

PARIS JUNIOR COLLEGE
Paris, Texas

REPORT OF AUDIT

August 31, 2011

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Paris, Texas

REPORT OF AUDIT

AUGUST 31, 2011

Paris Junior College

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Paris Junior College

Organizational Data

August 31, 2011

Board of Regents

| | | <u>Term Expires</u> <u>April 30,</u> |
|---------------------|-----------------|---|
| | <u>Officers</u> | |
| Mr. P. Gene Roden | President | 2012 |
| Ms. Rachel Braswell | Vice President | 2012 |
| Ms. Berdie Gibson | Secretary | 2016 |
| | <u>Members</u> | |
| Ms. Daigone Garner | | 2014 |
| Mr. Carlton Grant | | 2016 |
| Mr. Frankie Norwood | | 2014 |
| Ms. Roma Street | | 2014 |
| Ms. Ann Wyche | | 2012 |
| Ms. Louise Taylor | | 2016 |

Principal Administrative Officers

| | |
|--------------------|-------------------------------------|
| Dr. Pamela Anglin | President |
| Mr. Dwight Chaney | Vice President, Academic Studies |
| Mr. John Eastman | Vice President, Business Services |
| Mr. John Spradling | Vice President, Workforce Education |
| Ms. Keitha Carlton | Controller |

MCCLANAHAN AND HOLMES, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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R. E. BOSTWICK, CPA
STEVEN W. MOHUNDRO, CPA
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Independent Auditors' Report

Unqualified Opinion on Basic Financial Statements Accompanied by Required
Supplementary Information and Supplementary Information

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

We have audited the accompanying basic financial statements of Paris Junior College as of and for the years ended August 31, 2011 and 2010, as listed in the table of contents. These basic financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audits 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; the provisions of 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. Those standards and Circular A-133 require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Paris Junior College at August 31, 2011 and 2010, and the results of its operations and cash flows for the year 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 8, 2011, on our consideration of Paris Junior College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be considered in assessing the results of our audit.

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

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the Schedule of Expenditures of State of Texas Awards required by the State of Texas Single Audit Circular, the supplemental schedules and the statistical section schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Paris Junior College. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McCandless and Adams, LLP
Certified Public Accountants

Paris Junior College
Management's Discussion and Analysis
August 31, 2011

Management of Paris Junior College provides this Management's Discussion and Analysis of Paris Junior College's Report of Audit for readers of the College's financial statements. This narrative overview and analysis of the financial activities of the College is for the fiscal year ended August 31, 2011. We encourage readers to consider this information in conjunction with the College's financial statements and the notes to the financial statements which follow.

Financial Highlights

Net assets increased by \$4,660,888 in 10/11 and by \$3,785,686 in 09/10.

Net assets at the end of the year were \$33,805,994 in 10/11 and \$29,145,106 in 09/10.

Tuition and fee revenue increased 7.0% or \$810,443 from \$11,062,022 in 09/10 to \$11,872,465 in 10/11. Total credit hours increased 6.3% or 7,991 hours from 127,216 in 09/10 to 135,207 in 10/11. Per hour tuition rates were increased by \$1, \$2, and \$3 per credit hour for in-district, out-of-district, and out-of-state tuition, respectively in 10/11.

Federal Non Operating grants and contracts revenue increased 22.0% or \$2,558,528 from \$11,863,665 in 09/10 to \$14,422,193 in 10/11. Most of the increase in federal grant revenue was from the Department of Education for Pell grants which increased \$2,446,236.

Paris Junior College conducted several capital improvement projects in 2010/2011. These projects included a new chiller, a parking lot addition to the Greenville campus, and improvements to the steps at the East entrance of the Administration Building. The costs of these projects was approximately \$745,560. These improvements were funded through current operations.

Although state appropriations were reduced 7.5% during 10/11, or \$695,431, this was partially offset by additional funding in the amount of \$37,370. This additional funding was received for growth - fifth fastest in Texas. To mitigate the overall reductions in state funding, Paris Junior College continues to focus on attracting and retaining students with minimal tuition increases and cost management efforts.

Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2011

Overview of the Financial Statements

Governmental Accounting Standards Board (GASB) Statement No. 34 requires the implementation of full accrual accounting. The basic financial statements focus on the College as a whole. These basic financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total.

Statement of Net Assets

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

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

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

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

Statement of Cash Flows

The Statement of Cash Flows is presented to illustrate the sources and uses of cash for operating activities of the College.

Notes to Financial Statements

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

Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2011

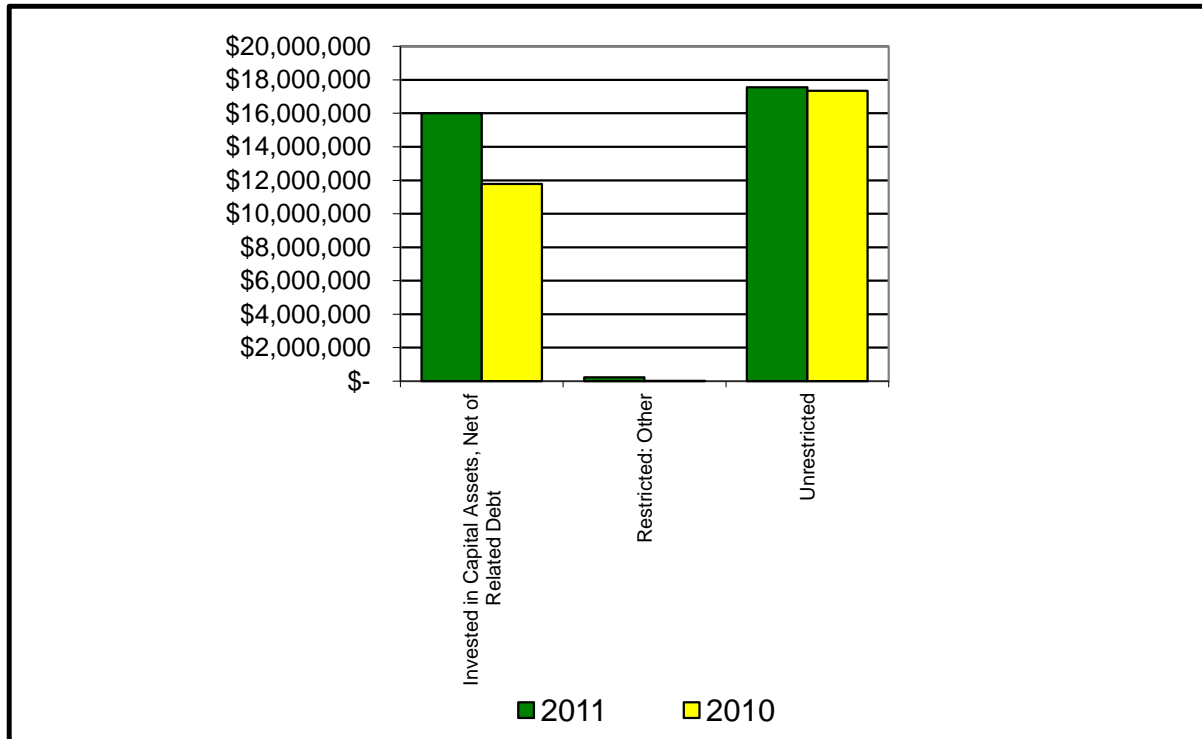
Net Assets

Condensed Statement of Net Assets

August 31,

| | 2011 | 2010 |
|---|----------------------|----------------------|
| Current Assets | \$ 25,617,838 | \$ 24,324,980 |
| Non-Current Assets | | |
| Notes Receivable | 784,280 | 806,360 |
| Capital Assets, Net of Accumulated Depreciation | 30,553,978 | 26,799,856 |
| Total Assets | <u>56,956,096</u> | <u>51,931,196</u> |
| Current Liabilities | 8,080,202 | 7,226,959 |
| Non-Current Liabilities | 15,069,900 | 15,559,131 |
| Total Liabilities | <u>23,150,102</u> | <u>22,786,090</u> |
| Net Assets | | |
| Invested in Capital Assets, Net of Related Debt | 16,009,890 | 11,785,483 |
| Restricted: Other | 232,791 | 11,520 |
| Unrestricted | 17,563,313 | 17,348,103 |
| Total Net Assets | <u>\$ 33,805,994</u> | <u>\$ 29,145,106</u> |

Breakdown of Net Assets



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2011

**Condensed Statement of Revenues,
Expenses, and Changes in Net Assets**

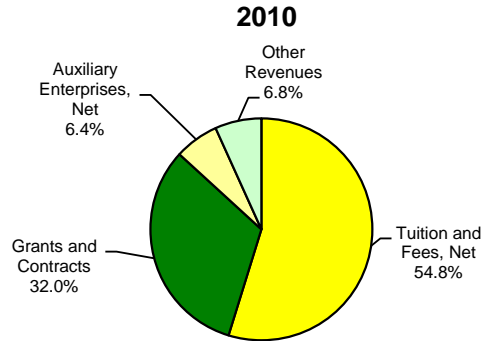
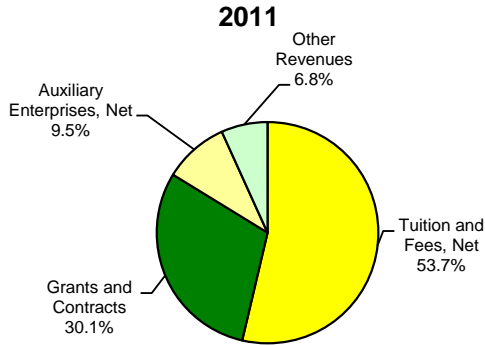
August 31,

| | 2011 | 2010 |
|--------------------------------|---------------|---------------|
| Operating Revenues | \$ 10,158,406 | \$ 10,188,445 |
| Non-Operating Revenues | 28,889,989 | 25,709,765 |
| Total Revenues | 39,048,395 | 35,898,210 |
| Operating Expense | 33,683,456 | 31,401,130 |
| Non-Operating Expense | 704,051 | 711,394 |
| Total Expenses | 34,387,507 | 32,112,524 |
| Changes in Net Assets | 4,660,888 | 3,785,686 |
| Net Assets - Beginning of Year | 29,145,106 | 25,359,420 |
| Net Assets - End of Year | \$ 33,805,994 | \$ 29,145,106 |

Paris Junior College
 Management's Discussion and Analysis (Continued)
 August 31, 2011

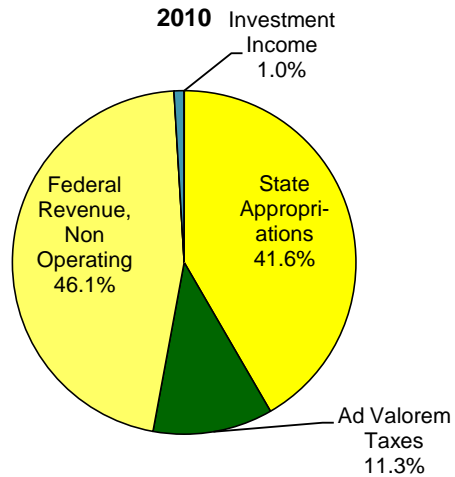
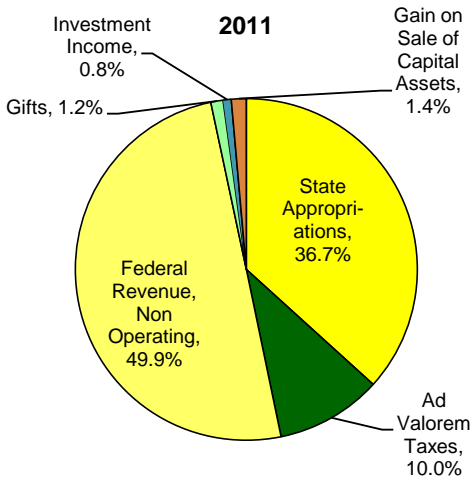
Operating Revenues
 Years Ended August 31,

| | 2011 | 2010 |
|---------------------------------|----------------------|----------------------|
| Tuition and Fees, Net | \$ 5,454,475 | \$ 5,582,016 |
| Grants and Contracts | 3,054,327 | 3,260,506 |
| Auxiliary Enterprises, Net | 962,936 | 656,827 |
| Other Revenues | 686,668 | 689,096 |
| Total Operating Revenues | \$ 10,158,406 | \$ 10,188,445 |



Non-Operating Revenues
 Years Ended August 31,

| | 2011 | 2010 |
|-------------------------------------|----------------------|----------------------|
| State Appropriations | \$ 10,607,656 | \$ 10,705,191 |
| Ad Valorem Taxes | 2,898,389 | 2,897,212 |
| Federal Revenue, Non Operating | 14,422,193 | 11,863,665 |
| Gifts | 332,478 | - |
| Investment Income | 224,466 | 243,697 |
| Gain on Sale of Capital Assets | 404,807 | - |
| Total Non-Operating Revenues | \$ 28,889,989 | \$ 25,709,765 |

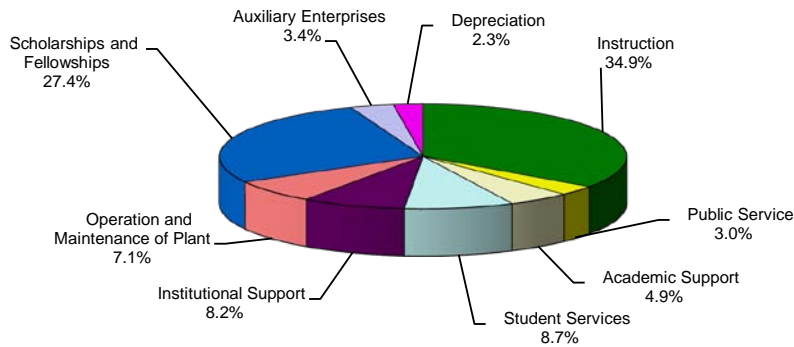


Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2011

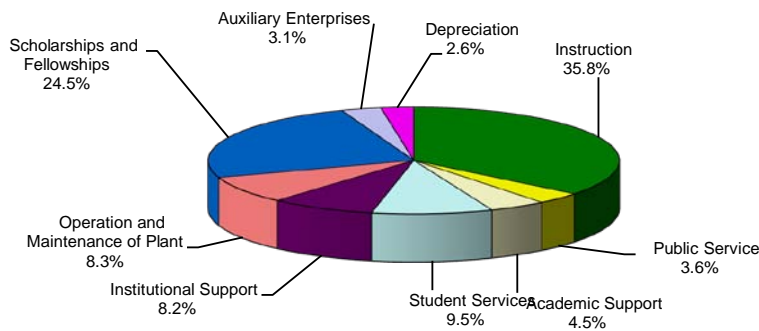
Operating Expenses
Years Ended August 31,

| Operating Expenses: | 2011 | 2010 |
|------------------------------------|----------------------|----------------------|
| Instruction | \$ 11,742,909 | \$ 11,238,591 |
| Public Service | 1,019,181 | 1,118,489 |
| Academic Support | 1,655,049 | 1,400,601 |
| Student Services | 2,921,480 | 2,975,408 |
| Institutional Support | 2,770,648 | 2,581,385 |
| Operation and Maintenance of Plant | 2,403,473 | 2,596,478 |
| Scholarships and Fellowships | 9,220,878 | 7,697,696 |
| Auxiliary Enterprises | 1,161,376 | 986,041 |
| Depreciation | 788,462 | 806,441 |
| Total Operating Expenses | \$ 33,683,456 | \$ 31,401,130 |

2011



2010



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2011

Capital Asset and Long-Term Debt Activity

Capital Assets

The College's investment in capital assets as of August 31, 2011 amounts to \$39,585,198 net of accumulated depreciation of \$9,031,218 leaving a net book value of \$30,553,978. This investment in capital assets includes land, construction in progress, collections, buildings and improvements, furniture and equipment, vehicles, and library books. Please refer to the notes to the financial statements for more detail on capital assets.

