

South Plains College
Levelland, Texas

Annual Financial Report
August 31, 2011

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**SOUTH PLAINS COLLEGE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2011**

**SOUTH PLAINS COLLEGE
TABLE OF CONTENTS
AUGUST 31, 2011**

| | <u>Page Number</u> |
|---|------------------------|
| INTRODUCTORY SECTION | |
| Certificate of Board of Regents..... | 1 |
| Organizational Data..... | 2 |
| FINANCIAL SECTION | |
| Independent Auditor's Report | 3-4 |
| <u>Required Supplementary Information</u> | |
| Management's Discussion and Analysis..... | 5-10 |
| <u>Basic Financial Statements</u> | |
| Exhibit 1 - Statement of Net Assets | |
| Affiliated Organizations Statement of Financial Position..... | 11-12 |
| Exhibit 2 - Statement of Revenues, Expenses, and Changes in Net Assets | |
| Affiliated Organizations Statement of Activities..... | 13-15 |
| Exhibit 3 - Statement of Cash Flows..... | 16-17 |
| Notes to the Basic Financial Statements..... | 18-30 |
| OTHER SUPPLEMENTARY INFORMATION SECTION | |
| Schedule A - Schedule of Operating Revenues..... | 31 |
| Schedule B - Schedule of Operating Expenses by Object..... | 32 |
| Schedule C - Schedule of Non-Operating Revenues and Expenses..... | 33 |
| Schedule D - Schedule of Net Assets by Source and Availability..... | 34 |
| Schedule E - Schedule of Expenditures of Federal Awards..... | 35-37 |
| Schedule F - Schedule of Expenditures of State Awards..... | 38 |
| 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..... | 39-40 |
| Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance With OMB Circular A-133..... | 41-42 |
| Schedule of Findings and Questioned Costs..... | 43 |
| Schedule of Corrective Action For Audit Finding and Questioned Costs..... | 44 |
| Summary Schedule of Prior Audit Findings..... | 45 |
| Statistical Supplements (Unaudited) | |
| Net Assets by Component..... | 46 |
| Revenues by Source..... | 47 |
| Program Expenses by Function..... | 48 |

**SOUTH PLAINS COLLEGE
TABLE OF CONTENTS
AUGUST 31, 2011
(continued)**

| | Page Number |
|---|------------------------|
| Tuition and Fees..... | 49 |
| Assessed Value and Taxable Assessed Value of Property | 50 |
| State Appropriation Per FTSE and Contact Hour | 51 |
| Principal Taxpayers..... | 52-53 |
| Property Tax Levies and Collections..... | 54 |
| Ratios of Outstanding Debt..... | 55 |
| Legal Debt Margin Information..... | 56 |
| Pledged Revenue Coverage..... | 57 |
| Demographic and Economic Statistics Taxing District. | 58 |
| Principal Employers..... | 59 |
| Faculty, Staff, and Administrators Statistics. | 60 |
| Enrollment Details..... | 61 |
| Student Profile..... | 62 |
| Transfers to Senior Institutions..... | 63 |
| Capital Asset Information. | 64 |

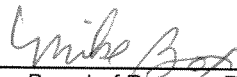
**SOUTH PLAINS COLLEGE
CERTIFICATE OF BOARD OF REGENTS
FOR THE YEAR ENDED AUGUST 31, 2011**

We, the undersigned, certify that the attached annual financial report of South Plains College was reviewed and was (check one):


Approved _____ Disapproved _____

for the year ended August 31, 2011, at a meeting of the Board of Regents of South Plains College on the

_____ 10th _____ day of _____ November _____, 2011



Signature Board of Regents President



Signature Board of Regents Secretary

If the Board of Regents disapproved of the annual financial report, the reason(s) for disapproving it is (are):

**SOUTH PLAINS COLLEGE
ORGANIZATIONAL DATA
AUGUST 31, 2011**

Board of Regents

Officers

Mike Box
Bobby G. Neal
Charles W. Miller

Chairman
Vice-Chairman
Secretary

Members

| | | <u>Term Expires</u> |
|-------------------|-------------------|---------------------|
| Mike Box | Sundown, Texas | 2016 |
| William Clements | Levelland, Texas | 2012 |
| Charles W. Miller | Levelland, Texas | 2016 |
| Ken Williams | Levelland, Texas | 2012 |
| Bobby G. Neal | Whiteface, Texas | 2014 |
| Linda Patton | Levelland, Texas | 2012 |
| Alton C. Pettiet | Ropesville, Texas | 2012 |

Executive Administration

Dr. Kelvin Sharp
Anthony G. Riley, Jr., CPA, MBA
Darrell Grimes, MBA
Stephen John, MBA
Teresa Green, CPA

President
Vice-President for Finance and Administration
Vice-President for Academic Affairs
Vice-President for Institutional Advancement
Controller

FINANCIAL SECTION

KEITH DOWNS, C.P.A.
RUSS PINKERTON, C.P.A.

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CERTIFIED PUBLIC ACCOUNTANTS
PHONE 806 / 894-8568 FAX 806 / 894-3486
P.O. BOX 1255 1008 AUSTIN STREET LEVELLAND, TX 79336
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November 10, 2011

Independent Auditor's Report

Board of Regents
South Plains College
1401 S. College Avenue
Levelland, Texas 79336

Members of the Board:

We have audited the accompanying financial statements of South Plains College and the discretely presented component unit, as of and for the years ended August 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of South Plains College's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of South Plains College and the discretely presented component unit as of August 31, 2011 and 2010, and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2011, on our consideration of South Plains College's internal control over financial reporting and 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 *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise South Plains College's financial statements as a whole. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, and Local Governments and Non-Profit Organizations and the Texas Single Audit Circular*, and is also not a required part of the financial statements of South Plains College. The financial statements and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise South Plains College's financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Respectfully submitted,

Pate, Downs & Pinkerton, LLP

Pate, Downs & Pinkerton, LLP

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

This section provides an overview of financial activity, identifies changes in financial position, and assists the reader in focusing on significant financial issues. While maintaining its financial health is crucial to the long-term viability of the College, the primary mission of South Plains College, as a public institution of higher education, is to provide education and public service. Therefore, net assets are accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs.

FINANCIAL HIGHLIGHTS

1. The College's total combined net assets were \$52,302,758 at August 31, 2011.
2. For the year ended August 31, 2011, the College had total revenues of \$65,431,728 and total expenses of \$61,324,347 resulting in an increase in total combined net assets of \$4,107,381.
3. The College's revenues increased by approximately 1.9%, and expenses increased by approximately 2.6% over the prior year. The College's net assets increased 8.5 % over the prior year.
4. The College's current assets exceeded current liabilities by a 2.5 to 1 margin, and total assets exceeded total liabilities by a 6 to 1 margin. The college is in a very solvent position. Debt service payments are being made in a timely manner.
5. The College presently has \$4.1 million of bonded indebtedness outstanding as of August 31, 2011, relating to the 2010 Bond Issue. The 2008 Bond Issue debt balance of \$1,980,000 was paid off in its entirety in October, 2010.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis (required supplementary information)*, the *basic financial statements*, and *other supplementary information*. The basic financial statements include the Statement of Net Assets (Exhibit 1); Statement of Revenues, Expenses, and Changes in Net Assets (Exhibit 2); Statement of Cash Flows (Exhibit 3); and the Notes to the Financial Statements.

One of the most important questions asked about the College's finances is "Is the College as a whole better off or worse off as a result of the year's activities?" The basic financial statements mentioned above report information about the College as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets, and the Statement of Revenues, Expenses, and Changes in Net Assets, report the College's net assets and changes in them. You can think of the College's net assets – the difference between assets and liabilities – as one way to measure the College's financial health, or solvency. Over time, increases or decreases in the College's net assets are one indicator of whether its financial health is improving or deteriorating.

You will need to consider other non-financial factors, however, such as changes in the College's property tax base, enrollment levels, State funding, and the condition of the College's facilities.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *other supplementary information* that further explains and supports the information in the financial statements.

FINANCIAL ANALYSIS OF THE COLLEGE AS A WHOLE

The College's combined net assets were \$52,302,758 at August 31, 2011. (See Table A-1).

TABLE A-1
SOUTH PLAINS COLLEGE'S NET ASSETS
(In millions)

| <u>ASSETS</u> | <u>2011</u> | <u>2010</u> | <u>DIFFERENCE</u> | |
|----------------------------|----------------|----------------|-------------------|----------------|
| | | | <u>AMOUNT</u> | <u>PERCENT</u> |
| CURRENT AND OTHER ASSETS | \$ 19.1 | \$ 18.6 | \$ 0.5 | 2.7% |
| CAPITAL ASSETS | \$ 44.2 | \$ 39.2 | \$ 5.0 | 12.8% |
| TOTAL | <u>\$ 63.3</u> | <u>\$ 57.8</u> | <u>\$ 5.5</u> | <u>9.5%</u> |
| <u>LIABILITIES</u> | | | | |
| LONG TERM DEBT OUTSTANDING | \$ 3.3 | \$ 1.8 | \$ 1.5 | 81.1% |
| OTHER LIABILITIES | \$ 7.7 | \$ 7.8 | \$ (0.1) | -1.3% |
| TOTAL | <u>\$ 11.0</u> | <u>\$ 9.6</u> | <u>\$ 1.4</u> | <u>14.2%</u> |
| <u>NET ASSETS</u> | | | | |
| INVESTED IN CAPITAL ASSETS | | | | |
| NET OF DEBT | \$ 40.1 | \$ 37.2 | \$ 2.9 | 7.8% |
| RESTRICTED | \$ 1.2 | \$ 2.3 | \$ (1.1) | -47.8% |
| UNRESTRICTED | \$ 11.0 | \$ 8.7 | \$ 2.3 | 26.4% |
| TOTAL NET ASSETS | <u>\$ 52.3</u> | <u>\$ 48.2</u> | <u>\$ 4.1</u> | <u>8.5%</u> |

Approximately 82% (2011) and 85% (2010) of the College's restricted net assets represent amounts restricted for debt service. The \$11.0 million of unrestricted net assets for 2011 represents resources available to fund the programs of the College next year.

Changes in net assets. As Table A-1 illustrates, the College's net asset balance for FY 2011 increased by \$4.1 million or 8.5% over the balance reported in FY 2010.

COLLEGE REVENUES:

The College's total revenues were \$65.4 million. Approximately 28.9% comes from State appropriations, 31.5% from Federal and State grants and contracts, 20.5% from tuition and fees, 16.4% from property taxes, and the remaining 2.8% from other sources. (Table A-2)

The College's total expenses were \$61.2 million. Approximately 93% of these expenses are for instruction and other student related expenses.

- Property tax revenues have remained stable.
- State appropriations amounts were reduced by 1.3%
- A slight increase in the Internet Support Fee was imposed and projected to be \$125k.

**TABLE A-2
SOUTH PLAINS COLLEGE
SOURCES OF REVENUE
FY 2011
(In millions)**

| <u>REVENUE SOURCES(millions)</u> | <u>2011</u> | |
|----------------------------------|----------------|----------------------|
| STATE APPROPRIATIONS | \$ 18.9 | 28.9% |
| TUITION AND FEES | \$ 13.4 | 20.5% |
| PROPERTY TAXES | \$ 10.7 | 16.4% |
| FEDERAL AND STATE GRANTS | \$ 20.6 | 31.5% |
| OTHER | \$ 1.8 | <u>2.8%</u> |
| TOTAL | \$ 65.4 | <u>100.0%</u> |

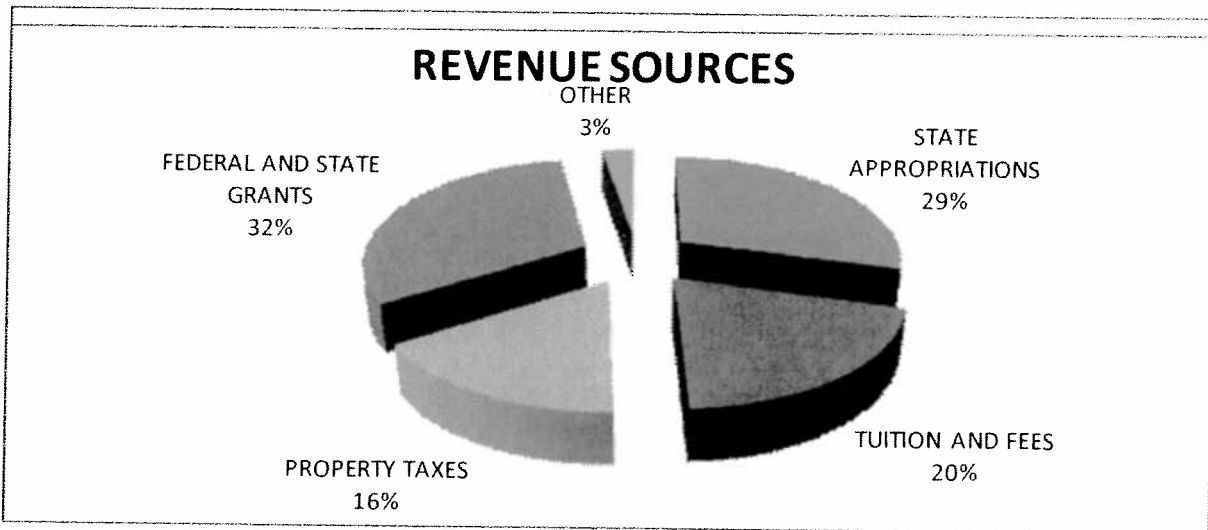


TABLE A-3
CHANGES IN THE NET ASSETS OF SOUTH PLAINS COLLEGE

| | <u>(EXPRESSED IN MILLION'S)</u> | | <u>PERCENTAGE</u> |
|---|---------------------------------|----------------|-------------------|
| | <u>2011</u> | <u>2010</u> | <u>CHANGE</u> |
| <u>OPERATING REVENUES</u> | | | |
| TUITION AND FEES(NET OF DISCOUNTS) | \$ 13.4 | \$ 13.4 | 0.0% |
| FEDERAL GRANTS AND CONTRACTS | \$ 2.2 | \$ 3.5 | -37.1% |
| STATE GRANTS AND CONTRACTS | \$ 1.1 | \$ 1.4 | -21.4% |
| NON GOVERNMENTAL GRANTS AND CONTRACTS | \$ 0.2 | \$ 0.2 | 0.0% |
| SALES AND SERVICES OF EDUCATIONAL ACTIVITIES | \$ 0.2 | \$ 0.2 | 0.0% |
| AUXILIARY ENTERPRISES | \$ 1.3 | \$ 1.4 | -7.1% |
| GENERAL OPERATING REVENUES | \$ 0.05 | \$ 0.06 | -16.7% |
| TOTAL OPERATING REVENUES | \$ 18.5 | \$ 20.2 | -8.5% |
| <u>OPERATING EXPENSES</u> | | | |
| INSTRUCTION | \$ 26.6 | \$ 26.0 | 2.3% |
| PUBLIC SERVICE | \$ 1.1 | \$ 1.1 | 0.0% |
| ACADEMIC SUPPORT | \$ 2.5 | \$ 2.3 | 8.7% |
| STUDENT SERVICES | \$ 6.3 | \$ 6.6 | -4.5% |
| INSTITUTIONAL SUPPORT | \$ 4.8 | \$ 4.6 | 4.3% |
| OPERATING AND MAINTENANCE OF PLANT | \$ 5.5 | \$ 5.5 | 0.0% |
| SCHOLARSHIPS AND FELLOWSHIPS | \$ 10.1 | \$ 9.4 | 7.4% |
| AUXILIARY ENTERPRISES | \$ 2.50 | \$ 2.4 | 4.2% |
| DEPRECIATION | \$ 1.8 | \$ 1.8 | 0.0% |
| TOTAL OPERATING EXPENSES | \$ 61.2 | \$ 59.7 | 2.5% |
| <u>NON-OPERATING REVENUES (EXPENSES)</u> | | | |
| STATE APPROPRIATIONS | \$ 19.0 | \$ 19.1 | -0.5% |
| TAXES-MAINTENANCE AND OPERATIONS | \$ 10.7 | \$ 9.5 | 12.6% |
| FEDERAL REVENUE, NON-OPERATING | \$ 17.2 | \$ 15.3 | 12.4% |
| GIFTS | \$ - | \$ - | NA |
| INVESTMENT INCOME | \$ - | \$ - | NA |
| INTEREST ON CAPITAL RELATED DEBT | \$ - | \$ - | NA |
| OTHER | \$ - | \$ - | NA |
| TOTAL NON-OPERATING REVENUES (EXPENSES) | \$ 46.9 | \$ 43.9 | 6.8% |
| INCREASE(DECREASE) IN NET ASSETS | \$ 4.1 | \$ 4.4 | |

Capital Assets

At the end of 2011, the College had invested \$85.8 million(excluding accumulated depreciation) in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$6.7 million or 8.5% over last year. The new dormitory, and additional space for Allied Health purchased from Gentry Square Shopping Center are the major projects undertaken.

