



ANNUAL FINANCIAL REPORT

Western Texas College

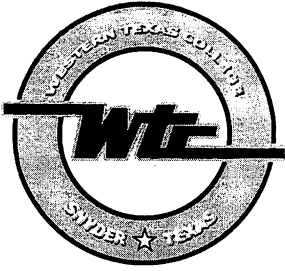
For the Year Ended August 31, 2012



WESTERN TEXAS COLLEGE
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Patricia Claxton	Chief Financial Officer
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Roy Bartels	Dean of Technology
Dr. Jim Palmer	Interim- Vice President of Instruction
Jeremiah Boatright	Dean of College Advancement
Tammy Davis	Athletic Director
Melanie Schwertner	Administrative Assistant
Marjann Morrow	Controller

President

Vice President of Instruction	Dean of Technology	Chief Financial Officer	Chief Operations Officer	Dean of Institutional Research and Effectiveness	Dean of Student Services	Dean of College Advancement	Athletic Director
<ul style="list-style-type: none"> *Associate Dean of Workforce Education *Distance Education *Adjuncts *Academics *Prison Vocational *On Campus Vocational *Correctional Officer Training *Workforce Training (College on the Square) *Opportunity Center 	<ul style="list-style-type: none"> *Technology *LRC *Webpage *Home School *Title V Coop Grant *STEM Grant *Talent Search Grant *Student Support *Services Grant *Upward Bound Grant *Title V Grant 	<ul style="list-style-type: none"> *Controller *Business Office *Human Resources *Golf Course/Grounds *Service Center *Coliseum *Cafeteria *Director of Purchasing and Compliance *Bookstore 	<ul style="list-style-type: none"> *Special Projects 	<ul style="list-style-type: none"> *Coordinating Board Liaison *Institutional Effectiveness *Grant Development *SACS Liaison *Research *QEP 	<ul style="list-style-type: none"> *Assistant Dean of Student Services *Recruiting *GED/ESL *Counseling *Admissions *Housing *Registrar *Campus Security *Director of International Students *Financial Aid *Student Activities *Student Health Services 	<ul style="list-style-type: none"> *Development *Visitor Center *Foundation *Marketing *Maintenance - Sodexo 	<ul style="list-style-type: none"> *Athletic Facility Coordinator *Athletic Trainer *Men/Women Soccer *Men/Women Rodeo *Men/Women Basketball *Volleyball *Men/Women Cross Country *Men/Women Track and Field *Men/Women Golf *Baseball *Softball *College Farm *Pro Shop

Larry S. May, CPA/PFS, CFP®
J. Todd Hrbacek, CPA
Steven L. May, CPA

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INDEPENDENT AUDITORS' REPORT

December 21, 2012

To the Board of Trustees
Western Texas College
Snyder, Texas

We have audited the accompanying basic financial statements of Western Texas College, as of and for the years ended August 31, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of Western Texas College's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of Western Texas College, as of August 31, 2012 and 2011, and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2012, on our consideration of Western Texas 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* and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Western Texas College's basic financial statements. The introductory section, supporting schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Western Texas College. The supporting schedules, which includes the schedule of expenditures of federal awards, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical section 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.



May & Hrbacek, LLP
Certified Public Accountants

Management's Discussion and Analysis

This section of Western Texas College's Annual Financial Report presents management's discussion and analysis of the College's financial performance during the fiscal year ending August 31, 2012. Please read this in conjunction with the College's financial statements beginning on page 12. A comparative analysis of financial data is presented.

Financial Highlights

- Total Assets increased \$2,092,695 due mainly to increased tax collections.
- Operating revenues increased \$765,839 due to increased tuition and fee revenues.
- Operating loss decreased by \$415,614.

Using This Annual Report

In June of 1999, GASB released statement No. 34 "Basic Financial Statements - Management's Discussion and Analysis for State and Local Governments". Changes in Statement No. 34 require a comprehensive, one-line look at the entity as a whole and capitalization of assets and depreciation. In November 1999, GASB issued statement "Basic Financial Statements - Management's Discussion and Analysis for Public Colleges and Universities". Public Colleges and Universities must now abide by GASB Statements No. 34 and No. 35 for financial reporting. This annual report consists of four sections: introductory, financial, statistical and special reports. The main body of the Annual Financial Report is the financial statements, which consists of Exhibit 1, Statement of Net Assets, Exhibit 2, Statement of Revenues, Expenses and Changes in Net Assets, and Exhibit 3, Statement of Cash Flows.

Financial Analysis of the College as a Whole

The Statement of Net Assets presents the financial position of the College at the end of the fiscal year and includes all asset and liabilities of the College. Assets and liabilities are generally measured using current values, except for capital assets, which are stated at historical cost less accumulated depreciation.

Current assets consist primarily of cash, short-term investments and receivables. Non-current assets are composed mainly of restricted assets and capital assets. Current liabilities consist mainly of payables, deferred revenues and notes payable. Non-current liabilities are composed of bonds payable and capital leases payable.

This schedule is prepared from the College's Statement of Net Assets (page 12), which is presented on an accrual basis of accounting where the fixed assets are capitalized and depreciated.

Assets as of:	August 31, 2012	August 31, 2011	August 31, 2010
Current Assets	\$7,391,566	\$5,571,132	\$5,722,855
Non-Current Assets:			
Capital Assets, Net of Depreciation	20,264,006	20,259,522	19,435,019
Other	3,445,874	3,178,097	3,998,135
Total Assets	\$31,101,446	\$29,008,751	\$29,156,009

Liabilities and Net Assets as of:	August 31, 2012	August 31, 2011	August 31, 2010
Current Liabilities	\$5,272,253	\$4,979,967	\$5,898,558
Non-Current Liabilities	8,841,445	9,329,151	9,697,165
Investment in Capital Assets	10,555,927	10,263,912	8,834,459
Restricted for Non-Expendable	3,095,828	2,832,664	2,556,196
Restricted for Expendable	2,116,665	1,864,173	3,045,612
Unrestricted	1,219,328	(261,116)	(875,981)
Total Liabilities and Net Assets	\$31,101,446	\$29,008,751	\$29,156,009

The Statement of Revenues, Expenses and Changes in Net Assets presents the College's results of operations.

	FY 2012	FY 2011	FY 2010
Beginning Net Assets	\$14,699,633	\$13,560,286	\$12,774,578
Increase (Decrease) in Net Assets	2,288,115	1,139,347	785,708
Ending Net Assets	\$16,987,748	\$14,699,633	\$13,560,286

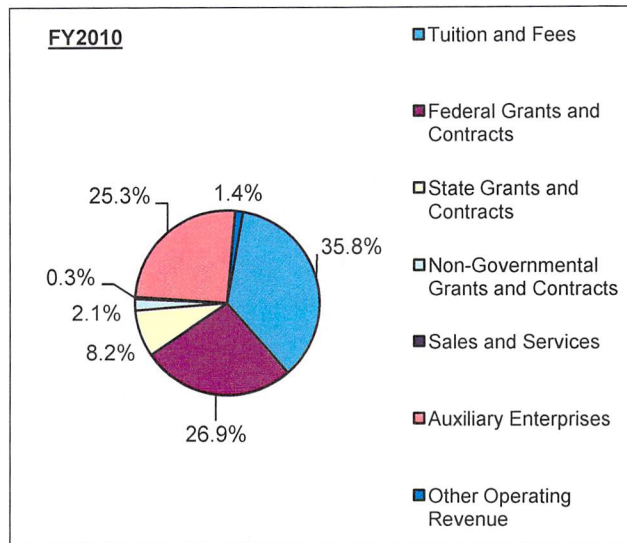
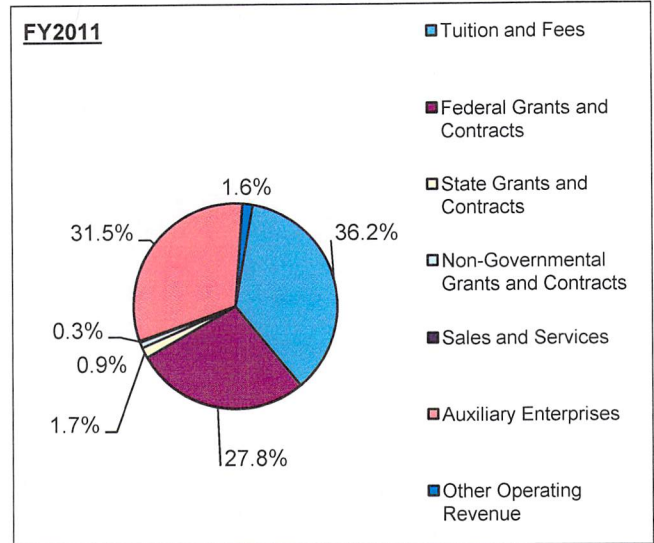
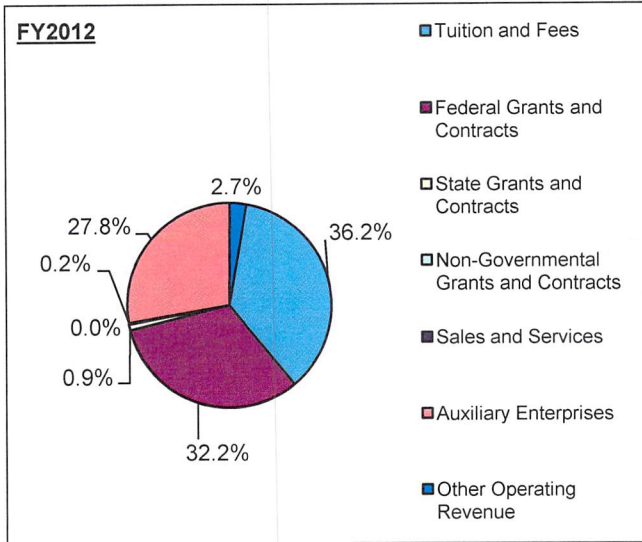
Revenues

Revenues are categorized as either operating or non-operating. The main sources of operating revenues for the College are federal grants and contracts, and tuition and fees and auxiliary enterprises. Ad valorem taxes, state appropriations, federal revenues and donations are the main sources of non-operating revenues.

Operating Revenue	FY2012	FY2011	FY2010
Tuition and Fees (Net of Discounts)	\$2,951,458	\$2,643,162	\$2,758,218
Federal Grants and Contracts	2,622,140	2,031,708	2,068,475
State Grants and Contracts	74,611	121,735	634,934
Non-Governmental Grants and Contracts	-	67,291	158,386
Sales and Services of Educational Activities	18,025	19,409	26,074
Auxiliary Enterprises	2,269,415	2,303,751	1,947,698
Other Operating Revenue	136,202	118,956	107,496
Total Operating Revenue	\$8,071,851	\$7,306,012	\$7,701,281

The following is a graphic illustration of operating revenue by source with comparison to the previous two years:

