>\$ 17,803,276</u>	<u>\$ 560,000</u>
SWTJC Foundation					
Notes Payable	\$ 1,016,717	\$ 1,709,530	\$ 346,024	\$ 2,380,223	\$ 361,802
Total Long-Term Liabilities	<u>\$ 1,016,717</u>	<u>\$ 1,709,530</u>	<u>\$ 346,024</u>	<u>\$ 2,380,223</u>	<u>\$ 361,802</u>

Long-term liability activity for the year ended August 31, 2012 was as follows:

	<u>September 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>August 31, 2012</u>	<u>Current Portion</u>
SWTJC					
Revenue Bonds	\$ 8,225,000	\$ -	\$ 235,000	\$ 7,990,000	\$ 245,000
Maintenance Tax Notes	-	2,500,000	-	2,500,000	
Capital Leases Payable	536,685	-	234,251	302,434	
Total Long-Term Liabilities	<u>\$ 8,761,685</u>	<u>\$ 2,500,000</u>	<u>\$ 469,251</u>	<u>\$ 10,792,434</u>	<u>\$ 245,000</u>
SWTJC Foundation					
Notes Payable	\$ 2,158,783	\$ -	\$ 1,142,066	\$ 1,016,717	\$ 234,583
Total Long-Term Liabilities	<u>\$ 2,158,783</u>	<u>\$ -</u>	<u>\$ 1,142,066</u>	<u>\$ 1,016,717</u>	<u>\$ 234,583</u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**7. Debt and Lease Obligations**

Debt service requirements at August 31, 2013 for SWTJC were as follows:

For the Year Ended August 31,	Revenue Bonds and Maintenance Tax Note		
	Principal	Interest	Total
FY 2014	\$ 560,000	\$ 642,585	\$ 1,202,585
FY 2015	760,000	619,855	1,379,855
FY 2016	785,000	593,593	1,378,593
FY 2017-2021	4,280,000	2,540,586	6,820,586
FY 2022-2026	4,645,000	1,734,842	6,379,842
FY 2027-2031	4,715,000	890,123	5,605,123
FY 2032-2033	2,000,000	88,792	2,088,792
	<u>\$ 17,745,000</u>	<u>\$ 7,110,376</u>	<u>\$ 24,855,376</u>

Obligations through notes payable for the Foundation at August 31, 2013 were as follows:

Bank Note, original balance \$2,307,163 secured by first lien on 15 acres of real estate and buildings, adjustable rate, currently 4.50% interest, principal and interest payments of \$22,961.34 due monthly through April 8, 2017. \$ 782,769

Bank Note, original balance \$1,709,530 secured by first lien on 18.098 acres of land including any improvements and second lien on 15 acres of real estate and buildings, adjustable rate, currently 4.25% interest, 59 principal and interest payments of \$15,176 due monthly and one final principal and interest balloon payment due August 29, 2017. 1,597,454

Total Notes Payable 2,380,223

Less current portion 361,802

Long-Term portion \$ 2,018,421

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**7. Debt and Lease Obligations (Continued)**

The following is a summary of debt service requirements:

2014	\$	457,648
2015		457,648
2016		457,648
2017		1,295,005
Later Years		-
 Total minimum debt payments		 2,667,949
Less amounts representing interest		287,726
 Present value of minimum note payments	 \$	 2,380,223

**8. Bonds Payable**

General information related to bonds payable is summarized below:

- Southwest Texas Junior College District Combined Fee Revenue Bonds, Series 2006
- Proceeds used to construct a new student services building and remodel existing office areas
- Issued March 15, 2006
- Amount of issue, \$3,500,000
- Debt to be serviced through tuition and fees
- Outstanding balance, \$2,970,000

This is a private placement issue with annual installments varying from \$152,250 to \$238,675 at a 4.50% interest rate, with the final installment due April 1, 2032.

- Southwest Texas Junior College District Combined Fee Revenue Bonds, Series 2006A
- Proceeds used to construct a new facility for lessee, Sul Ross State University Rio Grande College
- Issued May 15, 2006
- Amount of issue, \$5,500,000
- Debt to be serviced through pledged lease revenue and tuition and fees
- Outstanding balance, \$4,775,000

This is a private placement issue with annual installments varying from \$205,333 to \$369,160 at a 4.48% interest rate, with the final installment due April 1, 2033.



**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**8. Bonds Payable (Continued)**

- Southwest Texas Junior College District Combined Fee Revenue Bonds, Series 2
- Proceeds used to construct new classrooms and administrative offices on the Del Rio campus
- Issued October 18, 2012
- Amount of issue, \$7,500,000
- Debt to be serviced through pledged lease revenue and tuition and fees
- Outstanding balance, \$7,500,000

This is a private placement issue with annual installments varying from \$108,327 to \$522,024 at a 3.19% interest rate, with the final installment due April 1, 2033.

**9. Maintenance Tax Notes**

General information related to notes payable is summarized below:

- Southwest Texas Junior College Maintenance Tax Notes, Series 2012
- Proceeds used to complete Energy Performance contract and deferred maintenance
- Issued July 26, 2012
- Amount of issue, \$2,500,000
- Debt to be serviced through ad valorem revenue, tuition and fees, and energy savings
- Outstanding balance, \$2,500,000

This is a private placement issue with annual installments varying from \$60,580 to \$261,469 at a 2.39% interest rate, with the final installment due February 1, 2024.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
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**10. Short-Term Debt**

The college had short-term debt in the fiscal years ended August 31, 2013 and August 31, 2012. It was used to finance the expansion of the college's Crystal City campus and the purchase of fleet vehicles. The notes are secured by CDs at an annual interest rate equal to 1% over the collateralized CD rate.

	Balance September 1, 2012	Additions	Reductions	Balance August 31, 2013
Crystal Campus	\$ 632,278	\$ -	\$ 75,000	\$ 557,278
Fleet Vehicles	-	75,000	-	75,000
<b>Total</b>	<b>\$ 632,278</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 632,278</b>

	Balance September 1, 2011	Additions	Reductions	Balance August 31, 2012
Crystal Campus	\$ 718,984	\$ -	\$ 86,706	\$ 632,278
<b>Total</b>	<b>\$ 718,984</b>	<b>\$ -</b>	<b>\$ 86,706</b>	<b>\$ 632,278</b>

The entire balance is reported as current. The college will service this debt on a 12 year schedule, or until the rate of interest based on the pledged CDs is unfavorable. At that time, the balance will be financed using the most advantageous method.

**11. Employees' Retirement Plan**

The State of Texas has joint contributory retirement plans for almost all of its employees. One of the primary plans in which the College participates is administered by the Teacher Retirement System of Texas.

**Teacher Retirement System of Texas**

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

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
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**11. Employees' Retirement Plan (Continued)**

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

State law provides for a member contribution rate of 6.4% for fiscal years 2013 and 2012 and a state contribution rate of 6.4% and 6.0% for fiscal years 2013 and 2012, respectively. In certain instances, the reporting district is required to make all or a portion of the state's 6.4% contribution for fiscal years 2013 and 2012.

**Optional Retirement Plan**

*Plan Description.* The state has also established an optional retirement program for institutions of higher education. 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 state legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.0% and 6.65%, respectively. The College contributes 7.31% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the State for the College was \$735,220 and \$438,418 for the fiscal years ended August 31, 2013 and 2012, respectively.

This amount represents the portion of expended appropriations made by the State Legislature on behalf of the College.

The total payroll for all College employees was \$16,885,353 and \$17,311,012 for fiscal years 2013 and 2012, respectively. The total payroll of employees covered by the Teacher Retirement System was \$11,691,177 and \$11,868,094, and the total payroll of employees covered by the Optional Retirement Program was \$3,075,542 and \$3,426,036 for fiscal years 2013 and 2012, respectively.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
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**12. Deferred Compensation Program**

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. The plan is essentially an unfunded promise to pay by the employer to each of the plan participants.

**13. Compensated Absences**

The College's policy is that an employee may not carry their accrued vacation leave forward from one fiscal year to another fiscal year. Sick leave, which can be accumulated to a maximum of 90 days, is earned at the rate of six hours per month. The maximum sick leave that may be paid to a retired employee after 20 years or more of service or an employee's estate is limited to one month's pay for 30 days or more of unused sick leave. The College's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements because experience indicates the expenditure for sick leave to be minimal.

