



**WHARTON COUNTY JUNIOR  
COLLEGE DISTRICT**

**ANNUAL  
FINANCIAL REPORT**

**For the Fiscal Year Ended**

**August 31, 2014**

# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

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**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Organizational Data**  
**Year Ended August 31, 2014**

Board of Trustees

Officers

Mr. P.D. (Danny) Gertson, III, Chair  
Mr. Gary Trochta, Vice Chair  
Mr. Jack C. Moses, Secretary

		Term Expires
<u>Members</u>		<u>May</u>
Mrs. Merle Hudgins	Hungerford, Texas	2018
Mr. Monty Merecka	Boling, Texas	2018
Mr. P.D. (Danny) Gertson, III	East Bernard, Texas	2018
Ms. Ann Hundl	El Campo, Texas	2020
Mr. Oliver Kunkel	Needville, Texas	2020
Mr. Jack C. Moses	Wharton, Texas	2016
Mr. Lloyd Nelson	Louise, Texas	2016
Ms. Amy Rod	El Campo, Texas	2020
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. G.G. Hunt, Interim Dean of Academic Instruction

Ms. Amy LaPan, Dean of Vocational Instruction





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*Member of  
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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Wharton County Junior College District, (the College) as of and for the years ended August 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

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

**Auditor's Responsibility (continued)**

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

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, 2014 and 2013, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental schedules (schedules A through D) and statistical supplements, as described in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards (schedule E) and schedule of expenditures of state awards (schedule F) 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 basic financial statements.



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

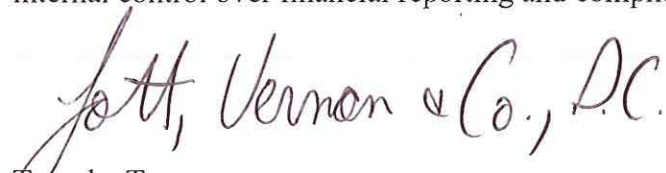
*Other Information (continued)*

The supplemental schedules, 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

The statistical supplements (marked "unaudited") have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2014, 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* in considering the College's internal control over financial reporting and compliance.

  
Temple, Texas  
October 28, 2014

## 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 2014 and 2013 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 Position; the Statement of Revenues, Expenses and Changes in Net Position; 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 2014 fiscal year.

- Enrollment for distance education credit students increased by 2.5% for Fall 2013 when comparing unduplicated head count with the previous fall term.
- During fiscal 2014 the following grants were received:
  - The U.S. Department of Education awarded \$875,000 for a Title V grant for Hispanic-Serving Institutions Programs with emphasis on developing a virtual campus.
  - The U.S. Department of Education also awarded \$866,369 for Hispanic-Serving Institutions and articulation programs. This grant is designated for developing science, technology, engineering, and math programs for all students.
  - The Nuclear Regulatory Commission granted \$150,000 for nuclear program scholarships.
  - The Gulf Coast Pass awarded \$200,000 for high school transitioning program management.
  - The Johnson Foundation gifted \$1,000,000 for the Allied Health Division's expansion.
  - The Chevron Phillips Corporation gifted \$100,000 for process technology curriculum development.
  - The Lloyd Rust Endowment was created with a gift of \$250,000.
  - The Texas A&M TEES program awarded \$15,000 for process technology equipment.
- The property valuation in the taxing district increased \$243,556,767 primarily due to an increase in real property values and oil and gas.
- General revenue appropriations increased by \$740,246 compared to fiscal 2013 representing an increase of 6.9%. State appropriations accounted for 23% of the total operational budget of the College.
- Dual credit enrollment of Fall 2013 increased 13 % over Fall 2012.
- Transfers of \$1,500,000 to the Plant Repair and Replacement Fund and \$500,000 to the Plant Management Information Systems Fund were made from the Unrestricted Fund from the current year revenues.



## Statement of Net Position

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

Current Assets:	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>
Cash and cash equivalents	\$15,298,595	\$12,905,572	\$13,977,627
Short-term investments	-	-	1,033,457
Accounts receivable, net	110,864	47,882	52,258
Property taxes receivable	488,452	410,465	360,961
Tuition and fees receivable	4,172,793	4,727,812	4,373,266
Federal and state receivables	401,478	420,906	723,568
Other assets	32,538	32,538	32,538
Total Current Assets	<u>20,504,720</u>	<u>18,545,175</u>	<u>20,553,675</u>
Non-Current Assets:			
Restricted cash and cash equivalents	1,065,436	1,360,690	961,055
Restricted endowment cash and cash equivalents	1,190,197	825,416	763,619
Restricted agency funds cash and cash equivalents	148,215	151,403	135,982
Endowment non-current investments	7,424,640	7,325,305	6,358,808
Other non-current investments	15,581,266	13,846,353	12,077,227
Investments in real estate	111,000	111,000	455,000
Capital assets, net	<u>25,552,129</u>	<u>25,691,528</u>	<u>24,539,511</u>
Total Non-Current Assets	<u>51,072,883</u>	<u>49,311,695</u>	<u>45,291,202</u>
Total Assets	<u><u>71,577,603</u></u>	<u><u>67,856,870</u></u>	<u><u>65,844,877</u></u>
Deferred Outflows of Resources			
None	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Current Liabilities:			
Accounts payable	1,277,745	1,586,426	2,064,728
Accrued liabilities	-	-	-
Funds held for others - agency	146,740	151,403	135,982
Deferred revenues	9,969,873	10,414,041	9,759,359
Bonds payable - current portion	<u>675,000</u>	<u>660,000</u>	<u>635,000</u>
Total Current Liabilities	<u>12,069,358</u>	<u>12,811,870</u>	<u>12,595,069</u>
Non-Current Liabilities:			
Bonds payable	<u>2,590,254</u>	<u>3,275,838</u>	<u>3,946,122</u>
Total Non-Current Liabilities	<u>2,590,254</u>	<u>3,275,838</u>	<u>3,946,122</u>
Total Liabilities	<u><u>14,659,612</u></u>	<u><u>16,087,708</u></u>	<u><u>16,541,191</u></u>



Deferred Inflows of Resources			
None	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Invested in capital assets, net of related debt	22,286,875	21,755,664	19,958,089
Restricted for:			
Nonexpendable - endowments	8,723,538	8,261,766	7,580,822
Expendable:			
Federal and State grants	330,867	593,653	578,031
Debt service	483,155	476,131	472,483
Student aid	435,998	536,035	354,595
Unrestricted - undesignated	<u>24,657,558</u>	<u>20,145,913</u>	<u>20,359,366</u>
Total Net Position	<u>\$56,917,991</u>	<u>\$51,769,162</u>	<u>\$49,303,386</u>

The short-term investments are funds invested at financial institutions with notes of one year or less.

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 2014 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 Position

The Statement of Revenues, Expenses and Changes in Net Position 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 23% 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:	FY 2014		FY 2013		FY 2012	
Student tuition and fees, net of discounts of \$2,827,234, \$2,937,160, and \$3,138,416	\$18,656,456	37%	\$18,007,715	38%	\$16,572,420	36%
Federal, state, and local grants and contracts	3,685,441	7%	3,503,665	7%	2,489,507	5%
Auxiliary enterprises, net of discounts of \$43,873, \$144,996 and \$123,443	840,603	2%	883,391	2%	806,650	2%
Other operating revenues	340,444	1%	374,290	1%	973,267	2%
Total operating revenues	<u>23,522,944</u>	<u>47%</u>	<u>22,769,061</u>	<u>48%</u>	<u>20,841,844</u>	<u>46%</u>
Non-operating revenues:						
State appropriations	11,485,257	23%	10,745,011	23%	10,530,162	23%
Property taxes	5,364,132	11%	5,227,590	11%	5,169,609	11%
Federal Revenue, Non-Operating	7,696,448	15%	8,129,953	17%	8,621,599	19%
Investment Income	666,217	1%	352,766	1%	368,923	1%
Other non-operating revenue	1,497,666	3%	485,011	1%	257,280	1%
Total non-operating revenue	<u>26,709,720</u>	<u>53%</u>	<u>24,940,331</u>	<u>52%</u>	<u>24,947,573</u>	<u>54%</u>
Total Revenues	<u>\$50,232,664</u>	<u>100%</u>	<u>\$47,709,392</u>	<u>100%</u>	<u>\$45,789,417</u>	<u>100%</u>

## 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:	FY 2014		FY 2013		FY 2012	
Instruction	\$ 16,948,486	37.59%	\$ 16,763,453	37.05%	\$ 15,399,197	35.93%
Public services and academic support	6,067,740	13.46%	6,191,516	13.68%	5,688,617	13.27%
Student services	2,861,224	6.35%	2,740,223	6.06%	2,406,908	5.62%
Institutional support	6,789,220	15.06%	6,743,552	14.90%	6,312,129	14.73%
Operations and maintenance of plant	4,809,462	10.67%	4,904,723	10.84%	4,834,059	11.28%
Scholarships and fellowships	5,538,087	12.28%	5,845,448	12.92%	6,200,701	14.47%
Auxiliary enterprises	781,482	1.73%	733,717	1.62%	705,242	1.65%
Depreciation	1,190,774	2.64%	1,210,204	2.67%	1,195,360	2.79%
Total operating expenses	<u>44,986,475</u>	<u>99.78%</u>	<u>45,132,836</u>	<u>99.76%</u>	<u>42,742,213</u>	<u>99.71%</u>
Non-Operating Expenses:						
Interest	94,004	0.21%	106,871	0.23%	119,438	0.28%
Other Non-Operating Expenses	3,356	0.01%	3,908	0.01%	3,039	0.01%
Total Non-Operating Expenses	<u>97,360</u>	<u>0.22%</u>	<u>110,779</u>	<u>0.24%</u>	<u>122,477</u>	<u>0.29%</u>
Total Expenses	<u>\$ 45,083,835</u>	<u>100.00%</u>	<u>\$ 45,243,615</u>	<u>100.00%</u>	<u>\$ 42,864,690</u>	<u>100.00%</u>

### Change in Net Position

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

	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>
Operating revenues	\$ 23,522,944	\$ 22,769,061	\$20,841,844
Non-operating revenues	<u>26,709,720</u>	<u>24,940,331</u>	<u>24,947,573</u>
Total revenues	50,232,664	47,709,392	45,789,417
Operating expenses	44,986,475	45,132,836	42,742,213
Non-operating expenses	<u>97,360</u>	<u>110,779</u>	<u>122,477</u>
Total expenses	<u>45,083,835</u>	<u>45,243,615</u>	<u>42,864,690</u>
Increase to net position	<u>\$ 5,148,829</u>	<u>\$ 2,465,776</u>	<u>\$ 2,924,727</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>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>
Cash provided by (used in):			
Operating activities	\$(18,405,698)	\$(18,942,580)	\$(17,449,194)
Capital and related financing activities	(1,821,333)	(2,305,019)	(2,080,766)
Non-capital and related financing activities	23,886,104	22,440,683	22,649,695
Investing activities	<u>(1,199,711)</u>	<u>(1,788,286)</u>	<u>(5,809,919)</u>
Net increase (decrease) in cash	2,459,362	(595,202)	(2,690,184)
Cash - beginning of year	<u>15,243,081</u>	<u>15,838,283</u>	<u>18,528,467</u>
Cash - end of year	<u>\$ 17,702,443</u>	<u>\$ 15,243,081</u>	<u>\$ 15,838,283</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 \$ 1,048,977 for fiscal year 2014 and \$ 2,471,827 for fiscal year 2013. Significant additions for fiscal year 2014 include the Johnson Health Occupations Center foundation repair of \$411,000, the Administration Building roof replacement of \$268,000 and the Mullins Hall HVAC system replacement of \$86,000.



### **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-three per cent (23%) 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 Position**  
**August 31, 2014 and August 31, 2013**

	<u>F/Y 2014</u>	<u>F/Y 2013</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 15,298,595	\$ 12,905,572
Short-term investments	-	-
Accounts receivable, net	5,173,587	5,607,065
Prepaid Expenses	32,538	32,538
<b>Total Current Assets</b>	<u><b>20,504,720</b></u>	<u><b>18,545,175</b></u>
<b>Noncurrent assets:</b>		
Restricted cash and cash equivalents	1,065,436	1,360,690
Restricted endowment cash and cash equivalents	1,190,197	825,416
Restricted agency funds cash and cash equivalents	148,215	151,403
Endowment non-current investments	7,424,640	7,325,305
Other non-current investments	15,581,266	13,846,353
Investments in real estate	111,000	111,000
Capital assets, net (note 6)	25,552,129	25,691,528
<b>Total Noncurrent Assets</b>	<u><b>51,072,883</b></u>	<u><b>49,311,695</b></u>
<b>Total Assets</b>	<u><b>71,577,603</b></u>	<u><b>67,856,870</b></u>
<b>Deferred Outflows of Resources</b>		
None	-	-
<b>Total Deferred Outflows of Resources</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	1,277,745	1,586,426
Funds held for others - agency	146,740	151,403
Deferred revenues	9,969,873	10,414,041
Bonds payable-current portion	675,000	660,000
<b>Total Current Liabilities</b>	<u><b>12,069,358</b></u>	<u><b>12,811,870</b></u>
<b>Noncurrent Liabilities:</b>		
Bonds Payable-noncurrent portion	2,590,254	3,275,838
<b>Total Noncurrent Liabilities</b>	<u><b>2,590,254</b></u>	<u><b>3,275,838</b></u>
<b>Total Liabilities</b>	<u><b>14,659,612</b></u>	<u><b>16,087,708</b></u>
<b>Deferred Inflows of Resources:</b>		
None	-	-
<b>Total Deferred Inflows of Resources</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	22,286,875	21,755,664
Restricted for:		
Nonexpendable		
Endowments	8,723,538	8,261,766
Expendable:		
Federal and State grants	330,867	593,653
Debt service	483,155	476,131
Student aid	435,998	536,035
Unrestricted	24,657,558	20,145,913
<b>Total Net Position (Schedule D)</b>	<u><b>\$ 56,917,991</b></u>	<u><b>\$ 51,769,162</b></u>

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

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended August 31, 2014 and August 31, 2013**

<b>Operating Revenues</b>	<u>F/Y 2014</u>	<u>F/Y 2013</u>
Tuition and Fees (net of discounts of \$2,827,234 and \$2,937,160)	\$ 18,656,456	\$ 18,007,715
Federal Grants and Contracts	2,761,169	2,749,227
State Grants and Contracts	431,402	395,709
Non-Government Grants and Contracts	492,870	358,729
Sales and Services of Educational Activities	31,118	30,529
Auxiliary Enterprises (net of discounts of \$43,873 and \$144,966)	840,603	883,391
General Operating Revenues	309,326	343,761
Total Operating Revenues (Schedule A)	<u>23,522,944</u>	<u>22,769,061</u>
 <b>Operating Expenses</b>		
Instruction	16,948,486	16,763,453
Public Service	1,657,662	1,878,312
Academic Support	4,410,078	4,313,204
Student Services	2,861,224	2,740,223
Institutional Support	6,789,220	6,743,552
Operation and Maintenance of plant	4,809,462	4,904,723
Scholarships and Fellowships	5,538,087	5,845,448
Auxiliary Enterprises	781,482	733,717
Depreciation	1,190,774	1,210,204
Total Operating Expenses (Schedule B)	<u>44,986,475</u>	<u>45,132,836</u>
 <b>Operating Loss</b>	 <b>(21,463,531)</b>	 <b>(22,363,775)</b>
 <b>Non-Operating Revenues (Expenses)</b>		
State Appropriations	11,485,257	10,745,011
Maintenance Ad Valorem Taxes	5,364,132	5,227,590
Federal Revenue, Non Operating	7,696,448	8,129,953
Gifts and Donations	1,405,219	322,140
Investment Income	666,217	352,766
Other Non-operating Revenues	92,447	162,871
Other Non-operating Expenses	(3,356)	(3,908)
Interest Expense	(94,004)	(106,871)
 Net Non-Operating Revenues (Schedule C)	 <u>26,612,360</u>	 <u>24,829,552</u>
 <b>Increase (Decrease) in Net Position</b>	 <b>5,148,829</b>	 <b>2,465,776</b>
 <b>Net Position</b>		
Net Position, Beginning of Year	51,769,162	49,303,386
Net Position, End of Year	<u>\$ 56,917,991</u>	<u>\$ 51,769,162</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, 2014 and August 31, 2013**

	<u>FY2014</u>	<u>FY2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from students and other customers	\$ 19,930,237	\$ 19,008,214
Receipts of grants and contracts	3,697,185	4,206,507
Payments to or on behalf of employees	(25,743,345)	(25,449,018)
Payments to suppliers for goods and services	(10,651,650)	(11,044,275)
Payments for scholarships and fellowships	<u>(5,638,125)</u>	<u>(5,664,008)</u>
Net cash provided by operating activities	<u>(18,405,698)</u>	<u>(18,942,580)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Receipts from state appropriations	9,418,408	8,669,796
Receipts from ad valorem taxes	5,286,145	5,178,086
Receipts from Federal Revenue	7,696,448	8,129,953
Gifts and grants for other than capital purposes	1,395,055	322,140
Other Receipts/Disbursements	<u>90,048</u>	<u>(313,212)</u>
Net cash provided by noncapital financing activities	<u>23,886,104</u>	<u>21,986,763</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
Purchases of capital assets	(1,048,977)	(2,449,938)
Proceeds from the sale of capital assets	-	107,607
Payments on capital debt-principal	(670,584)	(645,584)
Payment on capital debt- interest	(98,416)	(111,116)
Payment on capital property tax	<u>(3,356)</u>	<u>(3,908)</u>
Net cash used by capital and related financing activities	<u>(1,821,333)</u>	<u>(3,102,939)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales and maturities of investments	8,103,326	16,332,979
Purchases of investments	(9,937,575)	(17,237,125)
Interest on Investments	<u>634,538</u>	<u>367,700</u>
Net cash used by investing activities	<u>(1,199,711)</u>	<u>(536,446)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,459,362</b>	<b>(595,202)</b>
<b>CASH AND CASH EQUIVALENTS-September 1</b>	<u>15,243,081</u>	<u>15,838,283</u>
<b>CASH AND CASH EQUIVALENTS-August 31</b>	<u><u>\$ 17,702,443</u></u>	<u><u>\$ 15,243,081</u></u>
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating loss	\$ (21,463,531)	\$ (22,363,775)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation expense	1,190,774	1,210,204
Bad debt expense		
Payments made directly by state for benefits	2,066,849	2,075,215
Changes in assets and liabilities:		
Accounts receivable, net:		
Student a/r	552,068	(361,888)
Other a/r	(28,351)	(3,216)
Grants a/r	19,428	302,662
Accounts payable:		
Vendors	(204,230)	(491,324)
Scholarships	(100,038)	181,440
Funds held for others agency	(4,663)	15,421
Deferred revenues:		
Deferred tuition	(201,742)	436,262
Deferred grant revenue	(232,262)	56,419
Net cash used by operating activities	<u><u>\$ (18,405,698)</u></u>	<u><u>\$ (18,942,580)</u></u>

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



# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### 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. 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 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 (TPEG)*

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

##### *Title IV, Higher Education Act 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.

# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### Budgetary data

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

### Cash and cash equivalents

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

### Deferred inflows

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Governments are only permitted to report deferred inflows in circumstances specifically authorized by the GASB.

### Deferred outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are only permitted to report deferred outflows in circumstances specifically authorized by the GASB. A typical deferred outflow for community colleges is a deferred charge on a refunding debt.

### Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. [The governing board has designated public funds investment pools comprised of \$9,038,197 and \$6,291,242 at August 31, 2014 and August 31, 2013, respectively to be short-term investments.] 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 of \$100,000 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.



# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### Capital assets (continued)

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 revenue

Tuition and fees of \$9,509,109 and \$9,626,102, deferred federal state and local grants of \$240,736 and \$472,998, and deferred other \$220,028 and \$314,941 have been reported as deferred revenues at August 31, 2014 and 2013 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.

### **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 (Sec. 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 deposit and (6) other instruments and obligations authorized by statute.

During 2014, the Board of Trustees adopted a separate written investment policy regarding the investments of the Endowment Fund. The Endowment fund is comprised of funds donated for a specific purpose the majority of which being scholarship awards. The Endowment Fund investments are not subject to the Public Funds Investment Act. The College is authorized to invest the Endowment Funds as follows: (1) cash and cash equivalents, (2) equity investments both domestic and international generally restricted to high-quality corporate securities traded on the major stock exchanges, (3) fixed income investments, domestic and international, to include U.S. Treasury and government agency obligations, corporate debt, mortgages and asset-backed securities, (4) real estate investments, and (4) mutual or commingled funds.

WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

4. Deposits and Investments

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

**Cash and Deposits**

	<u>2014</u>	<u>2013</u>
Bank Deposits		
Demand Deposits	\$8,658,546	\$8,946,048
	<u>\$8,658,546</u>	<u>\$8,946,048</u>
Cash and Cash Equivalents		
Petty Cash on Hand	\$5,700	\$5,791
Investment pool-TexPool	9,038,197	6,291,242
	<u>9,043,897</u>	<u>6,297,033</u>
 Total Cash and Deposits	 <u>\$17,702,443</u>	 <u>\$15,243,081</u>

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

Type of Security	Market Value August 31, 2014	Market Value August 31, 2013
U. S. Government Securities	\$22,709,798	\$20,929,946
Stocks	296,108	241,712
Real Estate Investments	111,000	111,000
Totals	<u>\$23,116,906</u>	<u>\$21,282,658</u>
Total Cash and Deposits	<u>17,702,443</u>	<u>15,243,081</u>
Total Investments	<u>23,116,906</u>	<u>21,282,658</u>
Total Deposits and Investments	<u>\$40,819,349</u>	<u>\$36,525,739</u>
 Cash and Short-term Investments (Exhibit 1)	 17,702,443	 15,243,081
Investments (Exhibit 1)	<u>23,116,906</u>	<u>21,282,658</u>
Total Deposits and Investments	<u>\$40,819,349</u>	<u>\$36,525,739</u>

WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

The District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) as of August 31, 2014			
		Less than 1	1 to 2	2 to 3	More than 3
U.S. Government Securities	\$ 22,709,798	\$ -	\$ 1,999,389	\$ 2,995,410	\$ 17,714,999
Total Fair Value	\$ 22,709,798	\$ -	\$ 1,999,389	\$ 2,995,410	\$ 17,714,999

Investment Type	Fair Value	Investment Maturities (in Years) as of August 31, 2013			
		Less than 1	1 to 2	2 to 3	More than 3
U.S. Government Securities	\$ 20,929,946	\$ -	\$ 999,056	\$ 7,011,609	\$ 12,919,281
Total Fair Value	\$ 20,929,946	\$ -	\$ 999,056	\$ 7,011,609	\$ 12,919,281

**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 as well. The college is required to disclose credit ratings for its investments in either narrative or table form.

**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 (8.77%), FHLMC (21.93%), FHLB (22.17%) and FFCB (42.72%).

**5. Derivatives**

The College did not invest in any derivative investment products or repurchase agreements during the year ended August 31, 2014 or August 31, 2013.



WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

**6. Capital Assets**

Capital assets activity for the year ended August 31, 2014 was as follows:

	Balance September 1, 2013	Increases	Decreases	Balance August 31, 2014
<u>Not Depreciated:</u>				
Land	\$ 2,501,709	\$ -	\$ -	\$ 2,501,709
Subtotal	2,501,709	-	-	2,501,709
<u>Buildings and Other Capital Assets:</u>				
Buildings and Building Improvements	29,783,031	678,117	-	30,461,148
Other Real Estate Improvements	1,153,039	-	-	1,153,039
Infrastructure	361,136	-	-	361,136
Total Buildings and Other Real Estate Improvements	31,297,206	678,117	-	31,975,323
Library books	3,430,552	12,226	(145,815)	3,296,963
Furniture, Machinery, and Equipment	9,148,015	361,031	(449,113)	9,059,933
Total Buildings and Other Capital Assets	43,875,773	1,051,374	(594,928)	44,332,219
<u>Accumulated Depreciation:</u>				
Buildings and Building Improvements	10,208,163	574,268	-	10,782,431
Other Real Estate Improvements	895,201	7,450	-	902,651
Infrastructure	325,023	-	-	325,023
Total Buildings and Other Real Estate Improvements	11,428,387	581,718	-	12,010,105
Library books	3,228,565	58,497	(145,815)	3,141,247
Furniture, Machinery, and Equipment	6,029,002	550,558	(449,113)	6,130,447
Total Accumulated Depreciation	20,685,954	1,190,773	(594,928)	21,281,799
Net Capital Assets	<u>\$ 25,691,528</u>	<u>\$ (139,399)</u>	<u>\$ -</u>	<u>\$ 25,552,129</u>

WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

Capital assets activity for the year ended August 31, 2013 was as follows:

	Balance September 1, 2012	Increases	Decreases	Balance August 31, 2013
<u>Not Depreciated:</u>				
Land	\$ 2,587,028	\$ -	\$ (85,319)	\$ 2,501,709
Subtotal	2,587,028	-	(85,319)	2,501,709
<u>Buildings and Other Capital Assets:</u>				
Buildings and Building Improvements	27,896,974	1,886,057	-	29,783,031
Other Real Estate Improvements	1,153,039	-	-	1,153,039
Infrastructure	361,136	-	-	361,136
Total Buildings and Other Real Estate Improvements	29,411,149	1,886,057	-	31,297,206
Library books	3,673,810	12,747	(256,005)	3,430,552
Furniture, Machinery, and Equipment	8,622,449	573,023	(47,457)	9,148,015
Total Buildings and Other Capital Assets	41,707,408	2,471,827	(303,462)	43,875,773
<u>Accumulated Depreciation:</u>				
Buildings and Building Improvements	9,658,858	549,305	-	10,208,163
Other Real Estate Improvements	887,752	7,449	-	895,201
Infrastructure	325,023	-	-	325,023
Total Buildings and Other Real Estate Improvements	10,871,633	556,754	-	11,428,387
Library books	3,418,264	66,306	(256,005)	3,228,565
Furniture, Machinery, and Equipment	5,465,028	587,144	(23,170)	6,029,002
Total Accumulated Depreciation	19,754,925	1,210,204	(279,175)	20,685,954
Net Capital Assets	<u>\$ 24,539,511</u>	<u>\$ 1,261,623</u>	<u>\$ (109,606)</u>	<u>\$ 25,691,528</u>



WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

**7. Long-Term Liabilities**

Long-term liability activity for the year ended August 31, 2014 was as follows:

	Balance September 1, 2013	Additions	Reductions	Balance September 1, 2014	Current Portion
Revenue Bonds	\$ 3,830,000	\$ -	\$ 660,000	\$ 3,170,000	\$ 675,000
Unamortized Premium on Bonds	105,838	-	10,584	95,254	-
<b>Total Long Term Liabilities</b>	<b><u>\$ 3,935,838</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 670,584</u></b>	<b><u>\$ 3,265,254</u></b>	<b><u>\$ 675,000</u></b>

Long-term liability activity for the year ended August 31, 2013 was as follows:

	Balance September 1, 2012	Additions	Reductions	Balance September 1, 2013	Current Portion
Revenue Bonds	\$ 4,465,000	\$ -	\$ 635,000	\$ 3,830,000	\$ 660,000
Unamortized Premium on Bonds	116,422	-	10,584	105,838	-
<b>Total Long Term Liabilities</b>	<b><u>\$ 4,581,422</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 645,584</u></b>	<b><u>\$ 3,935,838</u></b>	<b><u>\$ 660,000</u></b>

There were no obligations under capital leases at August 31, 2014 and 2013.

**8. Debt Obligations**

Debt service requirements at August 31, 2014 were as follows:

For the Year Ended August 31, 2014	Revenue Bonds		
	Principal	Interest	Total
2015	\$ 675,000	\$ 95,800	\$ 770,800
2016	275,000	82,300	357,300
2017	285,000	76,800	361,800
2018	295,000	68,250	363,250
2019	305,000	59,400	364,400
2020-2023	<u>1,335,000</u>	<u>133,050</u>	<u>1,468,050</u>
Total	<b><u>\$ 3,170,000</u></b>	<b><u>\$ 515,600</u></b>	<b><u>\$ 3,685,600</u></b>

# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### 9. Bonds Payable

General information related to bonds payable is summarized below:

#### 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, 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
- 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.

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, 2014 is \$515,175 which meets the full reserve requirement.

Bonds payable are due in annual installments varying from \$357,300 to \$770,800 with interest rates from 2% to 4% with the final installment due 2023.

### 10. Advance Refunding Bonds

WCJC has no advance refunding bonds.

### 11. Defeased Bonds Outstanding

WCJC has no defeased bonds outstanding.

# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### 12. Short-Term Debt

WCJC has no short-term debt for the fiscal years ended August 31, 2014 and August 31, 2013.

### 13. Employees' Retirement Plan

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

#### **Teacher Retirement System of Texas – Defined Benefit Plan**

*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. The 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. The 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 contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of 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 2014 and 2013 and a state contribution rate of 6.8 percent for Fiscal Year 2014 and 6.4 percent for Fiscal 2013. Senate Bill (S.B.) 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

#### **Optional Retirement Plan – Defined Contribution 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 6.6 and 6.65 percent, respectively. The college contributes 1.9% 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. S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the state for the college was \$548,575 and \$988,376 for the fiscal years ended August 31, 2014 and 2013 respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the College.



# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### Optional Retirement Plan – Defined Contribution Plan (Continued)

The total payroll for all college employees was \$22,024,857 and \$20,576,890 for fiscal years 2014 and 2013 respectively. The total payroll of employees covered by the Teacher Retirement System was \$11,414,663 and \$10,228,218 and the total payroll of employees covered by the Optional Retirement System was \$7,596,652 and \$7,933,126 for the fiscal years 2014 and 2013, 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, 2014, 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. The college's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

#### 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. Health Care and Life Insurance Benefits

Certain health care and life insurance 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 \$503 to \$984 per month, depending on the coverage elected for the year ended August 31, 2014 (\$470 to \$920 per month, depending on the coverage elected for 2013).

# WHARTON COUNTY JUNIOR COLLEGE DISTRICT

## Notes to Financial Statements August 31, 2014

### Health Care and Life Insurance Benefits (Continued)

The cost of providing those benefits for 119 retirees in the year ended 2014 was \$857,938 (retiree benefits for 118 retirees cost \$770,051 in 2013). For 346 active employees, the cost of providing benefits was \$2,129,341 for the year ended 2014 (active employee benefits for 334 employees cost \$1,990,709 for the year ended 2013). S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

### 17. Postemployment Benefits Other than Pensions (In accordance with GASB Statement 45)

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

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

Beginning September 1, 2013, SB 1812 limited the state's contributions to 50% of eligible employees for community colleges.

The college's contributions to SRHP for the years ending August 31, 2014, 2013, and 2012 were \$18,113, \$16,934 and \$13,587, respectively, which equaled the required contributions each year.

### 18. Pending Lawsuits and Claims

As of August 31, 2014, the College is not involved in any litigation.



WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

**19. Disaggregation of Receivable and Payables Balances**

**Receivables**

Receivables at August 31, 2014 and 2013 were as follows:

	FY2014	FY2013
Student Receivables	\$ 4,510,149	\$ 5,049,374
Property Taxes Receivable	526,763	443,737
State Receivables	401,478	420,906
Interest Receivables	68,888	37,209
Subtotal	5,507,278	5,951,226
Allowance for Doubtful Accounts:	(333,691)	(344,161)
<b>TOTAL RECEIVABLES</b>	<b>\$ 5,173,587</b>	<b>\$ 5,607,065</b>

**Payables**

Payables at August 31, 2014 and 2013 were as follows:

	FY2014	FY2013
Vendors Payable	\$ 809,728	\$ 1,013,959
Accrued Interest Payable	32,020	36,432
Scholarships Payable	435,997	536,035
<b>TOTAL PAYABLES</b>	<b>\$ 1,277,745</b>	<b>\$ 1,586,426</b>

**20. Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are also reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during fiscal years 2014 and 2013 for which monies have not been received nor funds expended totaled \$2,974,381 and \$3,379,878. Federal Contract and Grant Awards comprised all of these amounts.

**21. 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:

	2014	2013
Assessed Valuation of the College	\$ 5,588,935,382	\$ 5,345,378,615
Less Exemptions	(1,737,040,668)	(1,664,245,096)
Net Assessed Valuation of the College	<b>\$ 3,851,894,714</b>	<b>\$ 3,681,133,519</b>



WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Financial Statements  
August 31, 2014

**Ad Valorem Tax (Continued)**

	2014			2013		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate per \$100 valuation	\$ 0.30000	-	\$0.30000	\$ 0.30000	-	\$0.30000
Assessed Tax Rate per \$100 valuation	\$ 0.13419	-	\$0.13419	\$ 0.13821	-	\$0.13821

Taxes levied for the year ended August 31, 2014 and 2013 amounted to \$5,168,700 and \$5,089,933 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.

	2014			2013		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$ \$5,139,345	\$ -	\$ 5,139,345	\$ \$5,023,165	\$ -	\$ 5,023,165
Delinquent Taxes Collected	\$127,307	-	\$127,307	\$127,792	-	127,792
Penalties & Interest Collected	\$97,480	-	\$97,480	\$76,633	-	76,633
Total Collections	\$ \$5,364,132	\$ -	\$ \$5,364,132	\$ \$5,227,590	\$ -	\$ \$5,227,590

Tax collections for the year ended August 31, 2014 and 2013 were 99% and 98% 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.

**22. 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, 2014 and 2013.

**23. Subsequent Accounting Pronouncements**

GASB statement No. 68, Accounting and Financial Reporting for Pensions – An amendment of GASB Statement No. 27, was issued June of 2012 and will apply to the District's financial statements beginning with the year ended August 31, 2015. This statement will require the District to recognize a liability for its proportionate share of the net pension liability.

**SUPPLEMENTARY SCHEDULES**

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Operating Revenues**  
**For the Year Ended August 31, 2014 (With Memorandum Totals for the Year Ended August 31, 2013)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	F/Y 2014 Total	F/Y 2013 Total
<b>Tuition:</b>						
State funded credit courses:						
In-district resident tuition	\$ 894,364	\$ -	\$ 894,364	\$ -	\$ 894,364	\$ 965,304
Out-of-district resident tuition	3,442,260	-	3,442,260	-	3,442,260	3,559,252
Non-resident tuition	284,176	-	284,176	-	284,176	277,829
TPEG (set aside)*	282,628	-	282,628	-	282,628	249,656
State funded continuing education	179,721	-	179,721	-	179,721	274,659
Non-state funded continuing education	548,604	-	548,604	-	548,604	503,389
<b>Total Tuition</b>	<b>5,631,753</b>	<b>-</b>	<b>5,631,753</b>	<b>-</b>	<b>5,631,753</b>	<b>5,830,089</b>
<b>Fees:</b>						
Distance learning fee	-	-	-	-	-	402,362
Installation plan fees	224,770	-	224,770	-	224,770	230,685
General service fees	8,215,948	-	8,215,948	-	8,215,948	6,954,825
Building use	-	-	-	-	-	1,659,701
Other fees	7,411,219	-	7,411,219	-	7,411,219	5,867,213
<b>Total fees</b>	<b>15,851,937</b>	<b>-</b>	<b>15,851,937</b>	<b>-</b>	<b>15,851,937</b>	<b>15,114,786</b>
<b>Scholarship allowances and discounts:</b>						
TPEG awards	(282,628)	-	(282,628)	-	(282,628)	(249,656)
Scholarship allowances	(284,752)	-	(284,752)	-	(284,752)	(276,652)
Federal grants to students	(1,942,444)	-	(1,942,444)	-	(1,942,444)	(2,122,033)
Exemptions	(317,410)	-	(317,410)	-	(317,410)	(288,819)
<b>Total scholarship allowances</b>	<b>(2,827,234)</b>	<b>-</b>	<b>(2,827,234)</b>	<b>-</b>	<b>(2,827,234)</b>	<b>(2,937,160)</b>
<b>Total Net Tuition and Fees</b>	<b>18,656,456</b>	<b>-</b>	<b>18,656,456</b>	<b>-</b>	<b>18,656,456</b>	<b>18,007,715</b>
<b>Additional operating revenues:</b>						
Federal grants and contracts	-	2,761,169	2,761,169	-	2,761,169	2,749,227
State grants and contracts	-	431,402	431,402	-	431,402	395,709
Local grants and contracts	-	492,870	492,870	-	492,870	358,729
Sales and services of educational activities	31,118	-	31,118	-	31,118	30,529
Other operating revenues	309,326	-	309,326	-	309,326	343,761
<b>Total Additional Operating Revenues</b>	<b>340,444</b>	<b>3,685,441</b>	<b>4,025,885</b>	<b>-</b>	<b>4,025,885</b>	<b>3,877,955</b>
<b>Auxiliary enterprises:</b>						
Residential life	-	-	-	503,679	503,679	644,649
Scholarship allowances and discounts	-	-	-	(43,873)	(43,873)	(144,966)
<b>Net resident life</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>459,806</b>	<b>459,806</b>	<b>499,683</b>
Bookstore commission	-	-	-	347,818	347,818	328,600
Other auxiliary revenue	-	-	-	32,979	32,979	55,108
<b>Total Net Auxiliary Enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>840,603</b>	<b>840,603</b>	<b>883,391</b>
<b>Total Operating Revenues</b>	<b>\$ 18,996,900</b>	<b>\$ 3,685,441</b>	<b>\$ 22,682,341</b>	<b>\$ 840,603</b>	<b>\$ 23,522,944</b>	<b>\$ 22,769,061</b>
					(Exhibit 2)	(Exhibit 2)

\*In accordance with Education Code 56.033, \$282,628 and \$249,656 for years August 31, 2014 and 2013, 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, 2014 (with Memorandum Totals for the Year Ended August 31, 2013)**

	Operating Expenses				2014 Total	2013 Total
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
<b>Unrestricted-Educational activities</b>						
Instruction	\$ 11,620,409	\$ -	\$ 2,329,420	\$ 1,216,909	\$ 15,166,738	\$ 15,206,165
Public Service	276,030	-	55,400	141,208	472,638	471,591
Academic Support	1,583,831	-	317,290	724,302	2,625,423	2,388,460
Student services	1,735,590	-	348,301	262,428	2,346,319	2,348,413
Institutional support	3,163,627	-	634,165	2,633,695	6,431,487	6,385,402
Operating and maintenance of plant	1,091,543	-	218,929	3,498,990	4,809,462	4,904,723
Scholarships and Fellowships	-	-	-	669,545	669,545	652,655
<b>Total Unrestricted Educational Activities</b>	<b>19,471,030</b>	<b>-</b>	<b>3,903,505</b>	<b>9,147,077</b>	<b>32,521,612</b>	<b>32,357,409</b>
<b>Restricted-Educational activities</b>						
Instruction	136,790	1,306,678	39,642	298,638	1,781,748	1,557,288
Public Service	743,729	31,077	161,780	248,438	1,185,024	1,406,721
Academic Support	729,923	177,983	213,636	663,113	1,784,655	1,924,744
Student services	95,525	195,378	13,409	210,593	514,905	391,810
Institutional support	-	355,733	-	2,000	357,733	358,150
Operating and maintenance of plant	-	-	-	-	-	-
Scholarships and Fellowships	-	-	-	4,868,542	4,868,542	5,192,793
<b>Total Restricted Educational Activities</b>	<b>1,705,967</b>	<b>2,066,849</b>	<b>428,467</b>	<b>6,291,324</b>	<b>10,492,607</b>	<b>10,831,506</b>
<b>Total Educational Activities</b>	<b>21,176,997</b>	<b>2,066,849</b>	<b>4,331,972</b>	<b>15,438,401</b>	<b>43,014,219</b>	<b>43,188,915</b>
<b>Auxiliary enterprises</b>	<b>195,199</b>	<b>-</b>	<b>39,177</b>	<b>547,106</b>	<b>781,482</b>	<b>733,717</b>
<b>Depreciation Expense - Buildings and Other Real Estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>542,434</b>	<b>542,434</b>	<b>549,305</b>
<b>Depreciation Expense-Equipment &amp; furniture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>648,340</b>	<b>648,340</b>	<b>660,899</b>
<b>Total Operating Expenses</b>	<b>\$ 21,372,196</b>	<b>\$ 2,066,849</b>	<b>\$ 4,371,149</b>	<b>\$ 17,176,281</b>	<b>\$ 44,986,475</b> (Exhibit 2)	<b>\$ 45,132,836</b> (Exhibit 2)

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Non-Operating Revenues and Expenses**  
**Year Ended August 31, 2014 (with Memorandum Totals for the Year Ended August 31, 2013)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2014 Total</u>	<u>2013 Total</u>
<b>NON-OPERATING REVENUES:</b>					
State Appropriations:					
Education and General State Support	\$ 9,418,408	\$ -	\$ -	\$ 9,418,408	\$ 8,669,796
State Group Insurance	-	1,523,688	-	1,523,688	1,753,273
State Retirement Matching	-	543,161	-	543,161	321,942
<b>Total State Appropriations</b>	<u>9,418,408</u>	<u>2,066,849</u>	<u>-</u>	<u>11,485,257</u>	<u>10,745,011</u>
Federal Revenue Non Operating	7,696,448	-	-	7,696,448	8,129,953
Maintenance Ad Valorem Taxes	5,364,132	-	-	5,364,132	5,227,590
Gifts and Donations	1,405,219	-	-	1,405,219	322,140
Investment Income	666,217	-	-	666,217	352,766
Other Non-Operating Revenues	<u>92,447</u>	<u>-</u>	<u>-</u>	<u>92,447</u>	<u>162,871</u>
<b>Total Non-Operating Revenues</b>	24,642,871	2,066,849	-	26,709,720	24,940,331
<b>NON-OPERATING EXPENSES:</b>					
Interest on Capital Related Debt	94,004	-	-	94,004	106,871
Other Non-Operating Expense	<u>3,356</u>	<u>-</u>	<u>-</u>	<u>3,356</u>	<u>3,908</u>
<b>Total Non-Operating Expenses</b>	97,360	-	-	97,360	110,779
<b>Net Non-Operating Revenues</b>	<u>\$ 24,545,511</u>	<u>\$ 2,066,849</u>	<u>\$ -</u>	<u>\$ 26,612,360</u> (Exhibit 2)	<u>\$ 24,829,552</u> (Exhibit 2)

**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**  
**Schedule of Net Position by Source and Availability**  
**Year Ended August 31, 2014 (with Memorandum Totals for the Year Ended August 31, 2013)**

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ 7,520,764	\$ -	\$ -	\$ -	\$ 7,520,764	\$ 7,520,764	\$ -
Board Designated	3,200,000	-	-	-	3,200,000	3,200,000	-
Restricted	-	766,865	-	-	766,865	766,865	-
Auxiliary enterprises	983,852	-	-	-	983,852	983,852	-
Endowment:							
True	-	-	8,723,538	-	8,723,538	-	8,723,538
Plant							
Unexpended	4,979,728	-	-	-	4,979,728	-	4,979,729
Renewals	7,973,214	-	-	-	7,973,214	-	7,973,214
Debt Service	-	483,155	-	-	483,155	-	483,155
Investment in Plant	-	-	-	22,286,875	22,286,875	-	22,286,875
<b>Total Net Position, August 31, 2014</b>	<b>\$ 24,657,558</b>	<b>\$ 1,250,020</b>	<b>\$ 8,723,538</b>	<b>\$ 22,286,875</b>	<b>\$ 56,917,991</b> (Exhibit 1)	<b>\$ 12,471,481</b>	<b>\$ 44,446,511</b>
<b>Total Net Position, August 31, 2013</b>	<b>\$ 20,145,913</b>	<b>\$ 1,605,819</b>	<b>\$ 8,261,766</b>	<b>\$ 21,755,664</b>	<b>\$ 51,769,162</b> (Exhibit 1)	<b>\$ 11,931,418</b>	<b>\$ 39,837,744</b>
<b>Net Increase (Decrease) in Net Position</b>	<b>\$ 4,511,645</b>	<b>\$ (355,799)</b>	<b>\$ 461,772</b>	<b>\$ 531,211</b>	<b>\$ 5,148,829</b> (Exhibit 2)	<b>\$ 540,063</b>	<b>\$ 4,608,767</b>



## WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Schedule of Expenditures of Federal Awards  
Year Ended August 31, 2014

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		\$ 117,441
College Work Study Program	84.033		96,472
Pell Grant Program	84.063		7,477,889
William D Ford Direct Loans	84.268		6,499,189
Higher Education Institutional Aid			
HSI STEM Success Project	84.031C	P031C110007	890,119
Developing a Virtual Campus through Technology-Assisted Distance Education Programs and Services	84.031S	P031S100074	766,673
Subtotal:			<u>1,656,792</u>
Pass-Through From:			
Texas Education Agency			
Adult Basic Education Contract 134100017110467	84.002A	134100017110467	28,468
Texas Workforce Commission			
Adult Education Literacy Contract 2814ABE008	84.002A	2814ABE008	557,653
Subtotal:			<u>586,121</u>
Texas Higher Education Coordinating Board			
Perkins Basic Grants	84.048	142077	271,313
Statewide Data Systems	84.372	R372A090010	2,000
<b>Total U.S. Department of Education</b>			<u><u>16,707,217</u></u>
<u>U.S. Nuclear Regulatory Commission</u>			
Nuclear Studies Curriculum Project	77.006	NRC-HQ-12-G-38-0049	25,322
<u>U.S. Department of Health and Human Services</u>			
Pass-Through From:			
Houston-Galveston Area Council			
Social Services Program	93.044		42,776
Nutrition Program	93.045		127,139
Texas Workforce Commission			
Temporary Assistance for Needy Families Contract 2814ABE008	93.558	2814ABE008	54,352
<b>Total U.S. Department of Health and Human Services</b>			<u><u>224,267</u></u>
<b>Total Federal Financial Assistance</b>			<u><u>\$ 16,956,806</u></u>

Notes to schedule on following page

WHARTON COUNTY JUNIOR COLLEGE DISTRICT

Notes to Schedule of Expenditures of Federal Awards  
Year Ended August 31, 2014

1. Federal Assistance Reconciliation

Federal revenues:

Federal grants and contracts - per Schedule A and C \$ 10,457,617

Reconciling items:

William D. Ford Direct Loan Program 6,499,189

Total per schedule of expenditures of Federal awards \$16,956,806

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, 2014

<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-13-1109	\$ 901
Home-Delivered Meals Grant Program	HDM-13-1110	2,420
Home-Delivered Meals Grant Program	HDM-14-1247	2,491
Home-Delivered Meals Grant Program	HDM-14-1248	3,142
Subtotal:		<u>8,954</u>
<u>Texas Workforce Commission</u>		
WCJC In Partnership With Frito-Lay, Inc.	2813SDF005	229,585
<u>Texas Engineering Experiment Station</u>		
Nuclear Curriculum Development Project		15,000
<u>Texas Higher Education Coordinating Board</u>		
Adult Basic Education Innovation Grants	07052	30,110
<u>Texas Education Agency</u>		
State Adult Basic Education	2814ABE008	147,753
<b>Total State Financial Assistance</b>		<b><u>\$ 431,402</u></b>

Notes to schedule on following page



**WHARTON COUNTY JUNIOR COLLEGE DISTRICT**

**Notes to Schedule of Expenditures of State Awards  
Year Ended August 31, 2014**

**1. State Assistance Reconciliation**

State revenues:	
State grants and contracts – per Schedule A	\$431,402
Indirect/administrative cost recoveries	<u>          -</u>
Total per Schedule of Expenditures of State Awards	<u>\$431,402</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

20 SOUTH FOURTH STREET 254/778/4783  
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**INDEPENDENT AUDITOR'S 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, in accordance with the 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, the financial statements of Wharton County Junior College District (The "College"), as of and for the years ended August 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 28, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



**INDEPENDENT AUDITOR'S 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)**

Internal Control over Financial Reporting (Continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, 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* or the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Temple, Texas  
October 28, 2014



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

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees  
Wharton County Junior College District  
Wharton, Texas

Report on Compliance for Each Major Federal Program

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* that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2014. The College's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred.



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 (CONTINUED)**

Auditor's Responsibility (continued)

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 on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, Wharton County Junior College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2014.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the College's 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 program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 (CONTINUED)**

Report on Internal Control Over Compliance (continued)

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Temple, Texas  
October 28, 2014

**WHARTON COUNTY JUNIOR COLLEGE**  
**Schedule of Findings and Questioned Costs**  
**August 31, 2014**

**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  no  
 Significant deficiencies identified that are not considered to be material weakness(es)?  yes  none reported
3. Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

4. Internal control over major programs:  
 Material weakness(es) identified?  yes  no  
 Significant deficiencies identified that are not considered to be material weakness(es)?  yes  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  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		
<i>Student Financial Aid Cluster:</i>		
SEOG	84.007	N/A – State financial assistance was less than \$500,000 in fiscal year ending August 31, 2014.
Federal College Work Study Program	84.033	
Federal Pell Grant Program	84.063	
William D Ford Direct Loans	84.268	
<i>Adult Basic Education – Basic Grants to States:</i>		
Adult Basic Education	84.002	
Adult Education Literacy	84.002	
U.S. Department of Health and Human Services		
<i>Aging Cluster:</i>		
Special Programs for the Aging Title III, Part B – Grants for Supportive Services and Senior Centers	93.044	
Special Programs for the Aging Title III, Part C – Nutrition Services	93.045	

**WHARTON COUNTY JUNIOR COLLEGE**  
**Schedule of Findings and Questioned Costs (Continued)**  
**August 31, 2014**

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 I  
 Net Position by Component  
 Fiscal Years 2005 to 2014  
 (unaudited)

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Invested in capital assets, net of related debt	\$22,287	\$21,756	\$19,958	\$19,210	\$17,265	\$14,512	\$14,060	\$13,805	\$14,047	\$14,328
Restricted - expendable	\$1,250	1,606	1,445	1,202	1,237	1,548	1,458	1,580	1,542	1,538
Restricted - nonexpendable	\$8,724	8,261	7,581	7,417	7,139	7,079	6,733	6,478	6,036	5,755
Unrestricted	24,657	20,146	20,319	18,594	17,970	17,053	18,236	17,433	14,965	12,452
<b>Total primary government net position</b>	<b>\$ 56,918</b>	<b>\$ 51,769</b>	<b>\$ 49,303</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>

Wharton County Junior College  
Statistical Supplement 2  
Revenues by Source  
Fiscal Years 2005 to 2014  
(unaudited)

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Tuition and Fees (Net of Discounts)	\$18,656	\$18,007	\$16,572	\$14,974	\$14,300	\$11,945	\$11,120	\$10,962	\$10,485	\$10,416
Governmental Grants and Contracts										
Federal Grants and Contracts	2,813	2,749	2,489	2,032	1,115	675	961	924	1,102	1,316
State Grants and Contracts	431	396	328	1,086	504	270	181	169	112	109
Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	441	359	286	537	268	212	307	188	247	189
Sales and services of educational activities	31	31	36	41	47	47	37	41	43	48
Auxiliary enterprises	841	883	807	805	654	596	755	579	531	528
Other Operating Revenues	310	344	323	359	286	210	251	209	249	243
<b>Total Operating Revenues</b>	<b>23,523</b>	<b>22,769</b>	<b>20,841</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>
State Appropriations	11,485	10,745	10,530	10,696	11,037	11,125	11,112	10,589	10,448	9,888
Ad Valorem Taxes	5,364	5,228	5,170	5,172	5,146	4,750	4,246	4,140	4,005	3,964
Gifts	1,405	322	188	319	1,673	505	339	316	391	519
Investment income	666	353	368	493	523	885	1,327	1,481	938	537
Other non-operating revenues	7,790	8,292	8,691	8,479	6,870	4,187	3,354	3,365	2,840	3,045
<b>Total Non-Operating Revenues</b>	<b>26,710</b>	<b>24,940</b>	<b>24,947</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>Total Revenues</b>	<b>\$ 50,233</b>	<b>\$ 47,709</b>	<b>\$ 45,788</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>

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Tuition and fees (net of discounts)	37.14%	37.74%	36.19%	33.28%	33.71%	33.74%	32.72%	33.26%	33.40%	33.82%
Governmental grants and contracts										
Federal grants and contracts	5.60%	5.76%	5.44%	4.52%	2.63%	1.91%	2.83%	2.80%	3.51%	4.27%
State grants and contracts	0.86%	0.83%	0.72%	2.41%	1.19%	0.76%	0.53%	0.51%	0.36%	0.35%
Local grants and contracts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non-governmental grants and contracts	0.88%	0.75%	0.62%	1.19%	0.63%	0.60%	0.90%	0.57%	0.79%	0.61%
Sales and services of educational activities	0.06%	0.06%	0.08%	0.09%	0.11%	0.13%	0.11%	0.12%	0.14%	0.16%
Auxiliary enterprises	1.67%	1.85%	1.76%	1.79%	1.54%	1.68%	2.22%	1.76%	1.69%	1.71%
Other operating revenues	0.62%	0.72%	0.71%	0.80%	0.67%	0.59%	0.74%	0.63%	0.79%	0.79%
<b>Total Operating Revenues</b>	<b>46.83%</b>	<b>47.72%</b>	<b>45.52%</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>
State appropriations	22.86%	22.52%	23.00%	23.77%	26.02%	31.42%	32.69%	32.12%	33.28%	32.10%
Ad valorem taxes	10.68%	10.96%	11.29%	11.50%	12.13%	13.42%	12.49%	12.56%	12.76%	12.87%
Gifts	2.80%	0.67%	0.41%	0.71%	3.94%	1.43%	1.00%	0.96%	1.25%	1.68%
Investment income	1.33%	0.74%	0.80%	1.10%	1.23%	2.50%	3.90%	4.49%	2.99%	1.74%
Other non-operating revenues	15.51%	17.38%	18.98%	18.85%	16.19%	11.83%	9.87%	10.21%	9.05%	9.89%
<b>Total Non-Operating Revenues</b>	<b>53.17%</b>	<b>52.28%</b>	<b>54.48%</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>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 2005 to 2014  
 (unaudited)

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Instruction	\$16,949	\$16,763	\$15,399	\$15,899	\$15,005	\$13,481	\$12,521	\$11,671	\$10,716	\$10,184
Research				-		-	-	-	-	-
Public service	1,658	1,878	1,711	1,774	1,580	1,585	1,607	1,611	1,486	1,610
Academic support	4,410	4,313	3,977	2,966	2,669	2,868	2,621	2,356	2,241	2,165
Student services	2,861	2,740	2,407	2,379	2,266	2,083	2,091	1,789	1,698	1,466
Institutional support	6,789	6,744	6,312	6,141	5,938	5,617	5,480	5,270	4,947	4,901
Operation and maintenance of plant	4,809	4,905	4,834	4,823	4,576	4,718	3,871	3,095	3,140	2,861
Scholarships and fellowships	5,539	5,845	6,201	6,105	5,018	3,275	2,515	2,361	2,414	2,458
Auxiliary enterprises	781	734	705	632	659	667	624	600	541	522
Depreciation	1,191	1,210	1,195	1,101	997	1,003	1,035	1,041	1,143	1,127
<b>Total Operating Expenses</b>	<b>44,987</b>	<b>45,132</b>	<b>42,741</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>
Interest on capital related debt	3	4	3	152	293	393	424	453	482	512
Other non-operating expenses	94	107	119	252	3	12	12	11	63	10
<b>Total Non-Operating Expenses</b>	<b>97</b>	<b>111</b>	<b>122</b>	<b>404</b>	<b>296</b>	<b>405</b>	<b>436</b>	<b>464</b>	<b>545</b>	<b>522</b>
<b>Total Expenses</b>	<b>\$ 45,084</b>	<b>\$ 45,243</b>	<b>\$ 42,863</b>	<b>\$ 42,224</b>	<b>\$ 39,004</b>	<b>\$ 35,702</b>	<b>\$ 32,801</b>	<b>\$ 30,258</b>	<b>\$ 28,871</b>	<b>\$ 27,816</b>

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Instruction	37.59%	37.05%	35.93%	37.65%	38.47%	37.76%	38.17%	38.57%	37.12%	36.61%
Research	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public service	3.68%	4.15%	3.99%	4.20%	4.05%	4.44%	4.90%	5.32%	5.15%	5.79%
Academic support	9.78%	9.53%	9.28%	7.02%	6.84%	8.03%	7.99%	7.79%	7.76%	7.78%
Student services	6.35%	6.06%	5.62%	5.63%	5.81%	5.83%	6.37%	5.91%	5.88%	5.27%
Institutional support	15.06%	14.91%	14.73%	14.54%	15.22%	15.73%	16.71%	17.42%	17.13%	17.62%
Operation and maintenance of plant	10.67%	10.84%	11.28%	11.42%	11.73%	13.21%	11.80%	10.23%	10.88%	10.29%
Scholarships and fellowships	12.29%	12.92%	14.47%	14.46%	12.87%	9.17%	7.67%	7.80%	8.36%	8.84%
Auxiliary enterprises	1.73%	1.62%	1.64%	1.50%	1.69%	1.87%	1.90%	1.98%	1.87%	1.88%
Depreciation	2.64%	2.67%	2.79%	2.61%	2.56%	2.81%	3.16%	3.44%	3.96%	4.05%
<b>Total Operating Expenses</b>	<b>99.78%</b>	<b>99.75%</b>	<b>99.72%</b>	<b>99.04%</b>	<b>99.24%</b>	<b>98.87%</b>	<b>98.67%</b>	<b>98.47%</b>	<b>98.11%</b>	<b>98.12%</b>
Interest on capital related debt	0.01%	0.01%	0.01%	0.36%	0.75%	1.10%	1.29%	1.50%	1.67%	1.84%
Other non-operating expenses	0.21%	0.24%	0.28%	0.60%	0.01%	0.03%	0.04%	0.04%	0.22%	0.04%
<b>Total Non-Operating Expenses</b>	<b>0.22%</b>	<b>0.25%</b>	<b>0.28%</b>	<b>0.96%</b>	<b>0.76%</b>	<b>1.13%</b>	<b>1.33%</b>	<b>1.53%</b>	<b>1.89%</b>	<b>1.88%</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)

Resident  
 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/ Out-District Fee	Technology Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2014	\$ -	\$ 32	\$ 32	\$ 56	-	51	5	1,111	1,723	7.66%	8.78%
2013	-	32	32	46	6	52	2	1,032	1,584	16.22%	10.00%
2012	-	32	32	36	6	52	-	888	1,440	0.00%	0.00%
2011	-	32	32	36	6	52	-	888	1,440	15.63%	9.09%
2010	-	32	32	26	6	52	-	768	1,320	0.00%	0.00%
2009	-	32	32	26	6	52	-	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%

Non - Resident  
 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	Building Use Fee In-District	Student/ Out-District Fee	Technology Fee	Cost for 12 SCH Out of State/ International	Increase from Prior Year Out of State	Increase from Prior Year International
2014	\$ -	\$ 64	\$ 64	\$ 56	-	51	5	2,107	3.28%	3.28%
2013	-	64	64	46	6	52	2	2,040	7.59%	7.59%
2012	-	64	64	36	6	52	-	1,896	0.00%	0.00%
2011	-	64	64	36	6	52	-	1,896	6.76%	6.76%
2010	-	64	64	26	6	52	-	1,776	0.00%	0.00%
2009	-	64	64	26	6	52	-	1,776	7.25%	7.25%
2008	-	64	64	16	6	52	-	1,656	7.81%	7.81%
2007	-	64	64	16	6	42	-	1,536	-7.25%	-7.25%
2006	10	64	64	16	6	42	-	1,656	0.00%	0.00%
2005	10	64	64	16	6	42	-	1,656	12.20%	12.20%

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees. The technology fee is a fixed amount assessment per student, the listed \$5 per credit hour rate is based on 12 semester credit hours.

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)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total (a)
2013-14	\$ 5,588,935	\$ 1,737,041	\$ 3,851,894	68.92%	\$ 0.134190	-	\$ 0.134190
2012-13	5,345,379	1,664,245	3,681,134	68.87%	0.138210	-	0.138210
2011-12	5,155,971	1,630,814	3,525,157	68.37%	0.144414	-	0.144414
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

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
2013-14	\$ 9,307,591	\$ 4,847	\$ 1,920	2,162,856	665,120	2,827,976	\$ 3.29
2012-13	8,594,090	4,922	1,746	2,201,990	735,191	2,937,181	2.93
2011-12	8,505,372	4,847	1,755	2,149,656	796,819	2,946,475	2.89
2010-11	7,941,513	5,059	1,570	2,170,168	824,468	2,994,636	2.65
2009-10	8,270,791	4,736	1,746	2,085,224	797,504	2,882,728	2.87
2008-09	8,416,004	4,160	2,023	1,859,376	637,026	2,496,402	3.37
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

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 hours (for the CBM00A) for the year.

(a) Source CBM001 Academic Contact Hours

(b) Source CBM001 and CBM00A Technical Contact Hours

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

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Nan Ya Plastics Corp	Manufacturing	33,657	34,379	23,955	63,451	31,137	29,578	35,047	46,963	47,854	47,204
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
CenterPoint Energy	Utility	34,740	31,420	30,818	-	31,086	30,648	31,265	22,961	24,677	24,618
J-M Manufacturing	Manufacturing	47,691	44,390	26,039	19,533	34,120	26,746	34,293	30,623	17,879	18,131
Apache Corporation	Oil and Gas	90,111	76,617	59,329	18,782	39,818	38,613	67,454	53,648	32,709	16,856
Dominion Exploration	Oil and Gas	-	-	-	-	-	-	-	-	-	16,651
Southwestern Bell Telephone	Utility	-	-	-	19,592	-	-	-	-	15,502	15,232
Trans Texas Gas Corporation	Natural Gas	-	-	-	25,126	-	-	-	-	20,520	-
Cypress E & P Corp	Oil and Gas	-	-	-	-	59,282	34,493	-	-	-	-
ETC NGL Transport LLC	Oil and Gas	29,359	-	-	-	-	-	-	-	-	-
Milagro Exploration LLC	Oil and Gas	73,455	39,055	28,423	-	-	-	-	-	-	-
Armour Lacy W Etal Est	Oil and Gas	-	34,037	-	-	32,239	-	-	-	-	-
ILI Caverens	Natural Gas	-	-	-	20,066	-	-	-	-	14,852	13,068
GCR Onshore	Oil and Gas	-	-	30,155	-	-	-	-	-	-	-
Reliant Energy Houston	Utility	-	-	-	17,769	-	-	-	-	-	-
Coastal Oil and Gas Corp	Oil and Gas	-	-	-	41,385	-	-	-	-	-	-
Pure Resources LP	Oil and Gas	-	-	-	19,983	-	-	-	-	-	-
Forest Oil Company	Oil and Gas	-	-	-	-	-	23,791	30,275	22,768	-	-
Tres Palacios Gas Storage Inc	Oil and Gas	25,367	-	-	-	-	-	-	-	-	-
Hunt Oil Company	Oil and Gas	-	-	-	-	-	-	-	20,585	-	-
National Offshore LP	Oil and Gas	-	-	-	-	-	-	-	32,880	-	-
Navasota Energy	Utility	-	-	132,377	-	280,484	178,570	121,381	-	-	-
Colorado Bend Energy Partner	Utility	136,049	204,504	-	-	-	-	-	-	-	-
Sandridge Offshore LLC	Oil and Gas	-	-	21,638	-	25,314	-	49,262	-	-	-
Ailagro Exploration Company	Oil and Gas	-	-	-	-	-	-	31,637	-	-	-
Transcontinental Gas Pipeline	Oil and Gas	24,331	29,357	23,564	-	29,498	24,045	28,921	-	-	-
Maxim Production Company	Agribusiness	-	-	25,308	-	38,196	22,282	-	-	-	-
Wharton County Foods	Agribusiness	-	29,641	-	-	-	-	-	-	-	-
Enterprise Texas PIP	Manufacturing	27,310	26,243	-	-	-	-	-	-	-	-
Totals		522,070	549,643	401,606	272,144	601,174	433,019	484,803	391,243	280,471	237,207
Total Taxable Assessed Value		3,851,895	3,681,134	3,525,258	3,478,355	3,350,537	2,337,850	1,963,034	1,763,399	1,601,971	1,592,850

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

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2,014	2,013	2,012	2,011	2,010	2009	2008	2007	2,006	2,005
Nan Ya Plastics Corp	Manufacturing	0.87%	0.93%	0.68%	1.82%	0.93%	1.27%	1.79%	2.66%	2.99%	2.96%
Newfield Exploration	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	1.04%	2.82%	5.49%	3.58%	2.23%
Transco Gas Pipeline	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.59%	1.46%	1.47%
Kaiser-Francis Oil	Oil and Gas	0.00%	0.00%	0.00%	0.76%	0.00%	0.00%	0.00%	2.04%	1.61%	1.66%
CenterPoint Energy	Utility	0.90%	0.85%	0.87%	0.00%	0.93%	1.31%	1.59%	1.30%	1.54%	1.55%
J-M Manufacturing	Manufacturing	1.24%	1.21%	0.74%	0.56%	1.02%	1.14%	1.75%	1.74%	1.12%	1.14%
Apache Corporation	Oil and Gas	2.34%	2.08%	1.68%	0.54%	1.19%	1.65%	3.44%	3.04%	2.04%	1.06%
Dominion Exploration	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.05%
Southwestern Bell Telephone	Utility	0.00%	0.00%	0.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.97%	0.96%
Trans Texas Gas Corporation	Natural Gas	0.00%	0.00%	0.00%	0.72%	0.00%	0.00%	0.00%	0.00%	1.28%	0.00%
Cypress E & P Corp	Oil and Gas	0.00%	0.00%	0.00%	0.00%	1.77%	1.48%	0.00%	0.00%	0.00%	0.00%
ETC NGL Transport LLC	Oil and Gas	0.76%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Milagro Exploration LLC	Oil and Gas	1.91%	1.06%	0.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Armour Lacy W Etal Est	Oil and Gas	0.00%	0.92%	0.00%	0.00%	0.96%	0.00%	0.00%	0.00%	0.00%	0.00%
ILI Caverens	Natural Gas	0.00%	0.00%	0.00%	0.58%	0.00%	0.00%	0.00%	0.00%	0.93%	0.82%
GCR Onshore	Oil and Gas	0.00%	0.00%	0.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Reliant Energy-Houston	Utility	0.00%	0.00%	0.00%	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Coastal Oil and Gas Corp	Oil and Gas	0.00%	0.00%	0.00%	1.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pure Resources LP	Oil and Gas	0.00%	0.00%	0.00%	0.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Forest Oil Company	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	1.02%	1.54%	1.29%	0.00%	0.00%
Tres Palacios Gas Storage Inc	Oil and Gas	0.66%	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%	0.00%	0.00%	0.00%	1.17%	0.00%	0.00%
National Offshore LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.86%	0.00%	0.00%
Navasota Energy	Utility	0.00%	0.00%	3.76%	0.00%	8.37%	7.64%	6.18%	0.00%	0.00%	0.00%
Colorado Bend Energy Partner	Utility	3.53%	5.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Sandridge Offshore LLC	Oil and Gas	0.00%	0.00%	0.61%	0.00%	0.76%	0.00%	2.51%	0.00%	0.00%	0.00%
Ailagro Exploration Company	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.61%	0.00%	0.00%	0.00%
Transcontinental Gas Pipeline	Oil and Gas	0.63%	0.80%	0.67%	0.00%	0.88%	1.03%	1.47%	0.00%	0.00%	0.00%
Maxim Production Company	Agribusiness	0.00%	0.00%	0.72%	0.00%	1.14%	0.95%	0.00%	0.00%	0.00%	0.00%
Wharton County Foods	Agribusiness	0.00%	0.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Enterprise Texas PIP	Manufacturing	0.71%	0.71%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		<u>13.55%</u>	<u>14.93%</u>	<u>11.39%</u>	<u>7.82%</u>	<u>17.94%</u>	<u>18.52%</u>	<u>24.70%</u>	<u>22.19%</u>	<u>17.51%</u>	<u>14.89%</u>

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
2014	\$5,169	\$ 5,139	99.42%	\$ 225	\$ 5,364	103.77%
2013	5,090	5,023	96.93%	204	5,227	102.69%
2012	5,082	4,935	96.93%	234	5,169	101.71%
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%

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)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<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	\$ 3,170,000	\$ 3,830,000	\$ 4,465,000	\$ 5,090,000	\$ 5,605,000	\$ 7,555,000	\$ 8,205,000	\$ 8,825,000	\$ 9,420,000	\$ 9,990,000
Notes	-	-	-	-	-	-	-	-	-	-
Capital lease obligations	-	-	-	-	-	-	-	-	-	-
Total Outstanding Debt	\$ 3,170,000	\$ 3,830,000	\$ 4,465,000	\$ 5,090,000	\$ 5,605,000	\$ 7,555,000	\$ 8,205,000	\$ 8,825,000	\$ 9,420,000	\$ 9,990,000
<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	77	93	109	124	133	179	194	213	227	240
Per Student	654	809	943	1,075	1,183	1,824	2,037	2,153	2,200	2,388
As a percentage of Taxable Assessed Value	0.82%	1.04%	1.27%	1.46%	1.63%	1.70%	2.45%	2.91%	3.21%	4.04%

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)									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Taxable Assessed Value	\$ 3,851,894	\$ 3,681,134	\$ 3,525,157	\$ 3,478,355	\$ 5,003,191	\$ 3,604,635	\$ 3,350,557	\$ 3,028,141	\$ 2,931,659	\$ 2,471,351
<b>General Obligation Bonds</b>										
Statutory Tax Levy Limit for Debt Service	19,259	18,406	17,626	17,392	25,016	19,023	16,753	15,141	14,660	12,357
Less: Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	19,259	18,406	17,626	17,392	25,016	19,023	16,753	15,141	14,660	12,357
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 19,259	\$ 18,406	\$ 17,626	\$ 17,392	\$ 25,016	\$ 19,023	\$ 16,753	\$ 15,141	\$ 14,660	\$ 12,357
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	Net Auxiliary Enterprises Revenue	Total	Principal	Interest	Total	Coverage Ratio
2014	1,408	-	8,216	-	-	666	7,636	59	17,985	660	94	754	23.85
2013	1,521	-	6,955	-	1,633	(101)	6,514	883	17,405	635	107	742	23.46
2012	1,400	-	6,821	-	1,609	369	5,676	807	16,682	625	134	759	21.98
2011	1,392	-	5,399	-	1,623	596	4,850	740	14,600	565	73	638	22.88
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



