



BLINN COLLEGE

**ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended

August 31, 2011

BLINN COLLEGE

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BLINN COLLEGE

Organizational Data
Year Ended August 31, 2011

Board of Trustees

Officers

Atwood C. Kenjura, President
Leon B. Toubin, Vice President
Douglas R. Borchardt, Secretary

	<u>Members</u>	<u>Term Expires</u> <u>May 31,</u>
Atwood C. Kenjura	Brenham, Texas	2013
Carolyn Miller	Brenham, Texas	2013
David Sommer	Brenham, Texas	2013
Norwood Lange	Brenham, Texas	2015
Leon B. Toubin	Brenham, Texas	2015
Henry J. Boehm, Jr. M.D.	Brenham, Texas	2017
Douglas R. Borchardt	Brenham, Texas	2017

Key Administrators

Harold Nolte, Ed.D., President
Ted Raspiller, Ph.D., President Brazos County Campuses
Cathy Boeker, M.B.A., Executive Admin. of External Affairs
Van D. Miller, Ed.D., VP Administrative Services/CFO
Debra R. LaCour, Ph.D., VP Academic Affairs
Robert Brick, Ph.D., VP Applied Sciences/Workforce Education
Kathy Anzivino, Ed.D., Interim VP Student Services



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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTAL INFORMATION**

Board of Trustees
Blinn College
Brenham, Texas

We have audited the accompanying financial statements of Blinn College, (the College) as of and for the years ended August 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Blinn College as of August 31, 2011 and 2010, 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 November 11, 2011, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 on pages 4 through 12 be presented to supplement the

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTAL INFORMATION (CONTINUED)**

financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 as a whole. The accompanying statistical supplements, as described in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State of Texas Single Audit Circular, and are also not a required part of the financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical supplements (marked "unaudited") have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lett, Vernon & Co., P.C.

Temple, Texas
November 11, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Blinn College's (the College) annual financial statements provide an overview of the College's financial performance for the fiscal years ended August 31, 2011 and 2010. Management's discussion and analysis is based on management's knowledge of current activities, resultant changes and known facts; therefore, it should be read in conjunction with the accompanying basic financial statements and associated notes. The basic financial statements, notes and this discussion are the responsibility of management.

Financial Highlights and Significant Activities for 2011

- Net assets increased by \$1.4 million
- Tuition and fee revenue (before allowances and discounts) increased by \$2.7 million

The College's overall net assets increased approximately \$1.4 million, or 2%, which reflects the College's continued commitment to invest in capital improvements. An increase in tuition and fees charged and student enrollment led to an increase in total tuition and fee revenue (before allowances and discounts) of approximately \$2.7 million, or 7%.

Total operating revenues increased approximately \$200,000. This increase is primarily attributable to the increase in tuition and fees discussed above and increased revenues from auxiliary enterprises offset by a \$2.8 million increase in scholarship allowances and discounts. Operating expenses increased by \$6.4 million, or 8%, as a result of increases in salary and benefit costs, scholarships and fellowships awarded and other operating expense increases.

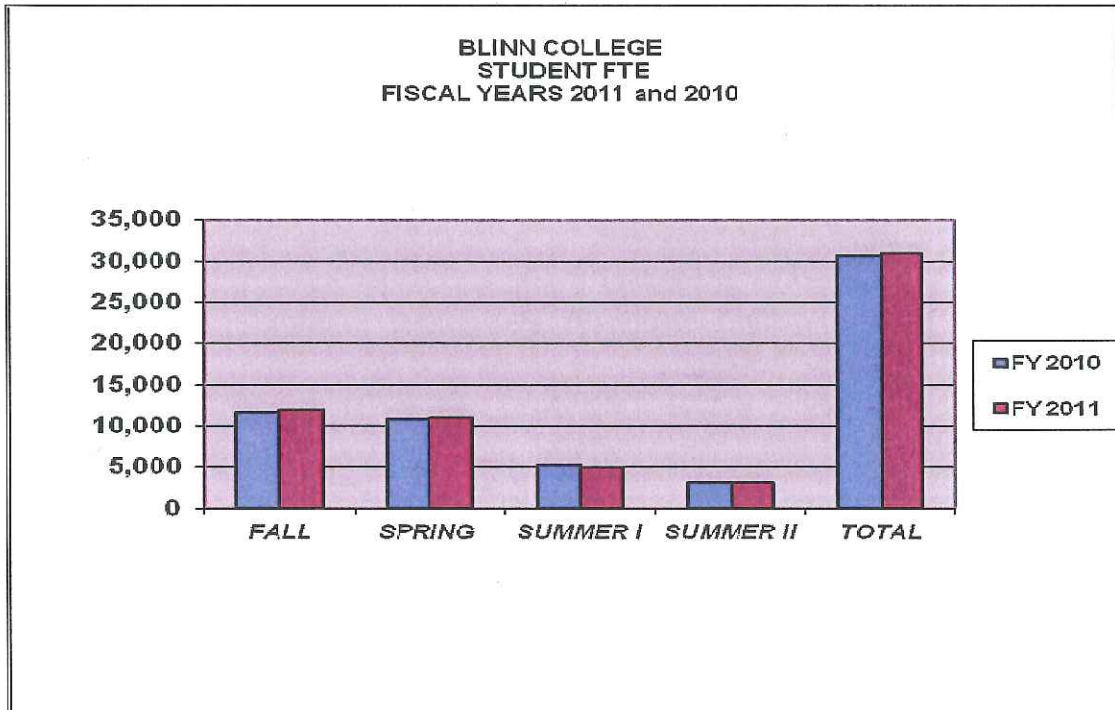
Financial Highlights and Significant Activities for 2010

- Net assets increased by \$5.5 million
- Tuition and fee revenue (before allowances and discounts) increased by \$3.6 million

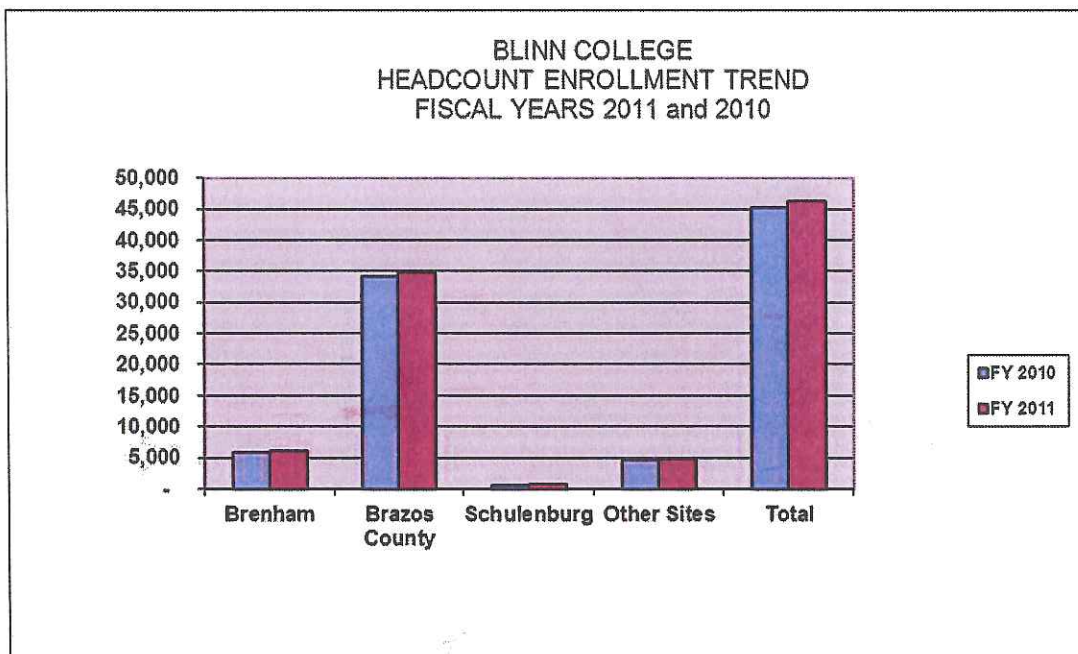
The College's overall net assets increased approximately \$5.5 million, or 7%, which reflects the College's continued commitment to invest in capital improvements. Although the College's Board of Trustees did not raise tuition and fees in 2010, an increase in student enrollment led to an increase in total tuition and fee revenue (before allowances and discounts) of approximately \$3.6 million, or 10%.

Total operating revenues increased approximately \$1.9 million, or 5%. This increase is primarily attributable to the increase in tuition and fees discussed above, an increase in State grants and contracts and increased commissions on bookstore sales. Operating expenses increased by \$9.2 million, or 13%, as a result of increases in salary and benefit costs, scholarships and fellowships awarded and other operating expense increases.

Below is a breakdown of the College's full time equivalency (FTE) enrollment by term for fiscal years 2011 and 2010:



Below is a two-year comparison for student enrollment by campus:



Overview of the Basic Financial Statements

The College qualifies as a special purpose government entity, which is engaged in business-type activities. The basic financial statements are prepared on that basis and their form mirrors the statements utilized by organizations in the private sector of the economy. The basic financial statements include a statement of net assets, statement of revenues, expenses and changes in net assets, statement of cash flows and notes to the basic financial statements.

Financial statements for the College's component unit, Blinn College Foundation, Inc. (the Foundation) are issued independent to those of the College but are presented with the College's basic financial statements.

The statement of net assets' focus is to report the total net resources available to finance future services. The statement presents all assets and liabilities of the College, and the change in net assets as of the end of the fiscal year. The statement is prepared under the accrual basis of accounting, in which revenues and assets are recognized when earned, and expenses and liabilities are recognized when incurred regardless of when cash is received or paid. The difference between total assets and total liabilities is net assets, which is one indicator of the financial condition of the College when considered with other factors such as changes in enrollment, contact hours, student retention and other non-financial information. The statement of net assets is useful in determining the assets available to continue operations, as well as how much the College owes vendors, bondholders and other entities at the end of the year.

The statement of revenues, expenses and changes in net assets denotes the results of business activities as revenues earned and expenses incurred over the course of the fiscal year. The statement also provides information regarding how the net assets of the College changed during the year. The statement is divided into the operating results of the College as well as the non-operating revenues and expenses. Operating revenues are primarily those that result from instruction, the operation of the College's auxiliary services (student housing, cafeteria, athletics, etc.) and Federal and State grants. State appropriations, property tax receipts, Federal revenues (Title IV funds), and interest income, while budgeted for operations, are considered to be non-operating revenues. Depreciation is shown as an operating expense in accordance with generally accepted accounting principles.

The statement of cash flows presents the information related to cash inflows and cash outflows summarized by operating, financing and investing activities. This statement presents cash receipt and cash disbursement information without consideration of the earning event. This information is crucial to determining the College's fiscal viability and its ability to meet financial obligations as they mature and helps users assess the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

The notes to the basic financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes also present information about the College's accounting policies, significant account balances and activities, and contingencies.

Statement of Net Assets

The following is prepared from the College's Statements of Net Assets and provides a summary of its assets, liabilities and net assets for the years ended August 31:

	2011	2010	Increase (Decrease) 2011-2010	2009	Increase (Decrease) 2010-2009
Assets:					
Current assets	\$ 34,648,000	\$ 35,525,000	\$ (877,000)	\$ 33,832,000	\$ 1,693,000
Capital assets, net of depreciation	104,561,000	85,832,000	18,729,000	82,100,000	3,732,000
Noncurrent assets	21,172,000	33,111,000	(11,939,000)	15,293,000	17,818,000
Total Assets	160,381,000	154,468,000	5,913,000	131,225,000	23,243,000
Liabilities:					
Current liabilities	36,669,000	29,166,000	7,503,000	28,555,000	611,000
Noncurrent liabilities	40,888,000	43,901,000	(3,013,000)	26,759,000	17,142,000
Total liabilities	77,557,000	73,067,000	4,490,000	55,314,000	17,753,000
Net Assets:					
Investments in capital assets net of related debt	60,318,000	56,686,000	3,632,000	51,934,000	4,752,000
Restricted	14,449,000	15,339,000	(890,000)	15,499,000	(160,000)
Unrestricted	8,057,000	9,377,000	(1,320,000)	8,478,000	899,000
Total net assets	\$ 82,824,000	\$ 81,402,000	\$ 1,422,000	\$ 75,911,000	\$ 5,491,000

At August 31, 2011, current assets included \$19.2 million of cash and cash equivalents and \$15.6 million in student receivables related primarily to the fall 2011 semester. The decrease in current assets is due primary to a \$4 million decrease in cash and cash equivalents offset by a \$3.3 million increase in accounts receivables. The cash decrease was attributable to increased capital asset spending; receivables increased due to tuition and general fee increases and increased enrollment. The increase in current assets in 2010 was due primarily to increased enrollment.

In fiscal year 2011, the College had capital asset additions of approximately \$21.2 million, including \$10.2 million for a new dormitory, \$5.1 million for a new Agricultural complex, \$2 million for other Brenham Campus capital projects, \$2.6 million for leasehold improvements and equipment for the Health Science Center facility and classroom expansion and office remodeling on the Bryan Campus; offsetting this was the annual depreciation charge on completed projects. During fiscal year 2010, the College had capital asset additions of approximately \$6.1 million, including \$1.4 million for Banner student services software, \$1.1 million for classroom expansion and office remodeling on the Bryan Campus, \$1 million for a new dormitory on the Brenham Campus, \$1 million for other Brenham Campus capital projects and \$500,000 for the Brenham Technical Education Center Building, offsetting this was the annual depreciation charge on completed projects.

The College's noncurrent assets include funds restricted for endowments, construction, debt service and other investments. Noncurrent assets decreased \$12 million in 2011 due to the increased capital asset spending discussed above. The increase in 2010 of \$17.8 million was due primarily to the investment of the unexpended proceeds from the Series 2010 Bonds (discussed below) in US Federal Agency notes, which bear a higher interest return.

Current liabilities increased \$7.5 million and \$611,000 in fiscal year 2011 and 2010, respectively, due to an increase in deferred tuition, fees and housing charges of \$4.2 million and \$1.4 million, respectively and a \$2.7 million increase in accounts payable in fiscal year 2011. The fiscal 2011 accounts payable increase is primarily attributable to the increased capital asset addition activity discussed above. The increase in deferred tuition, fees and housing charges is due to tuition increases, enrollment increases and the new dormitory put into service for the fall 2011 semester.

Noncurrent liabilities consist of future bond payments. During fiscal 2011, the College issued Combined Fee Revenue Refunding Bonds, Series 2011. The proceeds from the issue (\$6,925,000) were used to refund a portion of existing bond issues for debt service savings and to pay the costs of the bond issuance. During fiscal 2010, the College issued Combined Fee Revenue Bonds, Series 2010. The proceeds from the issue (\$20,155,000) were used for the capital projects discussed above.

At August 31, 2011 and 2010, total net assets were \$83 million and \$81 million, respectively. Net assets have increased over the two-year period. The College has an unrestricted net asset balance of approximately \$8 million at August 31, 2011, which is maintained as a contingency reserve. Restricted net assets include endowment funds of approximately \$10 million and required debt service reserves of \$4.7 million. The investment in capital assets, net of related debt increased \$3.6 million in 2011, reflecting the capital addition activity discussed above. The College's financial position remains strong with adequate liquid assets and a reasonable level of unrestricted net assets.