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

**Receivables**

Receivables at August 31, 2013 were as follows:

Student Receivables	\$ 3,423,890
Federal Receivables	104,640
Accounts Receivables	305,793
Other Receivables	-
Subtotal	<u>3,834,323</u>
Allowance for Doubtful Accounts	<u>1,059,641</u>
Total Receivables (Exhibit 1)	<u><u>\$ 2,774,682</u></u>

Receivables at August 31, 2012 were as follows:

Student Receivables	\$ 3,188,885
Federal Receivables	423,792
Accounts Receivables	866,664
Other Receivables	-
Subtotal	<u>4,479,341</u>
Allowance for Doubtful Accounts	<u>1,045,884</u>
Total Receivables (Exhibit 1)	<u><u>\$ 3,433,457</u></u>

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
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**14. Disaggregation of Receivables and Payables Balances (Continued)**

**Payables**

Payables at August 31, 2013 and August 31, 2012 were as follows:

	August 31, 2013	August 31, 2012
Vendor Payables (Exhibit 1)	\$ <u>1,088,237</u>	\$ <u>944,711</u>
Accrued Interest Payable	\$ 298,567	\$ 158,547
Accrued Workers Compensation	32,080	67,504
Other	12,142	354,395
Accrued Liabilities (Exhibit 1)	\$ <u>342,789</u>	\$ <u>580,446</u>

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

Obligations under operating leases to the Foundation at August 31, 2013 were as follows:

Agreement Year	Property	Annual Due	Term
1989	Land	\$ 1	99 Years
2013	Eagle Pass Campus	\$ 346,800	1 Year
2013	Del Rio Campus	\$ 266,184	60 Years
2013	Eagle Pass, New Technical Building*	\$ 152,400	1 Year
2013	Eagle Pass 18.098 Acres	\$ 190,800	1 Year

\*Annual renewal for 12 years from origination, 2005

These leases do not meet the criteria of a capital lease and are recorded as operating leases.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
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**15. Operating Lease Commitments and Rental Agreement (Continued)**

Included in the Foundation's revenue and the college's operating expenses are the following amounts of rent under operating leases:

	Year Ended August 31, 2013	Year Ended August 31, 2012
<u>Operating Expenses</u>		
Rental Expense - SWTJC	\$ 947,102	\$1,197,600
Foundation Rental Income	\$ 947,102	\$1,197,600

The following is a schedule by years of future minimum rental payments from the College to the Foundation required under these operating leases which have an initial term in excess of one year as of August 31, 2013.

	Minimum Future Rental Payments
2014	\$ 266,185
2015	266,185
2016	266,185
2017	266,185
Thereafter	266,185
Required Total Minimum Payment	\$ 1,330,925

**16. Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A. For federal contracts and awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements.

**17. Self-Insured Plans**

The College has various self-insured arrangements for coverage in the areas of workers' compensation and unemployment compensation. The plans are on a pay-as-you-go basis, in which no assets are set aside. 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.

**SOUTHWEST TEXAS JUNIOR COLLEGE  
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AUGUST 31, 2013**

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

In addition to providing pension benefits, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age while working for the state. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time employee for the years ended August 31, 2013 and August 31, 2012 was approximately \$470 and \$438 per month, respectively, and totaled \$501,876 and \$870,380 for each year, respectively. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for the active employees.

**19. Property Tax**

The 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 personal property located in the College District.

	<u>August 31, 2013</u>	<u>August 31, 2012</u>
Assessed Valuation	\$2,058,839,802	\$ 1,987,517,503
Less: Exemptions	<u>7,358,719</u>	<u>13,892,409</u>
Net Assessed Valuation	<u>\$2,051,481,083</u>	<u>\$ 1,973,625,094</u>

Authorized tax rates for the College for years 2013 and 2012 were as follows:

August 31, 2013	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Maximum tax rates per \$100 valuation	\$ 0.20	\$ 0.50	\$ 0.70
Adopted tax rate per \$100 valuation	\$ 0.13	\$ -	\$ 0.13
August 31, 2012	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Maximum tax rates per \$100 valuation	\$ 0.20	\$ 0.50	\$ 0.70
Adopted tax rate per \$100 valuation	\$ 0.13	\$ -	\$ 0.13

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**19. Property Tax (Continued)**

Taxes levied for the years ended August 31, 2013 and August 31, 2012 respectively were \$2,600,402 and \$2,501,500. 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.

August 31, 2013 Taxes Collected	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 2,499,072	\$ -	\$ 2,499,072
Delinquent Taxes Collected	127,025	-	127,025
Penalties and Interest Collected	77,432	-	77,432
Total Collections	<u>\$ 2,703,529</u>	<u>\$ -</u>	<u>\$ 2,703,529</u>

Tax collections for the year ended August 31, 2013 were 96% 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 or operations or interest and sinking expenditures.

August 31, 2012 Taxes Collected	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 2,372,315	\$ -	\$ 2,372,315
Delinquent Taxes Collected	108,338	-	108,338
Penalties and Interest Collected	69,018	-	69,018
Total Collections	<u>\$ 2,549,671</u>	<u>\$ -</u>	<u>\$ 2,549,671</u>

Tax collections for the year ended August 31, 2012 were 95% of the current tax levy. Allowance for uncollectible taxes is based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance or operations or interest and sinking expenditures.



**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2013**

**20. 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 year ended August 31, 2013 or August 31, 2012.

The College's blended component unit, the Foundation, is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Foundation is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, because it is an organization described in section 509(a)(3).

**21. Component Units**

Southwest Texas Junior College Foundation, Inc. – Discrete Component Unit

Southwest Texas Junior College Foundation, Inc. (the Foundation) was established as a separate nonprofit organization in 1989, for the purpose of providing acquiring facilities to allow the College to serve the educational needs of communities outside of the College's taxing district. Excess revenue is to be donated to Southwest Texas Junior College as scholarships.

Under Governmental Standards Board Statement No. 39, Determining Whether Certain Organizations are Component Units, the Foundation is a component unit of the College because:

The governing Board of the Foundation and the College are the same; therefore the College can and does exercise oversight responsibility. Additionally, services rendered by the Foundation are provided entirely or almost entirely to the College and the relationship between the College and the Foundation is such that exclusion would cause the College's financial statements to be misleading or incomplete.

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

**SOUTHWEST TEXAS JUNIOR COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2013**

**22. Contingencies**

At August 31, 2013 the College is committed under contract for the construction of new classrooms and administrative offices on the Del Rio campus. The total committed contract cost of this project is \$7,218,277, of which \$3,225,328 has been expended through the end of this fiscal year.

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## SOUTHWEST TEXAS JUNIOR COLLEGE

**Schedule of Operating Revenues**  
**Year Ended August 31, 2013 (With Memorandum Totals for the Year Ended August 31, 2012)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	August 31, 2013 Total	August 31, 2012 Total
Tuition:						
State funded credit courses:						
In-district resident tuition	\$ 5,413,835	\$ -	\$ 5,413,835	\$ -	\$ 5,413,835	\$ 5,259,426
Out-of-district resident tuition	3,092,415	-	3,092,415	-	3,092,415	3,015,611
Non-resident tuition	408,799	-	408,799	-	408,799	417,851
TPEG - credit (set aside)*	330,952	-	330,952	-	330,952	327,643
State funded continuing education	1,511,460	-	1,511,460	-	1,511,460	1,127,555
TPEG non-credit (set aside)*	29,118	-	29,118	-	29,118	20,089
Non-state funded educational programs	46,158	-	46,158	-	46,158	63,795
<b>Total Tuition</b>	<b>10,832,737</b>	<b>-</b>	<b>10,832,737</b>	<b>-</b>	<b>10,832,737</b>	<b>10,231,970</b>
Fees:						
General fees	3,668,080	-	3,668,080	-	3,668,080	3,375,467
Laboratory fees	347,084	-	347,084	-	347,084	351,741
<b>Total Fees</b>	<b>4,015,164</b>	<b>-</b>	<b>4,015,164</b>	<b>-</b>	<b>4,015,164</b>	<b>3,727,208</b>
Scholarship allowance and discount						
Remission and exemption - state	(291,848)	-	(291,848)	-	(291,848)	(224,627)
Remission and exemption - local	(799,174)	-	(799,174)	-	(799,174)	(675,400)
Title IV federal grants	(7,832,621)	-	(7,832,621)	-	(7,832,621)	(6,705,859)
Other federal grants	-	-	-	-	-	-
TPEG awards	(284,895)	-	(284,895)	-	(284,895)	(136,882)
Other state grants	(454,911)	-	(454,911)	-	(454,911)	(659,670)
Other local grants	(54,420)	-	(54,420)	-	(54,420)	(62,801)
<b>Total Scholarship Allowances</b>	<b>(9,717,869)</b>	<b>-</b>	<b>(9,717,869)</b>	<b>-</b>	<b>(9,717,869)</b>	<b>(8,465,239)</b>
<b>Total net tuition and fees</b>	<b>5,130,032</b>	<b>-</b>	<b>5,130,032</b>	<b>-</b>	<b>5,130,032</b>	<b>5,493,939</b>
Additional operating revenues:						
Federal grants and contracts	-	2,267,144	2,267,144	16,199	2,283,343	2,581,256
State grants and contracts	-	966,070	966,070	25,168	991,238	1,385,040
Non-governmental grants and contracts	-	189,125	189,125	-	189,125	112,713
Sales and services of educational activities	26,819	-	26,819	-	26,819	22,630
General operating revenue	1,955,008	-	1,955,008	-	1,955,008	1,959,051
<b>Total additional operating revenues</b>	<b>1,981,827</b>	<b>3,422,339</b>	<b>5,404,166</b>	<b>41,367</b>	<b>5,445,533</b>	<b>6,060,690</b>
Auxiliary Enterprises						
Bookstore	-	-	-	200,000	200,000	341,149
Less Discounts	-	-	-	-	-	(92,107)
Residential life	-	-	-	885,122	885,122	940,600
Less Discounts	-	-	-	(349,967)	(349,967)	(371,902)
Day Care	-	-	-	116,165	116,165	107,152
SWTNET	-	-	-	16,350	16,350	22,650
Other revenues	-	-	-	19,503	19,503	24,642
<b>Total net auxiliary enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>887,173</b>	<b>887,173</b>	<b>972,184</b>
<b>Total Operating Revenues</b>	<b>\$ 7,111,859</b>	<b>\$3,422,339</b>	<b>\$ 10,534,198</b>	<b>\$ 928,540</b>	<b>\$ 11,462,738</b>	<b>\$ 12,526,813</b>