Operating Revenue

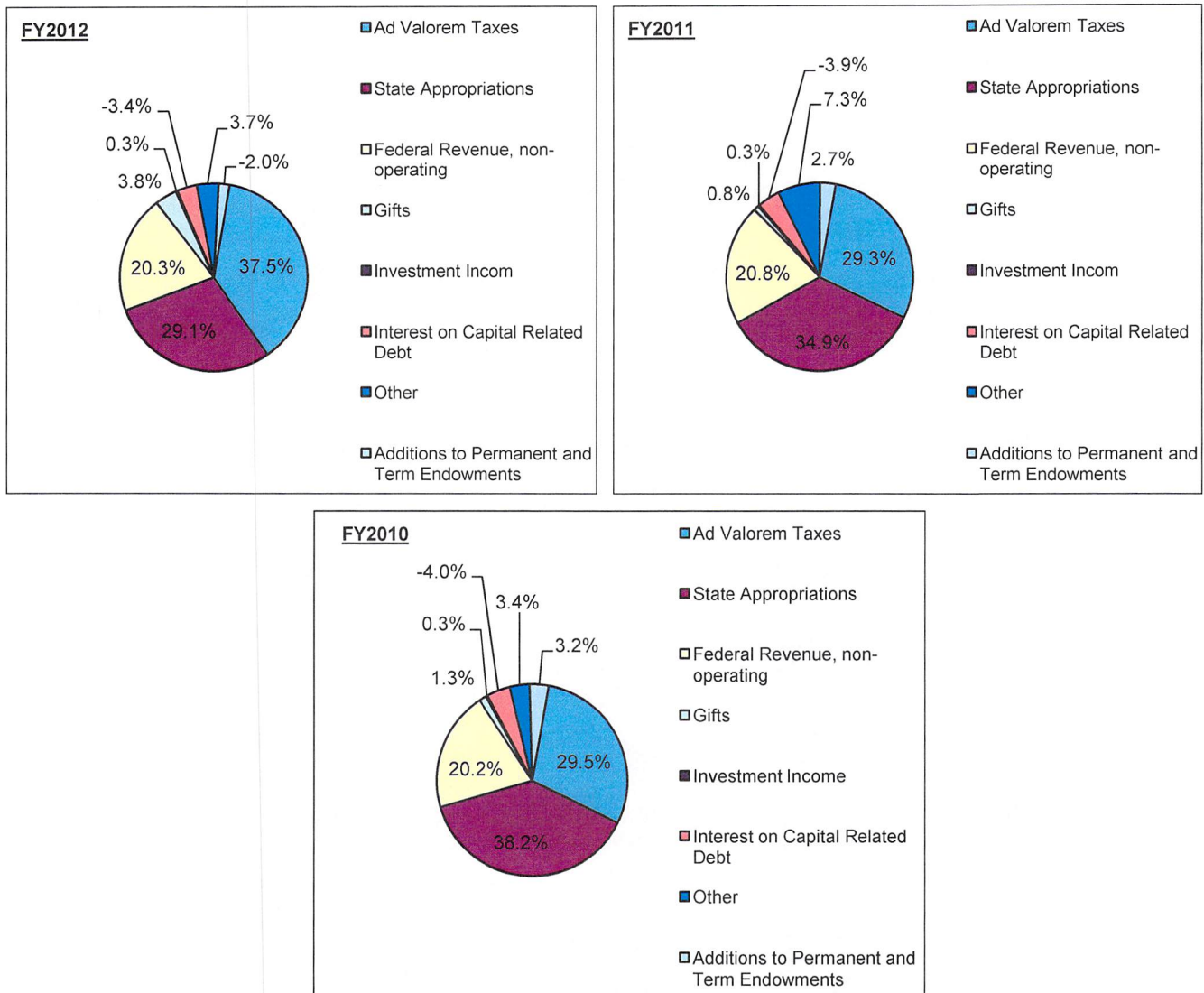


Non-Operating Revenue

	FY2012	FY2011	FY2010
Ad Valorem Taxes	\$5,686,282	\$4,066,974	\$3,792,196
State Appropriations	4,412,712	4,847,314	4,910,633
Federal Revenue, non-operating	3,084,048	2,884,637	2,596,141
Gifts	570,821	117,230	165,568
Investment Income	49,273	40,384	32,474
Interest on Capital Related Debt	(518,876)	(538,568)	(508,447)
Other	562,154	1,018,054	431,563
Additions (deletions) to permanent and term endowments	(298,641)	378,594	413,664
Total Non-Operating Revenue	\$13,547,773	\$12,814,619	\$11,833,792

The following is a graphic illustration of non-operating revenue by source with comparison to the previous two years:

Non-Operating Revenue

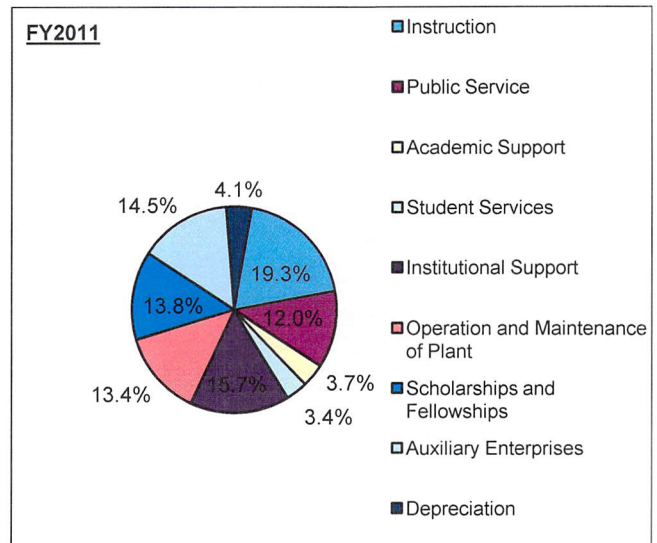
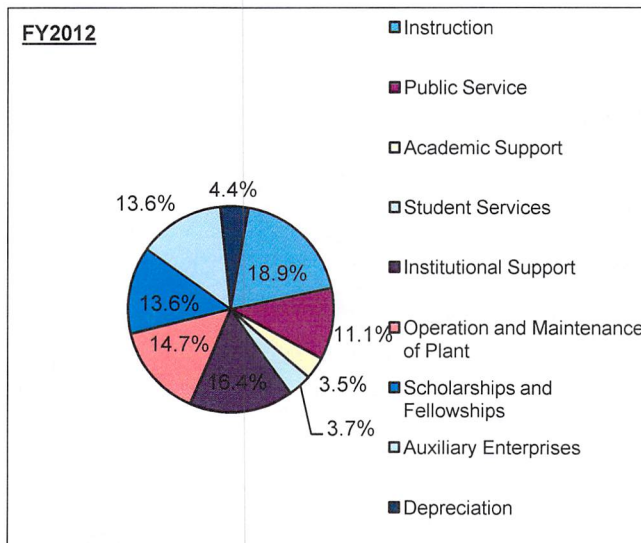


Expenses

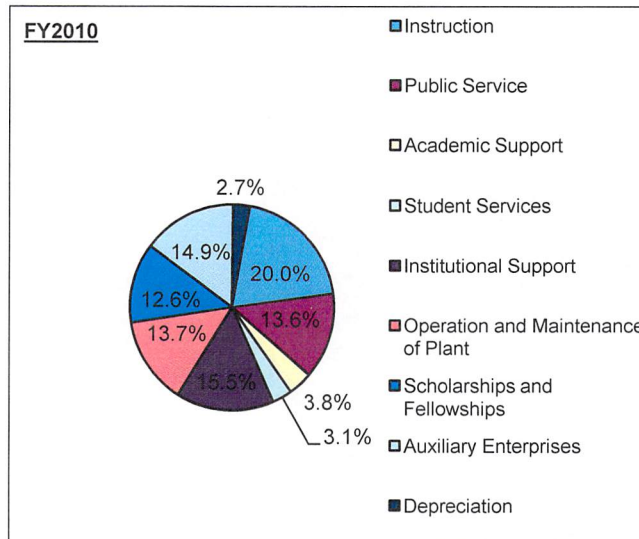
Instruction is the largest percent of operating expenses for the College (18.9%) with Institutional Support (16.4%) being second. Operation and Maintenance of Plant (14.7%), Scholarships and Fellowships and Auxiliary (13.6% each) make up other large portions of expenses.

Operating Expenses	FY2012	FY2011	FY2010
Instruction	\$3,658,884	\$3,659,404	\$3,758,781
Public Service	2,146,940	2,279,847	2,548,756
Academic Support	682,048	702,446	715,344
Student Services	717,843	652,898	582,080
Institutional Support	3,174,204	2,987,584	2,911,828
Operation and Maintenance of Plant	2,849,410	2,543,072	2,568,276
Scholarships and Fellowships	2,624,492	2,616,780	2,371,791
Auxiliary Enterprises	2,624,959	2,759,735	2,794,255
Depreciation	852,729	779,518	498,254
Total Operating Expenses	\$19,331,509	\$18,981,284	\$18,749,365

The following is a graphic illustration of expenses by function with comparisons to the previous two years:



Operating Expenses



The Statement of Cash Flows provides additional information about the College's financial results. This report states the major sources and uses of cash.

	FY2012	FY2011	FY2010
Cash provided (used) by:			
Operating Activities	(\$10,473,683)	(\$11,319,168)	(\$10,030,606)
Non-Capital Financing Activities	13,778,893	12,465,790	12,258,041
Capital and Related Financing Activities	(1,533,004)	(2,001,840)	36,731
Investing Activities	(2,657,162)	2,863,393	(322,876)
Net Increase (Decrease) in Cash and Cash Equivalents	(\$884,956)	\$2,008,175	\$1,941,290
	FY2012	FY2011	FY2010
Cash and Cash Equivalents Beginning of Year	\$4,827,949	\$2,819,774	\$878,484
Cash and Cash Equivalents End of Year	3,942,993	4,827,949	2,819,774
Net Increase (Decrease) in Cash and Cash Equivalents	(\$884,956)	\$2,008,175	\$1,941,290

Capital Asset and Debt Administration

Capital Assets

As of August 31, 2012 the College had \$31,655,722 invested in capital assets ranging from land, buildings, improvement to facilities, and equipment. The following is a breakdown of the capital assets less accumulated depreciation.

	FY2012	FY2011	FY2010
Land	\$657,662	\$657,662	\$657,662
Buildings	15,258,615	15,525,694	11,035,692
Improvements	2,305,733	2,317,194	1,122,020
Equipment	1,562,761	1,615,696	1,694,645
Library Books	104,938	108,276	117,098
Construction in Progress	374,297	35,000	4,807,902
Total	\$20,264,006	\$20,259,522	\$19,435,019

During fiscal year 2012, increases to capital assets is largely due to the purchase and installation of two cooling towers for the campus' HVAC system, and the construction of a renewable energy lab for the Colleges' new solar and wind energy programs.

Debt

At year-end, the college had \$8,470,000 in outstanding bonds that were issued in 2005 and 2009, for construction of two new residence halls, a student commons and an on-campus health clinic. Also, at the end of the year, the College had outstanding capital leases for copiers and a boiler replacement lease in the amount of \$731,227. The College also had notes payable in the amount of \$506,852 for construction of a sports complex and the purchase of an existing building located in town for off-campus classes.

Other Economic Factors

The College makes every effort to develop and expand programs and services in order to meet the needs of our service area. The College actively pursues federal and state grants as additional funding to help in the development of new programs and services, and/or the improvement of current programs and services to our community.

The College has borrowed \$1,665,801 on October 8, 2012 for renovation of the existing Science Lab. Western Texas College is able to do this renovation due to the funding of the Federal STEM grant that was awarded to the College in 2011. The STEM grant is a federal grant awarded for the time period 2011 through 2016 and will be able to provide funds for the debt service requirements.

Contacting the College's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the College's finances and to show the College's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer or Controller, Western Texas College, 6200 College Avenue, Snyder, Texas 79549.

**Western Texas College
Statement of Net Assets
August 31, 2012 and 2011
Exhibit 1**

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$3,510,810	\$1,878,556
Short-term investments	871,336	891,921
Accounts receivable, net	2,895,941	2,686,525
Inventories	62,602	60,074
Prepaid and deferred expenses	50,877	54,056
Total Current Assets	<u>7,391,566</u>	<u>5,571,132</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	432,183	2,949,393
Restricted short-term investments	2,795,448	-
Bond issuance cost	218,243	228,704
Capital assets, net (Note 5)	20,264,006	20,259,522
Total Noncurrent Assets	<u>23,709,880</u>	<u>23,437,619</u>
TOTAL ASSETS	<u>31,101,446</u>	<u>29,008,751</u>
LIABILITIES		
Current Liabilities		
Accounts payable	583,837	451,639
Accrued liabilities	286,279	206,999
Funds held for others	501,927	551,827
Deferred revenues	2,660,252	2,755,826
Accrued compensated absences	225,999	216,817
Note payable	506,852	599,086
Capital leases payable - current portion	96,444	72,773
Bonds payable - current portion	216,000	125,000
Total Current Liabilities	<u>5,077,590</u>	<u>4,979,967</u>
Noncurrent Liabilities:		
Deposits	147,325	130,400
Capital leases payable	634,783	728,751
Bonds payable	8,254,000	8,470,000
Total Noncurrent Liabilities	<u>9,036,108</u>	<u>9,329,151</u>
TOTAL LIABILITIES	<u>14,113,698</u>	<u>14,309,118</u>
NET ASSETS		
Invested in capital assets, net of related debt	10,555,927	10,263,912
Restricted:		
Nonexpendable		
Scholarships and fellowships	3,095,828	2,832,664
Expendable		
Student aid	265,573	266,904
Instructional programs	5,005	5,005
Capital projects	131,675	123,318
Loans	367,345	384,712
Debt service	1,347,067	1,084,234
Unexpended Bond Proceeds	-	-
Unrestricted	<u>1,219,328</u>	<u>(261,116)</u>
TOTAL NET ASSETS (Schedule D)	<u>\$16,987,748</u>	<u>\$14,699,633</u>

See accompanying notes to the financial statements

Western Texas College
Statement of Revenues, Expenses and Changes in Net Assets
For the Years Ended August 31, 2012 and 2011
Exhibit 2

