

NORTH CENTRAL TEXAS COLLEGE
ANNUAL FINANCIAL AND COMPLIANCE REPORT
For the Years Ended August 31, 2011 and 2010

**NORTH CENTRAL TEXAS COLLEGE
ANNUAL FINANCIAL REPORT
FOR THE YEARS ENDED AUGUST 31, 2011 AND 2010
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**NORTH CENTRAL TEXAS COLLEGE
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR 2010-2011**

ORGANIZATIONAL DATA

BOARD OF REGENTS AND OFFICERS

OFFICERS

Bill Ledbetter
David Flusche
Ken Coolen

Chairman
Vice Chairman
Secretary

Members

Bill Ledbetter
David Flusche
Richard Haayen
Ken Coolen
Patsy Wilson
Lynn Williams
Karla Metzler

Gainesville, Texas
Muenster, Texas
Gainesville, Texas
Gainesville, Texas
Gainesville, Texas
Valley View, Texas
Gainesville, Texas

Term Expires
in May of

2016
2014
2016
2012
2014
2012
2014

Principal Administrative Officers

Dr. Eddie Hadlock
Dr. Janie Neighbors
Dr. Brent Wallace
Dr. Billy Roessler
Debbie Sharp
Dr. Steve Broyles
Rodger Boyce

Emily Klement
Roy Culberson

President
Vice President of Financial Services
Vice President of Instruction
Vice President of Student Services
Vice President of Institutional Advancement
Dean of Administrative Services
Assistant to the President for
Marketing & Public Relations
Dean of Bowie & Graham Campuses
Dean of Corinth & Flower Mound Campuses



INDEPENDENT AUDITOR'S REPORT

To the Board of Regents
North Central Texas College
Gainesville, TX 76240

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of North Central Texas College (the "College") as of and for the years ended August 31, 2011 and 2010, which collectively comprise the College's basic financial statements as listed in the table of contents. These financial statements are the responsibility of North Central Texas College's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

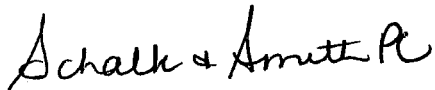
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of North Central Texas College as of August 31, 2011 and 2010, and the respective changes in financial position, and cash flows, where applicable, thereof 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 12, 2011, on our consideration of the North Central Texas College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the North Central Texas College's financial statements as a whole. The statistical section is presented

for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State of Texas *Single Audit Circular*, and is also not a required part of the financial statements. The supplementary schedules of operating revenues, operating expenses by object, non-operating revenues and expenses, net assets by source and availability, schedule of expenditures of federal awards and 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 section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Schalk & Smith PC
November 12, 2011

Management's Discussion and Analysis

This section of North Central Texas College's annual financial report presents a discussion and analysis of the College's financial performance during the fiscal year ended August 31, 2011. Please read it in conjunction with the College's financial statements, which follow this section.

Overview of the Financial Statements

This annual report consists of four parts – *management discussion and analysis, the basic financial statements, required supplementary information, and schedules of federal and state grant and contract expenditures.*

The basic financial statements, according to GASB 34, Par. 138, under Business-type Activity include two kinds of statements that present different views of the College:

The *Statement of Net Assets* and the *Statement of Revenues, Expenses, and Changes in Net Assets* are college-wide financial statements that provide both long-term and short-term information about the College's overall financial status. The remaining financial statements are *Statement of Cash Flows, Schedule of Operating Revenues, Schedule of Operating Expenses by Object, Schedule of Non-Operating Revenues and Expenses, Schedule of Net Assets by Source and Availability, Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Awards* that provide more detail on the specific revenue generated and expenditures made during the past year of operation.

The *Statement of Net Assets* reports the total net assets available to finance future services (GASB 34, Par. 430). As a business-type activity, the College reports in the single column, entity-wide format. GASB 34 specifies the elements of the statement of net assets to be classified as current assets, non-current assets, current liabilities, non-current liabilities, and net assets. Net assets are to be classified as invested in capital assets, net of related debt.

The *Statement of Revenues, Expenses, and Changes in Net Assets* is a statement of activities and reports the effect of non-operating (general maintenance ad-valorem tax) revenues, defined as the amounts of the functions that are not supported by charges to users (state appropriations and student tuition and fees). Revenues are presented as operating (program) revenue, non-operating (general) revenue, and other revenues, expenses, gains and losses. Expenses are reported by function, except those that meet the definition of special or extraordinary items (GASB 34 Par. 41). Functional expenses are defined as the "direct" expense specifically associated with a function and would not include allocations of indirect expenses. The functional categories for expenses are instruction, research, public service, academic support, institutional support, operation and maintenance of plant, scholarships and fellowships, auxiliary enterprises, and depreciation expense.

The primary purpose of the *Statement of Cash Flows* is to provide relevant information about the cash receipts and cash payments of an entity during the fiscal period. The statement explains the changes during the period in cash and cash equivalents regardless of whether there are restrictions on their use. The total amount of cash and cash equivalents at the beginning and end of the period shown in the statement are easily traceable to similarly titled items or subtotals shown on the Statement of Net Assets. First, the statement reports the effects during the period of operations, capital financing, non-capital financing, and investing transactions. Secondly, related information reports the investing, capital, and financing transactions that affect financial position but do not directly affect cash flows during the period. Finally, a reconciliation of operating income to net cash from operating activities is provided.

The *Schedule of Operating Revenues* provides a detail presentation of all operating revenue regardless of source. Sources of operating revenue are state appropriations, tuition, fees, scholarship allowances and discounts, other operating revenue from grants and contracts, and auxiliary enterprises.

The *Schedule of Operating Expenses by Object* displays operating expenses split between restricted and unrestricted categories. Educational activities are reported as instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, and scholarship and fellowships. Auxiliary enterprises expenses and depreciation expense are also reported on this schedule.

The *Schedule of Non-Operating Revenues and Expenses* shows maintenance ad valorem taxes, investment income, and other non-operating revenues as well as, interest on capital related debt, loss on disposal of capital assets and other non-operating revenues.

The *Schedule of Net Assets by Source and Availability* shows details by source for unrestricted, restricted expendable, restricted non-expendable, and capital assets net of depreciation and related debt for current funds, endowment funds, and plant funds. The schedule also shows net increase or decrease by category.

The *Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards* are schedules that satisfy the A-133 requirements and the State of Texas Single Audit Circular requirements.

Financial information for the component unit, North Central Texas College Foundation, Inc., is reported separately from the financial information presented for the primary government. Complete financial statements for the component unit are available from the Office of the Vice-President of Financial Services, North Central Texas College, upon request.

Condensed Comparative Financial Information

A comparative analysis of financial statement data is presented for the College.

Analysis of the College's Overall Financial Position

The overall financial position of the College is very good. There was a significant increase in many critical areas during the past year. The *Statistical Section* of this report reflects many positive changes. The combined fall credit and noncredit head count enrollment has grown from 4,254 in 2000 to 9,919 in 2010. The enrollment growth has also resulted in an increase in net student tuition and fees. Student tuition and fee revenue has increased from \$3,871,000 in 2002 to \$11,403,000 in 2011. While the College has grown substantially over the last few years, the state appropriations have not grown at a comparable rate, thus the growth the College has experienced is not being funded through state appropriations. State appropriations from the general revenue fund shows state funding has increased from \$7,370,000 in 2002 to \$12,082,000 in 2011.

An additional positive trend is the growth of the tax base valuation of the district. The College taxing district is Cooke County, Texas. Ad valorem taxes are assessed and collected by the College based on the valuation of real property and minerals on January 1. The trend from 2000 until 2011 has been a continual increase in taxable assessed valuation from \$1,288,353,176 in 2000 to \$2,586,147,138 in 2011. Total tax collections have increased from \$1,332,078 in 2000 to \$2,151,259 in 2011. The combined maintenance and operations and debt service tax was \$0.12727 for the fiscal year ended August 31, 1997. After retirement of a general obligation tax bond in 1999, the College was able to reduce the total tax levy on local taxpayers to \$0.10110.

The approved maintenance and operations tax rate per \$100 of valuation has decreased further to \$0.071200 in 2011.

While the Texas Tax Code, Title 1 Property Tax Code, Chapter 26, Assessments section 26012 states "Maintenance and Operations Assessments" can be used for any lawful purpose other than debt service for which a taxing unit may spend property tax revenues, NCTC has chosen to more narrowly define what it considers maintenance and operations. NCTC has identified a group of maintenance and operational accounts (for the Gainesville Campus only) for which taxpayers are expected to provide the necessary support. Historically, the tax revenues have not been sufficient to cover the maintenance and operational cost for the Gainesville Campus, thus the balance has been paid for from other unrestricted funds. NCTC Board of Regents approved a tax freeze for the over 65 and the disabled property tax owners, effective 2005.

Net assets may serve over time as a useful indicator of an entity's financial position. In the case of the College, assets exceeded liabilities by \$38,186,862 as of August 31, 2011.

Table I
North Central Texas College

NET ASSETS

	Business-type Activities 2011	Business-type Activities 2010
Current and other assets	\$ 24,240,412	\$ 22,935,895
Capital assets	27,626,391	27,683,066
Total assets	<u>51,866,803</u>	<u>50,618,961</u>
Long-term liabilities	7,905,000	8,460,000
Other liabilities	5,774,941	5,057,401
Total liabilities	<u>13,679,941</u>	<u>13,517,401</u>
Net Assets:		
Invested in capital assets net of related debt	19,166,391	18,688,066
Restricted	2,155,978	2,215,516
Unrestricted	16,864,493	16,197,978
Total net assets	<u>\$ 38,186,862</u>	<u>\$ 37,101,560</u>

Investments in capital assets (e.g., land, buildings, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding is \$19,166,391. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the College's net assets (approximately 5.65 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$16,864,493) may be used to meet the College's ongoing obligations. This surplus is not an indication that the College has significant resources available to meet financial obligations next year, but rather the result of having long-term commitments that are less than currently available resources.

The College's total net assets have increased by \$1,085,302. The total cost of all business-type activities was \$43,588,656. The amount that our taxpayers paid for these activities through property taxes was \$2,162,597 or 4.96%.

Table II
North Central Texas College

CHANGES IN NET ASSETS

	Governmental Activities 2011	Governmental Activities 2010
Revenues:		
Operating Revenues:		
Tuition & Fees	\$ 11,403,453	\$ 10,499,461
Federal Grants & Contracts	3,141,917	2,602,920
State Grants & Contracts	813,770	1,028,265
Private Grants	420,801	207,302
Sales & Services of Educational Activities	168,970	185,991
Auxiliary Enterprises (net)	2,156,428	3,321,425
Other Operating Revenues	654,488	319,640
Non-operating Revenues:		
State Appropriations	12,082,436	12,288,931
Property Taxes	2,162,597	2,153,148
Federal Grants & Contracts	11,575,271	9,026,496
Gifts	-	-
Investment Income (net)	79,014	71,165
Gain on Disposal of Fixed Assets	-	49,233
Other Non-operating Revenues	14,813	2,136
Total Revenues	44,673,958	41,756,113
Operating Expense:		
Instruction	17,983,585	15,511,438
Research	163,526	127,005
Public Service	709,604	1,085,808
Academic Support	2,606,129	2,608,443
Student Services	2,649,014	2,475,047
Institutional Support	4,154,440	3,290,250
Operation & Maintenance of Plant	4,184,840	3,403,423
Scholarship & Fellowship	6,873,801	5,513,789
Auxiliary Enterprises	2,792,326	4,213,129
Depreciation	1,078,725	1,022,263
Non-operating Expense:		
Interest on Capital Related Debt	392,666	414,495
Loss on Disposal of Fixed Assets	-	-
Total Expenses	43,588,656	39,665,090
Increase in Net Assets	1,085,302	2,091,023
Beginning Net Assets	37,101,560	34,684,065
Prior Period Adjustment	-	326,472
Ending Net Assets	\$ 38,186,862	\$ 37,101,560

Significant Capital Assets and Long-term Debt Activity

There were changes in the long-term debt of the College during the year ended August 31, 2011. A bond payment was made on the 1998 Series Revenue Bonds. The final payment is scheduled on these bonds in October 2024. Remaining outstanding debt requirement on the 1998 Series bonds is \$4,235,000. The 1998 Bonds were refinanced after August 31, 2011, and the College's bond rating increased to A1.

In early 2004, Moody's announced the College's bond rating improved from A3 to A2. In February 2004, the College issued \$6,000,000 in Revenue Bonds. The 2004 series bonds range in interest rate from 4 percent to 5 percent. All revenue bonds issued by the College are MBIA insured. The 2004 Series Revenue bonds have maturities ranging from 2015 to 2022. A bond payment was made in 2011, leaving a remaining outstanding debt requirement on the 2004 Series Revenue Bonds of \$4,225,000.

Discussion of Current Known Facts, Decisions, or Conditions

Enrollment for credit and non-credit headcount continues to increase. Headcount for the fall term has grown from 4,254 in 2000 to 9,919 in 2010. All indications are that enrollment will continue to increase due mainly to the growth along the I-35 corridor. The College has two of its campuses located along this interstate. In addition to the headcount growth, the College is realizing an increase in the number of contact hours generated by student enrollment. Contact hours are used in the state funding formula, and increased from 898,000 in 2002 to 1,470,000 in 2011.