\*In accordance with Education Code 56.033, \$360,070 and \$347,732 for years August 31, 2013 and August 31, 2012, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

## SOUTHWEST TEXAS JUNIOR COLLEGE

Schedule of Operating Expenses by Object  
Year Ended August 31, 2013 (With Memorandum Totals for the Year Ended August 31, 2012)

	Operating Expense				August 31, 2013 Total	August 31, 2012 Total
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
Unrestricted - Educational Activities						
Instruction	\$ 8,527,663	\$ -	\$ 1,364,322	\$ 1,210,661	\$ 11,102,646	\$ 10,939,683
Public Service	32,069	-	5,130	14,629	51,828	39,254
Academic Support	1,641,079	-	262,553	374,003	2,277,635	2,508,479
Student Services	1,247,421	-	199,572	249,745	1,696,738	1,767,178
Institutional Support	2,507,854	-	401,226	1,610,057	4,519,137	4,239,102
Operation and Maintenance of Plant	929,786	-	148,755	2,323,301	3,401,842	3,699,346
Scholarship	-	-	-	-	-	-
<b>Total Unrestricted Educational Activities</b>	<b>14,885,872</b>	<b>-</b>	<b>2,381,558</b>	<b>5,782,396</b>	<b>23,049,826</b>	<b>23,193,042</b>
Restricted - Educational Activities						
Instruction	30,173	1,009,896	4,482	19,524	1,064,075	970,731
Public Service	775,307	3,798	115,159	205,905	1,100,169	1,472,529
Academic Support	216,160	194,346	32,107	114,992	557,605	499,711
Student Services	615,272	147,727	91,389	427,148	1,281,536	1,162,126
Institutional Support	-	296,995	-	-	296,995	217,309
Operation and Maintenance of Plant	-	-	-	-	-	-
Scholarship	-	-	-	4,802,594	4,802,594	5,275,942
<b>Total Restricted Educational Activities</b>	<b>1,636,912</b>	<b>1,652,762</b>	<b>243,137</b>	<b>5,570,163</b>	<b>9,102,974</b>	<b>9,598,348</b>
<b>Total Educational Activities</b>	<b>16,522,784</b>	<b>1,652,762</b>	<b>2,624,695</b>	<b>11,352,559</b>	<b>32,152,800</b>	<b>32,791,390</b>
<b>Auxiliary Enterprises</b>	<b>362,569</b>	<b>-</b>	<b>100,179</b>	<b>941,332</b>	<b>1,404,080</b>	<b>1,675,472</b>
<b>Depreciation Expense - Buildings and other real estate improvements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>384,217</b>	<b>384,217</b>	<b>382,363</b>
<b>Depreciation Expense - Equipment and furniture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>406,198</b>	<b>406,198</b>	<b>412,504</b>
<b>Depreciation Expense - Library Books</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,938</b>	<b>27,938</b>	<b>28,756</b>
<b>Total Operating Expenses</b>	<b>\$ 16,885,353</b>	<b>\$ 1,652,762</b>	<b>\$ 2,724,874</b>	<b>\$ 13,112,244</b>	<b>\$ 34,375,233</b>	<b>\$ 35,290,485</b>

## SOUTHWEST TEXAS JUNIOR COLLEGE

**Schedule of Non-Operating Revenues and Expenses**  
**Year Ended August 31, 2013 (with Memorandum Totals for the Year Ended August 31, 2012)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>August 31, 2013 Total</u>	<u>August 31, 2012 Total</u>
NON-OPERATING REVENUES:					
State Appropriations:					
Education and general state support	\$ 6,422,513	\$ -	\$ -	\$ 6,422,513	\$ 7,304,514
State group insurance	-	917,542	-	917,542	870,380
State retirement matching	-	735,220	-	735,220	438,418
<b>Total state appropriations</b>	<u>6,422,513</u>	<u>1,652,762</u>	<u>-</u>	<u>8,075,275</u>	<u>8,613,312</u>
Maintenance ad valorem taxes	2,689,311	-	-	2,689,311	2,572,349
Federal Revenue, Non Operating	-	12,737,968	-	12,737,968	12,243,611
Gifts	-	61,647	-	61,647	39,390
Investment Income	67,348	-	1,042	68,390	73,443
Other non-operating revenue	-	53,752	-	53,752	27,820
<b>Total non-operating revenues</b>	<u>2,756,659</u>	<u>12,853,367</u>	<u>1,042</u>	<u>23,686,343</u>	<u>23,569,925</u>
NON-OPERATING EXPENSES:					
Interest on capital related debt	676,830	-	-	676,830	383,417
Other non-operating expense	253,520	-	-	253,520	180,512
<b>Total non-operating expenses</b>	<u>930,350</u>	<u>-</u>	<u>-</u>	<u>930,350</u>	<u>563,929</u>
<b>Net non-operating revenues</b>	<u>\$ 8,248,822</u>	<u>\$ 14,506,129</u>	<u>\$ 1,042</u>	<u>\$ 22,755,993</u>	<u>\$ 23,005,996</u>

SOUTHWEST TEXAS JUNIOR COLLEGE

Schedule D

Schedule of Net Position by Source and Availability  
 Year Ended August 31, 2013 (With Memorandum Totals for the Year Ended August 31, 2012)

	Detail by Source					Available for Current Operations	
	Restricted			Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
	Unrestricted	Expendable	Non-Expendable				
Current							
Unrestricted	\$ 2,038,392	\$ -	\$ -	\$ -	\$ 2,038,392	\$ 2,038,392	\$ -
Restricted	-	299,298	-	-	299,298	299,298	-
Auxiliary	2,197,946	-	-	-	2,197,946	2,197,946	-
Loan	-	204,105	-	-	204,105	-	204,105
Endowment							
Quasi:							
Unrestricted	3,188,789	-	-	-	3,188,789	-	3,188,789
Plant							
Debt Service	-	1,063,054	-	-	1,063,054	-	1,063,054
Revenue Bond	-	4,543,842	-	-	4,543,842	-	4,543,842
Investment in Plant	-	-	-	3,717,874	3,717,874	-	3,717,874
Total Net Position, August 31, 2013	7,425,127	6,110,299	-	3,717,874	17,253,300	4,535,636	12,717,664
Total Net Position, August 31, 2012	7,326,594	4,028,205	-	6,055,003	17,409,802	4,468,076	12,941,726
Net Increase (Decrease) in Net Position	\$ 98,533	\$ 2,082,094	\$ -	\$ (2,337,129)	\$ (156,502)	\$ 67,560	\$ (224,062)

SOUTHWEST TEXAS JUNIOR COLLEGE

Schedule E

Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2013

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements
U.S. Department of Education			
Direct Programs:			
Student Financial Aid Cluster			
Federal Pell Grant	84.063		\$ 12,479,331
Federal Direct Student Loan	84.268		2,809,880
Supplemental Education Opportunity Grant	84.007		111,570
Federal College Workstudy Program	84.033		147,067
TRIO Cluster			
TRIO Student Support Services	84.042A		292,352
TRIO Upward Bound	84.047A		49,070
TRIO Education Opportunity Center	84.066A		260,233
 Title V	 84.031		 552,690
Pass-Through From:			
Texas Education Agency			
Adult Basic Education	84.002	94100017110262	775,808
Texas Higher Education Coordinating Board			
Carl Perkins Vocational Education - Basic	84.048	94241	274,861
 Total Department of Education			 <u>17,752,862</u>
U.S. Department of Agriculture			
Pass-Through From:			
Texas Health and Human Services Commission			
Child and Adult Care Food Program	10.558	03270	16,199
 Total U.S. Department of Agriculture			 <u>16,199</u>
U.S. Department of Health and Human Services			
Pass-Through From:			
Texas Education Agency			
Temporary Assistance for Needy Families (TANF)	93.558	93625017110232	62,130
 Total Department of Health and Human Services			 <u>62,130</u>
 Total Federal Financial Assistance			 <u>\$ 17,831,191</u>



**Schedule E (Continued)**

Note 1: Federal Assistance Reconciliation

Federal Grants and Contracts revenue - per Schedule A	\$	2,283,343
Add: Non Operating Federal Revenue from Schedule C		12,737,968
Add: Direct Student Loans		2,809,880
		<u>17,831,191</u>
		(A)