In August 2011, construction was completed on the second phase of the South Campus residence hall. The new residence hall houses male students with 32 student rooms, including suite bathrooms, with a capacity of 64 student beds. In addition to a common area at the entrance which is shared with female residents, there are laundry facilities and study areas. One head resident's apartment is located in the residence hall. The total project cost of the new dorm was \$3,500,000.

The Paris Junior College Board of Regents has authorized construction of a new Science and Math building with a guaranteed maximum price of \$8,939,161 from Charter Builders. The design includes an open, flexible classroom that can seat up to 120, and several classrooms that can hold 60 or 30-plus students. There are also plans for a math center, classrooms, science labs with shared prep rooms, space for faculty and adjuncts and common space for students to gather. This project will be partially funded with reserves and additional revenue bonds.

Long-Term Debt Activity

At the end of the fiscal year, the College had \$15,325,000 outstanding in bonds payable versus \$15,802,000 outstanding at the end of August 2010.

There are three revenue bonds outstanding at year end. The 2006, 2007, and 2009 revenue bonds' principal and interest outstanding at year end was \$23,751,594.

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

Paris Junior College
Exhibit 1
Statement of Net Assets
August 31, 2011

| | <u>Current Year</u> | <u>Prior Year</u> |
|---|-------------------------|-----------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 8,132,010 | \$ 8,324,097 |
| Short-Term Investments | 10,296,084 | 10,296,084 |
| Accounts Receivable, Net | 3,126,293 | 2,797,469 |
| Notes Receivable | 22,080 | 21,119 |
| Inventories | 52,974 | 66,244 |
| Other Assets | 3,988,397 | 2,819,967 |
| Total Current Assets | <u>25,617,838</u> | <u>24,324,980</u> |
| Noncurrent Assets: | | |
| Notes Receivable | 784,280 | 806,360 |
| Capital Assets, Net (See Note 6) | 30,553,978 | 26,799,856 |
| Total Noncurrent Assets | <u>31,338,258</u> | <u>27,606,216</u> |
| Total Assets | <u>56,956,096</u> | <u>51,931,196</u> |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts Payable | 1,395,532 | 1,119,093 |
| Accrued Liabilities | 65,005 | 65,300 |
| Funds Held for Others | 138,904 | 148,829 |
| Deferred Revenues | 6,194,761 | 5,618,737 |
| Bonds Payable - Current Portion | 286,000 | 275,000 |
| Total Current Liabilities | <u>8,080,202</u> | <u>7,226,959</u> |
| Noncurrent Liabilities: | | |
| Deposits | 30,900 | 32,131 |
| Bonds Payable | 15,039,000 | 15,527,000 |
| Total Noncurrent Liabilities | <u>15,069,900</u> | <u>15,559,131</u> |
| Total Liabilities | <u>23,150,102</u> | <u>22,786,090</u> |
| NET ASSETS | | |
| Invested in Capital Assets, Net of Related Debt | 16,009,890 | 11,785,483 |
| Restricted for: | | |
| Other | 232,791 | 11,520 |
| Unrestricted | 17,563,313 | 17,348,103 |
| Total Net Assets (Schedule D) | <u>\$ 33,805,994</u> | <u>\$ 29,145,106</u> |

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

Paris Junior College
Exhibit 2
Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended August 31, 2011

| | Current Year | Prior Year |
|--|-----------------|---------------|
| OPERATING REVENUES | | |
| Tuition and Fees (Net of Discounts of \$6,417,990 and \$5,480,006, respectively) | \$ 5,454,475 | \$ 5,582,016 |
| Federal Grants and Contracts | 1,963,597 | 2,069,057 |
| State Grants and Contracts | 776,689 | 607,885 |
| Non-Governmental Grants and Contracts | 314,041 | 583,564 |
| Sales and Services of Educational Activities | 189,307 | 189,056 |
| Auxiliary Enterprises (Net of Discounts) | 962,936 | 656,827 |
| Other Operating Revenues | 497,361 | 500,040 |
| Total Operating Revenues (Schedule A) | 10,158,406 | 10,188,445 |
| OPERATING EXPENSES | | |
| Instruction | 11,742,909 | 11,238,591 |
| Public Service | 1,019,181 | 1,118,489 |
| Academic Support | 1,655,049 | 1,400,601 |
| Student Services | 2,921,480 | 2,975,408 |
| Institutional Support | 2,770,648 | 2,581,385 |
| Operation and Maintenance of Plant | 2,403,473 | 2,596,478 |
| Scholarships and Fellowships | 9,220,878 | 7,697,696 |
| Auxiliary Enterprises | 1,161,376 | 986,041 |
| Depreciation | 788,462 | 806,441 |
| Total Operating Expenses (Schedule B) | 33,683,456 | 31,401,130 |
| Operating Income (Loss) | (23,525,050) | (21,212,685) |
| NON-OPERATING REVENUES (EXPENSES) | | |
| State Appropriations | 10,607,656 | 10,705,191 |
| Maintenance Ad Valorem Taxes | 2,898,389 | 2,895,858 |
| Debt Service Ad Valorem Taxes | - | 1,354 |
| Federal Revenue, Non Operating | 14,422,193 | 11,863,665 |
| Gifts | 332,478 | - |
| Investment Income | 224,466 | 243,697 |
| Interest on Capital Related Debt | (704,051) | (711,394) |
| Gain on Sale of Capital Assets | 404,807 | - |
| Net Non-Operating Revenues (Schedule C) | 28,185,938 | 24,998,371 |
| Increase in Net Assets | 4,660,888 | 3,785,686 |
| NET ASSETS | | |
| Net Assets - Beginning of Year | 29,145,106 | 25,359,420 |
| Net Assets - End of Year | \$ 33,805,994 | \$ 29,145,106 |

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

Paris Junior College
 Exhibit 3
 Statement of Cash Flows
 Year Ended August 31, 2011

| | <u>Current Year</u> | <u>Prior Year</u> |
|---|-------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from Students and Other Customers | \$ 7,637,533 | \$ 7,457,193 |
| Receipts of Grants and Contracts | 3,035,870 | 3,513,839 |
| Payments to or for Employees | (15,671,217) | (14,628,683) |
| Payments to Suppliers for Goods or Services | (7,098,991) | (6,706,959) |
| Payment of Scholarships | (9,046,776) | (7,521,696) |
| Net Cash Provided (Used) by Operating Activities | <u>(21,143,581)</u> | <u>(17,886,306)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | |
| Receipts from State Appropriations | 8,650,630 | 8,746,775 |
| Receipts from Ad Valorem Taxes | 2,892,047 | 2,884,760 |
| Receipts from Non Operating Federal Revenue | 14,422,193 | 11,863,665 |
| Receipts from Gifts | 62,405 | - |
| Net Cash Provided (Used) by Non-Capital Financing Activities | <u>26,027,275</u> | <u>23,495,200</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Receipts from Ad Valorem Taxes | - | 1,354 |
| Proceeds from Sale of Capital Assets | 404,807 | - |
| Purchases of Capital Assets | (4,542,584) | (4,380,148) |
| Proceeds on Issuance of Capital Debt | - | 3,400,000 |
| Principal Paid on Capital Debt | (477,000) | (338,000) |
| Interest Paid on Capital Debt | (704,051) | (711,394) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(5,318,828)</u> | <u>(2,028,188)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Receipts from Sales and Maturities of Investments | - | - |
| Receipts from Interest on Investments | 221,928 | 329,574 |
| Purchase of Investments | - | - |
| Principal Received from Notes Receivable | 21,119 | 29,968 |
| Net Cash Provided (Used) by Investing Activities | <u>243,047</u> | <u>359,542</u> |
| Increase (Decrease) in Cash and Cash Equivalents | (192,087) | 3,940,248 |
| Cash and Cash Equivalents - Beginning of Year | 8,324,097 | 4,383,849 |
| Cash and Cash Equivalents - End of Year | <u>\$ 8,132,010</u> | <u>\$ 8,324,097</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Operating Income (Loss) | \$ (23,525,050) | \$ (21,212,685) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation Expense | 788,462 | 806,441 |
| Payments Made Directly by State for Benefits | 1,957,026 | 1,958,416 |
| Change in Assets and Liabilities: | | |
| Receivables, Net | (319,944) | (18,248) |
| Inventories | 13,270 | (32,631) |
| Other Assets | (1,168,430) | (488,930) |
| Accounts Payable | 276,439 | 240,475 |
| Accrued Liabilities | (295) | 60,021 |
| Deferred Revenue | 846,097 | 761,278 |
| Deposits | (1,231) | 8,400 |
| Funds Held for Others | (9,925) | 31,157 |
| Net Cash Provided (Used) by Operating Activities | <u>\$ (21,143,581)</u> | <u>\$ (17,886,306)</u> |

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

Paris Junior College
Notes to Financial Statements
August 31, 2011

1. Reporting Entity

Paris Junior College (PJC) was established in 1924, in accordance with the laws of the State of Texas, to serve the educational needs of Paris and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity. While the College receives funding from Local, State, and Federal sources, and must comply with spending, reporting, and record-keeping requirements of these entities, it is not a component unit of any other governmental entity.

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 with 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 section 56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV, HEA Program Funds

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

Other Tuition Discounts

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

Basis of Accounting

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

Budgetary Data

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

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

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

Inventories

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

Capital Assets

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

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

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

Deferred Revenues

Tuition and fees and housing charges of \$5,583,865 and \$4,898,374 and federal, state and local grants of \$610,896 and \$450,290 have been reported as deferred revenues at August 31, 2011 and 2010, respectively.

Estimates

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

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

2. Summary of Significant Accounting Policies (Continued)

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the College's principal on-going operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Characterization of Title IV Grant Revenue

In response to guidance provided by the Government Accounting Standards Board (GASB) as question/answer 7.72.10 in the Implementation Guide, revenue received for Federal Title IV Grant Programs (i.e. Pell grants) is now characterized as non operating revenue as opposed to operating revenue.

Reclassifications

Certain reclassifications have been made to the prior year to conform to current year presentation.

3. Authorized Investments

Paris Junior 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. At August 31, 2011, Paris Junior College's short-term investments consisted of certificates of deposit. Paris Junior College had no long-term investments at August 31, 2011.

4. Deposits and Investments

At August 31, 2011 and 2010, the carrying amount of Paris Junior College's deposits was \$18,431,067 and \$18,615,756, respectively, and total bank balances equaled \$19,006,269 and \$19,336,674. Bank balances of \$253,255 and \$266,332 are covered by federal depository insurance and \$21,490,734 and \$20,400,346 were covered by collateral pledged in PJC's name. No collateral was held by PJC or by its agent.

| | | |
|---------------------------|----------------------|----------------------|
| Bank Deposits | 2011 | 2010 |
| Demand Deposits | \$ 8,128,985 | \$ 8,319,672 |
| Time Deposits | 10,296,084 | 10,296,084 |
| | <u>18,425,069</u> | <u>18,615,756</u> |
| Cash and Cash Equivalents | | |
| Cash on Hand | 3,025 | 4,425 |
| Total Cash and Deposits | <u>\$ 18,428,094</u> | <u>\$ 18,620,181</u> |

5. Note Receivable

Paris Junior College has a note receivable bearing interest at 4.5% from an entity located in Greenville, Texas, for the purchase of real estate. The note is due and payable in fifty consecutive semi-annual installments of \$29,060. All principal and interest, if not previously paid will become due and payable on August 18, 2033. This note is secured by the property. The balance of this note as of August 31, 2011, was \$806,360.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

6. Capital Assets

Capital assets for the year ended August 31, 2011 were as follows:

| | Balance September 1, 2010 | Additions | Retirements | Balance August 31, 2011 |
|--|---------------------------------|---------------------|------------------|-------------------------------|
| Not Depreciated: | | | | |
| Land | \$ 4,058,393 | \$ - | \$ - | \$ 4,058,393 |
| Construction in Progress | 145,729 | 407,280 | - | 553,009 |
| Collections | 90,750 | - | - | 90,750 |
| Subtotal | <u>4,294,872</u> | <u>407,280</u> | <u>-</u> | <u>4,702,152</u> |
| Buildings and Other Capital Assets: | | | | |
| Buildings and Improvements | 27,482,813 | 4,125,095 | - | 31,607,908 |
| Furniture and Equipment | 1,362,378 | 58,802 | 93,457 | 1,327,723 |
| Vehicles | 884,731 | 37,002 | 38,656 | 883,077 |
| Library Books | 1,017,818 | 59,708 | 13,190 | 1,064,336 |
| Subtotal | <u>30,747,740</u> | <u>4,280,607</u> | <u>145,303</u> | <u>34,883,044</u> |
| Accumulated Depreciation: | | | | |
| Buildings and Improvements | 6,220,149 | 702,725 | - | 6,922,874 |
| Furniture and Equipment | 1,027,743 | 73,693 | 91,630 | 1,009,806 |
| Vehicles | 471,983 | 67,846 | 21,938 | 517,891 |
| Library Books | 522,881 | 70,956 | 13,190 | 580,647 |
| Subtotal | <u>8,242,756</u> | <u>915,220</u> | <u>126,758</u> | <u>9,031,218</u> |
| Net Other Capital Assets | <u>22,504,984</u> | <u>3,365,387</u> | <u>18,545</u> | <u>25,851,826</u> |
| Net Capital Assets | <u>\$ 26,799,856</u> | <u>\$ 3,772,667</u> | <u>\$ 18,545</u> | <u>\$ 30,553,978</u> |