A detail listing of activity in the capital assets is presented in Table A-4.

TABLE A-4

| <u>CHANGES IN CAPITAL ASSETS (millions)</u> | | | <u>AMOUNT OF INCREASE</u> | |
|--|----------------|----------------|---------------------------|----------------|
| | <u>2011</u> | <u>2010</u> | <u>(DECREASE)</u> | <u>PERCENT</u> |
| LAND | \$ 1.7 | \$ 1.7 | - | 0 |
| LIBRARY BOOKS | \$ 2.5 | \$ 2.4 | 0.10 | 4.2% |
| CONSTRUCTION IN PROGRESS | \$ 5.5 | \$ 1.2 | 4.30 | 358.3% |
| BUILDINGS | \$ 63.4 | \$ 62.1 | 1.30 | 2.1% |
| LAND IMPROVEMENTS | \$ 1.0 | \$ 1.0 | - | 0.0% |
| FURNITURE, MACHINERY, VEHICLES, OTHER EQUIP. | \$ 6.6 | \$ 6.3 | 0.30 | 4.8% |
| TELECOMMUNICATIONS AND PERIPHERAL EQUIPT. | \$ 5.1 | \$ 4.4 | 0.70 | 15.9% |
| TOTALS AT HISTORICAL COST | <u>\$ 85.8</u> | <u>\$ 79.1</u> | <u>6.70</u> | <u>8.5%</u> |
| LESS ACCUMULATED DEPRECIATION | \$ 41.7 | \$ 39.9 | 1.80 | 4.5% |
| NET CAPITAL ASSETS | <u>\$ 44.1</u> | <u>\$ 39.2</u> | <u>4.90</u> | <u>12.5%</u> |

Long Term Debt

At year-end the College had \$4.5 million in bonds outstanding as shown in Table A-5 on the next page. More detailed information about the College's debt is presented in the notes to the financial statements.

Bond Ratings

The College's bonds presently carry "AAA" ratings with underlying ratings as follows:
Moody's Investor Services "A3" and Standard & Pooors "A"

Table A-5
College's Long Term Debt
(In millions of dollars)

| | <u>Total</u> | | <u>Total Percentage Change</u> <u>2011-2010</u> |
|----------------------|---------------|---------------|--|
| | <u>2011</u> | <u>2010</u> | |
| Bonds payable | \$ 4.5 | \$ 2.2 | (204.5%) |
| Total Long-term Debt | <u>\$ 4.5</u> | <u>\$ 2.2</u> | |

POSSIBLE FUTURE FINANCIAL EFFECTS ON COLLEGE OPERATIONS

- Enrollment levels directly affect tuition and fee revenues and auxiliary enterprise sales, services, and fee revenues. Demographics (number of potential students) and the overall area economic condition also effect enrollment. South Plains College continues to experience a relatively stable enrollment. In the Fall, 2011 semester, the College again experienced enrollment exceeding 10,000 students and that enrollment level is expected to continue for the near future. The partnership with Texas Tech University still exists, and efforts from both parties are underway to hopefully increase enrollment for both institutions. Also, Distance Learning Centers in Denver City, Muleshoe, Crosbyton, and the Dental Regional Medical Center continue to attract students. Dual Credit enrollment continues to grow.
- The State of Texas contributes a significant portion of the college's revenues through state appropriations for educational operations and health insurance. This session of the legislature was especially painful for community colleges as the legislative appropriation for the 2012-2013 biennium was cut severely. Educational appropriations were cut 18%, Health Insurance Appropriations were cut 50% and the 6% per employee TRS retirement contribution was cut by 50%. However the 50% retirement fund cut is being legally challenged by the Texas Association of Community Colleges. The only "victory" the community colleges had was the rejection of an move sponsored in the House and supported by the Governor's office, that would have cut our health insurance appropriation 90% placing us in the same funding category as the public schools. In other words, we would no longer be considered as a higher education institution in regards to health insurance funding. The 10,000+ enrollment levels and the judicious use of deferred maintenance funds for normal college operations is the only reason that SPC is not laying off employees and cutting back on course offerings. Hopefully the funding shortfall facing the legislature will abate during the next biennium and the funding cuts to community colleges can be restored. Whether that will happen is a matter of conjecture.
- Investment income is affected by changes in interest rates and the stock market. Given the current state of the economy, markets, and interest rates, the outlook for the college's investment income is uncertain. At present, minimal returns are being earned on SPC's investments but the investment capital amounts are not experiencing any reduction in value. The college will continue with the stated policy of preserving capital first and maximizing investment returns second.
- The volatility of the oil and gas market will continue to affect the mineral tax base of the college.

AFFILIATED UNIT INFORMATION **SOUTH PLAINS COLLEGE FOUNDATION**

The South Plains College Foundation's net assets recorded an 18.1% increase from last year due to an increase in short-term investments. The Foundation was able to distribute in excess of \$570 thousand in scholarship funds to students. The foundation's investment policy is based on the overriding principle of preservation of the investment assets. The foundation continues its tradition of service to the students of South Plains College.

CONTACTING THE COLLEGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the President, the Vice President for Finance and Administration, or the Vice President for Institutional Advancement.

BASIC FINANCIAL STATEMENTS

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

| ASSETS | <u>2011</u> | <u>2010</u> |
|---|----------------------|----------------------|
| Current Assets: | | |
| Cash and cash equivalents | \$ 17,291,806 | \$ 16,388,264 |
| Accounts receivable (net) | 1,829,879 | 2,185,520 |
| Total Current Assets | <u>19,121,685</u> | <u>18,573,784</u> |
| Noncurrent Assets: | | |
| Capital assets (net) (See Note 6) | 44,159,897 | 39,213,115 |
| Total Noncurrent Assets | <u>44,159,897</u> | <u>39,213,115</u> |
| Total Assets | <u>\$ 63,281,582</u> | <u>\$ 57,786,899</u> |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts payable | \$ 743,029 | \$ 1,213,813 |
| Accrued liabilities | 1,428,710 | 1,210,803 |
| Funds held for others | 597,476 | 638,603 |
| Deferred revenues | 4,094,277 | 4,548,303 |
| Bonds payable - current portion | 850,000 | 220,000 |
| Total Current Liabilities | <u>7,713,492</u> | <u>7,831,522</u> |
| Noncurrent Liabilities: | | |
| Bonds payable | 3,265,332 | 1,760,000 |
| Total Noncurrent Liabilities | <u>3,265,332</u> | <u>1,760,000</u> |
| Total Liabilities | <u>\$ 10,978,824</u> | <u>\$ 9,591,522</u> |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | \$ 40,044,565 | \$ 37,233,115 |
| Restricted for: | | |
| Expendable | | |
| Student Aid | 218,946 | 206,700 |
| Unexpended Bond Proceeds | 2 | 25,600 |
| Debt service | 1,002,781 | 1,943,144 |
| Nursing Program | 0 | 105,494 |
| Unrestricted | 11,036,464 | 8,681,324 |
| Total Net Assets (Schedule D) | <u>\$ 52,302,758</u> | <u>\$ 48,195,377</u> |

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

AFFILIATED ORGANIZATION
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2011

| | <u>SOUTH PLAINS COLLEGE FOUNDATION</u> |
|---------------------------|--|
| Assets | |
| Cash and cash equivalents | \$ 617,918 |
| Short-term Investments | 9,282,794 |
| Accounts receivable (net) | <u>2,782</u> |
| Total Assets | <u>9,903,494</u> |
| Liabilities | |
| Accounts payable | <u>-</u> |
| Total Liabilities | <u>-</u> |
| Net Assets | |
| Unrestricted | 190,965 |
| Temporarily Restricted | 2,927,341 |
| Permanently Restricted | <u>6,785,188</u> |
| Total Net Assets | <u>\$ 9,903,494</u> |

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

| Operating Revenues | <u>2011</u> | <u>2010</u> |
|--|---------------------|---------------------|
| Tuition and Fees (net of discounts of \$9,442,827 and \$8,361,377, respectively) | \$ 13,438,578 | \$ 13,354,233 |
| Federal Grants and Contracts | 2,230,865 | 3,545,445 |
| State Grants and Contracts | 1,107,111 | 1,443,071 |
| Non-Governmental Grants and Contracts | 167,388 | 173,665 |
| Sales and Services of Educational Activities | 183,258 | 203,381 |
| Investment Income - Program Restricted | 932 | 786 |
| Auxiliary Enterprises (net of discounts of \$566,914 & \$496,127) | 1,329,924 | 1,428,871 |
| General Operating Revenues | <u>53,778</u> | <u>60,537</u> |
| Total Operating Revenues (Schedule A) | <u>18,511,834</u> | <u>20,209,989</u> |
| Operating Expenses | | |
| Instruction | 26,552,727 | 25,952,226 |
| Public Service | 1,126,881 | 1,140,785 |
| Academic Support | 2,512,323 | 2,347,173 |
| Student Services | 6,325,103 | 6,536,026 |
| Institutional Support | 4,808,151 | 4,576,780 |
| Operation and Maintenance of Plant | 5,520,282 | 5,517,385 |
| Scholarships and Fellowships | 10,136,308 | 9,394,532 |
| Auxiliary Enterprises | 2,450,323 | 2,418,243 |
| Depreciation | <u>1,823,495</u> | <u>1,771,515</u> |
| Total Operating Expenses (Schedule B) | <u>61,255,593</u> | <u>59,654,665</u> |
| Operating Loss | <u>(42,743,759)</u> | <u>(39,444,676)</u> |
| Non-Operating Revenues (Expenses) | | |
| State Appropriations | 18,905,652 | 19,133,494 |
| Maintenance Ad Valorem Taxes | 10,651,591 | 9,551,046 |
| Federal Revenue, Non Operating | 17,241,996 | 15,256,451 |
| Gifts in Kind | 21,865 | 1,200 |
| Investment income | 60,892 | 55,850 |
| Interest on Capital Related Debt | (68,754) | (99,715) |
| Gain/(Loss) on Disposal of Fixed Assets | 37,874 | 0 |
| Realized Gain on Sale of Investment | <u>24</u> | <u>0</u> |
| Net Non-Operating Revenues (Schedule C) | <u>46,851,140</u> | <u>43,898,326</u> |

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

| | | |
|--------------------------------|----------------------|----------------------|
| Increase in Net Assets | 4,107,381 | 4,453,650 |
| Net Assets | | |
| Net Assets - Beginning of Year | 48,195,377 | 43,741,727 |
| Prior period adjustment | | |
| Net Assets - End of Year | <u>\$ 52,302,758</u> | <u>\$ 48,195,377</u> |

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

AFFILIATED ORGANIZATION
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2011

| | <u>SOUTH PLAINS COLLEGE FOUNDATION</u> |
|------------------------------------|--|
| Revenue | |
| Interest and Dividend Income | \$ 190,520 |
| Realized Capital Gain | 62,218 |
| Unrealized Capital Gain | 565,606 |
| Gifts | 1,363,687 |
| Total Revenue | <u>2,182,031</u> |
| Expense | |
| Services and supplies | 101,678 |
| Scholarships and research support | 467,823 |
| Non-Scholarship Restricted Expense | 75,520 |
| Gift in Kind | 21,865 |
| Total Expenses | <u>666,886</u> |
| Change in Net Assets | 1,515,145 |
| Net Assets at beginning of year | 8,388,349 |
| Net Assets at end of year | <u>\$ 9,903,494</u> |

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

STATEMENT OF CASH FLOWS
YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

| | <u>2011</u> | <u>2010</u> |
|---|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Receipts from students and other customers | \$ 14,432,185 | \$ 15,342,776 |
| Receipts from grants and contracts | 3,777,347 | 5,073,231 |
| Payments to suppliers for goods and services | (10,736,199) | (10,873,812) |
| Payments to or on behalf of employees | (34,128,373) | (32,774,885) |
| Payments for scholarships and fellowships | (10,456,449) | (9,715,565) |
| Other receipts | 54,710 | 61,323 |
| Net cash used by operating activities | <u>(37,056,779)</u> | <u>(32,886,932)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES: | | |
| Receipts from state appropriations | 14,774,002 | 14,942,414 |
| Receipts from ad valorem taxes | 10,609,105 | 9,529,526 |
| Receipts from Non Operating Federal Revenue | 17,241,996 | 15,256,451 |
| Net cash provided by noncapital financing activities | <u>42,625,103</u> | <u>39,728,391</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES: | | |
| Proceeds on issuance of capital debt | 4,115,332 | - |
| Purchases of capital assets | (6,849,007) | (2,853,706) |
| Proceeds from sale of capital assets | 37,874 | - |
| Payments on capital debt - principal | (1,980,000) | (220,000) |
| Payments on capital debt - interest | (41,503) | (104,117) |
| Net cash used by capital and related financing activities | <u>(4,717,304)</u> | <u>(3,177,823)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Investment earnings | <u>52,522</u> | <u>55,894</u> |
| Net cash provided by investing activities | <u>52,522</u> | <u>55,894</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | <u>903,542</u> | <u>3,719,530</u> |
| CASH AND CASH EQUIVALENTS—September 1 | <u>16,388,264</u> | <u>12,668,734</u> |
| CASH AND CASH EQUIVALENTS—August 31 | <u>\$ 17,291,806</u> | <u>\$ 16,388,264</u> |

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

STATEMENT OF CASH FLOWS
YEARS ENDED AUGUST 31, 2011 AND AUGUST 31, 2010

| | <u>2011</u> | <u>2010</u> |
|--|------------------------|------------------------|
| RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | |
| Operating loss | \$ (42,743,759) | \$ (39,444,676) |
| Adjustments to reconcile net loss to net cash provided (used) by operating activities: | | |
| Depreciation expense | 1,823,495 | 1,771,515 |
| Bad debt expense | 153,861 | 159,781 |
| Gift in kind expenditure | 11,865 | |
| Payments made directly by state for benefits (TRS) | 4,131,650 | 4,191,080 |
| Changes in assets and liabilities: | | |
| Receivables (net) | 252,658 | (310,612) |
| Accounts payable | (382,054) | 320,580 |
| Accrued liabilities | 190,656 | 4,775 |
| Deferred revenue | (454,024) | 1,080 |
| Funds held for others | (41,127) | 419,545 |
| Net cash used by operating activities | <u>\$ (37,056,779)</u> | <u>\$ (32,886,932)</u> |

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

SOUTH PLAINS COLLEGE

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

1. Reporting Entity

South Plains College District (a Texas Public Community College District) (the College) was established in 1958, in accordance with the laws of the State of Texas, to serve the educational needs of Hockley County and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14. While the College receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The College applies all applicable GASB pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. The College has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB. The College is reported as a special-purpose government engaged in business-type activities.