Note 2: Significant accounting policies used in preparing the schedule

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

## SOUTHWEST TEXAS JUNIOR COLLEGE

Schedule of Expenditures of State Awards  
For the Year Ended August 31, 2013

<u>Grantor Agency/Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
Texas Education Agency		
Adult Basic Education	90100017110262	\$ 149,222
Adult Basic Education Integrated Career Awareness		10,600
Temporary Assistance for Needy Families	93625017110232	32,205
Workforce Solutions Middle Rio Grande		
Project Grow		59,096
Texas Health and Human Services Commission		
Child Care		25,168
Texas Department of Criminal Justice		
College Classes for Inmates		47,695
Texas Higher Education Coordinating Board		
Texas Grant		376,665
Adult Basic Education Innovation Grant		2,881
Texas College Workstudy		25,411
TEOG		142,300
Top 10 %		54,000
Nursing Shortage Reduction - Regular		3,912
Nursing Innovation Grant		46,133
TG Dr. Charlie Wootan		15,950
Total State Financial Assistance		<u>\$ 991,238</u>
Note 1: State Assistance Reconciliation		
State Revenues - per Schedule A		\$ 991,238
		<u>\$ 991,238</u>
		(A)

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

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

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# EDE & COMPANY, LLC

Certified Public Accountants

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

### Independent Auditor's Report

Board of Trustees  
Southwest Texas Junior College  
2401 Garner Field Road  
Uvalde, Texas 78801

Members of the Board:

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 Southwest Texas Junior College, as of and for the year ended August 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise Southwest Texas Junior College's basic financial statements, and have issued our report thereon dated November 21, 2013. The financial statements of the Southwest Texas Junior College Foundation, Inc., a component unit of Southwest Texas Junior College, included in the accompanying basic financial statements, were not audited in accordance with standards applicable to financial audits contained in *Governmental Auditing Standards* and accordingly this report does not extend to that component unit.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southwest Texas 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 Southwest Texas Junior College's internal control. Accordingly, we do not express an opinion on the effectiveness of Southwest Texas Junior College's internal control.

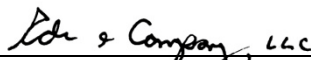
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 Southwest Texas Junior College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

  
\_\_\_\_\_  
Ede & Company, LLC  
Certified Public Accountants  
Knippa, Texas

November 21, 2013

# EDE & COMPANY, LLC

Certified Public Accountants

Eric Ede  
Donna Ede Jones

P. O. Box 219  
Knippa, Texas 78870  
Telephone (830) 934-2148  
Fax (830) 934-2799  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE TEXAS SINGLE AUDIT CIRCULAR

Board of Trustees  
Southwest Texas Junior College  
2401 Garner Field Road  
Uvalde, Texas 78801

Members of the Board:

### Report on Compliance for Each Major Federal Program

We have audited Southwest Texas Junior College's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Southwest Texas Junior College's major federal programs and the *Texas Single Audit Circular* that are applicable to each of its state major programs for the year ended August 31, 2013. Southwest Texas Junior College's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Southwest Texas Junior College's major federal and 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *Texas Single Audit Circular*. Those standards and OMB Circular A-133 and the Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Southwest Texas 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 and state program. However, our audit does not provide a legal determination of Southwest Texas Junior College's compliance.

### Opinion on Each Major Federal and State Program

In our opinion, Southwest Texas Junior College's, 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 and state programs for the year ended August 31, 2013.

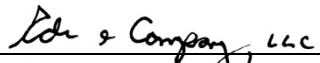
## Report on Internal Control Over Compliance

Management of Southwest Texas 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 Southwest Texas Junior College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and 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 federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the 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 Southwest Texas 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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 and 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 OMB Circular A-133 and the Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

  
Ede & Company, LLC  
Certified Public Accountants  
Knippa, Texas

November 21, 2013

**SOUTHWEST TEXAS JUNIOR COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2013**

**I. Summary of the Auditor's Result**

**Financial Statements**

The type of report issued on the financial statements of the Southwest Texas Junior College was an unqualified opinion.

Internal control over financial reporting:

- |  |               |
|--|---------------|
| 1. Material weakness identified                                    | No            |
| 2. Significant deficiencies identified but not considered material | None Reported |

The audit disclosed no conditions of noncompliance which are material to the financial statements of the College.

**Federal Awards**

Internal control over major programs:

- |  |               |
|--|---------------|
| 1. Material weakness identified                                    | No            |
| 2. Significant deficiencies identified but not considered material | None Reported |

The type of report the auditor issued on compliance for major programs was an unqualified opinion.

The audit disclosed no audit findings which are required to be reported under section 510(a) of Circular A-133 or section .510(a) of The State of Texas Single Audit Circular.

**Major Federal Programs of the College**

Student Financial Aid Cluster	
Pell Grant	CFDA 84.063
College Work Study	CFDA 84.033
Supplemental Education Opportunity Grant	CFDA 84.007
Federal Direct Student Loan	CFDA 84.268

**Major State Programs of the College**

Texas Grant

The dollar threshold to distinguish between Type A and Type B federal programs was \$534,936.

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

The College was determined to be a low risk auditee for both federal and state programs.

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

NONE

**III. Findings and Question Cost for Federal and State Awards Including Audit Findings.**

NONE



# REQUIRED STATISTICAL SUPPLEMENTS

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 1**  
**Net Assets by Component**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	For the Fiscal Year Ended August 31,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Invested in capital assets, net of related debt	\$ 3,717,874	\$ 6,055,003	\$ 9,030,617	\$ 8,293,391	\$ 8,293,391	\$ 8,188,931	\$ 4,128,283	\$ 389,530	\$ 8,765,422	\$ 8,525,609
Restricted - expendable	6,110,299	4,028,205	1,699,928	1,587,988	760,693	585,864	4,636,105	12,039,204	3,350,469	3,581,180
Restricted - nonexpendable	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,425,127	7,326,594	6,436,933	6,333,358	5,854,088	5,312,622	5,443,371	1,667,712	1,682,806	2,155,417
<b>Total primary government net assets</b>	<b>\$ 17,253,300</b>	<b>\$ 17,409,802</b>	<b>\$ 17,167,478</b>	<b>\$ 16,214,737</b>	<b>\$ 14,908,172</b>	<b>\$ 14,087,417</b>	<b>\$ 14,207,759</b>	<b>\$ 14,096,446</b>	<b>\$ 13,798,697</b>	<b>\$ 14,262,206</b>

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 2**  
**Revenue by Source**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	For the Fiscal Year Ended August 31,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Tuition and Fees (Net of Discounts)	\$ 5,130,032	\$ 5,493,939	\$ 5,930,984	\$ 3,719,005	\$ 4,132,832	\$ 4,917,321	\$ 5,532,691	\$ 3,373,893	\$ 3,033,901	\$ 3,433,798
Governmental Grants and Contracts										
Federal Grants and Contracts	2,283,343	2,581,256	3,700,527	4,174,551	4,086,099	3,764,995	3,309,559	2,839,435	3,398,145	3,482,768
State Grants and Contracts	991,238	1,385,040	1,270,208	1,451,117	1,147,896	879,839	663,381	863,062	726,289	1,010,866
Non-Governmental Grants and Contracts	189,125	112,713	56,904	25,540	103,454	145,706	127,682	132,711	158,243	50,753
Sales and services of educational activities	26,819	22,630	23,556	24,044	26,299	24,209	27,722	27,152	28,484	29,068
Auxiliary enterprises (Net of Discounts)	887,173	972,184	2,070,432	2,278,908	2,019,967	1,923,731	1,920,838	1,547,658	1,603,979	1,557,116
Other Operating Revenue	1,955,008	1,959,051	1,965,962	1,770,344	1,960,895	1,886,021	1,733,216	1,657,717	1,700,089	1,672,198
<b>Total Operating Revenues</b>	<b>11,462,738</b>	<b>12,526,813</b>	<b>15,018,573</b>	<b>13,443,509</b>	<b>13,477,442</b>	<b>13,541,822</b>	<b>13,315,089</b>	<b>10,441,628</b>	<b>10,649,130</b>	<b>11,236,567</b>
State Appropriations	8,075,275	8,613,312	9,360,771	9,441,219	10,113,651	10,114,906	9,584,008	9,879,911	7,958,097	7,821,873
Ad Valorem Taxes	2,689,311	2,572,349	2,486,117	2,375,217	2,039,186	1,845,476	1,843,045	1,614,528	1,448,099	1,106,866
Federal Revenue, Non-operating	12,737,968	12,243,611	15,038,509	15,565,999	9,401,077	6,636,804	6,308,389	7,867,429	8,241,287	7,961,153
Investment income	68,390	73,443	71,539	97,442	96,889	280,930	622,569	255,958	115,469	84,952
Other non-operating revenues	115,399	67,210	101,293	67,630	105,064	102,484	-	-	-	615,267
<b>Total Non-Operating Revenues</b>	<b>23,686,343</b>	<b>23,569,925</b>	<b>27,058,229</b>	<b>27,547,507</b>	<b>21,755,867</b>	<b>18,980,600</b>	<b>18,358,011</b>	<b>19,617,826</b>	<b>17,762,952</b>	<b>17,590,111</b>
<b>Total Revenues</b>	<b>\$ 35,149,081</b>	<b>\$ 36,096,738</b>	<b>\$ 42,076,802</b>	<b>\$ 40,991,016</b>	<b>\$ 35,233,309</b>	<b>\$ 32,522,422</b>	<b>\$ 31,673,100</b>	<b>\$ 30,059,454</b>	<b>\$ 28,412,082</b>	<b>\$ 28,826,678</b>

