



**WHARTON COUNTY JUNIOR  
COLLEGE DISTRICT**

**ANNUAL  
FINANCIAL REPORT**

**For the Fiscal Year Ended**

**August 31, 2011**

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**

**Table of Contents**

	<b>Page</b>
Organizational Data .....	1
Independent Auditors' Report on the Financial Statements and Supplemental Information .....	2
Management's Discussion and Analysis .....	4
 <b><u>Financial Statements</u></b>	
Statement of Net Assets (Exhibit 1).....	9
Statement of Revenues, Expenses, and Changes in Net Assets (Exhibit 2) .....	10
Statement of Cash Flows (Exhibit 3).....	11
Notes to Financial Statements.....	12
 <b><u>Supplementary Schedules</u></b>	
<b>Schedules</b>	
A    Schedule of Operating Revenues .....	26
B    Schedule of Operating Expenses by Object .....	27
C    Schedule of Non-Operating Revenues and Expenses .....	28
D    Schedule of Net Assets by Source and Availability .....	29
E    Schedule of Expenditures of Federal Awards .....	30
Notes to Schedule of Expenditures of Federal Awards.....	31
F    Schedule of Expenditures of State Awards .....	32
Notes to Schedule of Expenditures of State Awards.....	33
 <b><u>Auditors' Reports on Controls and Compliance</u></b>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i> .....	34
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 .....	36
Schedule of Findings and Questioned Costs.....	38
 <b><u>Statistical Supplements (Unaudited)</u></b>	
Net Assets by Component.....	40
Revenues by Source.....	41
Program Expenses by Function .....	42
Tuition and Fees .....	43
Assessed Value and Taxable Assessed Value of Property .....	44
State Appropriation per FTSE and Contact Hour .....	45
Principal Taxpayers .....	46
Property Tax Levies and Collections.....	48
Ratios of Outstanding Debt.....	49
Legal Debt Margin Information.....	50
Pledged Revenue Coverage .....	51
Demographic and Economic Statistics – Taxing District.....	52
Principal Employers.....	53

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**

**Table of Contents (Continued)**

	<b>Page</b>
Faculty, Staff, and Administrators Statistics.....	54
Enrollment Details .....	55
Student Profile .....	56
Transfers to Senior Institutions.....	57
Schedule of Capital Asset Information.....	58

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Organizational Data**  
**Year Ended August 31, 2011**

Board of Trustees

Officers

Mr. P.D. (Danny) Gertson, III, Chair  
Mr. Phyllip W. Stephenson, Vice Chair  
Mr. Jack C. Moses, Secretary

<u>Members</u>		<u>Term Expires</u>
		<u>May</u>
Mr. Rick Davis	El Campo, Texas	2012
Mr. Gerald R. Donaldson	Boling, Texas	2012
Mr. P.D. (Danny) Gertson, III	East Bernard, Texas	2012
Mrs. Georgia Kincer	Wharton, Texas	2014
Mr. Oliver Kunkel	Needville, Texas	2014
Mr. Jack C. Moses	Wharton, Texas	2016
Mr. Lloyd Nelson	Louise, Texas	2016
Mr. Phyllip W. Stephenson	Wharton, Texas	2014
Mr. Gary P. Trochta	El Campo, Texas	2016

Principal Administrative Officers

Ms. Betty McCrohan, President

Ms. Leigh Ann Collins, Vice President of Instruction

Mr. Bryce Kocian, Vice President of Administrative Services

Ms. Pamela J. Youngblood, Vice President of Technology and Institutional Research

Mr. David Leenhouts, Vice President of Student Services

Mr. Gus Wessels, Jr., CPA, Dean of Financial and Business Services

Ms. Stephanie Dees, Dean of Vocational Instruction



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CERTIFIED PUBLIC ACCOUNTANTS

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American Institute & Texas Society of  
Certified Public Accountants

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

Board of Trustees  
Wharton County Junior College District  
Wharton, Texas

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Wharton County Junior College District 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 October 28, 2011, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the financial

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

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

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

*Jett, Vernon & Co., P.C.*

Temple, Texas  
October 28, 2011

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### New Accounting Standards

In June 1999, the Governmental Accounting Standard's Board (GASB) released Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, which established a new reporting format for annual financial statements. In November 1999, GASB released Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, which applies the new reporting standards to public colleges and universities. Wharton County Junior College District (the College) adopted these new standards in fiscal year 2002.

The following analysis provides an overview of the College's financial activities. Both 2011 and 2010 are presented in the audited financial statements. Since management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read in conjunction with the College's basic financial statements and additional information.

The annual report consists of three basic financial statements that provide information on the College as a whole: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. Each of these statements will be discussed.

### Financial and Enrollment Highlights

There were a number of items that had a positive financial impact in the 2011 fiscal year.

- Enrollment for all students increased by 9% for fall when comparing unduplicated head count. The Wharton campus increased by 7% when comparing headcounts for the previous year. The Fort Bend Technical Center decreased by 7% and Sugar Land increased by 15%.
- For all Wharton County Junior College locations combined, fiscal year 2011 FTE's increased by 6.8% from fiscal year 2010. An FTE is thirty student-semester hours. Headcount for the fall 2011 semester increased by 2% compared with the previous fall term.
- During fiscal 2011 the following grants were received: \$ 500,000 and \$223,636 in state grants for workforce training, and \$100,000 for achieving the Dream focusing on enhancement of underserved student population enrollments. The Gulf Coast Medical Foundation gave \$100,000 for equipping the Allied Health Division. The U.S. Department of Education awarded \$737,207 for a Title V grant for Hispanic-Serving Institutions Programs. The Johnson Foundation also gave \$500,000 in local grants for renovation of the Johnson Health Occupations Center.
- The property valuation in the taxing district increased \$189,170,000 primarily due to an increase in real property values and oil and gas.
- General revenue appropriations decreased by \$340,931 compared to fiscal 2010 representing a decrease of 3%. State appropriations accounted for 24% of the total operational budget of the College.
- Distance Education enrollment increased 5% over last fall. Fall 2010 high school dual concurrent enrollment decreased by 8 % when compared to the previous year.

### Statement of Net Assets

The Statement of Net Assets includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. Net assets, the difference between assets and liabilities, are one way to measure the financial health of the College.

	<u>Current Year</u>	<u>Prior Year</u>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 15,816,538	\$ 11,907,935
Short-term investments	-	1,016,547
Accounts receivable, net	146,239	204,767
Property taxes receivable	390,765	422,146
Tuition and fees receivable	4,332,737	4,426,315
Federal and state receivables	918,717	494,765
Other assets	-	-
Total current assets	<u>21,604,996</u>	<u>18,472,475</u>
<b>Non-Current Assets:</b>		
Restricted cash and cash equivalents	832,503	994,459
Restricted endowment cash and cash equivalents	1,760,558	509,188
Restricted agency funds cash and cash equivalents	118,868	114,521
Endowment non-current investments	5,195,122	5,168,147
Other non-current investments	8,082,803	11,106,160
Investments in real estate	455,000	455,000
Capital assets, net	24,426,986	22,869,667
Total non-current assets	<u>40,871,840</u>	<u>41,217,142</u>
Total Assets	<u>62,476,836</u>	<u>59,689,617</u>
<b>Current Liabilities:</b>		
Accounts payable	1,594,461	1,955,921
Accrued liabilities	-	90,824
Funds held for others - agency	118,868	114,521
Deferred revenues	9,167,842	8,313,293
Bonds payable – current portion	625,000	540,000
Unamortized bond premium - current portion	10,584	-
Total Current Liabilities	<u>11,516,755</u>	<u>11,014,559</u>
Non-Current Liabilities – Bonds Payable	4,465,000	5,065,000
Non-Current Liabilities – unamortized bond premium	116,422	-
Total non-current liabilities	<u>4,581,422</u>	<u>5,065,000</u>
Total Liabilities	<u>16,098,177</u>	<u>16,079,559</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt as restated	19,209,980	17,264,667
Restricted for:		
Nonexpendable - endowments	7,416,805	7,138,571
Expendable:		
Federal and State grants	397,282	449,798
Debt service	514,890	594,539
Student aid	290,691	192,710
Unrestricted – undesignated	18,549,011	17,969,773
Total Net Assets	<u>46,378,659</u>	<u>43,610,058</u>
Total Net Assets and Liabilities	<u>\$ 62,476,836</u>	<u>\$ 59,689,617</u>



The short-term investments are funds invested at financial institutions with notes of one year or less. These typically consist of current net assets from prior year and tuition and fees collected during the fiscal year, which apply to the following year.

The receivable figures consist primarily of final grant billings, Federal financial aid reimbursements, student loans, and returned checks.

The agency funds consist of money on deposit from various student association organizations.

The deferred revenues primarily represent tuition and fee income for the next academic year paid to the College during the 2011 fiscal year.

During 2005 the college changed its policy regarding compensated absences. Employees must take the vacation leave during the fiscal year it is earned or it is forfeited. Therefore no compensated absences are accrued at year-end.

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

The Statement of Revenues, Expenses and Changes in Net Assets present the operating results of the College, as well as the non-operating revenues and expenses. The College's revenues are of two types: those from operations and those from all other sources. Operating revenues are primarily those that result directly from the conduct of instruction, the operation of college auxiliary services (e.g., the bookstore, food service, etc.), and Federal, State of Texas, and local grants. State appropriations were the most significant non-operating revenue, representing 24% total revenue. Property taxes, while budgeted for operations, are considered non-operating revenues according to accounting principles generally accepted in the United States of America and represented 11% of total revenues.

Operating Revenues:	Current Year		Prior Year	
Student tuition and fees, net of discounts of \$3,002,822 and \$2,422,677	\$ 14,973,643	33%	\$ 14,300,266	34%
Federal, state, and local grants and contracts	3,654,038	8%	1,886,217	4%
Auxiliary enterprises, net of discounts of \$44,667 and \$40,871	805,880	2%	654,172	2%
Other operating revenues	410,869	1%	333,107	1%
Total operating revenues	19,844,430	45%	17,173,762	41%
Non-operating revenues:				
State appropriations	10,695,762	24%	11,036,693	26%
Property taxes	5,171,594	12%	5,145,546	12%
Federal Revenue, Non Operating	8,346,572	19%	6,787,951	16%
Investment Income	492,549	1%	522,686	1%
Other non-operating revenue	362,559	1%	1,754,840	4%
Total non-operating revenue	25,069,036	55%	25,247,716	59%
Total revenues	\$ 44,913,466	100%	\$ 42,421,478	100%

### Expenses

Most of the College's expenses are classified as operating expenses. This includes depreciation of the College's physical plant and equipment, those expenses that result from instructional activities, and all college-incurred expenses associated with auxiliary enterprises. Expenses for instruction and institutional support continue to be the most significant operating expenses.

Operating Expenses:	<u>Current Year</u>		<u>Prior Year</u>	
Instruction	\$ 15,898,628	38%	\$ 15,004,603	39%
Public services and academic support	4,740,632	11%	4,248,707	11%
Student services	2,379,287	6%	2,265,773	6%
Institutional support	6,140,521	14%	5,938,323	14%
Operations and maintenance of plant	4,822,789	12%	4,576,457	12%
Scholarships and fellowships	6,105,303	15%	5,018,343	13%
Auxiliary enterprises	631,576	2%	659,363	2%
Depreciation	1,101,811	3%	997,017	3%
Total operating expenses	<u>41,820,547</u>	100%	<u>38,708,586</u>	100%

### **Change in Net Assets**

When College expenses are subtracted from revenues from all sources, the difference is either negative, indicating a loss of net assets, or positive, indicating an increase in net assets. This year the College realized an increase in net assets as revenues exceeded the expenses incurred in production of that revenue.