Statement of Revenues, Expenses and Changes in Net Assets:

The following summary is prepared from the College's Statements of Revenues, Expenses and Changes in Net Assets for the fiscal years ended August 31:

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease) 2011-2010</u>	<u>2009</u>	<u>Increase (Decrease) 2010-2009</u>
Operating revenues:					
Student tuition and fees, net	\$32,108,000	\$32,226,000	\$ (118,000)	\$31,330,000	\$ 896,000
Federal grants and contracts	1,048,000	1,037,000	11,000	975,000	62,000
State grants and contracts	1,351,000	1,255,000	96,000	849,000	406,000
Auxiliary enterprises, net	6,561,000	6,105,000	456,000	5,737,000	368,000
Other	342,000	588,000	(246,000)	427,000	161,000
Total operating revenues	41,410,000	41,211,000	199,000	39,318,000	1,893,000
Less operating expenses	86,777,000	80,357,000	6,420,000	71,160,000	9,197,000
Operating loss	(45,367,000)	(39,146,000)	(6,221,000)	(31,842,000)	(7,304,000)
Nonoperating revenues (expenses):					
State appropriations	27,153,000	27,907,000	(754,000)	25,981,000	1,926,000
Property taxes	1,429,000	1,401,000	28,000	1,378,000	23,000
Federal revenue, nonoperating	17,878,000	14,834,000	3,044,000	9,205,000	5,629,000
Gifts	1,078,000	757,000	321,000	1,017,000	(260,000)
Investment income	621,000	608,000	13,000	697,000	(89,000)
Interest on capital related debt	(1,252,000)	(1,141,000)	(111,000)	(1,446,000)	305,000
Other	(161,000)	182,000	(343,000)	(4,000)	186,000
Total nonoperating revenues	46,746,000	44,548,000	2,198,000	36,828,000	7,720,000
Income before other revenue	1,379,000	5,402,000	(4,023,000)	4,986,000	416,000
Additions to endowments	43,000	88,000	(45,000)	48,000	40,000
Total increase in net assets	1,422,000	5,490,000	(4,068,000)	5,034,000	456,000
Net assets, beginning of year	81,401,000	75,911,000	5,490,000	70,877,000	5,034,000
Net assets, end of year	<u>\$82,823,000</u>	<u>\$81,401,000</u>	<u>\$ 1,422,000</u>	<u>\$75,911,000</u>	<u>\$ 5,490,000</u>

Total operating revenues increased \$200,000 from 2010 due to an increase in tuition and fees of \$2.7 million due to tuition and fees charged and enrollment increases and \$500,000 increase in revenues from auxiliary enterprises. Offsetting this was a \$2.8 million increase in scholarship allowances and discounts; primarily Federal Title IV grants funds.

Total operating revenues increased \$1.9 million from 2009 due to an increase in net tuition and fees of \$896,000 as a result of increased enrollment, increase in State grants and contracts of \$406,000 due to increased Skills Development grants, increase in Texas Grant and the new Jobs & Education for Texas program and a \$191,000 increase in commissions on bookstore sales.

Operating expenses consist mainly of personnel costs, which were 61% and 62% of total operating expenses in fiscal 2011 and 2010, respectively. Below is a table of operating expenses for the fiscal years ended August 31 (rounded to the nearest thousand):

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease) 2011-2010</u>	<u>2009</u>	<u>Increase (Decrease) 2010-2009</u>
Instruction and general	\$48,163,000	\$45,172,000	\$ 2,991,000	\$40,828,000	\$ 4,344,000
Institutional support	8,707,000	8,148,000	559,000	7,563,000	585,000
Operation and maintenance of plant	8,065,000	7,098,000	967,000	6,236,000	862,000
Auxiliary enterprises	7,080,000	6,814,000	266,000	6,974,000	(160,000)
Depreciation	2,510,000	2,367,000	143,000	2,243,000	124,000
Scholarships and fellowships	12,252,000	10,758,000	1,494,000	7,316,000	3,442,000
Total Operating Expenses	<u>\$86,777,000</u>	<u>\$80,357,000</u>	<u>\$ 6,420,000</u>	<u>\$71,160,000</u>	<u>\$ 9,197,000</u>

Total operating expenses increased \$6.4 million from 2010 due primarily to increased payroll and benefits of \$3.8 million, increase in scholarships and fellowships awarded of \$1.5 million and other miscellaneous expense increases.

Total operating expenses increased \$9.2 million from 2009 due primarily to increased payroll and benefits of \$4.0 million, increase in scholarships and fellowships awarded of \$3.4 million and other miscellaneous expense increases.

Total non-operating revenues increased \$2.2 million from 2010 due primarily to a \$3 million increase in Federal non-operating revenues (Title IV funds), offset by an \$800,000 decrease in State appropriations.

Total non-operating revenues increased \$7.7 million from 2009 due primarily to a \$5.6 million increase in Federal non-operating revenues (Title IV funds) and a \$1.9 million increase in State appropriations.

Statement of Cash Flow

The following chart summarizes the statements of cash flows (rounded to the nearest thousand) for the fiscal years ended August 31:

	<u>2011</u>	<u>2010</u>	<u>(Decrease) 2011-2010</u>	<u>2009</u>	<u>(Decrease) 2010-2009</u>
Cash provided by (used in):					
Operating activities	\$ (34,118,000)	\$ (32,039,000)	\$ (2,079,000)	\$ (24,779,000)	\$ (7,260,000)
Non-capital financing activities	42,956,000	40,427,000	2,529,000	33,484,000	6,943,000
Capital and related financing activities	(25,670,000)	9,601,000	(35,271,000)	(9,307,000)	18,908,000
Investing activities	12,860,000	(21,285,000)	34,145,000	(1,355,000)	(19,930,000)
Net increase (decrease) in cash and cash equivalents	<u>(3,972,000)</u>	<u>(3,296,000)</u>	<u>(676,000)</u>	<u>(1,957,000)</u>	<u>(1,339,000)</u>
Cash and cash equivalents - beginning of year	23,583,000	26,879,000	(3,296,000)	28,836,000	(1,957,000)
Cash and cash equivalents - end of year	<u>\$ 19,611,000</u>	<u>\$ 23,583,000</u>	<u>\$ (3,972,000)</u>	<u>\$ 26,879,000</u>	<u>\$ (3,296,000)</u>

The College's cash flow from operating activities will normally reflect a decrease as the College relies on State appropriations to fund operating activities. State appropriations are shown as non-capital financing activities in accordance with the Texas Higher Education Coordinating Board. Cash inflows consist primarily of cash receipts from tuition and fees while cash outflows primarily consist of cash disbursements for wages, benefits, supplies and scholarships.

The increase in cash used in operations in 2011 is primarily due to an increase in salaries and benefits paid to employees of \$3.8 million, increase in the payment for scholarships of \$1.5 million offset by a decrease in the payment to suppliers for goods and services of \$2.4 million and a \$1.2 million increase in receipts from students and other customers.

The increase in cash used in operations in 2010 is primarily due to an increase in salaries and benefits paid to employees of \$3.7 million, increase in payment to suppliers for goods and services of \$3.5 million, increase in the payment for scholarships \$3.4 million offset by a \$1.9 million increase in receipts from students and other customers.

In addition to State appropriations, non-capital financing activities include property tax receipts, non-operating Federal revenue (Title IV funds) and additions to permanent endowments. The increase in non-capital financing activities from 2010 is due to a \$3 million increase in non-operating Federal revenue (Title IV funds) and \$300,000 increase in gifts offset by a decrease in State appropriations. The increase in non-capital financing activities from 2009 is due to a \$5.2 million increase in non-operating Federal revenue (Title IV funds) and a \$2.1 million increase in receipts from State appropriations.

Variations in cash used for capital and related financing activities are dependent on the College's issuance and payment of long-term debt and capital acquisitions. During fiscal 2011, the College issued Combined Fee Revenue Refunding Bonds, Series 2011. The proceeds from the issue (\$6,925,000) were used to refund a portion of existing bond issues for debt service savings and to pay the costs of the bond issuance. During fiscal 2010, the College issued Combined Fee Revenue Bonds, Series 2010. The proceeds from the issue (\$20,155,000) were used for various capital projects on the Brenham and Bryan Campuses. In 2011 and 2010, the College spent \$21.2 million and \$6.1 million in capital acquisitions and \$4.3 million on scheduled debt service payments, respectively.

The increase in cash provided by investing activities in 2011 is due primarily to the sales and maturities of investments to fund the capital asset spending discussed above. The decrease in 2010 is due to the investment of the unexpended proceeds of the Series 2010 bond issue discussed above.

Capital Assets and Debt Administration

In fiscal year 2011, the College had capital asset additions of approximately \$21.2 million, including \$10.2 million for a new dormitory, \$5.1 million for a new Agricultural complex, \$2 million for other Brenham Campus capital projects, \$2.6 million for leasehold improvements and equipment for the Health Science Center facility and classroom expansion and office remodeling on the Bryan Campus.

During fiscal year 2010, the College had capital asset additions of approximately \$6.1 million, including \$1.4 million for Banner student services software, \$1.1 million for classroom expansion and office remodeling on the Bryan Campus, \$1 million for a new dormitory on the Brenham Campus, \$1 million for other Brenham Campus capital projects and \$500,000 for the Brenham Technical Education Center Building.

During fiscal 2011, the College issued Combined Fee Revenue Refunding Bonds, Series 2011. The proceeds from the issue (\$6,925,000) were used to refund a portion of existing bond issues for debt service savings and to pay the costs of the bond issuance.

During fiscal 2010, the College issued Combined Fee Revenue Bonds, Series 2010. The proceeds from the issue (\$20,155,000) will be used for various capital projects on the Brenham and Bryan Campuses.

Future Considerations

Unlike most community colleges in Texas, Blinn College has begun the 2011-2012 fiscal year with another record student enrollment. Overall, the college experienced 2.7% student growth, but the Brenham campus itself grew by almost 16%. This increase is undoubtedly the result of the new construction projects completed during the past 12 months: a new Agriculture facility, an expanded Band Hall, and perhaps most important, a new 300-bed residence hall. While this rapid growth has strained resources on the Brenham campus, the growth is being absorbed into the organization.

On the Bryan campus, facilities have been expanded with the recent move of Allied Health programs into the Health Science Center facility in west Bryan. Not only does the new facility provide room for growth for Allied Health, but it also created room for growth on the Villa Maria campus as well. The most pressing need on the Bryan campus is now additional parking. A new parking lot is planned for the current fiscal year and should enhance the ability to further increase offerings on the Villa Maria campus.

Contacting the College's Financial Management

This financial report is designed to provide the College's citizens, taxpayers, students, investors and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Administrative Services Office at 902 College Avenue, Brenham, Texas 77833.

FINANCIAL STATEMENTS

BLINN COLLEGE
Statements of Net Assets
August 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 19,230,901	\$ 23,224,315
Accounts receivable (net)	15,106,417	11,853,233
Interest and dividends receivable	154,195	240,825
Inventories	3,716	6,502
Other assets	152,792	200,612
Total Current Assets	<u>34,648,021</u>	<u>35,525,487</u>
Noncurrent Assets:		
Restricted endowment cash and cash equivalents	268,947	247,016
Restricted debt service cash and cash equivalents	111,681	111,441
Restricted endowment and other investments	20,791,456	32,752,823
Capital Assets (net) (See Note 6)	104,560,532	85,832,172
Total Noncurrent Assets	<u>125,732,616</u>	<u>118,943,452</u>
Total Assets	<u>160,380,637</u>	<u>154,468,939</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	5,912,013	3,180,972
Funds held for others	1,019,524	778,428
Deferred revenues	25,713,800	21,478,764
Deposits	669,017	493,037
Bonds payable - current portion	3,354,822	3,234,822
Total Current Liabilities	<u>36,669,176</u>	<u>29,166,023</u>
Noncurrent Liabilities:		
Bonds payable	40,887,733	43,901,117
Total Liabilities	<u>77,556,909</u>	<u>73,067,140</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	60,317,977	56,685,760
Restricted for:		
Nonexpendable - endowments	9,205,045	9,128,252
Expendable		
Endowments	780,577	880,055
Student aid	(283,789)	493,519
Debt service	4,700,866	4,700,866
Star of the Republic Museum	45,744	136,159
Unrestricted	8,057,308	9,377,188
Total Net Assets (Schedule D)	<u>\$ 82,823,728</u>	<u>\$ 81,401,799</u>

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

BLINN COLLEGE FOUNDATION, INC.
Statements of Financial Position
August 31, 2011 and 2010

	2011	2010
ASSETS		
Current Assets:		
Cash	\$ 627,623	\$ 503,713
Unconditional promises to give	89,232	162,372
Prepaid expenses	-	495
Total Current Assets	716,855	666,580
Restricted Assets:		
Cash	839,528	854,098
Investments	3,118,282	1,896,944
Total Restricted Assets	3,957,810	2,751,042
Long-term Unconditional Promises to Give:		
Total face-value of promises	107,740	204,156
Less amount classified as current	(89,232)	(162,372)
Net long-term unconditional promises to give	18,508	41,784
Other Assets:		
Oil/Gas royalty interest	10,000	10,000
Total Assets	4,703,173	3,469,406
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	3,387	3,694
Grants payable	-	17,500
Total Liabilities	3,387	21,194
Net Assets:		
Unrestricted	350,524	254,436
Temporarily restricted net assets	572,352	783,829
Permanently restricted net assets	3,776,910	2,409,947
Total Net Assets	4,699,786	3,448,212
Total Liabilities and Net Assets	\$ 4,703,173	\$ 3,469,406

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

BLINN COLLEGE
Statements of Revenues, Expenses and Changes in Net Assets
Years Ended August 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues		
Tuition and Fees (net of discounts of \$10,748,588 and \$7,961,229, respectively)	\$ 32,107,736	\$ 32,226,000
Federal Grants and Contracts	1,048,093	1,037,307
State Grants and Contracts	1,350,632	1,255,418
Sales and Services of Educational Activities	245,127	493,253
Auxiliary Enterprises (net of discounts of \$555,208 and \$672,036, respectively)	6,560,960	6,104,758
Other Operating Revenues	97,362	94,717
Total Operating Revenues (Schedule A)	<u>41,409,910</u>	<u>41,211,453</u>
Operating Expenses		
Instruction	37,683,828	35,279,172
Public Service	1,026,086	1,183,302
Academic Support	4,032,614	3,685,178
Student Services	5,420,209	5,024,783
Institutional Support	8,706,591	8,147,712
Operation and Maintenance of Plant	8,064,544	7,097,682
Scholarships and Fellowships	12,252,095	10,758,404
Auxiliary Enterprises	7,080,447	6,814,205
Depreciation	2,510,398	2,367,251
Total Operating Expenses (Schedule B)	<u>86,776,812</u>	<u>80,357,689</u>
Operating Loss	<u>(45,366,902)</u>	<u>(39,146,236)</u>
Non-Operating Revenues (Expenses)		
State Appropriations	27,152,814	27,907,031
Property Taxes	1,428,819	1,401,292
Federal Revenue, Non Operating	17,877,715	14,834,323
Gifts	1,077,874	756,930
Federal Grant Related to Capital Debt	-	23,522
Unrealized Gain (Loss) on Investments	(330)	310,493
Investment Income	621,348	608,086
Gain (Loss) on Disposal of Capital Assets	3,331	(14,607)
Interest on Capital Related Debt	(1,252,019)	(1,140,967)
Other Non-Operating Expenses	(163,921)	(137,960)
Net Non-Operating Revenues (Schedule C)	<u>46,745,631</u>	<u>44,548,143</u>
Income Before Other Revenue	1,378,729	5,401,907
Other Revenue - Additions to Permanent Endowments	<u>43,200</u>	<u>88,388</u>
Increase in Net Assets	1,421,929	5,490,295
Net Assets, Beginning of Year	<u>81,401,799</u>	<u>75,911,504</u>
Net Assets, End of Year	<u>\$ 82,823,728</u>	<u>\$ 81,401,799</u>