Other Capital Assets and Long-term Debt Activity

With the advent of GASB 34/35, the College has a significant change in reporting capital assets at year-end. For 2010, depreciation expense of \$1,078,726 was recorded. The capitalization policy of recording capital assets when the item value is \$5,000 or greater and has a useful life of greater than one year became effective with the year ended August 31, 2002.

The College has two Revenue Bonds outstanding as of August 31, 2011 as follows:

- 1) The 1998 Series issue was for \$6,250,000. The balance outstanding at year-end was \$4,235,000. The bonds will mature October 2024. The bond covenant requires funds be set-aside in an interest and sinking fund and a reserve fund. The interest and sinking fund requirement is \$111,078 and the reserve fund requirement is \$445,000. At August 31, 2011, the amount set aside in the interest and sinking fund was \$200,681 and the reserve fund was \$533,246.
- 2) In 2004, NCTC issued \$6,000,000 in Revenue Bonds. The balance outstanding at year-end was \$4,225,000. The bonds will mature October 2022. The bond covenant requires funds be set-aside in an interest and sinking fund and a reserve fund. The interest and sinking fund requirement is \$121,831 and the reserve fund requirement is \$448,750. At August 31, 2011, the amount set aside in the interest and sinking fund was \$151,512 and the reserve fund was \$548,789.

Revenues sufficient to make all required payments of principal and interest have been properly recorded. In 2004, Moody's Investor Services announced they had improved the College's bond rating from A3 to A2. The College has never defaulted on any outstanding bond issue.

Contacting the College's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, 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 questions about this report or need additional financial information, contact the Office of the Vice-President of Financial Services, North Central Texas College, 1525 West California St., Gainesville, Texas 76240.

BASIC FINANCIAL STATEMENTS

NORTH CENTRAL TEXAS COLLEGE

STATEMENT OF NET ASSETS AUGUST 31, 2011 AND AUGUST 31, 2010

	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 17,943,202	\$ 17,376,167
Long-term investments-current portion	-	-
Accounts receivable (net)	3,991,017	2,273,859
Inventories	7,025	876,848
Other assets	426,231	508,168
Total Current Assets	22,367,475	21,035,042
Noncurrent Assets		
Restricted cash and cash equivalents	1,872,937	1,900,853
Capital assets (net) (see note 5)	27,626,391	27,683,066
Total Noncurrent Assets	29,499,328	29,583,919
TOTAL ASSETS	\$ 51,866,803	\$ 50,618,961
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 786,678	\$ 663,931
Accrued liabilities	53,668	62,383
Funds held for others	76,734	69,747
Deferred revenues	4,232,610	3,661,479
Bonds payable-current portion	555,000	535,000
Total Current Liabilities	5,704,690	4,992,540
Noncurrent Liabilities		
Deposits	70,251	64,861
Bonds payable	7,905,000	8,460,000
Total Noncurrent Liabilities	7,975,251	8,524,861
TOTAL LIABILITIES	13,679,941	13,517,401
NET ASSETS		
Invested in capital assets, net of related debt	19,166,391	18,688,066
Restricted for		
Expendable		
Student aid	938,846	926,845
Instructional programs	431,076	510,947
Unexpended bond proceeds	-	-
Debt service	786,056	777,724
Unrestricted	16,864,493	16,197,978
TOTAL NET ASSETS	\$ 38,186,862	\$ 37,101,560

The Notes to Financial Statements are an integral part of this statement.

NORTH CENTRAL TEXAS COLLEGE FOUNDATION, INC.
A COMPONENT UNIT OF NORTH CENTRAL TEXAS COLLEGE
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2011

	<u>TOTAL</u>	<u>MEMO TOTALS 8/31/2010</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 347,585	\$ 188,465
Investments	1,394,945	1,262,603
Unconditional Promises to Give	-	-
Interest Receivable	36,304	22,417
Total Current Assets	<u>1,778,834</u>	<u>1,473,485</u>
Permanently Restricted Endowment	<u>3,576,203</u>	<u>3,412,803</u>
TOTAL ASSETS	<u>\$ 5,355,037</u>	<u>\$ 4,886,288</u>
LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable	\$ -	\$ -
Scholarships Payable	293,407	295,019
Deferred Support	-	-
Total Liabilities/Current Liabilities	<u>293,407</u>	<u>295,019</u>
Net Assets		
Unrestricted	13,346	12,989
Temporarily Restricted	1,472,081	1,165,477
Permanently Restricted	3,576,203	3,412,803
Total Net Assets	<u>5,061,630</u>	<u>4,591,269</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,355,037</u>	<u>\$ 4,886,288</u>

See accompanying notes and independent auditor's report.

NORTH CENTRAL TEXAS COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

	<u>2011</u>	<u>2010</u>
REVENUES		
Operating Revenues		
Tuition and fees (net of discounts of \$5,137,528 and \$4,348,109 respectively)	\$ 11,403,453	\$ 10,499,461
Federal grants and contracts	3,141,917	2,602,920
State grants and contracts	813,770	1,028,265
Private grants	420,801	207,302
Sales and services of educational activities	168,970	185,991
Investment income (program restricted)	-	-
Auxiliary enterprises (net of discounts \$1,524,102 and \$879,927 respectively)	2,156,428	3,321,425
Other operating revenues	654,488	319,640
Total Operating Revenues (Schedule A)	<u>18,759,827</u>	<u>18,165,004</u>
EXPENSES		
Operating Expenses		
Instruction	17,983,585	15,511,438
Research	163,526	127,005
Public service	709,604	1,085,808
Academic support	2,606,129	2,608,443
Student services	2,649,014	2,475,047
Institutional support	4,154,440	3,290,250
Operation and maintenance of plant	4,184,840	3,403,423
Scholarship and fellowships	6,873,801	5,513,789
Auxiliary enterprises	2,792,326	4,213,129
Depreciation	1,078,725	1,022,263
Total Operating Expenses (Schedule B)	<u>43,195,990</u>	<u>39,250,595</u>
OPERATING INCOME (LOSS)	<u>(24,436,163)</u>	<u>(21,085,591)</u>
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	12,082,436	12,288,931
Maintenance ad-valorem taxes		
Taxes for maintenance and operations	2,162,218	2,152,504
Taxes for general obligation bonds	379	644
Federal Revenue, non-operating	11,575,271	9,026,496
Gifts	-	-
Investment income (net of investment expenses)	79,014	71,165
Interest on capital related debt	(392,666)	(414,495)
Gain (Loss) Loss on disposal of fixed assets	-	49,233
Other non-operating revenues	14,813	2,136
Other non-operating expenses	-	-
Net Non-Operating Revenues (Schedule C)	<u>25,521,465</u>	<u>23,176,614</u>
INCREASE (DECREASE) IN NET ASSETS	<u>1,085,302</u>	<u>2,091,023</u>
NET ASSETS-BEGINNING OF YEAR	37,101,560	34,684,065
Add: Prior Period Adjustment	-	326,472
NET ASSETS-BEGINNING OF YEAR AS RESTATED	<u>37,101,560</u>	<u>35,010,537</u>
NET ASSETS-END OF YEAR	<u>\$ 38,186,862</u>	<u>\$ 37,101,560</u>

The Notes to Financial Statements are an integral part of this statement.

NORTH CENTRAL TEXAS COLLEGE FOUNDATION, INC.
A COMPONENT UNIT OF NORTH CENTRAL TEXAS COLLEGE
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2011

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTALS</u>	<u>MEMO TOTALS 8/31/2010</u>
SUPPORT AND REVENUE:					
Support:					
Donations	\$ 1,499	\$ 578,395	\$ -	\$ 579,894	\$ 453,528
Endowments Received	-	-	107,500	107,500	73,750
Fund Raising	50	139,864	-	139,914	67,627
Total Support	<u>1,549</u>	<u>718,259</u>	<u>107,500</u>	<u>827,308</u>	<u>594,905</u>
Revenue:					
Interest and Dividends	458	280,845	-	281,303	163,605
Gain (Loss) on Sale of Assets	-	(4,195)	-	(4,195)	3,566
Unrealized Gain (Loss)	-	(18,031)	-	(18,031)	198,082
Net Assets that Reached Endowment Status	-	(55,900)	55,900	-	-
Net Assets Released from Restrictions-Satisfaction of Program Restrictions	614,374	(614,374)	-	-	-
Total Revenue	<u>614,832</u>	<u>(411,655)</u>	<u>55,900</u>	<u>259,077</u>	<u>365,253</u>
TOTAL SUPPORT AND REVENUE	<u>616,381</u>	<u>306,604</u>	<u>163,400</u>	<u>1,086,385</u>	<u>960,158</u>
EXPENSES:					
Program Services:					
Scholarships	500,157	-	-	500,157	513,074
Departmental Expenses	115,608	-	-	115,608	142,063
Amortization of Bond Premium	-	-	-	-	-
Total Program Services	<u>615,765</u>	<u>-</u>	<u>-</u>	<u>615,765</u>	<u>655,137</u>
Support Services:					
Management and General	145	-	-	145	183
Fund Raising	114	-	-	114	32
Total Support Services	<u>259</u>	<u>-</u>	<u>-</u>	<u>259</u>	<u>215</u>
TOTAL EXPENSES	<u>616,024</u>	<u>-</u>	<u>-</u>	<u>616,024</u>	<u>655,352</u>
EXCESS SUPPORT AND REVENUE OVER EXPENSES	<u>357</u>	<u>306,604</u>	<u>163,400</u>	<u>470,361</u>	<u>304,806</u>
NET ASSETS, BEGINNING OF YEAR	<u>12,989</u>	<u>1,165,477</u>	<u>3,412,803</u>	<u>4,591,269</u>	<u>4,286,463</u>
NET ASSETS, END OF YEAR	<u>\$ 13,346</u>	<u>\$ 1,472,081</u>	<u>\$ 3,576,203</u>	<u>\$ 5,061,630</u>	<u>\$ 4,591,269</u>

See accompanying notes and independent auditor's report.

NORTH CENTRAL TEXAS COLLEGE
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and customers	\$ 13,119,760	\$ 13,338,426
Receipts of appropriations, grants and contracts	4,682,088	2,977,250
Other receipts	-	-
Payments to or on behalf of employees	(19,867,795)	(18,636,027)
Payments to suppliers	(18,868,037)	(17,132,635)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(20,933,984)</u>	<u>(19,452,986)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Ad valorem tax revenues	2,168,351	2,145,847
State appropriations	9,592,079	10,006,831
Non-operating federal revenue	11,575,271	9,026,496
Gifts and grants (Other than capital)	-	-
Other cash receipts (payments)	14,813	328,609
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	<u>23,350,514</u>	<u>21,507,783</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,022,048)	(2,623,445)
Proceeds from sale of capital assets	-	59,055
Proceeds from bonds payable	-	-
Principal paid on debt	(535,000)	(510,000)
Interest paid on debt	(399,375)	(420,825)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,956,423)</u>	<u>(3,495,215)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturity of investments	-	-
Investment earnings	79,012	71,165
Purchases of investments	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>79,012</u>	<u>71,165</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	539,119	(1,369,253)
CASH AND CASH EQUIVALENTS - SEPTEMBER 1	19,277,020	20,646,273
CASH AND CASH EQUIVALENTS - AUGUST 31	<u>\$ 19,816,139</u>	<u>\$ 19,277,020</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (24,436,163)	\$ (21,085,591)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Payments made directly by state for benefits	2,490,357	2,282,100
Depreciation expense	1,078,725	1,022,264
Changes in assets and liabilities:		
Receivables, net	(1,722,912)	(1,195,503)
Inventories	869,823	(159,175)
Other assets	81,937	12,684
Accounts payable	120,738	280,961
Deferred revenue	576,524	(616,451)
Deposits held for others	6,987	5,725
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (20,933,984)</u>	<u>\$ (19,452,986)</u>

The Notes to Financial Statements are an integral part of this statement.

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

1. REPORTING ENTITY

North Central Texas College (the College), was established in 1924 as Gainesville Junior College, in accordance with the laws of the State of Texas, to serve the educational needs of Cooke County and the surrounding area. 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, 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.

The Board of Regents (the Board), a seven-member group constituting an on-going entity, is the level of government that has governance responsibilities over all activities, programs, and facilities of the College. The Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operation and primary accountability for fiscal matters.

The facilities utilized in the College system are located on five distinct campuses, Gainesville in Cooke County, Corinth in Denton County, Flower Mound in Denton County, Bowie in Montague County, and Graham in Young County. The College's primary campus rests on 132 acres of land located in the southwest section of Gainesville, Texas, on U.S. Highway 51. In January 2000, the College opened two extension centers located at Corinth and at Bowie. The Gainesville and Corinth campuses are capitalized assets of the College. The Bowie campus is operated under a lease with the Bowie 4B Sales Tax Corporation; the lease is discussed elsewhere in these disclosures. The fourth campus was opened in Graham, in Young County; citizens of Graham Independent School District passed a Branch Campus Maintenance Tax in November, 2009 with tax revenue beginning in 2010-2011. The fifth campus Flower Mound, opened in January 2011 in leased facilities.

The College offers academic and professional courses for students who plan to transfer to senior colleges and universities to continue to work toward a baccalaureate degree and technical and vocational courses to develop occupational skills and continuing education courses for adults. The College has several secondary instruction sites in North Texas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the Texas Higher Education Coordinating Board's *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The College applies all applicable GASB pronouncements 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 §56.0333). When the student uses the award for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

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 uses the award for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts: The College awards tuition and fee scholarships from institutional funds to students who qualify. When the student uses the award for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Basis of Accounting

The financial statements of the College have been prepared on the accrual basis of accounting, 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 Board 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 College sets aside resources for the repayment of the bonds. These assets are classified as restricted cash on the statement of net assets because their use is limited by applicable bond covenants and they are maintained in separate bank accounts.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. The board of regents has designated public funds investment pools comprised of \$11,937,911 and \$10,752,792 at 8/31/2011 and 8/31/2010, respectively to be short-term investments. Long-term investments have an original maturity of greater than one year at the time of purchase.

Inventories

Inventories of the College consist of consumable fuel and cosmetology stock. Inventories are valued at cost, using the average cost method of valuation, and are charged to expense as consumed or sold. Inventory at year-end consisted of the following amounts:

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

	<u>August 31, 2011</u>	<u>August 31, 2010</u>
Fuel	\$ 668	\$ 1,482
Cosmetology Stock	6,357	4,862
Bookstore Stock	-	870,504
	<u>\$ 7,025</u>	<u>\$ 876,848</u>

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or estimated fair market value at the date donated. The College's capitalization policy includes all real or personal property with a value of \$5,000 or more and an estimated life in excess of 2 years. Renovations of \$100,000 to buildings and infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged to operating 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 estimated useful lives of the assets applying the half-year convention. The following lives are used:

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

Deferred Revenues

Deferred revenues at August 31, 2011 and 2010 were as follows:

	<u>August 31, 2011</u>	<u>August 31, 2010</u>
Tuition	\$ 4,232,610	\$ 3,661,479

Estimates

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

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA 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. As of July 17 2011, the operation of the bookstore is no longer performed by the college.

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

Net Assets

When the College incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first.

3. AUTHORIZED INVESTMENTS

The Board has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act. The investments of the College are in compliance with the adopted investment policies.

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

4. DEPOSITS AND INVESTMENTS

The College's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the College's agent bank approved pledged securities in an amount sufficient to protect College funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) assurance.

Cash and Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits might not be recovered. The College does not have a policy for custodial credit risk. At August 31, 2011 and 2010, the carrying amounts of the College's bank deposits were \$7,872,747 and \$8,507,090, respectively, and total bank balances equaled \$8,807,886 and \$10,675,612. Bank balances of \$1,002,067 and \$1,025,794 were covered by FDIC, and \$7,805,819 and \$9,649,818 were covered by collateral pledged in the College's name for the years ended August 31, 2011 and 2010, respectively.

The Foundation does not have a policy for custodial credit risk. At August 31, 2011 and 2010, the carrying amounts of the Foundation's bank deposits were \$347,585 and \$188,465, respectively, and total bank balances equaled \$350,681 and \$194,178. During the year ended August 31, 2011, bank balances were underpledged for a total of 60 days. During the year ended August 31, 2010, bank balances were underpledged for a total of 62 days.

Public Funds Investment Pool

The College's temporary investments consist of balances held by the Texas Local Government Investment Pool (TexPool). The State Comptroller of Public Accounts exercises oversight responsibility of TexPool. Oversight includes the ability to significantly influence operations, designations of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both Participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poors. As a requirement to maintain the rating weekly portfolio, information must be submitted to Standard & Poors, as well as the office of the Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. The College considers TexPool balances to be cash equivalents.

Cash and Cash Equivalents

Cash, deposits, and cash equivalents consist of the following:

	The College (Primary Government)		The Foundation (Discretely Presented Component Unit)	
	Statement of Net Assets - Exhibit 1		Statement of Financial Position	
	8/31/2011	8/31/2010	8/31/2011	8/31/2010
Bank Deposits				
Demand Deposits	\$ 3,848,136	\$ 4,505,555	\$ 275,585	\$ 116,465
Time Deposits	4,024,609	4,001,535	72,000	72,000
Total Bank Deposits	<u>7,872,745</u>	<u>8,507,090</u>	<u>347,585</u>	<u>188,465</u>
Petty Cash and Cash on Hand	5,483	17,138	-	-
Total Cash and Deposits	<u>7,878,228</u>	<u>8,524,228</u>	<u>347,585</u>	<u>188,465</u>
Cash Equivalents				
TexPool	11,937,911	10,752,792	-	-
Total Cash, Deposits, and Cash Equivalents	<u>\$19,816,139</u>	<u>\$ 19,277,020</u>	<u>\$ 347,585</u>	<u>\$ 188,465</u>

Investments

During the fiscal year ended August 31, 2011 and 2010, the College did not sell any investments. The calculation of realized gains is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and disposed of in the current year may have been recognized as an increase or decrease in the fair value of investments reported in a prior year. The accumulated unrealized gain on investments held at August 31, 2011 and 2010, was \$0 and \$0, respectively.

During the fiscal year ended August 31, 2011, the Foundation sold an investment. The calculation of the realized gain is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and disposed of in the current year may have been recognized as an increase or decrease in the fair value of investments reported in a prior year. The accumulated unrealized gains on investments held at August 31, 2011 and 2010, were \$203,652 and \$221,683, respectively.

As of August 31, 2011 and 2010, the College (Primary Government) had the following investments and maturities:

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

Investment Type	Fair Value	Investment Maturities in Years			
	8/31/2011	Less Than 1	1 to 5	5 to 10	10 to 15
TEXPOOL Investment Pool	\$ 11,937,911	\$ 11,937,911	\$ -	\$ -	\$ -
Certificates of Deposit	4,024,609	4,001,535			
Total Investments	\$ 15,962,520	\$ 15,939,446	\$ -	\$ -	\$ -

Investment Type	Fair Value	Investment Maturities in Years			
	8/31/2010	Less Than 1	1 to 5	5 to 10	10 to 15
TEXPOOL Investment Pool	\$ 10,752,792	\$ 10,752,792	\$ -	\$ -	\$ -
Certificates of Deposit	4,001,535	4,001,535			
Total Investments	\$ 14,754,327	\$ 14,754,327	\$ -	\$ -	\$ -

As of August 31, 2011 and 2010, the Foundation (Discretely Presented Component Unit) had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities in Years			
	8/31/2011	Less Than 1	1 to 5	5 to 10	10 to 15
U. S. Government Agencies	\$ 688,729	\$ -	\$ 457,172	\$ 230,760	\$ 797
Corporate Bonds & Notes	1,748,948	-	651,423	829,746	267,779
U. S. Government S/T Funds	2,082,007	2,082,007	-	-	-
Money Market & Cash Equivalents	451,464	451,464	-	-	-
Total Investments	\$ 4,971,148	\$ 2,533,471	\$ 1,108,595	\$ 1,060,506	\$ 268,576

Investment Type	Fair Value	Investment Maturities in Years			
	8/31/2010	Less Than 1	1 to 5	5 to 10	10 to 15
U. S. Government Agencies	\$ 700,140	\$ -	\$ 455,882	\$ 244,258	\$ -
Corporate Bonds & Notes	1,460,181	102,051	664,081	694,049	-
U. S. Government S/T Funds	1,494,283	1,494,283	-	-	-
Money Market & Cash Equivalents	1,020,802	1,020,802	-	-	-
Total Investments	\$ 4,675,406	\$ 2,617,136	\$ 1,119,963	\$ 938,307	\$ -

Reconciliation of Deposits and Investments for the College (Primary Government) to Statement of Net Assets - Exhibit 1

	Carrying Amounts	
	8/31/2011	8/31/2010
Total Long-Term Investments	\$ -	\$ -
Total Cash and Deposits	7,878,228	8,524,228
Total Cash Equivalents	11,937,911	10,752,792
Total Deposits and Investments	\$ 19,816,139	\$ 19,277,020
Per Statement of Net Assets - Exhibit 1:		
Cash and Cash Equivalents	\$ 17,943,202	\$ 17,376,167
Long-Term Investments-Current Portion	-	-
Restricted Cash and Cash Equivalents	1,872,937	1,900,853
Total Deposits and Investments	\$ 19,816,139	\$ 19,277,020

Reconciliation of Deposits and Investments for the Foundation (Discretely Presented Component Unit) to Statement of Financial Position

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

	Carrying Amounts	
	8/31/2011	8/31/2010
U.S. Government Agencies	\$ 688,729	\$ 700,140
Corporate Bonds & Notes	1,748,948	1,460,181
Mutual Funds	2,082,007	1,494,283
Money Market & Cash Equivalents	451,464	1,020,802
Total Investments	4,971,148	4,675,406
Total Cash and Deposits	347,585	188,465
Total Deposits and Investments	<u>\$ 5,318,733</u>	<u>\$ 4,863,871</u>
Per Statement of Financial Position:		
Cash and Cash Equivalents	\$ 347,585	\$ 188,465
Investments	1,394,945	1,262,603
Restricted Permanent Endowment	3,576,203	3,412,803
Total Deposits and Investments	<u>\$ 5,318,733</u>	<u>\$ 4,863,871</u>

Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the College was exposed to the following specific investment risks at year-end and, if so, the reporting of certain related disclosures:

- a. Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. For the years ended August 31, 2011 and 2010, neither the College nor the Foundation was significantly exposed to credit risk.
- b. Concentration of Credit Risk - This is the risk of loss attributed to the magnitude of an entities investment in a single issuer. For the years ended August 31, 2011 and 2010, neither the College nor the Foundation was significantly exposed to a concentration of credit risk.
- c. Interest Rate Risk - This is the risk that changes in the interest rates will adversely affect the fair value of an investment. For the years ended August 31, 2011 and 2010, neither the College nor the Foundation was significantly exposed to an interest rate risk.
- d. Foreign Currency Risk - This is the risk that exchange rates will adversely affect the fair value of an investment. For the years ended August 31, 2011 and 2010, neither the College nor the Foundation was exposed to a foreign currency risk.

5. CAPITAL ASSETS - COMPARATIVE

Capital assets activity for the years ended August 31, 2011 and 2010 was as follows:

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

<u>August 31, 2011</u>	Balance 9/1/2010	Increases	Decreases	Balance 8/31/2011
<u>Not Depreciated:</u>				
Land	\$ 1,491,594		\$ -	\$ 1,491,594
Construction in Progress	4,070,054	(4,070,054)	-	-
Subtotal	<u>5,561,648</u>	<u>(4,070,054)</u>	<u>-</u>	<u>1,491,594</u>
<u>Other Capital Assets:</u>				
Buildings and Improvements	26,016,951	4,605,321	-	30,622,272
Equipment	3,130,526	364,746	(21,719)	3,473,553
Library Books	1,609,503	48,791	-	1,658,294
Automobiles	538,434	53,560	(45,619)	546,375
Subtotal	<u>31,295,414</u>	<u>5,072,418</u>	<u>(67,338)</u>	<u>36,300,494</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	(6,045,953)	(674,723)	-	(6,720,676)
Equipment	(1,831,406)	(236,487)	21,719	(2,046,174)
Library Books	(964,681)	(131,748)	19,687	(1,076,742)
Automobiles	(331,956)	(35,768)	45,619	(322,105)
Subtotal	<u>(9,173,996)</u>	<u>(1,078,726)</u>	<u>87,025</u>	<u>(10,165,697)</u>
Net Other Capital Assets	<u>22,121,418</u>	<u>3,993,692</u>	<u>19,687</u>	<u>26,134,797</u>
Net Capital Assets	<u>\$ 27,683,066</u>	<u>\$ (76,362)</u>	<u>\$ 19,687</u>	<u>\$ 27,626,391</u>
<u>August 31, 2010</u>	Balance 9/1/2009	Increases	Decreases	Balance 8/31/2010
<u>Not Depreciated:</u>				
Land	\$ 1,491,594	\$ -	\$ -	\$ 1,491,594
Construction in Progress	1,938,966	2,131,088	-	4,070,054
Subtotal	<u>3,430,560</u>	<u>2,131,088</u>	<u>-</u>	<u>5,561,648</u>
<u>Other Capital Assets:</u>				
Buildings and Improvements	26,016,951	-	-	26,016,951
Equipment	2,902,050	419,989	(191,513)	3,130,526
Library Books	1,576,696	41,272	(8,465)	1,609,503
Automobiles	530,338	31,096	(23,000)	538,434
Subtotal	<u>31,026,035</u>	<u>492,357</u>	<u>(222,978)</u>	<u>31,295,414</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	(5,495,998)	(549,955)	-	(6,045,953)
Equipment	(1,701,956)	(311,139)	181,689	(1,831,406)
Library Books	(845,966)	(127,181)	8,466	(964,681)
Automobiles	(320,968)	(33,988)	23,000	(331,956)
Subtotal	<u>(8,364,888)</u>	<u>(1,022,263)</u>	<u>213,155</u>	<u>(9,173,996)</u>
Net Other Capital Assets	<u>22,661,147</u>	<u>(529,906)</u>	<u>(9,823)</u>	<u>22,121,418</u>
Net Capital Assets	<u>\$ 26,091,707</u>	<u>\$ 1,601,182</u>	<u>\$ (9,823)</u>	<u>\$ 27,683,066</u>

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

6. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Current and noncurrent receivables at August 31, 2011 and 2010 were as follows:

	<u>The College (Primary Government)</u>		<u>The Foundation (Component Unit)</u>	
	8/31/2011	8/31/2010	8/31/2011	8/31/2009
Accounts Receivable	\$ 1,258,753	\$ 184,546	\$ -	\$ -
Taxes Receivable	145,221	148,433	-	-
Federal Receivable	1,113,442	1,389,703	-	-
State & Local Receivable	(513)	28,823	-	-
Student Receivables	2,457,203	1,309,737	-	-
Interest Receivable	-	-	36,304	22,417
Other Receivable	5,316	17,031	-	-
Insurance Proceeds	-	-	-	-
Subtotal	<u>4,979,422</u>	<u>3,078,273</u>	<u>36,304</u>	<u>22,417</u>
Allowance for Doubtful Accounts	(988,405)	(804,414)	-	-
Total Receivables	<u>\$ 3,991,017</u>	<u>\$ 2,273,859</u>	<u>\$ 36,304</u>	<u>\$ 22,417</u>

Accounts payables and accrued liabilities at August 31, 2011 and 2010, were as follows:

	<u>The College (Primary Government)</u>		<u>The Foundation (Component Unit)</u>	
	8/31/2011	8/31/2010	8/31/2011	8/31/2010
Vendors Payable	\$ 588,672	\$ 476,917	\$ -	\$ -
Students Payable	28,961	-	293,407	295,019
Other Payable	57,906	69,166	-	-
Interest Payable	111,139	117,848	-	-
Total Accounts Payable	<u>786,678</u>	<u>663,931</u>	<u>293,407</u>	<u>295,019</u>
Accrued Liabilities:				
Salaries & Benefits Payable	53,668	62,383	-	-
Total Payables	<u>\$ 840,346</u>	<u>\$ 726,314</u>	<u>\$ 293,407</u>	<u>\$ 295,019</u>

7. BONDS PAYABLE

Bonds payable at August 31, 2011 were comprised of the following individual issues:

NCTC District Revenue Bonds, Series 1998

- For the construction of Corinth campus
- Issue date October 15, 1998
- Original amount authorized and issued \$6,250,000
- Source of revenue for debt service-Tuition and Fees
- Payable in annual installments varying from \$15,000 to \$425,000
- Interest rates from 3% to 6.5%
- Final installment due October 2024

NCTC District Tuition and Combined Fee Revenue Bonds, Series 2004

- For the construction, improvement, and renovation of buildings, structures, or facilities, including a Performing Arts Center on the Gainesville campus
- Issue date February 15, 2004
- Original amount issued \$6,000,000; amount authorized \$10,000,000

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

- Source of revenue for debt service-Tuition and Fees
- Payable in annual installments varying from \$165,000 to \$470,000
- Interest rates from 3.875% to 5%
- Final installment due May 2022

Activity in bonds payable for the years ended August 31, 2011 and 2010, was as follows:

	Beginning Balance	Activity		Ending Balance	Current Portion
		Additions	Reductions		
<u>August 31, 2011</u>					
Revenue Bonds:					
1998 Series	\$ 4,470,000	\$ -	\$ (235,000)	\$ 4,235,000	\$ 245,000
2004 Series	4,525,000	-	(300,000)	4,225,000	310,000
	<u>\$ 8,995,000</u>	<u>\$ -</u>	<u>\$ (535,000)</u>	<u>\$ 8,460,000</u>	<u>\$ 555,000</u>
<u>August 31, 2010</u>					
Revenue Bonds:					
1998 Series	\$ 4,695,000	\$ -	\$ (225,000)	\$ 4,470,000	\$ 235,000
2004 Series	4,810,000	-	(285,000)	4,525,000	300,000
	<u>\$ 9,505,000</u>	<u>\$ -</u>	<u>\$ (510,000)</u>	<u>\$ 8,995,000</u>	<u>\$ 535,000</u>

Debt service requirements at August 31, 2011 are summarized below:

Fiscal Year August 31,	Principal	Interest	Total Requirements
2012	555,000	376,638	931,638
2013	580,000	353,703	933,703
2014	605,000	329,483	934,483
2015	635,000	302,258	937,258
2016	655,000	275,762	930,762
2017-2021	3,745,000	922,625	4,667,625
2022-2024	1,685,000	141,593	1,826,593
Total Requirements	<u>\$ 8,460,000</u>	<u>\$ 2,702,062</u>	<u>\$ 11,162,062</u>

8. LEASE OBLIGATIONS

Bowie Campus Lease: The Bowie campus in Montague County is operated under a lease with Bowie 4B Sales Tax Corporation (the Corporation); sales tax revenues from the City of Bowie provide for the construction and maintenance of the facility. Per the lease agreement with the Corporation, the College leases the facility from the Corporation at a rate of \$1 per year until the debt associated with the facility is paid in full. At that time, the College has the option to purchase the facility at a cost of \$1. In addition to the rent, the College pays to the Corporation a "Building Usage Fee"; the amount is calculated based on student enrollment at the Bowie campus at \$25 per student. The Building Usage Fee is payable twice per year; on or before October 1 based on the fall semester enrollment and on or before March 1 based on the spring semester enrollment.

Flower Mound Campus Lease: The Flower Mound Campus in Denton County is operated under a lease with Eagle Parker Square, LLC. The College leases the facility at a base rate of \$592,000 for the first two years, with scheduled increases at the third, sixth, and eighth year of the lease. In addition, after completion of the first lease year as the base year, the lease includes additional rent in excess of the base year for operating expenses and for HVAC and plumbing repairs. The primary

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

term of the lease is for a ten year period; the College may renew and extend the lease for four (4) additional five (5) lease-years. Payment of the lease occurs throughout the year in the form of monthly lease payments.

Graham Campus Lease: The Graham campus in Young County is operated under a lease with the City of Graham. Per the lease agreement with the City, the College leases the facilities at a rate of \$10 per year. The primary term of the lease is for a five year period. The lease may be renewed and extended for three additional five-year periods. Payment of the \$10 lease rate is due before September 1st of each lease year.

Other Leases: The College leases various copiers and other equipment under noncancelable operating (noncapitalized) leases that have an initial term in excess of one year. The College also entered into leases for classroom space on the Corinth campus. The current year's lease expense for the equipment and classroom space was \$699,501.

Minimum future requirements as of August 31, 2011 were as follows:

Fiscal Year August 31,	Future Minimum Lease Payments
2012	\$ 902,137
2013	811,387
2014	809,352
2015	761,350
2016	795,735
Thereafter	3,590,277
Total	<u>\$ 7,670,238</u>

9. EMPLOYEES RETIREMENT PLAN

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

Teacher Retirement System of Texas (TRS)

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 or employees of the public school systems of Texas. It operates primarily under the provision of the Texas Constitution, Article XVI, Sec 67, and Texas Government Code, Title 8 Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a 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 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4 percent for Fiscal Year 2011 and 6.4 percent Fiscal Year 2010 and a state contribution rate of 6.644 percent for Fiscal Years 2010 and 6.0 for Fiscal Year 2011.

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

Optional Retirement Plan

Plan Description. Participation in the optional retirement program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.644% and 6.4%, respectively. The College contributes 1.85% for employees who are participating in the ORP. Benefits are fully vested 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 \$876,920 and \$826,555 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.

The total payroll of all College employees was \$18,249,387 and \$17,400,473 for fiscal years August 31, 2011 and 2010, respectively. The total payroll of employees covered by the TRS was \$11,452,266 and \$10,620,422; and the total payroll of employees covered by the ORP was \$3,488,050 and \$3,737,520 for fiscal years August 31, 2011 and 2010, respectively.

10. DEFERRED COMPENSATION PLAN

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. The total of deferred salaries of employees since the inception of the program is not determinable.

As of August 31, 2011, the College had 27 employees participating in the program. A total of \$102,564 in payroll deductions were invested in approved plans during the fiscal year.

As of August 31, 2010, the College had 27 employees participating in the program. A total of \$109,424 in payroll deductions were invested in approved plans during the fiscal year.

11. COMPENSATED ABSENCES

Full-time employees earn vacation leave at the rate of 1.25 days per month for each month of employment with the College. The College's policy is that an employee may not carry vacation leave forward from one fiscal year to another fiscal year. Accordingly, the College did not recognize an accrued liability for the unpaid vacation leave in the financial statements.

A liability for accrued sick leave, which is earned at a rate of 80 hours per year and can be accumulated up to 45 days (60 days after 10 years of service), is not recorded. It is the policy of the College to not record accrued sick leave as a component of compensation expense because the benefits become compensation when the sick leave is utilized, not when accumulated. Upon termination, an employee does not receive payment for any accumulated sick leave.

12. PENDING LAWSUITS AND CLAIMS

None

13. CONTRACT AND GRANT AWARDS

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

Contracts and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed (e.g., multi-year awards) or funds awarded during fiscal years 2011 and 2010 for which monies have not been received nor funds expended, totaled \$2,543,969 and \$,2333,600, respectively. Of this amount, \$2,499,099 and \$2,023,038 were from Federal Contract and Grant awards, respectively and \$44,870 and \$310,562 were from State Contract and Grant awards. There were no amounts from Local or from Private Contract and Grant Awards.

14. SELF-INSURED PLANS

The College maintains a self-insured arrangement for coverage in the area of unemployment compensation. The unemployment compensation plan is on a pay-as-you-go basis. Payments for incurred claims are charged to current funds expenditures. Prior to 1998, the College maintained a self-insured arrangement for coverage in the area of workers' compensation insurance. The College has funds available to cover claims incurred in the period the institution was in this plan. Claims Administrative Services, Inc. of Tyler, Texas administers the plan.

15. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

In addition to providing pension benefits, the State of Texas provides certain health care and life insurance benefits to active and retired employees. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$413.26 and \$385.38 per month for employee-only coverage for the years ended August 31, 2011 and 2010, respectively. The cost of providing these benefits and the total number of employees participating in the plan and contributions were as follows:

	August 31, 2011		August 31, 2010	
	Number of Employees	Contribution	Number of Employees	Contribution
Active Employees	252	\$ 1,208,121	261	\$ 1,042,824
Retired Employees	83	405,317	81	412,721
	335	\$ 1,613,438	342	\$ 1,455,545

16. AD VALOREM TAX

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

Net assessed valuation at August 31 was as follows:

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

	Fiscal Year 2011	Fiscal Year 2010
Assessed Valuation	\$ 3,321,064,295	\$ 3,322,877,564
Less: Exemptions & Abatements	(734,917,157)	(728,968,474)
Net Assessed Valuation	\$ 2,586,147,138	\$ 2,593,909,090

The tax rates per \$100 valuation were as follows:

	Fiscal Year 2011		Fiscal Year 2010	
	Current Operations	Debt Service	Current Operations	Debt Service
	Authorized	0.20000	0.50000	0.20000
Assessed	0.07120	0.00000	0.07010	0.00000

Taxes levied for the years ended August 31, 2011 and 2010, were \$2,138,179 and \$2,120,396, respectively, including any penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

Tax collections for the years ended August 31, 2011 and 2010, were 98.7% and 97.8%, respectively, of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

	Current Operations	Debt Service	Total
<u>Fiscal Year Ended August 31, 2011</u>			
Current Taxes Collected	\$ 2,109,483	\$ -	\$ 2,109,483
Delinquent Taxes Collected	41,515	261	41,776
Penalties & Interest Collected	17,975	118	18,093
Total Collections	\$ 2,168,973	\$ 379	\$ 2,169,352
<u>Fiscal Year Ended August 31, 2010</u>			
Current Taxes Collected	\$ 2,074,003	\$ -	\$ 2,074,003
Delinquent Taxes Collected	41,829	560	42,389
Penalties & Interest Collected	29,370	83	29,453
Total Collections	\$ 2,145,202	\$ 643	\$ 2,145,845

17. BRANCH CAMPUS MAINTENANCE TAX

A branch campus maintenance tax has been established by election has been levied by Graham Independent School District in Young County, Texas. It is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in Graham Independent School District. Collections are transferred to the College to be used for the operation of a Branch Campus at Graham. This revenue is reported under Local Grants and Contracts.

	Collections (including penalties and interest)	
	August 31, 2011	August 31, 2010
Young County	\$ 365,526	\$ -

NORTH CENTRAL TEXAS COLLEGE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2011

18. INCOME TAXES

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

19. COMPONENT UNITS

GASB 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB 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. GASB 39 has been applied as required in the preparation of these financial statements and component unit information included if necessary.

The following component units are included in these financial statements:

Mary Josephine Cox Estate Trust: The Mary Josephine Cox Estate is a Trust (an Endowment Fund) (the Trust) that has been granted tax-exempt status pursuant to the provisions of the Internal Revenue Code Section 501(c)(3). The resources of the Trust are to be used to provide scholarships to North Central Texas College for Cooke County, Texas residents that meet certain specified criteria. The Trust owns real property located in Texas and Oklahoma. The Texas property is the site of an agricultural experiment farm. The Oklahoma property is leased to a farmer/rancher.

For the fiscal years 2011 and 2010, the Trust was totally managed by the Administration of the College and falls under the direct oversight of the College's Board of Regents. For the years ended August 31, 2011 and 2010, the Trust is presented using the blended method of inclusion.

North Central Texas College Foundation, Inc.: The North Central Texas College Foundation, Inc. (the Foundation) is a nonprofit corporation that has been granted tax-exempt status pursuant to the provision of Internal Revenue Code Section 501(c)(3). The Foundation's purposes are to foster a positive public image for the College and to solicit philanthropic support for the College that will enhance the continued growth and welfare of the College. The Foundation is organizationally and fiscally separate from the College, but utilizes the name and mission of the College and operates only under the approval and sanction of the College's Board of Regents.

Because the Foundation has a separate Board of Directors, the financial activities of the Foundation for the years ended August 31, 2011 and 2010 are reflected in the financial statements of the College using the discrete method of inclusion. The separate financial statements of the Foundation can be obtained from the Office of the President of North Central Texas College.

20. COMMITMENTS AND CONTINGENT LIABILITIES

Grants: The College participates in grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the College has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the College, there are no significant contingent liabilities relating to compliance with the rules and

NORTH CENTRAL TEXAS COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

21. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2011 and 2010, the College purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

22. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. North Central Texas 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 the 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/>.

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

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

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

The College's contributions to SRHP for the years ended August 31, 2011, 2010 and 2009 were \$405,317, \$412,721, and \$411,496, respectively, which equaled the required contributions each year.

23. SUBSEQUENT EVENTS

The College's management has evaluated subsequent events through November 12, 2011, the date which the financial statements were available for issue. There were no material subsequent events.

SCHEDULES

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF OPERATING REVENUES
FOR THE YEAR ENDED AUGUST 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL EDUCATIONAL ACTIVITIES</u>	<u>AUXILIARY ENTERPRISES</u>	<u>TOTALS MEMORANDUM ONLY</u>	
					<u>2011</u>	<u>2010</u>
TUITION						
State funded credit courses						
In-district resident tuition	\$ 761,854	\$ -	\$ 761,854	\$ -	\$ 761,854	\$ 982,932
Out-of-district resident tuition	10,459,153	-	10,459,153	-	10,459,153	9,395,480
TPEG credit (set aside)*	396,163	-	396,163	-	396,163	376,463
State funded continuing education	930,146	-	930,146	-	930,146	418,415
Non-resident tuition	664,394	-	664,394	-	664,394	494,728
Non-state funded continuing education	523,207	-	523,207	-	523,207	511,396
TOTAL TUITION	<u>13,734,917</u>	<u>-</u>	<u>13,734,917</u>	<u>-</u>	<u>13,734,917</u>	<u>12,179,413</u>
FEES						
General fees	1,865,370	-	1,865,370	-	1,865,370	1,756,557
Distance education fees	542,869	-	542,869	-	542,869	511,272
Student service fees	-	-	-	174,185	174,185	179,042
Laboratory fees	223,640	-	223,640	-	223,640	221,286
TOTAL FEES	<u>2,631,879</u>	<u>-</u>	<u>2,631,879</u>	<u>174,185</u>	<u>2,806,064</u>	<u>2,668,157</u>
SCHOLARSHIP ALLOWANCES AND DISCOUNTS						
Scholarship allowances	(46,286)	(4,371)	(50,657)	(209,375)	(260,032)	(273,757)
Remissions and exemptions-state	(359,274)	-	(359,274)	-	(359,274)	(276,025)
TPEG allowances	-	(227,707)	(227,707)	-	(227,707)	(122,695)
Federal grants to students	-	(4,166,764)	(4,166,764)	-	(4,166,764)	(3,465,656)
Texas grants	-	(123,751)	(123,751)	-	(123,751)	(209,976)
TOTAL SCHOLARSHIP ALLOWANCES AND DISCOUNTS	<u>(405,560)</u>	<u>(4,522,593)</u>	<u>(4,928,153)</u>	<u>(209,375)</u>	<u>(5,137,528)</u>	<u>(4,348,109)</u>
TOTAL NET TUITION AND FEES	<u>15,961,236</u>	<u>(4,522,593)</u>	<u>11,438,643</u>	<u>(35,190)</u>	<u>11,403,453</u>	<u>10,499,461</u>
ADDITIONAL OPERATING REVENUES						
Federal grants and contracts	-	3,141,917	3,141,917	-	3,141,917	2,602,920
State grants and contracts	-	813,770	813,770	-	813,770	1,028,265
Private grants	365,526	55,275	420,801	-	420,801	207,302
Sales and services of educational activities	96,375	-	96,375	72,595	168,970	185,991
Investment income (program restricted)	-	-	-	-	-	-
Other operating revenues	648,988	5,500	654,488	-	654,488	319,640
TOTAL OTHER OPERATING REVENUES	<u>1,110,889</u>	<u>4,016,462</u>	<u>5,127,351</u>	<u>72,595</u>	<u>5,199,946</u>	<u>4,344,118</u>
AUXILIARY ENTERPRISES						
Residential life	-	-	-	460,908	460,908	449,147
Scholarship allowances and discounts	-	-	-	(263,827)	(263,827)	(243,233)
Net Residential Life	-	-	-	197,081	197,081	205,914
Bookstore	-	-	-	3,219,622	3,219,622	3,752,205
Scholarship allowances and discounts	-	-	-	(1,260,275)	(1,260,275)	(636,694)
Net Bookstore	-	-	-	1,959,347	1,959,347	3,115,511
TOTAL NET AUXILIARY ENTERPRISE	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,156,428</u>	<u>2,156,428</u>	<u>3,321,425</u>
TOTAL OPERATING REVENUES	<u>\$ 17,072,125</u>	<u>\$ (506,131)</u>	<u>\$ 16,565,994</u>	<u>\$ 2,193,833</u>	<u>\$ 18,759,827</u>	<u>\$ 18,165,004</u>
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, \$396,163 and \$376,463 for years ended August 31, 2011 and 2010, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF OPERATING EXPENSES BY OBJECT
FOR THE YEAR ENDED AUGUST 31, 2011
(With Memorandum Totals For the Year Ended August 31, 2010)

	OPERATING EXPENSE			TOTALS MEMORANDUM ONLY		
	SALARIES AND WAGES	BENEFITS		OTHER EXPENSE	2011	2010
		STATE	LOCAL			
UNRESTRICTED EDUCATIONAL ACTIVITIES						
Instruction	\$ 10,870,532	\$ -	\$862,510.00	\$ 2,295,286	\$ 14,028,328	\$ 12,329,064
Research	70,317	-	5,579	76,903	152,799	118,333
Public service	304,483	-	24,159	148,298	476,940	523,822
Academic support	1,832,002	-	145,358	349,284	2,326,644	2,339,457
Student services	1,372,314	-	108,885	216,129	1,697,328	1,544,450
Institutional support	1,678,978	-	133,217	2,086,105	3,898,300	3,077,703
Operation and maintenance of plant	434,371	-	105,884	3,632,612	4,172,867	3,294,957
Scholarship and fellowships	-	-	-	-	-	-
TOTAL UNRESTRICTED EDUCATIONAL ACTIVITIES	16,562,997	-	1,385,592	8,804,617	26,753,206	23,227,786
RESTRICTED EDUCATIONAL ACTIVITIES						
Instruction	631,174	1,770,706	-	1,553,377	3,955,257	3,182,374
Research	-	10,727	-	-	10,727	8,672
Public service	130,952	57,514	-	44,198	232,664	561,986
Academic support	-	279,485	-	-	279,485	268,986
Student services	382,726	282,585	-	286,375	951,686	930,597
Institutional support	-	256,140	-	-	256,140	212,547
Operation and maintenance of plant	-	-	-	11,973	11,973	108,466
Scholarship and fellowships	181,966	-	-	6,691,835	6,873,801	5,513,789
TOTAL RESTRICTED EDUCATIONAL ACTIVITIES	1,326,818	2,657,157	-	8,587,758	12,571,733	10,787,417
AUXILIARY ENTERPRISES	296,277	-	89,737	2,406,312	2,792,326	4,213,129
DEPRECIATION EXPENSE						
Buildings and other real estate improvements	-	-	-	674,723	674,723	411,490
Equipment and furniture	-	-	-	404,002	404,002	610,773
TOTAL OPERATING EXPENSES	\$ 18,186,092	\$ 2,657,157	\$ 1,475,329	\$ 20,877,412	\$ 43,195,990	\$ 39,250,595
				(Exhibit 2)	(Exhibit 2)	

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2011
(With Memorandum Totals for the Year Ended August 31, 2010)

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>AUXILIARY ENTERPRISES</u>	<u>TOTALS MEMORANDUM ONLY</u>	
				<u>2011</u>	<u>2010</u>
NON-OPERATING REVENUES					
State Appropriations:					
Education and general state support	\$ 9,592,078	\$ -	\$ -	\$ 9,592,078	\$ 10,006,831
State group insurance	-	1,613,438	-	1,613,438	1,455,545
State retirement matching	-	876,920	-	876,920	826,555
Other	-	-	-	-	-
Total State Appropriations	<u>9,592,078</u>	<u>2,490,358</u>	<u>-</u>	<u>12,082,436</u>	<u>12,288,931</u>
Maintenance ad valorem taxes	2,162,218	-	-	2,162,218	2,152,504
Debt service ad valorem taxes	-	379	-	379	644
Federal Revenue, non-operating	-	11,575,271	-	11,575,271	9,026,496
Gifts	-	-	-	-	-
Investment income	78,238	776	-	79,014	71,165
Gain on disposal of capital assets	-	-	-	-	49,233
Other non-operating revenues	-	14,813	-	14,813	2,136
TOTAL NON-OPERATING REVENUES	<u>11,832,534</u>	<u>14,081,597</u>	<u>-</u>	<u>25,914,131</u>	<u>23,591,109</u>
NON-OPERATING EXPENSES					
Interest on capital related debt	-	392,666	-	392,666	414,495
Loss on disposal of capital assets	-	-	-	-	-
Other non-operating expenses	-	-	-	-	-
TOTAL NON-OPERATING EXPENSES	<u>-</u>	<u>392,666</u>	<u>-</u>	<u>392,666</u>	<u>414,495</u>
NET NON-OPERATING REVENUES	<u>\$ 11,832,534</u>	<u>\$ 13,688,931</u>	<u>\$ -</u>	<u>\$ 25,521,465</u> (Exhibit 2)	<u>\$ 23,176,614</u> (Exhibit 2)

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF NET ASSETS BY SOURCE AND AVAILABILITY
FOR THE YEAR ENDED AUGUST 31, 2011
 (With Memorandum Totals For the Year Ended August 31, 2010)

	DETAIL BY SOURCE				AVAILABLE FOR CURRENT OPERATIONS		
	UNRESTRICTED		RESTRICTED		TOTAL	YES	NO
	EXPENDABLE	NON-EXPEND	ASSETS NET OF DEPREC & RELATED DEBT	CAPITAL			
CURRENT							
Unrestricted	\$ 7,045,735	\$ -	\$ -	\$ -	\$ 7,045,735	\$ -	\$ -
Board Designated	-	-	-	-	-	-	-
Restricted	-	431,076	-	-	431,076	-	431,076
Auxiliary Enterprises	2,253,936	-	-	-	2,253,936	2,253,936	-
ENDOWMENT							
Restricted	-	938,846	-	-	938,846	-	938,846
Investment in Plant	-	-	-	222,948	222,948	-	222,948
PLANT							
Unexpended	-	-	-	-	-	-	-
Renewals	7,564,822	-	-	-	7,564,822	-	7,564,822
Debt Service	-	786,056	-	-	786,056	-	786,056
Investment in Plant	-	-	-	(19,166,389)	(19,166,389)	-	(19,166,389)
TOTAL NET ASSETS AUGUST 31, 2011	<u>16,864,493</u>	<u>2,155,978</u>	<u>-</u>	<u>(18,943,441)</u>	<u>77,030</u>	<u>9,299,671</u>	<u>(9,222,641)</u>
					(Exhibit 1)		
TOTAL NET ASSETS AUGUST 31, 2010	<u>16,197,978</u>	<u>2,215,516</u>	<u>-</u>	<u>18,688,066</u>	<u>37,101,560</u>	<u>7,142,835</u>	<u>29,958,725</u>
					(Exhibit 1)		
NET INCREASE (DECREASE) IN NET ASSETS	<u>\$ 666,515</u>	<u>\$ (59,538)</u>	<u>\$ -</u>	<u>\$ (37,631,507)</u>	<u>\$ (37,024,530)</u>	<u>\$ 2,156,836</u>	<u>\$ (39,181,366)</u>
							(Exhibit 2)

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011

Schedule E

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	PASS-THROUGH DISBURSEMENTS & EXPENDITURES
U.S. Department of Education			
Direct Programs:			
SEOG	84.007	N/A	\$ 190,825
Federal College Work-Study Program	84.033	N/A	111,520
Federal Pell Grant Program	84.063	N/A	11,272,926
Direct Student Loans	84.268	N/A	9,025,135
Higher Institutional Aid	84-031A	PO31A060171	351,123
Student Support Services (TRIO)	84.042A	P042A100964	242,873
Pass-through From:			
Texas Higher Education Coordinating Board			
Carl Perkins Voc. Ed.	84.048A	114233	268,912
Leveraging Educational Asst Partnership	84.069A	N/A	6,944
Special Leveraging Educational Asst Partnership	84.069B	N/A	9,471
Robert C Byrd Honors Scholarship	84.185A	N/A	-
Teacher Quality Type B	84.367B	461	110,710
Academic Competitiveness	84.375A	P375A092267	176,567
College Across Challenge Grant	84.378	P378A080023	20,903
College Connection	84.378	P378A090023	62,978
Subtotal			<u>83,881</u>
University of Texas			
Mathematics and Science Partnerships	84.366B	N/A	1,175
Mathematics and Science Partnerships	84.366B	UTA10-0000288	144,146
Mathematics and Science Partnerships	84.366B	UTA10-0000318(S)	339,196
Mathematics and Science Partnerships	84.366B	UTA11-000210	3,451
Mathematics and Science Partnerships	84.366B	UTA11-000157	8,509
Subtotal			<u>496,477</u>
Grayson County College			
Carl Perkins-Tech Prep Grant	84.243A	111711	52,171
Total U.S. Department of Education			<u>22,399,535</u>
Department of Labor			
Pass-through From:			
Navarro College			
Community Based Job Training	17.269	CB17302-08-0-A-48	151,260
Technology Based Learning	17.269	HG181630960A48	132,459
Subtotal			<u>283,719</u>
Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry			
	17.275	GJ200421060A48	934,972
Total U.S. Department of Labor			<u>1,218,691</u>
General Services Administration			
Federal Surplus Property	39.003	21240	11,973
Small Business Administration			
Pass-through From:			
Dallas County Community College District			
Small Business Development Grant	59.037	6-603001-2-0046-24	90,295
U.S. Department of Energy			
State Energy Program	81.041	CS0091	21,829
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 23,742,323</u>

See notes to schedule on following page.

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011

Note 1: Federal Financial Assistance Reconciliation:

Federal Grants and Contracts Revenue per Schedule A	\$	14,717,188
Add: Direct Student Loans		9,025,135
Total Federal Revenues per Schedule of Federal Awards	\$	<u>23,742,323</u>

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

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

NORTH CENTRAL TEXAS COLLEGE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011

STATE GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH GRANTOR'S NUMBER	PASS-THROUGH DISBURSEMENTS AND EXPENDITURES
Pass-through From:		
Texas Higher Education Coordinating Board		
Texas Grant	N/A	409,650
State Work Study	N/A	24,480
State Work Study Mentorship	2483	22,042
Nursing Innovation Excellence	N/A	8,168
DOR Performance	A147-10	3,721
JET Healthcare	4776-11	69,348
JET Oil & Gas	4814-6	41,294
JET Scholarship	3572.33	25,336
TEA Dropout Prevention	SAS #141-10	98,094
CCDEIP	N/A	26,527
Pass-through From:		
Dallas Community College		
Small Business Development State Grant	N/A	85,110
TOTAL STATE ASSISTANCE		\$ 813,770

Note 1: State Financial Assistance Reconciliation:

State Revenues per Schedule of Expenditures of State Awards

\$ 813,770

Reconciling Items: N/A

-

Total State Revenues per Schedule A

\$ 813,770**Note 2: Significant Accounting Policies Used in Preparing the Schedule**

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

SINGLE AUDIT SECTION



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

To the Board of Regents
North Central Texas College
Gainesville, TX 76240

We have audited the financial statements of the business-type activities and the aggregate discretely-presented-component-unit-of-North-Central-College-(the "College"), as of and for the year ended August 31, 2011 and 2010, which collectively comprise the College's basic financial statements and have issued our report thereon dated November 13, 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 statement, 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

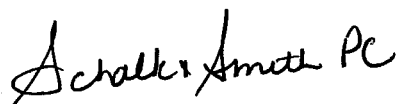
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a

direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Regents, others within the entity and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Schalk & Smith PC".

Schalk & Smith, PC
November 12, 2011



**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**

To the Board of Regents
North Central Texas College
Gainesville, TX 76240

We have audited North Central Texas College's (the "College") compliance with the types of compliance requirements described in the *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 the College's major federal programs for the year ended August 31, 2011. The College's major programs for the year ended August 31, 2011 are identified in the summary of auditor's results section of the accompanying schedule of findings and questions costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal 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, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2011.

Internal Control Over Compliance

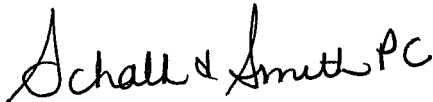
Management of the College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with the requirements that could have a direct and

material effect on a major federal program to determine the auditing procedures for the purposes of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 of employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the College's Board of Regents, others within the entity, 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.



Schalk & Smith, PC
November 12, 2011

**NORTH CENTRAL TEXAS COLLEGE
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2011**

NONE

STATISTICAL SUPPLEMENT

North Central Texas College
 Statistical Supplement 1
 Net Assets by Component
 Fiscal Years 2002 to 2011

(unaudited)
 (amounts expressed in thousands)

	For the Year Ended August 31,										
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2002
Invested in capital assets, net of related debt	\$19,166	\$18,688	\$16,587	\$13,865	\$13,397	\$13,215	\$12,519	\$9,165	\$9,982	\$9,766	
Restricted - expendable	2,552	2,216	2,066	2,002	2,009	1,914	1,757	4,708	1,482	1,309	
Restricted - nonexpendable	-	-	-	-	-	-	-	-	-	-	
Unrestricted	16,468	16,198	16,031	16,324	13,484	9,891	6,681	5,177	4,672	3,406	
Total primary government net assets	\$ 38,186	\$ 37,102	\$ 34,684	\$ 32,191	\$ 28,890	\$ 25,020	\$ 20,957	\$ 19,050	\$ 16,136	\$ 14,481	

North Central Texas College
 Statistical Supplement 2
 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)	\$ 11,403	\$ 10,500	\$ 10,726	\$ 9,613	\$ 9,128	\$ 7,722	\$ 6,625	\$ 6,342	\$ 4,978	\$ 3,871
Governmental Grants and Contracts	3,142	2,603	2,484	2,020	5,285	5,225	4,552	4,394	4,198	3,263
Federal Grants and Contracts	814	1,028	599	515	672	787	525	440	798	657
State Grants and Contracts	421	207	306	4	-	-	-	-	-	-
Local Grants and Contracts	-	-	-	-	-	-	-	-	-	26
Non-Governmental Grants and Contracts	169	186	271	279	236	198	217	201	185	200
Sales and Services of Educational Activities	2,156	3,321	3,100	2,861	2,600	2,291	2,229	1,901	1,966	1,916
Auxiliary Enterprises	654	320	267	225	237	233	222	232	171	116
Other Operating Revenues	18,759	18,165	17,753	15,517	18,158	16,456	14,370	13,510	12,296	10,049
Total Operating Revenues	12,083	12,289	11,698	11,514	9,959	9,732	8,746	8,806	8,389	8,807
State Appropriations	2,162	2,153	1,971	1,916	1,869	1,899	1,851	1,827	1,662	1,467
Ad Valorem Taxes	-	-	-	-	-	5	31	113	19	9
Gifts	11,575	9,026	5,129	3,889	-	-	-	-	-	-
Federal Revenue, non-operating	79	71	214	682	852	544	276	139	115	170
Investment Income	15	51	50	9	9	14	2	2	-	-
Other Non-operating Revenues	25,914	23,590	19,062	18,010	12,689	12,194	10,906	10,887	10,185	10,453
Total Non-Operating Revenues	\$ 44,673	\$ 41,755	\$ 36,815	\$ 33,527	\$ 30,847	\$ 28,650	\$ 25,276	\$ 24,397	\$ 22,481	\$ 20,502
Total Revenues										

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	25.53%	25.15%	29.13%	28.67%	29.59%	26.95%	26.21%	25.99%	22.14%	18.88%
Governmental Grants and Contracts	7.03%	6.23%	6.75%	6.02%	17.13%	18.24%	18.01%	18.01%	18.67%	15.92%
Federal Grants and Contracts	1.82%	2.46%	1.63%	1.54%	2.18%	2.75%	2.08%	1.80%	3.55%	3.20%
State Grants and Contracts	0.94%	0.50%	0.83%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Local Grants and Contracts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%
Non-Governmental Grants and Contracts	0.38%	0.45%	0.74%	0.83%	0.77%	0.69%	0.86%	0.82%	0.82%	0.98%
Sales and Services of Educational Activities	4.83%	7.95%	8.42%	8.53%	8.43%	8.00%	8.82%	7.79%	8.75%	9.35%
Auxiliary Enterprises	1.46%	0.77%	0.73%	0.67%	0.77%	0.81%	0.88%	0.95%	0.76%	0.57%
Other Operating Revenues	41.99%	43.50%	48.22%	46.28%	58.86%	57.44%	56.85%	55.38%	54.70%	49.01%
Total Operating Revenues	27.05%	29.43%	31.78%	34.34%	32.29%	33.97%	34.60%	36.09%	37.32%	42.96%
State Appropriations	4.84%	5.16%	5.35%	5.71%	6.06%	6.63%	7.32%	7.49%	7.39%	7.16%
Ad Valorem Taxes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%	0.08%	0.04%
Gifts	25.91%	21.62%	13.93%	11.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Federal Revenue, non-operating	0.18%	0.17%	0.58%	2.03%	2.76%	1.90%	1.09%	0.57%	0.51%	0.83%
Investment Income	0.03%	0.12%	0.14%	0.03%	0.03%	0.05%	0.01%	0.01%	0.00%	0.00%
Other Non-operating Revenues	58.01%	56.50%	51.78%	53.72%	41.14%	42.56%	43.15%	44.62%	45.30%	50.99%
Total Non-Operating Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total Revenues										

**North Central Texas College
Statistical Supplement 3
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	\$17,984	\$15,511	\$14,167	\$11,992	\$10,831	\$9,770	\$8,864	\$7,896	\$8,021	\$7,716
Research	164	127	97	90	76	28	96	117	122	99
Public service	710	1,086	1,019	1,194	1,372	1,082	429	473	506	501
Academic support	2,606	2,609	2,421	2,350	2,064	1,765	1,645	1,546	1,633	1,674
Student services	2,649	2,475	2,104	1,833	1,632	1,486	1,212	1,164	1,298	1,085
Institutional support	4,154	3,290	3,260	2,870	2,298	2,304	2,442	2,819	1,969	1,940
Operation and maintenance of plant	4,185	3,403	2,776	2,368	2,230	2,121	2,049	1,835	1,441	1,358
Scholarships and fellowships	6,874	5,514	2,949	2,562	1,890	1,915	2,164	2,257	2,422	1,763
Auxiliary enterprises	2,792	4,213	3,974	3,586	3,217	2,806	2,747	2,445	2,586	2,414
Depreciation	1,078	1,022	1,007	922	875	797	683	483	461	402
Total Operating Expenses	43,196	39,250	33,774	29,767	26,485	24,074	22,331	21,035	20,459	18,952
Interest on capital related debt	393	414	435	459	484	506	529	420	291	301
Other	-	-	116	-	7	5	38	29	76	5
Total Non-Operating Expenses	393	414	551	459	491	511	567	448	367	306
Total Expenses	\$ 43,589	\$ 39,664	\$ 34,325	\$ 30,226	\$ 26,976	\$ 24,585	\$ 22,898	\$ 21,483	\$ 20,826	\$ 19,258

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	41.26%	39.11%	41.27%	39.67%	40.15%	39.74%	38.71%	36.75%	38.51%	40.07%
Research	0.38%	0.32%	0.28%	0.30%	0.28%	0.11%	0.42%	0.54%	0.59%	0.51%
Public service	1.63%	2.74%	2.97%	3.95%	5.09%	4.40%	1.87%	2.20%	2.43%	2.60%
Academic support	5.98%	6.58%	7.05%	7.77%	7.65%	7.18%	7.18%	7.20%	7.84%	8.69%
Student services	6.08%	6.24%	6.13%	6.06%	6.05%	6.04%	5.29%	5.42%	6.23%	5.63%
Institutional support	9.53%	8.29%	9.50%	9.50%	8.52%	9.37%	10.66%	13.12%	9.45%	10.07%
Operation and maintenance of plant	9.60%	8.58%	8.09%	7.83%	8.27%	8.63%	8.95%	8.54%	6.92%	7.05%
Scholarships and fellowships	15.77%	13.90%	8.59%	8.48%	7.01%	7.79%	9.45%	10.51%	11.63%	9.15%
Auxiliary enterprises	6.41%	10.62%	11.58%	11.86%	11.93%	11.41%	12.00%	11.38%	12.42%	12.54%
Depreciation	2.47%	2.58%	2.93%	3.05%	3.24%	3.24%	2.98%	2.25%	2.21%	2.09%
Total Operating Expenses	99.10%	98.96%	98.39%	98.48%	98.18%	97.92%	97.52%	97.91%	98.24%	98.41%
Interest on capital related debt	0.90%	1.04%	1.27%	1.52%	1.79%	2.06%	2.31%	1.96%	1.40%	1.56%
Loss on disposal of fixed assets	0.00%	0.00%	0.34%	0.00%	0.03%	0.02%	0.17%	0.13%	0.36%	0.03%
Total Non-Operating Expenses	0.90%	1.04%	1.61%	1.52%	1.82%	2.08%	2.48%	2.09%	1.76%	1.59%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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

Resident
 Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Parking, Records, ID Fees (per Student)	In-District Tuition	Out of District Tuition	Technology Fee	Instructional Support	General Fee	Student Service Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out of District	Increase from Prior Year In-District	Increase from Prior Year Out of District
2011	0	36	72	0	0	9	1	552	984	2.22%	6.49%
2010	0	35	67	0	0	9	1	540	924	0.00%	0.00%
2009	0	35	67	0	0	9	1	540	924	4.65%	6.94%
2008	0	34	63	0	0	8	1	516	864	0.00%	0.00%
2007	0	34	63	0	0	8	1	516	864	2.38%	5.88%
2006	0	33	59	0	0	8	1	504	816	0.00%	7.94%
2005	0	33	54	0	0	8	1	504	756	13.51%	8.62%
2004	0	33	54	0	0	3	1	444	696	17.46%	22.11%
2003	18	24	40	0	2	3	1	378	570	8.62%	15.85%
2002	12	22	34	0	2	3	1	348	492	-3.33%	-2.38%

Non - Resident/Out of State and International
 Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Parking, Records, ID Fees (per Student)	Non-Resident Tuition Out of State	Non-Resident Tuition International	Technology Fee	Instructional Support	General Fee	Student Service Fee	Cost for 12 SCH Out of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
2011	0	115	115	0	0	9	1	1,500	1,500	8.70%	8.70%
2010	0	105	105	0	0	9	1	1,380	1,380	0.00%	0.00%
2009	0	105	105	0	0	9	1	1,380	1,380	7.48%	7.48%
2008	0	98	98	0	0	8	1	1,284	1,284	0.00%	0.00%
2007	0	98	98	0	0	8	1	1,284	1,284	7.00%	7.00%
2006	0	91	91	0	0	8	1	1,200	1,200	7.53%	7.53%
2005	0	84	84	0	0	8	1	1,116	1,116	5.68%	5.68%
2004	0	84	84	0	0	3	1	1,056	1,056	19.73%	19.73%
2003	18	66	66	0	2	3	1	882	882	13.08%	13.08%
2002	12	58	58	0	2	3	1	780	780	-1.52%	-1.52%

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

North Central Texas College
 Statistical Supplement 5
 Assessed Value and Taxable Assessed Value of Property
 Last Ten Fiscal Years
 (unaudited)

(amounts expressed in thousands)

Direct Rate

Fiscal Year	Assessed Valuation of Property	Less: Exemptions & Abatements	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations (a)	Debt Service (a)	Total (a)
2010-11	3,321,064	734,917	2,586,147	77.87%	0.071200	0.000000	0.071200
2009-10	3,322,877	728,968	2,593,909	78.06%	0.070100	0.000000	0.070100
2008-09	3,030,893	688,277	2,342,616	77.29%	0.070100	0.000000	0.070100
2007-08	2,668,112	577,987	2,090,125	78.34%	0.077720	0.000000	0.077720
2006-07	2,441,526	554,169	1,887,357	77.30%	0.083100	0.000000	0.083100
2005-06	2,194,958	508,833	1,686,125	76.82%	0.093200	0.000000	0.093200
2004-05	1,998,715	178,353	1,820,362	91.08%	0.100290	0.000000	0.100290
2003-04	1,794,030	161,953	1,632,077	90.97%	0.110230	0.000000	0.110230
2002-03	1,702,623	151,266	1,551,357	91.12%	0.104280	0.000000	0.104280
2001-02	2,100,345	692,574	1,407,771	67.03%	0.103550	0.000000	0.103550

**North Central Texas College
Statistical Supplement 6
State Appropriation per FTSE and Contact Hour
Last Ten Fiscal Years**
(unaudited)
(amounts expressed in thousands)

Fiscal Year	State Appropriation		Appropriation per FTSE		Appropriation per Contact Hour			
	State Appropriation	FTSE (a)	State Appropriation per FTSE	FTSE (a)	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2010-11	\$ 12,082	6,524	\$ 1,852	6,524	1,283	187	1,470	8.22
2009-10	12,289	6,364	1,931	6,364	1,250	179	1,429	8.60
2008-09	11,698	5,703	2,051	5,703	1,117	171	1,288	9.08
2007-08	9,426	5,205	1,811	5,205	976	241	1,217	7.75
2006-07	7,887	5,150	1,531	5,150	957	248	1,205	6.55
2005-06	7,810	4,878	1,601	4,878	912	255	1,168	6.69
2004-05	7,340	4,528	1,621	4,528	884	225	1,109	6.62
2003-04	7,340	4,139	1,773	4,139	861	227	1,088	6.75
2002-03	6,854	3,674	1,866	3,674	829	208	1,037	6.61
2001-02	7,370	3,890	1,895	3,890	698	200	898	8.21

Notes:

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

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Weber Aircraft	Manufacturing	\$ 49,355	\$ 46,400	\$ 44,975	\$ 37,900	\$ 29,450	\$ 25,752	\$ 22,673	\$ 23,161	\$ 27,345	\$ 29,627
Wal-Mart	Retail	17,714	18,073	-	19,779	17,598	18,354	18,371	18,090	18,259	-
Calumet Oil Company	Energy	-	-	-	-	13,925	16,850	16,166	17,764	16,414	-
AEP Industries Inc	Manufacturing	-	-	-	-	8,401	13,848	11,633	10,630	13,977	19,723
TXU Electric Delivery	Utility	-	-	-	-	13,488	12,393	12,138	11,358	11,866	11,638
Southwestern Bell Telephone	Utility	-	-	-	-	12,220	11,970	12,169	13,634	15,068	15,068
Gruy Petroleum MGMT	Energy	-	-	-	-	18,829	10,255	7,911	-	8,169	11,938
Felderhoff Bros. Drig	Energy	50,735	60,126	63,713	57,905	-	-	-	-	-	-
Cimerex Energy	Energy	26,913	23,110	27,758	44,983	-	-	-	-	-	-
Building Materials Corp	Manufacturing	15,695	18,280	21,211	20,157	-	-	-	-	-	-
Spraylat Corporation	Manufacturing	-	-	-	-	8,583	9,275	8,124	8,952	10,265	10,580
Home Depot USA INC	Retail	-	-	-	-	7,529	7,529	7,441	7,178	-	-
Joint Resources Company	Energy	-	-	19,403	16,417	-	-	-	-	-	-
WFW Production Inc.	Energy	-	16,800	16,459	22,498	8,780	7,500	-	-	-	-
Bend Petroleum	Energy	-	-	13,025	18,137	10,174	-	-	-	-	-
Pumpco Energy Services LP	Energy	25,743	41,575	45,125	18,770	-	-	-	-	-	-
Valentite, LP	Manufacturing	-	-	-	-	-	-	8,747	7,688	-	7,825
Gainesville Factory Shops	Retail	-	-	-	-	-	-	-	-	18,858	19,108
Nortex Communications	Communications	-	-	-	-	-	-	-	-	8,280	-
PolyPipe Inc	Manufacturing	-	-	-	18,759	-	-	-	-	-	10,906
The Boeing Company	Manufacturing	-	26,731	-	-	-	-	-	-	-	-
EOG Resources Inc	Energy	30,176	14,993	-	-	-	-	-	-	-	-
Oncor Electric Delivery	Utility	-	-	13,222	-	-	-	-	-	-	-
Wolf Ridge LP	Utility	126,153	165,123	188,959	-	-	-	-	-	-	-
Schlumberger	Energy	28,111	-	-	-	-	-	-	-	-	-
Helmerich & Payen Intl Dr	Energy	19,450	-	-	-	-	-	-	-	-	-
Totals		\$ 390,045	\$ 431,211	\$ 453,850	\$ 275,305	\$ 141,448	\$ 133,726	\$ 125,374	\$ 126,195	\$ 148,500	\$ 145,171

Total Taxable Assessed Value \$ 2,586,147 \$ 2,593,909 \$ 2,342,616 \$ 2,090,125 \$ 1,887,357 \$ 1,686,125 \$ 1,820,362 \$ 1,632,077 \$ 1,551,357 \$ 1,407,771

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Weber Aircraft	Manufacturing	1.91%	1.79%	1.92%	1.81%	1.56%	1.53%	1.25%	1.42%	1.76%	2.10%
Wal-Mart	Retail	0.68%	0.70%	0.00%	0.95%	0.93%	1.09%	1.01%	1.11%	1.18%	1.00%
Calumet Oil Company	Energy	0.00%	0.00%	0.00%	0.00%	0.74%	1.00%	0.89%	1.09%	1.06%	0.00%
AEP Industries Inc	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.45%	0.82%	0.64%	0.65%	0.90%	1.40%
TXU Electric Delivery	Utility	0.00%	0.00%	0.00%	0.00%	0.71%	0.73%	0.70%	0.70%	0.76%	0.83%
Southwestern Bell Telephone	Utility	0.00%	0.00%	0.00%	0.00%	0.65%	0.71%	0.67%	0.84%	0.97%	1.07%
Gruy Petroleum MGMT	Energy	0.00%	0.00%	0.00%	0.00%	1.00%	0.61%	0.43%	0.00%	0.53%	0.85%
Felderhoff Bros. Drig	Energy	1.96%	2.32%	2.72%	2.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cimerex Energy	Energy	1.04%	0.89%	1.18%	2.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Building Materials Corp	Manufacturing	0.61%	0.70%	0.91%	0.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Spraylat Corporation	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.45%	0.55%	0.45%	0.55%	0.66%	0.75%
Home Depot USA INC	Retail	0.00%	0.00%	0.00%	0.00%	0.00%	0.45%	0.41%	0.44%	0.00%	0.00%
Joint Resources Company	Energy	0.00%	0.00%	0.83%	0.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WFW Production Inc.	Energy	0.00%	0.65%	0.70%	1.08%	0.47%	0.44%	0.00%	0.00%	0.00%	0.00%
Bend Petroleum	Energy	0.00%	0.00%	0.56%	0.87%	0.54%	0.00%	0.00%	0.00%	0.00%	0.00%
Pumpco Energy Services LP	Energy	1.00%	1.60%	1.93%	0.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Valentite, LP	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.48%	0.47%	0.00%	0.00%
Gainesville Factory Shops	Retail	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.22%	1.36%
Nortex Communications	Communications	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.53%	0.62%
PolyPipe Inc	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
The Boeing Company	Manufacturing	0.00%	1.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
EOG Resources Inc	Energy	1.17%	0.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oncor Electric Delivery	Utility	0.00%	0.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wolf Ridge LP	Utility	4.88%	6.37%	8.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Schlumberger	Energy	1.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Helmerich & Payen Intl Dr	Energy	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Totals		15.08%	16.62%	19.37%	13.17%	7.49%	7.93%	6.89%	7.73%	9.57%	10.31%

**North Central Texas College
Statistical Supplement 8
Property Tax Levies and Collections
Last Ten Tax Years**
(unaudited)
(amounts expressed in thousands)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage	Prior		Current		Total Collections (c+d+e)	Cumulative Collections of Adjusted Levy
						Collections of Prior Levies (d)	Collections of Prior Levies (e)				
2011	\$ 2,138	\$ (1)	\$ 2,137	\$ 2,109	98.69%	\$ -	\$ -	41	\$ 2,150	100.61%	
2010	2,120	(1)	2,119	2,074	97.88%	-	-	42	2,116	99.86%	
2009	1,938	(4)	1,934	1,892	97.83%	-	-	42	1,934	100.00%	
2008	1,891	(1)	1,890	1,845	97.62%	-	-	41	1,886	99.79%	
2007	1,852	(10)	1,842	1,789	97.12%	-	-	50	1,839	99.84%	
2006	1,863	2	1,865	1,815	97.32%	-	-	53	1,868	100.16%	
2005	1,829	(14)	1,815	1,772	97.63%	-	-	60	1,832	100.94%	
2004	1,809	(13)	1,796	1,732	96.44%	-	-	54	1,786	99.44%	
2003	1,642	(11)	1,631	1,578	96.75%	-	-	51	1,629	99.88%	
2002	1,462	(38)	1,424	1,409	98.95%	-	-	38	1,447	101.62%	

* "Collection in Subsequent Years" does not include penalties and interest. It includes taxes only.

**North Central Texas College
Statistical Supplement 9
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
General Bonded Debt										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds Restricted for Debt Service	-	-	-	-	-	-	-	-	-	-
Net General Bonded Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per Student	-	-	-	-	-	-	-	-	-	-
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Debt										
Revenue Bonds	\$ 8,460	\$ 8,995	\$ 9,505	\$ 10,000	\$ 10,465	\$ 10,910	\$ 11,330	\$ 11,665	\$ 5,665	\$ 5,825
Notes	-	-	-	-	-	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	-	-	-	-	-
Total Outstanding Debt	\$ 8,460	\$ 8,995	\$ 9,505	\$ 10,000	\$ 10,465	\$ 10,910	\$ 11,330	\$ 11,665	\$ 5,665	\$ 5,825
Per Capita	\$ 220.10	\$ 232.73	\$ 247.48	\$ 259.83	\$ 271.92	\$ 280.13	\$ 291.66	\$ 302.00	\$ 149.66	\$ 155.93
Per Full Time Student Equivalent	\$ 1,297	\$ 1,413	\$ 1,667	\$ 1,921	\$ 2,032	\$ 2,237	\$ 2,502	\$ 2,818	\$ 1,542	\$ 1,497
As a percentage of Taxable Assessed Value	0.33%	0.35%	0.41%	0.48%	0.55%	0.65%	0.62%	0.71%	0.37%	0.41%

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

North Central Texas College
 Statistical Supplement 10
 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	\$ 2,586,147	\$ 2,593,909	\$ 2,342,616	\$ 2,090,125	\$ 1,887,357	\$ 1,686,125	\$ 1,820,362	\$ 1,632,077	\$ 1,551,357	\$ 1,407,771
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	12,931	12,970	11,713	10,451	9,437	8,431	9,102	8,160	7,757	7,039
Less: Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	12,931	12,970	11,713	10,451	9,437	8,431	9,102	8,160	7,757	7,039
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for Debt Service over Current Requirement	\$ 12,931	\$ 12,970	\$ 11,713	\$ 10,451	\$ 9,437	\$ 8,431	\$ 9,102	\$ 8,160	\$ 7,757	\$ 7,039
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.

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

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues (amounts expressed in thousands)											Debt Service Requirements (\$000 omitted)		
	Tuition	Building Use Fees	Out-of District Fees	Parking Records ID Fees	Instructional Support Fees	Technology Fees	Lab Fees	Non-Credit Fees	Distance Ed Fees	Total	Principal	Interest	Total	Coverage Ratio
2011	\$ 2,851	\$ 1,539	-	-	-	-	\$ 224	\$ 1,453	-	\$ 6,067	\$ 535	\$ 399	\$ 934	6.50
2010	2,718	1,585	-	-	-	-	221	930	-	5,454	510	421	931	5.86
2009	2,469	1,451	-	-	-	-	211	783	-	4,914	465	466	931	5.28
2008	2,157	1,147	-	-	-	-	204	670	-	4,178	465	466	931	4.49
2007	2,113	1,117	-	-	-	-	190	691	-	4,111	445	491	936	4.39
2006	1,774	1,058	-	-	-	-	198	645	-	3,675	420	513	933	3.94
2005	1,584	1,021	-	-	-	-	181	323	-	3,109	335	597	932	3.34
2004	1,744	382	-	-	-	-	181	334	-	2,641	160	285	445	5.93
2003	206	316	1,446	280	211	-	163	252	-	2,874	150	295	445	6.46
2002	175	331	1,095	149	221	-	150	299	-	2,420	155	307	462	5.24

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

<u>Calendar Year</u>	<u>District Population</u>	<u>District Personal Income</u>	<u>District Personal Income Per Capita</u>	<u>District Unemployment Rate</u>
2010	38,437	\$ 1,577,656	\$ 41,045	6.0%
2009	38,650	1,519,849	39,323	6.7%
2008	38,407	1,411,110	36,741	6.3%
2007	38,946	1,313,364	33,723	3.6%
2006	38,946	1,157,005	29,708	3.9%
2005	38,847	930,057	23,942	4.1%
2004	38,626	N/A	N/A	4.9%
2003	37,853	N/A	N/A	5.5%
2002	37,357	925,622	24,778	5.7%
2001	36,860	N/A	N/A	4.7%

Sources:

Population from U.S. Bureau of the Census.
Personal income from U.S. Bureau of Economic Analysis.
Unemployment rate from Texas Workforce Commission.

North Central Texas College
 Statistical Supplement 13
 Principal Employers
 Last 5 Years
 (unaudited)

Employer	2011 Number of Employees	2010 Number of Employees	2009 Number of Employees	2008 Number of Employees	2007 Number of Employees
Weber Aircraft LLP	1,500	1,250	1,400	1,300	1,300
Walmart Assoc.	412	400	380	350	420
North Texas Medical Center	305	313	313	313	350
NCTC	798	830	810	725	432
Alan Ritchey Inc.	675	450	450	460	450
Callisburg Independent School District	185	212	203	187	187
Spraylat Corp	120	110	120	120	115
Martindale Feed Company	n/a	n/a	n/a	125	125
Gainesville Independent School District	366	403	431	476	448
Valley View Independent School District	94	105	99	n/a	n/a
Home Depot	n/a	n/a	n/a	n/a	n/a
Complete Production	474	156	350	350	485
Total	4,929	4,229	4,457	4,406	4,312

Employer	Percentage of Total Employment (2)	Percentage of Total Employment (2)	Percentage of Total Employment (2)	Percentage of Total Employment (2)	Percentage of Total Employment (2)
Weber Aircraft LLP	6.67%	5.56%	6.22%	5.78%	6.19%
Walmart Assoc.	1.83%	1.78%	1.69%	1.56%	2.00%
North Texas Medical Center	1.36%	1.39%	1.39%	1.39%	1.67%
NCTC	3.55%	3.69%	3.60%	3.22%	2.06%
Alan Ritchey Inc.	3.00%	2.00%	2.00%	2.05%	2.14%
Callisburg Independent School District	0.82%	0.94%	0.90%	0.83%	0.89%
Spraylat Corp	0.53%	0.49%	0.53%	0.53%	0.55%
Martindale Feed Company	n/a	n/a	n/a	0.56%	0.60%
Gainesville Independent School District	1.63%	1.79%	1.92%	2.12%	2.13%
Valley View Independent School District	0.42%	0.47%	0.44%	n/a	n/a
Home Depot	n/a	n/a	n/a	n/a	n/a
Complete Production	2.11%	0.69%	1.56%	1.56%	2.31%
Total	21.92%	18.80%	20.26%	19.59%	20.54%

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

	FY2011	FY2010	FY2009	FY2008	FY2007	FY2006	FY2005	FY2004	FY2003	FY2002
Faculty										
Full-Time	123	123	115	111	106	100	95	90	93	89
Part-Time	279	275	248	231	187	184	166	165	184	160
Total	402	398	363	342	293	284	261	255	277	249

Percent										
Full-Time	31%	31%	32%	32%	36%	35%	36%	35%	34%	36%
Part-Time	69%	69%	68%	68%	64%	65%	64%	65%	66%	64%
Staff and Administrators										
Full-Time	176	170	159	144	138	132	130	116	128	121
Part-Time*	191	157	90	51	36	34	36	42	36	36
Total	367	327	249	195	174	166	166	158	164	157

Percent										
Full-Time	48%	52%	64%	74%	79%	80%	78%	73%	78%	77%
Part-Time	52%	48%	36%	26%	21%	20%	22%	27%	22%	23%

Based on fall semester.
 *Excludes work study students

FTSE per full time faculty	53.04	51.74	49.59	46.89	43.07	43.94	43.47	44.53	39.89	40.42
FTSE per full time staff	37.07	37.44	35.87	36.15	33.08	33.29	31.77	34.55	28.98	29.73
Average annual faculty salary	45,926	46,070	44,991	42,800	40,309	38,829	37,420	38,412	37,019	36,150

**North Central Texas College
Statistical Supplement 15
Enrollment Details
Last Five Fiscal Years
(unaudited)**

Student Classification	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	7,780	78.44%	7,074	72.52%	5,306	62.30%	5,516	70.36%	5,724	73.09%
31-60 hours	1,095	11.04%	1,334	13.68%	1,959	23.00%	1,355	17.28%	1,033	13.19%
> 60 hours	117	1.18%	190	1.95%	347	4.07%	249	3.18%	273	3.49%
Unclassified	410	4.13%	439	4.50%	428	5.03%	280	3.57%	305	3.89%
CEU Credit	517	5.21%	718	7.36%	477	5.60%	440	5.61%	496	6.33%
Total	9,919	100.00%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

Semester Hour Load	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	25	0.25%	28	0.29%	19	0.22%	20	0.26%	33	0.42%
3-5 semester hours	2,112	21.29%	2,004	20.54%	1,773	20.82%	1,810	23.09%	1,792	22.88%
6-8 Semester hours	2,119	21.36%	1,872	19.19%	1,641	19.27%	1,291	16.47%	1,324	16.91%
9-11 semester hours	1,512	15.24%	1,457	14.94%	1,336	15.69%	1,266	16.15%	1,199	15.31%
12-14 semester hours	3,048	30.73%	3,076	31.53%	2,583	30.33%	2,493	31.80%	2,429	31.02%
15-17 semester hours	551	5.55%	567	5.81%	649	7.62%	490	6.25%	524	6.69%
18 & over	35	0.35%	33	0.34%	75	0.88%	48	0.61%	58	0.74%
CEU Credit	517	5.21%	718	7.36%	441	5.18%	422	5.38%	472	6.03%
Total	9,919	100.00%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

Average course load 8.6 8.7 9.0 8.95 8.8

Tuition Status	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	1,251	12.61%	1,289	13.21%	1,061	12.46%	999	12.74%	987	12.60%
Texas Resident (out-of-District)	7,871	79.35%	7,539	77.28%	6,760	79.37%	6,071	77.44%	6,042	77.15%
Non-Resident Tuition	280	2.82%	209	2.14%	219	2.57%	330	4.21%	306	3.91%
CEU Non-Contract and Contract	517	5.21%	718	7.36%	477	5.60%	440	5.61%	496	6.33%
Total	9,919	100.00%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

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

Gender	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	5,832	58.80%	5,469	56.06%	4,958	58.21%	4,570	58.29%	4,601	58.75%
Male	4,087	41.20%	4,286	43.94%	3,559	41.79%	3,270	41.71%	3,230	41.25%
Total	9,919	100.00%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

Ethnic Origin	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	7,489	75.50%	7,308	74.92%	6,513	76.47%	5,958	75.99%	6,013	76.78%
Hispanic	941	9.49%	1,285	13.17%	967	11.35%	856	10.92%	822	10.50%
African American	704	7.10%	725	7.43%	638	7.49%	597	7.61%	603	7.70%
Asian	172	1.73%	219	2.25%	185	2.17%	178	2.27%	174	2.22%
Foreign	94	0.95%	81	0.83%	91	1.07%	87	1.11%	77	0.98%
Not Reported	70	0.71%	58	0.59%	56	0.66%	94	1.20%	91	1.16%
Native American	92	0.93%	79	0.81%	67	0.79%	70	0.89%	51	0.65%
Multirace	357	3.60%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	9,919	96.40%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

Age	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,629	16.42%	1,477	15.14%	1,208	14.18%	889	11.34%	797	10.18%
18 - 21	3,929	39.61%	3,992	40.92%	3,786	44.45%	3,688	47.04%	3,788	48.37%
22 - 24	1,394	14.05%	1,358	13.92%	1,269	14.90%	1,180	15.05%	1,109	14.16%
25 - 35	1,784	17.99%	1,704	17.47%	1,339	15.72%	1,230	15.69%	1,205	15.39%
36 - 50	931	9.39%	911	9.34%	705	8.28%	656	8.37%	683	8.72%
51 & over	252	2.54%	313	3.21%	210	2.47%	197	2.51%	249	3.18%
Total	9,919	100.00%	9,755	100.00%	8,517	100.00%	7,840	100.00%	7,831	100.00%

Average Age 23.0 23.0 23.0 22.8 23.0

North Central Texas College
Statistical Supplement 17
Transfers to Senior Institutions
2009 Fall Students as of Fall 2010
(Includes only public senior colleges in Texas)
(unaudited)

	School	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of all Sample Transfer Students	% of all Sample Transfer Students
1	University of North Texas	1,419	65	104	1,588	57.43%
2	Texas Woman's University	332	5	43	380	13.74%
3	Texas Tech University	129	2	8	139	5.03%
4	Texas A&M University	101	3	3	107	3.87%
5	The University of Texas @ Arlington	77	1	16	94	3.40%
6	Midwestern State University	68	11	11	90	3.25%
7	The University of Texas @ Austin	78	3	1	82	2.97%
8	Texas State University	46	-	8	54	1.95%
9	Tarleton State University	44	-	3	47	1.70%
10	Stephen F. Austin State University	31	2	5	38	1.37%
11	The University of Texas @ Dallas	24	-	3	27	0.98%
12	The University of Texas @ San Antonio	14	-	3	17	0.61%
13	Sam Houston State University	12	1	3	16	0.58%
14	Texas A&M University @ Commerce	11	1	-	12	0.43%
15	West Texas A&M University	9	2	-	11	0.40%
16	Texas A&M @ Corpus Christi	7	-	3	10	0.36%
17	University of North Texas @ Dallas	10	1	-	11	0.40%
17	The University of Texas @ Tyler	7	-	2	9	0.33%
18	Angelo State University	5	1	-	6	0.22%
19	University of Houston	5	1	-	6	0.22%
20	Prairie View A&M University	4	-	1	5	0.18%
21	Texas A&M @ Galveston	4	-	-	4	0.14%
22	Texas Southern University	3	-	-	3	0.11%
23	Texas A&M @ Kingsville	-	1	1	2	0.07%
23	Lamar University	2	-	-	2	0.07%
24	University of Houston @ Victoria	2	-	-	2	0.07%
25	The University of Texas @ Brownsville	1	-	-	1	0.04%
26	The University of Texas of the Permian Basin	1	-	-	1	0.04%
27	The University of Texas @ El Paso	-	-	1	1	0.04%
Totals		2,446	100	219	2,765	100.00%

North Central Texas College
Statistical Supplement 18
Capital Asset Information
Fiscal Years 2007 to 2011
(unaudited)

	Fiscal Year				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Academic Buildings	15	15	15	14	14
Square footage (in thousands)	148	148	148	134	134
Libraries	3	3	3	3	3
Square footage (in thousands)	17	17	17	17	17
Number of Volumes (in thousands)	76	76	80	44	44
Administrative and support buildings	1	1	1	1	1
Square footage (in thousands)	31	31	31	31	31
Dormitories	1	1	1	1	1
Square footage (in thousands)	22	22	22	21	21
Number of Beds	106	106	106	106	106
Apartments	1	1	1	1	1
Square footage (in thousands)	6	6	6	5	5
Number of Beds	32	32	32	32	32
Dining Facilities	1	1	1	1	1
Square footage (in thousands)	2	2	2	1	1
Average daily customers	320	205	220	205	150
Athletic Facilities	5	5	5	5	5
Square footage (in thousands)	95	95	95	95	95
Stadiums	2	2	2	2	2
Gymnasiums	1	1	1	1	1
Fitness Centers	1	1	1	1	1
Tennis Court	4	4	4	4	4
Plant facilities	3	3	2	2	2
Square footage (in thousands)	13	13	12	12	12
Transportation	24	21	23	21	17
Cars	2	3	2	2	2
Light Trucks/Van	18	15	17	16	13
Buses	4	3	4	3	3