	<u>Current Year</u>	<u>Prior Year</u>
Operating revenues	\$ 19,834,430	\$ 17,173,762
Non-operating revenues	<u>25,159,036</u>	<u>25,247,716</u>
Total revenues	44,993,466	42,421,478
Operating expenses	41,820,547	38,708,586
Non-operating expenses	<u>404,318</u>	<u>295,527</u>
Total expenses	<u>42,224,865</u>	<u>39,004,113</u>
Increase to net assets	<u>\$ 2,768,601</u>	<u>\$ 3,417,365</u>

### **Statement of Cash Flows**

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. The statement also helps users assess the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

	<u>Current Year</u>	<u>Prior Year</u>
Cash provided by (used in):		
Operating activities	\$ (17,998,230)	\$(17,172,905)
Capital and related financing activities	(3,499,693)	(3,687,037)
Non-capital and related financing activities	21,961,906	21,527,199
Investing activities	<u>4,538,381</u>	<u>4,460,820</u>
Net increase (decrease) in cash	5,002,364	5,128,077
Cash - beginning of year	<u>13,526,103</u>	<u>8,398,026</u>
Cash - end of year	<u>\$ 18,528,467</u>	<u>\$ 13,526,103</u>

The primary cash receipts from operating activities consist of, student tuitions and fees, and grants. Cash outlay for operating activities includes payments of wages, benefits, supplies, utilities, and scholarships. Property tax and state appropriations are the primary source of non-capital financing.

### **Capital Asset and Debt Administration**

The College had total capital asset additions of \$ 2,661,414 for fiscal year 2011.

The College retired the 1998 and 2001 bond issues and issued \$5,665,000 of refunding bonds during 2011.

### **Future Financial Considerations**

The College has experienced a steady increase in enrollments over the past ten years. The growth has been, and will continue to be, from Fort Bend County. The funding formula used by the Texas Higher Education Coordinating Board to allocate state appropriated funds is based on the total amount appropriated to all community colleges multiplied by the community college's percentage of the state's total student contact hours. Twenty four per cent (24%) of all College revenues are from state appropriated funds based on instructional activities. The State of Texas funding is based on legislatively established funding levels. The future level of state funding is dependent on the enrollment and legislative actions.

### **Requests for Information**

This financial report is designed to provide a general overview of Wharton County Junior College District's financial activities. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Dean of Financial and Business Services, 911 Boling Highway, Wharton, Texas 77488.

## **FINANCIAL STATEMENTS**

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Statement of Net Assets**  
**August 31, 2011 and August 31, 2010**

	F/Y 2011	F/Y 2010
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 15,816,538	\$ 11,907,935
Short-term investments	-	1,016,547
Accounts receivable, net	5,788,458	5,547,993
Other assets	-	-
<b>Total Current Assets</b>	<b>21,604,996</b>	<b>18,472,475</b>
<b>Noncurrent assets:</b>		
Restricted cash and cash equivalents	832,503	994,459
Restricted endowment cash and cash equivalents	1,760,558	509,188
Restricted agency funds cash and cash equivalents	118,868	114,521
Endowment non-current investments	5,195,122	5,168,147
Other non-current investments	8,082,803	11,106,160
Investments in real estate	455,000	455,000
Capital assets, net (note 7)	24,426,986	22,869,667
<b>Total Noncurrent Assets</b>	<b>40,871,840</b>	<b>41,217,142</b>
<b>Total Assets</b>	<b>62,476,836</b>	<b>59,689,617</b>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	1,594,461	2,046,745
Funds held for others - agency	118,868	114,521
Deferred revenues	9,167,842	8,313,293
Bonds payable-current portion	625,000	540,000
Unamortized bond premium- current portion	10,584	-
<b>Total Current Liabilities</b>	<b>11,516,755</b>	<b>11,014,559</b>
<b>Noncurrent Liabilities:</b>		
Bonds Payable-noncurrent portion	4,465,000	5,065,000
Unamortized bond premium- noncurrent portion	116,422	-
<b>Total Noncurrent Liabilities</b>	<b>4,581,422</b>	<b>5,065,000</b>
<b>Total Liabilities</b>	<b>16,098,177</b>	<b>16,079,559</b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	19,209,980	17,264,667
Restricted for:		
Nonexpendable		
Endowments	7,416,805	7,138,571
Expendable:		
Federal and State grants	397,282	449,798
Debt service	514,890	594,539
Student aid	290,691	192,710
Unrestricted	18,549,011	17,969,773
<b>Total Net Assets (Schedule D)</b>	<b>46,378,659</b>	<b>43,610,058</b>
<b>Total liabilities and net assets</b>	<b>\$ 62,476,836</b>	<b>\$ 59,689,617</b>

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

Exhibit 2

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the Year Ended August 31, 2011 and August 31, 2010**

<b>Operating Revenues</b>	<u>F/Y 2011</u>	<u>F/Y 2010</u>
Tuition and Fees( net of discounts of \$3,002,822 and \$2,422,677)	\$ 14,973,643	\$ 14,300,266
Federal Grants and Contracts	2,031,621	1,115,186
State Grants and Contracts	1,085,838	503,519
Non-Government Grants and Contracts	536,579	267,512
Sales and Services of Educational Activities	41,324	46,734
Auxiliary Enterprises( net of discounts of \$44,667 and \$40,871)	805,880	654,172
General Operating Revenues	<u>359,545</u>	<u>286,373</u>
Total Operating Revenues (Schedule A)	<u><b>19,834,430</b></u>	<u><b>17,173,762</b></u>
<b>Operating Expenses</b>		
Instruction	15,898,628	15,004,603
Public Service	1,774,376	1,580,046
Academic Support	2,966,256	2,668,661
Student Services	2,379,287	2,265,773
Institutional Support	6,140,521	5,938,323
Operation and Maintenance of plant	4,822,789	4,576,457
Scholarships and Fellowships	6,105,303	5,018,343
Auxiliary Enterprises	631,576	659,363
Depreciation	1,101,811	997,017
Total Operating Expenses (Schedule B)	<u><b>41,820,547</b></u>	<u><b>38,708,586</b></u>
<b>Operating Loss</b>	<b>(21,986,117)</b>	<b>(21,534,824)</b>
<b>Non-Operating Revenues (Expenses)</b>		
State Appropriations	10,695,762	11,036,693
Maintenance Ad Valorem Taxes	5,171,594	5,145,546
Federal Revenue, Non Operating	8,436,572	6,787,951
Gifts and Donations	319,278	1,672,861
Investment Income	492,549	522,686
Other Non-operating Revenues	43,281	81,979
Other Non-operating Expenses	(252,254)	(2,684)
Interest Expense	<u>(152,064)</u>	<u>(292,843)</u>
Net Nonoperating Revenues (Schedule C)	<u>24,754,718</u>	<u>24,952,189</u>
<b>Increase (Decrease) in Net Assets</b>	<b>2,768,601</b>	<b>3,417,365</b>
<b>Net Assets</b>		
Net Assets, Beginning of Year	43,610,058	40,192,693
Net Assets, End of Year	<u><u><b>\$ 46,378,659</b></u></u>	<u><u><b>\$ 43,610,058</b></u></u>

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

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Statement of Cash Flows**  
**Years Ended August 31, 2011 and August 31, 2010**

	<u>FY2011</u>	<u>FY2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 16,910,835	\$ 15,225,035
Payments of grants and contracts	3,477,739	1,914,414
Payments to or on behalf of employees	(22,141,761)	(20,746,793)
Payments to suppliers for goods and services	(10,237,721)	(8,403,102)
Payments for scholarships and fellowships	(6,007,322)	(5,162,459)
Net cash provided by operating activities	<u>(17,998,230)</u>	<u>(17,172,905)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations	7,957,515	8,285,920
Receipts from ad valorem taxes	5,202,975	5,127,155
Receipts from federal revenue	8,436,572	6,787,951
Gifts and grants for other than capital purposes	319,278	1,252,861
Other receipts	45,565	73,312
Net cash provided by noncapital financing activities	<u>21,961,905</u>	<u>21,527,199</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Purchases of capital assets	(2,661,417)	(1,408,039)
Proceeds from the sale of capital assets	-	-
Payments on capital debt-principal	(387,989)	(1,950,000)
Payment on capital debt- interest	(198,033)	(326,314)
Payment on capital property tax	(2,699)	(2,684)
Payment of bond issuance costs	(249,555)	-
Net cash used by capital and related financing activities	<u>(3,499,693)</u>	<u>(3,687,037)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of investments	21,398,652	24,068,810
Purchases of investments	(17,385,724)	(20,177,177)
Interest on investments	525,454	569,187
Net cash used by investing activities	<u>4,538,382</u>	<u>4,460,820</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,002,364	5,128,077
<b>CASH AND CASH EQUIVALENTS-September 1</b>	<u>13,526,103</u>	<u>8,398,026</u>
<b>CASH AND CASH EQUIVALENTS-August 31</b>	<u>\$ 18,528,467</u>	<u>\$ 13,526,103</u>
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating loss	\$ (21,986,117)	\$ (21,534,824)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation expense	1,101,811	997,017
Bad debt expense		
Payments made directly by state for benefits	2,738,247	2,750,773
Changes in assets and liabilities:		
Accounts receivable, net:		
Student a/r	90,239	(896,950)
Other a/r	28,962	(41,823)
Grants a/r	(423,952)	(290,866)
Accounts payable:		
Vendors	(504,298)	758,253
Scholarships	97,981	(109,810)
Funds held for others agency	4,347	3,550
Deferred revenues:		
Deferred tuition	966,442	1,159,085
Deferred grant revenue	(111,892)	32,690
Net cash used by operating activities	<u>\$ (17,998,230)</u>	<u>\$ (17,172,905)</u>

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

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

1. **Reporting Entity**

Wharton County Junior College District (the College) was established in 1946, in accordance with the laws of the State of Texas, to serve the educational needs of Wharton 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, *The Financial Reporting Entity*. While the College receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

2. **Summary of Significant Accounting Policies**

Reporting guidelines

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

Tuition discounting

*Texas Public Education Grants*

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.0333). When the 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 Programs 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



WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

Coordinating Board, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1.

Cash and cash equivalents

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

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 value of United States Treasury securities and United States agencies are based on quoted market value. 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 \$7,114,860 and \$6,431,715 at August 31, 2011 and August 31, 2010, respectively to be cash equivalents. Long-term investments have an original maturity of greater than one year at the time of purchase.

Capital assets

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

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

Deferred revenues

Tuition and fees of \$8,741,011 and \$7,953,695 and federal state and local grants of \$426,831 and \$359,598 have been reported as deferred revenues at August 31, 2011 and 2010 respectively.

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 college food service is not performed by the College.

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

3. **Authorized Investments**

The Board of Trustees of the College has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the College are in compliance with the Board of Trustees' investment policy and the Public Funds Investment Act. The College is authorized to invest in obligations and instruments as follows: (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) repurchase agreements and revenue repurchase agreements as defined by the Public Funds Investment Act, (5) certificates of deposits and (6) other instruments and obligations authorized by statute.

4. **Deposits and Investments**

**Cash and Deposits**

	<u>2011</u>	<u>2010</u>
Bank Deposits		
Demand Deposits	\$11,407,816	\$7,088,597
	<u>\$11,407,816</u>	<u>\$7,088,597</u>
Cash and Cash Equivalents		
Petty Cash on Hand	\$5,791	\$5,791
Investment pool-TexPool	7,114,860	6,431,715
	<u>7,120,651</u>	<u>6,437,506</u>
 Total Cash and Deposits	 <u>\$18,528,467</u>	 <u>\$13,526,103</u>

**Reconciliation of Deposits and Investments to Exhibit 1**

Type of Security	<u>Market Value</u> <u>August 31, 2011</u>	<u>Market Value</u> <u>August 31, 2010</u>
U. S. Government Securities	\$12,046,959	\$15,094,680
Certificates of Deposits	1,016,568	2,016,547
Stocks	214,398	179,627
Real Estate Investments	455,000	455,000
Totals	<u>\$13,732,925</u>	<u>\$17,745,854</u>
Total Cash and Deposits	<u>18,528,467</u>	<u>13,526,103</u>
Total Investments	<u>13,732,925</u>	<u>17,745,854</u>
Total Deposits and Investments	<u>\$32,261,392</u>	<u>\$31,271,957</u>
Cash and Short-term Investments (Exhibit 1)	18,528,467	13,526,103
Investments (Exhibit 1)	13,732,925	17,745,854
Total Deposits and Investments	<u>\$32,261,392</u>	<u>\$31,271,957</u>

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 to 2	2 to 3	More than 3
U. S. Government Securities	\$ 12,046,959	\$ -	\$ -	\$ -	\$ 12,046,959
Certificates of Deposit	1,016,568	-	1,016,568	-	1,016,568
<b>Total Fair Value</b>	<b>\$ 13,063,527</b>	<b>\$ -</b>	<b>\$ 1,016,568</b>	<b>\$ -</b>	<b>\$ 13,063,527</b>

**Interest Rate Risk-**In accordance with state law and college policy, the college does not purchase any investments with maturities greater than 5 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.