Capital assets for the year ended August 31, 2010 were as follows:

| | Balance September 1, 2009 | Additions | Retirements | Balance August 31, 2010 |
|--|---------------------------------|---------------------|---------------|-------------------------------|
| Not Depreciated: | | | | |
| Land | \$ 4,048,393 | \$ 10,000 | \$ - | \$ 4,058,393 |
| Construction in Progress | 141,588 | 4,141 | - | 145,729 |
| Collections | 90,750 | - | - | 90,750 |
| Subtotal | <u>4,280,731</u> | <u>14,141</u> | <u>-</u> | <u>4,294,872</u> |
| Buildings and Other Capital Assets: | | | | |
| Buildings and Improvements | 23,349,688 | 4,133,125 | - | 27,482,813 |
| Furniture and Equipment | 1,297,028 | 65,350 | - | 1,362,378 |
| Vehicles | 752,516 | 132,215 | - | 884,731 |
| Library Books | 982,494 | 69,804 | 34,480 | 1,017,818 |
| Subtotal | <u>26,381,726</u> | <u>4,400,494</u> | <u>34,480</u> | <u>30,747,740</u> |
| Accumulated Depreciation: | | | | |
| Buildings and Improvements | 5,596,731 | 623,418 | - | 6,220,149 |
| Furniture and Equipment | 941,338 | 86,405 | - | 1,027,743 |
| Vehicles | 408,732 | 63,251 | - | 471,983 |
| Library Books | 489,507 | 67,854 | 34,480 | 522,881 |
| Subtotal | <u>7,436,308</u> | <u>840,928</u> | <u>34,480</u> | <u>8,242,756</u> |
| Net Other Capital Assets | <u>18,945,418</u> | <u>3,559,566</u> | <u>-</u> | <u>22,504,984</u> |
| Net Capital Assets | <u>\$ 23,226,149</u> | <u>\$ 3,573,707</u> | <u>\$ -</u> | <u>\$ 26,799,856</u> |

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

7. Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2011 was as follows:

| | Balance September 1, 2010 | Additions | Retirements | Balance August 31, 2011 | Current Portion |
|--------------|---------------------------------|-------------|-------------------|-------------------------------|--------------------|
| Revenue Bond | \$ 15,802,000 | \$ - | \$ 477,000 | \$ 15,325,000 | \$ 286,000 |
| Total | <u>\$ 15,802,000</u> | <u>\$ -</u> | <u>\$ 477,000</u> | <u>\$ 15,325,000</u> | <u>\$ 286,000</u> |

Long-term liability activity for the year ended August 31, 2010 was as follows:

| | Balance September 1, 2009 | Additions | Retirements | Balance August 31, 2010 | Current Portion |
|--------------|---------------------------------|---------------------|-------------------|-------------------------------|--------------------|
| Revenue Bond | \$ 12,740,000 | \$ 3,400,000 | \$ 338,000 | \$ 15,802,000 | \$ 275,000 |
| Total | <u>\$ 12,740,000</u> | <u>\$ 3,400,000</u> | <u>\$ 338,000</u> | <u>\$ 15,802,000</u> | <u>\$ 275,000</u> |

PJC has three series of revenue bonds outstanding that bear interest from 4.45% to 4.625%. They are due serially in varying amounts aggregating from \$488,000 to \$1,069,000 through March 15, 2032. Revenues of PJC are pledged for the payment of principal and interest on these bonds. Interest of \$704,051 was paid for the year ended August 31, 2011, on revenue bonds.

Debt service requirements at August 31, 2011 were as follows:

| Year Ending August 31, | Revenue Bonds | | |
|--|----------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2012 | \$ 488,000 | \$ 692,681 | \$ 1,180,681 |
| 2013 | 508,000 | 670,303 | 1,178,303 |
| 2014 | 534,000 | 646,997 | 1,180,997 |
| 2015 | 556,000 | 622,496 | 1,178,496 |
| 2016 | 584,000 | 596,974 | 1,180,974 |
| 2017-2021 | 3,254,000 | 2,642,954 | 5,896,954 |
| 2022-2026 | 3,928,000 | 1,971,211 | 5,899,211 |
| 2027-2031 | 4,799,000 | 829,128 | 5,628,128 |
| 2032 | 876,000 | 28,070 | 904,070 |
| Totals | <u>15,527,000</u> | <u>8,700,814</u> | <u>24,227,814</u> |
| Less payment prior to year end of September 15, 2010 requirements | <u>202,000</u> | <u>274,220</u> | <u>476,220</u> |
| | <u>\$ 15,325,000</u> | <u>\$ 8,426,594</u> | <u>\$ 23,751,594</u> |

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

| <u>Revenue Bonds:</u> | <u>August 31, 2011</u> |
|---|------------------------|
| Tuition and General Fee Revenue Bonds, Series 2006 | \$ 6,695,000 |
| To acquire site, construct, and equip Greenville center | |
| Issued August 16, 2006 | |
| \$7,500,000; all authorized bonds have been issued | |
| Source of revenue for debt service – tuition and other fee revenues | |

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

7. Long-Term Liabilities (Continued)

| <u>Revenue Bonds (Continued):</u> | <u>August 31, 2011</u> |
|---|-------------------------------------|
| Tuition and General Fee Revenue Bonds, Series 2007 To acquire site, construct, and equip Greenville center Issued August 16, 2007 \$6,000,000; all authorized bonds have been issued Source of revenue for debt service – tuition and other fee revenues | 5,350,000 |
| Tuition and General Fee Revenue Bonds, Series 2009 To improve site and construct new South Campus residence hall Issued September 15, 2009 \$3,400,000; all authorized bonds have been issued Source of revenue for debt service – tuition and other fee revenues | <u>August 31, 2011</u> 3,280,000 |

8. Employees' Retirement Plans

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

Teacher Retirement System of Texas

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

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6 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 Years 2011 and 2010 and a state contribution rate of 6.644 percent for Fiscal Year 2011 and 6.4 percent and 6.644 percent for Fiscal Year 2010. In certain instances, the College is required to make all or a portion of the state's contribution for fiscal years 2011 and 2010.

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 6.4% and 6.65%, respectively. The college contributes 1.31 percent for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the state for the college was \$691,898 and \$646,935 for the fiscal years ended August 21, 2011 and 2010, respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the college.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

8. Employees' Retirement Plans (Continued)

The total payroll for all college employees was \$13,727,415 and \$13,119,608 for fiscal years 2011 and 2010, respectively. The total payroll of employees covered by the Teacher Retirement System was \$7,088,341 and \$6,490,508, and the total payroll of employees covered by the Optional Retirement Program was \$5,466,296 and \$5,413,460 for fiscal years 2011 and 2010, respectively.

9. Compensated Absences

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

10. Disaggregation of Receivables and Payables Balances

Receivables at August 31, 2011 and 2010, were as follows:

| | 2011 | 2010 |
|---------------------------------|---------------------|---------------------|
| Student Receivables | \$ 1,896,403 | \$ 1,671,007 |
| Taxes Receivables | 292,455 | 286,113 |
| Federal Receivables | 731,842 | 552,779 |
| Interest Receivable | 32,356 | 29,818 |
| Other Receivables | 316,790 | 401,305 |
| Subtotal | <u>3,269,846</u> | <u>2,941,022</u> |
| Allowance for Doubtful Accounts | <u>(143,553)</u> | <u>(143,553)</u> |
| Total | <u>\$ 3,126,293</u> | <u>\$ 2,797,469</u> |

Payables at August 31, 2011 and 2010, were as follows:

| | 2011 | 2010 |
|---------------------|---------------------|---------------------|
| Vendors Payable | \$ 1,395,532 | \$ 1,119,093 |
| Accrued Liabilities | 65,005 | 65,300 |
| Other Payables | 138,904 | 148,829 |
| Total | <u>\$ 1,599,441</u> | <u>\$ 1,333,222</u> |

11. Contract and Grant Awards

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

12. Self-Insured Plans

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

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

13. Post Retirement Health Care and Life Insurance Benefits

In addition to providing pension benefits, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age while working for the state. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during 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 per month for the year ended August 31, 2011 (\$385 per month for the year ended August 2010), and totaled \$784,220 for the year (\$1,311,481 for the year ended August 31, 2010). The cost of providing those benefits for 104 retirees was \$480,907 (retiree benefits for 96 retirees cost \$470,881 for the year ended August 31, 2010) and for 233 active employees was \$303,313 (active employee benefits for 239 employees cost \$840,600 for the year ended August 31, 2010).

14. Property Tax

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

| | <u>2011</u> | <u>2010</u> |
|---|-------------------------|-------------------------|
| Assessed Valuation of the District | \$ 2,065,438,985 | \$ 2,054,521,295 |
| Less: Exemptions and Abatements | <u>540,197,794</u> | <u>507,864,326</u> |
| Net Assessed Valuation of the District | <u>\$ 1,525,241,191</u> | <u>\$ 1,546,656,969</u> |
| | <u>Current</u> | <u>Debt</u> |
| | <u>Operations</u> | <u>Service</u> |
| | | <u>Total</u> |
| 2011 | | |
| Tax Rate per \$100 Valuation for Authorized | <u>\$ 0.2700</u> | <u>\$ 0.5000</u> |
| | | <u>\$ 0.770</u> |
| Tax Rate per \$100 Valuation for Assessed | <u>\$ 0.1850</u> | <u>\$ -</u> |
| | | <u>\$ 0.1850</u> |
| 2010 | | |
| Tax Rate per \$100 Valuation for Authorized | <u>\$ 0.2700</u> | <u>\$ 0.5000</u> |
| | | <u>\$ 0.770</u> |
| Tax Rate per \$100 Valuation for Assessed | <u>\$ 0.1850</u> | <u>\$ -</u> |
| | | <u>\$ 0.1850</u> |

Taxes levied for the years ended August 31, 2011 and 2010, are \$2,875,251 and \$2,863,163, respectively including penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2011

14. Property Tax (Continued)

| Taxes Collected | Current Operations | Debt Service | Total |
|----------------------------------|-----------------------|-----------------|---------------------|
| 2011 | | | |
| Current Taxes Collected | \$ 2,795,000 | \$ - | \$ 2,795,000 |
| Delinquent Taxes Collected | 59,174 | 25 | 59,199 |
| Penalties and Interest Collected | <u>44,142</u> | <u>48</u> | <u>44,190</u> |
| Total Collected | <u>\$ 2,898,316</u> | <u>\$ 73</u> | <u>\$ 2,898,389</u> |
| 2010 | | | |
| Current Taxes Collected | \$ 2,787,564 | \$ - | \$ 2,787,564 |
| Delinquent Taxes Collected | 59,998 | 506 | 60,504 |
| Penalties and Interest Collected | <u>48,296</u> | <u>848</u> | <u>49,144</u> |
| Total Collected | <u>\$ 2,895,858</u> | <u>\$ 1,354</u> | <u>\$ 2,897,212</u> |

Tax collections for the years ended August 31, 2011 and 2010, were 97.55% and 97.61%, 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.

15. Income Taxes

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

16. Related Parties

The Paris Junior College Memorial Foundation is a non-profit organization with the sole purpose of supporting the educational and other activities of PJC. Paris Junior College does not appoint a voting majority nor does it fund or is it obligated to pay debt related to this foundation. The foundation solicits donations and acts as coordinator of gifts made by other parties. It remitted restricted gifts to Paris Junior College of \$258,044 and \$294,700 for years ended August 31, 2011 and 2010, respectively.

17. Out-sourced Auxiliary Operations

The campus dining services and bookstore are both out-sourced auxiliary operations.

18. Commitments

The College has a construction project as of August 31, 2011. The project is for construction of a new Science and Math building. At year end the College's commitment with contractors is \$8,939,161.

| Project | Spent-to-Date | Remaining Commitment |
|---------|---------------|-------------------------|
| Charter | \$ - | \$ 8,939,161 |

Paris Junior College
Schedule A
Schedule of Operating Revenues
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> |
|--|---------------------|---------------------|---|
| Tuition and Fees | | | |
| Tuition | | | |
| State Funded Courses | | | |
| In-District Resident Tuition | \$ 793,376 | \$ - | \$ 793,376 |
| Out-of-District Resident Tuition | 7,259,539 | - | 7,259,539 |
| Non-Resident Tuition | 404,098 | - | 404,098 |
| TPEG Credit (Set-Aside) | 508,272 | - | 508,272 |
| State Funded Continuing Education | 403,660 | - | 403,660 |
| Non-State Funded Continuing Education | 134,867 | - | 134,867 |
| TPEG Non-Credit (Set-Aside) | 26,949 | - | 26,949 |
| Total Tuition | <u>9,530,761</u> | <u>-</u> | <u>9,530,761</u> |
| Fees | | | |
| General Fee | 996,642 | - | 996,642 |
| Registration Fee | 324,834 | - | 324,834 |
| Laboratory Fee | 321,092 | - | 321,092 |
| Internet Course Fee | 270,894 | - | 270,894 |
| Installment Handling Fee | 28,531 | - | 28,531 |
| Other Fees | 399,711 | - | 399,711 |
| Total Fees | <u>2,341,704</u> | <u>-</u> | <u>2,341,704</u> |
| Scholarship Allowances and Discounts | | | |
| Scholarship Allowances | (416,101) | - | (416,101) |
| Remissions and Exemptions | (474,889) | - | (474,889) |
| TPEG Allowances | (299,326) | - | (299,326) |
| Federal Grants to Students | (5,227,674) | - | (5,227,674) |
| Total Scholarship Allowances and Discounts | <u>(6,417,990)</u> | <u>-</u> | <u>(6,417,990)</u> |
| Total Net Tuition and Fees | <u>5,454,475</u> | <u>-</u> | <u>5,454,475</u> |
| Other Operating Revenues | | | |
| Federal Grants and Contracts | - | 1,963,597 | 1,963,597 |
| State Grants and Contracts | - | 776,689 | 776,689 |
| Non-Governmental Grants and Contracts | 314,041 | - | 314,041 |
| Sales and Services of Educational Activities | 4,401 | - | 4,401 |
| Other Operating Revenues | 497,361 | - | 497,361 |
| Total Other Operating Revenues | <u>815,803</u> | <u>2,740,286</u> | <u>3,556,089</u> |
| Auxiliary Enterprises | | | |
| Residential Life | - | - | - |
| Scholarship Allowances and Discounts | - | - | - |
| Net Residential Life | - | - | - |
| Bookstore | - | - | - |
| Athletics | - | - | - |
| Total Net Auxiliary Enterprises | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Operating Revenues (Exhibit 2) | <u>\$ 6,270,278</u> | <u>\$ 2,740,286</u> | <u>\$ 9,010,564</u> |