	For the Fiscal Year Ended August 31,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Tuition and Fees (Net of Discounts)	14.60%	15.22%	14.10%	9.07%	11.73%	15.12%	17.47%	11.22%	10.68%	11.91%
Governmental Grants and Contracts										
Federal Grants and Contracts	6.50%	7.15%	8.79%	10.18%	11.60%	11.58%	10.45%	9.45%	11.96%	12.08%
State Grants and Contracts	2.82%	3.84%	3.02%	3.54%	3.26%	2.71%	2.09%	2.87%	2.56%	3.51%
Non-Governmental Grants and Contracts	0.54%	0.31%	0.14%	0.06%	0.29%	0.45%	0.40%	0.44%	0.56%	0.18%
Sales and services of educational activities	0.08%	0.06%	0.06%	0.06%	0.07%	0.07%	0.09%	0.09%	0.10%	0.10%
Auxiliary enterprises	2.52%	2.69%	4.92%	5.56%	5.73%	5.92%	6.06%	5.15%	5.65%	5.40%
Other Operating Revenue	5.56%	5.43%	4.67%	4.32%	5.57%	5.80%	5.47%	5.51%	5.98%	5.80%
<b>Total Operating Revenues</b>	<b>32.61%</b>	<b>34.70%</b>	<b>35.69%</b>	<b>32.80%</b>	<b>38.25%</b>	<b>41.64%</b>	<b>42.04%</b>	<b>34.74%</b>	<b>37.48%</b>	<b>38.98%</b>
State Appropriations	22.97%	23.86%	22.25%	23.03%	28.70%	31.10%	30.26%	32.87%	28.01%	27.13%
Ad Valorem Taxes	7.65%	7.13%	5.91%	5.79%	5.79%	5.67%	5.82%	5.37%	5.10%	3.84%
Federal Revenue, Non-operating	36.24%	33.92%	35.74%	37.97%	26.68%	20.41%	19.92%	26.17%	29.01%	27.62%
Investment income	0.19%	0.20%	0.17%	0.24%	0.27%	0.86%	1.97%	0.85%	0.41%	0.29%
Other non-operating revenues	0.33%	0.19%	0.24%	0.16%	0.30%	0.32%	0.00%	0.00%	0.00%	2.13%
<b>Total Non-Operating Revenues</b>	<b>67.39%</b>	<b>65.30%</b>	<b>64.31%</b>	<b>67.20%</b>	<b>61.75%</b>	<b>58.36%</b>	<b>57.96%</b>	<b>65.26%</b>	<b>62.52%</b>	<b>61.02%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 3**  
**Program Expense by Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

For the Fiscal Year Ended August 31,

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	\$ 12,166,721	\$ 11,910,414	\$ 12,484,217	\$ 12,349,906	\$ 11,539,955	\$ 11,389,564	\$ 10,576,180	\$ 10,151,621	\$ 9,925,065	\$ 8,609,104
Public service	1,151,997	1,511,783	2,068,587	2,075,941	1,808,083	1,539,084	1,664,383	1,530,040	1,950,501	2,044,442
Academic support	2,835,240	3,008,190	2,787,990	2,693,002	2,342,428	2,465,644	2,494,815	2,380,994	2,028,800	1,938,487
Student services	2,978,274	2,929,304	3,451,245	3,210,434	2,242,411	2,135,536	2,462,228	2,132,291	2,405,814	1,954,676
Institutional support	4,816,132	4,456,411	4,238,281	3,481,474	3,707,149	3,778,780	3,334,844	3,197,701	2,454,920	2,808,556
Operation and maintenance of plant	3,401,842	3,699,346	3,769,594	3,968,955	3,865,770	4,053,378	3,710,069	3,676,253	2,720,929	2,663,234
Scholarships and fellowships	4,802,594	5,275,942	8,171,634	7,792,456	5,011,267	3,561,580	3,274,153	3,270,079	4,204,569	4,544,955
Auxiliary enterprises	1,404,080	1,675,472	2,757,928	2,984,306	2,659,229	2,619,667	2,841,246	2,789,801	2,600,247	2,949,775
Depreciation	818,353	823,623	759,582	743,353	709,187	625,426	516,034	494,589	489,819	354,691
<b>Total Operating Expenses</b>	<b>34,375,233</b>	<b>35,290,485</b>	<b>40,489,058</b>	<b>39,299,827</b>	<b>33,885,479</b>	<b>32,168,659</b>	<b>30,873,952</b>	<b>29,623,369</b>	<b>28,780,664</b>	<b>27,867,920</b>
Interest on capital related debt	676,830	383,417	384,648	420,862	421,715	363,546	580,416	41,924	12,315	8,268
Other non-operating expense	253,520	180,512	128,807	85,310	105,360	110,559	107,419	96,412	82,612	-
<b>Total Non-Operating Expenses</b>	<b>930,350</b>	<b>563,929</b>	<b>513,455</b>	<b>506,172</b>	<b>527,075</b>	<b>474,105</b>	<b>687,835</b>	<b>138,336</b>	<b>94,927</b>	<b>8,268</b>
<b>Total Expenses</b>	<b>\$ 35,305,583</b>	<b>\$ 35,854,414</b>	<b>\$ 41,002,513</b>	<b>\$ 39,805,999</b>	<b>\$ 34,412,554</b>	<b>\$ 32,642,764</b>	<b>\$ 31,561,787</b>	<b>\$ 29,761,705</b>	<b>\$ 28,875,591</b>	<b>\$ 27,876,188</b>

For the Fiscal Year Ended August 31,

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	34.46%	33.22%	30.45%	31.03%	33.53%	34.89%	33.51%	34.11%	34.37%	30.88%
Public service	3.26%	4.22%	5.05%	5.22%	5.25%	4.71%	5.27%	5.14%	6.75%	7.33%
Academic support	8.03%	8.39%	6.80%	6.77%	6.81%	7.55%	7.90%	8.00%	7.03%	6.95%
Student services	8.44%	8.17%	8.42%	8.07%	6.52%	6.54%	7.80%	7.16%	8.33%	7.01%
Institutional support	13.64%	12.43%	10.34%	8.75%	10.77%	11.58%	10.57%	10.74%	8.50%	10.08%
Operation and maintenance of plant	9.64%	10.32%	9.19%	9.97%	11.23%	12.42%	11.75%	12.35%	9.42%	9.55%
Scholarships and fellowships	13.60%	14.71%	19.93%	19.58%	14.56%	10.91%	10.37%	10.99%	14.56%	16.30%
Auxiliary enterprises	3.98%	4.67%	6.73%	7.50%	7.73%	8.03%	9.00%	9.37%	9.01%	10.58%
Depreciation	2.32%	2.30%	1.85%	1.87%	2.06%	1.92%	1.63%	1.66%	1.70%	1.27%
<b>Total Operating Expenses</b>	<b>97.36%</b>	<b>98.43%</b>	<b>98.75%</b>	<b>98.73%</b>	<b>98.47%</b>	<b>98.55%</b>	<b>97.82%</b>	<b>99.54%</b>	<b>99.67%</b>	<b>99.97%</b>
Interest on capital related debt	1.92%	1.07%	0.94%	1.06%	1.23%	1.11%	1.84%	0.14%	0.04%	0.03%
Other non-operating expense	0.72%	0.50%	0.31%	0.21%	0.31%	0.34%	0.34%	0.32%	0.29%	0.00%
<b>Total Non-Operating Expenses</b>	<b>2.64%</b>	<b>1.57%</b>	<b>1.25%</b>	<b>1.27%</b>	<b>1.53%</b>	<b>1.45%</b>	<b>2.18%</b>	<b>0.46%</b>	<b>0.33%</b>	<b>0.03%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 4**  
**Tuition and Fees**  
**Last Ten Academic Years**  
**(Unaudited)**

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

Academic Year	Registration Fee	In-District Tuition	Out-of-District Fee	Technology Fees	Building Use Fees	Cost for 12 SCH		Increase from Prior Year	Increase from Prior Year
						In-District	Out-of-District		
2013 \$	8.25 \$	57.00 \$	53.00 \$	8.00 \$	13.00 \$	1,035.00 \$	1,671.00	6.15%	7.32%
2012	8.25	55.00	48.50	5.00	13.00	975.00	1,557.00	0.00%	0.00%
Summer I & II 2011	8.25	55.00	48.50	5.00	13.00	975.00	1,557.00	13.64%	22.41%
Fall & Spring 2011	8.25	48.00	34.50	5.00	10.25	858.00	1,272.00	4.38%	2.91%
2010	8.25	48.00	34.50	5.00	7.25	822.00	1,236.00	6.06%	9.48%
2009	8.25	46.00	31.50	5.00	7.25	775.00	1,129.00	0.00%	0.00%
2008	8.25	43.00	29.50	5.00	7.25	775.00	1,129.00	12.32%	14.39%
2007	8.25	39.00	24.75	3.00	7.25	690.00	987.00	26.37%	22.30%
2006	8.25	29.00	21.75	1.00	7.25	546.00	807.00	2.25%	1.51%
2005	8.25	29.00	21.75	1.00	6.25	534.00	795.00	4.71%	12.29%
2004	8.25	27.00	16.50	1.00	6.25	510.00	708.00		