**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 college's investments are in FNMA (75.06%), FHLMC (8.32%), FHLB (8.30%) and FFCB (8.31%).

**5. Derivatives**

The College did not invest in any derivative investment products or repurchase agreements during the year ended August 31, 2011

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

**6. Capital Assets (with Implementation of Library Book Depreciation)**

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

	Balance September 1, 2010	Increases	Decreases	Balance August 31, 2011
<b>Not Depreciated:</b>				
Land	\$ 2,587,028	\$ -	\$ -	\$ 2,587,028
Subtotal	2,587,028	-	-	2,587,028
<b>Buildings and Other Capital Assets:</b>				
Buildings and Building Improvements	26,029,288	1,352,094	-	27,381,382
Other Real Estate Improvements	1,153,039	-	-	1,153,039
Infrastructure	361,136	-	-	361,136
Total Buildings and Other Real Estate Improvements	27,543,463	1,352,094	-	28,895,557
Library books	3,673,070	11,130	(5,130)	3,679,070
Furniture, Machinery, and Equipment	7,028,143	1,298,190	(171,543)	8,154,790
Total Buildings and Other Capital Assets	38,244,676	2,661,414	(176,673)	40,729,417
<b>Accumulated Depreciation:</b>				
Buildings and Building Improvements	8,623,554	508,356	-	9,131,910
Other Real Estate Improvements	872,852	7,450	-	880,302
Infrastructure	325,023	-	-	325,023
Total Buildings and Other Real Estate Improvements	9,821,429	515,806	-	10,337,235
Library books	3,290,863	74,073	(5,130)	3,359,806
Furniture, Machinery, and Equipment	4,849,745	511,933	(169,260)	5,192,418
Total Accumulated Depreciation	17,962,037	1,101,812	(174,390)	18,889,459
Net Capital Assets	\$ 22,869,667	\$ 1,559,602	\$ (2,283)	\$ 24,426,986

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

Capital assets 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	\$ 2,587,028	\$ -	\$ -	\$ 2,587,028
Subtotal	2,587,028	-	-	2,587,028
<u>Buildings and Other Capital Assets:</u>				
Buildings and Building Improvements	25,082,891	946,397	-	26,029,288
Other Real Estate Improvements	1,153,039	-	-	1,153,039
Infrastructure	361,136	-	-	361,136
Total Buildings and Other Real Estate Improvements	26,597,066	946,397	-	27,543,463
Library books	3,658,712	17,193	(2,835)	3,673,070
Furniture, Machinery, and Equipment	6,285,980	864,449	(122,286)	7,028,143
Total Buildings and Other Capital Assets	36,541,758	1,828,039	(125,121)	38,244,676
<u>Accumulated Depreciation:</u>				
Buildings and Building Improvements	8,141,391	482,163	-	8,623,554
Other Real Estate Improvements	865,403	7,449	-	872,852
Infrastructure	325,023	-	-	325,023
Total Buildings and Other Real Estate Improvements	9,331,817	489,612	-	9,821,429
Library books	3,212,409	81,289	(2,835)	3,290,863
Furniture, Machinery, and Equipment	4,517,196	426,116	(93,567)	4,849,745
Total Accumulated Depreciation	17,061,422	997,017	(96,402)	17,962,037
Net Capital Assets	\$ 22,067,364	\$ 831,022	\$ (28,719)	\$ 22,869,667

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**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
Bonds					
Revenue bonds	\$ 5,605,000	\$ 5,655,000	\$ 6,170,000	\$ 5,090,000	\$ 625,000
Unamortized bond premium	-	137,590	10,584	127,006	10,584
Total long-term liabilities	<u>\$ 5,605,000</u>	<u>\$ 5,792,590</u>	<u>\$ 6,180,584</u>	<u>\$ 5,217,006</u>	<u>\$ 635,584</u>

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
Bonds					
Revenue bonds	\$ 7,555,000	-	\$ 1,950,000	\$ 5,605,000	\$ 540,000
Total long-term liabilities	<u>\$ 7,555,000</u>	<u>-</u>	<u>\$ 1,950,000</u>	<u>\$ 5,605,000</u>	<u>\$ 540,000</u>

**8. Debt Obligations**

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

For the Year Ended August 31,	Revenue Bonds		
	Principal	Interest	Total
2012	\$ 625,000	\$ 134,200	\$ 759,200
2013	635,000	121,700	756,700
2014	660,000	109,000	769,000
2015	675,000	95,800	770,800
2016	275,000	82,300	357,300
2017-2021	1,525,000	295,500	1,820,500
2022-2023	695,000	42,000	737,000
Total	<u>\$ 5,090,000</u>	<u>\$ 880,500</u>	<u>\$ 5,970,500</u>

There were no obligations under capital leases at August 31, 2011.

**9. Bonds Payable**

General information related to bonds payable is summarized below:

Revenue Bonds, Series 2001

- The Board of Trustees of Wharton County Junior College District Combined Fee Revenue Bonds, Series 2001
- To build new plant facilities

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

- Issued May 1, 2001
- \$5,050,000, all authorized bonds have been issued
- Interest rates range from 4.6% to 5.75%
- Source of revenue for debt service – tuition charges, building use fees, other fee charges and designated auxiliary revenues
- The college defeased these bonds at a total cost of \$3,835,000 plus accrued interest of \$1,212.50.

Revenue Refunding Bonds, Series 1998

- The Board of Trustees of Wharton County Junior College District Combined Fee Revenue Refunding Bonds, Series 1998
- To refund \$2,070,000 of the Board of Trustees of Wharton County Junior College District Combined Fee Revenue Bonds, Series 1992 and \$1,615,000 the Board of Trustees of Wharton County Junior College District Combined Fee Revenue Bonds, Series 1995
- Issued December 14, 1998
- \$2,375,000, all authorized bonds have been issued
- Interest rates range from 3.25% to 4.6%
- Source of revenue for debt service – tuition charges, building use fees, other fee charges and designated auxiliary revenues
- Net proceeds from the refunding series amounts to \$3,767,725 after payment of \$120,673 in underwriting fees, insurance and other issuance costs.
- Proceeds of \$3,888,398 were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for future payment of the Series 1992, and Series 1995 bonds at the first call dates.
- The 1992 Series bonds are considered fully defeased and the remaining liability for those bonds is zero.
- The 1995 Series bonds are considered fully defeased and the remaining liability for those bonds is zero.
- Advance refunding of the 1992 and 1995 Series bonds reduced the College debt service payment over the next 15 years by approximately \$206,496.
- Economic Gain – (\$151,803) difference between the net present value of the old and new debt service payments.
- These bonds were defeased in 2011 at a cost of \$1,770,000 plus accrued interest of \$1,212.50.

Revenue Refunding Bonds, Series 2010

- The Board of Trustees of Wharton County Junior College District Combined Fee Revenue Refunding Bonds, Series 2010
- To refund \$3,835,000 of the Board of Trustees of Wharton County Junior College District Combined Fee Revenue Bonds, Series 2001 and \$1,770,000 of the Board of Trustees of Wharton County Junior College District Combined Fee Revenue Bonds, Series 1998
- Issued November 4, 2010
- \$5,655,000, all authorized bonds have been issued
- Interest rates range from 2% to 4%
- Source of revenue for debt service – tuition charges, building use fees, other fee charges and designated auxiliary revenues
- Bonds were issued with a net premium of \$137,589.50

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

- Net proceeds from the refunding series amount to \$5,706,387 after payment of \$249,555 in underwriting fees, insurance and other issuance costs
- Proceeds of \$5,706,387 were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for future payment of the Series 2001, and Series 1998 bonds at the first call dates.
- The 2001 Series bonds are considered fully defeased and the remaining liability for those bonds is zero.
- The 1998 Series bonds are considered fully defeased and the remaining liability for those bonds is zero.
- Advance refunding of the 2001 and 1998 Series bonds reduced the College debt service payment over the next 13 years by approximately \$547,862.
- Economic Gain – \$ 460,078 difference between the net present value of the old and new debt service payments.

Under each bond issue, the College is to maintain a reserve account equal to the lesser of (a) 10% of the principal amount of outstanding bonds or (b) the average annual requirements, on a fiscal year basis, for the payment of the principal and interest on the bonds. The College has 60 months to establish this reserve fund. The reserve account balance at August 31, 2011 is \$508,647 which meets the full reserve requirement.

**10. Advance Refunding Bonds**

WCJC has no advance refunding bonds.

**11. Defeased Bonds Outstanding**

WCJC has no defeased bonds outstanding.

**12. Short-Term Debt**

WCJC has no short- term debt for the fiscal year ended 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: The Wharton County Junior College District 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 system of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and the 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](http://www.trs.state.tx.us) under the TRS Publications heading.

Funding Policy: Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member compensation 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% of the aggregate annual compensation of all members of the system; (2) a



WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4 percent for Fiscal Years 2011 and 2010 and a state contribution rate of 6.644 percent for Fiscal Year 2011 and 6.644 percent for Fiscal 2010. In certain instances the reporting district is required to make all or a portion of the state's 6.644 contribution for Fiscal Year 2011 and 6.644 percent for Fiscal Year 2010.

**Optional Retirement Plan**

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

Funding Policy: Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.644 and 6.40 percent, respectively. The college contributes 2.10% 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 \$984,974 and \$933,155 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 \$19,397,137 and \$18,516,741 for fiscal years 2011 and 2010 respectively. The total payroll of employees covered by the Teacher Retirement System was \$9,013,971 and \$8,479,174 and the total payroll of employees covered by the Optional Retirement System was \$7,880,071 and \$7,663,060 for the 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. This plan is essentially an unfunded promise to pay by the employer to each of the plan participants.

As of August 31, 2011, the College does not have any employees participating in this program.

**15. Compensable Absences**

The College has three ways in which compensated absences can be earned.

Sick leave

All full-time employees earn sick leave at the rate of one and one-half day per month. Sick leave can accumulate to a maximum of 60 days for the purpose of carry-over from year to year. Unused accrued sick leave is forfeited upon termination of employment with the College. Therefore, no accrued liability has been recorded for sick leave.

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

Vacation

All full-time employees on twelve-month work schedules earn vacation leave at the rate of one day per full month of employment, up to a maximum of 12 days (96 hours) per year. Prior to FY 2005 vacation days not taken in August could be carried forward until November 30 of the same year. However, beginning FY 2005, vacation dates not taken by August 31 are forfeited. Therefore, no accrued liability has been recorded for vacation.

Personal leave

Contractual employees are eligible for two days of personal leave per year. Non-contractual employees, after six months of employment, are eligible for two days of personal leave per year. Personal leave may not be accumulated for carry-over from year to year. Unused personal leave is forfeited upon termination of employment with the College. Therefore, no accrued liability has been recorded for personal leave.

**16. Pending Lawsuits and Claim**

As of August 31, 2011, the College is not involved in any litigation.

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

**Receivables**

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

	FY2011	FY2010
Student Receivables	\$ 4,607,279	\$ 4,708,060
Property Taxes Receivable	421,338	451,227
State Receivables	918,717	494,765
Interest Receivables	64,865	97,770
Other Receivables	66,125	95,087
Subtotal	<u>6,078,324</u>	<u>5,846,909</u>
Allowance for Doubtful Accounts:	<u>(289,866)</u>	<u>(298,916)</u>
<b>TOTAL RECEIVABLES</b>	<u><u>\$ 5,788,458</u></u>	<u><u>\$ 5,547,993</u></u>

**Payables**

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

	FY2011	FY2010
Vendors Payable	\$ 1,258,915	\$ 1,763,211
Accrued Interest Payable	44,855	90,824
Scholarships Payable	290,691	192,710
<b>TOTAL PAYABLES</b>	<u><u>\$ 1,594,461</u></u>	<u><u>\$ 2,046,745</u></u>

**18. Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as accounts receivable on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are also reported as accounts receivable on Exhibit 1. Contract and

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

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 \$3,714,973 and \$3,450,468. Federal Contract and Grant Awards comprised all of these amounts.