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

BLINN COLLEGE FOUNDATION, INC.
Statement of Activities
For the Year Ended August 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Public Support and Revenues</u>				
Donations	\$ 54,062	\$ 888,257	\$ 1,350,253	\$ 2,292,572
Investment income	25,224	196,840	-	222,064
Oil/Gas royalty	878	-	-	878
Endowment of temporarily restricted net assets	-	(16,710)	16,710	-
Net assets released from purpose restrictions	1,279,864	(1,279,864)	-	-
Total Public Support and Revenues	<u>1,360,028</u>	<u>(211,477)</u>	<u>1,366,963</u>	<u>2,515,514</u>
<u>Expenses</u>				
Program services:				
Expenditures for the benefit of Blinn College	1,068,934	-	-	1,068,934
Scholarships	178,062	-	-	178,062
Support services:				
Administrative expenses	16,944	-	-	16,944
Total Expenses	<u>1,263,940</u>	<u>-</u>	<u>-</u>	<u>1,263,940</u>
Change in Net Assets	96,088	(211,477)	1,366,963	1,251,574
Net Assets - beginning of year	<u>254,436</u>	<u>783,829</u>	<u>2,409,947</u>	<u>3,448,212</u>
Net Assets - end of year	<u>\$ 350,524</u>	<u>\$ 572,352</u>	<u>\$ 3,776,910</u>	<u>\$ 4,699,786</u>

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

BLINN COLLEGE FOUNDATION, INC.
Statement of Activities
For the Year Ended August 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Public Support and Revenues</u>				
Donations	\$ 36,735	\$ 629,507	\$ 1,109,667	\$ 1,775,909
Investment income	12,701	27,852	-	40,553
Oil/Gas royalty	679	-	-	679
Net assets released from purpose restrictions	696,810	(696,810)	-	-
Total Public Support and Revenues	<u>746,925</u>	<u>(39,451)</u>	<u>1,109,667</u>	<u>1,817,141</u>
<u>Expenses</u>				
Program services:				
Expenditures for the benefit of Blinn College	685,513	-	-	685,513
Scholarships	131,765	-	-	131,765
Support services:				
Administrative expenses	20,957	-	-	20,957
Total Expenses	<u>838,235</u>	<u>-</u>	<u>-</u>	<u>838,235</u>
Change in Net Assets	(91,310)	(39,451)	1,109,667	978,906
Net Assets - beginning of year,	<u>345,746</u>	<u>823,280</u>	<u>1,300,280</u>	<u>2,469,306</u>
Net Assets - end of year	<u>\$ 254,436</u>	<u>\$ 783,829</u>	<u>\$ 2,409,947</u>	<u>\$ 3,448,212</u>

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

BLINN COLLEGE
Statements of Cash Flows
Years Ended August 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Receipts from students and other customers	\$ 40,291,999	\$ 39,072,927
Receipts from grants and contracts	2,416,808	2,927,099
Payments to suppliers for goods and services	(16,266,200)	(18,690,460)
Payments to or on behalf of employees	(48,405,489)	(44,684,815)
Payments for scholarships	(12,252,095)	(10,758,404)
Other receipts	97,362	94,717
Net cash used by operating activities	<u>(34,117,615)</u>	<u>(32,038,936)</u>
Cash Flows From Non-Capital Financing Activities:		
Receipts from state appropriations	22,591,832	23,421,692
Receipts from property taxes	1,431,489	1,393,651
Receipts from non operating federal revenue	17,877,715	14,834,323
Increase (decrease) in permanent endowments	(22,685)	20,065
Other receipts	1,077,874	756,930
Net cash provided by non-capital financing activities	<u>42,956,225</u>	<u>40,426,661</u>
Cash Flows From Capital Financing Activities:		
Purchases of capital assets	(21,238,758)	(6,090,636)
Proceeds from issuance of capital debt	6,925,000	20,155,000
Payments on capital debt - principal	(9,940,000)	(3,184,822)
Payments on capital debt - interest	(1,252,019)	(1,140,967)
Bond issue costs paid on refunding debt issue	(163,921)	(137,960)
Net cash used by capital and related financing activities	<u>(25,669,698)</u>	<u>9,600,615</u>
Cash Flows From Investing Activities:		
Proceeds from sales and maturities of investments	21,614,670	13,788,494
Interest on investments	773,863	541,334
Purchases of investments	(9,528,688)	(35,614,294)
Net cash (used) by investing activities	<u>12,859,845</u>	<u>(21,284,466)</u>
Increase (Decrease) in Cash and Cash Equivalents	(3,971,243)	(3,296,126)
Cash and Cash Equivalents, Beginning of Year	<u>23,582,772</u>	<u>26,878,898</u>
Cash and Cash Equivalents, End of Year	<u>\$ 19,611,529</u>	<u>\$ 23,582,772</u>
Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities:		
Operating loss	\$(45,366,902)	\$(39,146,236)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation expense	2,510,398	2,367,251
Noncash state appropriations for employee benefits	4,560,982	4,485,339
Changes in assets and liabilities:		
Receivables (net)	(3,255,853)	(428,609)
Inventories	2,786	1,758
Other assets	47,821	(101,674)
Accounts payable	2,731,041	(528,664)
Funds held for others	241,096	(76,362)
Deferred revenues	4,235,036	1,377,288
Deposits	175,980	10,973
Net cash used by operating activities	<u>\$(34,117,615)</u>	<u>\$(32,038,936)</u>

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

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

1. Reporting Entity

Blinn College (the College) was established in 1883, in accordance with the laws of the State of Texas, to serve the educational needs of Washington County and the thirteen counties in the service area. The College operates campuses in the cities of Brenham, Bryan, Schulenburg and Sealy, Texas. The College is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the College receives funding from local, State of Texas (the 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.

GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – An Amendment of GASB Statement No. 14*, gives guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. It requires reporting as a component unit if the organization raises and holds economic resources for the direct benefit of the governmental unit and the component unit is significant compared to the primary government. GASB Statement No. 39 has been applied as required in the preparation of these financial statements and no component unit information is required to be included.

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's (THECB) 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 the 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 for tuition is used by the student, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act (HEA) Program Funds - Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, the amount is recorded as revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

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 tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Basis of Accounting

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

Budgetary Data

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

Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Board of Trustees has designated public funds investment pools to be cash equivalents as the investments are redeemable on demand.

Investments

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

Inventories

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

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation. The College's capitalization policies include real or business personal property with a value equal to or greater than \$5,000 and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred. The College reports depreciation under a single-line item as a business-type unit. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

Buildings	50 years
Land improvements	20 years
Library books	15 years
Furniture, equipment and vehicles	5-10 years
Computer systems	5 years

Museum Collections

In accordance with guidance issued by the Texas Comptroller of Public Accounts, collections located at the Star of the Republic Museum held for public exhibition are capitalized but not depreciated. Collections are valued at their historical cost or estimated fair value at date of donation.

Deferred Revenues

Tuition, fees and housing charges of \$25,331,717 and \$21,096,363 and federal, state and local grants of \$65,540 and \$19,882 have been reported as deferred revenues at August 31, 2011 and 2010, respectively.

Operating and Non-Operating Revenue and Expense Policy

The college distinguishes operating revenues and expenses from non-operating items. The college reports as a BTA 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 bookstores is not performed by the college.

Management 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.

Income Taxes

The College is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc., Organizations*. The College had no unrelated business income tax liability for the year ended August 31, 2011 and 2010.

Reclassifications

Certain 2010 amounts have been reclassified to conform to current year presentation.

3. Authorized Investments

The Board of Trustees of the College has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the College are in compliance with the Board of Trustees' investment policy and the Public Funds Investment Act. The College is

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

authorized to invest in obligations and instruments as follows: (1) obligations of the United States and 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 deposits and (5) other instruments and obligations authorized by statute.

4. Deposits and Investments

Deposits

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy requires pledging of collateral for all bank balances in excess of Federal Depository Insurance Corporation (FDIC) limits at a minimum of 102% of market value. As of August 31, 2011, all of the College's bank balances of \$10,646,053 were insured and collateralized and not exposed to custodial credit risk.

The following table presents cash and cash equivalents included in Exhibit 1, Statements of Net Assets, as of August 31:

	<u>2011</u>	<u>2010</u>
Cash and cash equivalents:		
Petty cash	\$ 10,515	\$ 10,636
Demand deposits	10,164,695	10,558,918
Investment pools:		
Lone Star Investment Pool	8,179,473	10,759,278
TexPool	1,081,076	2,078,415
TexSTAR	<u>175,770</u>	<u>175,525</u>
Cash and cash equivalents	<u>\$ 19,611,529</u>	<u>\$ 23,582,772</u>
Cash and cash equivalents per Exhibit 1	<u>\$ 19,611,529</u>	<u>\$ 23,582,772</u>

Investments

The College had the following investments as of August 31:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>	
		<u>2011</u>	<u>2010</u>
Federal Home Loan Mortgage Corp.	3/2012 - 9/2016	\$ 9,374,749	\$ 14,818,632
Federal Home Loan Bank	12/2010 - 11/2015	4,199,362	10,653,305
Federal National Mortgage Assoc.	12/2013 - 12/2016	5,049,068	6,072,193
Federal Farm Credit Bank	12/2012	1,694,277	703,193
Equities		<u>474,000</u>	<u>505,500</u>
Total Investments		<u>\$ 20,791,456</u>	<u>\$ 32,752,823</u>
Total Investments per Exhibit 1		<u>\$ 20,791,456</u>	<u>\$ 32,752,823</u>

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

Interest risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods can be subjected to increased risk of adverse interest rate changes. In accordance with its investment policy, the College limits its exposure to interest rate risk by structuring its portfolio to provide liquidity for operating funds and maximizing yields for funds not immediately needed. The investment policy limits the maximum maturity on any security to seven years. To the extent possible, the College shall attempt to match its investments with anticipated future cash flow. Unless matched to a specific cash flow, the College shall not directly invest in securities maturing more than three years from the date of purchase.

Credit risks are the risk that the insurer of the debt security will not pay its par value upon maturity. The College's investment policy limits credit risk based on meeting requirements of State law.

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The College places no limit on the amount the College may invest in any one issuer. At August 31, 2011 and 2010, the College had approximately \$20.3 and \$32.2 million of its investment portfolio in Federal Agency securities, which mature through August 2018.

During fiscal year 2006, a donor remitted shares in a Company to the College to establish an endowment scholarship. The shares had a fair market value of \$474,000 at August 31, 2011. Securities donated to an investing entity for a particular purpose or under terms of use specified by the donor, are not subject to the requirements of the Public Funds Investment Act. The College amended its investment policy to allow, at the Board of Trustees discretion, the College to hold donated equities for endowed scholarships.

5. Disaggregation of Receivables and Payables Balances

Receivables consist of the following at August 31:

	<u>2011</u>	<u>2010</u>
Student tuition and fees	\$ 15,635,778	\$ 12,115,080
Ad valorem taxes	93,771	96,441
Federal grants	256,650	265,486
State grants	37,761	73,121
Other receivables	687,393	661,279
	<u>16,711,353</u>	<u>13,211,407</u>
Allowance for doubtful accounts	<u>(1,604,936)</u>	<u>(1,358,174)</u>
Total	<u>\$ 15,106,417</u>	<u>\$ 11,853,233</u>

Payables consist of the following at August 31:

	<u>2011</u>	<u>2010</u>
Vendors payable	\$ 4,784,508	\$ 2,111,500
Other payables	1,127,505	1,069,472
Total	<u>\$ 5,912,013</u>	<u>\$ 3,180,972</u>

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

6. Capital Assets

Capital assets' activities for the years ended August 31:

	<u>2011</u>			
	Balance September 1, 2010	Increases	Decreases	Balance August 31, 2011
Capital assets not subject to depreciation:				
Land	\$ 5,465,871	\$ 49,624	\$ -	\$ 5,515,495
Collections	631,273	-	-	631,273
Construction in Progress	4,315,653	-	(4,315,653)	-
Total not depreciated	<u>10,412,797</u>	<u>49,624</u>	<u>(4,315,653)</u>	<u>6,146,768</u>
Capital assets subject to depreciation:				
Buildings	91,986,496	21,279,522	-	113,266,018
Land improvements	5,437,241	-	-	5,437,241
Furniture, equipment and vehicles	4,546,144	368,047	(62,792)	4,851,399
Computer equipment	3,176,926	3,600,534	-	6,777,460
Library books	3,800,659	178,582	(15,569)	3,963,672
Total depreciated	<u>108,947,466</u>	<u>25,426,685</u>	<u>(78,361)</u>	<u>134,295,790</u>
Less accumulated depreciation				
Buildings	22,349,840	1,649,695	-	23,999,535
Land improvements	3,040,767	149,179	-	3,189,946
Furniture, equipment and vehicles	2,856,642	327,525	(62,586)	3,121,581
Computer equipment	2,610,060	255,201	(78,308)	2,786,953
Library books	2,670,782	128,798	(15,569)	2,784,011
Total accumulated depreciation	33,528,091	2,510,398	(156,463)	35,882,026
Net Capital Assets	<u>\$ 85,832,172</u>	<u>\$ 22,965,911</u>	<u>\$ (4,237,551)</u>	<u>\$ 104,560,532</u>

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

2010

	Balance September 1, 2009	Increases	Decreases	Balance August 31, 2010
Capital assets not subject to depreciation:				
Land	\$ 5,459,673	\$ 6,198	\$ -	\$ 5,465,871
Collections	631,273	-	-	631,273
Construction in Progress	3,151,260	3,190,495	(2,026,102)	4,315,653
Total not depreciated	9,242,206	3,196,693	(2,026,102)	10,412,797
Capital assets subject to depreciation:				
Buildings	88,066,898	3,919,598	-	91,986,496
Land improvements	5,272,629	164,612	-	5,437,241
Furniture, equipment and vehicles	4,195,703	393,934	(43,493)	4,546,144
Computer equipment	3,007,959	292,197	(123,230)	3,176,926
Library books	3,643,826	174,936	(18,103)	3,800,659
Total depreciated	104,187,015	4,945,277	(184,826)	108,947,466
Less accumulated depreciation				
Buildings	20,727,548	1,622,292	-	22,349,840
Land improvements	2,917,756	123,011	-	3,040,767
Furniture, equipment and vehicles	2,619,574	276,161	(39,093)	2,856,642
Computer equipment	2,502,266	219,107	(111,313)	2,610,060
Library books	2,562,205	126,680	(18,103)	2,670,782
Total accumulated depreciation	31,329,349	2,367,251	(168,509)	33,528,091
Net Capital Assets	\$ 82,099,872	\$ 5,774,719	\$ (2,042,419)	\$ 85,832,172

7. Long-Term Liabilities

Long-term liability activity for the years ended August 31:

	<u>2011</u>				
	Balance September 1, 2010	Additions	Payments	Balance August 31, 2011	Current Portion
Bonds payable	\$ 46,685,000	\$ 6,925,000	\$ (9,940,000)	\$ 43,670,000	\$ 3,295,000
Unamortized bond premium	450,939	181,438	(59,822)	572,555	59,822
Total	\$ 47,135,939	\$ 7,106,438	\$ (9,999,822)	\$ 44,242,555	\$ 3,354,822

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

	Balance September 1, 2009	<u>2010</u>		Balance August 31, 2010	Current Portion
		Additions	Payments		
Bonds payable	\$ 29,655,000	\$ 20,155,000	\$ (3,125,000)	\$ 46,685,000	\$ 3,175,000
Unamortized bond premium	510,761	-	(59,822)	450,939	59,822
Total	<u>\$ 30,165,761</u>	<u>\$ 20,155,000</u>	<u>\$ (3,184,822)</u>	<u>\$ 47,135,939</u>	<u>\$ 3,234,822</u>