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

Academic Year	Registration Fee	Non-Resident Tuition Out-of-State	Technology Fees	Building Use Fees	Cost for 12 SCH Out-of-State	Increase from Prior Year
2013 \$	8.25 \$	140.00 \$	8.00 \$	13.00 \$	2,031.00	15.73%
2012	8.25	120.00	5.00	13.00	1,755.00	0.00%
Summer I & II 2011	8.25	120.00	5.00	13.00	1,755.00	23.42%
Fall & Spring 2011	8.25	95.00	5.00	10.25	1,422.00	2.60%
2010	8.25	95.00	5.00	7.25	1,386.00	3.51%
2009	8.25	90.00	5.00	7.25	1,339.00	0.00%
2008	8.25	90.00	5.00	7.25	1,339.00	26.08%
2007	8.25	70.00	3.00	7.25	1,062.00	15.69%
2006	8.25	60.00	1.00	7.25	918.00	1.32%
2005	8.25	60.00	1.00	6.25	906.00	0.00%
2004	8.25	60.00	1.00	6.25	906.00	

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

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 5**  
**Assessed Value and Taxable Assessed Value of Property**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Direct Rate							
Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations (a)	Debt Service (a)	Total (a)
2012-13	\$ 2,058,839,802	\$ 7,358,719	\$ 2,051,481,083	99.64%	\$ 0.13	\$ -	\$ 0.13
2011-12	1,965,266,998	13,892,409	1,951,374,589	99.29%	0.13	-	0.13
2010-11	1,916,219,239	5,541,642	1,910,677,597	99.71%	0.13	-	0.13
2009-10	1,843,114,815	7,817,048	1,835,297,767	99.58%	0.13	-	0.13
2008-09	1,812,568,169	4,270,010	1,808,298,159	99.76%	0.11	-	0.11
2007-08	1,675,745,594	1,802,289	1,673,943,305	99.89%	0.11	-	0.11
2006-07	1,570,255,446	4,662,012	1,565,593,434	99.70%	0.11	-	0.11
2005-06	1,443,317,414	2,874,294	1,440,443,120	99.80%	0.11	-	0.11
2004-05	1,306,723,643	8,009,032	1,298,714,611	99.39%	0.11	-	0.11
2003-04	1,230,506,908	1,445,646	1,229,061,262	99.88%	0.09	-	0.09

Source: Local Appraisal Districts

Notes: Property is assessed at full market value

(a) per \$100 Taxable Assessed Valuation

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 6**  
**State Appropriation per FTSE and Contact Hour**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			State Appropriation per Contact Hour
	State Appropriation*	FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (b)	Voc/Tech Contact Hours (b)	Total Contact Hours	
2012-13	\$ 6,422,513	8,523	\$ 753.55	1,713,424	488,640	2,202,064	\$ 2.92
2011-12	7,304,514	8,788	831.19	1,690,688	498,128	2,188,816	3.34
2010-11	7,153,135	10,028	713.32	1,923,424	544,000	2,467,424	2.90
2009-10	7,221,296	9,849	733.20	1,889,904	520,672	2,410,576	3.00
2008-09	7,704,531	8,519	904.39	1,621,477	438,704	2,060,181	3.74
2007-08	7,704,532	8,029	959.59	1,530,320	454,736	1,985,056	3.88
2006-07	7,704,532	8,204	939.12	1,582,855	455,808	2,038,663	3.78
2005-06	7,704,532	8,454	911.35	1,631,944	463,776	2,095,720	3.68
2004-05	6,298,364	8,867	710.32	1,718,906	470,070	2,188,976	2.88
2003-04	6,298,468	8,286	760.13	1,630,736	492,752	2,123,488	2.97

Notes:

\*Includes appropriation for education and general state support

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

(a) Source Estudios Enterprise Reports: Attempted Credits by Term

(b) Source CBM001

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 7**  
**Principal Taxpayers**  
**Last Ten Tax Years**  
**(Unaudited)**

Taxpayer	Taxable Assessed Value (TAV) by Tax Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Southwestern Bell Telephone Company	\$ -	\$ -	\$ 12,345,904	\$ 14,103,191	\$ 9,824,125	\$ 11,403,465	\$ 10,989,160	\$ 11,199,690	\$ 10,814,330	\$ 12,771,200
Bailey Four Canyon Ranch Prop Ltd	15,979,010	16,030,244	16,138,063							
Chesapeake Operating / MIDCON	58,046,498	12,972,585								
Del Monte Foods	22,656,400	17,220,550	22,209,541	21,868,060	21,868,060					
Sage Energy					15,741,230					
Lone Star NGL Pipeline LP	17,325,720									
Texas American Resources			8,823,811		13,850,880					
Dan Hughes and Co.	13,596,602									
Vulcan Construction Materials		7,518,025	7,901,360	8,116,360	9,752,800	8,396,820	7,342,860	7,500,990	6,495,800	8,524,850
Briscoe Ranch Inc.		8,553,949	10,376,612	9,773,262	9,958,117	8,172,035	8,216,849	7,803,122	7,730,502	7,240,663
Wal-Mart Stores Texas LP	15,768,379	15,718,065	16,048,422	17,094,269	17,346,553	17,166,499	17,837,964	18,503,555		3,737,275
General Tire Inc			6,699,108	7,863,003	7,905,340	5,542,708	4,988,323		5,122,433	5,496,159
First State Bank of Uvalde				5,729,035		5,875,736	6,157,146	5,793,588	3,987,634	
Umphrey Family Ltd. Partnership			5,895,907	5,730,269						
Union Pacific Railroad	25,125,547	22,663,091	17,983,340	16,659,470	14,746,250	13,511,620	13,064,480	9,494,000	9,559,810	8,125,700
H E Butt Grocery Company									4,091,285	3,765,924
Williamson Dickie MFG Co		11,888,716	8,327,822	7,588,377	7,592,209		5,353,020	6,794,943	6,934,264	4,769,028
AEP Texas Central Co	33,774,866	28,057,165	17,652,091	18,175,900	11,445,590	7,807,100	11,184,090	9,426,300	8,565,780	8,391,400
CML Exploration LLC	24,518,473	21,972,721								
Rush Truck Leasing										5,713,400
Chaparrosa Enterprises, LP			9,458,093	8,181,466	8,260,913	8,165,895	8,009,617			
Martin Marietta Materials	30,205,588	11,424,154	7,761,830	9,465,000	8,112,850	7,743,100	7,135,380	8,176,160	3,738,190	
Raul Gomez and Enrique Davila						27,890,224				
	\$ 256,997,083	\$ 174,019,265	\$ 167,621,904	\$ 150,347,662	\$ 156,404,917	\$ 121,675,202	\$ 100,278,889	\$ 84,692,348	\$ 67,040,028	\$ 68,535,599
Total Taxable Assessed Value	\$ 2,051,481,083	\$ 1,951,374,589	\$ 1,910,677,597	\$ 1,835,297,767	\$ 1,808,298,159	\$ 1,673,943,305	\$ 1,565,593,434	\$ 1,440,443,120	\$ 1,298,714,611	\$ 1,229,061,262

Taxpayer	% of Taxable Assessed Value (TAV) by Tax Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Southwestern Bell Telephone Company			0.65%	0.77%	0.54%	0.68%	0.70%	0.78%	0.83%	1.04%
Bailey Four Canyon Ranch Prop Ltd	0.78%	0.82%	0.84%							
Chesapeake Operating / MIDCON	2.83%	0.66%								
Del Monte Foods	1.10%	0.88%	1.16%	1.19%	1.21%					
Sage Energy					0.87%					
Lone Star NGL Pipeline LP	0.84%									
Texas American Resources			0.46%		0.77%					
Dan Hughes and Co.	0.66%									
Vulcan Construction Materials		0.39%	0.41%	0.44%	0.54%	0.50%	0.47%	0.52%	0.50%	0.69%
Briscoe Ranch Inc.		0.44%	0.54%	0.53%	0.55%	0.49%	0.52%	0.54%	0.60%	0.59%
Wal-Mart Stores Texas LP	0.77%	0.81%	0.84%	0.93%	0.96%	1.03%	1.14%	1.28%		0.30%
General Tire Inc			0.35%	0.43%	0.44%	0.33%	0.32%		0.39%	0.45%
First State Bank of Uvalde				0.31%		0.35%	0.39%	0.40%	0.31%	
Umphrey Family Ltd. Partnership			0.31%	0.31%						
Union Pacific Railroad	1.22%	1.16%	0.94%	0.91%	0.82%	0.81%	0.83%	0.66%	0.74%	0.66%
H E Butt Grocery Company									0.32%	0.31%
Williamson Dickie MFG Co		0.61%	0.44%	0.41%	0.42%		0.34%	0.47%	0.53%	0.39%
AEP Texas Central Co	1.65%	1.44%	0.92%	0.99%	0.63%	0.47%	0.71%	0.65%	0.66%	0.68%
CML Exploration LLC	1.20%	1.13%								
Rush Truck Leasing										0.46%
Chaparrosa Enterprises, LP			0.50%	0.45%	0.46%	0.49%	0.51%			
Martin Marietta Materials	1.47%	0.59%	0.41%	0.52%	0.45%	0.46%	0.46%	0.57%	0.29%	
Raul Gomez and Enrique Davila						1.67%				
Totals	12.53%	8.92%	8.77%	8.19%	8.65%	7.27%	6.41%	5.88%	5.16%	5.58%