	<u>2012</u>	<u>2011</u>
REVENUES		
Operating revenues:		
Tuition and fees (Net of discounts of \$1,974,509 in 2012 and \$1,760,315 in 2011)	\$2,951,458	\$2,643,162
Federal grants and contracts	2,622,140	2,031,708
State grants and contracts	74,611	121,735
Non-governmental grants and contracts	-	67,291
Sales and services of educational activities	18,025	19,409
Auxiliary enterprises	2,269,415	2,303,751
Other operating revenues	<u>136,202</u>	<u>118,956</u>
Total operating revenues (Schedule A)	<u>8,071,851</u>	<u>7,306,012</u>
EXPENSES		
Operating expenses:		
Instruction	3,658,884	3,659,404
Public service	2,146,940	2,279,847
Academic support	682,048	702,446
Student services	717,843	652,898
Institutional support	3,174,204	2,987,584
Operation and maintenance of plant	2,849,410	2,543,072
Scholarships and fellowships	2,624,492	2,616,780
Auxiliary enterprises	2,624,959	2,759,735
Depreciation	<u>852,729</u>	<u>779,518</u>
Total operating expenses (Schedule B)	<u>19,331,509</u>	<u>18,981,284</u>
Operating Income (Loss)	<u>(11,259,658)</u>	<u>(11,675,272)</u>
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	4,412,712	4,847,314
Maintenance ad-valorem taxes	5,686,282	4,066,974
Federal revenue, non-operating	3,084,048	2,884,637
Gifts	570,821	117,230
Investment income (net of investment expenses)	49,273	40,384
Gain (loss) on sale of investments, unrealized	104,013	-
Interest on capital related debt	(518,876)	(538,568)
Gain (loss) on disposal of capital assets	(30,729)	-
Additions (deletions) to permanent and term endowments	(298,641)	378,594
Other non-operating revenues (expenses)	<u>488,870</u>	<u>1,018,054</u>
Net Non-Operating Revenues (Schedule C)	<u>13,547,773</u>	<u>12,814,619</u>
Increase (Decrease) in Net Assets	2,288,115	1,139,347
NET ASSETS		
Net assets - beginning of year	<u>14,699,633</u>	<u>13,560,286</u>
Net assets - end of year	<u>\$16,987,748</u>	<u>\$14,699,633</u>

See accompanying notes to the financial statements

Western Texas College
Statement of Cash Flows
For the Years Ended August 31, 2012 and 2011
Exhibit 3

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities		
Receipts from students and other customers	\$4,823,230	\$5,659,316
Receipts from grants and contracts	2,960,556	1,923,736
Payments to or on behalf of employees	(8,725,520)	(9,096,577)
Payments to suppliers for goods and services	(6,908,109)	(7,201,194)
Payments for scholarships	(2,624,491)	(2,616,780)
Other receipts (payments)	651	12,331
Net cash provided (used) by operating activities	<u>(10,473,683)</u>	<u>(11,319,168)</u>
Cash Flows from Noncapital Financing Activities		
Receipts from state appropriations	4,412,712	4,847,314
Receipts from ad valorem taxes	5,686,282	4,066,974
Receipts from non-operating federal revenue	3,084,048	2,884,637
Receipts from gifts and grants (other than capital)	645,751	817,678
Student organization and other agency transactions	(49,900)	(150,813)
Net cash provided (used) by noncapital financing activities	<u>13,778,893</u>	<u>12,465,790</u>
Cash Flows from Capital and Related Financing Activities		
Receipts from capital contracts, grants and gifts	112,602	60,000
Proceeds from sale of capital assets	10,000	-
Purchases of capital assets	(849,199)	(918,323)
Payments on capital debt and leases-principal	(287,531)	(604,949)
Payments on capital debt and leases-interest	(518,876)	(538,568)
Net cash provided (used) by capital and related financing activities	<u>(1,533,004)</u>	<u>(2,001,840)</u>
Cash Flows from Investing Activities		
Proceeds from sale and maturity of investments	1,391,693	6,452,996
Receipts from earnings on investment	49,273	1,363
Purchases of investments	(4,098,128)	(3,590,966)
Net cash provided (used) by investing activities	<u>(2,657,162)</u>	<u>2,863,393</u>
Increase (decrease) in cash and cash equivalents	(884,956)	2,008,175
Cash and cash equivalents - beginning of year	4,827,949	2,819,774
Cash and cash equivalents - end of year	<u>\$3,942,993</u>	<u>\$4,827,949</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(\$11,259,658)	(\$11,675,272)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	852,729	779,518
Changes in assets and liabilities		
Receivables, net	(209,416)	95,097
Inventories	(2,528)	(6,576)
Other assets	3,179	18,907
Accounts payable	132,198	(721,627)
Accrued expenses	79,280	18,994
Deferred revenues	(95,574)	157,568
Deposits held for others	16,925	24,375
Compensated absences	9,182	(10,152)
Net cash provided (used) by operating activities	<u>(\$10,473,683)</u>	<u>(\$11,319,168)</u>

See accompanying notes to the financial statements

Western Texas College
Notes to the Basic Financial Statements
August 31, 2012 and 2011

1. Reporting Entity

Western Texas College was established in 1970, in accordance with the laws of the State of Texas, to serve the educational needs of Snyder and the surrounding communities. Western Texas College (WTC) is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While the College 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 Western Texas College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The College applies all applicable GASB pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. The College has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by GASB. 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 is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed 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 students. 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. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

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

Basis of Accounting

The financial statements of Western Texas 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 Governor's Office of Budget and Planning by December 1.

Western Texas College
Notes to the Basic Financial Statements
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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. The governing board has designated public funds investment pools comprised of \$521,336 and \$541,921 at 2012 and 2011, respectively to be short-term investments. Long-term investments have an original maturity of greater than one year at the time of purchase.

Receivables

Receivables consist of tuition and fees charges to students and charges for auxiliary enterprises' sales and services. Receivables also include amounts due from the Federal government, state and local governments. Receivables are recorded net of estimated uncollectible amounts.

Inventories

Inventories are reported at the lower of cost or market using 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 College's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovations 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 an asset's life 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 applying the half-year convention. The following lives are used:

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

Noncurrent Long-Term Liabilities

Noncurrent long-term liabilities include bonds payable and capital lease obligations that will not be paid within the next fiscal year.

Deferred Revenues

Tuition and fees of \$1,736,239 and \$1,788,700, room and board charges of \$772,271 and \$825,060, and delinquent ad valorem taxes of \$151,742 and \$142,066 have been reported as deferred revenues at August 31, 2012 and 2011 respectively.

Net Assets

The College's net assets are classified as follows:

Invested in Capital Assets, Net of Related Debt - This represents the College's total investment in capital assets, net of outstanding debt obligations related to those assets.

Western Texas College
Notes to the Basic Financial Statements
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Restricted Net Assets-Nonexpendable - Nonexpendable restricted net assets include endowments and similar type assets whose use is limited by donors or other outside sources and as a condition of the gift, the principal is to be maintained in perpetuity.

Restricted Net Assets-Expendable - Expendable restricted net assets include resources in which the College is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

Unrestricted Net Assets - Unrestricted net assets include resources derived from student tuition and fees, sales and services, and interest income.

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 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 state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of the bookstore, maintenance and food services are not performed by the College.

3. Authorized Investments

Western Texas 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

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

Cash and Deposits

	<u>2012</u>	<u>2011</u>
Bank Deposits		
Demand Deposits	\$3,939,973	\$2,124,929
Cash and Cash Equivalents		
Petty Cash on Hand	3,020	3,020
Cash Held in Brokerage Account	-	2,700,000
Total Cash and Deposits	<u>\$3,942,993</u>	<u>\$4,827,949</u>

Western Texas College
Notes to the Basic Financial Statements
August 31, 2012 and 2011

Reconciliation of Deposits and Investments Between Note 4 and Exhibit 1:

	2012	2011
Per Note 4:		
Total Cash and Deposits	\$3,942,993	\$4,827,949
Total Investments	3,666,784	891,921
Total	\$7,609,777	\$5,719,870
Per Exhibit 1:		
Unrestricted:		
Cash and Cash Equivalents	\$3,510,810	\$1,878,556
Short-Term Investments	871,336	891,921
Restricted:		
Cash and Cash Equivalents	432,183	2,949,393
Short-Term Investments	2,795,448	-
Total	\$7,609,777	\$5,719,870

As of August 31, 2012, Western Texas College had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 2	2 to 3
Investment Pool	\$ 521,336	\$ 521,336	-	-
Certificate of Deposit	350,000	350,000	-	-
Mutual Funds	2,795,448	-	-	-
Total Fair Value	\$3,666,785	\$871,336	-	-

As of August 31, 2012, investments with a carrying value of \$350,000 were pledged as collateral for a note payable.

Interest Rate Risk - In accordance with state law and College policy, the College does not purchase any investment with maturities greater than 10 years.

Credit Risk - In accordance with state law and the College's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc., must be rated at least A.

Investment Pool (TexPool) - Standard & Poor's rating as of August 31, 2012 equaled AAAM
Certificate of Deposit - Not Rated
Mutual Funds - Not Rated

Concentration of Credit Risk - The College does not place a limit on the amount the College may invest in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of are as follows:

Texas Savings Bank (Certificates of Deposit) - \$350,000 (10%)

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Western Texas College
Notes to the Basic Financial Statements
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As of August 31, 2012, the carrying amount of the College's bank balances was \$4,289,973. Bank balances of \$655,064 were covered by Federal Depository Insurance. Bank balances in the amount of \$3,634,909 were covered by securities held by the bank but not in the Colleges' name.

5. Capital Assets

Capital assets activity for the year ended August 31, 2012 was as follows:

	Balance 9/1/2011	Increases	Decreases	Balance 8/31/2012
<u>Not Depreciated:</u>				
Land	\$657,662	-	-	\$657,662
Construction in Progress	35,000	339,297	-	374,297
Subtotal	692,662	339,297	-	1,031,959
<u>Other Capital Assets:</u>				
Buildings	22,380,361	137,000	-	22,517,361
Improvements	2,952,868	118,832	9,438	3,062,262
Library Books	1,089,754	9,224	446	1,098,532
Furniture, Machinery, Vehicles and Other Equipment	2,521,525	248,634	55,000	2,715,159
Telecommunications and Peripheral Equipment	1,185,495	44,954	-	1,230,449
Subtotal	30,130,003	558,644	64,884	30,623,763
<u>Accumulated Depreciation:</u>				
Buildings	6,854,667	404,079	-	7,258,746
Improvements	635,674	125,315	4,460	756,529
Library Books	981,478	12,562	446	993,594
Furniture, Machinery, Vehicles and Other Equipment	1,208,798	203,523	19,250	1,393,071
Telecommunications and Peripheral Equipment	882,526	107,250	-	989,776
Subtotal	10,563,143	852,729	24,156	11,391,716
Net Other Capital Assets	19,566,860	(294,085)	40,728	19,232,047
Net Capital Assets	\$20,259,522	\$45,212	\$40,728	\$20,264,006

Western Texas College
Notes to the Basic Financial Statements
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Capital assets activity for the year ended August 31, 2011 was as follows:

	Balance 9/1/2010	Increases	Decreases	Balance 8/31/2011
<u>Not Depreciated:</u>				
Land	\$657,662	-	-	\$657,662
Construction in Progress	4,807,902	1,534,361	6,307,263	35,000
Subtotal	5,465,564	1,534,361	6,307,263	692,662
<u>Other Capital Assets:</u>				
Buildings	17,531,156	4,849,205	-	22,380,361
Improvements	1,663,460	1,289,408	-	2,952,868
Library Books	1,083,326	6,428	-	1,089,754
Furniture, Machinery, Vehicles and Other Equipment	2,363,513	201,447	43,435	2,521,525
Telecommunications and Peripheral Equipment	1,155,060	30,435	-	1,185,495
Subtotal	23,796,515	6,376,923	43,435	30,130,003
<u>Accumulated Depreciation:</u>				
Buildings	6,495,464	359,203	-	6,854,667
Improvements	541,440	94,234	-	635,674
Library Books	966,228	15,250	-	981,478
Furniture, Machinery, Vehicles and Other Equipment	1,033,559	218,674	43,435	1,208,798
Telecommunications and Peripheral Equipment	790,369	92,157	-	882,526
Subtotal	9,827,060	779,518	43,435	10,563,143
Net Other Capital Assets	13,969,455	5,597,405	-	19,566,860
Net Capital Assets	\$19,435,019	\$7,131,766	\$6,307,263	\$20,259,522

6. Long-term Liabilities

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

	Balance 9/1/2011	Additions	Reductions	Balance 8/31/2012	Current Portion
Capital Leases and Bonds:					
Capital Leases	\$ 801,524	-	\$ 70,297	\$ 731,227	\$ 96,444
Revenue Bonds	8,595,000	-	125,000	8,470,000	216,000
Total Long-term Liabilities	\$9,396,524	-	\$195,297	\$9,201,227	\$312,444