In accordance with Education Code 56.033, \$535,221 and \$489,891 for years ended August 31, 2011 and 2010, respectively, was set aside for Texas Public Education Grants (TPEG).

| Auxiliary Enterprises | 2011 Total | 2010 Total |
|--------------------------|----------------------|----------------------|
| \$ - | \$ 793,376 | \$ 748,833 |
| - | 7,259,539 | 6,593,265 |
| - | 404,098 | 334,035 |
| - | 508,272 | 462,962 |
| - | 403,660 | 573,116 |
| - | 134,867 | 123,260 |
| - | 26,949 | 26,929 |
| - | <u>9,530,761</u> | <u>8,862,400</u> |
| - | 996,642 | 965,527 |
| - | 324,834 | 311,304 |
| - | 321,092 | 299,948 |
| - | 270,894 | 236,448 |
| - | 28,531 | 25,225 |
| - | 399,711 | 361,170 |
| - | <u>2,341,704</u> | <u>2,199,622</u> |
| - | (416,101) | (531,246) |
| - | (474,889) | (415,476) |
| - | (299,326) | (276,416) |
| - | <u>(5,227,674)</u> | <u>(4,256,868)</u> |
| - | <u>(6,417,990)</u> | <u>(5,480,006)</u> |
| - | <u>5,454,475</u> | <u>5,582,016</u> |
| - | 1,963,597 | 2,069,057 |
| - | 776,689 | 607,885 |
| - | 314,041 | 583,564 |
| 184,906 | 189,307 | 189,056 |
| - | 497,361 | 500,040 |
| <u>184,906</u> | <u>3,740,995</u> | <u>3,949,602</u> |
| 1,128,162 | 1,128,162 | 826,520 |
| <u>(470,979)</u> | <u>(470,979)</u> | <u>(424,120)</u> |
| 657,183 | 657,183 | 402,400 |
| 303,089 | 303,089 | 249,150 |
| 2,664 | 2,664 | 5,277 |
| <u>962,936</u> | <u>962,936</u> | <u>656,827</u> |
| <u>\$ 1,147,842</u> | <u>\$ 10,158,406</u> | <u>\$ 10,188,445</u> |

Paris Junior College
Schedule B
Schedule of Operating Expenses by Object
Year Ended August 31, 2011 (With Memorandum Totals for Year Ended August 31, 2010)

| | Operating Expenses | | |
|--|-----------------------------|----------------------------|----------------------------|
| | Salaries and Wages | Benefits | |
| | | State | Local |
| Unrestricted - Educational Activities | | | |
| Instruction | \$ 7,999,845 | \$ - | \$ 1,069,590 |
| Public Service | 199,091 | - | 26,574 |
| Academic Support | 925,739 | - | 123,565 |
| Student Services | 1,033,578 | - | 150,106 |
| Institutional Support | 1,407,014 | - | 188,300 |
| Operation and Maintenance of Plant | 831,937 | - | 171,994 |
| Scholarships and Fellowships | - | - | - |
| Total Unrestricted - Educational Activities | <u>12,397,204</u> | <u>-</u> | <u>1,730,129</u> |
| Restricted - Educational Activities | | | |
| Instruction | 244,075 | 1,343,837 | 51,349 |
| Public Service | 161,475 | 33,388 | 46,412 |
| Academic Support | 65,017 | 155,248 | 16,977 |
| Student Services | 621,405 | 188,594 | 185,062 |
| Institutional Support | - | 235,959 | - |
| Operation and Maintenance of Plant | - | - | - |
| Scholarships and Fellowships | - | - | - |
| Total Restricted - Educational Activities | <u>1,091,972</u> | <u>1,957,026</u> | <u>299,800</u> |
| Total Educational Activities | 13,489,176 | 1,957,026 | 2,029,929 |
| Auxiliary Enterprises | 128,649 | - | 23,462 |
| Depreciation Expense-Buildings and Other Real Estate Improvements | - | - | - |
| Depreciation Expense-Equipment | - | - | - |
| Total | <u><u>\$ 13,617,825</u></u> | <u><u>\$ 1,957,026</u></u> | <u><u>\$ 2,053,391</u></u> |

| Other Expenses | 2011 Total | 2010 Total |
|-------------------|---------------|---------------|
| \$ 830,806 | \$ 9,900,241 | \$ 9,305,040 |
| 55,191 | 280,856 | 220,888 |
| 231,406 | 1,280,710 | 1,252,218 |
| 261,373 | 1,445,057 | 1,483,567 |
| 939,375 | 2,534,689 | 2,346,160 |
| 1,399,542 | 2,403,473 | 2,596,478 |
| 174,102 | 174,102 | 176,000 |
| 3,891,795 | 18,019,128 | 17,380,351 |
| 203,407 | 1,842,668 | 1,933,551 |
| 497,050 | 738,325 | 897,601 |
| 137,097 | 374,339 | 148,383 |
| 481,362 | 1,476,423 | 1,491,841 |
| - | 235,959 | 235,225 |
| - | - | - |
| 9,046,776 | 9,046,776 | 7,521,696 |
| 10,365,692 | 13,714,490 | 12,228,297 |
| 14,257,487 | 31,733,618 | 29,608,648 |
| 1,009,265 | 1,161,376 | 986,041 |
| 702,725 | 702,725 | 623,411 |
| 85,737 | 85,737 | 183,030 |
| \$ 16,055,214 | \$ 33,683,456 | \$ 31,401,130 |

Paris Junior College
Schedule C
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2011 (With Memorandum Totals for the Year Ended August 31, 2010)

| | <u>Unrestricted</u> | <u>Auxiliary Enterprises</u> | <u>Restricted</u> | <u>2011 Total</u> | <u>2010 Total</u> |
|---|----------------------|----------------------------------|----------------------|-----------------------|-----------------------|
| Non-Operating Revenues: | | | | | |
| State Appropriations | | | | | |
| Education and General - State Support | \$ 8,614,683 | \$ - | \$ - | \$ 8,614,683 | \$ 8,672,286 |
| State Group Insurance | - | - | 1,265,128 | 1,265,128 | 1,311,481 |
| State Retirement Matching | - | - | 691,898 | 691,898 | 646,935 |
| Professional Nursing Shortage Reduction | - | - | 35,947 | 35,947 | 44,669 |
| Enrollment Growth | - | - | - | - | 29,820 |
| Total State Appropriations | <u>8,614,683</u> | <u>-</u> | <u>1,992,973</u> | <u>10,607,656</u> | <u>10,705,191</u> |
| Ad Valorem Taxes | 2,898,389 | - | - | 2,898,389 | 2,897,212 |
| Federal Revenue, Non Operating | - | - | 14,422,193 | 14,422,193 | 11,863,665 |
| Gifts | - | - | 332,478 | 332,478 | - |
| Investment Income | 222,548 | - | 1,918 | 224,466 | 243,697 |
| Gain on Disposal of Capital Assets | <u>404,807</u> | <u>-</u> | <u>-</u> | <u>404,807</u> | <u>-</u> |
| Total Non-Operating Revenues | <u>12,140,427</u> | <u>-</u> | <u>16,749,562</u> | <u>28,889,989</u> | <u>25,709,765</u> |
| Non-Operating Expenses: | | | | | |
| Interest on Capital Related Debt | 704,051 | - | - | 704,051 | 711,394 |
| Loss on Disposal of Capital Assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Non-Operating Expenses | <u>704,051</u> | <u>-</u> | <u>-</u> | <u>704,051</u> | <u>711,394</u> |
| Net Non-Operating Revenues | <u>\$ 11,436,376</u> | <u>\$ -</u> | <u>\$ 16,749,562</u> | <u>\$ 28,185,938</u> | <u>\$ 24,998,371</u> |
| | | | | (Exhibit 2) | (Exhibit 2) |

Paris Junior College

Schedule D

Schedule of Net Assets by Source and Availability

Year Ended August 31, 2011 (With Memorandum Totals for the Year Ended August 31, 2010)

| | Detail by Source | | | Capital Assets Net of Depreciation & Related Debt |
|--|---------------------|--------------------------|----------------|---|
| | Unrestricted | Restricted Expendable | Non-Expendable | |
| Current: | | | | |
| Unrestricted | \$ 11,524,923 | \$ - | \$ - | \$ - |
| Board Designated | - | 5,563,313 | - | - |
| Restricted | - | - | - | - |
| Auxiliary Enterprises | 475,077 | - | - | - |
| Loan | - | - | - | - |
| Endowment: | | | | |
| Quasi: | | | | |
| Unrestricted | - | - | - | - |
| Restricted | - | 232,791 | - | - |
| Endowment | | | | |
| True | - | - | - | - |
| Term (per instructions at maturity) | - | - | - | - |
| Life Income Contracts | - | - | - | - |
| Annuities | - | - | - | - |
| Plant: | | | | |
| Unexpended | - | - | - | - |
| Renewals | - | - | - | - |
| Debt Service | - | - | - | - |
| Investment in Plant | - | - | - | 16,009,890 |
| Total Net Assets, August 31, 2011 | 12,000,000 | 5,796,104 | - | 16,009,890 |
| Total Net Assets, August 31, 2010 | 12,986,053 | 4,373,570 | - | 11,785,483 |
| Net Increase (Decrease) in Net Assets | \$ (986,053) | \$ 1,422,534 | \$ - | \$ 4,224,407 |

Available for Current Operations

| <u>Total</u> | <u>Yes</u> | <u>No</u> |
|---------------------|---------------------|---------------------|
| \$ 11,524,923 | \$ 11,524,923 | \$ - |
| 5,563,313 | - | 5,563,313 |
| - | - | - |
| 475,077 | 475,077 | - |
| - | - | - |
| - | - | - |
| - | - | - |
| 232,791 | - | 232,791 |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| <u>16,009,890</u> | <u>-</u> | <u>16,009,890</u> |
| 33,805,994 | 12,000,000 | 21,805,994 |
| (Exhibit 1) | | |
| <u>29,145,106</u> | <u>12,986,053</u> | <u>16,159,053</u> |
| (Exhibit 1) | | |
| <u>\$ 4,660,888</u> | <u>\$ (986,053)</u> | <u>\$ 5,646,941</u> |
| (Exhibit 2) | | |

Paris Junior College
Schedule E
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2011

| Federal Grantor/Pass-Through Grantor/ Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Pass-Through Disbursements and Expenditures |
|---|---------------------------|-------------------------------------|--|
| <u>U. S. Department of Education</u> | | | |
| Direct Programs: | | | |
| TRIO | | | |
| Talent Search | 84.044 | N/A | \$ 355,505 |
| Upward Bound | 84.047 | N/A | 330,568 |
| Educational Opportunity Center | 84.066 | N/A | 341,449 |
| | | | <u>1,027,522</u> |
| | | | |
| Student Financial Assistance | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | N/A | 129,651 |
| Federal Family Education Loans | 84.032 | N/A | 4,535,661 |
| Federal Work-Study Program | 84.033 | N/A | 160,119 |
| Federal Pell Grant Programs | 84.063 | N/A | 13,853,563 |
| Academic Competitiveness Grant | 84.375 | N/A | 114,500 |
| Teacher's Education Assistance for College and Higher Education Grants | 84.379 | N/A | 58,500 |
| | | | <u>-</u> |
| | | | <u>18,851,994</u> |
| | | | |
| Pass-Through from: | | | |
| Texas Education Agency | | | |
| Adult Education - Basic Grants to States | 84.002 | 114100017110350 | 126,646 |
| Adult Education - Basic Grants to States | 84.002 | 114100087110400 | 89,698 |
| Adult Education - Basic Grants to States | 84.002 | 124100017110423 | 5,222 |
| Adult Education - Basic Grants to States | 84.002 | 124100087110449 | 5,383 |
| | | | <u>226,949</u> |
| | | | |
| Texas Higher Education Coordinating Board Career and Technical Education - Basic | 84.048 | 104237 | <u>260,313</u> |
| | | | |
| Leveraging Educational Assistance Partnership | 84.069 | N/A | 7,488 |
| Special Leveraging Educational Assistance Partnership | 84.069 | N/A | 10,212 |
| | | | <u>17,700</u> |
| Byrd Honors Scholarships | 84.185 | N/A | 1,500 |
| Tech-Prep Education | 84.243 | 111716 | <u>219,091</u> |
| | | | |
| Total U. S. Department of Education | | | <u>20,605,069</u> |
| | | | |
| <u>U. S. Department of Veterans Affairs</u> | | | |
| Veterans Benefits Administration | 64.028 | N/A | <u>86,661</u> |

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2011

| Federal Grantor/Pass-Through Grantor/ Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Pass-Through Disbursements and Expenditures |
|--|---------------------------|-------------------------------------|--|
| <u>U. S. Small Business Administration</u> | | | |
| Pass-Through from: | | | |
| Dallas County Community College District | | | |
| Small Business Development Centers | 59.037 | 8-6030001-2-0046-23 | 16,892 |
| Small Business Development Centers | 59.037 | 1-603001-Z-0047-25 | <u>125,668</u> |
| Total U. S. Small Business Administration | | | <u>142,560</u> |
| <u>U. S. Department of Health and Human Services</u> | | | |
| Pass-Through from: | | | |
| Texas Education Agency | | | |
| Temporary Assistance for Needy Families | 93.558 | 113625017110328 | <u>31,090</u> |
| Total U. S. Department of Health and Human Services | | | <u>31,090</u> |
| <u>Corporation for National and Community Services</u> | | | |
| Pass-Through from: | | | |
| State Comptroller | | | |
| Retired Senior Volunteer Program | 94.002 | 08SRWTX007 | 26,984 |
| Retired Senior Volunteer Program | 94.002 | 11SRWTX004 | <u>29,087</u> |
| Total Corporation for National and Community Services | | | <u>56,071</u> |
| Total Federal Financial Assistance | | | <u>\$ 20,921,451</u> |

Notes to schedule on following page.

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2011

Note 1: Federal Financial Assistance Reconciliation

| | | |
|---|----|------------|
| Federal Grants and Contracts Revenue - Per Schedule A | \$ | 1,963,597 |
| Add: Non Operating Federal Revenue | | 14,422,193 |
| Add: Federal Family Education Loans | | 4,535,661 |
| Total Federal Financial Assistance | \$ | 20,921,451 |

Note 2: Significant Accounting Policies Used in Preparing the Schedule

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

Note 3: Student Loans Processed and Administrative Costs Recovered

| Federal Grantor CFDA Number/Program Name | New Loans Processed | Administrative Cost Recovered | Total Loans Processed & Admin Cost Recovered |
|---|------------------------|-------------------------------------|--|
| U.S. Department of Education 84.032 Federal Family Education Loans | \$ 4,535,661 | \$ - | \$ 4,535,661 |

Notes to schedule continued on following page.