Tuition Discounting

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code § 56.033). When the award is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as tuition discount. 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 all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

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

SOUTH PLAINS COLLEGE

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

Cash and Cash Equivalents

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

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. The governing board has designated public funds investment pools comprised of \$8,378,804 and \$6,715,108 at 2011 and 2010, respectively to be short term investments. Long-term investments have an original maturity of greater than one year at time of purchase.

Inventories

Inventories consist of consumable office supplies and physical plant supplies. Inventories are valued at cost and charged to expense when purchased, except for miscellaneous items purchased at year end which are more appropriately charged to the subsequent year.

Capital Assets

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

Deferred Revenues

Tuition and fees of \$3,967,413 and \$4,376,549 and federal, state and local grants of \$126,864 and \$171,754 have been reported as deferred revenues at August 31, 2011 and 2010.

Estimates

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

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of the bookstore and the cafeteria are not performed by the College.

SOUTH PLAINS COLLEGE

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

Prior Year Restatement

Prior year restatements, in accordance with APB 20 that occurred in the current year consist of:

None

3. Authorized Investments

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

4. Deposits and Investments

At August 31, 2011 and 2010, South Plains College's deposits were covered by federal depository insurance or by collateral pledged in South Plains College's name. The collateral was held by the College's agent.

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

| | Cash and Deposits | | | |
|--------------------------------------|---------------------|---------------|----------------|--------------|
| | Primary Institution | | Component Unit | |
| | 2011 | 2010 | 2011 | 2010 |
| Bank Deposits | | | | |
| Demand Deposits | \$ 3,067,582 | \$ 2,901,832 | \$ 264,670 | \$ 292,798 |
| Savings and Money Market Accounts | 4,117,980 | 5,056,283 | 181,260 | 881,523 |
| Certificates of Deposit | 1,723,110 | 1,711,318 | 171,988 | 271,674 |
| Total Bank Deposits | \$ 8,908,672 | \$ 9,669,433 | \$ 617,918 | \$ 1,445,995 |
| Cash and Cash Equivalents | | | | |
| Petty Cash on Hand | 4,330 | 3,723 | 0 | 0 |
| Investment Pool | 8,378,804 | 6,715,108 | 0 | 0 |
| Total (Exhibit 1) | \$ 17,291,806 | \$ 16,388,264 | \$ 617,918 | \$ 1,445,995 |

SOUTH PLAINS COLLEGE

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

Reconciliation of Deposits and Investments to Exhibit 1

| <u>Type of Security</u> | <u>Primary Institution</u> | | <u>Component Unit</u> | |
|--|---|---|---|---|
| | <u>Market Value August 31, 2011</u> | <u>Market Value August 31, 2010</u> | <u>Market Value August 31, 2011</u> | <u>Market Value August 31, 2010</u> |
| Preferred Securities | \$ | \$ | \$ | \$ |
| Corporate Equities | | | 508,018 | 41,134 |
| U.S. Government Agencies | | | 128,529 | 221,823 |
| Corporate Bonds and Notes | | | 0 | 0 |
| Mutual Funds | | | 8,633,747 | 6,677,336 |
| Other | | | 12,500 | 0 |
| Totals | \$ 0 | \$ 0 | \$ 9,282,794 | \$ 6,940,293 |
| Total Cash and Deposits | \$ 17,291,806 | \$ 16,388,264 | \$ 617,918 | \$ 1,445,995 |
| Total Investments | \$ 0 | \$ 0 | \$ 9,282,794 | \$ 6,940,293 |
| Total Deposits and Investments | \$ 17,291,806 | \$ 16,388,264 | \$ 9,900,712 | \$ 8,386,288 |
| Cash and Cash Equivalents (Exhibit 1) | \$ 17,291,806 | \$ 16,388,264 | \$ 617,918 | \$ 1,445,995 |
| Investments (Exhibit 1) | | \$ 0 | \$ 9,282,794 | \$ 6,940,293 |
| Total Deposits and Investments | \$ 17,291,806 | \$ 16,388,264 | \$ 9,900,712 | \$ 8,386,288 |

As of August 31, 2011, the District had the following investments and maturities:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Weight Average Maturity (Years)</u> |
|------------------------|-------------------|--|
| Certificate of Deposit | \$ 1,723,110 | .50 |
| <u>Component Unit</u> | | |
| Certificate of Deposit | 171,988 | .92 |

Portfolio Weighted Average Maturity .71

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

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

| <u>Type of Investment</u> | <u>Rating</u> |
|----------------------------|---------------|
| Money Market Accounts | Unrated |
| U.S. Government Securities | AAA |
| Corporate Equities | Unrated |
| U.S. Government Agencies | AAA |
| Corporate Bonds and Notes | AAA |
| Mutual Funds | Unrated |

Concentration of Credit Risk - The College does not place a limit on the amount the College may invest in any one issuer. More than 5% of the Component Unit's investments are in Inst Multi-Strategy Equity Fund (51.2%) and Inst Multi-Strategy Bond Fund (24.5%).

SOUTH PLAINS COLLEGE

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

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

5. Derivatives

South Plains College did not investment in derivatives during the year ended August 31, 2011.

6. Capital Assets

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

| | Balance September 1, 2010 | Increases | Decreases | Balance August 31, 2011 |
|--|---------------------------------|--------------|------------|-------------------------------|
| <u>Not Depreciated:</u> | | | | |
| Land | \$ 1,735,342 | \$ 0 | \$ 0 | \$ 1,735,342 |
| Construction in Process | 1,233,523 | 5,184,789 | 892,225 | 5,526,087 |
| Subtotal | 2,968,865 | 5,184,789 | 892,225 | 7,261,429 |
| <u>Other Capital Assets:</u> | | | | |
| Buildings | 62,066,575 | 1,298,321 | | 63,364,896 |
| Land Improvements | 983,864 | 41,607 | | 1,025,471 |
| Furniture, Machinery, Vehicles, and Other Equipment | 6,252,754 | 364,316 | | 6,617,070 |
| Telecommunications and Peripheral Equipment | 4,370,708 | 721,373 | 15,947 | 5,076,134 |
| Library Books | 2,422,766 | 90,563 | 36,341 | 2,476,988 |
| Subtotal | 76,096,667 | 2,516,180 | 52,288 | 78,560,559 |
| <u>Accumulated Depreciation:</u> | | | | |
| Buildings | 30,367,260 | 734,563 | | 31,101,823 |
| Land Improvements | 173,163 | 50,234 | | 223,397 |
| Furniture, Machinery, Vehicles, and Other Equipment | 3,868,205 | 428,056 | | 4,296,261 |
| Telecommunications and Peripheral Equipment | 3,283,146 | 445,510 | 13,821 | 3,714,835 |
| Library Books | 2,160,643 | 165,132 | | 2,325,775 |
| Subtotal | 39,852,417 | 1,823,495 | 13,821 | 41,662,091 |
| Net Other Capital Assets | 36,244,250 | 692,685 | 38,467 | 36,898,468 |
| Net Capital Assets | \$ 39,213,115 | \$ 5,877,474 | \$ 930,692 | \$ 44,159,897 |

SOUTH PLAINS COLLEGE

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

Capital Assets Comparative

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

| | Balance September 1, 2009 | Increases | Decreases | Balance August 31, 2010 |
|--|---------------------------------|--------------|------------|-------------------------------|
| <u>Not Depreciated:</u> | | | | |
| Land | \$ 1,735,342 | \$ 0 | \$ 0 | \$ 1,735,342 |
| Construction in Process | 393,348 | 1,233,523 | 393,348 | 1,233,523 |
| Subtotal | 2,128,690 | 1,233,523 | 393,348 | 2,968,865 |
| <u>Other Capital Assets:</u> | | | | |
| Buildings | 61,457,111 | 609,464 | | 62,066,575 |
| Land Improvements | 615,133 | 368,731 | | 983,864 |
| Furniture, Machinery, Vehicles, and Other Equipment | 5,680,598 | 572,156 | | 6,252,754 |
| Telecommunications and Peripheral Equipment | 3,889,392 | 481,316 | | 4,370,708 |
| Library Books | 2,350,904 | 107,125 | 35,263 | 2,422,766 |
| Subtotal | 73,993,138 | 2,138,792 | 35,263 | 76,096,667 |
| <u>Accumulated Depreciation:</u> | | | | |
| Buildings | 29,634,108 | 733,152 | | 30,367,260 |
| Land Improvements | 130,322 | 42,481 | | 173,163 |
| Furniture, Machinery, Vehicles, and Other Equipment | 3,486,896 | 381,309 | | 3,868,205 |
| Telecommunications and Peripheral Equipment | 2,830,451 | 452,695 | | 3,283,146 |
| Library Books | 1,999,125 | 161,518 | | 2,160,643 |
| Subtotal | 38,080,902 | 1,771,515 | | 39,852,417 |
| Net Other Capital Assets | 35,912,236 | 367,277 | 35,263 | 36,244,250 |
| Net Capital Assets | \$ 38,040,926 | \$ 1,600,800 | \$ 428,611 | \$ 39,213,115 |

SOUTH PLAINS COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 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 | Reductions | Balance August 31, 2011 | Current Portion |
|--------------------------------|---------------------------------|--------------|--------------|-------------------------------|--------------------|
| <u>Leases, Bonds and Notes</u> | | | | | |
| Revenue Bonds and Notes | \$ 1,980,000 | \$ 4,115,332 | \$ 1,980,000 | \$ 4,115,332 | \$ 850,000 |
| Total Long-term Liabilities | \$ 1,980,000 | \$ 4,115,332 | \$ 1,980,000 | \$ 4,115,332 | \$ 850,000 |

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

| | Balance September 1, 2009 | Additions | Reductions | Balance August 31, 2010 | Current Portion |
|--------------------------------|---------------------------------|-----------|------------|-------------------------------|--------------------|
| <u>Leases, Bonds and Notes</u> | | | | | |
| Revenue Bonds and Notes | \$ 2,200,000 | \$ 0 | \$ 220,000 | \$ 1,980,000 | \$ 220,000 |
| Total Long-term Liabilities | \$ 2,200,000 | \$ 0 | \$ 220,000 | \$ 1,980,000 | \$ 220,000 |

8. Debt and Lease Obligations

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

| For the Year Ended August 31, | Revenue Bonds | | |
|-------------------------------|---------------|------------|--------------|
| | Principal | Interest | Total |
| 2012 | 850,000 | 166,159 | 1,016,159 |
| 2013 | 850,000 | 134,916 | 984,916 |
| 2014 | 850,000 | 94,540 | 944,540 |
| 2015 | 850,000 | 54,166 | 904,166 |
| 2016 | 715,332 | 16,989 | 732,321 |
| TOTAL | \$ 4,115,332 | \$ 466,770 | \$ 4,582,102 |

SOUTH PLAINS COLLEGE

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

9. Bonds Payable

Board of Regents of South Plains Junior College District Revenue Financing System Bonds, Series 2008.

Issued for the purpose of providing funds to acquire, purchase, construct, improve, renovate, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, of any nature, for and on behalf of the Junior College owned and operated by the College, and paying the costs related thereto. Issued 08/31/08 and maturing 10/15/2018 in the total amount of \$2,200,000. The source of revenues shall be no less than an amount equal to \$3.00 per semester hour for each enrolled student in both regular and summer semesters. If the College does need additional revenue, tuition will be pledged not to exceed 25% of the tuition charges collected from each enrolled student. Outstanding Balance at 8/31/11 is \$0.

Board of Regents of South Plains Junior College District Revenue Financing System Bonds, Series 2010.

Issued for the purpose of providing funds to acquire, purchase, construct, improve, renovate, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, of any nature, for and on behalf of the Junior College owned and operated by the College, and paying the costs related thereto. Issued 12/09/2010 and maturing 10/15/2020 in the total amount of \$8,500,000. The source of revenues shall be no less than an amount equal to \$3.00 per semester hour for each enrolled student in both regular and summer semesters. If the College does need additional revenue, tuition will be pledged not to exceed 25% of the tuition charges collected from each enrolled student. Outstanding Balance at 8/31/11 is \$4,115,332. The Interest rate is 4.75%.

See note 7 for changes in long-term liabilities and note 8 for debt service requirements.

10. Advance Refunding Bonds

Not applicable.

11. Defeased Bonds Outstanding

Not applicable.

12. Short-term Debt

The College had no short-term debt at August 31, 2011.

13. Employees Retirement Plan

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

Teacher Retirement System of Texas

Plan Description. South Plains 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 provision of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a publicly available financial report with required supplementary information which can be obtained from www.trs.state.tx.us, under the TRS Publications heading.

SOUTH PLAINS COLLEGE

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

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 2010. In certain instances the reporting district is required to make all or a portion of the state's 6.644 percent contribution for Fiscal Year 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 provision 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 6.40% 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 \$1,490,102 and \$1,412,062 for the fiscal years ended August 31, 2011 and 2010 respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the College.

The total payroll for all College employees was \$29,766,997 and \$29,531,539 for fiscal years 2011 and 2010 respectively. The total payroll of employees covered by the Teacher Retirement System was \$14,147,794 and \$13,262,304, and the total payroll of employees covered by the Optional Retirement System was \$12,027,154 and \$11,815,790 for fiscal years 2011 and 2010, respectively.

14. Deferred Compensation Program

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

As of August 31, 2011 the College had 382 employees participating in the program. 189 employees were vested as of August 31, 2011. A total of \$114,900 in contributions were invested in the plan during the fiscal year, bringing the total of deferred salaries and accumulated earnings of current employees to \$1,636,941 and creating a payable to the vested employee of \$1,427,610.

As of August 31, 2010, the College has 375 employees participating in the program. 176 employees were vested as of August 31, 2010. A total of \$112,500 in contributions were invested in the plan during the fiscal year, bringing the total of deferred salaries and accumulated earnings of current employees to \$1,604,997 and creating a payable to the vested employee of \$1,393,358.

SOUTH PLAINS COLLEGE**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011****15. Compensated Absences**

The College has adopted a "Use it, or lose it" policy, and does not compensate for unused vacation or sick leave.

16. Pending Lawsuits and Claims

On August 31, 2011, there were no lawsuits or claims involving the College.

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

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

| | 2011 | 2010 |
|---|---------------------|---------------------|
| Student Receivables (Net of Allowance 1,596,753 and 1,443,211) | \$ 502,265 | \$ 394,855 |
| Taxes Receivable (Net of Allowance 44,848 and 29,746) | 293,245 | 250,759 |
| Federal Receivable | 506,910 | 962,705 |
| State Receivable | 131,918 | 173,918 |
| Interest Receivable | 8,734 | 318 |
| Other Receivable | 386,807 | 402,965 |
| Total | <u>\$ 1,829,879</u> | <u>\$ 2,185,520</u> |

Payables

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

| | 2011 | 2010 |
|-----------------------------|---------------------|---------------------|
| Vendors Payable | \$ 741,124 | \$ 1,109,958 |
| Salaries & Benefits Payable | 1,364,538 | 1,271,867 |
| Students Payable | 597,476 | 638,603 |
| Accrued Interest | 64,172 | 36,922 |
| Other Payable | 1,905 | 5,869 |
| Total | <u>\$ 2,769,215</u> | <u>\$ 3,063,219</u> |

18. Funds Held in Trust by Others

Not applicable.