**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
2013	41,216	a.	a.	6.0%
2012	41,150	1,558,501	37,874	6.8%
2011	41,314	1,468,965	35,556	8.2%
2010	41,364	1,362,722	32,945	8.5%
2009	40,998	1,299,574	31,698	6.9%
2008	40,893	1,372,583	33,565	4.5%
2007	40,801	1,262,409	30,941	4.2%
2006	41,009	1,212,834	29,575	4.8%
2005	40,923	1,138,312	27,816	5.1%
2004	40,954	1,082,354	26,429	5.7%

**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)**

Employer	Number of Employees	Percentage of Total Employment
El Campo ISD	481	2.23%
Greenleaf Nursery Company, Inc.	377	1.75%
Wharton County Junior College	350	1.62%
Leedo Manufacturing Company, Inc	341	1.58%
Wharton Independent School District	326	1.51%
Wharton County Foods	251	1.16%
Wharton County	233	1.08%
Nan Ya Plastics Corporation USA	215	1.00%
South Texas Medical Clinics, P.A.	250	1.16%
Wal-Mart Associates, Inc.	180	0.83%
Total	21,571	13.93%

**Source:**

Texas Workforce Commission  
 Texas Metropolitan Statistical Area Data

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

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Faculty</b>										
Full-Time	162	163	162	162	155	150	144	134	130	157
Part-Time	141	139	140	161	155	143	148	163	179	205
Total	303	302	302	323	310	293	292	297	309	362
<b>Percent</b>										
Full-Time	53.5%	54.0%	53.6%	50.2%	50.0%	51.2%	49.3%	45.1%	42.1%	43.4%
Part-Time	46.5%	46.0%	46.4%	49.8%	50.0%	48.8%	50.7%	54.9%	57.9%	56.6%
<b>Staff and Administrators</b>										
Full-Time	186	178	170	172	170	172	162	161	161	129
Part-Time	87	75	50	63	73	76	71	80	65	72
Total	273	253	220	235	243	248	233	241	226	201
<b>Percent</b>										
Full-Time	68.1%	70.4%	77.3%	73.2%	70.0%	69.4%	69.5%	66.8%	71.2%	64.2%
Part-Time	31.9%	29.6%	22.7%	26.8%	30.0%	30.6%	30.5%	33.2%	28.8%	35.8%
FTSE per Full-time Faculty	29.9	29.7	29.9	31.2	30.6	27.7	28.0	30.6	31.6	26.6
FTSE per Full-Time Staff Member	26.1	27.2	28.5	29.4	27.9	24.2	24.9	25.5	25.5	32.4
Average Annual Faculty Salary	\$69,936*	\$67,512*	\$56,521	\$54,094	\$53,237	\$52,561	\$50,466	\$48,091	\$46,190	\$44,394

Notes:

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

\*Effective 2013 IPEDS now uses a weighted monthly average multiplied by 12 for salaries

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

Student Classification	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	4,953	65%	4,820	62%	4,505	63%	4,593	62%	4,474	66%
31-60 hours	1,818	24%	1,916	25%	1,820	25%	1,721	24%	1,674	25%
> 60 hours	615	8%	671	9%	673	9%	608	8%	474	7%
Continuing Ed only	194	3%	337	4%	182	3%	445	6%	138	2%
<b>Total</b>	<b>7,580</b>	<b>100%</b>	<b>7,744</b>	<b>100%</b>	<b>7,180</b>	<b>100%</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</b>	<b>100%</b>

Semester Hour Load	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	18	0%	13	0%	13	0%	14	0%	15	0%
3-5 semester hours	1,774	23%	1,691	22%	1,476	21%	1,416	19%	1,413	21%
6-8 Semester hours	1,465	19%	1,447	19%	1,359	19%	1,322	18%	1,249	19%
9-11 semester hours	1,326	17%	1,338	17%	1,255	17%	1,103	15%	985	15%
12-14 semester hours	2,164	29%	2,238	29%	2,147	30%	2,200	30%	2,172	32%
15-17 semester hours	572	8%	590	8%	638	9%	724	10%	642	9%
18 & over	67	1%	90	1%	110	1%	143	2%	146	2%
Continuing Ed only	194	3%	337	4%	182	3%	445	6%	138	2%
<b>Total</b>	<b>7,580</b>	<b>100%</b>	<b>7,744</b>	<b>100%</b>	<b>7,180</b>	<b>100%</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</b>	<b>100%</b>

Credit average course load                      8.88                      9.06                      9.31                      9.52                      9.47

Tuition Status	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	1,313	17%	1,484	19%	1,561	22%	1,690	23%	1,658	24%
Texas Resident (out-of-District)	5,749	76%	5,617	73%	5,172	72%	5,002	68%	4,782	71%
Non-Resident Tuition	218	3%	210	3%	166	2%	164	2%	126	2%
Exempt	106	1%	96	1%	99	1%	66	1%	56	1%
Continuing Ed only	194	3%	337	4%	182	3%	445	6%	138	2%
<b>Total</b>	<b>7,580</b>	<b>100%</b>	<b>7,744</b>	<b>100%</b>	<b>7,180</b>	<b>100%</b>	<b>7,367</b>	<b>100%</b>	<b>6,760</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 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	4,320	57%	4,482	58%	4,079	57%	4,183	57%	3,876	57%
Male	3,260	43%	3,262	42%	3,101	43%	3,184	43%	2,884	43%
Total	7,580	100%	7,744	100%	7,180	100%	7,367	100%	6,760	100%

Ethnic Origin	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	3,190	42%	3,452	45%	3,533	49%	3,642	50%	3,567	53%
Hispanic	2,644	35%	2,458	32%	2,226	31%	2,237	30%	1,824	27%
African American	854	11%	1,001	13%	797	11%	900	12%	683	10%
Asian	787	10%	727	9%	545	8%	461	6%	398	6%
Foreign	6	0%	10	0%	3	0%	6	0%	207	3%
Native American	14	0%	53	1%	60	1%	36	1%	26	0%
Unknown	85	1%	43	1%	16	0%	85	1%	55	1%
Total	7,580	100%	7,744	100%	7,180	100%	7,367	100%	6,760	100%

Age	Fall 2013		Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,254	17%	1,142	15%	966	14%	991	13%	824	12%
18 -21	3,814	50%	3,758	49%	3,531	49%	3,400	46%	3,397	50%
22 - 24	878	12%	913	12%	881	12%	868	12%	902	14%
25 - 35	1,057	14%	1,151	15%	1,147	16%	1,254	17%	1,088	16%
36 - 50	467	6%	602	8%	533	7%	645	9%	456	7%
51 & over	110	1%	178	2%	122	2%	209	3%	93	1%
Total	7,580	100%	7,744	100%	7,180	100%	7,367	100%	6,760	100%

Average Age	22.4	23.3	23.2	23.9	22.9
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Source: CBM001 and CBM00A Fall reports.

Wharton County Junior College  
Statistical Supplement 17  
Transfers to Senior Institutions  
Academic Year 2012-13 Students as of Fall 2013  
(Includes only public senior colleges in Texas)  
(unaudited)

Institutions Attended, Fall 2013		Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
		Academic	Technical	Tech-Prep		
1	University of Houston - Main Campus	428	29	21	478	25.12%
2	Texas A&M University - College Station	258	14	7	279	14.66%
3	University of Houston - Victoria	187	17	13	217	11.40%
4	Texas State University	131	13	5	149	7.83%
6	Sam Houston State University	133	6	3	142	7.46%
5	The University of Texas - Austin	127	1	4	132	6.94%
8	Texas Tech University	80	10	3	93	4.89%
7	The University of Texas - San Antonio	60	7	4	71	3.73%
9	University of Houston - Downtown	51	3	3	57	3.00%
10	Stephen F. Austin State University	42	6	2	50	2.63%
11	Texas A&M University - Corpus Christi	39	2		41	2.15%
13	University of North Texas	22			22	1.16%
17	Texas A&M University - Galveston	21		1	22	1.16%
12	Prairie View A&M University	17	2		19	1.00%
15	Texas A&M University - Kingsville	18	2		20	1.05%
18	The University of Texas - Arlington	13		3	16	0.84%
19	Lamar University	14	1	1	16	0.84%
20	Texas Southern University	13	1	2	16	0.84%
14	Texas Woman's University	13		1	14	0.74%
16	University of Houston - Clear Lake	13			13	0.68%
22	The University of Texas - Dallas	11			11	0.58%
21	Tarleton State University	7		1	8	0.42%
26	The University of Texas - Tyler	7			7	0.37%
30	Texas A&M University - Commerce	3			3	0.16%
25	Angelo State University	3			3	0.16%
23	Midwestern State University	1			1	0.05%
24	West Texas A&M University	1			1	0.05%
28	University of Texas of the Permian Basin	1			1	0.05%
29	The University of Texas - El Paso	1			1	0.05%
<b>Totals</b>		<b>1,715</b>	<b>114</b>	<b>74</b>	<b>1,903</b>	<b>100.00%</b>

Source: THECB Automated Student and Adult Learner Follow-up Report

Wharton County Junior College  
 Statistical Supplement 18  
 Schedule of Capital Asset Information  
 Fiscal Years 2005 to 2014  
 (unaudited)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Academic buildings	12	12	12	12	12	12	12	12	12	12
Square footage (in thousands)	507	507	507	507	507	507	369	369	369	369
Libraries	2	2	2	2	2	2	2	2	2	2
Square footage (in thousands)	55	55	55	55	55	55	55	55	55	55
Number of Volumes (in thousands)	66,200	66,200	66,200	66,200	66,200	66,200	66,200	66,200	66,372	66,372
Administrative and support buildings	4	4	4	4	4	4	4	4	4	4
Square footage (in thousands)	64	64	64	64	64	64	64	64	64	64
Dormitories	3	3	3	3	3	3	3	3	3	3
Square footage (in thousands)	45	45	45	45	45	45	45	45	45	45
Number of Beds	158	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	1
Square footage (in thousands)	69	69	69	69	69	69	69	69	69	69
Average daily customers	500	500	500	500	500	500	500	500	500	500
Athletic Facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	27	27	27	27	27	27	27	27	27	27
Stadiums	-	-	-	-	-	-	-	-	-	-
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	1	1	1	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	5	5	5	5	5	5	5	5	5	5
Transportation										
Cars	1	1	1	1	1	1	1	1	1	1
Light Trucks/Vans	14	14	14	14	14	14	14	14	14	14
Buses	1	1	1	1	1	-	-	1	1	2