**19. Post-Retirement Health Care, and Life Insurance Benefits**

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age while working for the state. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$413 to \$818 per month for the year ended August 31, 2011 (\$385 to \$753 per month, depending on the coverage elected for the year ended August 31, 2010) and totaled \$1,753,273 for the year ended August 31, 2011 (\$1,817,618 for the year ended August 31, 2010). The cost of providing those benefits for 114 retirees in the year ended August 31, 2011 was \$663,672 (retiree benefits for 111 retirees was \$603,672 for the year ended August 31, 2010). For 326 active employees, the cost of providing benefits was \$1,727,579 for the year ended August 31, 2011 (and for 317 active employees \$1,581,214 for the year ended August 31, 2010).

**20. 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 tax area of the College.

At August 31:

	2011	2010
Assessed Valuation of the College	\$5,179,901,000	\$ 4,990,731,000
Less Exemptions	(1,701,546,000)	(1,553,569,000)
Net Assessed Valuation of the College	\$3,478,355,000	\$ 3,437,162,000

	Current Operations	<u>2011</u> Debt Service	Total	Current Operations	<u>2010</u> Debt Service	Total
Authorized Tax Rate per \$100 valuation	\$0.30000	\$ -	\$0.30000	\$0.30000	\$ -	\$0.30000
Assessed Tax Rate per \$100 valuation	\$0.14448	\$ -	\$0.14448	\$0.13797	\$ -	\$0.13797

Tax levied for the year ended August 31, 2011 and 2010 amounted to \$5,090,933 and \$5,077,711 respectively including any penalty and interest assessed. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

	<u>2011</u>			<u>2010</u>		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 4,922,473	\$ -	\$ 4,922,473	\$ 4,922,343	\$ -	\$ 4,922,343
Delinquent Taxes Collected	150,113	-	150,113	132,455	-	132,455
Penalties & Interest Collected	99,008	-	99,008	90,748	-	90,748
Total Collections	<u>\$ 5,171,594</u>	<u>\$ -</u>	<u>\$ 5,171,594</u>	<u>\$ 5,145,546</u>	<u>\$ -</u>	<u>\$ 5,145,546</u>

Tax collections for the year ended August 31, 2011 and 2010 were 97% and 97% 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.

**21. Income Taxes**

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

**22. Postemployment Benefits Other than Pensions**

(In accordance with GASB Statement 45)

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

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

*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 set the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB statement 45.

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

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
Notes to Financial Statements  
August 31, 2011

The College's contributions to SRHP for the years ending August 31, 2011, 2010, and 2009 were \$9,918.24, \$9,249.19 and \$8,652.96, respectively, which equaled the required contributions each year.

**SUPPLEMENTARY SCHEDULES**

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Operating Revenues**  
**For the Year Ended August 31, 2011 (With Memorandum Totals for the Year Ended August 31, 2010)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	F/Y 2011 Total	F/Y 2010 Total
<b>Tuition:</b>						
State funded credit courses:						
In-district resident tuition	\$ 1,125,245	\$ -	\$ 1,125,245	\$ -	\$ 1,125,245	\$ 1,148,452
Out-of-district resident tuition	3,270,799	-	3,270,799	-	3,270,799	3,104,967
Non-resident tuition	235,739	-	235,739	-	235,739	192,646
TPEG (set aside)*	287,618	-	287,618	-	287,618	276,741
State funded continuing education	178,360	-	178,360	-	178,360	287,963
Non-state funded continuing education	473,180	-	473,180	-	473,180	473,304
<b>Total Tuition</b>	<b>5,570,941</b>	<b>-</b>	<b>5,570,941</b>	<b>-</b>	<b>5,570,941</b>	<b>5,484,073</b>
<b>Fees:</b>						
Distance learning fee	342,247	-	342,247	-	342,247	325,945
Installment plan fees	191,100	-	191,100	-	191,100	183,505
General service fees	5,399,649	-	5,399,649	-	5,399,649	4,556,329
Building use	1,622,544	-	1,622,544	-	1,622,544	1,528,444
Other fees	4,849,984	-	4,849,984	-	4,849,984	4,644,647
<b>Total fees</b>	<b>12,405,524</b>	<b>-</b>	<b>12,405,524</b>	<b>-</b>	<b>12,405,524</b>	<b>11,238,870</b>
<b>Scholarship allowances and discounts:</b>						
TPEG awards	(287,618)	-	(287,618)	-	(287,618)	(276,741)
Scholarship allowances	(281,633)	-	(281,633)	-	(281,633)	(273,026)
Federal grants to students	(2,433,571)	-	(2,433,571)	-	(2,433,571)	(1,872,910)
<b>Total scholarship allowances</b>	<b>(3,002,822)</b>	<b>-</b>	<b>(3,002,822)</b>	<b>-</b>	<b>(3,002,822)</b>	<b>(2,422,677)</b>
<b>Total Net Tuition and Fees</b>	<b>14,973,643</b>	<b>-</b>	<b>14,973,643</b>	<b>-</b>	<b>14,973,643</b>	<b>14,300,266</b>
<b>Additional operating revenues:</b>						
Federal grants and contracts	-	2,031,621	2,031,621	-	2,031,621	1,115,186
State grants and contracts	-	1,085,838	1,085,838	-	1,085,838	503,519
Local grants and contracts	-	536,579	536,579	-	536,579	267,512
Sales and services of educational activities	41,324	-	41,324	-	41,324	46,734
Other operating revenues	359,545	-	359,545	-	359,545	286,373
<b>Total Additional Operating Revenues</b>	<b>400,869</b>	<b>3,654,038</b>	<b>4,054,907</b>	<b>-</b>	<b>4,054,907</b>	<b>2,219,324</b>
<b>Auxiliary enterprises:</b>						
Residential life	-	-	-	459,849	459,849	438,067
Scholarship allowances and discounts	-	-	-	(44,667)	(44,667)	(40,871)
<b>Net residential life</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>415,182</b>	<b>415,182</b>	<b>397,196</b>
Bookstore commission	-	-	-	324,243	324,243	185,695
Other auxiliary revenue	-	-	-	66,455	66,455	71,281
<b>Total Net Auxiliary Enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>805,880</b>	<b>805,880</b>	<b>654,172</b>
<b>Total Operating Revenues</b>	<b>\$ 15,374,512</b>	<b>\$ 3,654,038</b>	<b>\$ 19,028,550</b>	<b>\$ 805,880</b>	<b>\$ 19,834,430</b>	<b>\$ 17,173,762</b>
					(Exhibit 2)	(Exhibit 2)

\*In accordance with Education Code 56.033, \$287,618 and \$276,741 for years August 31, 2011 and 2010, respectively, of tuition was set aside for Texas Public Education Grants (TPEG)

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
 Schedule of Operating Expenses by Object  
 Year Ended August 31, 2011 (with Memorandum Totals for the Year Ended August 31, 2010)

	Operating Expenses					2010 Total
	Salaries and Wages	Benefits		Other Expenses	2011 Total	
		State	Local			
<b>Unrestricted-Educational activities</b>						
Instruction	\$ 10,683,026	\$ -	\$ 1,487,312	\$ 1,063,267	\$ 13,233,605	\$ 12,714,299
Public Service	310,466	-	43,275	145,021	498,762	548,574
Academic Support	1,646,810	-	229,053	440,301	2,316,164	2,405,859
Student services	1,629,441	-	226,722	194,800	2,050,963	1,939,021
Institutional support	2,904,226	-	402,936	2,397,499	5,704,661	5,504,054
Operating and maintenance of plant	1,022,833	-	142,105	3,504,134	4,669,072	4,417,601
Scholarships and Fellowships	-	-	-	671,553	671,553	653,069
<b>Total Unrestricted Educational Activities</b>	<b>18,196,802</b>	<b>-</b>	<b>2,531,403</b>	<b>8,416,575</b>	<b>29,144,780</b>	<b>28,182,477</b>
<b>Restricted-Educational activities</b>						
Instruction	\$ 238,272	\$ 1,608,842	\$ 45,682	\$ 772,227	\$ 2,665,023	\$ 2,290,304
Public Service	683,612	46,811	105,347	439,844	1,275,614	1,031,472
Academic Support	81,697	247,770	18,142	302,483	650,092	262,802
Student services	34,500	245,247	5,317	43,260	328,324	326,752
Institutional support	-	435,860	-	-	435,860	434,269
Operating and maintenance of plant	-	153,717	-	-	153,717	158,856
Scholarships and Fellowships	-	-	-	5,433,750	5,433,750	4,365,274
<b>Total Restricted Educational Activities</b>	<b>1,038,081</b>	<b>2,738,247</b>	<b>174,488</b>	<b>6,991,564</b>	<b>10,942,380</b>	<b>8,869,729</b>
<b>Total Educational Activities</b>	<b>19,234,883</b>	<b>2,738,247</b>	<b>2,705,891</b>	<b>15,408,139</b>	<b>40,087,160</b>	<b>37,052,206</b>
<b>Auxiliary enterprises</b>	<b>176,399</b>	<b>-</b>	<b>24,588</b>	<b>430,589</b>	<b>631,576</b>	<b>659,363</b>
<b>Depreciation Expense - Buildings and Other Real Estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>495,812</b>	<b>495,812</b>	<b>468,348</b>
<b>Depreciation Expense-Equipment &amp; furniture as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>605,999</b>	<b>605,999</b>	<b>528,669</b>
<b>Total Operating Expenses</b>	<b>\$ 19,411,282</b>	<b>\$ 2,738,247</b>	<b>\$ 2,730,479</b>	<b>\$ 16,940,539</b>	<b>\$ 41,820,547</b>	<b>\$ 38,708,586</b>

(Exhibit 2)

(Exhibit 2)



**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**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>
<b>NON-OPERATING REVENUES:</b>					
<b>State Appropriations:</b>					
Education and General state support	\$ 7,957,515	\$ -	\$ -	\$ 7,957,515	\$ 8,285,920
State group insurance	-	1,753,273	-	1,753,273	1,817,618
State retirement matching	-	984,974	-	984,974	933,155
<b>Total state appropriations</b>	<u>7,957,515</u>	<u>2,738,247</u>	<u>-</u>	<u>10,695,762</u>	<u>11,036,693</u>
Federal Revenue Non Operating	8,436,572	-	-	8,436,572	6,787,951
Maintenance ad valorem taxes	5,171,594	-	-	5,171,594	5,145,546
Gifts and donations	319,278	-	-	319,278	1,672,861
Investment Income	492,549	-	-	492,549	522,686
Other non-operating revenues	<u>43,281</u>	<u>-</u>	<u>-</u>	<u>43,281</u>	<u>81,979</u>
<b>Total non-operating revenues</b>	<b>22,420,789</b>	<b>2,738,247</b>		<b>25,159,036</b>	<b>25,247,716</b>
<b>NON-OPERATING EXPENSES:</b>					
Interest on capital related debt	152,064	-	-	152,064	292,843
Other non-operating expense	<u>252,254</u>	<u>-</u>	<u>-</u>	<u>252,254</u>	<u>2,684</u>
<b>Total non-operating expenses</b>	<u>404,318</u>	<u>-</u>	<u>-</u>	<u>404,318</u>	<u>295,527</u>
<b>Net non-operating revenues</b>	<u>\$22,016,471</u>	<u>\$ 2,738,247</u>	<u>\$ -</u>	<u>\$24,754,718</u> (Exhibit 2)	<u>\$24,952,189</u> (Exhibit 2)