8. Bonds Payable

Bonds payable consist of Combined Fee Revenue and Refunding Bonds. General information related to bonds payable is summarized below:

Combined Fee Revenue Refunding Bonds, Series 2011

- Washington County Junior College District Combined Fee Revenue Refunding Bonds, Series 2011
- To refund a portion of the College's Combination Fee Revenue Bonds, Series 2002 for a debt service savings and pay the costs of issuance of the Bonds
- Issued May 17, 2011
- \$6,925,000, all authorized bonds have been issued
- Interest rates range from 2.00% to 4.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2011 of \$6,925,000
- A premium of \$181,438 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2010

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2010
- To pay for (i) various campus renovation projects (ii) a dormitory (iii) teaching equipment for the Allied Health Center and (iv) the costs of issuance of the Bonds
- Issued March 15, 2010
- \$20,155,000, all authorized bonds have been issued
- Interest rates range from 3.000% to 4.375%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2011 and 2010 of \$20,155,000

Combined Fee Revenue Refunding Bonds, Series 2009

- Washington County Junior College District Combined Fee Revenue Refunding Bonds, Series 2009
- To refund a portion of the College's Combination Fee Revenue Bonds, Series 1998, Combination Fee Revenue Bonds, Series 1999 and pay the costs of issuance of the Bonds
- Issued April 15, 2009
- \$8,925,000, all authorized bonds have been issued
- Interest rates range from 1.10% to 4.00%

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2011 and 2010 of \$7,755,000 and \$8,790,000, respectively
- A premium of \$244,401 is being amortized over the life of the bonds

Combined Fee Revenue Refunding Bonds, Series 2005

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2005
- To pay the costs of acquisition, construction, improvement and equipment of College facilities and the acquisition of sites therefore, including payment of the College's obligation created by the College's exercise of its purchase option under the lease agreement between the College and the City of Bryan, Texas in connection with the City of Bryan Lease Revenue Bonds Series 1995; to fund the reserve funds and to pay the related costs of issuance
- Issued July 6, 2005
- \$11,815,000, all authorized bonds have been issued
- Interest rates range from 3.5% to 5.125%
- Source of revenue for debt service - designated portion of tuition and fees
- Outstanding bonds payable at August 31, 2011 and 2010 of \$6,555,000 and \$7,480,000, respectively
- A premium of \$416,775 is being amortized over the life of the bonds
- The College received \$1,268,465 from the City of Bryan, Texas. These funds represent the difference between the monthly capital lease payments made by College for the lease of the Bryan Campus and the debt service payments made by the City of Bryan, Texas.

Combined Fee Revenue Refunding Bonds, Series 2003

- Washington County Junior College District Combined Fee Revenue Refunding Bonds, Series 2003
- To refund \$4,300,000 of Combined Fee and Revenue Bonds, Series 1993
- Issued January 1, 2003
- \$4,475,000, all authorized bonds have been issued
- Interest rates range from 3% to 4.3%
- Source of revenue for debt service - designated portion of tuition and registration charges, other fee charges and designated revenues
- Outstanding bonds payable at August 31, 2011 and 2010 of \$1,220,000 and \$1,425,000, respectively
- Net proceeds from refunding bonds \$4,406,739; after payment of \$94,344 in underwriting fees, insurance, and other issuance costs
- The 1993 Series bond are considered fully defeased and the liability for those bonds has been removed from the financial statements
- Advanced refunding of the 1993 Series bonds reduced the Colleges debt service payments over the next 15 years by approximately \$230,000
- Economic gain of approximately \$170,000 is difference between the net present value of the old and new debt service payments

Combined Fee Revenue Bonds, Series 2002

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2002
- To construct and equip student apartment housing and construct, renovate and equip academic buildings and parking lots

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

- Issued May 1, 2002
- \$15,355,000, all authorized bonds have been issued
- Interest rates range from 2.5% to 5.125%
- Sources of revenue for debt service - designated portion of tuition and registration charges, other fee charges and designated revenues
- Outstanding bonds payable at August 31, 2011 and 2010 of \$1,060,000 and \$8,835,000, respectively

Under each bond issue, the College is to maintain a reserve account equal to the maximum annual principal and interest requirements on all bonds. The College has 60 months to establish this reserve fund. The reserve account balance at August 31, 2011 is \$4,700,866. The Series 2002 and 2003 bonds require the College to maintain adequate insurance coverage. All premiums have been paid.

Combined Bond Debt Service Requirements

Combined bond debt service requirements of the bonds for the next five years and thereafter are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 3,295,000	\$ 1,544,685	\$ 4,839,685
2013	2,800,000	1,454,748	4,254,748
2014	3,260,000	1,345,648	4,605,648
2015	3,405,000	1,231,448	4,636,448
2016	3,525,000	1,110,123	4,635,123
2017-2021	12,915,000	3,989,817	16,904,817
2022-2026	6,620,000	2,213,062	8,833,062
2027-2031	6,370,000	1,014,081	7,384,081
2032	1,480,000	32,375	1,512,375
Total	\$ 43,670,000	\$ 13,935,987	\$ 57,605,987

9. Advance Refunding Bonds

- Refunded \$6,765,000 of Combined Fee Revenue Refunding Bonds, Series 2002.
- Issued refunding bonds on May 17, 2011.
- \$6,925,000, all authorized bonds have been issued.
- Combined Fee Revenue Refunding Bonds, Series 2011.
- Average interest rate of bonds refunded -- 4.813%.
- Net proceeds from Refunding Series -- \$6,929,085; after payment of \$177,353 in underwriting fees and other issuance costs.
- The 2002 Series is considered fully defeased and the liability for those bonds has been removed from the Investment in Plant Fund Group.
- Current refunding of the 2002 Series bonds reduced the College's debt service payments over the next 12 years by approximately \$679,343.
- Economic Gain - \$643,121 difference between the net present value of the old and new debt service payments.
- Accounting Gain -- no accounting gain resulted from the advanced refunding.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

10. Defeased Bonds Outstanding

Bond Issue	Year Refunded	Par Value Outstanding
Revenue Bonds Series 2002	2011	\$ 6,765,000

11. Employees' Retirement Plans

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

Teacher Retirement System of Texas

Plan Description. The 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.

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 a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4% for fiscal years 2011 and 2010 and a state contribution rate of 6.644% for fiscal years 2011 and 2010. In certain instances the reporting district is required to make all or a portion of the state's contribution for fiscal year 2011 and 2010.

Optional Retirement Plan

Plan Description. The state has also established an optional retirement program for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.4% and 6.65%, respectively. The College contributes 2.1 percent for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the State for the College was \$2,119,777 and \$1,940,083 for the fiscal years ended August 31, 2011 and 2010, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the College.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

The total payroll for all College employees was \$41,492,225 and \$38,621,642 for fiscal years 2011 and 2010, respectively. The total payroll of employees covered by the Teacher Retirement System was \$23,704,074 and \$21,704,406, and the total payroll of employees covered by the Optional Retirement Program was \$11,246,979 and \$10,838,127 for fiscal years 2011 and 2010, respectively.

12. Deferred Compensation Program

The College's 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. This plan is essentially an unfunded promise to pay by the employer to each of the plan participants. At August 31, 2011 and 2010, the College had no employees electing to defer compensation.

13. 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 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 \$411 to \$854 and \$385 to \$839 per month for the years ended August 31, 2011 and 2010, depending on the coverage elected. The State's contribution totaled \$3,170,880 and \$3,238,897, for the years ended August 31, 2011 and 2010, respectively. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for active employees.

14. Compensated Absences

Non-faculty employees are entitled to compensation vacation days. The amount of days is determined annually, based on their length of employment, as stipulated with official policy adopted by the College. The current policy allows a maximum of six accrued unused vacation days to be carried over; however, the carry over days are not payable upon termination. Any accrued unused days in excess of the carry over days expire at the end of each year. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, *Accounting for Compensated Absences*, no liability is recorded for these non-vesting rights.

Sick leave can be accumulated subject to certain limitations. It is paid to an employee who misses work because of illness. The College does not allow conversion of unpaid sick leave for terminated employees. 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.

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 and Schedule A. 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 college has not yet performed services are not included in the financial statements.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

16. Property Tax

The College's ad valorem property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real, business/land personal property located in the tax area of the College. Property taxes are recorded on an accrual basis of accounting. At August 31:

	<u>2011</u>	<u>2010</u>
Assessed valuation of the College	\$ 2,631,220,352	\$ 2,688,967,924
Less exemptions	<u>(367,666,404)</u>	<u>(403,786,987)</u>
Net assessed valuation of the College	<u>\$ 2,263,553,948</u>	<u>\$ 2,285,180,937</u>

	<u>Current</u> <u>Operations</u>	<u>2011</u> <u>Debt</u> <u>Service</u>	<u>Total</u>
Tax rate per \$100 valuation for authorized	\$ 0.0559	\$ -	\$ 0.0559
Tax rate per \$100 valuation assessed	0.0559	-	0.0559

	<u>Current</u> <u>Operations</u>	<u>2010</u> <u>Debt</u> <u>Service</u>	<u>Total</u>
Tax rate per \$100 valuation for authorized	\$ 0.0545	\$ -	\$ 0.0545
Tax rate per \$100 valuation assessed	0.0545	-	0.0545

Tax levied for the years ended August 31, 2011 and 2010 is \$1,413,159 and \$1,382,884, respectively (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.

Under GASB Statement No. 33, *Accounting and Financial Reporting for Non Exchange Transactions*, ad valorem taxes are imposed non-exchange revenue. Asset from imposed non-exchange transactions are recorded when the entity has an enforceable legal claim to the assets or when the entity receives resources, whichever comes first. The enforceable legal claim date for ad valorem taxes is the assessment date. The College has recognized all assessed taxes in the current year and recorded a receivable for uncollected taxes.

<u>Taxes Collected at August 31</u>	<u>2011</u>	<u>2010</u>
Current	\$ 1,377,641	\$ 1,342,412
Delinquent	34,283	30,123
Penalties and Interest	<u>16,895</u>	<u>28,757</u>
Total Collections	<u>\$ 1,428,819</u>	<u>\$ 1,401,292</u>

Tax collections for the year ended August 31, 2011 and 2010 were 97% of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking fund expenditures.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

17. Operating Leases

The College leases facilities related to the Bryan and Sealy Campuses under non-cancelable leases expiring through August 2021, with future minimum payments as of August 31, 2011 as follows:

<u>Fiscal Year</u>	
2012	\$ 1,384,000
2013	1,352,000
2014	1,355,000
2015	1,352,000
2016	1,300,000
2017-2021	7,008,000

Rental expense was approximately \$341,000 and \$204,000 for the years ended August 31, 2011 and 2010, respectively.

The College leases retail space to various tenants expiring through December 2012, for property located on the Bryan Campus. Future minimum rental income, as of August 31, 2011, under the agreements are as follows:

<u>Fiscal Year</u>	
2012	\$ 16,800
2013	4,000

Rental income was approximately \$19,000 and \$16,000 for the years ended August 31, 2011 and 2010, respectively.

18. Contingent Liabilities

The College participates in a number of State and Federally assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the College's compliance with applicable grant requirements will be finally determined at some future date. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

19. Self Insurance

Effective September 1, 2003, the College began participating in a public entity risk pool for workers compensation. The participants of the pool include several other public junior and community colleges. The plan provides coverage to each participant with the College's individual loss fund maximum of \$483,674 and \$497,413 at August 31, 2011 and 2010, respectively, which is based on estimated payroll.

The liability for claims incurred but not reported under the self-insured plan is \$102,427 and \$147,205 as of August 31, 2011 and 2010, respectively, and is included in the accompanying statements of net assets. Future payments for the claims will be paid from the accrued liability.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

Self-insurance activity for the years ended August 31, 2011 and 2010 was as follows:

Accrued Liability for the Year Ended August 31	Balance of Liability at Beginning of Fiscal Year	Additions	Reductions for Claims Paid	Cumulative Balance of Liability at End of Fiscal Year
2010	\$ 407,713	\$ 147,740	\$ (98,344)	\$ 457,109
2011	457,109	165,007	(146,775)	475,341

20. Postemployment Benefits Other than Pensions

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

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

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

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

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

The College's contributions to SRHP for State retirees for the years ended August 31, 2011 and 2010, were \$895,585 and \$829,844, respectively, which amounts were funded from the College's State group insurance appropriation. The College's contributions to SRHP for local retirees for the years ended August 31, 2011 and 2010, were \$196,844 and \$175,389, respectively, which amounts were paid directly by the College.

BLINN COLLEGE
Notes to Financial Statements
August 31, 2011 and 2010

21. Component Units

Blinn College Foundation, Inc. – Discrete Component Unit

Blinn College Foundation, Inc. (the Foundation) was established as a separate nonprofit organization in 1990, to raise funds to provide student scholarships and assistance in the development and growth of the College. Under GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Foundation is a component unit of the College because the College provides financial support to the Foundation and the economic resources received or held by the Foundation are entirely or almost entirely for the benefit of the College.

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

SUPPLEMENTARY SCHEDULES

BLINN COLLEGE
Schedule of Operating Revenues
Year Ended August 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	Educational Activities		Total	Auxiliary Enterprises	2011 Total	2010 Total
	Unrestricted	Restricted	Educational Activities			
Tuition:						
State funded credit courses:						
In-district resident tuition	\$ 404,908	\$ -	\$ 404,908	\$ -	\$ 404,908	\$ 437,292
Out-of-district resident tuition	24,706,461	-	24,706,461	-	24,706,461	22,783,709
Non-resident tuition	1,556,776	-	1,556,776	-	1,556,776	1,516,448
TPEG - credit (set aside) *	849,706	-	849,706	-	849,706	839,137
State funded continuing education	791,358	-	791,358	-	791,358	895,304
Non-State funded continuing education	198,321	-	198,321	-	198,321	241,325
Total Tuition	<u>28,507,530</u>	<u>-</u>	<u>28,507,530</u>	<u>-</u>	<u>28,507,530</u>	<u>26,713,215</u>
Fees:						
General fee	9,781,115	-	9,781,115	1,726,079	11,507,194	10,586,694
Laboratory and course fees	1,397,157	-	1,397,157	-	1,397,157	1,066,355
Vehicle registration fees	690,572	-	690,572	-	690,572	724,569
Incidental fees	444,014	-	444,014	-	444,014	692,682
Other fees	-	-	-	309,857	309,857	403,714
Total fees	<u>12,312,858</u>	<u>-</u>	<u>12,312,858</u>	<u>2,035,936</u>	<u>14,348,794</u>	<u>13,474,014</u>
Scholarship allowances and discounts:						
Scholarship allowances	(484,226)	-	(484,226)	-	(484,226)	(396,962)
Remissions and exemptions	(1,131,778)	-	(1,131,778)	-	(1,131,778)	(775,260)
TPEG allowances	(702,187)	-	(702,187)	-	(702,187)	(613,728)
Federal and State grants to students	(8,032,380)	-	(8,032,380)	-	(8,032,380)	(5,750,810)
Other	(398,017)	-	(398,017)	-	(398,017)	(424,469)
Total scholarships allowances and discounts	<u>(10,748,588)</u>	<u>-</u>	<u>(10,748,588)</u>	<u>-</u>	<u>(10,748,588)</u>	<u>(7,961,229)</u>
Total net tuition and fees	<u>30,071,800</u>	<u>-</u>	<u>30,071,800</u>	<u>2,035,936</u>	<u>32,107,736</u>	<u>32,226,000</u>
Additional operating revenues:						
Federal grants and contracts	-	1,048,093	1,048,093	-	1,048,093	1,037,307
State grants and contracts	-	1,350,632	1,350,632	-	1,350,632	1,255,418
Sales and services of educational activities	245,127	-	245,127	-	245,127	493,253
Other operating revenues	97,362	-	97,362	-	97,362	94,717
Total additional operating revenues	<u>342,489</u>	<u>2,398,725</u>	<u>2,741,214</u>	<u>-</u>	<u>2,741,214</u>	<u>2,880,695</u>
Auxiliary enterprises:						
Residential life	-	-	-	2,964,701	2,964,701	2,830,964
Scholarships allowances and discounts	-	-	-	(240,900)	(240,900)	(259,339)
Net residential life	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,723,801</u>	<u>2,723,801</u>	<u>2,571,625</u>
Cafeteria	-	-	-	2,389,098	2,389,098	2,282,212
Scholarship allowances and discounts	-	-	-	(148,318)	(148,318)	(225,949)
Net cafeteria	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,240,780</u>	<u>2,240,780</u>	<u>2,056,263</u>
Bookstore	-	-	-	1,374,835	1,374,835	1,288,353
Scholarship allowances and discounts	-	-	-	(165,990)	(165,990)	(186,748)
Net bookstore	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,208,845</u>	<u>1,208,845</u>	<u>1,101,605</u>
Other auxiliary	-	-	-	387,534	387,534	375,265
Total net auxiliary enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,560,960</u>	<u>6,560,960</u>	<u>6,104,758</u>
Total Operating Revenues	<u>\$ 30,414,289</u>	<u>\$ 2,398,725</u>	<u>\$ 32,813,014</u>	<u>\$ 8,596,896</u>	<u>\$ 41,409,910</u>	<u>\$ 41,211,453</u>