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2011

Note 4: Amounts Passed-Through by the College

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

| | |
|---------------------------------|----------------------|
| Avery ISD | \$ 2,407 |
| Avinger ISD | 2,176 |
| Campbell ISD | 1,691 |
| Chapel Hill ISD | 728 |
| Chisum ISD | 2,500 |
| Clarksville ISD | 2,409 |
| Cooper ISD | 2,095 |
| Daingerfield ISD | 1,957 |
| Detroit ISD | 2,500 |
| Greenville ISD | 2,205 |
| Hughes Springs ISD | 2,356 |
| Liberty-Eylau ISD | 2,462 |
| Linden-Kildare ISD | 2,500 |
| Miller Grove ISD | 2,500 |
| Mt. Pleasant ISD | 2,500 |
| New Boston ISD | 2,500 |
| North Hopkins ISD | 2,500 |
| North Lamar ISD | 2,500 |
| NTCC | 2,476 |
| Paris ISD | 2,500 |
| PJC | 2,500 |
| Pewitt ISD | 1,590 |
| Pleasant Grove ISD | 2,371 |
| Prairiland ISD | 2,500 |
| Queen City ISD | 2,500 |
| Redwater ISD | 2,500 |
| Rivercrest ISD | 2,500 |
| Roxton ISD | 2,242 |
| Simms ISD | 2,487 |
| Sulphur Bluff ISD | 1,150 |
| Sulphur Springs ISD | 2,470 |
| Texarkana ISD | 2,500 |
| Total Amount Passed-Through | <u>\$ 72,772</u> |

Paris Junior College
Schedule F
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2011

| <u>Grantor/Program/Title</u> | <u>Grant Contract Number</u> | <u>Expenditures</u> |
|--|--------------------------------------|---------------------|
| <u>Texas Education Agency</u> | | |
| Adult Basic Education | 10010017110308 | \$ 22,066 |
| Adult Basic Education | 1101001711350 | 46,396 |
| | | <u>68,462</u> |
| <u>Texas Workforce Commission</u> | | |
| Skills Development | | |
| Cytex Fiberite Grant | 410SDF000 | 42,847 |
| Rock Tenn Grant | 0410SDF001 | 2,456 |
| Nationwide Grant | 0710SDF000 | 17,467 |
| Turner Grant | 0710SDF001 | 132,946 |
| Campbell Soup Grant | 0711SDF001 | 142,903 |
| Skills for Small Business Grant | 0711SSD000 | 6,090 |
| Greenville Consortium Grant | 0411SDF002 | 26,592 |
| Total for Texas Workforce Commission | | <u>371,301</u> |
| <u>Texas Comptroller of Public Accounts</u> | | |
| Retired Senior Volunteer Program | 09RZWTX005 | 20,738 |
| Top Ten Percent | N/A | 22,000 |
| Texas Workstudy | N/A | 21,728 |
| State Nursing | N/A | 2,152 |
| | | <u>66,618</u> |
| <u>Texas Higher Education Coordinating Board</u> | | |
| Texas Grant Program | N/A | 248,534 |
| <u>Dallas County Community College District</u> | | |
| Small Business Development Center | 1-603001-Z-0046-24 | 21,424 |
| Small Business Development Center | 8-603001-2-0046-23 | (505) |
| Jobs Act Grant | 1-603001-Z-0152 | 855 |
| Total Dallas County Community College District | | <u>21,774</u> |
| Total State Financial Assistance | | <u>\$ 776,689</u> |

Paris Junior College
Schedule F (Continued)
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2010

Notes to schedule below.

Note 1: State Financial Assistance Reconciliation

| | |
|--|-------------------|
| State Grants and Contracts Revenues - Per Schedule A | \$ 776,689 |
| Reconciling Items | - |
| Total State Financial Assistance | <u>\$ 776,689</u> |

Note 2: Significant Accounting Policies Used in Preparing the Schedule

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

MCCLANAHAN AND HOLMES, LLP
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Independent Auditors' Report

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance With Government Auditing Standards

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

We have audited the basic financial statements of Paris Junior College as of and for the year ended August 31, 2011, and have issued our report thereon dated November 8, 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 Paris Junior College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Paris Junior 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 misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of Paris Junior College's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies 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 Paris Junior College's basic 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 the objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

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

Public Funds Investment Act

We have performed tests designed to verify Paris Junior College's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2011, no instances of noncompliance were found.

McClanahan and Hudson, LLP
Certified Public Accountants

Paris, Texas
November 8, 2011

MCCLANAHAN AND HOLMES, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

Report on Compliance With Requirements Applicable
to each Major Program and on Internal Control Over Compliance
in Accordance With OMB Circular A-133

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

Compliance

We have audited the compliance of Paris Junior College with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the year ended August 31, 2011. Paris Junior College's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Paris Junior College's management. Our responsibility is to express an opinion on Paris Junior 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 Paris Junior College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Paris Junior College's compliance with those requirements.

In our opinion, Paris Junior College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended August 31, 2011.

Internal Control Over Compliance

The management of Paris Junior College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Paris Junior College's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paris Junior College's internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Regents, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
November 8, 2011

Paris Junior College
 Schedule of Findings and Questioned Costs
 Year Ended August 31, 2011

A. Summary of Auditors' Results

1. Financial Statements

Type of Auditors' Report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

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

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

2. Federal and State Awards

Internal control over major programs:

Material weakness(es) identified? Yes X No

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

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

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

Major programs are as follows:

Federal
 Student Financial Assistance Programs 84.007, 84.032, 84.033, 84.063, 84.375, 84.379

State
 Skills Development

The threshold used to distinguish between Type A and B federal and state programs was \$491,573.

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

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

None

C. Findings and Questioned Costs for Federal and State Awards

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

Paris Junior College
Corrective Action Plan
Year Ended August 31, 2011

Finding/Recommendation

Not applicable

Paris Junior College
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2011

| <u>Program</u> | <u>Finding/Noncompliance</u> | <u>Status of Prior Year's Finding/Noncompliance</u> |
|----------------|------------------------------|---|
| Not applicable | | |

MCCLANAHAN AND HOLMES, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

Report on Compliance With Requirements Applicable
to each Major Program and on Internal Control Over Compliance
in Accordance With State of Texas Single Audit Circular

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

Compliance

We have audited the compliance of Paris Junior College with the types of compliance requirements that are applicable to its major state program for the year ended August 31, 2011. Paris Junior College's major state program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major state program is the responsibility of Paris Junior College's management. Our responsibility is to express an opinion on Paris Junior 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 the State of Texas Single Audit Circular. Those standards and the Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Paris Junior College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Paris Junior College's compliance with those requirements.

In our opinion, Paris Junior College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended August 31, 2011.

Internal Control Over Compliance

The management of Paris Junior College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered Paris Junior College's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paris Junior College's internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Regents, management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
November 8, 2011

Paris Junior College
Statistical Supplement 1
Net Assets by Component
Fiscal Years 2003 to 2011
(unaudited)

| | Year Ended August 31, | | | | | | | | | |
|---|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| Invested in Capital Assets, Net of Related Debt | \$ 16,009,890 | \$ 11,785,483 | \$ 11,178,834 | \$ 11,766,009 | \$ 9,568,943 | \$ 7,984,686 | \$ 7,240,579 | \$ 7,169,618 | \$ 7,090,759 | \$ 6,858,412 |
| Restricted - Expendable | 232,791 | 11,520 | 2,932 | 2,482 | - | 60,436 | 72,444 | 461,059 | 462,166 | \$ 473,784 |
| Unrestricted | 17,563,313 | 17,348,103 | 14,177,654 | 10,464,051 | 9,142,143 | 8,112,884 | 7,047,091 | 5,345,395 | 3,429,156 | 3,102,869 |
| Total Primary Government Net Assets | \$ 33,805,994 | \$ 29,145,106 | \$ 25,359,420 | \$ 22,232,542 | \$ 18,711,086 | \$ 16,158,006 | \$ 14,360,114 | \$ 12,976,072 | \$ 10,982,081 | \$ 10,435,065 |

Paris Junior College
Statistical Supplement 2
Revenues by Source
Fiscal Years 2003 to 2011
(unaudited)

| | Year Ended August 31, | | | | | | | | |
|--|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Tuition and Fees (Net of Discounts) | \$ 5,454,475 | \$ 5,582,016 | \$ 5,239,223 | \$ 4,819,974 | \$ 4,895,375 | \$ 3,996,328 | \$ 4,123,218 | \$ 3,965,466 | \$ 3,452,193 |
| Governmental Grants and Contracts | | | | | | | | | |
| Federal Grants and Contracts | 1,963,597 | 2,069,057 | 1,886,669 | 1,921,363 | 1,951,432 | 1,970,606 | 2,131,599 | 2,023,882 | 2,202,035 |
| State Grants and Contracts | 776,689 | 607,885 | 593,121 | 341,649 | 1,766,773 | 831,758 | 970,072 | 1,080,645 | 1,169,942 |
| Non-Governmental Grants and Contracts | 314,041 | 583,564 | 583,095 | 465,028 | 457,062 | 313,318 | 261,979 | 277,953 | 233,065 |
| Sales and Services of Educational Activities | 189,307 | 189,056 | 161,900 | 130,826 | 121,233 | 116,185 | 63,497 | 143,367 | 118,084 |
| Auxiliary Enterprises | 962,936 | 656,827 | 642,046 | 604,678 | 626,441 | 519,714 | 473,341 | 528,409 | 464,192 |
| Other Operating Revenues | 497,361 | 500,040 | 311,573 | 318,980 | 430,605 | 342,846 | 398,643 | 404,022 | 353,840 |
| Total Operating Revenues | 10,158,406 | 10,188,445 | 9,417,627 | 8,602,498 | 10,248,921 | 8,090,755 | 8,422,349 | 8,423,744 | 7,993,351 |
| State Appropriations | 10,607,656 | 10,705,191 | 10,076,934 | 10,025,687 | 9,238,482 | 9,146,405 | 8,229,881 | 8,260,527 | 7,748,195 |
| Federal Revenue, Non Operating | 14,422,193 | 11,863,665 | 6,528,064 | 5,034,142 | 4,523,934 | 4,977,668 | 5,148,924 | 4,973,675 | 4,169,187 |
| Ad Valorem Taxes | 2,898,389 | 2,897,212 | 2,889,522 | 2,916,897 | 2,639,686 | 2,191,020 | 2,214,533 | 1,988,827 | 1,936,285 |
| Gifts | 332,478 | - | - | - | - | - | - | - | - |
| Investment Income | 224,466 | 243,697 | 601,252 | 656,458 | 405,574 | 180,841 | 136,902 | 99,036 | 167,777 |
| Gain on Sale of Fixed Assets | 404,807 | - | - | 618,627 | - | - | - | - | - |
| Total Non-Operating Revenues | 28,889,989 | 25,709,765 | 20,095,772 | 19,251,811 | 16,807,676 | 16,495,934 | 15,730,240 | 15,322,065 | 14,021,444 |
| Total Revenues | \$ 39,048,395 | \$ 35,898,210 | \$ 29,513,399 | \$ 27,854,309 | \$ 27,056,597 | \$ 24,586,689 | \$ 24,152,589 | \$ 23,745,809 | \$ 22,014,795 |

| | Year Ended August 31, | | | | | | | | |
|--|-----------------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Tuition and Fees (Net of Discounts) | 13.97% | 15.55% | 17.75% | 17.30% | 18.09% | 16.25% | 17.07% | 16.70% | 15.68% |
| Governmental Grants and Contracts | | | | | | | | | |
| Federal Grants and Contracts | 5.03% | 5.76% | 6.39% | 6.90% | 7.21% | 8.01% | 8.83% | 8.52% | 10.00% |
| State Grants and Contracts | 1.99% | 1.69% | 2.01% | 1.23% | 6.53% | 3.38% | 4.02% | 4.55% | 5.31% |
| Non-Governmental Grants and Contracts | 0.80% | 1.63% | 1.98% | 1.67% | 1.69% | 1.27% | 1.08% | 1.17% | 1.06% |
| Sales and Services of Educational Activities | 0.48% | 0.53% | 0.55% | 0.47% | 0.45% | 0.47% | 0.26% | 0.60% | 0.54% |
| Auxiliary Enterprises | 2.47% | 1.83% | 2.18% | 2.17% | 2.32% | 2.11% | 1.96% | 2.23% | 2.11% |
| Other Operating Revenues | 1.27% | 1.39% | 1.06% | 1.15% | 1.59% | 1.39% | 1.65% | 1.70% | 1.61% |
| Total Operating Revenues | 26.01% | 28.38% | 31.91% | 30.89% | 37.88% | 32.88% | 34.87% | 35.47% | 36.31% |
| State Appropriations | 27.17% | 29.82% | 34.14% | 35.99% | 34.15% | 37.20% | 34.07% | 34.79% | 35.20% |
| Federal Revenue, Non Operating | 36.93% | 33.05% | 22.12% | 18.07% | 16.72% | 20.25% | 21.32% | 20.95% | 18.94% |
| Ad Valorem Taxes | 7.42% | 8.07% | 9.79% | 10.47% | 9.76% | 8.91% | 9.17% | 8.38% | 8.80% |
| Gifts | 0.85% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Investment Income | 0.57% | 0.68% | 2.04% | 2.36% | 1.50% | 0.74% | 0.57% | 0.42% | 0.76% |
| Gain on Disposal of Fixed Assets | 1.04% | 0.00% | 0.00% | 2.22% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Total Non-Operating Revenues | 73.99% | 71.62% | 68.09% | 69.11% | 62.13% | 67.10% | 65.13% | 64.54% | 63.69% |
| Total Revenues | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 99.98% | 100.00% | 100.00% | 100.00% |

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2011 are available.