Schedule D

WHARTON COUNTY JUNIOR COLLEGE DISTRICT  
 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		Total	Yes	No
		Expendable	Non-Expendable			
Current:						
Unrestricted	\$ 5,280,306	\$ -	\$ -	\$ 5,280,306	\$ 5,280,306	\$ -
Board Designated	3,200,000	-	-	3,200,000	3,200,000	-
Restricted	-	687,973	-	687,973	687,973	-
Auxiliary enterprises	603,614	-	-	603,614	603,614	-
Endowment:						
True Plant	-	-	7,416,805	7,416,805	-	7,416,805
Unexpended	3,820,312	-	-	3,820,312	-	3,820,312
Renewals	5,644,779	-	-	5,644,779	-	5,644,779
Debt Service	-	514,890	-	514,890	-	514,890
Investment in Plant	-	-	19,209,980	19,209,980	-	19,209,980
<b>Total Net Assets, August 31, 2011</b>	<b>\$ 18,549,011</b>	<b>\$ 1,202,863</b>	<b>\$ 7,416,805</b>	<b>\$ 19,209,980</b>	<b>\$ 46,378,659</b>	<b>\$ 36,606,766</b>
					(Exhibit 1)	
<b>Total Net Assets, August 31, 2010</b>	<b>\$ 17,969,773</b>	<b>\$ 1,237,047</b>	<b>\$ 7,138,571</b>	<b>\$ 17,264,667</b>	<b>\$ 43,610,068</b>	<b>\$ 34,395,319</b>
					(Exhibit 1)	
<b>Net Increase (Decrease) in Net Assets</b>	<b>\$ 579,238</b>	<b>\$ (34,184)</b>	<b>\$ 278,234</b>	<b>\$ 1,945,313</b>	<b>\$ 2,768,601</b>	<b>\$ 2,211,447</b>
					(Exhibit 2)	

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended August 31, 2011**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements
<u>U.S. Department of Education</u>			
Direct Programs:			
Student Financial Aid Cluster			
Supplemental Education Opportunity Grant	84.007		\$ 75,442
College Work Study Program	84.033		100,657
Pell Grant Program	84.063		8,003,495
William D Ford Direct Loans	84.268		6,253,131
Academic Competiveness Grant Program	84.375		151,132
Higher Education Institutional Aid			
Developing a Virtual Campus through Technology-Assisted Distance Education Programs and Services	84.031S	P031S100074	545,431
Fund for the Improvement of Postsecondary Education			
Nuclear Power Technology Curriculum Development Project	84.116Z	P116Z100142	219,988
Pass-Through From:			
Texas Education Agency			
Adult Basic Education			
Contract 114100017110371	84.002A	114100017110371	584,702
Contract 124100017110425	84.002A	124100017110425	1,160
Subtotal:			<u>585,862</u>
Texas Higher Education Coordinating Board			
Perkins Basic Grants	84.048	114255	218,846
Leveraging Educational Assistance Partnership	84.069A		6,334
Special Leveraging Educational Assistance Partnership	84.069B		8,639
State Fiscal Stabilization Fund (SFSF) - Government Services	84.397	3641	118,338
Total U.S. Department of Education			<u>16,287,295</u>
<u>U.S. Department of Labor</u>			
Pass-Through From:			
Brazosport College	17.269	CB-18197-09-60-A-48	194,645
<u>U.S. Department of Health and Human Services</u>			
Pass-Through From:			
Houston-Galveston Area Council			
Social Services Program	93.044		55,660
Nutrition Program	93.045		142,536
Texas Education Agency			
Temporary Assistance for Needy Families Contract	93.558	113625017110348	<u>41,188</u>
Total U.S. Department of Health and Human Services			<u>239,383</u>
Total Federal Financial Assistance			<u>\$ 16,721,324</u>

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended August 31, 2011**

**1. Federal Assistance Reconciliation**

Federal revenues:	
Federal grants and contracts - per Schedule A and C	\$ 10,468,193
Reconciling items:	
William D. Ford Direct Loans	<u>6,253,131</u>
 Total per schedule of expenditures of Federal awards	 <u>\$16,721,324</u>

**2. Significant Accounting Policies Used in Preparing the Schedule**

The expenditures used in preparing 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 recorded in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule.

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Expenditures of State Awards**  
**For The Year Ended August 31, 2011**

<u>Grantor Agency/Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
<u>Texas Department of Agriculture</u>		
Home-Delivered Meals Grant Program	HDM-10-436	\$ 1,482
Home-Delivered Meals Grant Program	HDM-10-437	2,760
Home-Delivered Meals Grant Program	HDM-11-636	2,859
Home-Delivered Meals Grant Program	HDM-11-635	2,709
Subtotal:		<u>9,810</u>
<u>Texas Workforce Commission</u>		
WCJC In Partnership With Fugro, Inc.	2810SDF008	163,804
WCJC In Partnership With Frito-Lay	2810XSD002	335,962
Subtotal:		<u>499,766</u>
<u>Comptroller of Public Accounts</u>		
Jobs and Education for Texans Program	4807-22	350,000
<u>University Of Texas at San Antonio</u>		
TexPrep	MOA	2,520
<u>Texas Education Agency</u>		
State Adult Basic Education	100100017110313	84,683
State Adult Basic Education	110100017110371	139,059
Subtotal:		<u>223,742</u>
<b>Total State Financial Assistance</b>		<b><u>\$ 1,085,838</u></b>

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Notes to Schedule of Expenditures of State Awards**  
**Year Ended August 31, 2011**

**1. State Assistance Reconciliation**

State revenues:	
State grants and contracts – per Schedule A	\$1,085,838
Indirect/administrative cost recoveries	<u>                  -</u>
Total per Schedule of Expenditures of State Awards	<u>\$1,085,838</u>

**2. Significant Accounting Policies Used in Preparing the Schedule**

The expenditures used in preparing 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 recorded in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule.

**AUDITORS' REPORT ON CONTROLS AND COMPLIANCE**



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

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TEMPLE, TEXAS 76503 FAX 254/778/4792

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

Board of Trustees  
Wharton County Junior College District  
Wharton, Texas

We have audited the financial statements of Wharton County Junior College District, as of and for the years ended August 31, 2011, and 2010, and have issued our report thereon dated October 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws,



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

regulations, contracts and grant agreements, including the Public Funds Investment Act (Chapter 2256, Texas Government Code), noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

*Jett, Vernon & Co., P.C.*

Temple, Texas  
October 28, 2011



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

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

Board of Trustees  
Wharton County Junior College District  
Wharton, Texas

Compliance

We have audited Wharton County Junior College District's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, and the State of Texas Single Audit Circular that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2011. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Texas Single Audit Circular. Those standards, OMB Circular A-133, and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the College's compliance with those requirements.

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

In our opinion, Wharton County Junior College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended August 31, 2011.

Internal Control Over Compliance

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

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

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

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



Temple, Texas  
October 28, 2011

**WHARTON COUNTY JUNIOR COLLEGE**  
**Schedule of Findings and Questioned Costs**  
**August 31, 2011**

I. Summary of Audit Results

Financial Statements

1. Type of auditor's report issued: *unqualified*
  
2. Internal control over financial reporting:
  - Material weakness(es) identified? \_\_\_\_\_ yes  X  no
  - Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes  X  none reported
  
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

Federal Awards

4. Internal control over major programs:
  - Material weakness(es) identified? \_\_\_\_\_ yes  X  no
  - Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes  X  none reported
  
5. Type of auditor's report issued on compliance for major programs: *unqualified*
  
6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes  X  no

7. Identification of major programs:

<u>Name of Federal Programs</u>	<u>Federal CFDA Number</u>	<u>Name of State Program</u>
U.S. Department of Education Student Financial Aid Cluster:		
SEOG	84.007	Texas Workforce Commission:
Federal College Work Study Program	84.033	- WCJC in Partnership with Fugro, Inc.
Federal Pell Grant Program	84.063	- WCJC In Partnership with Frito-Lay
William D Ford Direct Loans	84.268	
Academic Competitiveness Program	84.375	
Developing a Virtual Campus through Technology-Assisted Distance Education Programs and Services	84.031S	
Nuclear Power Technology Curriculum Development Project	84.116Z	
State Fiscal Stabilization Fund - ARRA	84.397	

**WHARTON COUNTY JUNIOR COLLEGE**  
**Schedule of Findings and Questioned Costs (Continued)**  
**August 31, 2011**

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

II. Financial Statement Findings  
- None.

III. Federal Awards Findings  
and Questioned Costs  
- None.

**STATISTICAL SUPPLEMENT (UNAUDITED)**

**Wharton County Junior College**  
**Statistical Supplement 1**  
**Net Assets by Component**  
**Fiscal Years 2002 to 2011**  
 (Unaudited)  
 (amounts expressed in thousands)

	For the Fiscal Year Ended August 31,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Invested in capital assets, net of related debt	\$19,210	\$17,265	\$14,512	\$14,060	\$13,805	\$14,047	\$14,328	\$16,536	\$16,736	\$17,724
Restricted - expendable	1,202	1,237	1,548	1,458	1,580	1,542	1,538	1,491	1,448	1,345
Restricted - nonexpendable	7,417	7,139	7,079	6,733	6,478	6,036	5,755	5,503	5,388	5,315
Unrestricted	18,594	17,970	17,053	18,236	17,433	14,965	12,452	10,128	7,606	6,148
<b>Total primary government net assets</b>	<b>\$ 46,423</b>	<b>\$ 43,611</b>	<b>\$ 40,192</b>	<b>\$ 40,487</b>	<b>\$ 39,296</b>	<b>\$ 36,590</b>	<b>\$ 34,073</b>	<b>\$ 33,658</b>	<b>\$ 31,178</b>	<b>\$ 30,532</b>

Wharton County Junior College  
Statistical Supplement 2  
Revenues by Source  
Fiscal Years 2002 to 2010  
(Unaudited)

For the Year Ended August 31, (amounts expressed in thousands)										
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	\$14,974	\$14,300	\$11,945	\$11,120	\$10,962	\$10,485	\$10,416	\$9,841	\$7,751	\$5,766
Governmental Grants and Contracts										
Federal Grants and Contracts	2,032	1,115	675	961	924	1,102	1,316	948	835	751
State Grants and Contracts	1,086	504	270	181	169	112	109	148	120	410
Local Grants and Contracts			-	-	-	-	-	77	181	99
Non-Governmental Grants and Contracts	537	268	212	307	188	247	189	-	-	-
Sales and services of educational activities	41	47	47	37	41	43	48	52	65	54
Auxiliary enterprises	805	654	596	755	579	531	528	463	484	492
Other Operating Revenues	359	286	210	251	209	249	243	232	226	291
<b>Total Operating Revenues</b>	<b>19,834</b>	<b>17,174</b>	<b>13,955</b>	<b>13,612</b>	<b>13,072</b>	<b>12,769</b>	<b>12,849</b>	<b>11,761</b>	<b>9,662</b>	<b>7,863</b>
State Appropriations	10,696	11,037	11,125	11,112	10,589	10,448	9,888	9,835	10,462	11,524
Ad Valorem Taxes	5,172	5,146	4,750	4,246	4,140	4,005	3,964	3,665	3,423	3,213
Gifts	319	1,673	505	339	316	391	519	473	521	511
Investment income	493	523	885	1,327	1,481	938	537	395	459	474
Other non-operating revenues	8,479	6,870	4,187	3,354	3,365	2,840	3,045	2,674	2,551	2,259
<b>Total Non-Operating Revenues</b>	<b>25,159</b>	<b>25,249</b>	<b>21,452</b>	<b>20,378</b>	<b>19,891</b>	<b>18,622</b>	<b>17,953</b>	<b>17,042</b>	<b>17,416</b>	<b>17,981</b>
<b>Total Revenues</b>	<b>\$ 44,993</b>	<b>\$ 42,423</b>	<b>\$ 35,407</b>	<b>\$ 33,990</b>	<b>\$ 32,963</b>	<b>\$ 31,391</b>	<b>\$ 30,802</b>	<b>\$ 26,803</b>	<b>\$ 27,078</b>	<b>\$ 25,844</b>

For the Year Ended August 31, (amounts expressed in thousands)										
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and fees (net of discounts)	33.28%	33.71%	33.74%	32.72%	33.26%	33.40%	33.82%	34.17%	28.62%	22.31%
Governmental grants and contracts										
Federal grants and contracts	4.52%	2.63%	1.91%	2.83%	2.80%	3.51%	4.27%	3.29%	3.08%	2.91%
State grants and contracts	2.41%	1.19%	0.76%	0.53%	0.51%	0.36%	0.35%	0.51%	0.44%	1.59%
Local grants and contracts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.67%	0.38%
Non-governmental grants and contracts	1.19%	0.63%	0.60%	0.90%	0.57%	0.79%	0.61%	0.00%	0.00%	0.00%
Sales and services of educational activities	0.09%	0.11%	0.13%	0.11%	0.12%	0.14%	0.16%	0.18%	0.24%	0.21%
Auxiliary enterprises	1.79%	1.54%	1.68%	2.22%	1.76%	1.69%	1.71%	1.61%	1.79%	1.90%
Other operating revenues	0.80%	0.67%	0.59%	0.74%	0.63%	0.79%	0.79%	0.81%	0.83%	1.13%
<b>Total Operating Revenues</b>	<b>44.08%</b>	<b>40.48%</b>	<b>39.41%</b>	<b>40.05%</b>	<b>39.66%</b>	<b>40.68%</b>	<b>41.71%</b>	<b>40.83%</b>	<b>35.68%</b>	<b>30.42%</b>
State appropriations	23.77%	26.02%	31.42%	32.69%	32.12%	33.28%	32.10%	34.15%	38.64%	44.59%
Ad valorem taxes	11.50%	12.13%	13.42%	12.49%	12.56%	12.76%	12.87%	12.72%	12.64%	12.43%
Gifts	0.71%	3.94%	1.43%	1.00%	0.96%	1.25%	1.68%	1.64%	1.92%	1.98%
Investment income	1.10%	1.23%	2.50%	3.90%	4.49%	2.99%	1.74%	1.37%	1.70%	1.83%
Other non-operating revenues	18.85%	16.19%	11.83%	9.87%	10.21%	9.05%	9.89%	9.28%	9.42%	8.74%
<b>Total Non-Operating Revenues</b>	<b>55.92%</b>	<b>59.52%</b>	<b>60.59%</b>	<b>59.95%</b>	<b>60.34%</b>	<b>59.32%</b>	<b>58.29%</b>	<b>59.17%</b>	<b>64.32%</b>	<b>69.58%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>



Wharton County Junior College  
Statistical Supplement 3  
Program Expenses by Function  
Fiscal Years 2002 to 2011  
(Unaudited)

For the Year Ended August 31,

(amounts expressed in thousands)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$15,886	\$15,005	\$13,481	\$12,521	\$11,671	\$10,716	\$10,184	\$9,717	\$9,873	\$9,477
Research	-	-	-	-	-	-	-	-	-	-
Public service	1,774	1,580	1,585	1,607	1,611	1,486	1,610	1,597	1,599	1,648
Academic support	2,963	2,669	2,868	2,621	2,356	2,241	2,165	2,044	2,094	2,234
Student services	2,376	2,266	2,083	2,091	1,789	1,698	1,466	1,478	1,406	1,441
Institutional support	6,127	5,938	5,617	5,480	5,270	4,947	4,901	5,002	4,034	4,315
Operation and maintenance of plant	4,819	4,576	4,718	3,871	3,095	3,140	2,861	2,236	2,661	2,247
Scholarships and fellowships	6,141	5,018	3,275	2,515	2,361	2,414	2,458	2,235	2,729	2,399
Auxiliary enterprises	632	659	667	624	600	541	522	502	497	525
Depreciation	1,102	997	1,003	1,035	1,041	1,143	1,127	958	975	911
<b>Total Operating Expenses</b>	<b>41,820</b>	<b>38,708</b>	<b>35,297</b>	<b>32,365</b>	<b>29,794</b>	<b>28,326</b>	<b>27,294</b>	<b>25,769</b>	<b>25,868</b>	<b>25,197</b>
Interest on capital related debt	152	293	393	424	453	482	512	546	565	582
Other non-operating expenses	252	3	12	10	11	63	10	9	-	-
<b>Total Non-Operating Expenses</b>	<b>404</b>	<b>296</b>	<b>405</b>	<b>434</b>	<b>464</b>	<b>545</b>	<b>522</b>	<b>555</b>	<b>565</b>	<b>582</b>
<b>Total Expenses</b>	<b>\$ 42,224</b>	<b>\$ 39,004</b>	<b>\$ 35,702</b>	<b>\$ 32,799</b>	<b>\$ 30,258</b>	<b>\$ 28,871</b>	<b>\$ 27,816</b>	<b>\$ 26,324</b>	<b>\$ 26,433</b>	<b>\$ 25,779</b>

For the Year Ended August 31,

(amounts expressed in thousands)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	37.62%	38.47%	37.76%	38.17%	38.57%	37.12%	36.61%	36.91%	37.35%	36.76%
Research	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public service	4.20%	4.05%	4.44%	4.90%	5.32%	5.15%	5.79%	6.07%	6.05%	6.39%
Academic support	7.02%	6.84%	8.03%	7.99%	7.79%	7.76%	7.78%	7.76%	7.92%	8.67%
Student services	5.63%	5.81%	5.83%	6.38%	5.91%	5.88%	5.27%	5.61%	5.32%	5.59%
Institutional support	14.51%	15.22%	15.73%	16.71%	17.42%	17.13%	17.62%	19.00%	15.26%	16.74%
Operation and maintenance of plant	11.41%	11.73%	13.21%	11.80%	10.23%	10.88%	10.29%	8.49%	10.07%	8.72%
Scholarships and fellowships	14.54%	12.87%	9.17%	7.67%	7.80%	8.36%	8.84%	8.49%	10.32%	9.31%
Auxiliary enterprises	1.50%	1.69%	1.87%	1.90%	1.98%	1.87%	1.88%	1.91%	1.88%	2.04%
Depreciation	2.61%	2.56%	2.81%	3.16%	3.44%	3.96%	4.05%	3.64%	3.69%	3.53%
<b>Total Operating Expenses</b>	<b>99.04%</b>	<b>99.24%</b>	<b>98.87%</b>	<b>98.68%</b>	<b>98.47%</b>	<b>98.11%</b>	<b>98.12%</b>	<b>97.89%</b>	<b>97.86%</b>	<b>97.74%</b>
Interest on capital related debt	0.36%	0.75%	1.10%	1.29%	1.50%	1.67%	1.84%	2.07%	2.14%	2.26%
Other non-operating expenses	0.60%	0.01%	0.03%	0.03%	0.04%	0.22%	0.04%	0.03%	0.00%	0.00%
<b>Total Non-Operating Expenses</b>	<b>0.96%</b>	<b>0.76%</b>	<b>1.13%</b>	<b>1.32%</b>	<b>1.53%</b>	<b>1.89%</b>	<b>1.88%</b>	<b>2.11%</b>	<b>2.14%</b>	<b>2.26%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Wharton County Junior College**  
**Statistical Supplement 4**  
**Tuition and Fees**  
**Last Ten Academic Years**  
**(Unaudited)**

<b>Resident</b> Fees per Semester Credit Hour (SCH)
--

Academic Year (Fall)	Application Fee (per student)	In-District Tuition	Out-District Tuition	General Service Fee	Building Use Fee In-District	Student Building Use Fee Out-District	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	\$ -	\$ 32	\$ 32	\$ 36	\$ 6	\$ 12	\$ 888	\$ 1,440	0.00%	0.00%
2010	-	32	32	36	6	12	888	1,440	15.63%	9.09%
2009	-	32	32	26	6	12	768	1,320	18.52%	10.00%
2008	-	32	32	16	6	52	648	1,200	0.00%	11.11%
2007	-	32	32	16	6	42	648	1,080	0.00%	0.00%
2006	10	32	32	16	6	42	648	1,080	0.00%	0.00%
2005	10	32	32	16	6	42	648	1,080	0.00%	0.00%
2004	10	32	32	16	6	42	648	1,080	12.50%	20.00%
2003	10	26	26	16	6	33	576	900	37.14%	20.97%
2002	10	13	13	16	6	33	420	744	0.00%	0.00%

<b>Non - Resident</b> Fees per Semester Credit Hour (SCH)
--

Academic Year (Fall)	Application Fee (per student)	Non-Resident Tuition Out of State	Non-Resident Tuition International	General Service Fee	Student Building Use Fee Out of State	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	\$ 36	\$ 52	\$ 1,824	\$ 1,824	0.00%	0.00%
2010	-	64	64	36	52	1,824	1,824	7.04%	7.04%
2009	-	64	64	26	52	1,704	1,704	7.58%	7.58%
2008	-	64	64	16	52	1,584	1,584	0.00%	0.00%
2007	10	64	64	16	52	1,584	1,584	0.00%	0.00%
2006	10	64	64	16	52	1,584	1,584	8.20%	8.20%
2005	10	64	64	16	42	1,464	1,464	14.02%	14.02%
2004	10	58	58	16	33	1,284	1,284	0.00%	0.00%
2003	10	58	58	16	33	1,284	1,284	5.94%	5.94%
2002	10	52	52	16	33	1,212	1,212	16.76%	16.76%

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

Wharton County Junior College  
 Statistical Supplement 5  
 Assessed Value and Taxable Assessed Value of Property  
 Last Ten Fiscal Years  
 (Unaudited)

Fiscal Year	(amounts expressed in thousands)				Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations (a)	Debt Service (a)	Total (a)
2010-11	\$ 5,179,901	\$ 1,701,546	\$ 3,478,355	67.15%	\$ 0.144448	\$ -	\$ 0.144448
2009-10	4,990,731	1,553,569	3,437,162	68.87%	\$ 0.146660	\$ -	\$ 0.146660
2008-09	4,923,624	477,057	4,446,567	90.31%	\$ 0.137970	\$ -	\$ 0.137970
2007-08	5,158,991	1,808,434	3,350,557	64.95%	\$ 0.134850	\$ -	\$ 0.134850
2006-07	4,301,786	1,273,605	3,028,141	70.39%	\$ 0.134850	\$ -	\$ 0.134850
2005-06	4,149,164	1,217,204	2,931,959	70.66%	\$ 0.138520	\$ -	\$ 0.138520
2004-05	3,297,009	825,658	2,471,351	74.96%	\$ 0.168920	\$ -	\$ 0.168920
2003-04	2,871,143	809,339	2,061,805	71.81%	\$ 0.174010	\$ -	\$ 0.174010
2002-03	2,793,957	778,736	2,015,220	72.13%	\$ 0.167340	\$ -	\$ 0.167340
2001-02	2,840,493	782,515	2,057,978	72.45%	\$ 0.156350	\$ -	\$ 0.156350

Source: Local Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

**Wharton County Junior College**  
**Statistical Supplement 6**  
**State Appropriation per FTSE and Contact Hour**  
**Last Ten Fiscal Years**  
(Unaudited)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			
	State Appropriation <sup>1</sup>	FTSE <sup>2</sup>	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2010-11	7,957,915	5,059	\$ 1,573	2,170,168	824,468	2,994,636	\$ 2.66
2009-10	8,270,791	4,736	\$ 1,746	2,085,224	797,504	2,882,728	2.87
2008-09	8,416,004	4,143	\$ 2,031	1,859,376	621,976	2,481,352	3.39
2007-08	8,416,004	4,028	\$ 2,089	1,811,896	586,159	2,398,055	3.51
2006-07	8,105,812	4,099	\$ 1,977	1,875,320	588,106	2,463,426	3.29
2005-06	8,101,811	4,113	\$ 1,970	1,867,408	602,918	2,470,326	3.28
2004-05	7,865,598	4,183	\$ 1,880	1,876,680	655,094	2,531,774	3.11
2003-04	7,865,728	4,059	\$ 1,938	1,817,472	645,532	2,463,004	3.19
2002-03	8,164,270	4,106	\$ 1,988	1,813,600	704,701	2,518,301	3.24
2001-02	8,094,451	3,806	\$ 2,127	1,659,440	693,869	2,353,309	3.44

Notes:

1-State Appropriations only. These figures do not include any appropriations for employee benefits, remedial education, dramatic growth, or special items (FBTC).