SOUTH PLAINS COLLEGE

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

19. 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 Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during fiscal years 2011 and 2010 for which monies have not been received nor funds expended totaled \$3,559,696 and \$5,539,339. Of these amounts, \$3,429,900 and \$5,227,484 were from Federal Contract and Grant Awards; \$55,282 and \$220,530 were from State Contract and Grant Awards; \$74,514 and \$91,325 from Local Contract and Grant Awards; and \$0.00 and \$0.00 were from Private Contract and Grant Awards for the fiscal years ended 2011 and 2010 respectively.

20. Self-Insured Plans

The College has no self-insurance arrangements. The College has various commercial insurance policies to cover the various risks of loss.

21. 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 monthly contribution per full-time employee varied depending on coverage for the years ended August 31, 2011 and 2010. Total contributions for August 31, 2011 and 2010 were \$3,369,836 and \$3,499,963 (as adjusted) respectively. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for the active employees.

22. Ad Valorem Tax

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

At August 31:

| | 2011 | 2010 |
|---------------------------------------|-------------------------|-------------------------|
| Assessed Valuation of the College | \$ 4,671,020,222 | \$ 4,239,356,044 |
| Less: Exemptions | (328,202,796) | (344,365,101) |
| Add: Values Under Review | 0 | 0 |
| Net Assessed Valuation of the College | <u>\$ 4,342,817,426</u> | <u>\$ 3,894,990,943</u> |

SOUTH PLAINS COLLEGE

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

| | 2011 | | | 2010 | | |
|---|-------------------|----------------|----------|-------------------|----------------|----------|
| | Current | Debt | Total | Current | Debt | Total |
| | <u>Operations</u> | <u>Service</u> | | <u>Operations</u> | <u>Service</u> | |
| Authorized Tax Rate per \$100 Valuation | 0.400000 | 0.100000 | 0.500000 | 0.400000 | 0.100000 | 0.500000 |
| Maximum per enabling legislation | | | | | | |
| Assessed Tax Rate per \$100 valuation | 0.244230 | 0.000000 | 0.244230 | 0.244230 | 0.000000 | 0.244230 |

Taxes levied for the years ended August 31, 2011 and 2010, amounted to \$10,606,463 and \$9,512,736 respectively including any penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

| | 2011 | | | 2010 | | |
|----------------------------------|----------------------|----------------|----------------------|---------------------|----------------|---------------------|
| | Current | Debt | Total | Current | Debt | Total |
| | <u>Operations</u> | <u>Service</u> | | <u>Operations</u> | <u>Service</u> | |
| Current Taxes Collected | \$ 10,493,719 | \$ 0 | \$ 10,493,719 | \$ 9,397,829 | \$ 0 | \$ 9,397,829 |
| Delinquent Taxes Collected | 83,414 | 0 | 83,414 | 65,260 | 0 | 65,260 |
| Penalties and Interest Collected | 74,458 | 0 | 74,458 | 87,957 | 0 | 87,957 |
| Total Collections | <u>\$ 10,651,591</u> | <u>\$ 0</u> | <u>\$ 10,651,591</u> | <u>\$ 9,551,046</u> | <u>\$ 0</u> | <u>\$ 9,551,046</u> |

Tax collections for the years ended August 31, 2011 and 2010, were 98.9% and 98.7% 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 for the use of maintenance and/or general obligation debt service.

23. Branch Campus Maintenance Tax

Not applicable.

24. 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.

SOUTH PLAINS COLLEGE

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

25. Component Unit

South Plains College Foundation - Discrete Component Unit

South Plains College Foundation (the Foundation) was established as a separate nonprofit organization in 1979, to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No 39, Determining Whether Certain Organizations are Component Units, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

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

26. Related Parties

Not applicable.

27. Subsequent Events

None

28. Post employment Benefits Other than Pensions

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

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

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

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

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years.

The college's contributions to SRHP for the years ended August 31, 2011, 2010, and 2009, were \$125,663, \$28,474, and \$21,087, respectively, which equaled the required contribution each year.

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF OPERATING REVENUES

YEAR ENDED AUGUST 31, 2011 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2010)

| | Unrestricted | Restricted | Total Educational Activities | Auxiliary Enterprises | 2011 Total | 2010 Total |
|--|----------------------|---------------------|------------------------------------|--------------------------|----------------------|----------------------|
| Tuition: | | | | | | |
| State funded credit courses: | | | | | | |
| In-district resident tuition | \$ 419,569 | | \$ 419,569 | | \$ 419,569 | \$ 437,798 |
| Out-of-district resident tuition | 9,092,096 | | 9,092,096 | | 9,092,096 | 8,923,180 |
| Non-resident tuition | 479,586 | | 479,586 | | 479,586 | 457,123 |
| TPEG - credit (set aside) * | 315,447 | | 315,447 | | 315,447 | 315,479 |
| State-funded continuing education | 189,535 | | 189,535 | | 189,535 | 284,856 |
| Non-state funded educational programs | 259,751 | | 259,751 | | 259,751 | 282,654 |
| Total Tuition | 10,755,984 | - | 10,755,984 | - | 10,755,984 | 10,701,090 |
| Fees: | | | | | | |
| General | 10,128,437 | | 10,128,437 | | 10,128,437 | 9,041,931 |
| Student service fee | 720,168 | | 720,168 | | 720,168 | 576,735 |
| Laboratory fees | 730,283 | | 730,283 | | 730,283 | 695,836 |
| Installment plan fees | 14,520 | | 14,520 | | 14,520 | 15,335 |
| Continuing education fees | 339,032 | | 339,032 | | 339,032 | 484,430 |
| Three part fee | 190,181 | | 190,181 | | 190,181 | 197,203 |
| Reinstatement fee | 2,800 | - | 2,800 | - | 2,800 | 3,050 |
| Total Fees | 12,125,421 | - | 12,125,421 | - | 12,125,421 | 11,014,520 |
| Scholarship allowances and discounts: | | | | | | |
| Remissions and exemptions - state | (433,491) | | (433,491) | | (433,491) | (227,988) |
| Remissions and exemptions - local | (961,986) | | (961,986) | | (961,986) | (1,070,656) |
| Title IV federal grants | (7,539,284) | | (7,539,284) | | (7,539,284) | (6,562,008) |
| TPEG awards | (143,562) | | (143,562) | | (143,562) | (142,988) |
| Scholarship allowances | (364,504) | | (364,504) | | (364,504) | (357,737) |
| Total Scholarship Allowances | (9,442,827) | - | (9,442,827) | - | (9,442,827) | (8,361,377) |
| Total net tuition and fees | 13,438,578 | - | 13,438,578 | - | 13,438,578 | 13,354,233 |
| Additional operating revenues: | | | | | | |
| Federal grants and contracts | 104,552 | 2,126,313 | 2,230,865 | | 2,230,865 | 3,492,546 |
| State grants and contracts | 90,561 | 1,016,550 | 1,107,111 | | 1,107,111 | 1,495,971 |
| Non-governmental grants and contracts | - | 167,388 | 167,388 | | 167,388 | 173,665 |
| Sales and services of educational activities | 183,258 | - | 183,258 | | 183,258 | 203,381 |
| Investment income (program restricted) | | 932 | 932 | | 932 | 786 |
| General operating revenues | 53,778 | | 53,778 | | 53,778 | 60,536 |
| Total additional operating revenues | 432,149 | 3,311,183 | 3,743,332 | - | 3,743,332 | 5,426,885 |
| Auxiliary Enterprises: | | | | | | |
| Residential life | | | - | 1,896,838 | 1,896,838 | 1,924,998 |
| Scholarship allowances | | | | (91,074) | (91,074) | (93,903) |
| TPEG awards | | | | (4,339) | (4,339) | (3,358) |
| Title IV federal grants | | | | (471,501) | (471,501) | (398,866) |
| Total net auxiliary enterprises | - | - | - | 1,329,924 | 1,329,924 | 1,428,871 |
| Total Operating Revenues | \$ 13,870,727 | \$ 3,311,183 | \$ 17,181,910 | \$ 1,329,924 | \$ 18,511,834 | \$ 20,209,989 |
| | | | | | (Exhibit 2) | (Exhibit 2) |

* In accordance with Education Code 56.033, \$315,447 and \$315,479 for years August 31, 2011 and 2010, respectively, of tuition was set aside for Texas Public Education grants (TPEG)

SCHEDULE OF OPERATING EXPENSES BY OBJECT
 YEAR ENDED AUGUST 31, 2011 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2010)

| | Operating Expenses | | | | 2011 Total | 2010 Total |
|--|-----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| | Salaries and Wages | Benefits | | Other Expenses | | |
| | | State | Local | | | |
| Unrestricted - Educational Activities | | | | | | |
| Instruction | \$ 17,405,890 | | \$ 2,868,816 | \$ 1,809,165 | \$ 22,083,871 | \$ 20,637,847 |
| Public Service | 493,453 | | 83,052 | 452,804 | 1,029,309 | 1,055,988 |
| Academic Support | 1,445,110 | | 367,131 | 433,314 | 2,245,555 | 2,093,316 |
| Student Services | 2,861,325 | | 640,186 | 1,202,832 | 4,704,343 | 4,616,239 |
| Institutional Support | 2,218,404 | | 507,694 | 1,590,617 | 4,316,715 | 4,075,755 |
| Operation and Maintenance of Plant | 1,831,856 | | 978,264 | 2,710,162 | 5,520,282 | 5,517,385 |
| Scholarships and Fellowships | | | | 107,786 | 107,786 | 94,660 |
| Total Unrestricted Educational Activities | 26,256,038 | - | 5,445,143 | 8,306,680 | 40,007,861 | 38,091,190 |
| Restricted - Educational Activities | | | | | | |
| Instruction | \$ 453,673 | \$ 3,484,436 | \$ 136,993 | \$ 393,754 | \$ 4,468,856 | \$ 5,314,379 |
| Public Service | | 97,572 | | | 97,572 | 84,797 |
| Academic Support | | 266,768 | | | 266,768 | 253,857 |
| Student Services | 568,414 | 570,121 | 208,286 | 273,939 | 1,620,760 | 1,919,787 |
| Institutional Support | | 441,041 | | 50,395 | 491,436 | 501,025 |
| Operation and Maintenance of Plant | | | | | - | - |
| Scholarships and Fellowships | | | | 10,028,522 | 10,028,522 | 9,299,872 |
| Total Restricted Educational Activities | 1,022,087 | 4,859,938 | 345,279 | 10,746,610 | 16,973,914 | 17,373,717 |
| Total Educational Activities | 27,278,125 | 4,859,938 | 5,790,422 | 19,053,290 | 56,981,775 | 55,464,907 |
| Auxiliary Enterprises | 352,813 | - | 169,381 | 1,928,129 | 2,450,323 | 2,418,243 |
| Depreciation Expense - Buildings and other real estate improvements | - | - | - | 784,797 | 784,797 | 775,993 |
| Depreciation Expense - Equipment and furniture | - | - | - | 873,566 | 873,566 | 834,004 |
| Depreciation Expense - Library books | - | - | - | 165,132 | 165,132 | 161,518 |
| Total Operating Expenses | \$ 27,630,938 | \$ 4,859,938 | \$ 5,959,803 | \$ 22,804,914 | \$ 61,255,593 | \$ 59,654,665 |
| | | | | | (Exhibit 2) | (Exhibit 2) |

SCHEDULE OF NON- OPERATING REVENUES AND EXPENSES

YEAR ENDED AUGUST 31, 2011 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2010)

| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Auxiliary Enterprises</u> | <u>2011 Total</u> | <u>2010 Total</u> |
|---|-----------------------------|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
| NON-OPERATING REVENUES: | | | | | |
| State appropriations: | | | | | |
| Education and general state support | \$ 13,983,002 | \$ - | \$ - | \$ 13,983,002 | \$ 14,112,108 |
| State group insurance | - | 3,369,836 | - | 3,369,836 | 3,499,963 |
| State retirement matching | - | 1,490,102 | - | 1,490,102 | 1,412,062 |
| Enrollment Growth | 6,661 | - | - | 6,661 | 7,876 |
| Professional nursing shortage reduction | - | 56,051 | - | 56,051 | 101,485 |
| Total state appropriations | <u>13,989,663</u> | <u>4,915,989</u> | <u>-</u> | <u>18,905,652</u> | <u>19,133,494</u> |
| Maintenance ad valorem taxes | 10,651,591 | - | - | 10,651,591 | 9,551,046 |
| Federal Revenue, Non Operating | - | 17,241,996 | - | 17,241,996 | \$ 15,256,451 |
| Gifts | - | - | - | - | - |
| Gifts in Kind | 21,865 | - | - | 21,865 | 1,200 |
| Gain on disposal of capital assets | 37,874 | - | - | 37,874 | - |
| Realized gain on sale of investment | 24 | - | - | 24 | - |
| Investment income | <u>42,205</u> | <u>-</u> | <u>18,687</u> | <u>60,892</u> | <u>55,850</u> |
| Total non-operating revenues | <u>10,753,559</u> | <u>17,241,996</u> | <u>18,687</u> | <u>28,014,242</u> | <u>24,864,547</u> |
| NON-OPERATING EXPENSES: | | | | | |
| Interest on capital related debt | (68,754) | - | - | (68,754) | (99,715) |
| Loss on disposal of capital assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total non-operating expenses | <u>(68,754)</u> | <u>-</u> | <u>-</u> | <u>(68,754)</u> | <u>(99,715)</u> |
| Net non-operating revenues | <u><u>\$ 24,674,468</u></u> | <u><u>\$ 22,157,985</u></u> | <u><u>\$ 18,687</u></u> | <u><u>\$ 46,851,140</u></u> | <u><u>\$ 43,898,326</u></u> |
| | | | | (Exhibit 2) | (Exhibit 2) |

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 | | | | | Available for Current Operations | |
|--|----------------------|--------------------|----------------|---|----------------------|----------------------------------|----------------------|
| | Unrestricted | Restricted | | Capital Assets Net of Depreciation & Related Debt | Total | Yes | No |
| | | Expendable | Non-Expendable | | | | |
| Current: | | | | | | | |
| Unrestricted | \$ 8,690,185 | \$ - | \$ - | \$ - | \$ 8,690,185 | \$ 8,690,185 | |
| Restricted | - | 218,946 | - | - | 218,946 | | 218,946 |
| Auxiliary enterprises | 2,346,279 | - | - | - | 2,346,279 | 2,346,279 | |
| Plant: | | | | | | | |
| Unexpended | - | - | - | 2 | 2 | | 2 |
| Debt Service | - | - | - | 1,002,781 | 1,002,781 | | 1,002,781 |
| Investment in Plant | - | - | - | 40,044,565 | 40,044,565 | | 40,044,565 |
| Total Net Assets, August 31, 2011 | \$ 11,036,464 | \$ 218,946 | \$ - | \$ 41,047,348 | \$ 52,302,758 | \$ 11,036,464 | \$ 41,266,294 |
| | | | | | (Exhibit 1) | | |
| Total Net Assets, August 31, 2010 | 8,681,324 | 312,194 | - | 39,201,859 | 48,195,377 | 8,681,324 | 39,514,053 |
| | | | | | (Exhibit 1) | | |
| Net Increase (Decrease) in Net Assets | \$ 2,355,140 | \$ (93,248) | \$ - | \$ 1,845,489 | \$ 4,107,381 | \$ 2,355,140 | \$ 1,752,241 |
| | | | | | (Exhibit 2) | | |