**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 8**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year Ended August 31,</b>	<b>Levy (a)</b>	<b>Cumulative Levy Adjustments</b>	<b>Adjusted Tax Levy (b)</b>	<b>Collections Year of Levy (c)</b>	<b>Percentage</b>	<b>Prior Collections of Prior Levies (d)</b>	<b>Current Collections of Prior Levies (e)</b>	<b>Total Collections (c+d+e)</b>	<b>Cumulative Collections of Adjusted Levy</b>
2013	\$ 2,600,402	\$ 2,744	\$ 2,603,146	\$ 2,499,072	96.00%	\$ -	\$ 127,025	\$ 2,626,097	100.88%
2012	2,501,500	(12,279)	2,489,221	2,372,315	95.30%	-	108,338	2,480,653	99.66%
2011	2,421,647	-	2,421,647	2,297,451	94.87%	-	85,159	2,382,610	98.39%
2010	2,315,903	(100)	2,315,803	2,196,203	94.84%	-	97,826	2,294,029	99.06%
2009	1,983,622	-	1,983,622	1,866,202	94.08%	-	85,996	1,952,198	98.42%
2008	1,800,038	-	1,800,038	1,729,130	96.06%	-	89,650	1,818,780	101.04%
2007	1,799,937	-	1,799,937	1,689,185	93.85%	-	50,311	1,739,496	96.64%
2006	1,575,444	-	1,575,444	1,480,404	93.97%	-	60,409	1,540,813	97.80%
2005	1,374,191	-	1,374,191	1,331,294	96.88%	-	63,537	1,394,831	101.50%
2004	1,106,155	-	1,106,155	998,498	90.27%	-	54,799	1,053,297	95.22%

Source: Local Tax Assessor/Collector and District records.

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

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

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

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

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

Total Collections = c + d + e

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 9**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**  
**(Unaudited)**

**For the Year Ended August 31,**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Bonded Debt</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	-	-	-	-	-	-	-	-	-	-
<b>Other debt</b>										
Revenue bonds	15,245,000	7,990,000	8,225,000	8,450,000	8,665,000	8,870,000	9,000,000	9,000,000	-	-
Notes	3,132,278	3,132,278	718,984	832,741	944,624	834,000	918,000	1,000,000	876,166	135,000
Capital lease obligations	58,276	302,434	536,685	153,522	-	13,807	67,778	119,293	168,864	-
Total Outstanding Debt	\$ 18,435,554	\$ 11,424,712	\$ 9,480,669	\$ 9,436,263	\$ 9,609,624	\$ 9,717,807	\$ 9,985,778	\$ 10,119,293	\$ 1,045,030	\$ 135,000
<b>General Bonded Debt Ratios</b>										
Per Capita	-	-	-	-	-	-	-	-	-	-
Per FTSE	-	-	-	-	-	-	-	-	-	-
As a percentage of Taxable Assessed Value	-	-	-	-	-	-	-	-	-	-
<b>Total Outstanding Debt Ratios</b>										
Per Capita	\$ 445	\$ 276	\$ 229	\$ 230	\$ 233	\$ 231	\$ 239	\$ 242	\$ 25	\$ 3
Per FTSE	2,163	1,300	855	1,202	1,292	1,101	1,109	1,161	126	17
As a percentage of Taxable Assessed Value	0.94%	0.60%	0.51%	0.52%	0.57%	0.62%	0.69%	0.78%	0.09%	0.01%

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

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 10**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(Unaudited)**

For the Year Ended August 31,

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Taxable Assessed Value	\$ 2,058,839,802	\$ 1,965,266,998	\$ 1,951,374,589	\$ 1,910,677,597	\$ 1,835,297,767	\$ 1,673,943,305	\$ 1,565,593,434	\$ 1,440,443,120	\$ 1,298,714,611	\$ 1,229,061,262
<b>General Obligation Bonds</b>										
Statutory Tax Levy Limit for Debt Service	10,294,199	9,826,335	9,756,873	9,581,096	9,176,489	8,369,717	7,827,967	7,202,216	6,493,573	6,145,306
Less Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	10,294,199	9,826,335	9,756,873	9,581,096	9,176,489	8,369,717	7,827,967	7,202,216	6,493,573	6,145,306
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 10,294,199	\$ 9,826,335	\$ 9,756,873	\$ 9,581,096	\$ 9,176,489	\$ 8,369,717	\$ 7,827,967	\$ 7,202,216	\$ 6,493,573	\$ 6,145,306
Net Current Requirement 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 of community colleges to \$0.50 per hundred dollars taxable assessed valuation.

SOUTHWEST TEXAS JUNIOR COLLEGE  
Statistical Supplement 11  
Pledged Revenue Coverage  
Last Ten Fiscal Years  
(unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues										Debt Service Requirements				
	Tuition	Technology Fee	Registration Fees	Laboratory Fees	Community Education Fees	Interest Income	Vending Commission	Dorm Rental	Total		Principal	Interest	Total	Coverage Ratio	
2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2010	256,130	-	-	-	-	-	-	-	-	-	256,130	-	-	-	-
2009	460,988	-	-	-	-	-	-	-	-	-	460,988	-	-	-	-
2008	65,908	-	-	-	-	-	-	-	-	-	65,908	*	-	-	-
2007	35,138	-	-	-	-	-	-	-	-	-	35,138	*	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*Debt service provided by unexpended bond proceeds in 2007 and 2008, pledged revenues to reserve

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 12**  
**Demographic and Economic Statistics - Taxing District**  
**Last Ten Fiscal Years**

<b>Calendar Year</b>	<b>*District Population</b>	<b>District Personal Income (\$1,000's)</b>	<b>District Personal Income per Capita</b>	<b>District Unemployment Rate</b>
2012	41,391	**	**	9.4%
2011	41,391	1,211,599	28,978	10.3%
2010	41,391	1,126,577	27,138	10.2%
2009	41,321	1,069,385	26,056	901.0%
2008	41,014	1,061,127	25,773	6.8%
2007	41,211	965,934	23,455	6.4%
2006	41,181	891,254	21,629	7.2%
2005	40,993	865,991	21,077	7.2%
2004	40,762	827,341	20,251	8.2%
2003	40,783	788,317	19,277	9.0%

\*\*Not available (US Bureau of Economic Analysis income reports lag one year behind census estimates)

\*U.S. Census Bureau latest data in 2010

**Sources**

Population: Census

Income: US Bureau of Econ Analysis

Unemployment: TWC & Bureau of Labor Statistics

Taxing District: Real, Uvalde, and Zavala Co.

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 13**  
**Principal Employers**  
**Current Fiscal Year**  
**(Unaudited)**

<b>Employer</b>	<b>Number of Employees</b>	<b>% of Total Employment*</b>
Del Monte Foods	500-999	4%
Uvalde Memorial Hospital	500-999	4%
American Medical Home Health Svc	100-499	2%
Amistad Nursing and Rehab Ctr	100-499	2%
Crystal City Correctional Ctr	100-499	2%
Friends of the Frio	100-499	2%
HEB Foods (Uvalde)	100-499	2%
Sabinal High School	100-499	2%
Southwest Texas Junior College	100-499	2%
Statewide Transport	100-499	2%
Uvalde County	100-499	2%
Uvalde High School	100-499	2%
Wal-Mart Supercenter (Uvalde)	100-499	2%
Williamson-Dickie Mfg Co	100-499	2%
<hr/> <b>Labor force (average of monthly estimates, Oct 2012-Sept 2013)</b> <hr/>		

**Sources:**

Texas Workforce Commission

Socrates Employer Search

\*Exact number of employees is confidential and not available.

\*\*Percentages based on midpoint of interval

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 14**  
**Faculty, Staff, and Administrators Statistics**  
**Last 8 Fiscal years**  
**(Unaudited)**

		<b>Fall Semester*</b>							
		<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Faculty	Full-Time	111	117	115	112	114	114	119	113
	Part-Time	64	63	86	62	77	72	82	89
	<b>Total</b>	<b>175</b>	<b>180</b>	<b>201</b>	<b>174</b>	<b>191</b>	<b>186</b>	<b>201</b>	<b>202</b>
Percent	Full-Time	63%	65%	57%	64%	60%	61%	59%	56%
	Part-Time	37%	35%	43%	36%	40%	39%	41%	44%
Staff & Administrators	Full-Time	199	206	210	229	203	204	185	171
	Part-Time	136	122	90	193	74	43	47	34
	<b>Total</b>	<b>335</b>	<b>328</b>	<b>300</b>	<b>422</b>	<b>277</b>	<b>247</b>	<b>232</b>	<b>205</b>
Percent	Full-Time	59%	63%	70%	54%	73%	83%	80%	83%
	Part-Time	41%	37%	30%	46%	27%	17%	20%	17%
FTSE per Full-time Faculty		76.8	75.1	83.8	81.9	68.9	65.3	64.3	69.6
FTSE per Full-time Staff Member		42.8	42.7	45.9	40.1	38.7	36.5	41.4	46.0
Average Annual Faculty Salary**		\$ 51,409	\$50,078	\$48,602	\$46,177	\$45,859	\$46,430	\$44,915	\$42,350

\*Fiscal year data are not routinely collected; the fall semester data should be a good estimate.

\*\*Source: IPEDS Salary Survey, weighted average full-time faculty salary over 9/10 month and 11/12 month contracts.

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 15**  
**Enrollment Details**  
**Last Five Fiscal Years**  
**(Unaudited)**

Student Classification*	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours (freshmen)	3,772	72.58%	4,200	73.83%	4,202	73.82%	4,379	73.00%	4,024	76.44%
31-60 hours (sophomores)	1,179	22.69%	1,219	21.43%	1,220	21.43%	1,318	21.97%	1,216	23.10%
> 60 hours (assoc. & bacc.)	246	4.73%	270	4.75%	270	4.74%	302	5.03%	24	0.46%
<b>Total</b>	<b>5,197</b>	<b>100.00%</b>	<b>5,689</b>	<b>100.00%</b>	<b>5,692</b>	<b>100.00%</b>	<b>5,999</b>	<b>100.00%</b>	<b>5,264</b>	<b>100.00%</b>

\*excludes unclassified students

Semester Hour Load	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	19	0.35%	13	0.22%	13	0.22%	12	0.19%	28	0.49%
3-5 semester hours	1,158	21.40%	1,374	23.21%	1,375	23.22%	1,311	21.03%	1,217	21.10%
6-8 semester hours	1,461	27.01%	1,611	27.21%	1,612	27.22%	1,663	26.67%	1,590	27.57%
9-11 semester hours	733	13.55%	723	12.21%	725	12.24%	727	11.66%	692	12.00%
12-14 semester hours	1,691	31.26%	1,816	30.68%	1,815	30.65%	2,060	33.04%	1,780	30.87%
15-17 semester hours	265	4.90%	284	4.80%	284	4.80%	357	5.73%	358	6.21%
18 & over	83	1.53%	99	1.67%	98	1.65%	105	1.68%	102	1.77%
<b>Total</b>	<b>5,410</b>	<b>100.00%</b>	<b>5,920</b>	<b>100.00%</b>	<b>5,922</b>	<b>100.00%</b>	<b>6,235</b>	<b>100.00%</b>	<b>5,767</b>	<b>100.00%</b>

Average course load	8.7	8.5	8.7	8.8	8.9
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Tuition Status	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (In-District)	1,242	23.19%	1,445	24.59%	1,444	24.57%	1,504	25.59%	1,450	24.67%
Texas Resident (Out-of-District)	3,965	74.03%	4,278	72.80%	4,280	72.83%	4,559	77.57%	4,177	71.07%
Non-Resident Tuition	149	2.78%	153	2.60%	153	2.60%	155	2.64%	122	2.08%
<b>Total</b>	<b>5,356</b>	<b>100.00%</b>	<b>5,876</b>	<b>100.00%</b>	<b>5,877</b>	<b>100.00%</b>	<b>6,218</b>	<b>105.80%</b>	<b>5,749</b>	<b>97.82%</b>

Source: CBM001



**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 16**  
**Student Profile**  
**Last Five Fiscal Years**  
**(Unaudited)**

Gender	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	3,176	58.71%	3,573	60.35%	3,406	60.13%	3,605	57.82%	3,346	58.02%
Male	2,234	41.29%	2,347	39.65%	2,258	39.87%	2,630	42.18%	2,421	41.98%
<b>Total</b>	<b>5,410</b>	<b>100.00%</b>	<b>5,920</b>	<b>100.00%</b>	<b>5,664</b>	<b>100.00%</b>	<b>6,235</b>	<b>100.00%</b>	<b>5,767</b>	<b>100.00%</b>

Ethnic Origin	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	718	13.27%	783	13.23%	779	13.75%	2,300	36.89%	820	14.22%
Hispanic	4,490	82.99%	4,951	83.63%	4,695	82.89%	3,594	57.64%	4,753	82.42%
African American	70	1.29%	70	1.18%	79	1.39%	101	1.62%	99	1.72%
Asian	23	0.43%	30	0.51%	-	0.00%	27	0.43%	29	0.50%
Foreign	-	0.00%	-	0.00%	-	0.00%	11	0.18%	13	0.23%
Native American	60	1.11%	45	0.76%	-	0.00%	73	1.17%	22	0.38%
Other	49	0.91%	41	0.69%	111	1.96%	129	2.07%	31	0.54%
<b>Total</b>	<b>5,410</b>	<b>100.00%</b>	<b>5,920</b>	<b>100.00%</b>	<b>5,664</b>	<b>100.00%</b>	<b>6,235</b>	<b>100.00%</b>	<b>5,767</b>	<b>100.00%</b>

Age	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	2,304	42.59%	1,741	29.41%	1,170	20.66%	1,637	26.26%	1,643	28.49%
18-21	1,659	30.67%	2,367	39.98%	2,675	47.24%	2,462	39.49%	2,143	37.16%
22-24	499	9.22%	650	10.98%	576	10.17%	590	9.46%	557	9.66%
25-35	647	11.96%	766	12.94%	834	14.73%	1,057	16.95%	927	16.07%
36-50	269	4.97%	341	5.76%	364	6.43%	417	6.69%	440	7.63%
51 +	32	0.59%	55	0.93%	43	0.76%	72	1.15%	57	0.99%
<b>Total</b>	<b>5,410</b>	<b>100.00%</b>	<b>5,920</b>	<b>100.00%</b>	<b>5,662</b>	<b>100.00%</b>	<b>6,235</b>	<b>100.00%</b>	<b>5,767</b>	<b>100.00%</b>

Average Age	22.0	22.3	22.2	22.9	22.9
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Source: CBM001

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**SWTJC Students Found as First-Time Transfers In Fall 2012**  
**(Includes only public senior colleges in Texas)**

	Transfer Student Count					Core Completion	Total of all SWTJC Transfer Students	% of all SWTJC Transfer Students
	Associate Degree Academic	Associate Degree Technical	Certificate	No Award				
Angelo State University	2	0	0	5	2	7	2%	
Sul Ross State University - Rio Grande College	76	3	3	45	34	127	45%	
Texas A&M International University	4	1	0	3	2	8	3%	
Texas A&M University at Kingsville	7	0	0	7	2	14	5%	
Texas A&M University at San Antonio	1	1	1	4	1	7	2%	
Texas State University	4	4	0	8	2	16	6%	
Texas Tech University	4	1	0	4	2	9	3%	
The University of Texas at San Antonio	5	0	0	16	1	21	7%	
The University of Texas--Pan American	20	0	0	20	14	40	14%	
Other Public 4-Year Institution	8	2	1	21	4	32	11%	
<b>Totals</b>	<b>131</b>	<b>12</b>	<b>5</b>	<b>133</b>	<b>64</b>	<b>281</b>	<b>100%</b>	

**Source:**

THECB Transfer Report

Students reported here completed at least 30 hours with SWTJC in the six years prior to their initial enrollment at the listed institution in Fall 2012.

**SOUTHWEST TEXAS JUNIOR COLLEGE**  
**Statistical Supplement 18**  
**Capital Asset Information**  
**Fiscal Years 2009 to 2013**

	Fiscal Year				
	2013	2012	2011	2010	2009
Academic buildings	31	31	31	30	30
Square footage	260,936	260,936	260,936	259,136	259,136
Libraries	3	3	3	3	3
Square footage	25,466	25,466	25,466	25,466	25,466
Administrative and support buildings	6	6	6	6	6
Square footage	48,597	48,597	48,597	48,597	48,597
Dormitories	2	2	2	2	2
Square footage	50,146	50,146	50,146	50,146	50,146
Number of beds	256	256	256	256	256
Dining facilities*	1	1	1	1	1
Square footage	35,770	35,770	35,770	35,770	35,770
Average daily customers	600	600	600	600	600
Athletic facilities	2	2	2	2	2
Square footage	38,338	38,338	38,338	38,338	38,338
Plant facilities	4	4	4	4	4
Square footage	18,482	18,482	18,482	18,482	18,482
Transportation					
Cars/vans	66	64	64	65	64
Light trucks/other	27	28	28	28	27

\* Includes all of student center

Data includes property leased from SWTJC Foundation, Inc.



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