2.-FTSE is defined as the number of full time students plus total hours taken by part time students divided by 30 sch (for the CBM001) or 900 contact hours (for the CBM00A). A full time student is a student taking 30 sch (for the CBM001) or 900 contact h

(a) Source CBM001 Academic Contact Hours

Wharton County Junior College  
Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(Unaudited)

Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)

Taxpayer	Type of Business	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Nan Ya Plastics Corp	Manufacturing	63,451	31,137	29,578	35,047	46,963	47,854	47,204	50,832	55,363	63,451
Newfield Exploration	Oil and Gas			24,253	55,268	96,856	57,335	35,508			
Transco Gas Pipeline	Oil and Gas					27,990	23,410	23,428			
Kaiser-Francis Oil	Oil and Gas	26,457				35,969	25,733	26,511			26,457
CenterPoint Energy	Utility		31,086	30,648	31,265	22,961	24,677	24,618	21,751	18,618	
J-M Manufacturing	Manufacturing	19,533	34,120	26,746	34,293	30,623	17,879	18,131	16,551	16,695	19,534
Apache Corporation	Oil and Gas	18,782	39,818	38,613	67,454	53,648	32,709	16,856	22,401	18,736	18,782
Dominion Exploration	Oil and Gas							16,651	16,584		
Southwestern Bell Telephone	Utility	19,592					15,502	15,232	17,617	21,160	19,592
Trans Texas Gas Corporation	Natural Gas	25,126					20,520			20,160	25,126
El Paso Production Oil & Gas	Oil and Gas									16,625	
Cypress E & P Corp	Oil and Gas		59,282	34,493							
El Paso Mercent Energy	Oil and Gas									12,948	
Cox and Perkins Exploration, Inc.	Oil and Gas										
Houston Lighting and Power Co.	Utility										
Amerada Hess	Oil and Gas										
Tennessee Gas Pipeline	Oil and Gas								12,237		
Enserch Exploration	Oil and Gas										
North Central Oil Corp	Oil and Gas										
PG&E Texas Pipeline	Oil and Gas										
Armour Lacy W Etal Est	Oil and Gas		32,239								
LLI Caverens	Natural Gas	20,066					14,852	13,068	13,236	23,781	20,066
Walter Oil and Gas Corp.	Oil and Gas										
CSW Energy Incorporated	Oil and Gas										
NewGulf Power Venture Inc	Utility										
Reliant Energy Houston	Utility	17,769									17,769
Coastal Oil and Gas Corp	Oil and Gas	41,385									41,385
Pure Resources LP	Oil and Gas	19,983							14,642		19,983
Forest Oil Company	Oil and Gas			23,791	30,275	22,768				16,304	
AEP Texas Central Co.	Oil and Gas								11,531		
Paladin -Hayes LLC	Oil and Gas										
Hunt Oil Company	Oil and Gas					20,585					
National Offshore LP	Oil and Gas					32,880					
Navasota Energy	Utility		280,484	178,570	121,381						
Sandridge Offshore LLC	Oil and Gas		25,314		49,262						
Ailagro Exploration Company	Oil and Gas				31,637						
Transcontinental Gas Pipeline	Oil and Gas		29,498	24,045	28,921						
Maxim Production Company	Agribusiness		38,196	22,282							
<b>Totals</b>		<b>\$ 272,144</b>	<b>\$ 603,184</b>	<b>\$ 433,019</b>	<b>\$ 484,803</b>	<b>\$ 391,243</b>	<b>\$ 280,471</b>	<b>\$ 237,207</b>	<b>\$ 197,382</b>	<b>\$ 220,390</b>	<b>\$ 272,145</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 3,478,355</b>	<b>\$ 3,350,537</b>	<b>\$ 2,337,850</b>	<b>\$ 1,963,034</b>	<b>\$ 1,763,399</b>	<b>\$ 1,601,971</b>	<b>\$ 1,592,850</b>	<b>\$ 1,644,959</b>	<b>\$ 1,389,843</b>	<b>\$ 1,357,449</b>

Wharton County Junior College  
Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(Unaudited)

% of Taxable Assessed Value (TAV) by Tax Year

Taxpayer	Type of Business	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Nan Ya Plastics Corp	Manufacturing	1.82%	0.93%	1.27%	1.79%	2.66%	2.99%	2.96%	3.09%	3.98%	4.67%
Newfield Exploration	Oil and Gas	0.00%	0.00%	1.04%	2.82%	5.49%	3.58%	2.23%	0.00%	0.00%	0.00%
Transco Gas Pipeline	Oil and Gas	0.00%	0.00%	0.00%	0.00%	1.59%	1.46%	1.47%	0.00%	0.00%	0.00%
Kaiser-Francis Oil	Oil and Gas	0.76%	0.00%	0.00%	0.00%	2.04%	1.61%	1.66%	0.00%	0.00%	1.95%
CenterPoint Energy	Utility	0.00%	0.93%	1.31%	1.59%	1.30%	1.54%	1.55%	1.32%	1.34%	0.00%
J-M Manufacturing	Manufacturing	0.56%	1.02%	1.14%	1.75%	1.74%	1.12%	1.14%	1.01%	1.20%	1.44%
Apache Corporation	Oil and Gas	0.54%	1.19%	1.65%	3.44%	3.04%	2.04%	1.06%	1.36%	1.35%	1.38%
Dominion Exploration	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.05%	1.01%	0.00%	0.00%
Southwestern Bell Telephone	Utility	0.56%	0.00%	0.00%	0.00%	0.00%	0.97%	0.96%	1.07%	1.52%	1.44%
Trans Texas Gas Corporation	Natural Gas	0.72%	0.00%	0.00%	0.00%	0.00%	1.28%	0.00%	0.00%	1.45%	1.85%
El Paso Production Oil & Gas	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.20%	0.00%
Cypress E & P Corp	Oil and Gas	0.00%	1.77%	1.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
El Paso Mercent Energy	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.93%	0.00%
Cox and Perkins Exploration, Inc.	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Houston Lighting and Power Co.	Utility	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Amerada Hess	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tennessee Gas Pipeline	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.74%	0.00%	0.00%
Enserch Exploration	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
North Central Oil Corp	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PG&E Texas Pipeline	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Armour Lacy W Etal Est	Oil and Gas	0.00%	0.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ILI Caverens	Natural Gas	0.58%	0.00%	0.00%	0.00%	0.00%	0.93%	0.82%	0.80%	1.71%	1.48%
Walter Oil and Gas Corp.	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CSW Energy Incorporated	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NewGulf Power Venture Inc	Utility	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Reliant Energy Houston	Utility	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.31%
Coastal Oil and Gas Corp	Oil and Gas	1.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.05%
Pure Resources LP	Oil and Gas	0.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.89%	0.00%	1.47%
Forest Oil Company	Oil and Gas	0.00%	0.00%	1.02%	1.54%	1.29%	0.00%	0.00%	0.00%	1.17%	0.00%
AEP Texas Central Co.	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.70%	0.00%	0.00%
Paladin -Hayes LLC	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hunt Oil Company	Oil and Gas	0.00%	0.00%	0.00%	0.00%	1.17%	0.00%	0.00%	0.00%	0.00%	0.00%
National Offshore LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	1.86%	0.00%	0.00%	0.00%	0.00%	0.00%
Navasota Energy	Utility	0.00%	8.37%	7.64%	6.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Sandridge Offshore LLC	Oil and Gas	0.00%	0.76%	0.00%	2.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ailagro Exploration Company	Oil and Gas	0.00%	0.00%	0.00%	1.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Transcontinental Gas Pipeline	Oil and Gas	0.00%	0.88%	1.03%	1.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maxim Production Company	Agribusiness	0.00%	1.14%	0.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		7.82%	18.00%	18.52%	24.70%	22.19%	17.51%	14.89%	12.00%	15.86%	20.05%

Source: Local County Appraisal District

**Wharton County Junior College**  
**Statistical Supplement 8**  
**Property Tax Levies and Collections**  
**Last Ten Tax Years**  
(Unaudited)  
(amounts expressed in thousands)

Fiscal Year Ended August 31	Total Tax Levy (a)	Collections - Current Levy	Percentage	Current Collections of Prior Levies	Total Collections (b)	Percentage of Current Levy
2011	\$ 5,091	\$ 4,922	96.93%	\$ 248	\$ 5,170	101.55%
2010	5,078	4,922	96.93%	223	5,145	101.32%
2009	4,685	4,499	95.73%	231	4,730	100.96%
2008	4,141	4,014	96.93%	232	4,246	102.54%
2007	4,141	3,929	97.04%	211	4,140	99.98%
2006	4,021	3,808	94.70%	197	4,005	99.60%
2005	4,004	3,736	93.31%	228	3,964	99.00%
2004	3,699	3,452	93.32%	213	3,665	99.08%
2003	3,414	3,254	95.30%	356	3,610	105.73%
2002	3,244	3,086	95.13%	247	3,333	102.74%

Source: Local Tax Assessor/Collector and District records.

(a) As of August 31st

(b) Ties to sum of M & O and Debt Service taxes on Exhibit 2

Wharton County Junior College  
 Statistical Supplement 9  
 Ratios of Outstanding Debt  
 Last Ten Fiscal Years  
 (Unaudited)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>General Bonded Debt</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Debt</b>										
Revenue bonds	\$ 5,090,000	\$ 5,605,000	\$ 7,555,000	\$ 8,205,000	\$ 8,825,000	\$ 9,420,000	\$ 9,990,000	\$ 10,525,000	\$ 11,040,000	\$ 11,395,000
Notes	-	-	-	-	-	-	-	-	-	-
Capital lease obligations	-	-	-	-	-	-	-	21,902	63,520	102,382
Total Outstanding Debt	\$ 5,090,000	\$ 5,605,000	\$ 7,555,000	\$ 8,205,000	\$ 8,825,000	\$ 9,420,000	\$ 9,990,000	\$ 10,525,000	\$ 11,061,902	\$ 11,455,520

<b>General Bonded Debt Ratios</b>										
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per Student	-	-	-	-	-	-	-	-	-	-
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<b>Total Outstanding Debt Ratios</b>										
Per Capita	124,146	132,556	178,673	194,045	212,778	227,125	240,410	254,160	267,125	278,329
Per Student	1,075	1,183	1,824	2,037	2,153	2,290	2,388	2,593	2,694	3,011
As a percentage of Taxable Assessed Value	1.70%	1.88%	2.53%	2.75%	2.95%	3.15%	4.04%	5.10%	5.49%	5.57%

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



Wharton County Junior 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	\$ 3,478,355	\$ 5,003,191	\$ 3,804,635	\$ 3,350,557	\$ 3,028,141	\$ 2,931,959	\$ 2,471,351	\$ 2,061,805	\$ 2,015,220	\$ 2,057,978
<b>General Obligation Bonds</b>										
Statutory Tax Levy Limit for Debt Service	17,392	25,016	19,023	16,753	15,141	14,660	12,357	10,309	10,076	10,290
Less: Funds Restricted for Repayment of General Obligation Bonds										
Total Net General Obligation Debt	17,392	25,016	19,023	16,753	15,141	14,660	12,357	10,309	10,076	10,290
Current Year Debt Service Requirements	\$ 17,392	\$ 25,016	\$ 19,023	\$ 16,753	\$ 15,141	\$ 14,660	\$ 12,357	\$ 10,309	\$ 10,076	\$ 10,290
Excess of Statutory Limit for Debt Service over Current Requirements										
Net Current Requirements as a % of Statutory Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Wharton County Junior College  
 Statistical Supplement 11  
 Pledged Revenue Coverage  
 Last Ten Fiscal Years  
 (Unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)									Debt Service Requirements (\$000 omitted)			
	Tuition	Technology Fee	General Service Fees	Laboratory Fees	Building Use Fees	Interest Income	Other Fees	Auxillary Enterprises Revenue	Total	Principal	Interest	Total	Coverage Ratio
2011	\$ 250	\$ -	\$ 10,783	\$ -	\$ 1,623	\$ 596	\$ -	\$ 740	\$ 13,992	\$ 565	\$ 73	\$ 638	21.93
2010	242	-	4,556	-	1,519	523	4,645	625	12,110	510	296	806	15.02
2009	308	-	4,853	-	1,341	885	198	143	7,728	650	404	1,054	7.33
2008	207	-	5,707	-	1,306	1,327	438	160	9,145	620	424	1,044	8.76
2007	209	-	5,533	-	1,321	552	92	185	7,892	595	462	1,057	7.47
2006	202	-	5,262	-	1,311	452	-	33	7,260	570	492	1,062	6.84
2005	207	-	4,994	-	1,332	242	16	178	6,969	535	522	1,057	6.59
2004	206	-	4,409	-	1,210	120	3	130	6,078	515	552	1,067	5.70
2003	198	-	3,585	-	1,206	160	46	132	5,327	355	572	927	5.75
2002	181	-	2,169	-	1,142	188	37	98	3,815	335	593	928	4.11