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011**

| <u>Federal Grantor/Pass-Through Grantor Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Pass-Through Disbursements and Expenditures</u> |
|---|------------------------------------|--|--|
| U.S. Department of Education | | | |
| Direct Programs: | | | |
| Student Financial Aid Cluster | | | |
| Federal SEOG | 84.007 * | | \$ 148,154 |
| Federal Work Study | 84.033 * | | 203,752 |
| Federal Pell Grant (BEOG) | 84.063 * | | 16,568,167 |
| Direct Loans | 84.268 * | | 11,375,782 |
| Academic Competitiveness Grant | 84.375 * | | 535,488 |
| Sub-Total Student Financial Aid Cluster | | | <u>28,831,343</u> |
| TRIO Cluster | | | |
| TRIO - Student Support Services | 84.042 * | | 251,758 |
| TRIO-Upward Bound program | 84.047 * | | 283,155 |
| Sub-Total TRIO Cluster | | | <u>534,913</u> |
| E-Span: Broadening Educational Access For Hispanic And Low-Income Students | | | |
| | 84.031S | | 23,660 |
| Strengthening High-Demand Technical/Health Occupations | | | |
| | 84.031S | | 475,309 |
| Sub-Total (CFDA #84.031S) | | | <u>498,969</u> |
| Pass-Through From: | | | |
| Texas Higher Education Coordinating Board | | | |
| Carl Perkins, Vocational Education - Basic Grant | 84.048 | 104238 | 420,118 |
| Byrd Scholarship | 84.185A | 835010034 | 7,500 |
| Carl Perkins, Vocational Education - Tech Prep | 84.243 | 101717 | 239,471 |
| Statewide Data Systems | 84.372 | 04763 | 2,315 |
| ARRA-State Fiscal Stabilization Fund-Government Services | 84.397A | 3622 | 22,467 |
| College Access Challenge Grant Program | 84.378 | 03358 | 3,000 |
| Total U.S. Department of Education | | | <u>30,560,096</u> |
| U.S. Department of Labor | | | |
| Direct Programs: | | | |
| Community-Based Job Training Grant | 17.269 | | <u>269,058</u> |
| Total U.S. Department of Labor | | | <u>269,058</u> |

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011**

U.S. Department of Health and Human Services

Passed-Through From:

| | | | |
|--|--------|------------|---------------|
| Texas Tech University | | | |
| Plains Bridges to the Baccalaureate: Increasing Minorities in Science | 93,859 | 21F036-01 | 7,141 |
| Texas Workforce Commission | | | |
| Workforce Investment Act-Dislocated Workers | 17,260 | 0211ATP000 | 7,964 |
| Total U.S. Department of Health and Human Services | | | <u>15,105</u> |

National Science Foundation

Passed-Through From:

| | | | |
|--|--------|-------|----------------------|
| Missouri State University | | | |
| Viticulture and Enology Science and Technology Alliance Regional Center of Excellence | 47,076 | 08050 | 4,384 |
| Total National Science Foundation | | | <u>4,384</u> |
| Total Federal Financial Assistance | | | <u>\$ 30,848,643</u> |

* Cluster Program

Notes to Schedule on Page 36 and 37.

Notes to the Schedule of Expenditures of Federal Awards

| | | |
|---------|--|----------------------|
| Note 1. | <u>Federal Assistance Reconciliation</u> | |
| | Federal Revenues - per Schedule A | \$ 2,230,865 |
| | Add: Non Operating Federal Revenue from Schedule C | 17,241,996 |
| | Direct Loans | 11,375,782 |
| | Total Federal Financial Assistance-per Schedule A and C | <u>\$ 30,848,643</u> |
| | Total Federal Financial Assistance - per Schedule of Expenditures of Federal Awards | <u>30,848,643</u> |
| | Difference | <u>\$ -</u> |

Note 2. Significant Accounting Policies Used in Preparing the Schedule

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011**

Note 3. Student Loans Processed and Administrative Costs Recovered

| Federal Grantor CFDA Number/Program Name | Total Loans Processed |
|---|--------------------------|
| U.S. Department of Education | |
| 84.268 Direct Loans | 11,375,782 |
| Total U.S. Department of Education | <u>\$ 11,375,782</u> |

(Administrative cost recovered and included in above amount - \$ 0)

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 Vocational Education - Tech Prep program CFDA 84.243 from U.S. Department of Education through the Texas Higher Education Coordinating Board.

| | |
|---------------------------------|----------------------|
| Ropes ISD | \$ 840 |
| Muleshoe ISD | 734 |
| South Plains College | 7,141 |
| Shallowater ISD | 1,821 |
| Levelland ISD | 1,434 |
| Frenship ISD | <u>3,000</u> |
| Total Amount Passed-Through | <u>\$ 14,970</u> |

Note 5. Amounts passed through by the College

The following amounts were passed-through to the listed subrecipient by the College. These amounts were paid from E-Span: Broadening Educational Access For Hispanic And Low-Income Students (CFDA 84.031S).

| | |
|------------------|-----------------|
| Amarillo College | <u>\$ 3,089</u> |
|------------------|-----------------|

**SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011**

| <u>Grantor Agency/ Program Title</u> | <u>Grantor Contract Number</u> | <u>Expenditures</u> |
|---|--|---------------------|
| Texas Higher Education Coordinating Board | | |
| Texas College Work Study | 003611 | \$ 33,170 |
| Texas Grant Program | 003611 | 501,339 |
| Texas Educational Opportunity Grant | 003611 | 221,179 |
| Top 10 Percent Scholarships | 003611 | 76,000 |
| Nursing Shortage Reduction Program (under 70%) | 003611 | 89,837 |
| Nursing Shortage Reduction Program | 003611 | 71,709 |
| Nursing Innovation Grant Program | 5687 | 4,512 |
| Total Texas Higher Education Coordinating Board | | <u>997,746</u> |
| Texas Workforce Commission | | |
| Apprenticeship | 0211ATP000 | 12,591 |
| Skills Development Fund | 0209SDF000 | 5,503 |
| Skills for Small Business Program | 0211SSD000 | 17,089 |
| Total Texas Workforce Commission | | <u>35,183</u> |
| Comptroller of Public Accounts | | |
| Jobs and Education for Texans Grant (JET) | 4776-14 | 116,171 |
| Jobs and Education for Texans Grant (JET) | 3572-40 | 29,810 |
| Total Comptroller of Public Accounts | | <u>145,981</u> |
| Total State Financial Assistance | | <u>\$ 1,178,910</u> |

Notes to the Schedule of Expenditures of State Awards

Note 1. State Assistance Reconciliation

| | |
|--|--------------------|
| State Revenues - per Schedule A | \$ 1,107,111 |
| Total State Financial Assistance - per Schedule of Expenditures of State Awards | <u>1,178,910</u> |
| Difference (Contract Revenues through LCCCF \$89,747, Nursing Shortage Reduction Program Expenditures \$71,709, Nursing Shortage Reduction Program (under 70%) \$89,837) | <u>\$ (71,799)</u> |

Note 2. Significant Accounting Policies Used in Preparing the Schedule

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

KEITH DOWNS, C.P.A.
RUSS PINKERTON, C.P.A.



PATE, DOWNS & PINKERTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
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EMAIL: pdpllp@pdpllp.com

November 10, 2011

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
South Plains College
1401 South College Avenue
Levelland, Texas 79336

Members of the Board:

We have audited the financial statements of South Plains College and the discretely presented component unit, as of and for the years ended August 31, 2011 and 2010, which collectively comprise South Plains College's financial statements and have issued our report thereon dated November 10, 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, and the State of Texas Single Audit Circular.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Plains College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management, Board of Regents, 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.

Respectfully submitted,

Pate, Downs & Pinkerton, LLP

Pate, Downs & Pinkerton, LLP

KEITH DOWNS, C.P.A.
RUSS PINKERTON, C.P.A.



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November 10, 2011

Independent Auditor's Report on Compliance with Requirements that could have a direct and material effect on each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and the State of Texas Single Audit Circular

Board of Regents
South Plains College
1401 S. College Avenue
Levelland, Texas 79336

Members of the Board:

Compliance

We have audited South Plains College's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of South Plains College's major federal programs and the State of Texas Single Audit Circular that could have a direct and material effect on each of South Plains College's major state programs for the years ended August 31, 2011 and 2010. South Plains College's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of South Plains College's management. Our responsibility is to express an opinion on South Plains 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*; and the State of Texas Single Audit Circular. Those standards, OMB Circular A-133 and State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about South Plains College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of South Plains College's compliance with those requirements.

In our opinion, South Plains College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the years ended August 31, 2011 and 2010.

Internal Control Over Compliance

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

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

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

This report is intended solely for the information and use of management, the Board of Regents, 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.

Respectfully submitted,

Pate, Downs & Pinkerton, LLP

Pate, Downs & Pinkerton, LLP

SOUTH PLAINS COLLEGE

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED AUGUST 31, 2011**

Findings - Financial Statement Audit

NONE

Findings - Federal Award Programs Audits

NONE

SOUTH PLAINS COLLEGE

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2011**

NONE

**STATISTICAL SUPPLEMENTS
(UNAUDITED)**

SOUTH PLAINS COLLEGE

STATISTICAL SUPPLEMENT 1

NET ASSETS BY COMPONENT
 FISCAL YEARS 2002 TO 2011
 (Unaudited)
 (Amounts expressed in thousands)

| | FOR THE YEAR ENDED AUGUST 31, | | | | | | | | | | |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2002 |
| Invested in capital assets, net of related debt | \$40,044,565 | \$37,233,115 | \$35,840,926 | \$30,333,141 | \$29,745,406 | \$26,708,314 | \$24,529,909 | \$21,154,334 | \$17,751,386 | \$15,319,077 | |
| Restricted-expendable | 1,221,729 | 2,280,938 | 2,341,904 | 4,306,748 | 1,107,769 | 1,836,157 | 2,195,619 | 2,125,962 | 2,393,164 | 2,793,970 | |
| Restricted-nonexpendable | - | - | - | - | - | - | - | - | - | - | |
| Unrestricted | 11,036,464 | 8,681,324 | 5,558,897 | 3,948,077 | 4,289,621 | 2,571,031 | 2,968,404 | 3,121,442 | 2,184,450 | 3,649,405 | |
| Total primary government net assets | \$52,302,758 | \$48,195,377 | \$43,741,727 | \$38,587,966 | \$35,142,796 | \$31,115,502 | \$29,693,932 | \$26,401,738 | \$22,329,000 | \$21,762,452 | |

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2011 are available.

STATISTICAL SUPPLEMENT 2

SOUTH PLAINS COLLEGE

REVENUES BY SOURCE
FISCAL YEARS 2002 TO 2011

(Unaudited)
(Amounts expressed in thousands)

| | FOR THE YEAR ENDED AUGUST 31, | | | | | | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| OPERATING REVENUES | | | | | | | | | | |
| Tuition and Fees (net of discounts) | \$ 13,438,578 | \$ 13,354,233 | \$ 12,983,700 | \$ 12,686,404 | \$ 12,228,172 | \$ 12,586,702 | \$ 13,005,514 | \$ 11,482,006 | \$ 8,516,886 | \$ 7,307,006 |
| Federal Grants and Contracts - (1) | 2,230,865 | 3,545,445 | 3,719,094 | 11,960,691 | 11,257,465 | 11,031,689 | 10,760,375 | 11,228,569 | 10,098,350 | 8,612,473 |
| State Grants and Contracts | 1,107,111 | 1,443,071 | 998,759 | 1,029,956 | 771,894 | 678,190 | 604,212 | 862,212 | 1,004,636 | 928,590 |
| Non-governmental grants and contracts | 167,388 | 173,665 | 398,750 | 280,051 | 251,514 | 301,568 | 248,728 | 246,541 | 201,450 | 226,378 |
| Sales and Services of Educational Activities | 183,258 | 203,361 | 153,802 | 155,012 | 161,938 | 173,176 | 193,108 | 192,165 | 105,553 | 208,448 |
| Investment income (program restricted) | 932 | 786 | 874 | 2,511 | 4,157 | 2,826 | 4,236 | 2,832 | - | - |
| Auxiliary Enterprises (net of discounts) | 1,329,924 | 1,428,871 | 1,440,256 | 1,439,402 | 1,328,978 | 1,400,343 | 1,309,920 | 1,296,990 | 1,220,292 | 1,024,430 |
| General Operating Revenues | 53,778 | 60,537 | 59,222 | 60,383 | 74,189 | 64,299 | 83,137 | 75,369 | 67,640 | 75,197 |
| TOTAL OPERATING REVENUES | \$ 18,511,834 | \$ 20,209,989 | \$ 19,754,457 | \$ 27,584,410 | \$ 26,078,307 | \$ 26,238,793 | \$ 26,209,230 | \$ 25,386,684 | \$ 21,214,507 | \$ 19,382,522 |
| NON-OPERATING REVENUES | | | | | | | | | | |
| State Appropriations | \$ 18,905,652 | \$ 19,133,494 | \$ 19,232,886 | \$ 19,482,632 | \$ 18,736,294 | \$ 18,027,367 | \$ 16,573,863 | \$ 16,392,789 | \$ 16,517,271 | \$ 17,573,657 |
| Maintenance Ad Valorem Taxes | 10,651,591 | 9,551,046 | 9,543,114 | 7,309,236 | 7,366,200 | 6,232,049 | 5,176,009 | 5,071,284 | 5,069,433 | 5,076,959 |
| Gifts - In Kind & Other | 21,865 | 1,200 | 181,383 | - | - | - | - | - | - | - |
| Investment income (net of investment expenses) | 60,892 | 55,850 | 126,417 | 388,977 | 488,045 | 328,874 | 197,316 | 103,019 | 111,497 | 217,465 |
| Federal Revenue Non-Operating - (1) | 17,241,996 | 15,256,451 | 9,480,427 | 665,184 | 101,423 | 132,380 | 5,424 | - | - | - |
| Other non-operating revenues | 37,898 | - | - | 595,855 | - | - | - | - | - | - |
| TOTAL NON-OPERATING REVENUES | \$ 46,919,894 | \$ 43,998,041 | \$ 39,229,411 | \$ 27,756,700 | \$ 26,691,962 | \$ 24,720,670 | \$ 21,952,612 | \$ 21,567,092 | \$ 21,698,201 | \$ 23,159,161 |
| TOTAL REVENUES | \$ 65,431,728 | \$ 64,208,030 | \$ 58,983,868 | \$ 55,341,110 | \$ 52,770,269 | \$ 50,959,463 | \$ 48,161,842 | \$ 46,953,776 | \$ 42,912,708 | \$ 41,541,683 |