(Exhibit 2)

(Exhibit 2)

* In accordance with Education Code §56.033, \$849,706 and \$839,137 for the years ended August 31, 2011 and 2010, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

BLINN COLLEGE
Schedule of Operating Expenses By Object
Year Ended August 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	Operating Expenses				2011 Total	2010 Total
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
Unrestricted - Educational Activities:						
Instruction	\$27,118,279	\$ -	\$ 2,381,207	\$ 3,828,771	\$33,328,257	\$31,096,471
Public Service	278,450	-	27,694	216,291	522,435	491,324
Academic Support	2,734,141	-	245,619	563,986	3,543,746	3,257,243
Student Services	3,630,928	-	310,034	723,462	4,664,424	4,311,065
Institutional Support	3,871,182	-	149,691	2,946,085	6,966,958	6,574,686
Operation and Maintenance of Plant	1,420,118	-	556,636	6,087,790	8,064,544	7,097,682
Scholarships and Fellowships	-	-	-	578,605	578,605	474,333
Total Unrestricted - Educational Activities	39,053,098	-	3,670,881	14,944,990	57,668,969	53,302,804
Restricted - Educational Activities:						
Instruction	235,394	3,779,572	115,517	225,088	4,355,571	4,182,701
Public Service	231,157	53,446	54,527	164,521	503,651	691,978
Academic Support	-	488,868	-	-	488,868	427,935
Student Services	-	755,785	-	-	755,785	713,718
Institutional Support	9,696	1,664,048	1,896	63,993	1,739,633	1,573,026
Scholarships and Fellowships	-	-	-	11,673,490	11,673,490	10,284,071
Total Restricted - Educational Activities	476,247	6,741,719	171,940	12,127,092	19,516,998	17,873,429
Total Educational Activities	39,529,345	6,741,719	3,842,821	27,072,082	77,185,967	71,176,233
Auxiliary Enterprises	1,962,880	-	889,706	4,227,861	7,080,447	6,814,205
Depreciation Expense - Buildings and other real estate improvements	-	-	-	1,798,874	1,798,874	1,745,303
Depreciation Expense - Equipment, furniture and library books	-	-	-	711,524	711,524	621,948
Total Operating Expenses	\$41,492,225	\$ 6,741,719	\$ 4,732,527	\$33,810,341	\$86,776,812	\$80,357,689
					(Exhibit 2)	(Exhibit 2)

BLINN COLLEGE
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2011 Total</u>	<u>2010 Total</u>
Non-Operating Revenues:				
State appropriations:				
Education and General state support	\$ 21,682,952	\$ -	\$ 21,682,952	\$ 22,602,357
State group insurance	-	3,170,880	3,170,880	3,238,897
State retirement matching	-	2,119,777	2,119,777	1,940,083
Professional nursing shortage reduction	-	179,205	179,205	125,694
Total state appropriations	<u>21,682,952</u>	<u>5,469,862</u>	<u>27,152,814</u>	<u>27,907,031</u>
Property taxes	1,428,819	-	1,428,819	1,401,292
Federal revenue, non operating	-	17,877,715	17,877,715	14,834,323
Gifts	-	1,077,874	1,077,874	756,930
Investment income	621,348	-	621,348	608,086
Federal grant related to capital debt	-	-	-	23,522
Gain on disposal of capital assets	3,331	-	3,331	-
Unrealized gain (loss) on investments	(330)	-	(330)	310,493
Total non-operating revenues	<u>23,736,120</u>	<u>24,425,451</u>	<u>48,161,571</u>	<u>45,841,677</u>
Non-Operating Expenses:				
Interest on capital related debt	1,252,019	-	1,252,019	1,140,967
Loss on disposal of capital assets	-	-	-	14,607
Other expenses	163,921	-	163,921	137,960
Total non-operating expenses	<u>1,415,940</u>	<u>-</u>	<u>1,415,940</u>	<u>1,293,534</u>
Net non-operating revenues	<u>\$ 22,320,180</u>	<u>\$ 24,425,451</u>	<u>\$ 46,745,631</u> (Exhibit 2)	<u>\$ 44,548,143</u> (Exhibit 2)

BLINN COLLEGE
Schedule of Net Assets by Source and Availability
Year Ended August 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	Detail by Source						Capital Assets		Available for Current	
	Unrestricted	Restricted		Non-Expendable	Depreciation and Related Debt	Total	Total	Operations		
		Expendable	Non-Expendable					Yes	No	
Current:										
Unrestricted	\$ 5,006,457	-	-	-	-	\$ 5,006,457	\$	5,006,457	-	
Student aid	-	(283,789)	-	-	-	(283,789)	-	-	(283,789)	
Star of Republic Museum	-	45,744	-	-	-	45,744	-	-	45,744	
Auxiliary enterprises	3,050,851	-	-	-	-	3,050,851	-	3,050,851	-	
Endowment:										
Expendable	-	780,577	-	-	-	780,577	-	-	780,577	
Non-expendable	-	-	9,205,045	-	-	9,205,045	-	-	9,205,045	
Plant:										
Debt service	-	4,700,866	-	-	-	4,700,866	-	-	4,700,866	
Investment in plant	-	-	-	-	60,317,977	60,317,977	-	-	60,317,977	
Total Net Assets, August 31, 2011	8,057,308	5,243,398	9,205,045	9,205,045	60,317,977	82,823,728	8,057,308	8,057,308	74,766,420	
Total Net Assets, August 31, 2010	9,427,188	6,160,599	9,128,252	56,685,760	81,401,799	81,401,799	9,427,188	9,427,188	71,974,611	
Net Increase (Decrease) in Net Assets	\$ (1,369,880)	\$ (917,201)	\$ 76,793	\$ 3,632,217	\$ 1,421,929	\$ 1,421,929	\$ (1,369,880)	\$ (1,369,880)	\$ 2,791,809	

(Exhibit 1)
(Exhibit 1)
(Exhibit 2)

BLINN COLLEGE
Schedule of Expenditures of Federal Awards
For The Year Ended August 31, 2011

<u>Federal Grantor/Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures and Pass Through Disbursements</u>
<u>U.S. Department of Education</u>			
Direct Programs:			
Student Financial Assistance			
Federal Supplemental Education Opportunity Grant	84.007	P007A103969	\$ 144,836
Federal Work Study Program	84.033	P033A103969	324,457
Federal Pell Grant	84.063	P063P092262	2,150
Federal Pell Grant	84.063	P063P102262	17,474,923
			<u>17,477,073</u>
Federal Direct Student Loan Program	84.268	P268K112262	19,210,805
Federal Academic Competitive Grant	84.375	P375A102262	205,806
Pass-Through From:			
Texas Higher Education Coordinating Board			
Carl Perkins Vocational Education	84.048	114206	316,564
Leveraging Educational Assistance (LEAP)	84.069A		14,500
Special Leveraging Educational Assistance (SLEAP)	84.069B		19,776
Byrd Scholarship	84.185		4,500
Carl Perkins Tech-Prep Education	84.243	111705	218,730
Statewide Longitudinal Data System Grant (SLDS)	84.372	4748	3,646
College Access Challenge Grant	84.378	3332	7,500
American Recovery and Reinvestment Act of 2009	84.397A	3600	50,000
			<u>37,998,193</u>
<u>U.S. Department of Labor</u>			
Pass-Through from:			
Texas Workforce Commission:			
Texas Tech University Health Sciences Center	17.258	2910XSW000	11,592
Workforce Investment Act	17.26	1611ATP001	5,137
Texas Engineering Experiment Station/TAMU System			
Workforce Investment Act	17.26	1611WSW000	21,000
			<u>37,729</u>
<u>U.S. Small Business Administration</u>			
Pass-Through from:			
University of Houston:			
Small Business Development Center	59.037	10-603001-Z-0047-26	9,599
Small Business Development Center	59.037	11-603001-Z-0047-27	91,092
			<u>100,691</u>
Total U.S. Small Business Administration			<u>100,691</u>
Total Expenditures of Federal Awards			<u>\$ 38,136,613</u>
<u>Federal Direct Student Loan Program, CFDA 84.032, includes the following:</u>			
Direct Subsidized Loans			\$ 11,295,073
Direct Unsubsidized Loans			4,272,330
Direct PLUS Loans			1,559,843
Direct Additional Unsubsidized Loans			2,083,559
			<u>\$ 19,210,805</u>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

BLINN COLLEGE
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2011

<u>Grantor Agency Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures and Pass Through Disbursements</u>
Texas Comptroller of Public Accounts -		
Jobs and Education for Texans (JET) - Equipment	4776-1	\$ 296,317
Jobs and Education for Texans (JET) - Technical Scholarships	3572-6	28,035
Law Enforcement Officer Standards & Education (LEOSE)	9P110538	1,448
Texas Higher Education Coordinating Board:		
Texas Grant Program		756,517
Top 10% Scholarship		10,000
Alternative Teacher Certification Funding		16,000
Texas Workforce Commission		
Skills Development-RR Donnelley Company	1609SDFZ02	(7,540)
Skills Development-Valmont Industries/MIC Group	1609SDFZ05	51,286
Skills Development-Igloo Products #2 Corporation	2810SDF006	186,559
Skills for Small Business Program	1611SSD000	3,887
Chapter 133 Apprentice Training Program 2011	1611ATP001	<u>8,123</u>
Total Expenditures of State Awards		<u><u>\$ 1,350,632</u></u>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

BLINN COLLEGE
Notes to Schedules of Expenditures of Federal and State Awards
Year Ended August 31, 2011

1. Relationship to Financial Statements

	<u>Federal</u>	<u>State</u>
Federal Grants and Contracts Revenue – Per Schedule A	\$1,048,093	\$1,350,632
Add Financial Aid Loans	19,210,805	-
Add Non Operating Federal Revenue from Schedule C	<u>17,877,715</u>	<u>-</u>
 Total per Schedules of Expenditures of Federal and State Awards	 <u>\$38,136,613</u>	 <u>\$ 1,350,632</u>

2. Significant Accounting Policies Used in Preparing the Schedules

The schedules present the activity of all Federal and State programs of the College for the year ended August 31, 2011. 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 purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedules.

3. Relationship to Federal and State Financial Reports

Differences between amounts reflected in the financial reports filed with grantor agencies for the programs and in the schedules of expenditures of Federal and State awards are due to different program year ends and accruals that will be reflected in the next report filed with the agencies.

4. Amounts Passed-Through by the College

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

Anderson-Shiro ISD	\$ 4,077
Bremond ISD	4,419
Brenham ISD	7,584
Bryan ISD	20,366
Buffalo ISD	4,500
Burton ISD	9,500
Caldwell ISD	2,842
Centerville ISD	4,346
College Station ISD	12,229
Flatonia ISD	5,300
Hearne ISD	3,407
Leon ISD	4,500
Madisonville ISD	1,292
Mumford ISD	4,500
Normangee ISD	3,150
North Zulch ISD	4,500
Oakwood ISD	4,283
Schulenburg ISD	4,937
Snook ISD	5,987
Somerville ISD	<u>3,899</u>
	<u>\$ 115,618</u>

AUDITORS' REPORTS ON CONTROLS AND COMPLIANCE



LOTT, VERNON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Trustees
Blinn College
Brenham, Texas

We have audited the financial statements of Blinn College, as of and for the years ended August 31, 2011, and 2010, and have issued our report thereon dated November 11, 2011. 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

In planning and performing our audit, we considered the 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 the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the College'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 the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws,

**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* (CONTINUED)**

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 Audit Committee, Board of Trustees, management 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.

Lett, Vernon & Co, P.C.

Temple, Texas
November 11, 2011



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

Board of Trustees
Blinn College
Brenham, Texas

Compliance

We have audited Blinn 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*, and the State of Texas Single Audit Circular that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2011. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the College's management. Our responsibility is to express an opinion on the 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Texas Single Audit Circular. Those standards, OMB Circular A-133 and the State of Texas Single Audit Circular, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the 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 the College's compliance with those requirements.

In our opinion, Blinn 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 and state

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR (CONTINUED)**

programs for the year ended August 31, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Item 2011-1.

Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state 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. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as Item 2011-1. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR (CONTINUED)**

Blinn College's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Blinn College's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Audit Committee, Board of Trustees, management, 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.

Temple, Texas
November 11, 2011

A handwritten signature in black ink that reads "Jett, Vernon & Co., P.C." The signature is written in a cursive, flowing style.

BLINN COLLEGE
Schedule of Findings and Questioned Costs
August 31, 2011

I. Summary of Audit Results

Financial Statements

1. Type of auditor's report issued: *unqualified*

2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes X no
 - Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

3. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

4. Internal control over major programs:
 - Material weakness(es) identified? _____ yes X no
 - Significant deficiencies identified that are not considered to be material weakness(es)? X yes _____ no

5. Type of auditor's report issued on compliance for major programs: *unqualified*

6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 and State of Texas Single Audit Circular and Uniform Grant Management Standards? _____ yes X no

7. Identification of major programs:

<u>Name of Federal Programs</u>	<u>Federal CFDA Number</u>	<u>Name of State Program</u>
U.S. Department of Education Student Financial Aid Cluster:		Texas Grant
SEOG	84.007	
Federal College Work Study Program	84.033	
Federal Pell Grant Program	84.063	
William D Ford Direct Loans	84.268	
Academic Competitiveness Program	84.375	
Carl Perkins Vocational Education	84.048	

BLINN COLLEGE
Schedule of Findings and Questioned Costs (Continued)
August 31, 2011

8. Dollar threshold used to distinguish between type A and type B programs: \$300,000
9. Auditee qualified as low-risk auditee? X yes no

II. Financial Statement Findings

- None.

III. Federal Awards Findings and Questioned Costs

Significant Deficiency:

2011-1 College Work Study Program – Lack of internal control over calculation of hours worked and payment of timesheets.

Condition: In our testing of Federal Work Study timesheets, we noted hours figured incorrectly on 9 out of 16 students tested, and one student was paid twice for the same timesheet.

Criteria: Review of timesheets is necessary to ensure that students are properly paid each pay period. Proper notation on paid timesheets or verification of prior payments is necessary when multiple timesheets are submitted for payment to prevent duplication.