Western Texas College
Notes to the Basic Financial Statements
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Long-term liability activity for the year ended August 31, 2011 was as follows:

	Balance 9/1/2010	Additions	Reductions	Balance 8/31/2011	Current Portion
Capital Leases and Bonds:					
Capital Leases	\$1,114,795	-	\$313,271	\$ 801,524	\$ 72,773
Revenue Bonds	8,815,000	-	220,000	8,595,000	125,000
Total Long-term Liabilities	\$9,929,795	-	\$533,271	\$9,396,524	\$197,773

7. Debt and Lease Obligations

Debt service requirements for the 2012 Revenue Refunding Bonds at August 31, 2012 are as follows:

For the Years Ended August 31,	Principal	Interest	Total
2013	\$ 131,000	\$ 69,565	\$ 200,565
2014	119,000	88,893	207,893
2015	123,000	84,779	207,779
2016	128,000	80,512	208,512
2017	131,000	76,109	207,109
2018-2022	726,000	309,366	1,035,366
2023-2027	858,000	174,930	1,032,930
2028-2030	589,000	30,481	619,481
Total	\$2,805,000	\$914,635	\$3,719,635

Debt service requirements for the 2009 Revenue Bonds at August 31, 2012 are as follows:

For the Years Ended August 31,	Principal	Interest	Total
2013	\$ 85,000	\$ 313,488	\$ 398,488
2014	90,000	310,200	400,200
2015	100,000	306,400	406,400
2016	105,000	302,038	407,038
2017	110,000	297,063	407,063
2018-2022	615,000	1,397,188	2,012,188
2023-2027	805,000	1,209,408	2,014,408
2028-2032	1,550,000	921,520	2,471,520
2033-2035	2,260,000	233,451	2,493,451
Total	\$5,720,000	\$5,290,756	\$11,010,756

Western Texas College
Notes to the Basic Financial Statements
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Capital leases relate to the purchase of copiers and a campus wide boiler replacement project with a combined depreciable value of \$831,872. Obligations under these leases at August 31, 2012 are as follows:

For the Year Ended August 31,	
2013	\$109,230
2014	88,196
2015	79,681
2016	79,681
2017	79,681
2018-2022	398,407
2023	79,681
Total Minimum Lease Payments	914,557
Less: Interest	(183,330)
Present Value of Minimum Lease Payments	\$731,227

8. Bonds Payable

General Information related to bonds payable is summarized below:

- Scurry County Junior College District Consolidated Fund Revenue Refunding Bonds, Series 2012
- Issued April 1, 2005: Refunded November 1, 2012
- To construct new residence hall located on the campus.
- \$2,805,000; all authorized bonds have been issued.
- Sources of revenue for debt service - general student fees, student tuition, and gross revenue of the housing system.
- Principal payments ranging from \$119,000 to \$203,000; fixed interest rate of 3.40%.
- Outstanding balance at August 31, 2012 is \$2,750,000, with the final payment due 02/15/30.

Bonds payable are due in annual installment varying from \$230,614 to \$234,730 with a fixed interest rate of 3.40%. The final installment is due February 15, 2030.

- Scurry County Junior College District Consolidated Fund Revenue Bonds, Series 2009
- Issued November 1, 2009
- To construct new residence hall located on the campus.
- \$5,890,000; all authorized bonds have been issued.
- Sources of revenue for debt service - general student fees, student tuition, and gross revenue of the housing system.
- Principal payments ranging from \$85,000 to \$1,190,000; variable interest rate ranging from 3.25% to 5.75% until 08/31/35.

Western Texas College
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- Outstanding balance at August 31, 2012 is \$5,720,000, with the final payment due 08/31/35.

Bonds payable are due in annual installment varying from \$398,488 to \$1,224,213 with a variable interest rate. The final installment is due August 31, 2035.

9. Notes Payable

The College obtained a loan from a local bank during fiscal year 2003 for the construction of a baseball/softball complex. This loan was a multiple advance note with a maximum principal available of \$570,000, variable interest rate and was due upon demand. In fiscal year 2009, additional funds of \$109,315 were drawn on this loan for the development of a new soccer field. In 2011, the balance of this loan, \$469,390.03, was refinanced with an interest rate of 3.95% to be paid in 60-monthly payments in the amount of \$8,635 per month beginning in September 2011. The loan is scheduled to be paid off in August 2016. Also in fiscal year 2009, a separate loan of \$144,000 was obtained for the purchase of a building for off campus classes. The interest rate is 4% and the monthly payments are in the amount of \$817 per month for 240 months. The debt is secured by the property. Both loans are due on demand.

Notes payable activity for fiscal year 2012 was as follows:

	Balance 09/01/2011	Additions	Reductions	Balance 08/31/12	Current Portion
Notes Payable	\$599,086	-	\$92,234	\$506,852	\$506,852
Total Notes Payable	\$599,086	-	\$92,234	\$506,852	\$506,852

Notes payable activity for fiscal year 2011 was as follows:

	Balance 09/01/2010	Additions	Reductions	Balance 08/31/2011	Current Portion
Notes Payable	\$670,765	-	\$71,679	\$599,086	\$599,086
Total Notes Payable	\$670,765	-	\$71,679	\$599,086	\$599,086

10. Employee's Retirement Plan

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

Teacher Retirement System of Texas

Plan Description. Western Texas College 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, under the TRS publications heading.

Western Texas College
Notes to the Basic Financial Statements
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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% and 6.4% for fiscal years 2012 and 2011 and a state contribution rate of 6.0% and 6.64% for fiscal year 2012 and 2011. In certain instances the reporting district is required to make all or a portion of the state's 6.0% and 6.64% contribution for fiscal year 2012 and 2011.

Optional Retirement Plan

Plan Description. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The Optional Retirement Program provides for the purchase of annuity contracts and operates under the 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 6.4% for 2012 and 2011 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 \$316,802 and \$357,439 for the fiscal years ended August 31, 2012 and 2011, 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 \$7,053,363 and \$7,100,386 for fiscal years 2012 and 2011, respectively. The total payroll of employees covered by the Teacher Retirement System was \$3,984,225 and \$3,812,541 and the total payroll of employees covered by the Optional Retirement Program was \$2,103,783 and \$2,312,510 for fiscal years 2012 and 2011, respectively.

11. 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 College currently has no employees participating.

12. Compensated Absences

Full-time employees earn annual leave from eight to twelve hours per month depending on the number of years employed with the College. The College's policy is that an employee may carry their accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 240 for those employees with 16 or more years of service. Employees with at least six months of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The College recognized the accrued liability for the unpaid annual leave in the amounts of \$225,999 and \$216,817 for 2012 and 2011. Sick leave, which can accumulate up to 60 days, is earned at the rate of 8 hours per month per full time employee. The College's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

Western Texas College
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13. Pending Lawsuits and Claims

The College could be a party to litigation and claims in the ordinary course of its operations. Since it is not possible to predict the ultimate outcome of these matters, no provision for any liability has been made in the financial statements. College management is of the opinion that the liability, if any, for any of these matters will not have a material adverse effect on the financial position of the College.

14. Disaggregation of Receivables and Payables Balances

Receivables at August 31, 2012 and 2011 are as follows:

	2012	2011
Accounts Receivable	\$1,868,914	\$1,706,220
Student Receivables	948,077	910,389
Allowance for Doubtful Accounts	(80,500)	(80,500)
Taxes Receivable	151,742	142,066
Other Receivables	7,708	8,350
Total	<u>\$2,895,941</u>	<u>\$2,686,525</u>

Payables at August 31, 2012 and 2011 are as follows:

	2012	2011
Vendor Payables	\$583,837	\$451,639
Total	<u>\$583,837</u>	<u>\$451,639</u>

15. 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, Schedule A, and Schedule C. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g. multi-year awards, or funds awarded during fiscal year 2012 and 2011 for which monies have not been received nor funds expended totaled \$8,250,349 and \$6,130,135. Of these amounts, \$8,250,349 and \$6,019,904 were from Federal Contract and Grant Awards in 2012 and 2011 respectively; \$110,231 was from State Contract and Grant Awards for the fiscal year ending 2011.

16. Risk Management

The College is exposed to various risks of loss related to liability, property, and errors and omissions. These exposures to loss are handled by commercial insurance. The College has self-insured arrangements for coverage in the areas of unemployment compensation and workers' compensation. Unemployment compensation is on a pay-as-you-go basis and workers' compensation is handled by a risk management fund which specializes in handling colleges and school district workers' compensation claims. Accrued liabilities are generally based on actuarial valuation and represent the present value of unpaid expected claims. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage.

**Western Texas College
Notes to the Basic Financial Statements
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17. 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 was \$438.30 per month for the year ended August 31, 2012 and \$413.26 per month for 2011. The state's contribution totaled \$476,634 for 2012 and \$772,150 for 2011. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for the active employees.

18. Ad Valorem Tax

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

At August 31, 2012 and 2011:

	2012	2011
Assessed Valuation of the District	\$2,742,070,859	\$2,730,522,636
Less: Exemptions	22,352,585	18,648,843
Less: Abatements	-	-
Net Assessed Valuation of the District	\$2,719,718,274	\$2,711,873,793

	2012			2011		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate per \$100 valuation (Maximum per enabling legislation)	\$0.3500	-	\$0.3500	\$0.3500	-	\$0.3500
Assessed Tax Rate per \$100 valuation	\$0.2114	-	\$0.2114	\$0.1523	-	\$0.1523

Taxes levied for the year ended August 31, 2012 and 2011 was \$5,760,035 and \$4,133,783 (which includes any penalty and interest assessed, if applicable). 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.

Western Texas College
Notes to the Basic Financial Statements
August 31, 2012 and 2011

	2012			2011		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$5,601,623	-	\$5,601,523	\$3,974,627	-	\$3,974,627
Delinquent Taxes Collected	38,553	-	38,553	52,415	-	52,415
Penalties and Interest Collected	46,106	-	46,106	39,932	-	39,932
Total Collections	\$5,686,282	-	\$5,686,282	\$4,066,974	-	\$4,066,974

Tax collections for the year ended August 31, 2012 and 2011 were 97.2% and 96.2% of the actual tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

19. Income Taxes

The College is exempt from income taxes under Internal Revenue Code Section 115, Income of States, Municipalities, Etc., although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations. The College had no unrelated business income tax liability for the years ended August 31, 2012 and 2011.

20. Contingencies Liabilities

Texas Constitution article 16, section 67(b)(3) provides that the State of Texas must contribute "not less than six percent nor more than ten percent of the aggregate compensation paid to individuals participating in the system," referring to the State's Teacher Retirement System (TRS) including the related faculty Optional Retirement Program (ORP). During the 2011 legislative session, the Texas Legislature appropriated retirement funds for various types of education institutions other than community and junior colleges in satisfaction of this requirement, but the community college appropriations restricted the State's contribution to TRS/ORP on behalf of community colleges to only six percent of each district's unrestricted general revenue appropriation for each year of the biennium state budget.

There is no pending litigation concerning this issue to construe the constitutional funding requirements; or to hold that the State biennium appropriations satisfy those requirements; or to attempt to collect any shortfall contributions from any community college district.

Management believes that the shortfall contributions by the institution, if any, will not have a material effect on the financial position of the college.

Western Texas College
Notes to the Basic Financial Statements
August 31, 2012 and 2011

21. Component Unit

Western Texas College Foundation was established as a separate nonprofit organization in 1977, to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No 39, Determining Whether Certain Organizations are Component Units, an organization should report as a blended component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

Accordingly, the Foundation financial statements are included in the College's annual report as a blended component unit. Complete financial statements of Western Texas College Foundation can be obtained from the administrative office of Western Texas College.

22. Subsequent Events

Western Texas College Board of Trustees approved on October 8, 2012 to borrow \$1,665,801 for renovation of the existing Science Lab. The repayment of this debt will be entirely funded by the Higher Education Institutional Aid STEM grant that was awarded to the College in 2011.