| | FOR THE YEAR ENDED AUGUST 31, | | | | | | | | | |
|--|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| OPERATING REVENUES | | | | | | | | | | |
| Tuition and Fees (net of discounts) | 20.54% | 20.80% | 22.01% | 22.87% | 23.17% | 24.70% | 27.00% | 24.45% | 19.85% | 17.59% |
| Federal Grants and Contracts | 3.41% | 5.52% | 6.31% | 21.61% | 21.33% | 21.65% | 22.34% | 23.91% | 23.53% | 20.73% |
| State Grants and Contracts | 1.69% | 2.25% | 1.69% | 1.86% | 1.46% | 1.33% | 1.25% | 1.84% | 2.34% | 2.24% |
| Non-governmental grants and contracts | 0.26% | 0.27% | 0.65% | 0.51% | 0.48% | 0.59% | 0.52% | 0.53% | 0.47% | 0.54% |
| Sales and Services of Educational Activities | 0.28% | 0.32% | 0.26% | 0.28% | 0.31% | 0.34% | 0.40% | 0.41% | 0.25% | 0.50% |
| Investment income (program restricted) | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% |
| Auxiliary Enterprises (net of discounts) | 2.03% | 2.23% | 2.44% | 2.60% | 2.52% | 2.75% | 2.72% | 2.76% | 2.84% | 2.47% |
| General Operating Revenues | 0.05% | 0.09% | 0.10% | 0.11% | 0.14% | 0.13% | 0.17% | 0.16% | 0.16% | 0.18% |
| TOTAL OPERATING REVENUES | 28.29% | 31.48% | 33.49% | 49.84% | 49.42% | 51.48% | 54.42% | 54.07% | 49.44% | 44.25% |
| NON-OPERATING REVENUES | | | | | | | | | | |
| State Appropriations | 28.89% | 29.80% | 32.61% | 35.17% | 35.51% | 35.38% | 34.41% | 34.91% | 38.49% | 42.30% |
| Maintenance Ad Valorem Taxes | 16.28% | 14.88% | 16.18% | 13.21% | 13.96% | 12.23% | 10.75% | 10.80% | 11.81% | 12.22% |
| Federal Revenue Non-Operating | 0.03% | 0.00% | 0.31% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Gifts | 0.09% | 0.09% | 0.21% | 0.70% | 0.92% | 0.65% | 0.41% | 0.22% | 0.26% | 0.52% |
| Investment income (net of investment expenses) | 26.35% | 23.76% | 16.07% | 1.08% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other non-operating revenues | 0.06% | 0.00% | 1.13% | 0.26% | 0.19% | 0.26% | 0.01% | 0.00% | 0.00% | 0.00% |
| TOTAL NON-OPERATING REVENUES | 71.71% | 68.52% | 66.51% | 50.16% | 50.58% | 48.51% | 45.58% | 45.93% | 50.56% | 55.75% |
| TOTAL REVENUES | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

(1) Accounting change per GASB pronouncements

SOUTH PLAINS COLLEGE

STATISTICAL SUPPLEMENT 3

PROGRAM EXPENSES BY FUNCTION
FISCAL YEARS 2002 TO 2011
(Unaudited)
(Amounts expressed in thousands)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| OPERATING EXPENSES | | | | | | | | | | |
| Instruction | \$ 26,552,727 | \$ 25,952,226 | \$ 24,818,708 | \$ 23,778,286 | \$ 22,658,989 | \$ 21,645,759 | \$ 20,200,180 | \$ 18,628,628 | \$ 18,851,367 | \$ 18,280,135 |
| Public Service | 1,126,881 | 1,140,785 | 982,308 | 1,072,523 | 1,120,874 | 1,087,048 | 828,910 | 502,271 | 632,298 | 724,130 |
| Academic Support | 2,512,323 | 2,347,173 | 2,375,170 | 2,155,363 | 1,879,671 | 1,748,439 | 1,489,724 | 1,973,931 | 1,775,925 | 1,908,159 |
| Student Services | 6,325,103 | 6,536,026 | 6,441,868 | 6,545,389 | 6,574,837 | 6,447,712 | 6,479,422 | 5,494,593 | 4,768,360 | 4,373,710 |
| Institutional Support | 4,808,151 | 4,576,780 | 4,340,270 | 4,368,155 | 4,095,541 | 4,210,508 | 3,960,021 | 3,535,048 | 3,296,052 | 3,496,814 |
| Operating and Maintenance of plant | 5,520,282 | 5,517,385 | 5,323,144 | 5,537,993 | 5,311,927 | 5,366,714 | 4,486,132 | 4,195,479 | 4,125,367 | 4,804,817 |
| Scholarships and Fellowships | 10,136,308 | 9,394,532 | 5,117,489 | 4,363,849 | 3,980,029 | 3,842,523 | 4,044,222 | 5,198,245 | 5,519,163 | 4,744,179 |
| Auxiliary Enterprises | 2,450,323 | 2,418,243 | 2,335,247 | 2,328,394 | 2,052,237 | 2,023,178 | 1,928,014 | 1,963,221 | 1,779,219 | 1,615,461 |
| Depreciation | 1,823,495 | 1,771,515 | 1,940,358 | 1,490,564 | 1,618,922 | 1,580,018 | 1,213,544 | 1,103,956 | 1,116,670 | 995,801 |
| TOTAL OPERATING EXPENSES | \$ 61,255,593 | \$ 59,654,965 | \$ 53,654,542 | \$ 51,638,516 | \$ 49,293,027 | \$ 47,931,899 | \$ 44,830,169 | \$ 42,584,372 | \$ 41,864,421 | \$ 40,943,206 |
| NON-OPERATING EXPENSES | | | | | | | | | | |
| Interest on Capital Related Debt | \$ 68,754 | \$ 99,715 | \$ 175,565 | \$ 241,320 | \$ 162,330 | \$ 196,864 | \$ 236,622 | \$ 303,176 | \$ 373,736 | \$ 427,467 |
| Loss on disposal of capital assets | - | - | - | 13,868 | - | - | - | - | - | 1,831 |
| Other non-operating expenses | - | - | - | - | - | - | - | - | - | 27,884 |
| TOTAL NON-OPERATING EXPENSES | \$ 68,754 | \$ 99,715 | \$ 175,565 | \$ 255,188 | \$ 162,330 | \$ 196,864 | \$ 236,622 | \$ 303,176 | \$ 403,451 | \$ 427,467 |
| TOTAL EXPENSES | \$ 61,324,347 | \$ 59,754,380 | \$ 53,830,107 | \$ 51,893,704 | \$ 49,455,357 | \$ 48,128,763 | \$ 44,866,791 | \$ 42,897,548 | \$ 42,267,872 | \$ 41,370,673 |

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| OPERATING EXPENSES | | | | | | | | | | |
| Instruction | 43.30% | 43.43% | 46.11% | 45.82% | 45.82% | 44.97% | 45.02% | 43.42% | 44.60% | 44.19% |
| Public Service | 1.84% | 1.91% | 1.79% | 2.07% | 2.27% | 2.26% | 1.85% | 1.17% | 1.50% | 1.75% |
| Academic Support | 4.10% | 3.93% | 4.41% | 4.15% | 3.80% | 3.63% | 3.32% | 4.60% | 4.20% | 4.61% |
| Student Services | 10.31% | 10.94% | 11.97% | 12.61% | 13.29% | 13.40% | 14.44% | 12.81% | 11.28% | 10.57% |
| Institutional Support | 7.84% | 7.66% | 8.06% | 8.42% | 8.28% | 8.75% | 8.83% | 8.24% | 7.80% | 8.45% |
| Operating and Maintenance of plant | 9.00% | 9.23% | 9.89% | 10.67% | 10.74% | 11.15% | 10.00% | 9.78% | 9.76% | 11.61% |
| Scholarships and Fellowships | 16.53% | 15.72% | 9.51% | 8.41% | 8.05% | 7.96% | 9.01% | 12.12% | 13.06% | 11.47% |
| Auxiliary Enterprises | 4.00% | 4.05% | 4.34% | 4.46% | 4.15% | 4.20% | 4.30% | 4.58% | 4.21% | 3.90% |
| Depreciation | 2.87% | 2.96% | 3.60% | 2.87% | 3.27% | 3.24% | 2.70% | 2.57% | 2.64% | 2.41% |
| TOTAL OPERATING EXPENSES | 99.89% | 99.83% | 99.67% | 99.51% | 99.67% | 99.59% | 99.47% | 99.29% | 99.05% | 98.97% |
| NON-OPERATING EXPENSES | | | | | | | | | | |
| Interest on Capital Related Debt | 0.11% | 0.17% | 0.33% | 0.47% | 0.33% | 0.41% | 0.53% | 0.71% | 0.88% | 1.03% |
| Loss on disposal of capital assets | 0.00% | 0.00% | 0.00% | 0.03% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other non-operating expenses | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.07% | 0.00% |
| TOTAL NON-OPERATING EXPENSES | 0.11% | 0.17% | 0.33% | 0.49% | 0.33% | 0.41% | 0.53% | 0.71% | 0.95% | 1.03% |
| TOTAL EXPENSES | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

TUITION AND FEES
LAST TEN ACADEMIC YEARS
(Unaudited)

RESIDENT
FEES PER SEMESTER CREDIT HOURS (SCH)

| Academic Year | Registration Fee (per student) | In-District Tuition | Out-of-District Tuition | Out-of-District Fee | Activity Fee, General Property Fee, Parking Permit, Student ID Card | Instructional Support Fee | Student Accident and Health Fee | Cost for 12 SCH In-District | Cost for 12 SCH Out-of-District | Increase From Prior Year In-District | Increase From Prior Year Out-of-District |
|---------------|--------------------------------|---------------------|-------------------------|---------------------|---|---------------------------|---------------------------------|-----------------------------|---------------------------------|--------------------------------------|--|
| 2011 | | 26 | 48 | | | 73 | 25 | 817 | 1,081 | - | - |
| 2010 | - | 26 | 48 | | | 73 | 25 | 817 | 1,081 | 120 | 120 |
| 2009 | - | 26 | 48 | | | 63 | 25 | 697 | 961 | - | - |
| 2008 | - | 26 | 48 | | | 63 | 25 | 697 | 961 | - | - |
| 2007 | - | 26 | 48 | | | 63 | 25 | 697 | 961 | - | 961 |
| 2006 | - | 26 | 48 | | | 63 | 25 | 697 | | - | (961) |
| 2005 | - | 26 | 48 | | | 63 | 25 | 697 | 961 | - | - |
| 2004 | - | 26 | 48 | | | 63 | 25 | 697 | 961 | 36 | 132 |
| 2003 | - | 26 | 42 | 14 | | 60 | 25 | 661 | 829 | 240 | 264 |
| 2002 | - | 16 | 32 | 10 | | 50 | 25 | 421 | 565 | 421 | 565 |

NON-RESIDENT
FEES PER SEMESTER CREDIT HOURS (SCH)

| Academic Year | Registration Fee (per student) | Non-Resident Tuition Out-of-State | Non-Resident Tuition International | Out-of-District Fee | Activity Fee, General Property Fee, Parking Permit, Student ID Card | Instructional Support Fee | Student Accident and Health Fee | Cost for 12 SCH Out-of-State | Cost for 12 SCH International | Increase from Prior Year Out-of-State | Increase From Prior Year International |
|---------------|--------------------------------|-----------------------------------|------------------------------------|---------------------|---|---------------------------|---------------------------------|------------------------------|-------------------------------|---------------------------------------|--|
| 2011 | - | 64 | 64 | | | 73 | 25 | 1,273 | 1,273 | - | - |
| 2010 | - | 64 | 64 | | | 73 | 25 | 1,273 | 1,273 | 120 | 120 |
| 2009 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | - | - |
| 2008 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | - | - |
| 2007 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | - | - |
| 2006 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | - | - |
| 2005 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | - | - |
| 2004 | - | 64 | 64 | | | 63 | 25 | 1,153 | 1,153 | 132 | 132 |
| 2003 | - | 42 | 42 | 14 | | 60 | 25 | 1,021 | 1,021 | 264 | 264 |
| 2002 | - | 32 | 32 | 10 | | 50 | 25 | 757 | 757 | 757 | 757 |

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

ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| FISCAL YEAR | ASSESSED | | TAXABLE ASSESSED VALUE(TAV) | RATIO OF TAXABLE ASSESSED VALUE TO ASSESSED VALUE | DIRECT TAX RATE | | |
|-------------|----------------------|--------------------|-----------------------------------|--|-----------------------------|--------------|--------|
| | VALUE OF PROPERTY | LESS EXEMPTIONS | | | MAINTENANCE & OPERATIONS | DEBT SERVICE | TOTAL |
| 2010-11 | 4,671,127,172 | 326,298,049 | 4,344,829,123 | 93.01% | 0.2442 | | 0.2442 |
| 2009-10 | 4,220,142,410 | 320,531,831 | 3,899,610,579 | 92.40% | 0.2442 | - | 0.2442 |
| 2008-09 | 4,872,162,561 | 473,765,701 | 4,398,396,860 | 90.28% | 0.2161 | - | 0.2161 |
| 2007-08 | 3,817,138,722 | 301,356,056 | 3,348,313,956 | 87.72% | 0.2161 | - | 0.2161 |
| 2006-07 | 3,652,347,410 | 352,912,557 | 3,299,434,853 | 90.34% | 0.2218 | - | 0.2218 |
| 2005-06 | 2,886,293,253 | 367,928,962 | 2,518,364,291 | 87.25% | 0.2465 | - | 0.2465 |
| 2004-05 | 2,312,129,501 | 370,817,309 | 1,941,312,192 | 83.96% | 0.2651 | - | 0.2651 |
| 2003-04 | 2,154,872,674 | 368,127,054 | 1,786,745,620 | 82.92% | 0.2817 | - | 0.2817 |
| 2002-03 | 2,156,372,463 | 366,547,509 | 1,789,824,954 | 83.00% | 0.2817 | - | 0.2817 |
| 2001-02 | 2,359,812,605 | 349,676,619 | 2,010,135,986 | 85.18% | 0.2512 | - | 0.2512 |

STATE APPROPRIATION PER FTSE AND CONTACT HOUR
 LAST TEN FISCAL YEARS
 (Unaudited)

| Fiscal Year | APPROPRIATION PER FTSE | | | APPROPRIATION PER CONTACT HOUR | | | |
|-------------|------------------------|--------|------------------------------------|-------------------------------------|-------------------------------------|---------------------------|--|
| | State Appropriation | FTSE | State Appropriation per FTSE | Academic Contact Hours (a) | Voc/Tech Contact Hours (b) | Total Contact Hours | State Appropriation per Contact Hour |
| 2010-11 | 14,112,108 | 10,993 | 1,284 | 3,308,496 | 1,366,400 | 4,674,896 | \$3.02 |
| 2009-10 | 14,512,859 | 10,892 | 1,332 | 3,208,224 | 1,293,936 | 4,502,160 | \$3.22 |
| 2008-09 | 14,512,858 | 10,132 | 1,432 | 2,993,096 | 1,210,784 | 4,203,880 | \$3.45 |
| 2007-08 | 14,388,242 | 9,833 | 1,463 | 2,932,424 | 1,164,864 | 4,097,288 | \$3.51 |
| 2006-07 | 14,388,242 | 9,727 | 1,479 | 2,915,792 | 1,137,836 | 4,053,628 | \$3.55 |
| 2005-06 | 16,573,863 | 10,238 | 1,619 | 2,914,704 | 1,243,712 | 4,158,416 | \$3.99 |
| 2004-05 | 16,392,789 | 10,270 | 1,596 | 3,066,768 | 1,226,746 | 4,293,514 | \$3.82 |
| 2003-04 | 16,517,271 | 10,527 | 1,569 | 3,029,032 | 1,402,706 | 4,431,738 | \$3.73 |
| 2002-03 | 17,573,657 | 10,282 | 1,709 | 2,871,504 | 1,307,005 | 4,178,509 | \$4.21 |
| 2001-02 | 15,268,494 | 9,537 | 1,601 | 2,394,816 | 1,142,597 | 3,537,413 | \$4.32 |