Paris Junior College
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2003 to 2011
(unaudited)

| Year Ended August 31, | | | | | | | | | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Instruction | \$ 11,742,908 | \$ 11,238,591 | \$ 9,887,824 | \$ 9,528,810 | \$ 9,588,621 | \$ 9,129,642 | \$ 8,733,142 | \$ 8,576,918 | \$ 8,419,004 |
| Public Service | 1,019,181 | 1,118,489 | 1,035,595 | 696,999 | 2,204,698 | 1,303,529 | 1,716,638 | 2,198,082 | 1,935,080 |
| Academic Support | 1,655,049 | 1,400,601 | 1,198,515 | 1,230,326 | 1,085,617 | 771,766 | 1,080,846 | 485,611 | 875,941 |
| Student Services | 2,921,480 | 2,975,408 | 2,809,666 | 2,750,682 | 2,746,596 | 2,656,656 | 2,675,940 | 2,316,283 | 2,179,047 |
| Institutional Support | 2,770,648 | 2,581,385 | 2,639,290 | 2,592,714 | 2,568,414 | 2,715,267 | 2,398,636 | 2,293,247 | 2,119,995 |
| Operation and Maintenance of Plant | 2,403,473 | 2,596,478 | 2,326,401 | 2,316,465 | 1,931,887 | 1,868,478 | 1,584,385 | 1,570,311 | 2,064,556 |
| Scholarships and Fellowships | 9,220,878 | 7,697,696 | 4,190,181 | 2,959,238 | 2,678,372 | 3,000,262 | 3,045,236 | 3,107,706 | 2,673,386 |
| Auxiliary Enterprises | 1,161,376 | 986,041 | 963,875 | 967,794 | 1,013,895 | 939,533 | 917,159 | 873,882 | 836,244 |
| Depreciation | 788,462 | 806,441 | 753,304 | 640,288 | 346,509 | 376,662 | 362,271 | 288,311 | 288,561 |
| Total Operating Expenses | 33,683,455 | 31,401,130 | 25,804,651 | 23,683,316 | 24,164,609 | 22,761,795 | 22,514,253 | 21,710,351 | 21,391,814 |
| Interest on Capital Related Debt | 704,051 | 711,394 | 581,870 | 649,537 | 338,908 | 24,532 | 15,845 | 23,865 | 32,966 |
| Loss on Disposal of Fixed Assets | - | - | - | - | - | 2,470 | - | 17,605 | 42,999 |
| Total Non-Operating Expenses | 704,051 | 711,394 | 581,870 | 649,537 | 338,908 | 27,002 | 15,845 | 41,470 | 75,965 |
| Total Expenses | \$ 34,387,506 | \$ 32,112,524 | \$ 26,386,521 | \$ 24,332,853 | \$ 24,503,517 | \$ 22,788,797 | \$ 22,530,098 | \$ 21,751,821 | \$ 21,467,779 |

| Year Ended August 31, | | | | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Instruction | 34.15% | 35.00% | 37.47% | 39.16% | 39.13% | 40.06% | 38.76% | 39.43% | 39.22% |
| Public Service | 2.96% | 3.48% | 3.92% | 2.86% | 9.00% | 5.72% | 7.62% | 10.11% | 9.01% |
| Academic Support | 4.81% | 4.36% | 4.54% | 5.06% | 4.43% | 3.39% | 4.80% | 2.23% | 4.08% |
| Student Services | 8.50% | 9.27% | 10.65% | 11.30% | 11.21% | 11.66% | 11.88% | 10.65% | 10.15% |
| Institutional Support | 8.06% | 8.04% | 10.00% | 10.66% | 10.48% | 11.91% | 10.65% | 10.54% | 9.88% |
| Operation and Maintenance of Plant | 6.99% | 8.09% | 8.82% | 9.52% | 7.88% | 8.20% | 7.03% | 7.22% | 9.62% |
| Scholarships and Fellowships | 26.81% | 23.97% | 15.88% | 12.16% | 10.93% | 13.17% | 13.52% | 14.29% | 12.45% |
| Auxiliary Enterprises | 3.38% | 3.07% | 3.65% | 3.98% | 4.14% | 4.12% | 4.07% | 4.02% | 3.90% |
| Depreciation | 2.29% | 2.51% | 2.85% | 2.63% | 1.41% | 1.65% | 1.61% | 1.33% | 1.34% |
| Total Operating Expenses | 97.95% | 97.78% | 97.79% | 97.33% | 98.62% | 99.88% | 99.93% | 99.81% | 99.65% |
| Interest on Capital Related Debt | 2.05% | 2.22% | 2.21% | 2.67% | 1.38% | 0.11% | 0.07% | 0.11% | 0.15% |
| Loss on Disposal of Fixed Assets | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.08% | 0.20% |
| Total Non-Operating Expenses | 2.05% | 2.22% | 2.21% | 2.67% | 1.38% | 0.12% | 0.07% | 0.19% | 0.35% |
| Total Expenses | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2011 are available.

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

Resident
Fees per Semester Credit Hour (SCH)

| Academic Year (Fall) | Registration Fee | In-District Tuition | Out-of-District Tuition | Technology Fee | Instructional Technology Fee | General Fee | PE Facility Fee | Activity Fee | Cost for 12 SCH In-District | Cost for 12 SCH Out-of-District | Increase from Prior Year In-District | Increase from Prior Year Out-of-District |
|----------------------|------------------|---------------------|-------------------------|----------------|------------------------------|-------------|-----------------|--------------|-----------------------------|---------------------------------|--------------------------------------|--|
| 2010 | \$ 30 | \$ 39 | \$ 70 | \$ - | \$ - | \$ 84 | \$ - | \$ - | \$ 582 | \$ 954 | 2.11% | 2.58% |
| 2009 | 30 | 38 | 68 | - | - | 84 | - | - | 570 | 930 | 2.15% | 1.31% |
| 2008 | 30 | 37 | 67 | - | - | 84 | - | - | 558 | 918 | 4.49% | 2.68% |
| 2007 | 30 | 35 | 65 | - | - | 69 | 15 | - | 534 | 894 | 0.00% | 0.00% |
| 2006 | 30 | 35 | 65 | - | - | 69 | 15 | - | 534 | 894 | 0.00% | 12.03% |
| 2005 | 30 | 35 | 57 | - | - | 69 | 15 | - | 534 | 798 | 2.30% | 3.10% |
| 2004 | 30 | 34 | 55 | 2 | - | 45 | 15 | - | 522 | 774 | 10.13% | 14.16% |
| 2003 | 30 | 30 | 47 | 2 | - | 45 | 15 | - | 474 | 678 | 8.22% | 7.62% |
| 2002 | 30 | 29 | 45 | - | - | 45 | 15 | - | 438 | 630 | 2.82% | 3.96% |
| 2001 | 30 | 28 | 43 | - | - | 45 | 15 | - | 426 | 606 | 0.00% | 2.02% |

Non - Resident
Fees per Semester Credit Hour (SCH)

| Academic Year (Fall) | Registration Fee | Non-Resident Tuition Out-of-State | Non-Resident Tuition International | Technology Fee | Instructional Technology Fee | General Fee | PE Facility Fee | Activity Fee | Cost for 12 SCH Out-of-State | Cost for 12 SCH International | Increase from Prior Year Out-of-State | Increase from Prior Year International |
|----------------------|------------------|-----------------------------------|------------------------------------|----------------|------------------------------|-------------|-----------------|--------------|------------------------------|-------------------------------|---------------------------------------|--|
| 2010 | \$ 30 | \$ 111 | \$ 111 | \$ - | \$ - | \$ 84 | \$ - | \$ - | \$ 1,446 | \$ 1,446 | 2.55% | 2.55% |
| 2009 | 30 | 108 | 108 | - | - | 84 | - | - | 1,410 | 1,410 | 0.86% | 0.86% |
| 2008 | 30 | 107 | 107 | - | - | 84 | - | - | 1,398 | 1,398 | 1.75% | 1.75% |
| 2007 | 30 | 105 | 105 | - | - | 69 | 15 | - | 1,374 | 1,374 | 0.00% | 0.00% |
| 2006 | 30 | 105 | 105 | - | - | 69 | 15 | - | 1,374 | 1,374 | 12.81% | 12.81% |
| 2005 | 30 | 92 | 92 | - | - | 69 | 15 | - | 1,218 | 1,218 | 3.05% | 3.05% |
| 2004 | 30 | 89 | 89 | 2 | - | 45 | 15 | - | 1,182 | 1,182 | 13.87% | 13.87% |
| 2003 | 30 | 77 | 77 | 2 | - | 45 | 15 | - | 1,038 | 1,038 | 6.13% | 6.13% |
| 2002 | 30 | 74 | 74 | - | - | 45 | 15 | - | 978 | 978 | 3.82% | 3.82% |
| 2001 | 30 | 71 | 71 | - | - | 45 | 15 | - | 942 | 942 | 1.29% | 1.29% |

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

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

| |
|-------------|
| Direct Rate |
|-------------|

| Fiscal Year | Assessed Valuation of Property | Less: Exemptions | Taxable Assessed Value (TAV) | Ratio of Taxable Assessed Value to Assessed Value | Maintenance & Operations (a) | Debt Service (a) | Total (a) |
|-------------|--------------------------------------|------------------|---------------------------------|---|------------------------------------|------------------------|-----------|
| 2010-11 | \$ 2,065,438,985 | \$ 540,197,794 | \$ 1,525,241,191 | 73.85% | 0.1850 | - | 0.1850 |
| 2009-10 | 2,054,521,295 | 507,864,326 | 1,546,656,969 | 75.28% | 0.1850 | - | 0.1850 |
| 2008-09 | 2,008,299,818 | 478,863,243 | 1,529,436,575 | 76.16% | 0.1874 | - | 0.1874 |
| 2007-08 | 1,867,391,327 | 395,309,866 | 1,472,081,461 | 78.83% | 0.1980 | - | 0.1980 |
| 2006-07 | 1,781,936,182 | 387,720,052 | 1,394,216,130 | 78.24% | 0.1922 | - | 0.1922 |
| 2005-06 | 1,739,490,822 | 599,743,295 | 1,139,747,527 | 65.52% | 0.1922 | - | 0.1922 |
| 2004-05 | 1,751,027,250 | 584,388,140 | 1,166,639,110 | 66.63% | 0.1922 | - | 0.1922 |
| 2003-04 | 1,756,976,818 | 652,313,675 | 1,104,663,143 | 62.87% | 0.1907 | 0.0025 | 0.1932 |
| 2002-03 | 1,754,194,347 | 673,704,983 | 1,080,489,364 | 61.59% | 0.1783 | 0.0021 | 0.1804 |
| 2001-02 | 1,788,335,813 | 740,892,878 | 1,047,442,935 | 58.57% | 0.1678 | 0.0080 | 0.1758 |

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

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

| Fiscal Year | Appropriations per FTSE | | | Appropriations per Contact Hour | | | |
|-------------|-------------------------|--------|-------------------------------|---------------------------------|----------------------------|---------------------|---------------------------------------|
| | State Appropriations | FTSE | State Appropriations per FTSE | Academic Contact Hours (a) | Voc/Tech Contact Hours (a) | Total Contact Hours | State Appropriations per Contact Hour |
| 2010-11 | 10,607,656 | 10,281 | 1,032 | 2,121,168 | 984,662 | 3,105,830 | \$ 3.42 |
| 2009-10 | 10,705,191 | 9,818 | 1,090 | 2,021,600 | 888,604 | 2,910,204 | 3.68 |
| 2008-09 | 10,076,934 | 7,776 | 1,296 | 1,784,192 | 629,081 | 2,413,273 | 4.18 |
| 2007-08 | 10,025,687 | 6,974 | 1,438 | 1,627,184 | 605,767 | 2,232,951 | 4.49 |
| 2006-07 | 9,238,482 | 6,787 | 1,361 | 1,571,376 | 624,294 | 2,195,670 | 4.21 |
| 2005-06 | 9,146,405 | 7,389 | 1,238 | 1,621,808 | 601,693 | 2,223,501 | 4.11 |
| 2004-05 | 8,229,881 | 7,289 | 1,129 | 1,646,045 | 553,502 | 2,199,547 | 3.74 |
| 2003-04 | 8,260,527 | 7,260 | 1,138 | 1,628,619 | 568,494 | 2,197,113 | 3.76 |
| 2002-03 | 7,748,195 | 6,681 | 1,160 | 1,498,782 | 570,895 | 2,069,677 | 3.74 |
| 2001-02 | 8,039,682 | 5,973 | 1,346 | 1,349,832 | 459,775 | 1,809,607 | 4.44 |

Notes:

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

(a) Source CBM001

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

| Taxpayer | Type of Business | Taxable Assessed Value (TAV) by Tax Year (\$000 omitted) | | | | | | | | | |
|---------------------------------|------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Lamar Power Partners LP | Utility | \$ 199,224 | \$ 207,027 | \$ 225,707 | \$ 260,629 | \$ 249,844 | \$ 12,715 | \$ 10,472 | \$ - | \$ - | \$ - |
| Kimberly-Clark Corporation | Manufacturing | 104,568 | 113,075 | 114,658 | 124,364 | 121,000 | 125,213 | 143,931 | 126,555 | 123,622 | 121,120 |
| Campbell Soup | Manufacturing | 37,797 | 39,382 | 46,979 | 67,153 | 64,333 | 40,368 | 39,599 | 48,248 | 51,542 | 63,786 |
| Essent PRMC LP | Medical | 30,955 | 32,214 | 36,065 | 45,154 | 45,021 | 42,358 | 46,827 | - | - | - |
| Paris Generation LP | Utility | 23,702 | 26,265 | 24,952 | 27,268 | 30,481 | - | - | - | - | - |
| Campbell Soup Supply LLC | Manufacturing | 35,315 | 23,763 | 24,779 | 9,551 | 9,303 | 8,142 | 8,200 | 12,362 | 13,055 | 11,599 |
| Silgan Can Co. | Manufacturing | 15,213 | 14,688 | 23,127 | 17,365 | 18,279 | 22,318 | 22,458 | 25,319 | 28,439 | - |
| Oncor Electric Delivery Co. | Utility | 17,950 | 18,580 | 19,250 | 21,456 | 31,673 | 18,506 | 17,637 | 16,517 | 16,656 | 16,237 |
| Kimberly Clark | Manufacturing | 12,100 | 13,989 | 15,268 | - | - | - | - | - | - | - |
| Essent PRMC LP | Medical | 13,245 | 12,638 | 14,906 | - | - | - | - | - | - | - |
| Sara Lee Bakery Group | Manufacturing | - | - | - | 17,045 | 12,778 | 12,818 | 12,745 | 12,146 | 13,167 | 14,123 |
| Turner Industries Group LLC | Manufacturing | - | - | - | 12,330 | 10,768 | - | - | - | - | - |
| CFS Air LLC | Communications | - | - | - | - | - | - | - | 20,946 | - | - |
| Southwestern Bell Telephone Co. | Utility | - | - | - | - | - | 9,078 | - | 9,384 | 11,452 | 10,544 |
| Flex-O-Lite Inc. | Manufacturing | - | - | - | - | - | - | 18,039 | - | - | - |
| General Foam Plastics Corp. | Manufacturing | - | - | - | - | - | - | - | - | - | 8,032 |
| Tenaska III Texas Partners | Utility | - | - | - | - | - | 20,708 | 28,584 | 36,750 | 46,613 | 61,755 |
| Totals | | \$ 490,069 | \$ 501,621 | \$ 545,691 | \$ 602,315 | \$ 593,480 | \$ 312,224 | \$ 348,492 | \$ 316,442 | \$ 321,676 | \$ 323,915 |

Total Taxable Assessed Value \$ 1,525,241 \$ 1,546,657 \$ 1,529,437 \$ 1,472,081 \$ 1,394,216 \$ 1,166,639 \$ 1,104,663 \$ 1,080,489 \$ 1,047,443 \$ 1,035,319

| Taxpayer | Type of Business | % of Taxable Assessed Value (TAV) by Tax Year | | | | | | | | | |
|---------------------------------|------------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Lamar Power Partners LP | Utility | 13.06% | 13.39% | 14.76% | 17.70% | 17.92% | 1.09% | 0.95% | 0.00% | 0.00% | 0.00% |
| Kimberly-Clark Corporation | Manufacturing | 6.86% | 7.31% | 7.50% | 8.45% | 8.68% | 10.73% | 13.03% | 11.71% | 11.80% | 11.70% |
| Campbell Soup | Manufacturing | 2.48% | 2.55% | 3.07% | 4.56% | 4.61% | 3.46% | 3.58% | 4.47% | 4.92% | 6.16% |
| Essent PRMC LP | Medical | 2.03% | 2.19% | 2.45% | 3.07% | 3.23% | 3.63% | 4.24% | 0.00% | 0.00% | 0.00% |
| Paris Generation LP | Utility | 1.55% | 1.70% | 1.63% | 1.85% | 2.19% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Campbell Soup Supply LLC | Manufacturing | 2.32% | 1.54% | 1.62% | 0.65% | 0.67% | 0.70% | 0.74% | 1.14% | 1.25% | 1.12% |
| Silgan Can Co. | Manufacturing | 1.00% | 0.95% | 1.51% | 1.18% | 1.31% | 1.91% | 2.03% | 2.34% | 2.72% | 0.00% |
| Oncor Electric Delivery Co. | Utility | 1.18% | 1.20% | 1.26% | 1.46% | 2.27% | 1.59% | 1.60% | 1.53% | 1.59% | 1.57% |
| Essent PRMC LP | Medical | 0.87% | 0.82% | 0.97% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Sara Lee Bakery Group | Manufacturing | 0.00% | 0.00% | 0.00% | 1.16% | 0.92% | 1.10% | 1.15% | 1.12% | 1.26% | 1.36% |
| Turner Industries Group LLC | Manufacturing | 0.00% | 0.00% | 0.00% | 0.84% | 0.77% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| CFS Air LLC | Communications | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.94% | 0.00% | 0.00% |
| Paris Packaging Inc. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.88% | 0.92% |
| Wal-Mart Stores Inc. #148C | Retail | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.76% | 0.75% | 0.69% |
| Southwestern Bell Telephone Co. | Utility | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.78% | 0.00% | 0.87% | 1.09% | 1.02% |
| Flex-O-Lite Inc. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.63% | 0.00% | 0.00% | 0.00% |
| General Foam Plastics Corp. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.78% |
| Tenaska III Texas Partners | Utility | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.78% | 2.59% | 3.40% | 4.45% | 5.96% |
| Totals | | 32.13% | 32.54% | 35.77% | 40.92% | 42.57% | 26.76% | 31.55% | 29.29% | 30.71% | 31.29% |

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

| Year Ended August 31, | Total Tax Levy | Collections - Current Levy (a) | Percentage of Current Levy | Current Collections of Prior Levies (a) | Total Collections (a) | Percentage of Current Levy |
|-----------------------|----------------|--------------------------------|----------------------------|---|-----------------------|----------------------------|
| 2011 | \$ 2,875,251 | \$ 2,795,000 | 97.21% | \$ 59,174 | \$ 2,891,975 | 100.58% |
| 2010 | 2,863,163 | 2,787,564 | 97.36% | 59,998 | 2,884,165 | 100.73% |
| 2009 | 2,867,269 | 2,795,183 | 97.49% | 53,927 | 2,849,110 | 99.37% |
| 2008 | 2,849,934 | 2,807,110 | 98.50% | 69,098 | 2,876,208 | 100.92% |
| 2007 | 2,612,256 | 2,565,594 | 98.21% | 47,285 | 2,612,879 | 100.02% |
| 2006 | 2,179,874 | 2,088,387 | 95.80% | 41,314 | 2,129,701 | 97.70% |
| 2005 | 2,213,804 | 2,140,310 | 96.68% | 38,821 | 2,179,131 | 98.43% |
| 2004 | 2,133,836 | 1,887,426 | 88.45% | 74,923 | 1,962,349 | 91.96% |
| 2003 | 1,939,695 | 1,848,582 | 95.30% | 51,313 | 1,899,895 | 97.95% |
| 2002 | 1,888,363 | 1,830,075 | 96.91% | 54,628 | 1,884,703 | 99.81% |

Source: Lamar County Appraisal District and District records.

(a) Ad valorem taxes only - does not include penalties and interest.

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

| | Year Ended August 31, | | | | | | | | | |
|---|-----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| General Bonded Debt | | | | | | | | | | |
| General Obligation Bonds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 30,000 | \$ 55,000 |
| Notes | - | - | - | - | - | - | - | - | - | - |
| Less: Funds Restricted for Debt Service | - | - | - | - | - | - | - | - | - | - |
| Net General Bonded Debt | - | - | - | - | - | - | - | - | 30,000.00 | 55,000.00 |
| Other Debt | | | | | | | | | | |
| Revenue Bonds | 15,325,000 | 15,802,000 | 12,740,000 | 13,064,000 | 13,500,000 | 7,645,000 | 190,000 | 230,000 | 270,000 | 375,000 |
| Notes | - | - | - | - | - | - | 54,242 | 155,428 | 199,096 | 239,822 |
| Capital Lease Obligations | - | - | - | - | - | - | - | - | - | - |
| Total Outstanding Debt | \$ 15,325,000 | \$ 15,802,000 | \$ 12,740,000 | \$ 13,064,000 | \$ 13,500,000 | \$ 7,645,000 | \$ 244,242 | \$ 385,428 | \$ 499,096 | \$ 669,822 |
| Per Capita | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0.61 | \$ 1.12 |
| Per FTSE | - | - | - | - | - | - | - | - | 5 | 10 |
| 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% | 0.01% |
| Total Outstanding Debt Ratios | | | | | | | | | | |
| Per Capita | \$ 307.77 | \$ 316.26 | \$ 258.49 | \$ 265.23 | \$ 270.74 | \$ 154.00 | \$ 4.92 | \$ 7.77 | \$ 10.09 | \$ 13.64 |
| Per FTSE | 1,491 | 1,609 | 1,638 | 1,873 | 1,989 | 1,035 | 34 | 58 | 84 | 127 |
| As a Percentage of Taxable Assessed Value | 1.00% | 1.02% | 0.83% | 0.94% | 0.97% | 0.67% | 0.02% | 0.04% | 0.05% | 0.06% |

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

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

| | Year Ended August 31, | | | | | | | | | |
|---|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| Taxable Assessed Value | \$ 1,525,241,191 | \$ 1,546,656,969 | \$ 1,529,436,575 | \$ 1,472,081,461 | \$ 1,394,216,130 | \$ 1,139,747,527 | \$ 1,166,639,110 | \$ 1,104,663,143 | \$ 1,080,489,364 | \$ 1,047,442,935 |
| General Obligation Bonds | | | | | | | | | | |
| Statutory Tax Levy Limit for Debt Service | \$ 7,626,206 | \$ 7,733,285 | \$ 7,647,183 | \$ 7,360,407 | \$ 6,971,081 | \$ 5,698,738 | \$ 5,833,196 | \$ 5,523,316 | \$ 5,402,447 | \$ 5,237,215 |
| Less: Funds Restricted for | | | | | | | | | | |
| Repayment of General Obligation Bonds | - | - | - | - | - | - | - | - | - | - |
| Total Net General Obligation Debt | 7,626,206 | 7,733,285 | 7,647,183 | 7,360,407 | 6,971,081 | 5,698,738 | 5,833,196 | 5,523,316 | 5,402,447 | 5,237,215 |
| Current Year Debt Service Requirements | - | - | - | - | - | - | - | 31,800 | 90,250 | 90,707 |
| Excess of Statutory Limit for | | | | | | | | | | |
| Debt Service Over Current Requirements | \$ 7,626,206 | \$ 7,733,285 | \$ 7,647,183 | \$ 7,360,407 | \$ 6,971,081 | \$ 5,698,738 | \$ 5,833,196 | \$ 5,491,516 | \$ 5,312,197 | \$ 5,146,508 |
| of Statutory Limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.58% | 1.67% | 1.73% |

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

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

Revenue Bonds

| Year Ended | Pledged Revenues | | | Debt Service Requirements | | | Coverage Ratio |
|------------|------------------|----------------|---------------|---------------------------|------------|--------------|-------------------|
| | Tuition | General Fee | Total | Principal | Interest | Total | |
| 2011 | \$ 9,530,791 | \$ 996,642 | \$ 10,527,433 | \$ 488,000 | \$ 692,681 | \$ 1,180,681 | 8.92 |
| 2010 | 8,578,378 | 965,527 | 9,543,905 | 468,000 | 714,155 | 1,182,155 | 8.07 |
| 2009 | 6,814,468 | 781,276 | 7,595,744 | 329,000 | 570,660 | 899,660 | 8.44 |
| 2008 | 6,127,357 | 553,735 | 6,681,092 | 316,000 | 584,892 | 900,892 | 7.42 |
| 2007 | 6,011,158 | 539,481 | 6,550,639 | 260,000 | 718,285 | 978,285 | 6.70 |
| 2006 | 5,135,563 | 539,618 | 5,675,181 | 45,000 | 8,877 | 53,877 | 105.34 |
| 2005 | 4,735,444 | 532,714 | 5,268,158 | 40,000 | 4,222 | 44,222 | 119.13 |
| 2004 | 4,518,922 | 352,110 | 4,871,032 | 40,000 | 13,250 | 53,250 | 91.47 |
| 2003 | 4,129,778 | 321,985 | 4,451,763 | 105,000 | 16,668 | 121,668 | 36.59 |
| 2002 | 3,607,684 | 291,158 | 3,898,842 | 190,000 | 26,369 | 216,369 | 18.02 |

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

| Calendar Year | County Population | County Personal Income | County Personal Income Per Capita | County Unemployment Rate |
|---------------|-------------------|------------------------|-----------------------------------|--------------------------|
| 2010 | 49,793 | (a) | (a) | 9.0% |
| 2009 | 49,965 | 1,521,784,000 | 31,079 | 7.8% |
| 2008 | 49,286 | 1,451,272,000 | 29,641 | 5.5% |
| 2007 | 49,255 | 1,349,975,000 | 27,500 | 4.7% |
| 2006 | 49,863 | 1,277,234,000 | 26,008 | 5.5% |
| 2005 | 49,644 | 1,240,000,000 | 24,993 | 5.0% |
| 2004 | 49,598 | 1,170,186,000 | 23,593 | 5.8% |
| 2003 | 49,480 | 1,117,816,000 | 22,591 | 5.9% |
| 2002 | 49,096 | 1,087,968,000 | 22,160 | 5.5% |
| 2001 | 48,075 | 1,072,093,000 | 22,300 | 5.4% |

Sources:

Population from U.S. Bureau of the Census.
Personal income from www.tracer2.com
Unemployment rate from www.tracer2.com
www.fedstats.gov

Notes:

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

Paris Junior College
Statistical Supplement 13
Principal Employers
Fiscal Years 2006 to 2011
(unaudited)

| Employer | Type | (Avg) Number of Employees 2011 | (Avg) Number of Employees 2010 | (Avg) Number of Employees 2009 | (Avg) Number of Employees 2008 | (Avg) Number of Employees 2007 | (Avg) Number of Employees 2006 |
|-------------------------------|------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Essent PRMC | Medical | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 900 |
| Kimberly-Clark Corporation | Manufacturing | 800 | 800 | 850 | 850 | 850 | 900 |
| Campbell Soup Company | Manufacturing | 900 | 900 | 800 | 800 | 800 | 800 |
| Turner International Piping | Manufacturing | 700 | 700 | 700 | 700 | 500 | 352 |
| Sara Lee Bakery Group | Manufacturing | 150 | 150 | 600 | 600 | 600 | 800 |
| Paris ISD | Education | 640 | 640 | 603 | 591 | 623 | 625 |
| TCIM | Teleservices | 480 | 480 | 550 | 550 | 550 | 250 |
| North Lamar ISD | Education | 500 | 500 | 513 | 507 | 503 | 500 |
| Walmart | Retail | 500 | 420 | 500-999 | 500-999 | 500-999 | 500-999 |
| City of Paris | Local Government | 320 | 320 | 313 | 325 | 325 | 318 |
| We Pack Logistics, Inc. | Manufacturing | 300 | 300 | 300 | 300 | 300 | 150 |
| RK Hall/Buster Paving Company | Construction | 250 | 250 | 250 | 250 | 250 | 178 |
| Dubuis Hospital | Medical | 50-99 | 50-99 | 250-499 | 250-499 | 250-499 | 250-499 |
| Load Trail | Manufacturing | 200 | 430 | 250-499 | 250-499 | 250-499 | 250-499 |
| Paris Junior College | Education | 245 | 245 | 248 | 244 | 235 | 238 |
| Total | | 8,485 | 8,635 | 8,227 | 8,217 | 8,036 | 7,511 |

Source:

City of Paris and Local Entities
www.paristexas.com
www.sitesontexas.com

Note:

This institution previously did not present this schedule and chose to implement prospectively beginning in 2006.