Western Texas College
Schedule of Operating Revenues
For the Year Ended August 31, 2012
(With Memorandum Totals for the Year Ended August 31, 2011)
Schedule A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2012 Total	2011 Total
Tuition						
State funded courses:						
In-district resident tuition	\$1,027,495	-	\$1,027,495	-	\$1,027,495	\$887,346
Out-of-district resident tuition	1,443,534	-	1,443,534	-	1,443,534	1,475,048
TPEG (set aside)*	123,096	-	123,096	-	123,096	119,372
Non-resident tuition	395,373	-	395,373	-	395,373	354,430
Non-state funded educational programs	47,788	-	47,788	-	47,788	3,542
Total Tuition	<u>3,037,286</u>	<u>-</u>	<u>3,037,286</u>	<u>-</u>	<u>3,037,286</u>	<u>2,839,738</u>
Fees						
Building use fee	68,611	-	68,611	-	68,611	64,417
Student service fee	-	-	-	186,817	186,817	200,243
Laboratory fee	137,838	-	137,838	-	137,838	124,536
VCT fee	106,000	-	106,000	-	106,000	87,600
Installment fee	2,360	-	2,360	-	2,360	1,520
General Use Fee	662,227	-	662,227	-	662,227	467,137
Adult vocational fee	3,948	-	3,948	-	3,948	6,035
Other fees	720,880	-	720,880	-	720,880	612,251
Total Fees	<u>1,701,864</u>	<u>-</u>	<u>1,701,864</u>	<u>186,817</u>	<u>1,888,681</u>	<u>1,563,739</u>
Scholarship Allowances and Discounts						
Scholarship allowances	(587,958)	-	(587,958)	-	(587,958)	(653,909)
Remissions and exemptions	(301,697)	-	(301,697)	-	(301,697)	(151,693)
TPEG allowances	(92,252)	-	(92,252)	-	(92,252)	(70,924)
Federal grants to students	(932,153)	-	(932,153)	-	(932,153)	(761,886)
State grants to students	(60,449)	-	(60,449)	-	(60,449)	(121,903)
Total Scholarship Allowances and Discounts	<u>(1,974,509)</u>	<u>-</u>	<u>(1,974,509)</u>	<u>-</u>	<u>(1,974,509)</u>	<u>(1,760,315)</u>
Total Net Tuition and Fees	<u>2,764,641</u>	<u>-</u>	<u>2,764,641</u>	<u>186,817</u>	<u>2,951,458</u>	<u>2,643,162</u>
Additional Operating Revenues						
Federal grants and contracts	-	2,622,140	2,622,140	-	2,622,140	2,031,708
State grants and contracts	-	74,611	74,611	-	74,611	121,735
Non-governmental grants and contracts	-	-	-	-	-	67,291
Sales and services of educational activities	18,025	-	18,025	-	18,025	19,409
Investment income (program restricted)	-	105,887	105,887	-	105,887	77,942
Other operating revenues	23,794	6,521	30,315	-	30,315	41,014
Total Additional Operating Revenues	<u>41,819</u>	<u>2,809,159</u>	<u>2,850,978</u>	<u>-</u>	<u>2,850,978</u>	<u>2,359,099</u>
Auxiliary Enterprises						
Residential life	-	-	-	886,561	886,561	919,576
Bookstore	-	-	-	29,084	29,084	38,181
Golf course	-	-	-	188,474	188,474	197,363
Food service	-	-	-	610,310	610,310	592,793
Athletics	-	-	-	26,775	26,775	23,476
Apartments	-	-	-	9,301	9,301	12,850
Coliseum	-	-	-	518,910	518,910	519,512
Total Net Auxiliary Enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,269,415</u>	<u>2,269,415</u>	<u>2,303,751</u>
Total Operating Revenues	<u>\$2,806,460</u>	<u>\$2,809,159</u>	<u>\$5,615,619</u>	<u>\$2,456,232</u>	<u>\$8,071,851</u>	<u>\$7,306,012</u>

(Exhibit 2) (Exhibit 2)

* In accordance with Education Code 56.033, \$123,096 and \$119,372 for years August 31, 2012 and 2011, respectively, was set aside for Texas Public Education Grants

Western Texas College
Schedule of Operating Expenses by Object
Year Ended August 31, 2012 (with Memorandum Totals for the Year Ended August 31, 2011)
Schedule B

	Operating Expenses			2012 Total	2011 Total	
	Salaries and Wages	Benefits				Other Expenses
		State	Local			
<u>Unrestricted - Educational Activities</u>						
Instruction	\$2,878,189	-	\$232,775	\$244,727	\$3,355,691	\$3,064,561
Public Service	-	-	20,264	16,926	37,190	52,989
Academic Support	457,367	-	43,539	118,351	619,257	608,349
Student Services	525,891	-	55,353	48,206	629,450	538,545
Institutional Support	1,226,524	-	237,833	1,327,245	2,791,602	2,623,179
Operation and Maintenance of Plant	124,914	-	31,840	2,692,656	2,849,410	2,543,072
Scholarships and Fellowships	-	-	-	380,988	380,988	369,101
Total Unrestricted Educational Activities	5,212,885	-	621,604	4,829,099	10,663,588	9,799,796
<u>Restricted - Educational Activities</u>						
Instruction	19,462	277,703	-	-	297,165	594,843
Public Service	892,584	-	173,825	1,043,341	2,109,750	2,226,858
Academic Support	9,518	55,541	-	-	65,059	94,097
Student Services	11,898	79,344	-	-	91,242	114,353
Institutional Support	2,665	380,848	-	-	383,513	364,405
Scholarships and Fellowships	-	-	-	2,243,504	2,243,504	2,247,679
Total Restricted Educational Activities	936,127	793,436	173,825	3,286,845	5,190,233	5,642,235
Total Educational Activities	6,149,012	793,436	795,429	8,115,944	15,853,821	15,442,031
Auxiliary Enterprises	904,351	-	172,505	1,548,103	2,624,959	2,759,735
Depreciation Expense-Buildings and Improvements	-	-	-	529,394	529,394	453,437
Depreciation Expense-Equipment and Furniture	-	-	-	323,335	323,335	326,081
Total Operating Expenses	\$7,053,363	\$793,436	\$967,934	\$10,516,776	\$19,331,509	\$18,981,284
				(Exhibit 2)	(Exhibit 2)	

Western Texas College
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2012 (with Memorandum Totals for the Year Ended August 31, 2011)
Schedule C

	Unrestricted	Restricted	Auxiliary Enterprises	2012 Total	2011 Total
Non-Operating Revenues:					
State Appropriations:					
Education and general state support	\$3,619,276	-	-	\$3,619,276	\$3,717,725
State group insurance	-	476,634	-	476,634	772,150
State retirement matching	-	316,802	-	316,802	357,439
Total state appropriations	<u>3,619,276</u>	<u>793,436</u>	<u>-</u>	<u>4,412,712</u>	<u>4,847,314</u>
Other Non-Operating Revenues:					
Maintenance ad valorem taxes	5,686,282	-	-	5,686,282	4,066,974
Federal Revenue, Non-Operating	-	3,084,048	-	3,084,048	2,884,637
Gifts	562,916	7,905	-	570,821	117,230
Investment Income	49,273	-	-	49,273	40,384
Gain (loss) on sale of investments, unrealized	-	104,013	-	104,013	-
Additions (deletions) to permanent and term endowments	-	(298,641)	-	(298,641)	378,594
Contributions in aid of construction	-	115,299	-	115,299	736,584
Other Non-Operating revenue	373,571	-	-	373,571	281,470
Total other Non-Operating Revenues	<u>6,672,042</u>	<u>3,012,624</u>	<u>-</u>	<u>9,684,666</u>	<u>8,505,873</u>
Total Non-Operating Revenue	<u>10,291,318</u>	<u>3,806,060</u>	<u>-</u>	<u>14,097,378</u>	<u>13,353,187</u>
Non-Operating Expenses:					
Interest on capital related debt	(518,876)	-	-	(518,876)	(538,568)
Loss on disposal of capital assets	(30,729)	-	-	(30,729)	-
Total Non-Operating Expenses	<u>(549,605)</u>	<u>-</u>	<u>-</u>	<u>(549,605)</u>	<u>(538,568)</u>
Net Non-Operating Revenues	<u>\$9,741,713</u>	<u>\$3,806,060</u>	<u>-</u>	<u>\$13,547,773</u>	<u>\$12,814,619</u>
				(Exhibit 2)	(Exhibit 2)

Western Texas College
Schedule of Net Assets by Source and Availability
For the Year Ended August 31, 2012 (with Memorandum Totals for the Year Ended August 31, 2011)
Schedule D

	Detail by Source				Available for Current Operations		
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$714,164	-	-	-	\$714,164	\$713,347	-
Board Designated	-	-	-	-	-	-	-
Restricted	-	270,578	-	-	270,578	270,578	-
Auxiliary enterprises	505,164	-	-	-	505,164	505,164	-
Loan	-	367,345	-	-	367,345	-	367,345
Endowment:	-	-	-	-	-	-	-
Quasi:	-	-	-	-	-	-	-
Unrestricted	-	131,675	-	-	131,675	219,277	-
Restricted	-	-	3,095,828	-	3,095,828	-	3,008,226
Endowment	-	-	-	-	-	-	-
True	-	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
Plant:	-	-	-	-	-	-	-
Unexpended	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-
Debt Service	-	1,347,067	-	-	1,347,067	-	1,347,067
Investment in Plant	-	-	-	10,555,927	10,555,927	-	10,555,927
Total Net Assets, August 31, 2012	1,219,328	2,116,665	3,095,828	10,555,927	16,987,748	1,708,366	15,278,565
					(Exhibit 1)		
Total Net Assets, August 31, 2011	(261,116)	1,864,173	2,832,664	10,263,912	14,699,633	(540,889)	15,240,522
					(Exhibit 1)		
Net Increase (Decrease) in Net Assets	\$1,480,444	\$252,492	\$263,164	\$292,015	\$2,288,115	\$2,249,255	\$38,043
					(Exhibit 2)		

Western Texas College
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2012
Schedule E

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements
<u>U.S. Department of Education</u>			
Direct Programs:			
Federal Supplemental Educational Opportunity Grants	84.007		\$9,800
Federal Work-Study Program	84.033		34,041
Federal Pell Grant Program	84.063		1,803,620
Federal Direct Student Loans	84.268		1,236,552
Subtotal			<u>3,084,013</u>
TRIO-Student Support Services	84.042		236,083
TRIO-Talent Search	84.044		215,595
TRIO-Upward Bound	84.047		242,260
Subtotal			<u>693,938</u>
Higher Education Institutional Aid - STEM	84.031C		499,636
Higher Education Institutional Aid - Title V	84.031S		726,673
Higher Education Institutional Aid - Title V Coop	84.031S		635,855
Subtotal			<u>1,862,164</u>
Pass-Through From:			
Texas Higher Education Coordinating Board			
Career and Technical Education - Basic Grants to States	84.048	124281	54,054
Total U.S. Department of Education			<u><u>5,694,169</u></u>
Total Federal Financial Assistance			<u><u>\$5,694,169</u></u>

Note 1: Federal Assistance Reconciliation

Federal Grants and Contracts Revenue - per Schedule A	\$2,622,140
Non-Operating Federal Revenue - per Schedule C	3,084,048
Total Federal Revenues per Statement of Revenues and Changes in Net Assets	<u><u>\$5,706,188</u></u>
Reconciling Items:	
Student Loan	(34)
Title V Draw Down	(11,985)
Total Federal Revenues per Schedule of Expenditures of Federal Awards	<u><u>\$5,694,169</u></u>

Note 2: Significant Accounting Policies used in Preparing 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 which 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 limitations and restrictions imposed by the funding agencies. The college has followed all applicable guidelines issued by various entities in the preparation of the schedule.

Western Texas College
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2012
Schedule F

Grantor Agency/Program Title	Contract Number	Expenditures
<u>Texas Comptroller of Public Accounts</u>		
Direct Programs:		
Jobs and Education for Texans (JET) Non Profit	NP2.7.227500	\$65,128
Total Texas Comptroller of Public Accounts		<u>65,128</u>
<u>Texas Higher Education Coordinating Board</u>		
Direct Programs:		
Texas Grants		49,211
Pass-Through From:		
El Paso Community College Community College Developmental Education Initiative Program	CA007470	17,696
Total Texas Higher Education Coordinating Board		<u>66,907</u>
<u>Texas Workforce Commission</u>		
Direct Programs:		
Skills for Small Business	TWC0912SSD003	400
Total Texas Workforce Commission		<u>400</u>
Total State Financial Assistance		<u><u>\$132,435</u></u>
<u>Note 1: State Assistance Reconciliation</u>		
State Revenues - per Schedule A		
State Financial Assistance Per Schedule of expenditures of State Awards		\$132,435
State Financial Assistance		
Jobs and Education for Texans (JET) Non-Profit (included in Schedule A captioned "Scholarships Allowances")		(65,128)
Community College Developmental Education Initiative Program		7,304
Total State Revenues per Schedule A		<u><u>\$74,611</u></u>
<u>Note 2: Significant Accounting Policies used in Preparing Schedule</u>		

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

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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 GOVERNMENT AUDITING STANDARDS**

December 21, 2012

To the Board of Trustees
Western Texas College
Snyder, Texas

We have audited the basic financial statements of Western Texas College, as of and for the year ended August 31, 2012, and have issued our report thereon dated December 21, 2012. 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.

Internal Control Over Financial Reporting

Management of Western Texas College, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Western Texas College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Western Texas College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Western Texas College's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Western Texas 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, including the *Public Funds Investment Act (Chapter 2256, Texas Government Code)*, 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*.

This report is intended solely for the information and use of the Board of Trustees, management, others within the organization, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

May & Hrbacek, LLP

May & Hrbacek, LLP
Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

December 21, 2012

To the Board of Trustees
Western Texas College
Snyder, Texas

Compliance

We have audited Western Texas College's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Western Texas College's major federal programs for the year ended August 31, 2012. Western Texas College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Western Texas College's management. Our responsibility is to express an opinion on Western Texas College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Western Texas 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. Our audit does not provide a legal determination of Western Texas College's compliance with those requirements.

In our opinion, Western Texas College, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2012.

Internal Control Over Compliance

Management of Western Texas College, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Western Texas College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Western Texas College's internal control over compliance.

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

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Trustees, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



May & Hrbacek, LLP
Certified Public Accountants

**Western Texas College
Schedule of Findings and Questioned Costs
Federal Awards
For the Year Ended August 31, 2012**

Section I - Summary of Auditors' Results

Financial Statements:

The auditors' report expresses an unqualified opinion on the basic financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? _____yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____yes X none reported

Noncompliance material to the basic financial statements noted?

_____yes X no

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? _____yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____yes X none reported

The auditors' report on compliance for major federal award programs expresses an unqualified opinion.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133

_____yes X no

Identification of major programs tested:

<u>CFDA Number(s)</u>	<u>Name of Program or Cluster</u>
84.042	TRIO-Student Support Services
84.044	TRIO-Talent Search
84.047	TRIO-Upward Bound
84.031C	Higher Education Institutional Aid - STEM
84.031S	Higher Education Institutional Aid - Title V
84.031S	Higher Education Institutional Aid - Title V Coop

Dollar threshold used to distinguish between type A and type B for federal programs:

\$300,000

Auditee was determined to be a low-risk auditee under OMB Circular A-133?

 X yes _____no

Section II - Financial Statement Findings

None

Section III - Findings and Questioned Costs - Major Federal Award Programs

None

**Western Texas College
Summary Schedule of Prior Audit Findings
Federal Awards
For the Year Ended August 31, 2012**

There were no findings or questioned costs noted in the prior year relative to Federal awards.

Western Texas College
Statistical Supplement 1
Net Assets by Component
Fiscal Years 2003 to 2012
(unaudited)

	For the Fiscal Year Ended August 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Invested in capital assets, net of related debt	\$10,555,927	\$10,263,912	\$8,834,459	\$9,916,283	\$9,498,157	\$5,253,222	\$5,436,236	\$5,639,015	\$5,287,601	\$5,994,350
Restricted - expendable	2,116,665	1,864,173	3,045,612	3,442,910	3,034,515	2,654,149	2,148,922	1,881,364	1,802,872	1,949,717
Restricted - nonexpendable	3,095,828	2,832,664	2,556,196	-	-	-	-	-	-	-
Unrestricted	1,219,328	(261,116)	(875,981)	(584,615)	107,405	61,553	(402,847)	(226,734)	383,218	638,610
Total primary government net assets	\$16,987,748	\$14,699,633	\$13,560,286	\$12,774,578	\$12,640,077	\$7,968,924	\$7,182,311	\$7,293,645	\$7,473,691	\$8,582,677

Western Texas College
Statistical Supplement 2
Revenues by Source
Fiscal Years 2003 to 2012
(unaudited)

	For the Year Ended August 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tuition and Fees (Net of Discounts)	\$2,951,458	\$2,643,162	\$2,758,218	\$2,685,383	\$2,211,612	\$2,087,627	\$1,728,836	\$1,266,314	\$907,296	\$910,491
Governmental Grants and Contracts										
Federal Grants and Contracts	2,622,140	2,031,708	2,068,475	2,060,051	1,792,789	2,461,319	1,813,172	1,339,742	1,434,266	1,456,206
State Grants and Contracts	74,611	121,735	634,934	636,195	138,029	126,722	122,501	86,369	130,424	277,973
Non-Governmental Grants and Contracts	-	67,291	158,386	158,757	159,070	163,304	175,684	155,942	150,142	188,306
Sales and services of educational activities	18,025	19,409	26,074	17,463	18,174	30,310	23,271	29,908	28,030	24,193
Auxiliary enterprises	2,269,415	2,303,751	1,947,698	1,720,959	1,470,065	1,114,815	692,932	620,971	636,125	736,142
Other Operating Revenues	136,202	118,956	107,496	142,104	125,546	96,851	85,968	64,425	49,172	51,191
Total Operating Revenues	8,071,851	7,306,012	7,701,281	7,420,912	5,915,285	6,080,948	4,642,364	3,563,671	3,335,455	3,644,502
State Appropriations	4,412,712	4,847,314	4,910,633	4,074,218	3,957,140	3,657,064	3,522,108	3,423,027	3,381,808	3,450,864
Ad Valorem Taxes	5,686,282	4,066,974	3,792,196	3,515,940	3,330,031	3,115,109	2,860,178	2,676,835	2,495,833	2,327,085
Federal Revenue	3,084,048	2,884,637	2,596,141	1,430,656	1,225,843	-	-	-	-	-
Gifts	570,821	117,230	165,568	788,105	4,617,648	324,558	277,658	87,647	341,658	179,052
Investment income	49,273	40,384	32,474	23,592	50,571	125,596	83,440	63,602	19,968	25,306
Other non-operating revenues	268,492	1,396,648	859,868	242,286	348,629	496,325	147,869	121,116	70,522	107,481
Total Non-Operating Revenue:	14,071,628	13,353,187	12,356,880	10,074,797	13,529,862	7,718,652	6,891,253	6,372,227	6,309,789	6,089,788
Total Revenues	\$22,143,479	\$20,659,199	\$20,058,161	\$17,495,709	\$19,445,147	\$13,799,600	\$11,533,617	\$9,935,898	\$9,645,244	\$9,734,290

	For the Year Ended August 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tuition and Fees (Net of Discounts)	13.33%	12.79%	13.75%	15.35%	11.37%	15.13%	14.99%	12.74%	9.41%	9.35%
Governmental Grants and Contracts										
Federal Grants and Contracts	11.84%	9.83%	10.31%	11.77%	9.22%	17.84%	15.72%	13.48%	14.87%	14.96%
State Grants and Contracts	0.34%	0.59%	3.17%	3.64%	0.71%	0.92%	1.06%	0.87%	1.35%	2.86%
Non-Governmental Grants and Contracts	-	0.33%	0.79%	0.91%	0.82%	1.18%	1.52%	1.57%	1.56%	1.93%
Sales and services of educational activities	0.08%	0.09%	0.13%	0.10%	0.09%	0.22%	0.20%	0.30%	0.29%	0.25%
Auxiliary enterprises	10.25%	11.15%	9.71%	9.84%	7.56%	8.08%	6.01%	6.25%	6.60%	7.56%
Other Operating Revenues	0.62%	0.58%	0.54%	0.81%	0.65%	0.70%	0.75%	0.65%	0.51%	0.53%
Total Operating Revenues	36.45%	35.36%	38.39%	42.42%	30.42%	44.07%	40.25%	35.87%	34.58%	37.44%
State Appropriations	19.93%	23.46%	24.48%	23.29%	20.35%	26.50%	30.54%	34.45%	35.06%	35.45%
Ad Valorem Taxes	25.68%	19.69%	18.91%	20.10%	17.13%	22.57%	24.80%	26.94%	25.88%	23.91%
Federal Revenue	13.93%	13.96%	12.94%	8.18%	6.30%	-	-	-	-	-
Gifts	2.58%	0.57%	0.83%	4.50%	23.75%	2.35%	2.41%	0.88%	3.54%	1.84%
Investment income	0.22%	0.20%	0.16%	0.13%	0.26%	0.91%	0.72%	0.64%	0.21%	0.26%
Other non-operating revenues	1.21%	6.76%	4.29%	1.38%	1.79%	3.60%	1.28%	1.22%	0.73%	1.10%
Total Non-Operating Revenue:	63.55%	64.64%	61.61%	57.58%	69.58%	55.93%	59.75%	64.13%	65.42%	62.56%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Western Texas College
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2003 to 2012
(unaudited)

	For the Year Ended August 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	\$3,658,884	\$3,659,404	\$3,758,781	\$3,433,714	\$3,307,116	\$2,886,462	\$2,762,012	\$2,679,916	\$2,573,847	\$2,517,624
Research	-	-	-	-	-	-	-	-	21,099	21,097
Public service	2,146,940	2,279,847	2,548,756	2,770,107	2,144,244	1,748,603	1,487,856	950,891	984,058	1,062,651
Academic support	682,048	702,446	715,344	772,199	854,177	647,620	567,670	886,700	910,096	933,194
Student services	717,843	652,898	582,080	493,645	458,218	443,108	436,785	406,978	416,434	419,839
Institutional support	3,174,204	2,987,584	2,911,828	2,656,495	2,405,104	2,193,025	2,049,346	1,597,657	1,449,647	1,539,469
Operation and maintenance of plant	2,849,410	2,586,507	2,568,276	2,132,428	1,865,428	1,842,464	1,779,858	1,618,916	1,551,663	1,177,710
Scholarships and fellowships	2,624,492	2,616,780	2,371,791	1,430,639	834,025	783,673	516,783	432,450	542,939	641,897
Auxiliary enterprises	2,624,959	2,759,735	2,794,255	2,649,700	2,061,617	1,780,836	1,316,691	1,077,350	1,029,437	1,006,407
Depreciation	852,729	736,083	498,254	709,162	569,976	488,960	462,357	363,091	305,716	270,807
Total Operating Expenses	19,331,509	18,981,284	18,749,365	17,048,089	14,499,905	12,814,751	11,379,358	10,013,949	9,784,936	9,590,695
Interest on capital related debt	518,876	538,568	508,447	240,462	224,969	198,236	251,774	101,995	23,853	26,547
Loss on disposal of fixed assets	4,979	-	14,641	72,657	49,120	-	13,814	-	1,505	11,540
Total Non-Operating Expense	523,855	538,568	523,088	313,119	274,089	198,236	265,588	101,995	25,358	38,087
Total Expenses	\$19,855,364	\$19,519,852	\$19,272,453	\$17,361,208	\$14,773,994	\$13,012,987	\$11,644,946	\$10,115,944	\$9,810,294	\$9,628,782

	For the Year Ended August 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	18.43%	18.75%	19.50%	19.78%	22.38%	22.18%	23.72%	26.49%	26.24%	26.15%
Research	-	-	-	-	-	-	-	-	0.22%	0.22%
Public service	10.81%	11.68%	13.22%	15.96%	14.51%	13.44%	12.78%	9.40%	10.03%	11.04%
Academic support	3.44%	3.60%	3.71%	4.45%	5.78%	4.98%	4.87%	8.77%	9.28%	9.69%
Student services	3.62%	3.34%	3.02%	2.84%	3.10%	3.41%	3.75%	4.02%	4.24%	4.36%
Institutional support	15.99%	15.31%	15.11%	15.30%	16.28%	16.85%	17.60%	15.79%	14.78%	15.99%
Operation and maintenance of plant	14.35%	13.25%	13.33%	12.28%	12.63%	14.16%	15.28%	16.00%	15.82%	12.23%
Scholarships and fellowships	13.22%	13.41%	12.31%	8.24%	5.65%	6.02%	4.44%	4.27%	5.53%	6.67%
Auxiliary enterprises	13.22%	14.14%	14.50%	15.26%	13.95%	13.69%	11.31%	10.65%	10.49%	10.45%
Depreciation	4.29%	3.77%	2.59%	4.08%	3.86%	3.76%	3.97%	3.59%	3.12%	2.81%
Total Operating Expenses	97.36%	97.24%	97.29%	98.20%	98.14%	98.48%	97.72%	98.99%	99.74%	99.60%
Interest on capital related debt	2.61%	2.76%	2.64%	1.39%	1.52%	1.52%	2.16%	1.01%	0.24%	0.28%
Loss on disposal of fixed assets	0.03%	-	0.08%	0.42%	0.33%	-	0.12%	-	0.02%	0.12%
Total Non-Operating Expense	2.64%	2.76%	2.71%	1.80%	1.86%	1.52%	2.28%	1.01%	0.26%	0.40%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Western Texas College
 Statistical Supplement 4
 Tuition and Fees
 Last Ten Academic Years
 (unaudited)