Notes:

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

(a) Source: THECB Report CBM001

(b) Source: THECB Report CBM00A

**SOUTH PLAINS COLLEGE
PRINCIPAL TAXPAYERS
LAST TEN YEARS
(Unaudited)**

STATISTICAL SUPPLEMENT 7

| TAXPAYER | TAXABLE ASSESSED VALUE (TAV) BY TAX YEAR | | | | | | | | | |
|-------------------------------------|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| BUSINESS | | | | | | | | | | |
| OIL & GAS | \$ 592,382,740 | \$ 644,682,500 | \$ 567,458,990 | \$ 854,494,420 | \$ 717,177,470 | \$ 736,661,368 | \$ 576,868,730 | \$ 409,502,210 | \$ 446,522,710 | \$ 457,723,230 |
| OIL & GAS | 380,723,970 | 382,964,790 | 320,020,390 | 430,970,420 | 324,946,060 | 305,030,937 | 238,865,260 | 142,781,400 | - | - |
| OIL & GAS | 231,384,410 | 240,307,610 | 173,505,210 | 223,287,230 | 263,133,340 | 219,441,634 | 171,841,530 | 21,270,170 | 17,831,840 | 18,136,360 |
| OCCIDENTAL PERMIAN LTD (PLTS) | 228,926,280 | 208,467,560 | 251,227,130 | 113,451,280 | 85,931,570 | 93,201,577 | 72,984,790 | 72,003,830 | - | - |
| POST-MONTGOMERY ESTATE | 125,178,530 | 135,306,030 | 124,775,250 | 127,915,730 | 83,973,790 | 81,071,188 | 63,485,680 | 47,392,570 | 42,894,150 | 43,625,700 |
| OXY USA WTP LP | 74,925,230 | - | - | - | 32,165,580 | 27,946,238 | 21,884,290 | - | - | - |
| SK ROGERS OIL CO. | 50,046,410 | 50,531,020 | 39,523,830 | 55,243,130 | 43,089,340 | 39,444,142 | 30,888,130 | - | - | - |
| BROWNING ROYALTY LP | 37,052,690 | 38,520,690 | 34,621,090 | 43,073,050 | - | 29,720,502 | 23,273,690 | 21,318,610 | 21,031,390 | 17,913,750 |
| GREAT WESTERN DRILLING CO. | 34,763,080 | 38,462,330 | 34,007,850 | 39,533,920 | 31,100,820 | - | - | - | - | - |
| ABERNATHY-BANK OF RAYMORE | 32,545,130 | 34,401,690 | 34,057,800 | 100,894,070 | 79,622,360 | 80,675,062 | 63,175,460 | 40,984,530 | 39,536,470 | 14,437,590 |
| BOPCO LP | - | 92,532,670 | 74,386,290 | 37,401,790 | - | - | - | - | - | 42,904,930 |
| LEVELLAND HOCKLEY CITY ETHANOL | - | - | - | - | - | - | - | - | - | - |
| MERIT ENERGY COMPANY | - | - | - | - | - | - | - | - | - | - |
| EXXON MOBIL CORP. | - | - | - | - | 36,640,440 | 30,330,219 | 23,751,150 | - | - | - |
| MOBIL PRODUCING-MALLET | - | - | - | - | - | - | - | 36,519,070 | 29,284,960 | 28,533,670 |
| MOBIL PRODUCING-NCL | - | - | - | - | - | - | - | 31,919,160 | 20,248,960 | 26,732,950 |
| TEXACO EXPLORATION & PRODUCT | - | - | - | - | - | - | - | 30,874,180 | 26,353,160 | 32,691,090 |
| SOUTHWESTERN PUBLIC SERVICE | - | - | - | - | - | - | - | - | - | 132,307,980 |
| DEVON ENERGY PROD. CO. LP | - | - | - | - | - | - | - | - | - | 17,731,810 |
| MOBIL PRODUCING (MINERALS) | - | - | - | - | - | - | - | - | - | 16,268,560 |
| CH FOUNDATION | - | - | - | - | - | - | - | - | - | 15,036,420 |
| OCCIDENTAL PERMIAN LTD (PP) | - | - | - | - | - | - | - | - | - | 10,381,200 |
| TEXAS SCOTTISH RITE HOSPITAL | - | - | - | - | - | - | - | - | - | 10,265,500 |
| BP P/L NORTH AMERICA | - | - | - | - | - | - | - | - | - | 9,950,300 |
| WHITTENBURG ESTATE | - | - | - | - | - | - | - | - | - | 9,897,960 |
| DOROTHY SECRET | - | - | - | - | - | - | - | - | - | 9,773,240 |
| ANADARKO PETROLEUM CO. | - | - | - | - | - | - | - | - | - | 8,537,150 |
| WHEELER OPERATING CORPORATI | - | - | - | - | - | - | - | - | - | 7,968,610 |
| ALTURA ENERGY | - | - | - | - | - | - | - | - | - | - |
| EXXON USA | - | - | - | - | - | - | - | - | - | - |
| BOATMEN'S TRUST COMPANY | - | - | - | - | - | - | - | - | - | - |
| TOTALS | \$ 1,787,828,470 | \$ 1,866,176,890 | \$ 1,656,927,820 | \$ 2,022,920,950 | \$ 1,697,780,770 | \$ 1,643,522,867 | \$ 1,287,018,690 | \$ 854,565,730 | \$ 643,703,650 | \$ 930,817,920 |
| TOTAL TAXABLE ASSESSED VALUE | \$ 4,344,829,110 | \$ 3,899,610,579 | \$ 4,220,142,410 | \$ 4,409,260,237 | \$ 3,348,313,956 | \$ 3,299,434,853 | \$ 2,518,364,291 | \$ 1,954,893,794 | \$ 1,787,088,222 | \$ 1,787,910,399 |

STATISTICAL SUPPLEMENT #7-Continued

SOUTH PLAINS COLLEGE
 PRINCIPAL TAXPAYERS
 LAST TEN YEARS
 (UNAUDITED)

| | | PER CENT OF TAXABLE ASSESSED VALUE(TAV)BY TAX YEAR | | | | | | | | | |
|----------|--------------------------------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| TAXPAYER | | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| BUSINESS | OIL & GAS | 13.63% | 16.53% | 13.45% | 19.38% | 21.42% | 22.33% | 22.91% | 20.95% | 24.99% | 25.60% |
| | OIL & GAS | 8.76% | 9.82% | 7.58% | 9.77% | 9.70% | 9.24% | 9.48% | 7.30% | 0.00% | 0.00% |
| | APACHE CORPORATION | 5.33% | 6.16% | 4.11% | 5.06% | 7.86% | 6.65% | 6.82% | 1.09% | 1.00% | 1.01% |
| | OCCIDENTAL PERMIAN LTD (PLTS) | 5.27% | 5.35% | 5.95% | 2.57% | 2.57% | 2.78% | 2.18% | 2.15% | 0.00% | 0.00% |
| | POST-MONTGOMERY ESTATE | 2.88% | 3.47% | 2.96% | 2.90% | 2.51% | 2.42% | 1.90% | 1.42% | 1.28% | 1.30% |
| | OXY USA WTP LP | 1.72% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.87% | 0.00% | 0.00% |
| | SK ROGERS OIL CO | 1.15% | 1.30% | 0.94% | 1.25% | 1.29% | 1.20% | 1.23% | 0.00% | 0.00% | 0.00% |
| | BROWNING ROYALTY LP | 0.85% | 0.00% | 0.00% | 0.98% | 1.09% | 0.92% | 0.94% | 0.00% | 0.00% | 0.00% |
| | GREAT WESTERN DRILLING CO | 0.80% | 0.99% | 82.00% | 0.00% | 0.93% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | ABERNATHY-BANK OF RAYMORE | 0.75% | 0.00% | 0.00% | 0.77% | 0.96% | 0.85% | 0.80% | 2.10% | 2.21% | 0.00% |
| | BOPCO LP | 0.00% | 2.29% | 2.29% | 2.29% | 2.38% | 2.45% | 2.51% | 0.00% | 0.00% | 0.00% |
| | LEVELLAND HOCKLEY CITY ETHANOL | 0.00% | 0.88% | 0.81% | 0.00% | 0.00% | 0.00% | 0.00% | 1.63% | 1.13% | 1.50% |
| | MOBIL PRODUCING-MALLET | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.58% | 1.47% | 1.83% |
| | MOBIL PRODUCING-NCL | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.40% |
| | TEXACO EXPLORATION & PRODUCT | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | SOUTHWESTERN PUBLIC SERVICE | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | DEVON ENERGY PROD CO LP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.99% |
| | MOBIL PRODUCING (MINERALS) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.91% |
| | ABERNATHY-BANK OF RAYMORE | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.84% |
| | CH FOUNDATION | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | OCCIDENTAL PERMIAN LTD (PP) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.58% |
| | TEXAS SCOTTISH RITE HOSPITAL | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.57% |
| | BP P/L NORTH AMERICA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.56% |
| | WHITTENBURG ESTATE | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.55% |
| | DOROTHY SECREST | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.55% |
| | ANADARKO PETROLEUM CO | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.48% |
| | WHEELER OPERATING CORPORATI | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.45% |
| | ALTURA ENERGY | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | EXXON USA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | BOATMEN'S TRUST COMPANY | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | TOTALS | <u>41.15%</u> | <u>47.86%</u> | <u>39.26%</u> | <u>45.88%</u> | <u>50.71%</u> | <u>49.81%</u> | <u>51.11%</u> | <u>43.71%</u> | <u>36.02%</u> | <u>52.06%</u> |

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX YEARS
(Unaudited)

| FISCAL YEAR ENDED AUGUST 31 | LEVY | CUMULATIVE LEVY ADJUSTMENTS | ADJUSTED TAX LEVY (b) | COLLECTIONS- YEAR OF LEVY © | PERCENTAGE | CURRENT COLLECTIONS | | CUMULATIVE COLLECTIONS OF ADJUSTED LEVY |
|-----------------------------------|------------|-----------------------------------|--------------------------------|--------------------------------------|------------|------------------------------|-------------------------------|--|
| | | | | | | OF PRIOR LEVIES (e) | TOTAL COLLECTIONS (E+H) | |
| 2011 | 10,611,179 | (7,086) | 10,604,093 | 10,480,927 | 98.84% | 120,185 | 10,601,113 | 99.97% |
| 2010 | 9,524,050 | (12,807) | 9,511,243 | 9,441,875 | 99.27% | 83,984 | 9,525,660 | 100.15% |
| 2009 | 9,532,367 | (23,390) | 9,508,977 | 9,440,032 | 99.42% | 38,963 | 9,478,996 | 99.68% |
| 2008 | 7,333,924 | (18,726) | 7,315,199 | 7,260,427 | 99.25% | 25,481 | 7,285,909 | 99.60% |
| 2007 | 7,319,692 | (3,607) | 7,316,085 | 7,243,705 | 99.01% | 60,711 | 7,304,417 | 99.84% |
| 2006 | 6,209,023 | (10,685) | 6,198,338 | 6,140,219 | 99.06% | 69,869 | 6,210,089 | 100.19% |
| 2005 | 5,184,090 | (39,689) | 5,144,401 | 5,070,472 | 98.56% | 56,537 | 5,127,009 | 99.66% |
| 2004 | 5,031,698 | (686) | 5,031,012 | 4,954,959 | 98.49% | 71,766 | 5,026,725 | 99.91% |
| 2003 | 5,035,601 | 43,653 | 5,079,254 | 4,950,431 | 97.46% | 53,478 | 5,003,909 | 98.52% |
| 2002 | 5,057,872 | (11,767) | 5,046,105 | 4,976,408 | 98.62% | 57,444 | 5,033,852 | 99.76% |

Source: Local Tax Assessor/Collector and District records.

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

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

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

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

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

**RATIO OF OUTSTANDING DEBT
LAST TEN YEARS
(Unaudited)**

| | FOR THE YEAR ENDED AUGUST 31 (amounts expressed in thousands) | | | | | | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| GENERAL BONDED DEBT | | | | | | | | | | |
| General Obligation Bonds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Notes | - | - | - | - | - | - | - | - | - | - |
| Less funds restricted for debt service | - | - | - | - | - | - | - | - | - | - |
| Net General Bonded Debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| OTHER DEBT | | | | | | | | | | |
| (The amounts for Other Debt are not from Exhibit 1. They are for illustration only.) | | | | | | | | | | |
| Revenue Bonds | \$ 8,500 | \$ 2,200 | \$ 2,200 | \$ 5,780 | \$ 3,049 | \$ 3,260 | \$ 5,590 | \$ 6,100 | \$ 5,800 | \$ 6,600 |
| Notes | - | - | - | - | - | - | - | - | - | - |
| Capital Lease Obligations | - | - | - | - | - | - | - | - | - | - |
| Total Outstanding Debt | \$ 8,500 | \$ 2,200 | \$ 2,200 | \$ 5,780 | \$ 3,049 | \$ 3,260 | \$ 5,590 | \$ 6,100 | \$ 5,800 | \$ 6,600 |
| General Bonded Debt Ratios | | | | | | | | | | |
| Per Capita | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Per FTSE | - | - | - | - | - | - | - | - | - | - |
| As a % of Taxable Assessed Value | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Total Outstanding Debt Ratios | | | | | | | | | | |
| Per Capita | \$ 326.15 | \$ 88.00 | \$ 88.00 | \$ 240.83 | \$ 127.04 | \$ 141.74 | \$ 243.04 | \$ 265.22 | \$ 252.17 | \$ 286.96 |
| Per FTSE | \$ 773.22 | \$ 201.98 | \$ 217.13 | \$ 776.36 | \$ 409.54 | \$ 326.00 | \$ 559.00 | \$ 580.95 | \$ 568.63 | \$ 694.74 |
| As a % of Taxable Assessed Value | 0.20% | 0.06% | 0.05% | 0.18% | 0.09% | 0.13% | 0.29% | 0.34% | 0.32% | 0.33% |

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

SOUTH PLAINS COLLEGE

STATISTICAL SUPPLEMENT 10

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

| FOR THE YEAR ENDED AUGUST 31 (amount expressed in thousands) | | | | | | | | | | |
|--|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| TAXABLE ASSESSED VALUE | \$ 4,344,829,123 | \$ 3,899,610 | \$ 4,398,397 | \$ 3,348,313 | \$ 3,299,435 | \$ 2,518,364 | \$ 1,941,312 | \$ 1,786,745 | \$ 1,789,924 | \$ 2,010,135 |

GENERAL OBLIGATION BONDS

| | | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|------|------|
| Statutory Levy for Debt Service | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Less: Funds Restricted for Repayment of General Obligation Bonds | - | - | - | - | - | - | - | - | - | - |
| Total Net General Obligation Debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Current Year Debt Service Requirements | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Excess of Statutory Limit for Debt Service over Current Requirements | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Current Requirements as a % of Statutory Limit | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |

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.