Cause: Supervisors signed off that the students actually worked the days listed on the timesheet; however, they did not recalculate the number of hours worked. The timesheet was not properly marked as paid or double checked against the prior pay period since multiple timesheets were submitted for payment to prevent duplication.

Effect: The effect of not properly recalculating hours-worked and improper notation of previously paid timesheets, as well as lack of prior payment verification resulted in a net overpayment of \$116.

Recommendation: Hours worked need to be recalculated every pay period and proper notation or additional verification with prior payments is required when multiple timesheets are submitted for payment.

View of Responsible Officials and Planned Corrective Actions: Management will review and recalculate all timesheets and properly cancel timesheets with notation to prevent duplicate payments.

STATISTICAL SUPPLEMENTS (UNAUDITED)

Blinn College
 Net Assets by Component
 Fiscal Years 2002 to 2011
 (Unaudited)

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Invested in capital assets, net of related debt	\$ 60,318	\$ 56,686	\$ 51,934	\$ 46,439	\$ 43,489	\$ 41,668	\$ 39,725	\$ 40,318	\$ 40,513	\$ 38,334
Restricted - expendable	5,243	6,211	6,470	6,575	6,971	6,655	5,791	3,585	3,355	3,770
Restricted - nonexpendable	9,205	9,128	9,030	8,985	8,254	7,810	6,921	5,644	5,329	4,902
Unrestricted	8,057	9,377	8,478	8,878	6,251	4,165	4,156	4,181	2,891	4,459
Total primary government net assets	\$ 82,823	\$ 81,402	\$ 75,912	\$ 70,877	\$ 64,965	\$ 60,308	\$ 56,593	\$ 53,728	\$ 52,088	\$ 51,465

Blinn College
Revenues by Source
Fiscal Years 2002 to 2011
(Unaudited)

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and fees (net of discounts)	\$ 32,108	\$ 32,226	\$ 31,331	\$ 29,521	\$ 26,440	\$ 24,227	\$ 21,565	\$ 19,992	\$ 17,425	\$ 16,509
Governmental grants and contracts										
Federal Grants and Contracts	1,048	1,037	975	949	1,226	1,266	1,664	1,246	1,348	1,377
State and local grants and contracts	1,351	1,256	848	1,653	532	500	611	710	1,116	1,065
Sales and services of educational activities	245	493	254	226	190	342	199	159	309	365
Auxiliary enterprises (net of discounts)	6,561	6,105	5,737	5,856	5,591	5,104	5,355	5,346	5,175	4,894
Other operating revenues	97	94	173	683	211	244	29	144	311	196
Total Operating Revenues	41,410	41,211	39,318	38,890	34,190	31,683	29,463	27,597	25,684	24,406
State appropriations	27,153	27,907	25,981	25,689	24,041	23,689	22,348	22,097	22,544	23,695
Ad valorem taxes	1,429	1,401	1,378	1,251	1,138	1,026	1,029	990	934	881
Federal revenue, nonoperating	17,878	14,834	9,205	7,784	7,152	7,606	7,320	7,429	6,883	5,331
Federal grant related to capital debt	-	24	16	16	16	16	16	16	16	34
Unrealized gain on investments	-	311	119	28	66	-	-	-	-	-
Investment income	621	608	697	1,279	1,451	1,039	611	376	360	446
Other non-operating revenues	1,081	757	1,020	-	-	254	2,779	5	-	-
Total Non-Operating Revenues	48,162	45,842	38,416	36,047	33,864	33,630	34,103	30,913	30,437	30,387
Total Revenues	\$ 89,572	\$ 87,053	\$ 77,734	\$ 74,937	\$ 68,054	\$ 65,313	\$ 63,566	\$ 58,510	\$ 56,121	\$ 54,793

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and fees (net of discounts)	35.85%	37.02%	40.31%	39.39%	38.65%	37.09%	33.93%	34.17%	31.05%	30.13%
Governmental grants and contracts										
Federal grants and contracts	1.17%	1.19%	1.25%	1.27%	1.80%	1.95%	2.61%	2.13%	2.41%	2.51%
State grants and contracts	1.51%	1.44%	1.09%	2.21%	0.78%	0.77%	0.96%	1.21%	1.99%	1.94%
Sales and services of educational activities	0.27%	0.57%	0.33%	0.30%	0.28%	0.52%	0.31%	0.27%	0.55%	0.67%
Auxiliary enterprises	7.32%	7.01%	7.98%	7.82%	8.22%	7.81%	8.49%	9.14%	9.22%	8.93%
Other operating revenues	0.11%	0.11%	0.22%	0.91%	0.31%	0.37%	0.05%	0.25%	0.55%	0.36%
Total Operating Revenues	46.23%	47.34%	50.58%	51.90%	50.24%	48.51%	46.35%	47.17%	45.77%	44.54%
State appropriations	30.31%	32.05%	33.43%	34.28%	35.33%	36.27%	35.16%	37.77%	40.17%	43.24%
Ad valorem taxes	1.60%	1.61%	1.77%	1.67%	1.67%	1.57%	1.62%	1.69%	1.66%	1.61%
Federal revenue, nonoperating	19.96%	17.04%	11.84%	10.38%	10.51%	11.65%	11.51%	12.69%	11.73%	9.74%
Federal grant related to capital debt	0.00%	0.03%	0.02%	0.02%	0.02%	0.02%	0.03%	0.03%	0.03%	0.06%
Unrealized gain on investments	0.00%	0.36%	0.15%	0.04%	0.10%	-	-	-	-	-
Investment income	0.69%	0.70%	0.90%	1.71%	2.13%	1.59%	0.96%	0.64%	0.64%	0.81%
Other non-operating revenues	1.21%	0.87%	1.31%	-	-	0.35%	4.37%	0.01%	-	-
Total Non-Operating Revenues	53.77%	52.66%	48.42%	48.10%	49.76%	51.49%	53.65%	52.83%	54.23%	55.46%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Blinn College
Program Expenses by Function
Fiscal Years 2002 to 2011
(Unaudited)

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$ 37,684	\$ 35,279	\$ 31,230	\$ 28,818	\$ 27,083	\$ 26,589	\$ 24,125	\$ 23,622	\$ 23,430	\$ 22,813
Public service	1,026	1,183	1,023	2,041	1,341	1,212	1,587	1,356	629	784
Academic support	4,033	3,685	3,775	3,451	3,198	3,382	3,624	2,930	4,098	3,036
Student services	5,420	5,025	4,799	4,261	4,044	4,023	3,645	3,412	3,320	3,016
Institutional support	8,707	8,148	7,563	7,679	6,442	6,079	5,351	5,622	4,984	5,896
Operation and maintenance of plant	8,065	7,098	6,236	6,296	5,238	4,615	4,815	4,249	3,894	4,284
Scholarships and fellowships	12,252	10,759	7,316	6,623	5,827	5,983	5,806	5,999	6,004	4,931
Auxiliary enterprises	7,080	6,814	6,974	6,545	6,070	6,528	6,035	5,358	4,956	5,512
Depreciation	2,510	2,367	2,244	2,135	2,381	2,499	2,432	2,421	2,266	1,617
Total Operating Expenses	86,777	80,358	71,160	67,849	61,624	60,910	57,620	54,969	53,581	51,889
Interest on capital related debt	1,252	1,141	1,446	1,467	1,572	1,548	2,083	2,081	2,166	1,589
Other non-operating expenses	164	138	142	-	-	-	194	-	152	266
Loss on disposal of fixed assets	-	15	-	5	699	-	-	-	23	69
Unrealized loss on investments	-	-	-	-	-	55	44	-	-	-
Total Non-Operating Expenses	1,416	1,294	1,588	1,472	2,271	1,603	2,321	2,104	2,387	1,894
Total Expenses	\$ 88,193	\$ 81,652	\$ 72,748	\$ 69,321	\$ 63,895	\$ 62,513	\$ 59,941	\$ 57,073	\$ 55,968	\$ 53,783

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	42.73%	43.21%	42.93%	41.57%	42.39%	42.53%	40.25%	41.39%	41.86%	42.42%
Public service	1.16%	1.45%	1.41%	2.94%	2.10%	1.94%	2.64%	2.38%	1.12%	1.46%
Academic support	4.57%	4.51%	5.19%	4.98%	5.00%	5.41%	6.38%	5.13%	7.32%	5.64%
Student services	6.15%	6.15%	6.59%	6.15%	6.33%	6.44%	6.08%	5.98%	5.93%	5.61%
Institutional support	9.87%	9.98%	10.40%	11.08%	10.08%	9.72%	8.93%	9.85%	8.91%	10.96%
Operation and maintenance of plant	9.14%	8.69%	8.57%	9.08%	8.20%	7.38%	8.03%	7.44%	6.96%	7.97%
Scholarships and fellowships	13.89%	13.18%	10.06%	9.55%	9.12%	9.57%	9.69%	10.51%	10.73%	9.17%
Auxiliary enterprises	8.03%	8.35%	9.59%	9.44%	9.50%	10.44%	10.07%	9.39%	8.86%	10.25%
Depreciation	2.85%	2.90%	3.08%	3.08%	3.73%	4.00%	4.06%	4.24%	4.05%	3.01%
Total Operating Expenses	98.39%	98.42%	97.82%	97.87%	96.45%	97.43%	96.13%	96.31%	95.74%	96.49%
Interest on capital related debt	1.42%	1.40%	1.99%	2.12%	2.46%	2.48%	3.48%	3.65%	3.87%	2.95%
Bond issuance costs	0.19%	0.17%	0.19%	-	-	-	0.32%	-	0.27%	0.49%
Loss on disposal of fixed assets	0.00%	0.02%	-	0.01%	1.09%	-	-	0.04%	0.12%	0.07%
Unrealized loss on investments	-	-	-	-	-	0.09%	-	-	-	-
Total Non-Operating Expenses	1.61%	1.58%	2.18%	2.13%	3.55%	2.57%	3.87%	3.69%	4.26%	3.51%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Blinn College
Tuition and Fees
Last Ten Academic Years
(Unaudited)

Academic Year (Fall)	Registration Fee (per student)	Activity, Bldg. Use Fees (per student)	Resident Fees per Semester Credit Hour (SCH)				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
			In-District Tuition	Out-of-District Tuition	Technology Fees	General Fees				
2011	\$ -	\$ -	\$ 35	\$ 68	\$ -	\$ 30	780	1,176	3.17%	6.52%
2010	-	-	35	64	-	28	756	1,104	0.00%	0.00%
2009	-	-	35	64	-	28	756	1,104	0.00%	0.00%
2008	-	-	35	64	-	28	756	1,104	8.62%	5.75%
2007	-	-	30	59	-	28	696	1,044	3.57%	6.10%
2006	-	-	28	54	-	28	672	984	9.80%	13.89%
2005	-	-	23	44	-	28	612	864	0.00%	0.00%
2004	-	-	23	44	-	28	612	864	8.51%	16.13%
2003	-	-	19	34	-	28	564	744	4.44%	8.77%
2002	-	-	19	31	-	26	540	684	6.30%	4.91%

Academic Year (Fall)	Registration Fee (per student)	Activity, Bldg. Use Fees (per student)	Non - Resident Fees per Semester Credit Hour (SCH)				Cost for 12 SCH Out-of-State	Cost for 12 SCH International	Increase from Prior Year Out-of-State	Increase from Prior Year International
			Non-Resident Tuition Out of State	Non-Resident Tuition International	Technology Fees	General Fees				
2011	\$ -	\$ -	\$ 144	\$ 144	\$ -	\$ 30	2,088	2,088	3.57%	3.57%
2010	-	-	140	140	-	28	2,016	2,016	0.00%	0.00%
2009	-	-	140	140	-	28	2,016	2,016	0.00%	0.00%
2008	-	-	140	140	-	28	2,016	2,016	3.07%	3.07%
2007	-	-	135	135	-	28	1,956	1,956	0.00%	0.00%
2006	-	-	135	135	-	28	1,956	1,956	0.00%	0.00%
2005	-	-	135	135	-	28	1,956	1,956	0.00%	0.00%
2004	-	-	135	135	-	28	1,956	1,956	6.54%	6.54%
2003	-	-	125	125	-	28	1,836	1,836	10.87%	10.87%
2002	-	-	112	112	-	26	1,656	1,656	1.97%	1.97%

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

Blinn College
 Assessed Value and Taxable Assessed Value of Property
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	(Amounts expressed in thousands)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total (a)
2010-11	\$ 2,631,220	\$ (367,666)	\$ 2,263,554	86.03%	0.055900	-	0.055900
2009-10	2,688,968	(403,787)	2,285,181	84.98%	0.054500	-	0.054500
2008-09	2,686,363	(374,993)	2,311,370	86.04%	0.053200	-	0.053200
2007-08	2,362,965	(338,399)	2,024,566	85.68%	0.054800	-	0.054800
2006-07	2,255,901	(312,983)	1,942,918	86.13%	0.051300	-	0.051300
2005-06	2,060,334	(279,513)	1,780,818	86.43%	0.051000	-	0.051000
2004-05	1,919,446	(43,567)	1,875,879	97.73%	0.055200	-	0.055200
2003-04	1,784,754	(42,102)	1,742,652	97.64%	0.056700	-	0.056700
2002-03	1,743,971	(39,004)	1,704,967	97.76%	0.054440	-	0.054440
2001-02	1,674,212	(39,424)	1,634,788	97.65%	0.054440	-	0.054440

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

Blinn College
State Appropriation per FTSE and Contact Hour
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour			State Appropriation per Contact Hour
		FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	
2010-11	\$ 27,152,814	30,888	879	5,985,024	1,507,240	7,492,264	3.62
2009-10	28,341,285	30,548	928	6,648,161	725,344	7,373,505	3.84
2008-09	25,980,520	28,604	908	6,108,128	661,536	6,769,664	3.84
2007-08	25,688,998	26,548	968	5,649,260	763,341	6,412,601	4.01
2006-07	24,040,703	26,204	917	5,419,803	664,496	6,084,299	3.95
2005-06	23,689,411	25,765	919	5,473,013	591,344	6,064,357	3.91
2004-05	22,347,845	25,886	863	5,396,623	557,312	5,953,935	3.75
2003-04	22,096,878	25,672	861	5,392,137	588,784	5,980,921	3.69
2002-03	22,543,586	25,795	874	5,354,443	612,816	5,967,259	3.78
2001-02	23,694,536	24,234	978	5,083,209	556,076	5,639,285	4.20

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

- (a) Source CBM001
- (b) Source CBM00A

**Blinn College
Principal Taxpayers
Last Ten Tax Years
(Unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Enervest Operating LLC	Oil and Gas	\$ 113,585	\$ 132,126	\$ 116,249	\$ 154,299	\$ 91,553	\$ 115,085	\$ 96,459	\$ 63,930	\$ 51,886	\$ -
Blue Bell Creameries	Manufacturing	40,673	40,831	41,436	40,859	39,979	30,113	32,789	34,414	29,291	27,140
ETC Texas Pipeline, LTD	Pipeline	34,970	24,636	24,146	21,691	14,066	13,874	13,410	8,277	-	-
LCRA Transmission Services	Utilities	29,914	30,829	28,868	28,983	32,473	26,202	24,696	20,318	13,077	12,594
Vaimont/ALS	Manufacturing	25,832	24,998	31,611	11,878	11,191	12,581	13,538	27,310	18,083	15,808
MIC LLC (East)	Manufacturing	15,400	-	-	-	-	-	-	-	-	-
Moore Wallace North America	Manufacturing	14,778	14,462	15,580	13,559	9,205	9,152	9,343	13,720	11,632	12,472
MIC Group LLC (West)	Manufacturing	14,488	17,620	13,855	-	-	-	-	-	-	-
Germania Farm Mutual Aid	Insurance	11,981	11,927	11,795	10,544	9,749	9,881	9,607	9,306	9,732	9,445
Bluebonnet Electric Coop.	Utilities	11,640	10,917	10,288	10,638	10,390	10,204	9,579	10,860	10,376	10,066
BNSF Railway Company	Transportation	11,327	9,527	8,679	8,249	7,611	6,690	-	5,778	6,008	5,998
PI Components Corp.	Manufacturing	9,526	11,732	11,210	7,931	8,482	7,757	7,177	9,362	8,084	6,894
Lowe's Homecenters, Inc.	Retail	9,379	10,318	11,407	11,663	11,279	11,577	10,111	-	-	-
Southwestern Telephone Company	Telephone	8,244	9,406	10,852	11,628	13,237	12,722	13,215	13,392	15,202	16,314
Wal-Mart Real Estate Business	Retail	8,107	8,266	8,273	-	-	-	-	-	-	-
Brenham Wholesale Grocery	Groceries	7,264	7,494	7,963	-	7,729	7,206	7,397	9,254	9,240	9,124
Hyperion Energy LP	Oil and Gas	6,819	-	-	-	-	-	-	-	-	-
Longwood Elastomers, Inc.	Manufacturing	6,772	6,488	6,916	12,718	8,417	8,041	8,698	6,405	-	6,017
Sealy Mattress	Manufacturing	6,237	-	7,448	8,047	7,276	7,352	6,496	6,861	6,619	7,417
Wal-Mart Properties #4109	Retail	6,124	6,511	-	15,711	13,964	14,146	12,226	10,858	10,716	10,620
Tariton Supply Company	Oil and Gas	-	10,381	-	-	-	-	-	-	-	-
Southern Bay Operating, LLC	Oil and Gas	-	7,913	7,992	10,970	-	-	-	-	-	-
HD Development Properties, LP	Commercial	-	6,681	-	-	-	-	-	-	-	-
Chesapeake Operating Inc.	Oil and Gas	-	-	27,667	44,629	-	12,263	12,706	10,554	19,742	64,325
Mount Vernon Mill, Inc.	Manufacturing	-	-	11,777	15,184	14,948	17,586	16,456	19,797	26,278	29,240
Magnetic Instruments	Manufacturing	-	-	-	11,270	11,436	-	-	-	-	-
Chesapeake Exploration, LP	Oil and Gas	-	-	-	-	23,155	45,678	41,491	37,620	11,954	-
Stroud Oil Properties, Inc.	Oil and Gas	-	-	-	-	-	8,071	7,188	7,113	6,542	-
Mayfair Interests, Inc.	Agri-Business	-	-	-	-	7,274	-	-	-	-	-
Aquila Southwest	Pipeline	-	-	-	-	-	-	-	-	-	7,896
Cleaners Hangers Co.	Manufacturing	-	-	-	-	-	-	-	-	10,092	11,606
Seminole Pipeline	Pipeline	-	-	-	-	-	-	-	-	-	6,290
PFL Properties, LP	Oil and Gas	-	-	-	-	-	-	-	-	-	-
ETC Texas Pipeline, LTD	Pipeline	-	-	-	-	-	-	-	-	9,939	-
RME Petroleum Company	Oil and Gas	-	-	-	-	-	-	-	-	-	59,311
Duke Energy	Oil and Gas	-	-	-	-	-	-	-	-	-	-
Acacia Natural Gas Corp.	Oil and Gas	-	-	-	-	-	-	-	11,776	10,703	7,896
Totals		\$ 393,060	\$ 403,063	\$ 414,032	\$ 450,448	\$ 353,415	\$ 388,201	\$ 352,582	\$ 336,905	\$ 295,196	\$ 336,473
Total Taxable Assessed Value		\$2,263,554	\$2,285,181	\$2,311,370	\$2,024,566	\$1,942,918	\$1,780,818	\$1,875,879	\$1,742,652	\$1,704,967	\$1,634,788

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Enervest Operating LLC	Oil and Gas	5.02%	5.78%	4.32%	7.62%	4.71%	6.46%	5.14%	3.67%	3.04%	0.00%
Blue Bell Creameries	Manufacturing	1.80%	1.79%	1.79%	2.02%	2.08%	1.69%	1.75%	1.97%	1.72%	1.66%
ETC Texas Pipeline, LTD	Pipeline	1.54%	1.08%	1.04%	1.07%	0.72%	0.78%	0.71%	0.47%	0.00%	0.00%
LCRA Transmission Services	Utilities	1.32%	1.35%	1.25%	1.43%	1.67%	1.58%	1.32%	1.17%	0.77%	0.77%
Vaimont/ALS	Manufacturing	1.14%	1.09%	1.37%	0.59%	0.58%	0.71%	0.72%	1.06%	0.97%	0.97%
MIC LLC (East)	Manufacturing	0.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Moore Wallace North America	Manufacturing	0.65%	0.63%	0.67%	0.67%	0.47%	0.51%	0.50%	0.79%	0.68%	0.76%
MIC Group LLC (West)	Manufacturing	0.64%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Germania Farm Mutual Aid	Insurance	0.53%	0.52%	0.51%	0.52%	0.50%	0.55%	0.51%	0.53%	0.57%	0.58%
Bluebonnet Electric Coop.	Utilities	0.51%	0.48%	0.45%	0.53%	0.53%	0.57%	0.61%	0.62%	0.61%	0.62%
BNSF Railway Company	Transportation	0.50%	0.42%	0.38%	0.41%	0.39%	0.38%	0.00%	0.33%	0.35%	0.37%
PI Components Corp.	Manufacturing	0.42%	0.51%	0.48%	0.39%	0.44%	0.44%	0.38%	0.54%	0.47%	0.42%
Lowe's Homecenters, Inc.	Retail	0.41%	0.45%	0.49%	0.58%	0.58%	0.65%	0.54%	0.00%	0.00%	0.00%
Southwestern Telephone Company	Telephone	0.36%	0.41%	0.47%	0.57%	0.68%	0.71%	0.70%	0.77%	0.89%	1.00%
Wal-Mart Real Estate Business	Retail	0.36%	0.36%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Brenham Wholesale Grocery	Groceries	0.32%	0.33%	0.34%	0.00%	0.40%	0.40%	0.39%	0.53%	0.54%	0.56%
Hyperion Energy LP	Oil and Gas	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Longwood Elastomers, Inc.	Manufacturing	0.30%	0.28%	0.30%	0.56%	0.37%	0.35%	0.38%	0.28%	0.00%	0.26%
Sealy Mattress	Manufacturing	0.28%	0.00%	0.32%	0.40%	0.37%	0.41%	0.35%	0.39%	0.39%	0.45%
Wal-Mart Properties #4109	Retail	0.27%	0.28%	0.00%	0.78%	0.72%	0.79%	0.65%	0.62%	0.63%	0.65%
Tariton Supply Company	Oil and Gas	0.00%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Southern Bay Operating, LLC	Oil and Gas	0.00%	0.35%	0.35%	0.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HD Development Properties, LP	Commercial	0.00%	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Chesapeake Operating Inc.	Oil and Gas	0.00%	0.00%	1.20%	2.20%	0.00%	0.69%	0.68%	0.61%	1.16%	3.93%
Mount Vernon Mill, Inc.	Manufacturing	0.00%	0.00%	0.51%	0.75%	0.77%	0.99%	0.88%	1.14%	1.54%	1.79%
Magnetic Instruments	Manufacturing	0.00%	0.00%	0.00%	0.56%	0.59%	0.00%	0.00%	0.00%	0.00%	0.00%
Chesapeake Exploration, LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	1.19%	2.57%	2.21%	2.16%	0.70%	0.00%
Stroud Oil Properties, Inc.	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.45%	0.38%	0.41%	0.38%	0.00%
Mayfair Interests, Inc.	Agri-Business	0.00%	0.00%	0.00%	0.00%	0.37%	0.00%	0.00%	0.00%	0.00%	0.00%
Aquila Southwest	Pipeline	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.48%
Cleaners Hangers Co.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.59%	0.71%
Seminole Pipeline	Pipeline	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.38%
PFL Properties, LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ETC Texas Pipeline, LTD	Pipeline	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.58%	0.00%
RME Petroleum Company	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.63%
Duke Energy	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Acacia Natural Gas Corp.	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.68%	0.63%	0.48%
Totals		17.36%	17.64%	17.91%	22.25%	18.19%	21.80%	18.80%	19.33%	17.31%	20.58%

Source: Washington County Appraisal District

Blinn College
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	Current Collections of Prior Levies (b) (c)	Total Collections	Cumulative Collections of Adjusted Levy
2011	\$ 1,438,639	\$ (25,480)	1,413,159	\$ 1,377,641	97.49%	\$ 34,283	1,411,924	99.91%
2010	1,409,001	(26,117)	1,382,884	1,342,412	97.07%	30,123	1,372,535	99.25%
2009	1,382,302	(25,733)	1,356,569	1,320,921	97.37%	26,281	1,347,202	99.31%
2008	1,249,809	(18,636)	1,231,173	1,199,372	97.42%	23,575	1,222,947	99.33%
2007	1,729,811	(614,882)	1,114,929	1,088,752	97.65%	28,850	1,117,602	100.24%
2006	1,028,213	(16,578)	1,011,635	1,007,352	98.79%	19,054	1,026,406	101.46%
2005	1,037,501	(18,901)	1,018,600	984,498	98.24%	44,705	1,029,203	101.04%
2004	988,552	(18,009)	970,543	939,800	98.71%	50,370	990,170	102.02%
2003	936,067	(15,343)	920,724	903,322	98.11%	33,918	937,240	101.79%
2002	884,864	(17,366)	867,498	864,584	98.10%	15,949	880,533	101.50%

Source: Washington County Tax Assessor/Collector

(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

Blinn College
Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)

	For the Year Ended August 31 (amounts expressed in thousands)									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Other Debt										
Revenue bonds	\$ 43,670	\$ 46,685	\$ 29,655	\$ 32,530	\$ 35,605	\$ 38,570	\$ 41,565	\$ 31,745	\$ 33,680	\$ 35,170
Capital lease obligations	-	-	-	-	-	-	-	12,148	12,877	13,568
Total Outstanding Debt	\$ 43,670	\$ 46,685	\$ 29,655	\$ 32,530	\$ 35,605	\$ 38,570	\$ 41,565	\$ 43,893	\$ 46,557	\$ 48,738
Total Outstanding Debt Ratios										
Per Capita	1.35	1.45	0.92	1.02	1.12	1.21	1.32	1.41	1.51	1.59
Per FTSE	1.41	1.53	1.04	1.23	1.36	1.50	1.61	1.71	1.80	2.01
As a percentage of Taxable Assessed Value	1.93%	2.04%	1.28%	1.61%	1.83%	2.17%	2.22%	2.52%	2.73%	2.98%

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

Blinn College
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (Unaudited)

	For the Year Ended August 31 (amount expressed in thousands)									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Taxable Assessed Value	\$ 2,263,554	\$ 2,285,181	\$ 2,311,370	\$ 2,024,566	\$ 1,942,918	\$ 1,780,818	\$ 1,875,879	\$ 1,742,652	\$ 1,704,967	\$ 1,634,788
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	11,318	11,426	11,557	10,123	9,715	8,904	9,379	8,713	8,525	8,174
Less: Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	11,318	11,426	11,557	10,123	9,715	8,904	9,379	8,713	8,525	8,174
Current Year Debt Service Requirements										
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 11,318	\$ 11,426	\$ 11,557	\$ 10,123	\$ 9,715	\$ 8,904	\$ 9,379	\$ 8,713	\$ 8,525	\$ 8,174
Net Current Requirements as a % of Statutory Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Blinn College
Pledged Revenue Coverage - Revenue Bonds
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)										Debt Service Requirements (\$000 omitted)			Coverage Ratio
	Tuition	General Fees, Activity and Building Use	Laboratory and Course Fees	Registration Fees	Housing Income	Bookstore Income	Other Auxiliary	Total	Principal	Interest	Total			
2011	\$ 4,192	\$ 11,507	\$ 1,397	\$ -	\$ 984	\$ 993	\$ -	19,073	\$ 43,670	\$ 13,936	57,606	3.31%		
2010	4,404	10,587	1,066	-	902	891	24	17,874	46,685	16,579	63,264	2.83%		
2009	4,604	9,800	992	-	544	719	16	16,675	29,655	6,998	36,653	4.55%		
2008	4,479	8,966	740	-	754	975	16	15,930	32,530	9,226	41,756	3.82%		
2007	3,845	8,739	586	-	777	762	16	14,725	35,605	11,186	46,791	3.15%		
2006	3,348	8,684	510	-	604	337	16	13,499	38,570	12,336	50,906	2.65%		
2005	3,633	9,165	529	-	445	415	282	14,469	41,565	13,920	55,485	2.61%		
2004	2,803	8,879	538	-	487	422	199	13,328	31,745	12,078	43,823	3.04%		
2003	505	10,350	319	-	487	463	338	12,462	33,680	13,469	47,149	2.64%		
2002	447	9,175	286	1,371	134	343	130	11,886	35,170	15,464	50,634	2.35%		

Blinn College
Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(Unaudited)

Calendar Year	District Population	District Personal Income (thousands of dollars)	District Personal Income Per Capita	Unemployment Rate
2009	32,893	\$ 1,321,804	\$ 40,185	6.0%
2008	32,244	1,195,879	37,088	4.3%
2007	31,936	1,137,496	35,618	3.8%
2006	31,826	1,111,650	34,929	4.0%
2005	31,462	1,032,300	32,811	4.6%
2004	31,159	956,394	30,694	4.7%
2003	30,879	882,182	28,569	5.3%
2002	30,711	879,041	28,623	4.5%
2001	30,452	873,028	28,669	3.7%
2000	30,411	846,825	27,846	3.5%

Sources:

Population from U.S. Bureau of the Census.

Personal Income Per Capita from U.S. bureau of Economic Analysis.

Unemployment rate from Texas Workforce Commission.

**Blinn College
Principal Employers of Washington County
Last Ten Fiscal Years
(Unaudited)**

Employer	Type of Business (year established)	Number of Employees									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Blinn College	Higher Education (est. 1883)	900	900	900	900	1,100	900	900	585	600	650
Brenham State School	Mental Health/Retardation Services (est. 1974)	880	880	880	880	880	880	880	944	965	1,062
Brenham I.S.D.	Independent School District (est. 1875)	719	719	719	719	719	719	719	712	650	620
Blue Bell Creameries	Ice Cream Manufacturer (est. 1907)	650	786	786	786	786	786	786	757	800	741
Wal-Mart Supercenter	Retail Department Store (est. 1994)	380	380	380	380	380	380	380	308	385	241
Germania Insurance	Insurance Services (est. 1896)	324	324	324	324	324	324	324	249	305	285
Sealy Mattress	Mattress Manufacturer (est. 1955)	211	211	267	267	211	211	211	267	275	261
City of Brenham	Government (est. 1858)	235	235	235	235	235	235	235	250	250	-
Valmont A.L.S.	Steel Lighting Standards Mfg (est. 1974)	203	203	203	203	-	-	-	-	-	240
Brenham Wholesale Grc Grocers-Wholesale	Hospital (est. 1989)	-	285	285	285	285	285	285	300	300	250
Trinity Medical Center	Textile Manufacturer (est. 1902)	-	-	-	-	305	305	305	305	320	350
Mount Vernon Mills		-	-	-	-	-	-	-	-	-	-
Total		4,695	4,923	4,979	4,979	5,225	5,025	5,025	4,677	4,850	4,700
Total Washington County Employment		14,558	14,361	14,446	14,311	14,156	14,186	13,504	13,477	13,479	13,562

Percentage of Total Employment for Washington County

Employer	Type of Business	Percentage of Total Employment for Washington County									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Blinn College	Higher Education (est. 1883)	6.18%	6.27%	6.23%	6.29%	7.77%	6.34%	6.66%	4.34%	4.45%	4.79%
Brenham State School	Mental Health/Retardation Services (est. 1974)	6.04%	6.13%	6.09%	6.15%	6.22%	6.20%	6.52%	7.00%	7.16%	7.83%
Brenham I.S.D.	Independent School District (est. 1875)	4.94%	5.01%	4.98%	5.02%	5.08%	5.07%	5.32%	5.28%	4.82%	4.57%
Blue Bell Creameries	Ice Cream Manufacturer (est. 1907)	4.46%	5.47%	5.44%	5.49%	5.55%	5.54%	5.82%	5.62%	5.94%	5.46%
Wal-Mart Supercenter	Retail Department Store (est. 1994)	2.61%	2.65%	2.63%	2.66%	2.68%	2.68%	2.81%	2.29%	2.86%	1.78%
Germania Insurance	Insurance Services (est. 1896)	2.23%	2.26%	2.24%	2.26%	2.29%	2.28%	2.40%	1.85%	2.26%	2.10%
Sealy Mattress	Mattress Manufacturer (est. 1955)	1.45%	1.47%	1.85%	1.87%	1.49%	1.49%	1.56%	1.98%	2.04%	1.92%
City of Brenham	Government (est. 1858)	1.61%	1.64%	1.63%	1.64%	1.66%	1.66%	1.74%	1.86%	1.85%	0.00%
Valmont A.L.S.	Steel Lighting Standards Mfg (est. 1974)	1.39%	1.41%	1.41%	1.42%	0.00%	0.00%	0.00%	0.00%	0.00%	1.77%
Brenham Wholesale Grc Grocers-Wholesale	Hospital (est. 1905)	1.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Trinity Medical Center	Textile Manufacturer (est. 1902)	0.00%	0.00%	1.97%	1.99%	2.01%	2.01%	2.11%	2.23%	2.23%	1.84%
Mount Vernon Mills		0.00%	0.00%	0.00%	0.00%	2.15%	2.15%	2.26%	2.26%	2.37%	2.58%
Total		32.24%	34.29%	34.47%	34.79%	36.90%	35.42%	37.20%	34.71%	35.98%	34.64%

Sources:
Total County employment from U.S. Department of Labor
Major Employers from the Washington County Chamber of Commerce

Blinn College
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Faculty:										
Full-Time	371	354	337	308	284	284	282	278	273	256
Part-Time	310	388	369	335	291	265	262	246	296	382
Total	681	742	706	643	575	549	544	524	569	638
Percent										
Full-Time	54.5%	47.7%	47.7%	47.9%	49.4%	51.7%	51.8%	53.1%	48.0%	40.1%
Part-Time	45.5%	52.3%	52.3%	52.1%	50.6%	48.3%	48.2%	46.9%	52.0%	59.9%
Staff and Administrators:										
Full-Time	357	379	379	329	351	350	326	351	357	350
Part-Time	4	116	116	99	32	-	-	-	-	-
Total	361	495	495	428	383	350	326	351	357	350
Percent										
Full-Time	98.9%	76.6%	76.6%	76.9%	91.6%	100.0%	100.0%	100.0%	100.0%	100.0%
Part-Time	1.1%	23.4%	23.4%	23.1%	8.4%	0.0%	0.0%	0.0%	0.0%	0.0%
FTSE per Full-time Faculty	83	86	85	86	93	91	92	92	94	95
FTSE per Full-Time Staff Member	87	81	75	81	75	74	79	73	72	69
Average Annual Faculty Salary*	\$49,175	\$49,989	\$54,082	\$46,048	\$44,850	\$44,305	\$42,064	\$40,374	\$39,727	\$40,726

Source: Blinn College Institutional Research and Effectiveness

Blinn College
Enrollment Details
Last Nine Fiscal Years
(Unaudited)

Student Classification	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	14,257	80.30%	13,822	80.57%	10,981	70.36%	11,872	81.38%	10,459	74.62%	8,857	61.68%	11,326	80.74%	10,469	74.48%	11,227	81.32%
31-60 hours	3,114	17.54%	2,959	17.25%	4,112	26.35%	2,423	16.61%	3,341	23.84%	5,502	38.31%	2,495	17.79%	2,936	20.89%	2,577	18.67%
> 60 hours	384	2.16%	374	2.18%	514	3.29%	294	2.02%	216	1.54%	1	0.01%	206	1.47%	652	4.64%	2	0.01%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Semester Hour Load	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	93	0.52%	61	0.36%	113	0.72%	157	1.08%	99	0.42%	51	0.36%	54	0.38%	26	0.18%	33	0.24%
3-5 semester hours	1,925	10.84%	1,780	10.38%	1,596	10.23%	2,430	16.66%	2,644	18.86%	2,719	18.93%	2,900	20.67%	2,739	19.48%	2,556	18.51%
6-8 Semester hours	2,925	16.47%	2,838	16.54%	2,572	16.48%	2,043	14.00%	1,941	13.85%	2,010	14.00%	1,930	13.76%	1,950	13.87%	1,901	13.77%
9-11 semester hours	2,718	15.31%	2,700	15.74%	2,503	16.04%	2,240	15.35%	1,867	13.32%	2,119	14.76%	2,032	14.49%	1,913	13.61%	1,921	13.91%
12-14 semester hours	7,999	45.05%	7,850	45.76%	7,056	45.21%	6,089	41.74%	5,985	42.70%	5,971	41.58%	5,750	40.99%	5,927	42.16%	5,924	42.91%
15-17 semester hours	1,741	9.81%	1,653	9.64%	1,550	9.93%	1,475	10.11%	1,379	9.84%	1,344	9.36%	1,203	8.58%	1,282	9.12%	1,322	9.58%
18 & over	354	1.99%	273	1.59%	217	1.39%	155	1.06%	141	1.01%	146	1.02%	158	1.13%	220	1.57%	149	1.08%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Tuition Status	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	865	4.87%	824	4.80%	739	4.74%	803	5.50%	822	5.86%	835	5.81%	766	5.46%	789	5.61%	755	5.47%
Texas Resident (out-of-District)	16,400	92.37%	15,940	92.92%	14,583	93.44%	13,491	92.47%	12,930	92.25%	13,191	91.86%	12,926	92.15%	12,931	91.99%	12,676	91.82%
Non-Resident Tuition	490	2.76%	391	2.28%	285	1.83%	295	2.02%	264	1.88%	334	2.33%	335	2.39%	337	2.40%	375	2.72%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Average course load 10.0 10.5 10.0 10.0 9.9 9.9 9.7 9.9

Sources:
Texas Higher Education Coordinating Board
Blinn College Office of Institutional Research and Effectiveness

Blinn College
Student Profile
Last Nine Fiscal Years
(Unaudited)

Gender	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	9,029	50.65%	8,650	50.42%	7,840	50.23%	7,352	50.39%	7,212	51.46%	7,483	52.11%	7,384	52.01%	7,311	52.01%	7,009	50.77%
Male	8,726	49.15%	8,505	49.58%	7,767	49.77%	7,237	49.77%	6,804	48.54%	6,877	47.89%	6,843	47.36%	6,746	47.99%	6,797	49.23%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Ethnic Origin	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	12,478	70.28%	12,601	73.45%	11,809	75.66%	11,025	75.57%	10,775	76.88%	11,137	77.56%	10,941	78.00%	10,962	77.98%	10,785	78.12%
Hispanic	2,785	15.69%	2,472	14.41%	2,002	12.83%	1,830	12.54%	1,679	11.98%	1,624	11.31%	1,563	11.14%	1,517	10.79%	1,419	10.28%
African American	1,645	9.26%	1,493	8.70%	1,239	7.94%	1,264	8.66%	1,091	7.78%	1,203	8.38%	1,105	7.88%	1,162	8.27%	1,141	8.26%
Asian	323	1.82%	282	1.53%	236	1.51%	198	1.36%	205	1.46%	195	1.36%	194	1.38%	183	1.30%	215	1.56%
Foreign	118	0.66%	231	1.35%	221	1.42%	190	1.30%	174	1.24%	133	0.93%	151	1.08%	167	1.19%	190	1.38%
Native American	76	0.43%	96	0.56%	100	0.64%	82	0.56%	92	0.66%	68	0.47%	73	0.52%	66	0.47%	56	0.41%
Multi-Racial	76	0.43%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Unknown	254	1.43%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Age	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004		Fall 2003		Fall 2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,473	8.30%	1,347	7.85%	1,163	7.45%	1,011	6.93%	866	6.18%	802	5.58%	683	4.87%	605	4.30%	488	3.53%
18-21	11,759	66.23%	11,647	67.89%	10,850	69.52%	9,836	67.42%	9,393	67.02%	9,486	66.06%	9,240	65.87%	9,256	65.85%	9,187	66.54%
22-24	2,114	11.91%	1,960	11.43%	1,794	11.49%	1,893	12.98%	1,851	13.21%	2,006	13.97%	2,060	14.69%	2,182	15.52%	2,109	15.28%
25-35	1,875	9.43%	1,524	8.88%	1,225	7.85%	1,291	8.85%	1,279	9.13%	1,439	10.02%	1,385	9.87%	1,355	9.50%	1,329	9.63%
36-50	590	3.32%	559	3.26%	477	3.06%	465	3.19%	535	3.82%	538	3.76%	565	4.03%	585	4.16%	591	4.28%
51 & over	144	0.81%	118	0.69%	98	0.63%	93	0.64%	92	0.66%	89	0.62%	94	0.67%	94	0.67%	102	0.74%
Total	17,755	100.00%	17,155	100.00%	15,607	100.00%	14,589	100.00%	14,016	100.00%	14,360	100.00%	14,027	100.00%	14,057	100.00%	13,806	100.00%

Average Age 21 21 21 21 22 22 22 22 22 22

Sources:
Texas Higher Education Coordinating Board
Blinn College Office of Institutional Research and Effectiveness

Blinn College
 Transfers to Senior Institutions
 2009-2010 Graduates, Completers, and Non-Returners
 (Includes only public senior colleges in Texas)
 (Unaudited)

	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students	
	Academic	Technical	Tech-Prep			
1	Texas A&M University - College Station	4,821	129	79	5,029	68.67%
2	Sam Houston State University	658	26	30	714	9.76%
3	Texas State University	329	14	10	353	4.82%
4	University of Houston - University Park	153	8	2	163	2.23%
5	Texas Tech University	100	4	4	108	1.47%
7	University of North Texas	100	2	1	103	1.41%
6	University of Texas - Austin	93	3	4	100	1.37%
9	University of Texas - San Antonio	79	5	0	84	1.15%
8	Stephen F. Austin State University	56	2	1	59	0.82%
13	University of Texas - Arlington	45	9	0	54	0.74%
10	Texas A&M University - Corpus Christi	43	3	4	50	0.68%
11	Tarleton State University	42	3	0	45	0.61%
14	Prairie View A&M University	28	6	3	37	0.51%
12	Texas A&M University - Kingsville	28	0	1	29	0.40%
17	University of Houston - Downtown	28	2	3	33	0.45%
15	University of Houston - Victoria	28	0	2	30	0.41%
18	Texas A&M University - Galveston	25	1	0	26	0.36%
20	Lamar University	24	2	0	26	0.36%
16	Texas A&M University System Health Science Center	22	10	0	32	0.44%
22	University of Texas - Dallas	19	0	0	19	0.26%
21	Texas Women's University	18	5	0	23	0.31%
23	University of Texas - Tyler	16	5	0	21	0.29%
28	Texas Southern University	15	1	1	17	0.23%
25	University of Texas Health Science Center - Houston	15	4	1	20	0.27%
19	Angelo State University	14	1	1	16	0.22%
26	University of Houston - Clear Lake	14	0	2	16	0.22%
37	University of Texas Medial Branch Galveston	14	3	0	17	0.23%
24	Texas A&M University - Commerce	12	0	0	12	0.16%
30	West Texas A&M University	12	0	1	13	0.18%
31	University of Texas Health Science Center - San Antonio	10	2	0	12	0.16%
27	Midwestern State University	9	6	0	15	0.20%
32	Sul Ross State University	8	0	0	8	0.11%
42	Texas A&M University - San Antonio	8	0	0	8	0.11%
29	Texas Tech University Health Science Center	4	1	0	5	0.07%
38	The University of Texas of the Permian Basin	4	0	0	4	0.05%
33	University of Texas - El Paso	3	0	0	3	0.04%
34	University of Texas - Pan American	3	0	0	3	0.04%
40	University of Texas MD Anderson Cancer Center	3	0	0	3	0.04%
39	Texas A&M University - Central Texas	2	0	0	2	0.03%
41	Texas A&M University - Texarkana	2	0	0	2	0.03%
44	University of North Texas - Dallas	2	0	0	2	0.03%
36	University of North Texas Health Science Center - Forth Worth	2	0	0	2	0.03%
43	University of Texas - Brownsville	2	0	0	2	0.03%
35	University of Texas Southwestern Medical Center Dallas	2	0	0	2	0.03%
45	Baylor College of Medicine	1	0	0	1	0.01%
Totals		6,916	257	150	7,323	100.00%

Sources: Blinn College Institutional Research and Effectiveness
 Texas Higher Education Coordinating Board
 Automated Student and Adult Learner Follow-Up System

Blinn College
Schedule of Capital Asset Information
Fiscal Years 2002 to 2011
(Unaudited)

	Fiscal Year									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Academic buildings	20	18	17	17	17	17	17	17	16	15
Square footage	496,403	454,678	442,678	442,678	474,012	474,012	474,012	474,012	420,012	364,312
Libraries	2	2	2	2	2	2	2	2	2	2
Square footage	51,016	51,016	51,016	51,016	71,396	71,396	71,396	71,396	71,396	71,396
Number of Volumes	183,022	179,671	175,720	174,900	172,827	172,858	173,441	170,282	166,980	164,432
Administrative and support buildings	6	6	6	6	6	6	5	5	5	4
Square footage	71,158	71,158	71,158	71,158	91,415	91,415	89,658	89,658	89,658	77,733
Dormitories	13	12	12	12	12	12	12	14	14	14
Square footage	209,985	125,242	125,242	125,242	119,230	119,230	119,230	135,630	135,630	135,630
Number of Beds	974	674	674	674	674	674	674	776	776	776
Apartments	8	8	8	8	8	8	8	8	8	4
Square footage	106,211	106,211	106,211	106,211	109,909	109,909	109,909	109,909	109,909	45,027
Number of beds	338	338	338	338	338	338	338	300	300	200
Dining Facilities	1	1	1	1	1	1	1	1	1	1
Square footage	60,191	60,191	60,191	60,191	58,359	58,359	58,359	58,359	58,359	58,359
Average daily customers	900	900	900	900	900	900	900	900	900	900
Athletic Facilities	6	6	6	6	6	6	6	6	6	6
Square footage	81,870	81,870	81,870	81,870	50,440	50,440	50,440	50,440	50,440	50,440
Stadiums	2	2	2	2	2	2	2	2	2	2
Gymnasiums	2	2	2	2	2	2	2	2	2	2
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	5	5	5	5	5	5	5	5	5	5
Square footage	44,687	44,687	44,687	44,687	32,259	32,259	32,259	32,259	32,259	32,259
Transportation										
Cars	15	16	16	26	26	27	23	22	22	19
Light Trucks/Vans	20	20	22	25	26	26	26	26	26	28

Note: The square footage of all of the College's facilities were measured during fiscal year 2008.
The amounts reported from 2009 to present represent the results of that measurement taking in consideration any changes.