**Resident
 Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Registration Fee (per hour)	In-District Tuition	Out-of-District Tuition	Building Use Fee	Student Activity Fee	Technology Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2011	25	52	73	2	-	-	948	1,200	8.22%	11.11%
2010	20	51	68	2	-	-	876	1,080	5.80%	8.73%
2009	20	47	61	2	-	-	828	996	4.55%	3.75%
2008	20	44	58	2	-	-	792	960	8.20%	17.65%
2007	20	39	46	2	-	-	732	816	5.17%	6.25%
2006	20	36	42	2	-	-	696	768	13.91%	14.46%
2005	16 per hour + 10	33	38	2	-	-	611	671	6.45%	5.84%
2004	15 per hour + 10	30	35	2	-	-	574	634	6.69%	6.02%
2003	15 per hour + 10	27	32	2	-	-	538	598	9.13%	8.14%
2002	25	27	32	2	6	4	493	553	5.12%	4.54%

**Non-Resident
 Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Registration Fee (per hour)	Non-Resident Tuition Out of State	Non-Resident Tuition International	Building Use Fee	Student Activity Fee	Technology Fee	Cost for 12 SCH Out-of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
2011	25	98	98	2	-	-	1,500	1,500	8.70%	8.70%
2010	20	93	93	2	-	-	1,380	1,380	6.48%	6.48%
2009	20	86	86	2	-	-	1,296	1,296	2.86%	2.86%
2008	20	83	83	2	-	-	1,260	1,260	29.63%	29.63%
2007	20	59	59	2	-	-	972	972	10.96%	10.96%
2006	20	51	51	2	-	-	876	876	19.84%	19.84%
2005	16 per hour + 10	43	43	2	-	-	731	731	5.33%	5.33%
2004	15 per hour + 10	40	40	2	-	-	694	694	5.47%	5.47%
2003	15 per hour + 10	37	37	2	-	-	658	658	7.34%	7.34%
2002	25	37	37	2	6	4	613	613	4.07%	4.07%

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

Western Texas 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)
2011-12	\$2,742,070,859	\$22,352,585	\$2,719,718,274	99.18%	0.2114	0.0000	0.2114
2010-11	2,730,522,636	18,648,843	2,711,873,793	99.32%	0.1523	0.0000	0.1523
2009-10	2,732,633,981	18,692,444	2,713,941,537	99.32%	0.1520	0.0000	0.1520
2008-09	2,544,476,821	2,669,506	2,541,807,315	99.90%	0.1174	0.0000	0.1174
2007-08	3,051,898,794	1,610,867	3,050,287,927	99.95%	0.1282	0.0000	0.1282
2006-07	2,588,223,007	1,109,771	2,587,113,236	99.96%	0.1423	0.0000	0.1423
2005-06	2,163,718,130	1,072,669	2,162,645,461	99.95%	0.1596	0.0000	0.1596
2004-05	1,782,643,948	1,064,948	1,781,579,000	99.94%	0.2178	0.0000	0.2178
2003-04	1,232,415,116	1,007,674	1,231,407,442	99.92%	0.2489	0.0000	0.2489
2002-03	998,644,477	1,102,282	997,542,195	99.89%	0.2700	0.0000	0.2700

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

Western Texas 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 (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	
2011-12	\$3,619,276	1,630	\$2,220	857,872	358,342	1,216,214	\$2.98
2010-11	3,717,725	1,612	2,306	828,144	373,821	1,201,965	3.09
2009-10	3,763,217	1,604	2,346	845,184	395,672	1,240,856	3.03
2008-09	3,071,796	1,555	1,975	759,408	484,606	1,244,014	2.47
2007-08	3,064,009	1,266	2,420	737,488	245,478	982,966	3.12
2006-07	2,713,916	1,026	2,645	650,752	259,021	909,773	2.98
2005-06	2,714,953	1,123	2,418	567,728	240,893	808,621	3.36
2004-05	2,647,801	1,120	2,364	558,576	220,128	778,704	3.40
2003-04	2,647,844	1,033	2,563	487,168	185,106	672,274	3.94
2002-03	2,609,803	1,024	2,549	483,908	200,592	684,500	3.81

Notes:

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

(a) Source CBM001

(b) Source CBM001 and CBM00A

Western Texas College
 Statistical Supplement 7
 Principal Taxpayers
 Last Ten Tax Years
 (unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year									
		2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Kinder Morgan Production	Oil & Gas Producers	\$776,077,445	\$552,245,748	\$604,873,606	\$381,922,527	\$721,689,934	\$661,460,323	\$506,717,668	\$222,556,550	\$125,561,600	\$67,946,180
Patterson Drilling/UTI	Oil Well Drilling	296,487,240	208,021,360	159,974,760	315,650,690	312,693,910	288,536,030	93,712,500	81,168,470	80,139,290	71,513,550
Occidental Permian, LTD	Oil & Gas Producers	182,040,671	152,927,315	151,608,948	127,658,511	221,271,319	132,236,982	73,069,911	46,204,110	30,336,910	8,072,560
Apache Corporation	Oil & Gas Producers	97,366,325	80,468,245	87,426,691	73,468,657	113,780,820	-	-	-	-	-
Kinder Morgan Production	Oil & Gas Producers	94,349,980	77,822,040	68,724,550	70,684,670	-	-	-	-	-	-
Oncor Electric Delivery	Utility	82,127,970	28,686,850	20,066,390	20,523,720	20,032,970	-	-	-	13,710,890	13,710,890
Kinder Morgan Production Co. LP	Oil & Gas Producers	47,347,780	46,045,580	45,428,010	48,228,130	126,726,340	-	-	-	-	-
Kinder Morgan Power Company	Oil & Gas Producers	30,512,590	30,552,120	31,154,450	38,090,970	51,194,520	-	-	-	-	-
Kinder Morgan Production Co. LP	Oil & Gas Producers	27,505,277	-	-	-	-	-	-	-	-	-
Fuller, Gillian Account	Mineral Interest Owner	25,893,499	-	20,555,498	20,479,273	25,971,121	-	-	-	-	-
Parallel Petroleum	Oil & Gas Producers	-	20,571,585	-	-	-	32,281,538	17,300,659	11,476,000	-	-
Burlington North / Santa Fe	Railroad	-	20,468,940	-	-	-	-	-	-	10,614,170	10,614,170
Sharp Image Energy, Inc.	Oil & Gas Producers	-	-	24,066,721	24,135,507	36,852,812	23,132,024	-	-	-	-
French Capital Partners, LTD	Mineral Interest Owner	-	-	-	-	23,315,002	-	-	-	-	-
Kinder Morgan CO2-Centerline	Gas Producers	-	-	-	-	-	118,713,970	129,275,570	71,894,070	28,224,620	28,224,620
Anadarko Petroleum Corporation	Oil & Gas Producers	-	-	-	-	-	79,829,126	55,547,434	45,071,940	39,944,880	32,258,170
Kinder Morgan Power Co.	Oil & Gas Producers	-	-	-	-	-	41,639,690	-	-	-	-
Scurry County Wind	Utility	-	-	-	-	25,975,040	-	-	-	-	-
Cynara Company	Gas Producers	-	-	-	-	17,284,650	16,903,340	15,653,930	7,627,020	7,627,020	-
TXU Electric Delivery Company	Utility	-	-	-	-	-	15,308,710	14,351,780	-	-	-
Southwestern Bell Telephone Company	Utility	-	-	-	-	-	12,044,860	11,520,740	13,498,964	13,498,964	-
Exxon/Mobil Corporation	Oil & Gas Producers	-	-	-	-	-	-	12,526,927	11,313,290	15,688,250	13,350,530
Totals		\$1,659,708,787	\$1,217,809,783	\$1,213,879,624	\$1,120,842,655	\$1,653,528,748	\$1,421,089,373	\$932,407,579	\$531,210,880	\$365,346,594	\$266,816,654
Total Taxable Assessed Value		\$2,719,718,274	\$2,711,873,793	\$2,713,941,537	\$2,541,807,315	\$3,050,287,927	\$2,587,113,236	\$1,777,569,908	\$1,231,613,184	\$997,606,951	\$850,267,041

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Kinder Morgan Production	Oil & Gas Producers	28.54%	20.36%	22.29%	15.03%	23.66%	25.57%	28.51%	18.07%	12.59%	7.99%
Patterson Drilling/UTI	Oil Well Drilling	10.90%	7.67%	5.89%	12.42%	10.25%	11.15%	5.27%	6.59%	8.03%	8.41%
Occidental Permian, LTD	Oil & Gas Producers	6.69%	5.64%	5.59%	5.02%	7.25%	5.11%	4.11%	3.75%	3.04%	0.95%
Apache Corporation	Oil & Gas Producers	3.58%	2.97%	3.22%	2.89%	3.73%	-	-	-	-	-
Kinder Morgan Production	Oil & Gas Producers	3.47%	-	2.53%	2.78%	-	-	-	-	-	-
Oncor Electric Delivery	Utility	3.02%	1.06%	0.74%	0.81%	0.66%	-	-	-	-	-
Kinder Morgan Production Co. LP	Oil & Gas Producers	1.74%	2.87%	1.67%	1.90%	4.15%	-	-	-	-	-
Kinder Morgan Power Company	Oil & Gas Producers	1.12%	1.13%	1.15%	1.50%	1.68%	0.89%	-	-	-	-
Kinder Morgan Production Co. LP	Oil & Gas Producers	1.01%	1.70%	-	-	-	-	-	-	-	-
Fuller, Gillian Account	Mineral Interest Owner	0.95%	-	0.76%	0.81%	0.85%	-	-	-	1.37%	1.61%
Parallel Petroleum	Oil & Gas Producers	-	0.76%	-	-	-	1.00%	-	-	-	-
Burlington North / Santa Fe	Railroad	-	0.75%	-	-	-	-	0.68%	0.94%	1.35%	1.59%
Sharp Image Energy, Inc.	Oil & Gas Producers	-	-	0.89%	0.95%	1.21%	-	-	-	-	-
French Capital Partners, LTD	Mineral Interest Owner	-	-	-	-	0.76%	4.59%	7.27%	5.84%	2.83%	3.32%
Kinder Morgan CO2-Centerline	Gas Producers	-	-	-	-	-	3.09%	3.12%	3.66%	4.00%	3.79%
Anadarko Petroleum Corporation	Oil & Gas Producers	-	-	-	-	-	1.61%	-	-	-	-
Kinder Morgan Power Co.	Oil & Gas Producers	-	-	-	-	-	1.25%	0.97%	0.93%	-	-
Scurry County Wind	Utility	-	-	-	-	-	0.87%	0.95%	1.27%	0.76%	0.80%
Cynara Company	Gas Producers	-	-	-	-	-	-	0.86%	1.17%	-	-
TXU Electric Delivery Company	Utility	-	-	-	-	-	-	-	-	-	-
Southwestern Bell Telephone Company	Utility	-	-	-	-	-	-	0.70%	0.92%	1.57%	1.57%
Exxon/Mobil Corporation	Oil & Gas Producers	-	-	-	-	-	-	-	-	-	-
Totals		61.03%	44.91%	44.73%	44.10%	54.21%	54.93%	52.45%	43.13%	35.56%	30.13%

Source: Scurry County Appraisal District

Western Texas College
Statistical Supplement 8
Property Tax Levies and Collections
Last Ten Tax Years
(unaudited)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage	Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
2012	\$5,760,035	\$5,429	\$5,765,463	\$5,714,890	99.12%	0	\$38,553	\$5,753,443	99.79%
2011	4,133,783	101	4,133,884	4,096,420	99.09%	0	52,415	4,148,835	100.36%
2010	3,853,553	(13,852)	3,839,701	3,807,216	99.15%	0	31,502	3,838,718	99.97%
2009	3,565,554	(549)	3,565,005	3,534,506	99.14%	0	26,966	3,561,472	99.90%
2008	3,314,616	1,969	3,316,585	3,296,257	99.39%	0	38,711	3,334,968	100.55%
2007	3,081,395	(158)	3,081,237	3,051,302	99.03%	0	53,963	3,105,265	100.78%
2006	2,845,802	2,622	2,848,424	2,755,004	96.72%	0	47,656	2,802,660	98.39%
2005	2,682,495	493	2,682,988	2,404,416	89.62%	0	55,757	2,460,173	91.70%
2004	2,483,673	(4,016)	2,479,657	2,225,072	89.73%	0	60,570	2,285,642	92.18%
2003	2,313,821	(2,081)	2,311,740	2,096,640	90.70%	0	75,133	2,171,773	93.95%

Source: Local Tax Assessor/Collector and District records.

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

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

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

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

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

Total Collections = C + D + E

Western Texas College
Statistical Supplement 9
Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)

	For the Year Ended August 31									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenue bonds	\$8,470,000	\$8,595,000	\$8,815,000	\$3,005,000	\$3,080,000	\$3,155,000	\$3,225,000	\$3,260,000	\$320,000	\$350,000
Notes	506,852	599,086	670,765	813,840	491,436	385,107	419,254	457,811	502,953	500,000
Capital lease obligations	731,227	801,524	1,114,795	1,264,182	300,631	69,074	96,776	109,680	67,053	87,990
Less: Funds restricted for debt service	(1,347,067)	(1,084,234)	(1,220,757)	(436,042)	(280,659)	(211,622)	(192,126)	(135,576)	(123,979)	(134,117)
Total Outstanding Debt	\$8,361,012	\$8,911,376	\$9,379,803	\$4,646,980	\$3,591,408	\$3,397,559	\$3,548,904	\$3,691,915	\$766,027	\$803,873

Bonded Debt Ratios

Per Capita	N/A	\$508	\$521	\$185	\$193	\$197	\$199	\$201	\$20	\$22
Per FTSE	5,196	5,332	5,496	1,932	2,433	3,075	2,872	2,911	310	342
As a percentage of Taxable Assessed Value	0.31%	0.32%	0.32%	0.12%	0.10%	0.12%	0.15%	0.18%	0.03%	0.04%

Total Outstanding Debt Ratio

Per Capita	N/A	\$527	\$578	\$291	\$224	\$210	\$219	\$228	\$48	\$50
Per FTSE	5,129	5,556	6,032	3,671	3,500	3,025	3,169	3,574	748	912
As a percentage of Taxable Assessed Value	0.31%	0.33%	0.37%	0.15%	0.14%	0.16%	0.20%	0.30%	0.08%	0.09%

Western Texas College
Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

NOT APPLICABLE

Western Texas College
Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Building Use Fee	Dormitory Income	Total	Principle	Interest	Total	
2012	\$68,611	\$886,561	\$955,172	\$125,000	\$454,579	\$579,579	1.65
2011	64,417	919,576	983,993	170,000	464,695	634,695	1.55
2010	66,314	662,482	728,796	80,000	150,140	230,140	3.17
2009	66,562	561,775	628,337	75,000	154,187	229,187	2.74
2008	57,872	411,773	469,645	75,000	158,233	233,233	2.01
2007	47,413	441,076	488,489	70,000	161,992	231,992	2.11
2006	43,456	189,503	232,959	35,000	198,224	233,224	1.00
2005	43,002	-	43,002	30,000	18,400	48,400	0.89
2004	43,835	-	43,835	30,000	20,125	50,125	0.87
2003	46,895	-	46,895	30,000	21,850	51,850	0.90

Western Texas College
Statistical Supplement 12
Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(unaudited)

Calendar Year	District Population	District Personal Income	District Personal Income Per Capita	District Unemployment Rate
2011	16,919	N/A	N/A	5.6%
2010	16,921	\$562,088,000	33,162	6.4%
2009	16,222	559,464,000	\$34,488	6.8%
2008	15,973	561,460,000	35,043	4.1%
2007	16,011	502,472,000	31,436	3.9%
2006	16,202	454,017,000	28,601	4.8%
2005	16,217	502,216,000	31,047	5.0%
2004	16,174	430,886,000	26,641	5.4%
2003	15,991	361,157,000	22,575	6.0%
2002	16,004	367,462,000	22,956	6.2%

Sources: Texas Workforce Commission

Western Texas College
Statistical Supplement 13
Principle Employers
Current Fiscal Year
 (unaudited)

Employer	Number of Employees	Percentage of Total Employment
Snyder Independent School District	375	16.37%
Texas Department of Corrections	342	14.93%
Walton Construction	298	13.01%
Cogdell Memorial Hospital	227	9.91%
Kinder Morgan	200	8.73%
Scurry County	187	8.16%
United Supermarkets	175	7.64%
BJ Services	170	7.42%
Patterson - UTI Energy	160	6.98%
WSI - Weaver Construction	157	6.85%
Total	2,291	34.05%

Source: Development Corporation of Snyder

Western Texas College
 Statistical Supplement 14
 Faculty, Staff and Administrators Statistics
 Last Ten Fiscal Years
 (unaudited)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Faculty										
Full-time	46	44	45	57	46	41	41	39	47	50
Part-time	66	59	62	56	56	58	58	51	41	30
Total	112	103	107	113	102	99	99	90	88	80
Percent										
Full-time	41.07%	42.72%	42.06%	50.44%	45.10%	41.41%	41.41%	43.33%	53.41%	62.50%
Part-time	58.93%	57.28%	57.94%	49.56%	54.90%	58.59%	58.59%	56.67%	46.59%	37.50%
Staff and Administrators										
Full-time	86	86	88	82	84	73	72	63	62	77
Part-time	27	14	10	8	5	6	7	7	7	6
Total	113	100	98	90	89	79	79	70	69	83
Percent										
Full-time	76.11%	86.00%	89.80%	91.11%	94.38%	92.41%	91.14%	90.00%	89.86%	92.77%
Part-time	23.89%	14.00%	10.20%	8.89%	5.62%	7.59%	8.86%	10.00%	10.14%	7.23%
FTSE per Full-time Faculty	35.43	36.64	35.64	27.28	27.52	25.02	27.39	28.72	21.98	20.48
FTSE per Full-time Staff Member	18.95	18.74	18.23	18.96	15.07	14.05	15.60	17.78	16.66	13.30
Average Annual Faculty Salary	\$45,776	\$46,176	\$46,342	\$46,760	\$40,660	\$36,456	\$38,741	\$37,857	\$37,695	\$37,334

Western Texas College
Statistical Supplement 15
Enrollment Details
Last Five Fiscal Years
(unaudited)

Student Classification	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	1,599	71.35%	1,641	71.35%	1,670	72.33%	1,786	72.22%	1,372	63.23%
31-60 hours	411	18.34%	398	17.30%	408	17.67%	394	15.93%	301	13.87%
> 60 hours	231	10.31%	261	11.35%	231	10.00%	293	11.85%	497	22.90%
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Semester Hour Load	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	59	2.63%	22	0.96%	46	1.99%	2	0.08%	61	2.81%
3-5 semester hours	761	33.96%	818	35.57%	768	33.26%	1,101	44.52%	1,048	48.29%
6-8 semester hours	568	25.35%	510	22.17%	509	22.04%	451	18.24%	379	17.47%
9-11 semester hours	207	9.24%	231	10.04%	256	11.09%	244	9.87%	189	8.71%
12-14 semester hours	325	14.50%	318	13.83%	337	14.60%	373	15.08%	287	13.23%
15-17 semester hours	296	13.21%	312	13.57%	331	14.34%	282	11.40%	193	8.89%
18 & over	25	1.12%	89	3.87%	62	2.69%	20	0.81%	13	0.60%
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Average course load	8.0	8.2	8.3	7.4	6.9
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Tuition Status	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-district)	581	25.93%	641	27.87%	659	28.54%	631	25.52%	570	26.27%
Texas Resident (out-of-district)	1,563	69.75%	1,530	66.52%	1,529	66.22%	1,704	68.90%	1,495	68.89%
Non-Resident Tuition	97	4.33%	129	5.61%	121	5.24%	138	5.58%	105	4.84%
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Western Texas College
 Statistical Supplement 16
 Student Profile
 Last Five Fiscal Years
 (unaudited)

Gender	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	1,153	51.45%	1,156	50.26%	1,142	49.46%	1,207	48.81%	1,083	49.91%
Male	1,088	48.55%	1,144	49.74%	1,167	50.54%	1,266	51.19%	1,087	50.09%
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Ethnic Origin	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	1,325	59.13%	1,353	58.83%	1,416	61.33%	1,604	64.86%	1,509	69.54%
Hispanic	593	26.46%	639	27.78%	638	27.63%	622	25.15%	444	20.46%
African American	167	7.45%	162	7.04%	184	7.97%	201	8.13%	184	8.48%
Asian	16	0.71%	8	0.35%	23	1.00%	26	1.05%	21	0.97%
Foreign	64	2.86%	63	2.74%	11	0.48%	-	-	-	-
Native American	10	0.45%	10	0.43%	37	1.60%	20	0.81%	12	0.55%
Other	66	2.95%	65	2.83%	-	-	-	-	-	-
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Age	Fall 2012		Fall 2011		Fall 2010		Fall 2009		Fall 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	659	29.41%	559	24.30%	656	28.41%	628	25.39%	503	23.18%
18-21	844	37.66%	898	39.04%	815	35.30%	932	37.69%	897	41.34%
22-24	224	10.00%	237	10.30%	223	9.66%	290	11.73%	268	12.35%
25-35	332	14.81%	376	16.35%	413	17.89%	410	16.58%	304	14.01%
36-50	143	6.38%	188	8.17%	180	7.80%	182	7.36%	176	8.11%
51 & over	39	1.74%	42	1.83%	22	0.95%	31	1.25%	22	1.01%
Total	2,241	100.00%	2,300	100.00%	2,309	100.00%	2,473	100.00%	2,170	100.00%

Average Age	22.5	22.9	22.6	22.7	23.1
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Western Texas College
Statistical Supplement 17
Transfers to Senior Institutions
2011 Fall Students as of Fall 2012
(Includes only public senior colleges in Texas)
(unaudited)

	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of all Sample Transfer Students	% of all Sample Transfer Students
Texas A&M University	671	1	-	672	61.59%
Texas Tech University	116	2	-	118	10.82%
Angelo State University	88	1	-	89	8.16%
Tarleton State University	32	2	-	34	3.12%
The University of Texas at Austin	31	-	-	31	2.84%
Sam Houston State University	16	-	-	16	1.47%
West Texas A & M University	15	-	-	15	1.37%
The University of Texas at of the Permian Basin	14	1	-	15	1.37%
University of North Texas	15	-	-	15	1.37%
Texas State University	12	-	-	12	1.10%
Texas Tech University Health Sciences Center	7	-	1	8	0.73%
The University of Texas at Arlington	8	-	-	8	0.73%
Midwestern State University	6	-	-	6	0.55%
Stephen F. Austin State University	5	-	-	5	0.46%
University of Houston - Victoria	5	-	-	5	0.46%
Texas A&M University - Galveston	5	-	-	5	0.46%
Texas Woman's University	4	1	-	5	0.46%
Sul Ross State University	5	-	-	5	0.46%
The University of Texas at Tyler	4	-	-	4	0.37%
University of Houston	4	-	-	4	0.37%
Texas A&M University - Corpus Christi	3	-	-	3	0.27%
The University of Texas at San Antonio	2	-	-	2	0.18%
The University of Texas Medical Branch Galveston	2	-	-	2	0.18%
University of Houston - Clear Lake	2	-	-	2	0.18%
The University of Texas at Dallas	2	-	-	2	0.18%
University of Houston - Downtown	2	-	-	2	0.18%
University of North Texas Health Science Center	2	-	-	2	0.18%
Texas A&M University - Commerce	1	-	-	1	0.09%
The University of Texas Health Science Center at San Antonio	1	-	-	1	0.09%
Texas A&M University - Texarkana	1	-	-	1	0.09%
The Texas A & M University Health Science Center	1	-	-	1	0.09%
Totals	1,082	8	1	1,091	100.00%

Western Texas College
Statistical Supplement 18
Capital Asset Information
Fiscal Years 2008 to 2012
(unaudited)

	Fiscal Year				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Academic Buildings	11	11	10	9	9
Square footage	90,411	90,411	90,411	79,515	79,515
Libraries	1	1	1	1	1
Square footage	24,420	24,420	24,420	24,420	24,420
Number of volumes	32,323	32,323	31,604	31,231	31,335
Administrative and support buildings	9	9	9	6	6
Square footage	76,008	76,008	76,008	71,618	71,618
Dormitories	3	3	3	2	2
Square footage	117,755	117,755	117,755	76,295	76,295
Number of beds	496	496	496	344	344
Apartments	5	5	5	5	5
Square footage	11,792	11,792	11,792	11,792	11,792
Number of beds	44	44	44	44	44
Dining Facilities	1	1	1	1	1
Square footage	9,500	9,500	9,500	9,500	9,500
Average daily customers	250	250	276	231	155
Athletic Facilities	2	2	2	2	2
Square footage	40,056	40,056	40,056	40,056	40,056
Fields	3	2	2	2	2
Gymnasiums	1	1	1	1	1
Golf Course	1	1	1	1	1
Racquetball courts	4	4	4	4	4
Plant Facilities	3	3	3	3	3
Square footage	15,333	15,333	15,333	15,333	15,333
Coliseum	1	1	1	-	-
Square footage	111,644	111,644	111,644	111,644	-
Transportation					
Cars	13	13	15	15	13
Light Trucks/Vans	16	16	24	22	19
Buses	6	6	5	4	3