**Wharton County Junior College**  
**Statistical Supplement 12**  
**Demographic and Economic Statistics - Taxing District**  
**Last Ten Fiscal Years**  
(Unaudited)

Calendar Year	District Population	District Personal Income (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2010	a.	a.	a.	8.6%
2009	41,000	\$ 1,369,401	\$ 33,400	7.0%
2008	40,791	1,317,795	41,678	4.5%
2007	40,897	1,216,262	40,185	4.3%
2006	41,475	1,154,152	28,152	4.9%
2005	41,554	1,080,308	26,093	5.1%
2004	41,411	1,061,253	25,627	5.8%
2003	41,331	1,000,082	24,197	6.2%
2002	41,169	984,523	23,925	5.8%
2001	41,187	978,290	23,763	4.6%
2000	41,188	915,816	22,216	4.3%

**Sources:**

Population & Income per capita from Texas Workforce Commission  
Unemployment rate from Texas Workforce Commission and US Department of Labor

**Notes:**

a. Not yet available.  
Used Wharton County data only

**Wharton County Junior College  
 Statistical Supplement 13  
 Principal Employers  
 Current Fiscal Year  
 (Unaudited)**

<u>Employer</u>	<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
El Campo ISD	580	2.85%
Wharton Independent School District	343	1.68%
Leedo Manufacturing Inc	206	1.01%
Wal-Mart Associates, Inc.	205	1.01%
Wharton County Junior College	333	1.64%
Gulf Coast Medical Center LLC	228	1.12%
Greenleaf Nursery Company, Inc.	381	1.87%
Nan Ya Plastics	202	0.99%
South Texas Medical Clinics, P.A.	203	1.00%
Maxim Production Company	313	1.54%
Total	<u>20,366</u>	<u>14.70%</u>

**Source:**

Texas Workforce Commission  
 Texas Metropolitan Statistical Area Data

**Note:**

Percentages are calculated using the midpoints of the ranges.

**Wharton County Junior College**  
**Statistical Supplement 14**  
**Faculty, Staff, and Administrators Statistics**  
**Last Ten Fiscal Years**  
(Unaudited)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Faculty</b>										
Full-Time	162	155	150	144	134	130	157	152	142	137
Part-Time	161	155	143	148	163	179	205	216	208	149
Total	323	310	293	292	297	309	362	368	350	286
<b>Percent</b>										
Full-Time	50.2%	50.0%	51.2%	49.3%	45.1%	42.1%	43.4%	41.3%	40.6%	47.9%
Part-Time	49.8%	50.0%	48.8%	50.7%	54.9%	57.9%	56.6%	58.7%	59.4%	52.1%
<b>Staff and Administrators</b>										
Full-Time	172	170	172	162	161	161	129	133	164	157
Part-Time	63	73	76	71	80	65	72	72	56	45
Total	235	243	248	233	241	226	201	205	220	202
<b>Percent</b>										
Full-Time	73.2%	70.0%	69.4%	69.5%	66.8%	71.2%	64.2%	64.9%	74.5%	77.7%
Part-Time	26.8%	30.0%	30.6%	30.5%	33.2%	28.8%	35.8%	35.1%	25.5%	22.3%
FTSE per Full-time Faculty	31.2	30.6	27.6	28.0	30.6	31.6	26.6	26.7	28.9	27.8
FTSE per Full-Time Staff Member	29.4	27.9	24.1	24.9	25.5	25.5	32.4	30.5	25.0	24.2
Average Annual Faculty Salary	\$54,094	\$53,237	\$52,561	\$50,466	\$48,091	\$46,190	\$44,394	\$43,224	\$43,160	\$42,437

**Notes:**

FY2002 forward:

Based on IPEDS information that is a Fall snapshot. Library staff /counselors are included in the Faculty category.

**Wharton County Junior College**  
**Statistical Supplement 15**  
**Enrollment Details**  
**Last Five Fiscal Years**  
(Unaudited)

Student Classification	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	4,593	62%	4,474	66%	4,222	67%	4,052	66%	4,256	67%
31-60 hours	1,721	24%	1,674	25%	1,484	23%	1,446	24%	1,490	24%
> 60 hours	608	8%	474	7%	409	6%	394	6%	343	5%
Continuing Ed only	445	6%	138	2%	205	3%	213	4%	243	4%
<b>Total</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</b>	<b>100%</b>	<b>6,320</b>	<b>100%</b>	<b>6,105</b>	<b>100%</b>	<b>6,332</b>	<b>100%</b>

Semester Hour Load	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	14	0%	15	0%	16	0%	13	0%	18	0%
3-5 semester hours	1,416	19%	1,413	21%	1,425	23%	1,230	20%	1,311	21%
6-8 semester hours	1,322	18%	1,249	19%	1,099	17%	1,142	19%	1,085	17%
9-11 semester hours	1,103	15%	985	15%	935	15%	932	15%	922	15%
12-14 semester hours	2,200	30%	2,172	32%	1,948	31%	1,942	32%	2,010	32%
15-17 semester hours	724	10%	642	9%	552	9%	516	8%	571	9%
18 & over	143	2%	146	2%	140	2%	117	2%	172	3%
Continuing Ed only	445	6%	138	2%	205	3%	213	4%	243	3%
<b>Total</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</b>	<b>100%</b>	<b>6,320</b>	<b>100%</b>	<b>6,105</b>	<b>100%</b>	<b>6,332</b>	<b>100%</b>

Credit average course load                      9.52                      9.47                      9.31                      9.38                      9.54

Tuition Status	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	1,690	23%	1,658	24%	1,466	23%	1,308	21%	1,364	22%
Texas Resident (out-of-District)	5,002	68%	4,782	71%	4,483	71%	4,434	73%	4,593	73%
Non-Resident Tuition	164	2%	126	2%	121	2%	110	2%	117	2%
Exempt	66	1%	56	1%	45	1%	40	1%	15	0%
Continuing Ed only	445	6%	138	2%	205	3%	213	3%	243	3%
<b>Total</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</b>	<b>100%</b>	<b>6,320</b>	<b>100%</b>	<b>6,105</b>	<b>100%</b>	<b>6,332</b>	<b>100%</b>

Source: CBM001 and CBM00A Fall reports.

**Wharton County Junior College**  
**Statistical Supplement 16**  
**Student Profile**  
**Last Five Fiscal Years**  
(Unaudited)

	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender										
Female	4,183	57%	3,876	57%	3,685	58%	3,554	58%	3,658	58%
Male	3,184	43%	2,884	43%	2,635	42%	2,551	42%	2,674	42%
Total	7,367	100%	6,760	100%	6,320	100%	6,105	100%	6,332	100%

	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Ethnic Origin										
White	3,642	50%	3,567	53%	3,428	55%	3,405	56%	3,583	57%
Hispanic	2,237	30%	1,824	27%	1,632	26%	1,580	26%	1,588	25%
African American	900	12%	683	10%	575	9%	532	9%	509	8%
Asian	461	6%	398	6%	329	5%	291	5%	298	5%
Foreign	6	0%	207	3%	270	4%	208	3%	245	4%
Native American	36	1%	26	0%	17	0%	13	0%	9	0%
Unknown	85	1%	55	1%	69	1%	76	1%	100	1%
Total	7,367	100%	6,760	100%	6,320	100%	6,105	100%	6,332	100%

	Fall 2010		Fall 2009		Fall 2008		Fall 2007		Fall 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age										
Under 18	991	13%	824	12%	1,064	17%	654	11%	672	11%
18 - 21	3,400	46%	3,397	50%	3,145	50%	3,199	52%	3,305	52%
22 - 24	868	12%	902	14%	704	11%	793	13%	886	14%
25 - 35	1,254	17%	1,088	16%	869	14%	921	15%	893	14%
36 - 50	645	9%	456	7%	420	6%	409	7%	445	7%
51 & over	209	3%	93	1%	118	2%	129	2%	131	2%
Total	7,367	100%	6,760	100%	6,320	100%	6,105	100%	6,332	100%

Average Age	23.9	22.9	22.7	23.1	23.2
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Source: CBM001 and CBM00A Fall reports.

**Wharton County Junior College**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2006-2007 Graduates, Completers and Non-Returners**  
**(Includes only public senior colleges in Texas)**  
**(Unaudited)**

Institutions Attended, Fall 2010		Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of all Sample Transfer Students	% of all Sample Transfer Students
1	University of Houston - Main Campus	373	25	18	416	22.95%
2	Texas A&M University - College Station	301	11	5	317	17.48%
3	University of Houston - Victoria	188	12	14	214	11.80%
4	Texas State University	153	13	5	171	9.43%
5	The University of Texas - Austin	114	6	1	121	6.67%
6	Sam Houston State University	111	3	6	120	6.62%
7	The University of Texas - San Antonio	85	4	2	91	5.02%
8	Texas Tech University	59	1	1	61	3.36%
9	University of Houston - Downtown	54	3	2	59	3.25%
10	Stephen F. Austin State University	37	2	3	42	2.32%
11	University of North Texas	23	0	0	23	1.27%
12	Texas A&M University - Kingsville	21	1	0	22	1.21%
13	University of Houston - Clear Lake	19	0	1	20	1.10%
14	Texas A&M University - Corpus Christi	16	1	1	18	0.99%
15	Prairie View A&M University	15	1	2	18	0.99%
16	The University of Texas - Arlington	15	2	1	18	0.99%
17	Lamar University	13	2	0	15	0.83%
18	Texas A&M University @ Galveston	14	0	0	14	0.77%
19	Texas Woman's University	11	1	0	12	0.66%
20	Texas Southern University	9	1	0	10	0.55%
21	Tarleton State University	8	0	0	8	0.44%
22	The University of Texas - Dallas	5	0	0	5	0.28%
23	The University of Texas - Tyler	4	0	0	4	0.22%
24	Angelo State University	3	1	0	4	0.22%
25	Midwestern State University	3	0	0	3	0.17%
26	The University of Texas - El Paso	1	0	1	2	0.11%
27	University of Texas of the Permian Basin	2	0	0	2	0.11%
28	West Texas A&M University	2	0	0	2	0.11%
29	Texas A&M International University	1	0	0	1	0.06%
<b>Totals</b>		<b>1,660</b>	<b>90</b>	<b>63</b>	<b>1,813</b>	<b>100.00%</b>



Wharton County Junior College  
Statistical Supplement 18  
Schedule of Capital Asset Information  
Fiscal Years 2003 to 2011  
(Unaudited)

	Fiscal Year								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Academic buildings	12	12	12	12	12	12	12	13	13
Square footage (in thousands)	507	507	507	369	369	369	369	380	380
Libraries	2	2	2	2	2	2	2	2	2
Square footage (in thousands)	55	55	55	55	55	55	55	55	71
Number of Volumes (in thousands)	66,200	66,200	66,200	66,200	66,200	66,372	66,372	66,372	66,372
Administrative and support buildings	4	4	4	4	4	4	4	4	4
Square footage (in thousands)	64	64	64	64	64	64	64	64	64
Dormitories	3	3	3	3	3	3	3	14	14
Square footage (in thousands)	45	45	45	45	45	45	45	45	45
Number of Beds	158	158	158	158	158	158	158	158	158
Apartments	-	-	-	-	-	-	-	-	-
Square footage (in thousands)	-	-	-	-	-	-	-	-	-
Number of beds	-	-	-	-	-	-	-	-	-
Dining Facilities	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	69	69	69	69	69	69	69	69	69
Average daily customers	500	500	500	500	500	500	500	500	500
Athletic Facilities	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	27	27	27	27	27	27	27	27	27
Stadiums	-	-	-	-	-	-	-	-	-
Gymnasiums	1	1	1	1	1	1	1	1	1
Fitness Centers	1	1	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1	1	1
Plant facilities	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	5	5	5	5	5	5	5	5	5
Transportation									
Cars	1	1	1	1	1	1	1	1	1
Light Trucks/Vans	14	14	14	14	14	14	14	14	14
Buses	1	1	-	-	1	1	2	2	2