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

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Faculty | | | | | | | | | | |
| Full-Time | 99 | 93 | 95 | 96 | 97 | 94 | 90 | 87 | 84 | 80 |
| Part-Time | 149 | 125 | 118 | 107 | 111 | 106 | 136 | 141 | 115 | 100 |
| Total | 248 | 218 | 213 | 203 | 208 | 200 | 226 | 228 | 199 | 180 |
| Percent | | | | | | | | | | |
| Full-Time | 40% | 43% | 44.6% | 47.3% | 46.6% | 47.0% | 39.8% | 38.2% | 42.2% | 44.4% |
| Part-Time | 60% | 57% | 55.4% | 52.7% | 53.4% | 53.0% | 60.2% | 61.8% | 57.8% | 55.6% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Staff and Administrators | | | | | | | | | | |
| Full-Time | 155 | 148 | 149 | 142 | 149 | 148 | 146 | 135 | 142 | 136 |
| Part-Time | 68 | 89 | 65 | 55 | 52 | 50 | 50 | 51 | 48 | 45 |
| Total | 223 | 237 | 214 | 197 | 201 | 198 | 196 | 186 | 190 | 181 |
| Percent | | | | | | | | | | |
| Full-Time | 69.5% | 62.4% | 69.6% | 72.1% | 74.1% | 74.7% | 74.5% | 72.6% | 74.7% | 75.1% |
| Part-Time | 30.5% | 37.6% | 30.4% | 27.9% | 25.9% | 25.3% | 25.5% | 27.4% | 25.3% | 24.9% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| FTSE per Full-Time Faculty | 29.91 | 23.98 | 24.51 | 22.59 | 22.58 | 22.58 | 23.14 | 23.84 | 22.72 | 21.33 |
| FTSE per Full-Time Staff Member | 25.03 | 18.35 | 19.21 | 15.40 | 14.34 | 14.34 | 14.26 | 15.36 | 13.44 | 12.55 |
| Average Annual Faculty Salary | \$ 55,808 | \$ 50,118 | \$ 48,449 | \$ 50,442 | \$ 47,386 | \$ 46,793 | \$ 46,482 | \$ 46,570 | \$ 42,996 | \$ 42,483 |

Paris Junior 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 | 4,795 | 77.38% | 4,390 | 78.67% | 3,688 | 77.92% | 3,415 | 79.68% | 3,510 | 81.46% |
| 31-72 Hours | 960 | 15.49% | 795 | 14.25% | 714 | 15.09% | 634 | 14.79% | 577 | 13.39% |
| > 72 Hours | 442 | 7.13% | 395 | 7.08% | 331 | 6.99% | 237 | 5.53% | 222 | 5.15% |
| Total | <u>6,197</u> | <u>100.00%</u> | <u>5,580</u> | <u>100.00%</u> | <u>4,733</u> | <u>100.00%</u> | <u>4,286</u> | <u>100.00%</u> | <u>4,309</u> | <u>100.00%</u> |

| 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 | 13 | 0.21% | 13 | 0.23% | 20 | 0.42% | 23 | 0.54% | 25 | 0.58% |
| 3-5 Semester Hours | 1,266 | 20.43% | 1,183 | 21.20% | 1,164 | 24.59% | 788 | 18.39% | 1,214 | 28.17% |
| 6-8 Semester Hours | 1,260 | 20.33% | 1,143 | 20.48% | 1,059 | 22.37% | 878 | 20.49% | 832 | 19.31% |
| 9-11 Semester Hours | 687 | 11.09% | 592 | 10.61% | 607 | 12.82% | 521 | 12.16% | 461 | 10.70% |
| 12-14 Semester Hours | 2,356 | 38.02% | 2,049 | 36.72% | 1,453 | 30.70% | 1,543 | 36.00% | 1,368 | 31.75% |
| 15-17 Semester Hours | 502 | 8.10% | 454 | 8.14% | 312 | 6.59% | 400 | 9.33% | 318 | 7.38% |
| 18 & Over | 113 | 1.82% | 146 | 2.62% | 118 | 2.49% | 133 | 3.10% | 91 | 2.11% |
| Total | <u>6,197</u> | <u>100.00%</u> | <u>5,580</u> | <u>100.00%</u> | <u>4,733</u> | <u>100.00%</u> | <u>4,286</u> | <u>100.00%</u> | <u>4,309</u> | <u>100.00%</u> |

| | | | | | |
|-----------------------------|------|------|------|------|------|
| Average Course Load (Hours) | 9.59 | 7.67 | 9.05 | 9.29 | 8.94 |
|-----------------------------|------|------|------|------|------|

| 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) | 949 | 15.31% | 874 | 15.66% | 744 | 15.72% | 665 | 15.52% | 707 | 16.41% |
| Texas Resident (Out-of-District) | 4,877 | 78.70% | 4,407 | 78.98% | 3,750 | 79.23% | 3,444 | 80.35% | 3,407 | 79.07% |
| Non-Resident Tuition | 141 | 2.28% | 117 | 2.10% | 93 | 0 | 86 | 2.01% | 84 | 0 |
| Tuition Exempt | 230 | 3.71% | 182 | 3.26% | 146 | 3.08% | 91 | 2.12% | 111 | 2.58% |
| Total | <u>6,197</u> | <u>100.00%</u> | <u>5,580</u> | <u>100.00%</u> | <u>4,733</u> | <u>100.00%</u> | <u>4,286</u> | <u>100.00%</u> | <u>4,309</u> | <u>100.00%</u> |

Paris Junior 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 | 3,802 | 61.35% | 3,346 | 59.96% | 1,784 | 37.69% | 2,687 | 62.69% | 2,716 | 63.03% |
| Male | 2,395 | 38.65% | 2,234 | 40.04% | 2,949 | 62.31% | 1,599 | 37.31% | 1,593 | 36.97% |
| Total | 6,197 | 100.00% | 5,580 | 100.00% | 4,733 | 100.00% | 4,286 | 100.00% | 4,309 | 100.00% |

| Ethnic Origin | Fall 2010 | | Fall 2009 | | Fall 2008 | | Fall 2007 | | Fall 2006 | |
|------------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Caucasian | 4,674 | 75.42% | 4,233 | 75.86% | 3,695 | 78.07% | 3,372 | 78.67% | 3,458 | 80.25% |
| Hispanic | 431 | 6.95% | 424 | 7.60% | 332 | 7.01% | 282 | 6.58% | 250 | 5.80% |
| African American | 789 | 12.73% | 750 | 13.44% | 550 | 11.62% | 493 | 11.50% | 483 | 11.21% |
| Asian | 66 | 1.07% | 59 | 1.06% | 58 | 1.23% | 52 | 1.21% | 42 | 0.97% |
| Native American | 98 | 1.58% | 108 | 1.94% | 91 | 1.92% | 78 | 1.82% | 69 | 1.60% |
| Other | 139 | 2.24% | 6 | 0.11% | 7 | 0.15% | 9 | 0.21% | 7 | 0.16% |
| Total | 6,197 | 100.00% | 5,580 | 100.00% | 4,733 | 100.00% | 4,286 | 100.00% | 4,309 | 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 | 1,288 | 20.78% | 1,168 | 20.93% | 1,082 | 22.86% | 829 | 19.34% | 859 | 19.94% |
| 18 -21 | 2,225 | 35.90% | 2,157 | 38.66% | 1,873 | 39.57% | 1,901 | 44.35% | 1,783 | 41.38% |
| 22 - 24 | 664 | 10.71% | 528 | 9.46% | 462 | 9.76% | 392 | 9.15% | 406 | 9.42% |
| 25 - 35 | 1,113 | 17.96% | 957 | 17.15% | 751 | 15.87% | 645 | 15.05% | 681 | 15.80% |
| 36 - 50 | 754 | 12.17% | 642 | 11.51% | 474 | 10.01% | 451 | 10.52% | 496 | 11.51% |
| 51 and over | 153 | 2.47% | 128 | 2.29% | 91 | 1.92% | 68 | 1.59% | 84 | 1.95% |
| Total | 6,197 | 100.00% | 5,580 | 100.00% | 4,733 | 100.00% | 4,286 | 100.00% | 4,309 | 100.00% |

| | | | | | |
|-------------|------|------|------|------|------|
| Average Age | 24.0 | 24.0 | 23.0 | 24.0 | 24.0 |
|-------------|------|------|------|------|------|

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

| | Transfer Student Count Academic | Transfer Student Count Technical | Transfer Student Count Tech-Prep | Total of all Sample Transfer Students | % of all Sample Transfer Students |
|---|--|---|---|--|--|
| Angelo State University | 4 | - | - | 4 | 0.40% |
| Lamar University | 7 | - | - | 7 | 0.70% |
| Midland College | 2 | - | - | 2 | 0.20% |
| Midwestern State University | 4 | - | - | 4 | 0.40% |
| Prairie View A&M University | 2 | - | - | 2 | 0.20% |
| Sam Houston State University | 14 | - | - | 14 | 1.41% |
| South Texas College | 1 | - | - | 1 | 0.10% |
| Stephen F. Austin State University | 24 | - | 1 | 25 | 2.51% |
| Sul Ross State University | 2 | - | - | 2 | 0.20% |
| Tarleton State University | 29 | - | - | 29 | 2.91% |
| Texas A&M Health Science Center | 1 | - | - | 1 | 0.10% |
| Texas A&M University | 58 | - | - | 58 | 5.83% |
| Texas A&M University - Commerce | 708 | 22 | 49 | 779 | 78.29% |
| Texas A&M University - Corpus Christi | 2 | - | - | 2 | 0.20% |
| Texas A&M University - Galveston | 2 | - | - | 2 | 0.20% |
| Texas A&M University - Texarkana | 1 | - | 1 | 2 | 0.20% |
| Texas A&M University - Kingsville | 1 | - | - | 1 | 0.10% |
| Texas Southern University | 1 | - | - | 1 | 0.10% |
| Texas State University - San Marcus | 2 | - | - | 2 | 0.20% |
| Texas Tech University, Lubbock | 4 | - | - | 4 | 0.40% |
| Texas Woman's University | 2 | 1 | 2 | 5 | 0.50% |
| University of Houston | 1 | - | - | 1 | 0.10% |
| University of North Texas | 13 | - | 2 | 15 | 1.51% |
| University of Texas at Arlington | 7 | - | 10 | 17 | 1.71% |
| University of Texas at Austin | 5 | - | - | 5 | 0.50% |
| University of Texas at Dallas | 2 | - | 2 | 4 | 0.40% |
| University of Texas at Tyler | 2 | 1 | 1 | 4 | 0.40% |
| Univ of Texas Health Science Center San Antonio | 1 | - | - | 1 | 0.10% |
| University of Texas Medical Branch at Galveston | 1 | - | - | 1 | 0.10% |
| Totals | 903 | 24 | 68 | 995 | 100.00% |

Paris Junior College
Statistical Supplement 18
Schedule of Capital Asset Information
Fiscal Years 2007 to 2011
(unaudited)

| | Fiscal Year 2011 Square Footage | Fiscal Year 2010 Square Footage | Fiscal Year 2009 Square Footage | Fiscal Year 2008 Square Footage | Fiscal Year 2007 Square Footage |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <u>Academic Buildings</u> | | | | | |
| Agriculture Barn | 4,800 | 4,800 | 4,800 | 4,800 | 4,800 |
| Applied Sciences Center | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| Applied Technology | 64,600 | 64,600 | 64,600 | 64,600 | 64,600 |
| Annex 1 Cosmetology | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Annex 2 HVAC Technology | 7,360 | 7,360 | 7,360 | 7,360 | 7,360 |
| Annex 3 Art | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Greenhouse | 924 | 924 | 924 | 924 | 924 |
| Greenville Technical Center (current) | 39,000 | 39,000 | 39,000 | 39,000 | - |
| Greenville Technical Center (former) | - | - | - | - | 21,000 |
| Henry P. Mayer Center for the Musical Arts | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| A. Frank Grimes Natural Sciences | 15,276 | 15,276 | 15,276 | 15,276 | 15,276 |
| <u>Libraries</u> | | | | | |
| Mike Rheudasil Learning Center | 54,000 | 54,000 | 54,000 | 54,000 | 54,000 |
| <u>Administrative and Support Buildings</u> | | | | | |
| Bob Berry Office Complex | 6,600 | 6,600 | 6,600 | 6,600 | 6,600 |
| College Store | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| DeShong Chapel | 1,668 | 1,668 | 1,668 | 1,668 | 1,668 |
| Jess B. Alford Center | 8,436 | 8,436 | 8,436 | 8,436 | 8,436 |
| Louise B. Williams Administration | 26,300 | 26,300 | 26,300 | 26,300 | 26,300 |
| Mary Jo Gabbert | 2,150 | 2,150 | 2,150 | 2,150 | 2,150 |
| McClanahan House | 3,568 | 3,568 | 3,568 | 3,568 | 3,568 |
| Security Building | 1,280 | 1,280 | 1,280 | 1,280 | 1,280 |
| Willow Creek Office | 3,196 | 3,196 | 3,196 | 3,196 | 3,196 |
| <u>Dormitories</u> | | | | | |
| Clara Rice Thompson Hall | 13,308 | 13,308 | 13,308 | 13,308 | 13,308 |
| Dixon L. Hatcher Hall | 13,308 | 13,308 | 13,308 | 13,308 | 13,308 |
| South Campus | - | 5,000 | 5,000 | 5,000 | 5,000 |
| New South Campus | 33,000 | 17,000 | - | - | - |
| <u>Apartments</u> | | | | | |
| B.E. Masters Apartment Complex | 48,848 | 48,848 | 48,848 | 48,848 | 48,848 |
| <u>Dining Facilities</u> | | | | | |
| J.R. McLemore Student Center | 24,960 | 24,960 | 24,960 | 24,960 | 24,960 |
| <u>Athletic Facilities</u> | | | | | |
| Golf Storage | 176 | 176 | 176 | 176 | 176 |
| Harold E. Hunt Physical Education Center | 17,815 | 17,815 | 17,815 | 17,815 | 17,815 |
| H.L. Hollis Fieldhouse | 1,901 | 1,901 | 1,901 | 1,901 | 1,901 |
| Old Gymnasium | 13,500 | 13,500 | 13,500 | 13,500 | 13,500 |
| <u>Plant Facilities</u> | | | | | |
| Downtown Center | 17,775 | 17,775 | 17,775 | 17,775 | 17,775 |
| Mechanical Building #1 | 1,745 | 1,745 | 1,745 | 1,745 | 1,745 |
| Mechanical Building #2 | 1,975 | 1,975 | 1,975 | 1,975 | 1,975 |
| Physical Plant Operations | 4,946 | 4,946 | 4,946 | 4,946 | 4,946 |
| Vehicle Shop | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 |
| Total Square Footage | 512,995 | 501,995 | 484,995 | 484,995 | 466,995 |
| <u>Transportation</u> | | | | | |
| Cars | 12 | 12 | 12 | 13 | 12 |
| Light Trucks/Vans | 31 | 26 | 26 | 27 | 25 |
| Bus | 2 | 2 | 2 | 1 | 1 |
| Total | 45 | 40 | 40 | 41 | 38 |