PLEDGED REVENUE COVERAGE
 LAST TEN YEARS
 (Unaudited)

| YEAR ENDED AUGUST 31, | TUITION AND FEES | NET REVENUE FROM AUXILIARY ENTERPRISES | TOTAL | DEBT SERVICE REQUIREMENTS | COVERAGE RATIO |
|--------------------------|---------------------|--|-----------|------------------------------|-------------------|
| 2011 | 2,434,036 | - | 2,434,036 | - | N/A (2) |
| 2010 | 2,386,197 | - | 2,386,197 | - | N/A (1) |
| 2009 | 2,178,000 | - | 2,178,000 | 726,559 | 3.00 |
| 2008 | 2,163,601 | - | 2,163,601 | 763,642 | 2.83 |
| 2007 | 2,118,402 | - | 2,118,402 | 504,504 | 4.20 |
| 2006 | 2,697,675 | - | 2,697,675 | 801,981 | 3.36 |
| 2005 | 2,780,559 | - | 2,780,559 | 1,013,992 | 2.74 |
| 2004 | 2,701,635 | - | 2,701,635 | 1,145,937 | 2.36 |
| 2003 | 2,045,144 | - | 2,045,144 | 1,196,084 | 1.71 |
| 2002 | 1,449,262 | 1,024,430 | 2,473,692 | 505,625 | 4.89 |

- (1) At the beginning of FY 2010, sufficient funds were on hand to fund the payoff of the 2008 Bond Issue the only outstanding debt owed by the college. No additional debt service funding was necessary during FY 2010.
- (2) There were no debt service funding requirements for FY 2010-2011.

DEMOGRAPHIC AND ECONOMIC STATISTICS-TAXING DISTRICT
 LAST TEN FISCAL YEARS
 (Unaudited)

| YEAR ENDED AUGUST 31, | DISTRICT POPULATION | DISTRICT PERSONAL INCOME | PER CAPITA | DISTRICT UNEMPLOYMENT RATE | |
|--------------------------|------------------------|--------------------------------|--------------------------------|----------------------------------|-----|
| | | | DISTRICT PERSONAL INCOME | | |
| 2010 | 26,062 | 890,319,150 | 34,162 | 6.4% | (1) |
| 2009 | 25,199 | 847,923,000 | 33,575 | 6.9% | |
| 2008 | 25,182 | 838,047,100 | 33,280 | 4.1% | |
| 2007 | 25,314 | 772,554,932 | 30,519 | 4.0% | |
| 2006 | 24,166 | 694,703,883 | 28,747 | 4.7% | |
| 2005 | 23,809 | 601,000,000 | 25,243 | 4.6% | |
| 2004 | 23,249 | 561,000,000 | 24,625 | 4.9% | |
| 2003 | 23,288 | 518,000,000 | 22,687 | 5.3% | |
| 2002 | 23,173 | 496,000,000 | 21,838 | 5.1% | |
| 2001 | 23,101 | 497,000,000 | 21,984 | 3.9% | |
| 2000 | 23,186 | 478,000,000 | 21,083 | 4.1% | |

(1) Latest year for which data was available.

PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR
(Unaudited)

| <u>EMPLOYER</u> | <u>NUMBER OF EMPLOYEES</u> | <u>PERCENTAGE OF TOTAL EMPLOYMENT</u> |
|----------------------|--------------------------------|---|
| SOUTH PLAINS COLLEGE | 573 | 23.9% |
| LEVELLAND ISD | 512 | 21.3% |
| SPCAA | 400 | 16.7% |
| WALMART | 223 | 9.3% |
| COVENANT HOSPITAL | 210 | 8.8% |
| OCCIDENTAL PERMIAN | 110 | 4.6% |
| HOCKLEY COUNTY | 110 | 4.6% |
| UNITED SUPERMARKETS | 106 | 4.4% |
| WORLEY WELDING | 78 | 3.3% |
| CITY OF LEVELLAND | 77 | 3.2% |
| TOTAL | <u>2,399</u> | <u>100.0%</u> |

SOUTH PLAINS 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 | 279 | 265 | 265 | 275 | 271 | 274 | 295 | 260 | 252 | 221 |
| Part-time | 170 | 158 | 132 | 170 | 179 | 158 | 154 | 151 | 148 | 145 |
| Total | 449 | 423 | 397 | 445 | 450 | 432 | 449 | 411 | 400 | 366 |
| Percent | | | | | | | | | | |
| Full-time | 62% | 63% | 67% | 62% | 60% | 63% | 66% | 63% | 63% | 60% |
| Part-time | 38% | 27% | 33% | 38% | 40% | 37% | 34% | 37% | 37% | 40% |
| Staff and Administrators | | | | | | | | | | |
| Full-time | 311 | 300 | 307 | 278 | 281 | 310 | 280 | 260 | 246 | 342 |
| Part-time | | | | | | | | | | |
| Total | 311 | 300 | 307 | 278 | 281 | 310 | 280 | 260 | 246 | 342 |
| Percent | | | | | | | | | | |
| Full-time | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Part-time | | | | | | | | | | |
| FTSE per Full-time Faculty | 37.40 | 41.10 | 36.71 | 35.37 | 35.89 | 35.50 | 32.97 | 37.41 | 38.60 | 44.01 |
| FTSE per Full-time Staff member | 35.35 | 36.31 | 33.00 | 34.99 | 34.62 | 31.38 | 34.74 | 37.41 | 39.54 | 28.44 |
| Average Faculty Salary | \$ 38,369 | \$ 37,701 | \$36,670 | \$35,602 | \$33,907 | \$ 32,603 | \$ 30,162 | \$ 30,637 | \$ 31,308 | \$ 32,169 |

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 hrs | 8,101 | 80% | 8,073 | 80% | 6,393 | 69% | 6,317 | 68% | 5,699 | 61% |
| 31-60 hrs | 1,496 | 15% | 1,456 | 15% | 2,131 | 23% | 2,201 | 24% | 2,417 | 26% |
| >60 hrs | 587 | 6% | 507 | 5% | 741 | 8% | 779 | 8% | 1,159 | 12% |
| Total | 10,184 | 100% | 10,036 | 100% | 9,265 | 100% | 9,297 | 100% | 9,275 | 100% |

| Semester Hour Load | Fall 2010 | | Fall 2009 | | Fall 2008 | | Fall 2007 | | Fall 2005 | |
|--------------------|---------------|-------------|---------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than 3 | 101 | 1% | 102 | 1% | 269 | 3% | 272 | 3% | 66 | 1% |
| 3-5 credit hours | 1,918 | 19% | 1,902 | 19% | 1,528 | 16% | 1,892 | 20% | 1,629 | 18% |
| 6-8 credit hours | 1,906 | 19% | 1,953 | 19% | 1,853 | 20% | 1,783 | 19% | 1,617 | 17% |
| 9-11 credit hours | 1,378 | 14% | 1,375 | 14% | 1,229 | 13% | 1,306 | 14% | 1,188 | 13% |
| 12-14 credit hours | 3,869 | 38% | 3,505 | 35% | 3,168 | 34% | 3,001 | 32% | 3,466 | 37% |
| 15-17 credit hours | 884 | 9% | 875 | 9% | 870 | 9% | 781 | 8% | 980 | 11% |
| 18 & over | 128 | 1% | 324 | 3% | 348 | 4% | 262 | 3% | 329 | 4% |
| Total | 10,184 | 100% | 10,036 | 100% | 9,265 | 100% | 9,297 | 100% | 9,275 | 100% |

Average Course Load

| Tuition Status | Fall 2010 | | Fall 2009 | | Fall 2008 | | Fall 2007 | | Fall 2005 | |
|----------------------------------|---------------|-------------|---------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Texas Resident (In-District) | 762 | 7% | 672 | 7% | 788 | 9% | 790 | 9% | 744 | 8% |
| Texas Resident (Out-of-District) | 9,198 | 90% | 9,095 | 91% | 8,301 | 90% | 8,330 | 90% | 8,338 | 90% |
| Non-Resident Tuition | 224 | 2% | 269 | 3% | 176 | 2% | 177 | 2% | 193 | 2% |
| Total | 10,184 | 100% | 10,036 | 100% | 9,265 | 100% | 9,297 | 100% | 9,275 | 100% |

STUDENT PROFILE
 LAST FIVE FISCAL YEARS
 (Unaudited)

| Gender | Fall 2010 | | Fall 2009 | | Fall 2008 | | Fall 2007 | | Fall 2006 | |
|--------------|---------------|-------------|---------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Female | 5,520 | 54% | 5,438 | 54% | 4,953 | 53% | 4,899 | 53% | 4,971 | 54% |
| Male | 4,661 | 46% | 4,598 | 46% | 4,312 | 47% | 4,398 | 47% | 4,304 | 46% |
| Total | 10,181 | 100% | 10,036 | 100% | 9,265 | 100% | 9,297 | 100% | 9,275 | 100% |

| Ethnic Origin | Fall 2010 | | Fall 2009 | | Fall 2008 | | Fall 2007 | | Fall 2006 | |
|------------------|---------------|----------------|---------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| White | 6,497 | 63.81% | 6,141 | 61.19% | 5,855 | 63.19% | 6,027 | 65.05% | 6,252 | 67.41% |
| Hispanic | 2,976 | 29.23% | 3,134 | 31.23% | 2,722 | 29.38% | 2,583 | 27.88% | 2,390 | 25.77% |
| African American | 473 | 4.65% | 501 | 4.99% | 452 | 4.88% | 457 | 4.93% | 412 | 4.44% |
| Asian | 104 | 1.02% | 125 | 1.25% | 107 | 1.15% | 108 | 1.17% | 91 | 0.98% |
| Foreign | 69 | 0.68% | 67 | 0.67% | 77 | 0.83% | 59 | 0.64% | 76 | 0.82% |
| Native American | 62 | 0.61% | 62 | 0.62% | 52 | 0.56% | 63 | 0.68% | 54 | 0.58% |
| Other | 0 | 0.00% | 6 | 0.06% | 0 | 0.00% | 0 | 0.00% | | |
| Total | 10,181 | 100.00% | 10,036 | 100.00% | 9,265 | 100.00% | 9,297 | 100.35% | 9,275 | 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 | 1,560 | 15% | 2,163 | 22% | 1,078 | 12% | 1,078 | 12% | 1,079 | 12% |
| 18-21 | 4,767 | 47% | 5,345 | 53% | 4,776 | 52% | 4,776 | 52% | 4,781 | 52% |
| 22-24 | 1,404 | 14% | 802 | 8% | 1,298 | 14% | 1,298 | 14% | 1,299 | 14% |
| 25-35 | 1,733 | 17% | 1,184 | 12% | 1,472 | 16% | 1,472 | 16% | 1,474 | 16% |
| 36-50 | 596 | 6% | 469 | 5% | 517 | 6% | 517 | 6% | 518 | 6% |
| 51 & Over | 122 | 1% | 73 | 1% | 124 | 1% | 124 | 1% | 124 | 1% |
| Total | 10,181 | 100% | 10,036 | 100% | 9,265 | 100% | 9,297 | 100% | 9,275 | 100% |

TRANSFERS TO SENIOR INSTITUTIONS
2008 FALL STUDENTS AS OF FALL 2009
(Unaudited)

2009-2009 Graduates, Completers, Non-Returners (1)

| Senior Institutions Attended, Fall 2008 | Transfer Student Count Academic | Transfer Student Count Technical | Transfer Student Count Tech Prep | Total of all SPC Transfer Students | % of All SPC Transfer Students |
|---|---------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------------------------|
| Angelo State University | 30 | 22 | 1 | 53 | 2.31% |
| Lamar University | | | | 0 | 0.00% |
| Midwestern State University | 6 | 3 | 1 | 10 | 0.44% |
| Prairie View A&M University | 1 | 1 | | 2 | 0.09% |
| Sam Houston State University | 3 | 0 | | 3 | 0.13% |
| Stephen F. Austin State University | 1 | 1 | | 2 | 0.09% |
| Sul Ross State University | 3 | 2 | | 5 | 0.22% |
| Tarleton State University | 9 | 16 | | 25 | 1.09% |
| Texas A&M University | 10 | 26 | 1 | 37 | 1.61% |
| Texas A&M Commerce | 4 | 0 | | 4 | 0.17% |
| Texas A&M Corpus Christi | 2 | 1 | | 3 | 0.13% |
| Texas A&M Galveston | 1 | 0 | | 1 | 0.04% |
| Texas State University | 15 | 14 | 1 | 30 | |
| Texas Tech University | 1,066 | 764 | 45 | 1,875 | |
| Texas Woman's University | 4 | 1 | | 5 | |
| The University of Texas at Arlington | 9 | 8 | 1 | 18 | |
| UT Austin | 19 | 27 | | 46 | |
| UT Dallas | 1 | 1 | 0 | 2 | |
| UT El Paso | 0 | 3 | | 3 | 0.13% |
| UT San Antonio | 4 | 0 | 1 | 5 | |
| UT Tyler | 3 | | | 3 | 0.13% |
| UT Permian Basin | 6 | 2 | 0 | 8 | |
| University of Houston | 1 | 6 | | 7 | 0.30% |
| University of Houston Downtown | 0 | 2 | | 2 | 0.09% |
| University of North Texas | 15 | 20 | | 35 | |
| West Texas A&M University | 55 | 44 | 1 | 100 | |
| Baylor College of Medicine | | 0 | | 0 | 0.00% |
| TTU Health Sciences Center | | 12 | | 12 | |
| UT Medical at Galveston | | 0 | | 0 | 0.00% |
| University of North Texas Health Science Center of Fort Worth | | 0 | | 0 | 0.00% |
| Totals | 1,268 | 976 | 52 | 2,296 | 100.00% |

(1) This information is furnished by the Texas Higher Education Coordinating Board and represents the latest available data.

SOUTH PLAINS COLLEGE

STATISTICAL SUPPLEMENT 18

CAPITAL ASSET INFORMATION

FISCAL YEARS 2002 TO 2011

(Unaudited)

| | FISCAL YEAR ENDING AUGUST 31, | | | | | | | | | |
|--|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| <u>Academic Buildings</u> | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 25 | 25 | 25 |
| Square Footage | 619,643 | 619,643 | 619,643 | 619,643 | 614,643 | 607,954 | 534,888 | 459,661 | 459,661 | 459,661 |
| <u>Libraries</u> | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Square Footage | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 | 50,992 |
| Number of volumes | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| <u>Administrative and support buildings</u> | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Square footage | 61,561 | 61,561 | 61,561 | 61,561 | 61,531 | 61,561 | 61,561 | 61,561 | 61,561 | 61,561 |
| <u>Dormitories</u> | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Square Footage | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 | 90,688 |
| Number of beds | 470 | 470 | 470 | 470 | 470 | 470 | 470 | 470 | 470 | 470 |
| <u>Apartments</u> | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Square Footage | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 | 24,211 |
| Number of beds | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 |
| <u>Dining facilities</u> | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Square Footage | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 | 9,692 |
| Average daily customers | 580 | 580 | 580 | 580 | 580 | 580 | 580 | 580 | 580 | 580 |
| <u>Athletic Facilities</u> | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Square Footage | 172,801 | 172,801 | 172,801 | 172,801 | 171,701 | 171,701 | 171,701 | 167,455 | 167,455 | 167,455 |
| Stadiums | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Gymnasiums | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fitness Centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Tennis Court | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| <u>Plant facilities</u> | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 5 | 5 |
| Square Footage | 54,730 | 54,730 | 54,730 | 54,730 | 54,730 | 54,730 | 54,730 | 48,705 | 48,705 | 48,705 |
| <u>Transportation</u> | | | | | | | | | | |
| Cars | 6 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| Light trucks/ vans | 48 | 48 | 47 | 47 | 46 | 43 | 38 | 38 | 38 | 38 |
| Buses | 4 | 4 | 4 | 4 | 4 | 3 | 4 | 4 | 4 | 4 |
| Heavy Trucks | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |