

*ANNUAL FINANCIAL REPORT*

*OF*

**ALVIN COMMUNITY COLLEGE**

**For the Fiscal Years Ended  
August 31, 2014 and 2013**

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# ALVIN COMMUNITY COLLEGE

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# ALVIN COMMUNITY COLLEGE

## ORGANIZATIONAL DATA

For the Year Ended August 31, 2014

### Board of Regents

<u>Officers</u>		<u>Term Expires</u>
L.H. "Pete" Nash, Chairman	Alvin, Texas	2016
James "Bart" DeWitt, Vice-Chairman	Alvin, Texas	2018
Karlis Ercums III, Secretary	Alvin, Texas	2016

<u>Members</u>		<u>Term Expires</u>
Mac Barrow	Alvin, Texas	2016
Jody Droege	Alvin, Texas	2020
Cheryl Knape	Alvin, Texas	2020
Mike Pyburn	Alvin, Texas	2020
Bel Sanchez	Alvin, Texas	2018
Doyle Swindell	Alvin, Texas	2018

### Principal Administrative Officers

Dr. Christal M. Albrecht	President
Ms. Wendy Del Bello	Assistant to President/Executive Director of Development
Dr. John Bethscheider	Dean of Instruction/Provost
Dr. Andrew Nelson	Dean of Academic Programs
Mr. Karl Stager	Dean of Financial and Administrative Services
Ms. JoAn Anderson	Dean of Students
Dr. Patricia Hertenberger	Dean of Continuing Education Workforce Development

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## ***INDEPENDENT AUDITORS' REPORT***

To the Board of Regents  
Alvin Community College:

We have audited the accompanying financial statements of the business-type activities of Alvin Community College (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.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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 College'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 College's internal control. Accordingly, we express no such opinion. 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.

---

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## **Basis for Disclaimer of Opinion**

The financial statements of the Alvin Community College Foundation (the "Foundation") have not been audited, and we were not engaged to audit the Foundation financial statements as part of our audit of the College's basic financial statements, as of and for the years ended December 31, 2013 and 2012.

## **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the Foundation's financial statements (Exhibit 1A, Exhibit 2A, and Exhibit 3A).

## **Unmodified Opinion**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the business-type activities of the College as of August 31, 2014 and 2013, and the respective changes in its financial position and, where applicable, 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, identified as Required Supplementary Information on the table of contents, 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 organizational data, supplemental schedules (schedules A through D), schedule of expenditures of federal awards (schedule E), schedule of expenditures of state awards (schedule F), and statistical information are presented for purposes of additional analysis and are not required parts of the basic financial statements.

Schedules E and F are required by the 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*. Schedules A through F 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 organizational data and statistical information have not been subjected to the auditing procedures applied in the audits 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 November 17, 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.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 17, 2014

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***MANAGEMENT'S DISCUSSION  
AND ANALYSIS***

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# ALVIN COMMUNITY COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended August 31, 2014 and 2013

This section of the Annual Financial Report of Alvin Community College (the "College") presents Management's Discussion and Analysis (MD&A) of the College's financial activity during the fiscal years ended August 31, 2014 and 2013, with particular focus on current events, legislation, and other various conditions. Please read this MD&A in conjunction with the College's basic financial statements and the notes to the basic financial statements. Responsibility for the completeness and fairness of the information included in this section of the annual report rests with the College.

### Financial Highlights for Fiscal Years 2014 and 2013

The following factors had a significant effect on the College's financial status for fiscal years 2014 and 2013:

- There was a decrease in headcount of roughly one percent in fiscal year 2013-2014 from the previous fiscal year. This decrease in headcount translated into a decrease of 2.35 percent in contact hours. There was no change in the tuition rates for in-district and out-of-district from fiscal year 2012-2013 to fiscal year 2013-2014. While there was a decrease in headcount and contact hours, total tuition revenues increased \$381,218 or 5.8 percent compared to the prior fiscal year as a result of a decrease in unearned revenues.
- The College Board of Regents passed a combined tax rate of \$0.199756 which was \$0.005653 more than the effective tax rate. The Maintenance and Operations tax rate increased from \$0.175119 to \$0.176540 or .81 percent. However, the Debt Service tax rate decreased from \$0.024637 to \$0.023216 or 5.77 percent. Overall tax collections increased by \$836,008 from \$12,273,552 in fiscal year 2012-2013 to \$13,109,560 in fiscal year 2013-2014.
- The College received \$423,002 more in State Appropriations in fiscal year 2013-2014 than it received in 2012-2013.
- There was a salary schedule adjustment of three percent in fiscal year 2013-2014. Compared to the prior fiscal year, salary and wage expenses increased by approximately \$1.2 million in fiscal 2013-2014.
- The 2013-2014 Maintenance and Operations budget was \$25,899,697, which was an increase of \$843,689 over the 2012-2013 budget.

### Overview of Financial Statements

The College qualifies as a special purpose government engaged in business-type activities and the basic financial statements are prepared on that basis. The basic financial statements include: the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows. These basic financial statements should be read with the notes to the basic financial statements and with various supplemental schedules required by the Texas Higher Education Coordinating Board. The Governmental Accounting Standards Board (GASB) reporting model focuses on the College as a whole. The College's basic financial statements are designed to emulate corporate presentation models whereby all College activities are reported in one column.

Under GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, the Alvin Community College Foundation is considered a component unit of the College for fiscal years 2014 and 2013 and, as such, is discretely presented in the College's basic financial statements. Complete financial statements of the Alvin Community College Foundation can be obtained from their offices.

**ALVIN COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**Statements of Net Position**

The Statements of Net Position presents the assets, liabilities, deferred inflows/outflows of resources, and net position of the College as of August 31, 2014 and 2013. It is a point in time financial statement. The purpose of the Statements of Net Position is to provide the readers with a snapshot of the financial condition of the College on August 31, 2014 and 2013. It presents end-of-year data for current and noncurrent assets, current and noncurrent liabilities, and net position. From the information shown, readers are able to determine the assets that are available to continue operations, how much the College owes, and net position and its availability to carry out the College's mission.

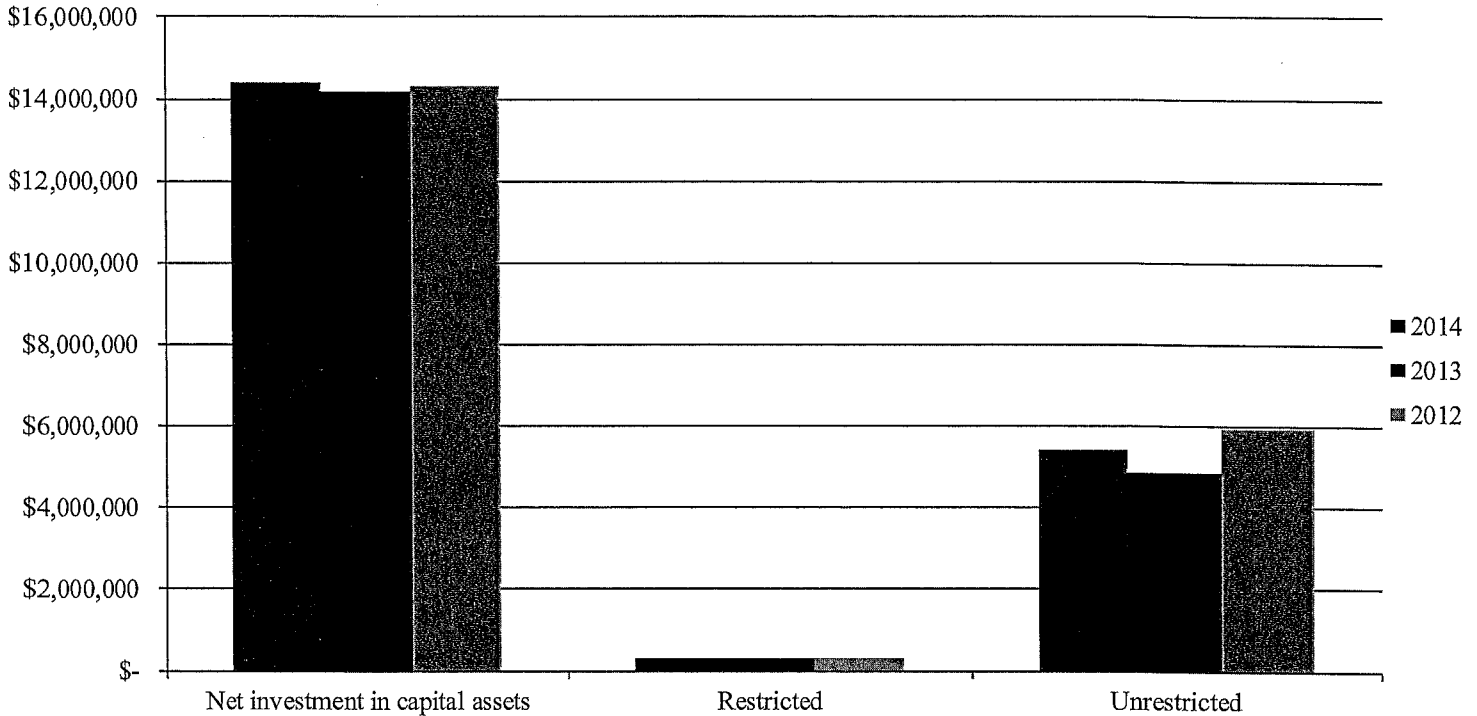
**CONDENSED STATEMENTS OF NET POSITION**  
As of August 31, 2014-2012

	<u>2014</u>	<u>2013</u>	<u>Increase (Decrease) 2014-2013</u>	<u>2012</u>	<u>Increase (Decrease) 2013-2012</u>
Current assets	\$ 11,012,348	\$ 11,548,886	\$ (536,538)	\$ 12,344,900	\$ (796,014)
Noncurrent assets:					
Restricted cash and cash equivalents	-	368,322	(368,322)	538,399	(170,077)
Investments	1,000,000	250,000	750,000	-	-
Deferred charges	-	-	-	291,994	(291,994)
Capital assets, net of accumulated depreciation	29,327,761	29,654,461	(326,700)	30,534,145	(879,684)
<b>Total Assets</b>	<u>41,340,109</u>	<u>41,821,669</u>	<u>(481,560)</u>	<u>43,709,438</u>	<u>(2,137,769)</u>
Deferred outflows of resources	911,381	1,063,278 *	(151,897)	-	1,063,278
Current liabilities	7,194,657	7,327,383	(132,726)	6,954,882	372,501
Noncurrent liabilities	14,943,092	16,225,415	(1,282,323)	16,175,054	50,361
<b>Total Liabilities</b>	<u>22,137,749</u>	<u>23,552,798</u>	<u>(1,415,049)</u>	<u>23,129,936</u>	<u>422,862</u>
Net position:					
Net investment in capital assets	14,382,023	14,159,770	222,253	14,325,023	(165,253)
Restricted					
Expendable student aid	325,310	320,427	4,883	320,055	372
Unrestricted	5,406,408	4,851,952	554,456	5,934,424	(1,082,472)
<b>Total Net Position</b>	<u>\$ 20,113,741</u>	<u>\$ 19,332,149</u>	<u>\$ 781,592</u>	<u>\$ 20,579,502</u>	<u>\$ (1,247,353)</u>

\* Reclassified per GASB 65.

**ALVIN COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**Net Position**  
**Fiscal Years 2014-2012**



**Fiscal Year 2014 Compared to 2013**

Current assets decreased \$536,538 primarily due to a decrease in cash and cash equivalents as a result of current year operations. Noncurrent assets increased \$54,978 due primarily to an increase in investments offset by current year depreciation and a decrease in restricted cash and cash equivalents.

Current liabilities decreased \$132,726 primarily due to a decrease in unearned revenues. Noncurrent liabilities decreased \$1,282,323 due mainly to scheduled debt payments.

**Fiscal Year 2013 Compared to 2012**

Current assets decreased \$796,014 primarily due to the overall deficit operating net results. Noncurrent assets decreased \$1,341,755 due primarily to current year depreciation, the restatement of unamortized bond issuance costs, and a decrease in the restricted cash related to bond reserves.

Current liabilities increased \$372,501 primarily due to an increase in the current bond payment and unearned revenues. Noncurrent liabilities increased \$50,361 due to the reclassification of deferred charges on refunding offset by scheduled debt payments.

# ALVIN COMMUNITY COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Years Ended August 31, 2014 and 2013

### Statements of Revenues, Expenses, and Changes in Net Position

The purpose of the Statements of Revenues, Expenses, and Changes in Net Position is to present the revenues earned by the College, both operating and nonoperating, and the expenses incurred, operating and nonoperating, and any other revenues, expenses, gains, and losses received or spent by the College. Generally, operating revenues are received for providing goods and services to the students of the College. Operating expenses are those paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the College's mission. Nonoperating revenues and expenses are funds received or used for which goods and services are not provided.

#### CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION For the Years Ended August 31, 2014-2012

	2014	2013	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
<b>Operating Revenues:</b>					
Tuition and fees, net of discounts	\$ 10,252,689	\$ 9,095,957	\$ 1,156,732	\$ 9,482,162	\$ (386,205)
Auxiliary enterprises, net of discounts	1,918,530	1,986,466	(67,936)	1,755,784	230,682
Non-governmental grants and contracts	11,527	5,000	6,527	1,000	4,000
State grants and contracts	1,861,103	265,697	1,595,406	1,689,611	(1,423,914)
Federal grants and contracts	299,825	313,743	(13,918)	279,528	34,215
<b>Total Operating Revenues</b>	<u>14,343,674</u>	<u>11,666,863</u>	<u>2,676,811</u>	<u>13,208,085</u>	<u>(1,541,222)</u>
<b>Less Operating Expenses (Table 1)</b>	<u>40,518,876</u>	<u>38,400,558</u>	<u>2,118,318</u>	<u>38,627,279</u>	<u>(226,721)</u>
<b>Operating Loss</b>	<u>(26,175,202)</u>	<u>(26,733,695)</u>	<u>558,493</u>	<u>(25,419,194)</u>	<u>(1,314,501)</u>
<b>Nonoperating Revenues (Expenses):</b>					
State appropriations	9,207,896	8,360,259	847,637	9,128,164	(767,905)
Property tax revenue	13,109,560	12,273,552	836,008	11,886,948	386,604
Federal revenue, nonoperating	4,547,963	5,048,318	(500,355)	5,542,625	(494,307)
Investment income	18,303	15,631	2,672	17,296	(1,665)
Interest and fiscal agent fees	(539,144)	(618,942)	79,798	(670,096)	51,154
Other nonoperating revenues	612,216	677,246	(65,030)	691,635	(14,389)
<b>Total Nonoperating Revenues, Net</b>	<u>26,956,794</u>	<u>25,756,064</u>	<u>1,200,730</u>	<u>26,596,572</u>	<u>(840,508)</u>
<b>Change in Net Position</b>	781,592	(977,631)	1,759,223	1,177,378	(2,155,009)
Beginning net position	19,332,149	20,309,780 *	(977,631)	19,402,124	907,656
<b>Ending Net Position</b>	<u>\$ 20,113,741</u>	<u>\$ 19,332,149</u>	<u>\$ 781,592</u>	<u>\$ 20,579,502</u>	<u>\$ (1,247,353)</u>

\* Restated unamortized bond issuance costs.

#### Fiscal Year 2014 Compared to 2013

Total revenues (operating and nonoperating) for the year 2014 were \$41,839,612. Operating revenues increased \$2,676,811 largely due to an increase in tuition and fees, net of discounts and state grants and contracts compared to the prior year. Nonoperating revenues increased \$1,120,932 primarily due to an increase in state appropriations and property tax revenues.



**ALVIN COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Years Ended August 31, 2014 and 2013

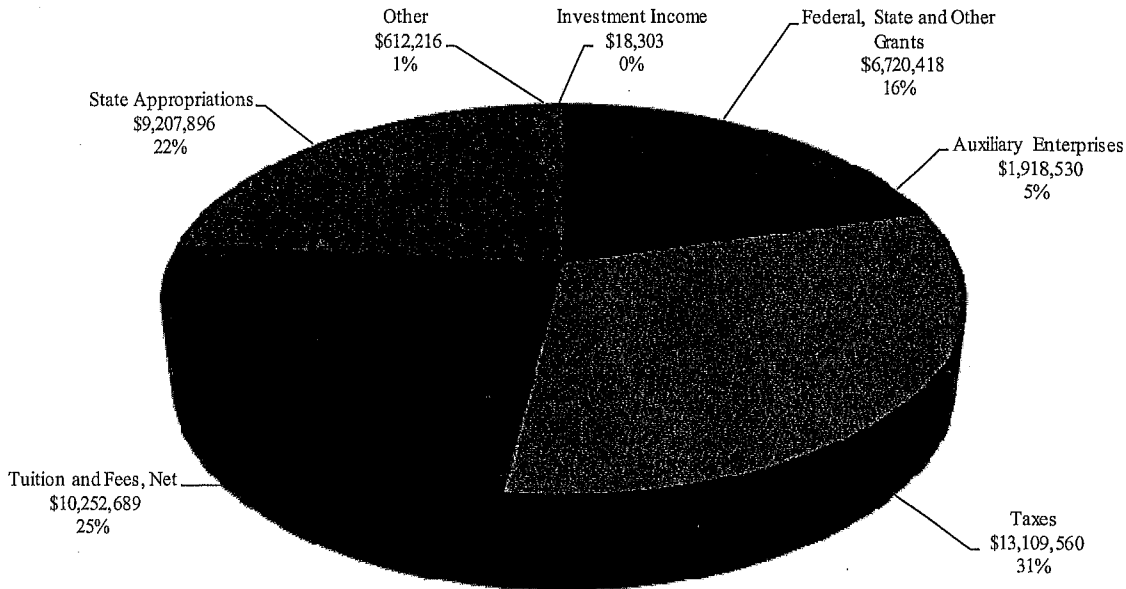
Total expenses (operating and nonoperating) increased \$2,038,520 mainly due to an increase in salaries and wages and grants and contracts.

**Fiscal Year 2013 Compared to 2012**

Total revenues (operating and nonoperating) for the year 2013 were \$38,041,869. Operating revenues decreased \$1,541,222 largely due to a decrease in state grants and contracts compared to the prior year. Nonoperating revenues decreased \$891,662 primarily due to a decrease in state appropriations.

Operating expenses decreased \$226,721 mainly due to a decrease in salaries and wages which were the result of employee turnover, the effects of the exit incentive plan, and decreased state appropriations.

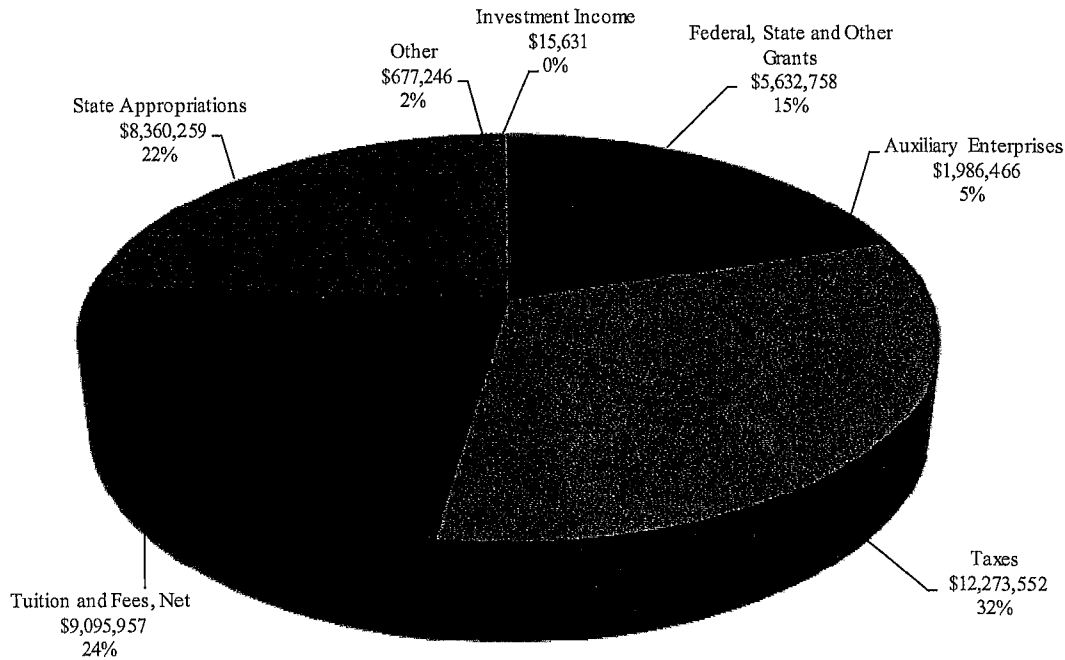
**Revenues by Source and Percentage  
For the Year Ended August 31, 2014**



**ALVIN COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

For the Years Ended August 31, 2014 and 2013

**Revenues by Source and Percentage**  
**For the Year Ended August 31, 2013**



Operating expenses are primarily presented by functional categories, which represent the type of programs and services provided. Nonoperating expenses consist of interest and fiscal agent fees from capital related debt service of \$539,144 and \$618,942 for the years ended August 31, 2014 and 2013, respectively. The following are graphic illustrations of operating expenses by functional category and percentage of total operating expenses for the years ended August 31, 2014 and 2013.

**Table 1**  
**OPERATING EXPENSES**  
**Years Ended August 31, 2014-2012**

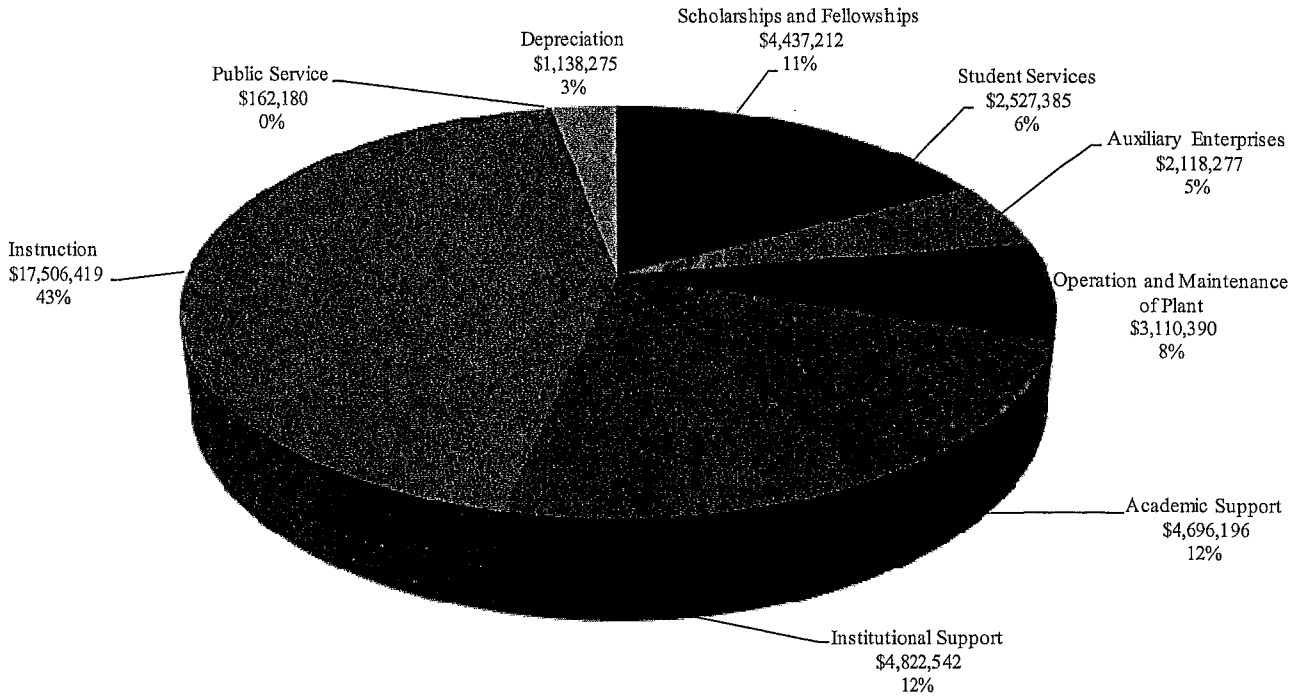
	<u>2014</u>	<u>2013</u>	<u>Increase (Decrease) 2014-2013</u>	<u>2012</u>	<u>Increase (Decrease) 2013-2012</u>
<b>Operating Expenses:</b>					
Instruction	\$ 17,506,419	\$ 15,216,809	\$ 2,289,610	\$ 15,687,477	\$ (470,668)
Institutional support	4,822,542	3,849,352	973,190	3,763,439	85,913
Academic support	4,696,196	4,545,395	150,801	3,818,297	727,098
Operation and maintenance of plant	3,110,390	3,939,413	(829,023)	4,306,140	(366,727)
Auxiliary enterprises	2,118,277	2,117,285	992	1,976,961	140,324
Student services	2,527,385	2,459,042	68,343	2,518,490	(59,448)
Scholarships and fellowships	4,437,212	4,961,534	(524,322)	5,264,090	(302,556)
Depreciation	1,138,275	1,147,001	(8,726)	1,137,548	9,453
Public service	162,180	164,727	(2,547)	154,837	9,890
<b>Total</b>	<u>\$ 40,518,876</u>	<u>\$ 38,400,558</u>	<u>\$ 2,118,318</u>	<u>\$ 38,627,279</u>	<u>\$ (226,721)</u>

# ALVIN COMMUNITY COLLEGE

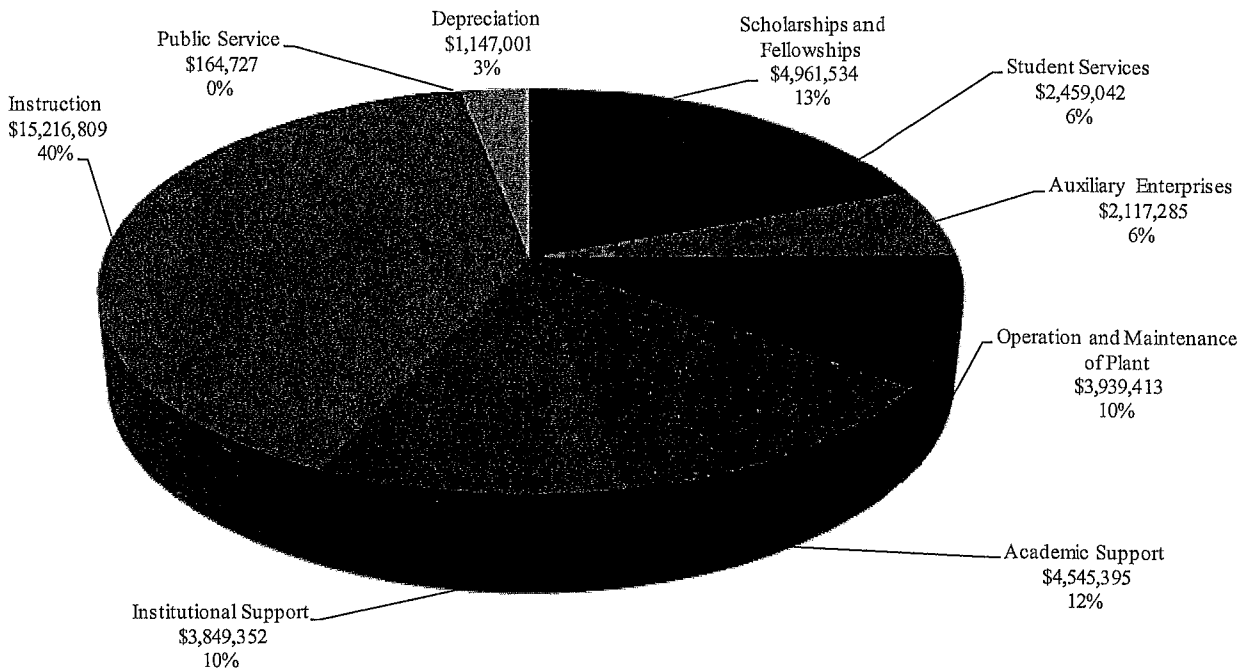
## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Years Ended August 31, 2014 and 2013

**Operating Expenses by Function and Percentage  
For the Year Ended August 31, 2014**



**Operating Expenses by Function and Percentage  
For the Year Ended August 31, 2013**

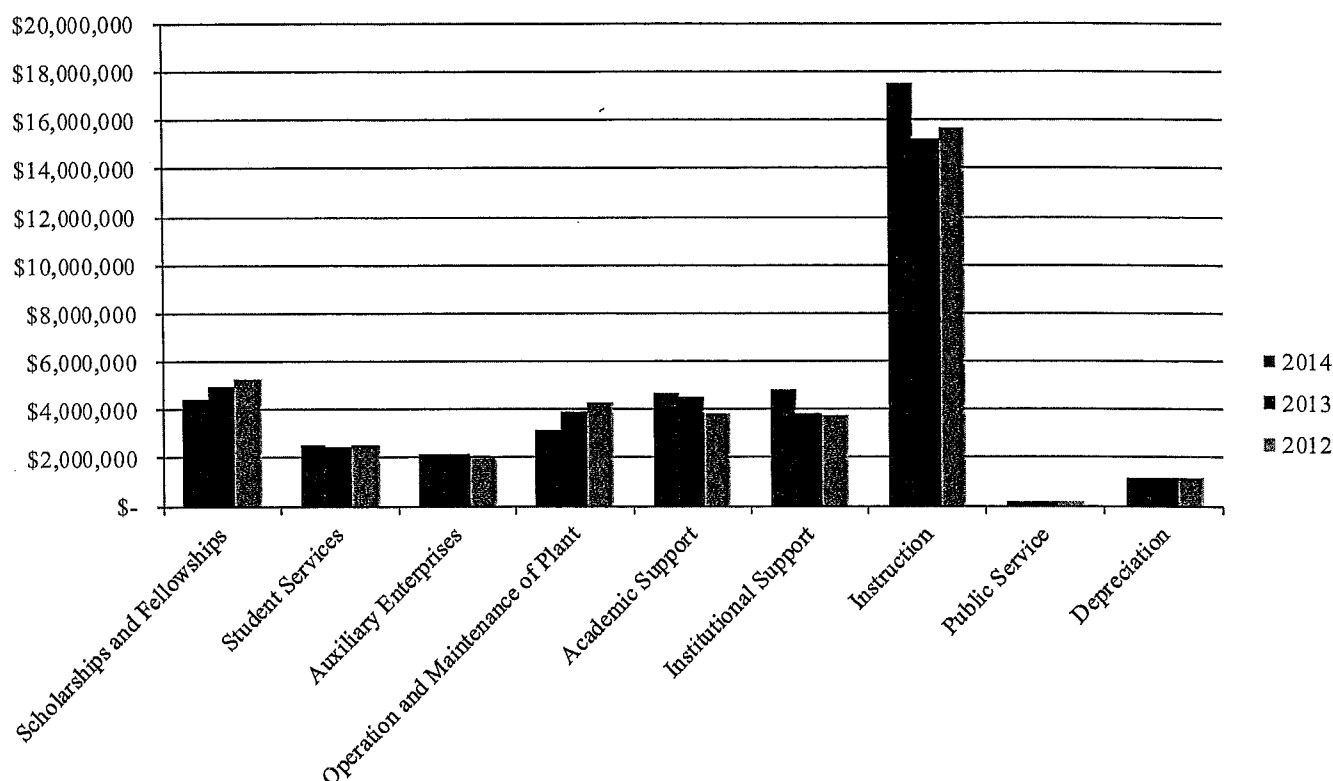


# ALVIN COMMUNITY COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Years Ended August 31, 2014 and 2013

**Comparison of Operating Expenses**  
Fiscal Years 2014-2012



### Capital Assets

**CAPITAL ASSETS ACTIVITY**  
Years Ended August 31, 2014-2012

	2014	2013	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
Capital assets not depreciated:					
Land	\$ 774,128	\$ 774,128	\$ -	\$ 774,128	\$ -
Total	<u>774,128</u>	<u>774,128</u>	<u>-</u>	<u>774,128</u>	<u>-</u>
Other capital assets:					
Buildings and improvements	36,215,703	36,215,703	-	36,215,703	-
Facilities and improvements	3,355,079	3,285,822	69,257	3,263,547	22,275
Telecommunications equipment	2,747,984	2,662,277	85,707	2,631,316	30,961
Furniture and equipment	5,454,459	4,815,221	639,238	4,613,975	201,246
Library books	382,852	365,479	17,373	352,644	12,835
Total	<u>48,156,077</u>	<u>47,344,502</u>	<u>811,575</u>	<u>47,077,185</u>	<u>267,317</u>
Less accumulated depreciation	<u>(19,602,444)</u>	<u>(18,464,169)</u>	<u>(1,138,275)</u>	<u>(17,317,168)</u>	<u>(1,147,001)</u>
<b>Net Capital Assets</b>	<u>\$ 29,327,761</u>	<u>\$ 29,654,461</u>	<u>\$ (326,700)</u>	<u>\$ 30,534,145</u>	<u>\$ (879,684)</u>

# **ALVIN COMMUNITY COLLEGE**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**For the Years Ended August 31, 2014 and 2013**

### **Fiscal Year 2014 Compared to 2013**

As of August 31, 2014, the College had \$48,930,205 invested in capital assets, \$19,602,444 in accumulated depreciation, and \$29,327,761 in net capital assets. Furniture and equipment increased \$639,237 primarily due to purchases of a school bus, two vehicles, a semi-truck, and a DAC/Polaris hands-on operations training skid.

### **Fiscal Year 2013 Compared to 2012**

As of August 31, 2013, the College had \$48,118,630 invested in capital assets, \$18,464,169 in accumulated depreciation, and \$29,654,461 in net capital assets. Furniture and equipment increased \$201,246 primarily due to purchases of three vehicles, an ultrasound system, welding equipment, and various other equipment purchases.

### **Long-Term Debt**

The Board of Regents voted a debt service tax rate for 2012-13 of \$0.024637. The debt service rate was lowered in 2013 (for the 2013-14 fiscal year) to \$0.023216. The principal balance of the bonds was \$14,380,000 and \$15,305,000 as of August 31, 2014 and 2013, respectively.

On September 8, 2014, Moody's Investors Service downgraded the College's general obligation limited tax rating to "Aa3" from "Aa2." On March 5, 2014, Fitch Ratings downgraded the College's limited tax bonds rating to "A+" from "AA-." According to these rating agencies, the downgrades reflect the College's weakened financial position demonstrated through multiple years of operating deficits. The rating agencies also noted concerns about weakened State support and the College's exposure to the counter-cyclic enrollment declines from a strengthened economy.

As required, detailed debt disclosures are presented in the notes to the basic financial statements.

### **Contacting the College's Financial Management**

This financial report is designed to provide the College's citizens, taxpayers, students, investors, and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Business Office at 3110 Mustang Road, Alvin, Texas 77511.

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***BASIC FINANCIAL STATEMENTS***

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# ALVIN COMMUNITY COLLEGE

Exhibit 1

## STATEMENTS OF NET POSITION

August 31, 2014 and 2013

<u>Assets</u>	2014	2013
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 7,573,294	\$ 8,264,829
Accounts receivable, net	2,213,034	1,901,339
Inventories	626,873	845,569
Prepays	599,147	537,149
<b>Total Current Assets</b>	11,012,348	11,548,886
<b>Noncurrent Assets:</b>		
Restricted cash and cash equivalents	-	368,322
Investments	1,000,000	250,000
Capital assets, net:		
Non-depreciable	774,128	774,128
Depreciable	28,553,633	28,880,333
<b>Total Noncurrent Assets</b>	30,327,761	30,272,783
<b>Total Assets</b>	41,340,109	41,821,669
 <b>Deferred Outflows of Resources</b>		
Deferred charge on refunding	911,381	1,063,278
 <b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	1,651,194	1,599,118
Deferred compensation	52,279	17,830
Funds held for others	27,289	29,700
Unearned revenues	4,104,892	4,443,127
Compensated absences	299,101	293,010
Exit incentive	19,598	19,598
Bonds payable - current portion	1,030,000	925,000
Capital lease payable - current portion	10,304	-
<b>Total Current Liabilities</b>	7,194,657	7,327,383
<b>Noncurrent Liabilities:</b>		
Deferred compensation	-	51,317
Compensated absences	126,277	152,979
Exit incentive	-	19,598
Bonds payable	14,782,730	16,001,521
Capital lease payable	34,085	-
<b>Total Noncurrent Liabilities</b>	14,943,092	16,225,415
<b>Total Liabilities</b>	22,137,749	23,552,798
 <b>Net Position</b>		
Net investment in capital assets	14,382,023	14,159,770
Restricted for expendable student aid	325,310	320,427
Unrestricted	5,406,408	4,851,952
<b>Total Net Position (Schedule D)</b>	\$ 20,113,741	\$ 19,332,149

See accompanying notes to basic financial statements.

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# ALVIN COMMUNITY COLLEGE FOUNDATION

Exhibit 1A

## STATEMENTS OF FINANCIAL POSITION (unaudited)

December 31, 2013 and 2012

<u>Assets:</u>	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 38,792	\$ 57,007
Investments	2,232,492	1,702,176
Other assets	20,223	20,223
<b>Total Assets</b>	<b>\$ 2,291,507</b>	<b>\$ 1,779,406</b>
<u>Net Assets:</u>		
Unrestricted	\$ 45,159	\$ 45,159
Temporarily restricted	1,264,998	752,897
Permanently restricted	981,350	981,350
<b>Total Net Assets</b>	<b>\$ 2,291,507</b>	<b>\$ 1,779,406</b>

See accompanying notes to basic financial statements.

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**ALVIN COMMUNITY COLLEGE**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
For the Years Ended August 31, 2014 and 2013

	2014	2013
<b><u>Revenues:</u></b>		
<b>Operating Revenues:</b>		
Tuition and fees, net of discounts of \$2,248,363 for 2014 and \$2,009,889 for 2013	\$ 10,252,689	\$ 9,095,957
Federal grants and contracts	299,825	313,743
State grants and contracts	1,861,103	265,697
Non-governmental grants and contracts	11,527	5,000
Auxiliary enterprises, net of discounts of \$329,136 for 2014 and \$350,304 for 2013	1,918,530	1,986,466
<b>Total Operating Revenues (Schedule A)</b>	<b>14,343,674</b>	<b>11,666,863</b>
<b><u>Expenses:</u></b>		
<b>Operating Expenses:</b>		
Instruction	17,506,419	15,216,809
Public service	162,180	164,727
Academic support	4,696,196	4,545,395
Student services	2,527,385	2,459,042
Institutional support	4,822,542	3,849,352
Operation and maintenance of plant	3,110,390	3,939,413
Scholarships and fellowships	4,437,212	4,961,534
Auxiliary enterprises	2,118,277	2,117,285
Depreciation	1,138,275	1,147,001
<b>Total Operating Expenses (Schedule B)</b>	<b>40,518,876</b>	<b>38,400,558</b>
<b>Operating Loss</b>	<b>(26,175,202)</b>	<b>(26,733,695)</b>
<b><u>Nonoperating Revenues (Expenses):</u></b>		
State appropriations	9,207,896	8,360,259
Property tax revenue	11,586,195	10,760,131
Debt service ad valorem taxes	1,523,365	1,513,421
Federal revenue, nonoperating	4,547,963	5,048,318
Investment income	18,303	15,631
Interest on capital related debt	(539,144)	(618,942)
Other nonoperating revenues	612,216	677,246
<b>Total Nonoperating Revenues, Net (Schedule C)</b>	<b>26,956,794</b>	<b>25,756,064</b>
<b>Change in Net Position</b>	781,592	(977,631)
Beginning net position	19,332,149	20,309,780
<b>Ending Net Position</b>	<b>\$ 20,113,741</b>	<b>\$ 19,332,149</b>

See accompanying notes to basic financial statements.

**ALVIN COMMUNITY COLLEGE FOUNDATION**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS (unaudited)**  
For the Years Ended December 31, 2013 and 2012

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Support and Revenue:</b>				
Contributions and grants	\$ -	\$ 36,659	\$ -	\$ 36,659
Author luncheon income, net	-	-	-	-
Randy Weber Roast income, net	21,076	21,075	-	42,151
Gala income, net	19,107	19,108	-	38,215
Alvin Live, net	1,985	1,985	-	3,970
Interest and dividend income	-	52,938	-	52,938
Travel/fundraisers	124	124	-	248
Other income	-	-	-	-
Income from sale of property	22,500	-	-	22,500
Realized gain on investments, net	-	108,787	-	108,787
Unrealized appreciation on investments, net	-	294,865	-	294,865
Net assets released from restrictions	23,440	(23,440)	-	-
<b>Total Support and Revenue</b>	<b>88,232</b>	<b>512,101</b>	<b>-</b>	<b>600,333</b>
<b>Program and Support Services:</b>				
Scholarships	35,113	-	-	35,113
Other expenses	745	-	-	745
K219/theatre chair donations	7,549	-	-	7,549
Awards	24,649	-	-	24,649
Investment management fee	18,963	-	-	18,963
Management and general	1,213	-	-	1,213
<b>Total Expenses</b>	<b>88,232</b>	<b>-</b>	<b>-</b>	<b>88,232</b>
<b>Change in Net Assets</b>	<b>-</b>	<b>512,101</b>	<b>-</b>	<b>512,101</b>
Beginning net assets	45,159	752,897	981,350	1,779,406
<b>Ending Net Assets</b>	<b>\$ 45,159</b>	<b>\$ 1,264,998</b>	<b>\$ 981,350</b>	<b>\$ 2,291,507</b>

See accompanying notes to basic financial statements.

2012

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ -	\$ 43,500	\$ -	\$ 43,500
4,835	4,835	-	9,670
-	-	-	-
18,751	18,752	-	37,503
-	-	-	-
-	66,976	-	66,976
1,815	1,815	-	3,630
-	5,933	-	5,933
-	-	-	-
-	-	-	-
-	53,574	-	53,574
59,980	(59,980)	-	-
85,381	135,405	-	220,786
42,065	-	-	42,065
-	-	-	-
-	-	-	-
22,770	-	-	22,770
16,817	-	-	16,817
3,729	-	-	3,729
85,381	-	-	85,381
-	135,405	-	135,405
45,159	617,492	981,350	1,644,001
\$ 45,159	\$ 752,897	\$ 981,350	\$ 1,779,406

# ALVIN COMMUNITY COLLEGE

## STATEMENTS OF CASH FLOWS

For the Years Ended August 31, 2014 and 2013

	2014	2013
<b>Cash Flows from Operating Activities:</b>		
Receipts from students and other customers	\$ 12,297,947	\$ 11,103,695
Receipts of grants and contracts	1,734,032	627,125
Payments to or on behalf of employees	(27,422,763)	(24,710,312)
Payments to suppliers for goods or services	(7,861,472)	(7,488,094)
Payments of scholarships	(4,437,212)	(4,961,534)
<b>Net Cash (Used) by Operating Activities</b>	(25,689,468)	(25,429,120)
<b>Cash Flows from Noncapital Financing Activities:</b>		
Receipts of State appropriations	9,207,896	8,360,259
Receipts of maintenance and operations ad valorem taxes	11,586,195	10,760,131
Receipts from nonoperating Federal revenue	4,547,963	5,048,318
Other	612,216	677,246
<b>Net Cash Provided by Noncapital Financing Activities</b>	25,954,270	24,845,954
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Receipts from debt service ad valorem taxes	1,523,365	1,513,421
Purchases of capital assets	(811,575)	(267,317)
Proceeds from capital lease	56,212	5,148,256
Payments to escrow account	-	(5,090,708)
Payments on principal debt	(936,823)	(830,000)
Fiscal charges	-	(95,728)
Interest payments on principal debt net of deferred charges	(424,141)	(771,779)
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	(592,962)	(393,855)
<b>Cash Flows from Investing Activities:</b>		
Purchases of investments	(750,000)	(250,000)
Receipts from investment income	18,303	15,631
<b>Net Cash (Used) by Investing Activities</b>	(731,697)	(234,369)
<b>(Decrease) in Cash and Cash Equivalents</b>	(1,059,857)	(1,211,390)
Beginning cash and cash equivalents	8,633,151	9,844,541
<b>Ending Cash and Cash Equivalents</b>	\$ 7,573,294	\$ 8,633,151
Unrestricted cash and cash equivalents	\$ 7,573,294	\$ 8,264,829
Restricted cash and cash equivalents	-	368,322
<b>Total Cash and Cash Equivalents</b>	\$ 7,573,294	\$ 8,633,151



**ALVIN COMMUNITY COLLEGE**

Exhibit 3

**STATEMENTS OF CASH FLOWS, Continued**

For the Years Ended August 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Reconciliation of Operating (Loss)</b>		
<b>to Net Cash (Used) by Operating Activities:</b>		
Operating (loss)	\$ (26,175,202)	\$ (26,733,695)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:		
Depreciation expense	1,138,275	1,147,001
Changes in assets and liabilities:		
Receivables, net	(311,695)	63,957
Inventories	218,696	(221,716)
Prepays	(61,998)	(87,540)
Deferred outflows	(151,897)	159,012
Accounts payable and accrued liabilities	52,076	77,490
Deferred compensation	(16,868)	377
Funds held for others	(2,411)	(4,630)
Deferred revenues	(338,235)	264,321
Exit incentive	(19,598)	(97,444)
Compensated absences	(20,611)	3,747
<b>Net Cash (Used) by Operating Activities</b>	<u>\$ (25,689,468)</u>	<u>\$ (25,429,120)</u>

See accompanying notes to basic financial statements.

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**ALVIN COMMUNITY COLLEGE FOUNDATION**

Exhibit 3A

**STATEMENTS OF CASH FLOWS (unaudited)**

For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 512,101	\$ 135,405
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Unrealized appreciation (depreciation) on investments	<u>(294,865)</u>	<u>(53,574)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>217,236</u>	<u>81,831</u>
 <b>Cash Flows from Investing Activities:</b>		
Purchases of investment securities	<u>(235,451)</u>	<u>(113,900)</u>
<b>Net Cash (Used) by Investing Activities</b>	<u>(235,451)</u>	<u>(113,900)</u>
 <b>Decrease in Cash and Cash Equivalents</b>	<u>(18,215)</u>	<u>(32,069)</u>
Beginning cash and cash equivalents	<u>57,007</u>	<u>89,076</u>
<b>Ending Cash and Cash Equivalents</b>	<u>\$ 38,792</u>	<u>\$ 57,007</u>

See accompanying notes to basic financial statements.

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# ALVIN COMMUNITY COLLEGE

## NOTES TO FINANCIAL STATEMENTS

For the Years Ended August 31, 2014 and 2013

### NOTE 1—Reporting Entity

Alvin Community College (the “College”) was established in 1948, in accordance with the laws of the State of Texas, to serve the educational needs of the City of Alvin and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the College receives funding from local, State of Texas (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.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statement No. 14 and No. 34*, modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. GASB Statement No. 61 has been applied as required in the preparation of these basic financial statements and, accordingly, the Alvin Community College Foundation (the “Foundation”) is considered a component unit of the College as of August 31, 2014 and 2013. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further discussed below.

The Foundation is a separate nonprofit organization, with the sole purpose of supporting the educational and other activities of the College. The Foundation reports its financial results under the standards of the Financial Accounting Standards Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation’s financial information in the College’s financial reporting entity for these differences. The College furnished certain services, such as office space, supplies, and staff assistance, to the Foundation during the years ended August 31, 2014 and 2013. The costs of these services were not significant to the College.

### NOTE 2—Summary of Significant Accounting Policies

#### Reporting Guidelines

The significant accounting policies followed by the College in preparing these basic financial statements are in accordance with the Texas Higher Education Coordinating Board’s (THECB) *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The College applies all applicable GASB pronouncements. The College is reported as a special purpose government engaged in business-type activities.

#### Basis of Accounting

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

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**Net Position**

Net position is classified as follows:

*Net investment in capital assets:* This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

*Restricted net position-expendable:* Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

*Restricted net position-nonexpendable:* Restricted nonexpendable net position is subject to externally imposed provisions that it be maintained permanently by the College.

*Unrestricted net position:* Unrestricted net position represents resources derived from student tuition and fees, State allocations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises which are substantially self-supporting activities that provide services for students, faculty, and staff.

**Operating and Nonoperating Revenue and Expense Policy**

The College distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations and are the result of exchange transactions with those who purchase, use, or directly benefit from the goods or services of the College. Operating revenues are reported gross of related expenses and net of any discount or sales allowance. The principal operating revenues are tuition and related fees (net of discounts), sales and services of auxiliary enterprises (net of discounts), and Federal, State, and local grants and contracts.

Nonoperating revenues include activities that have the characteristics of nonexchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenue including State appropriations, Title IV financial aid, property taxes, and investment income.

Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Nonoperating expenses consist of interest and fiscal agent fees from capital related debt.

**Budgetary Data**

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

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**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 maturities of three months or less from the date of acquisition. Restricted cash consists of bond and bond interest funds and funds held for others.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial 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/expenditure) until then. The College only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial 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. The College does not have any items that qualify for reporting in this category.

**Investments**

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

**Inventories**

Inventories consist of bookstore stock and food service items. Inventories are valued at cost and charged to expenses as sold.

**Capital Assets**

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation. The College capitalizes all furniture and equipment with a unit cost equal to or greater than \$5,000 and an estimated useful life in excess of one year. Renovations of \$100,000 or greater to buildings and facilities 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.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

Depreciation is computed using the straight-line method over the estimated useful lives of the assets and is not allocated to the functional expense categories. The following lives are used:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvement	50 years
Facilities and improvements	20 years
Library books	15 years
Furniture and equipment	10 years
Telecommunications equipment	5 years

**Collections**

The College has not capitalized its collection of art as it is considered immaterial to the College's financial position.

**Unearned Revenues**

Unearned revenues, primarily consisting of tuition and fees, relate to academic terms in the next fiscal year and, as such, have been deferred.

**Tuition Discounting**

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

*Title IV Higher Education Act Program Funds (Title IV)*-Certain Title IV funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, the amounts are recorded as revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the students, the amount is recorded as a scholarship expense.

*Other tuition discounts*-The College awards tuition and fee scholarships from institutional funds to qualifying students. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the students, the amount is recorded as a scholarship expense.

**Bond Premiums and Issuance Costs**

Premiums received are amortized over the term of the related bond. Costs incurred in connection with bond issuances are expensed as incurred.

**Estimates**

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



**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**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) (8), *Imposition of Tax on Unrelated Business Income of Charitable, etc., Organizations*. The College had no unrelated business income tax liability for the years ended August 31, 2014 and 2013 and, therefore, has not recorded a liability for income taxes.

**Reclassifications**

Certain prior year amounts have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**Net Position Flow Assumption**

Sometimes the College will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the College's practice to consider restricted net position to have been depleted before unrestricted net position is applied.

**NOTE 3—Authorized Investments**

The Board of Regents of the College has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the College are in compliance with the Board of Regents' 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 and its agencies, (2) directed obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than "A" by a national investment rating firm, (4) certificates of deposits, and (5) other instruments and obligations authorized by statute.

**NOTE 4—Deposits and Investments**

**Deposits**

Custodial credit risk for deposits with financial institutions is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy requires pledging of collateral for all bank balances in excess of Federal Deposit Insurance Corporation (FDIC) limits at a minimum of 102 percent of market value. As of August 31, 2014 and 2013, the College's cash and cash equivalents balances were either insured or collateralized, and thus not exposed to custodial credit risk.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

Cash and cash equivalents reported on the Statements of Net Position consist of the items reported below at August 31:

	2014	2013
Cash and cash equivalents:		
Bank deposits - demand deposits	\$ 1,791,766	\$ 1,933,289
Money market account	574,030	1,489,160
Certificates of deposit	5,200,000	5,200,000
Petty cash	7,498	10,702
<b>Total Cash and Cash Equivalents</b>	<b>\$ 7,573,294</b>	<b>\$ 8,633,151</b>

Reconciliation of cash and cash equivalents to Exhibits 1 and 3:

	2014	2013
Unrestricted cash and cash equivalents	\$ 7,573,294	\$ 8,264,829
Restricted cash and cash equivalents	-	368,322
<b>Total Cash and Cash Equivalents</b>	<b>\$ 7,573,294</b>	<b>\$ 8,633,151</b>

**Investments**

As of August 31, 2014, the College had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Certificates of deposit	\$ 6,200,000	0.36
<b>Total Fair Value</b>	<b>\$ 6,200,000</b>	
Portfolio weighted average maturity		0.36

As of August 31, 2014 and 2013, the College held certificates of deposit of \$6,200,000 and \$5,450,000, respectively. For the current fiscal year, \$5,200,000 was classified as cash equivalents due to the certificates of deposit having maturities of less than three months from the date of acquisition, \$250,000 was classified as current investments, and \$1,000,000 was classified as noncurrent investments.

*Interest rate risk*-Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the College limits its exposure to interest rate risk by structuring its investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. Unless matched to a specific cash flow, the College may not directly invest in securities maturing more than three years from the date of purchase, with repurchase agreements limited to a maturity no longer than 120 days from the date of purchase.

*Credit risk*-The College limits its exposure to credit risk, the risk that the insurer of the debt security will not pay its par value upon maturity, by limiting investments to the safest types of securities, prequalifying the financial institutions, brokers dealers, intermediaries, and advisers with whom the College does business and diversifying the investment portfolio so that potential losses on individual securities will be minimized. In addition, the College's investment policy requires pledging of collateral for all securities at a minimum of 102 percent of market value.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

*Concentration risk*-The College limits its exposure to credit risk, the risk of loss attributable to the magnitude of investment in a single issuer, through portfolio diversification. The College's investment policy has the following maximum limits, by authorized instrument, for the College's total portfolio: U.S. Treasury securities - 100 percent, certificates of deposit - 100 percent, money market mutual funds - 75 percent, mutual funds - 50 percent, agencies and instrumentalities - 75 percent, repurchase agreements (with the exception of flexible repurchase agreements) - 50 percent, authorized investment pools - 100 percent, commercial paper - 25 percent and flexible repurchase agreements - 100 percent.

**NOTE 5-Disaggregation of Accounts Receivable**

Accounts receivable were as follows at August 31:

	<u>2014</u>	<u>2013</u>
Student receivables	\$ 1,387,547	\$ 1,491,300
Taxes receivable	421,445	415,823
Interest receivable	3,198	1,410
Federal receivables	109,227	125,617
State receivables	454,813	-
Sponsor receivables	238,524	273,461
Total accounts receivable	<u>2,614,754</u>	<u>2,307,611</u>
Less allowance for doubtful accounts	<u>(401,720)</u>	<u>(406,272)</u>
<b>Total Accounts Receivable, Net</b>	<u><u>\$ 2,213,034</u></u>	<u><u>\$ 1,901,339</u></u>

**NOTE 6-Disaggregation of Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities were as follows at August 31:

	<u>2014</u>	<u>2013</u>
Accrued payroll	\$ 935,097	\$ 991,605
Vendor payables	668,594	553,067
Sales tax payable	47,503	54,446
<b>Total Accounts Payable and Accrued Liabilities</b>	<u><u>\$ 1,651,194</u></u>	<u><u>\$ 1,599,118</u></u>

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 7—Capital Assets**

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

	Balance September 1, 2013	Additions	Deletions/ Adjustments	Balance August 31, 2014
Not depreciated - land	\$ 774,128	\$ -	\$ -	\$ 774,128
Other capital assets:				
Buildings and improvements	36,215,703	-	-	36,215,703
Facilities and improvements	3,285,822	69,258	-	3,355,080
Furniture and equipment	4,815,221	639,237	-	5,454,458
Telecommunications equipment	2,662,277	85,707	-	2,747,984
Library books	365,479	17,373	-	382,852
<b>Subtotal</b>	<u>47,344,502</u>	<u>811,575</u>	<u>-</u>	<u>48,156,077</u>
Less accumulated depreciation:				
Buildings and improvements	10,854,141	651,883	-	11,506,024
Facilities and improvements	1,946,761	90,857	-	2,037,618
Furniture and equipment	2,873,393	320,318	-	3,193,711
Telecommunications equipment	2,547,578	56,805	-	2,604,383
Library books	242,296	18,412	-	260,708
<b>Total accumulated depreciation</b>	<u>18,464,169</u>	<u>1,138,275</u>	<u>-</u>	<u>19,602,444</u>
<b>Net Capital Assets</b>	<u>\$ 29,654,461</u>	<u>\$ (326,700)</u>	<u>\$ -</u>	<u>\$ 29,327,761</u>

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

	Balance September 1, 2012	Additions	Deletions/ Adjustments	Balance August 31, 2013
Not depreciated - land	\$ 774,128	\$ -	\$ -	\$ 774,128
Other capital assets:				
Buildings and improvements	36,215,703	-	-	36,215,703
Facilities and improvements	3,263,547	22,275	-	3,285,822
Furniture and equipment	4,613,975	201,246	-	4,815,221
Telecommunications equipment	2,631,316	30,961	-	2,662,277
Library books	352,644	12,835	-	365,479
<b>Subtotal</b>	<u>47,077,185</u>	<u>267,317</u>	<u>-</u>	<u>47,344,502</u>
Less accumulated depreciation:				
Buildings and improvements	10,202,258	651,883	-	10,854,141
Facilities and improvements	1,848,753	98,008	-	1,946,761
Furniture and equipment	2,567,302	306,091	-	2,873,393
Telecommunications equipment	2,475,453	72,125	-	2,547,578
Library books	223,402	18,894	-	242,296
<b>Total accumulated depreciation</b>	<u>17,317,168</u>	<u>1,147,001</u>	<u>-</u>	<u>18,464,169</u>
<b>Net Capital Assets</b>	<u>\$ 30,534,145</u>	<u>\$ (879,684)</u>	<u>\$ -</u>	<u>\$ 29,654,461</u>

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 8—Long-Term Liabilities**

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

	<u>Balance September 1, 2013</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance August 31, 2014</u>	<u>Current Portion</u>
<b>Bonds:</b>					
General obligation bonds - 2005	\$ 1,955,000	\$ -	\$ (925,000)	\$ 1,030,000	\$ 1,030,000
General obligation refunding bonds - 2012	8,690,000	-	-	8,690,000	-
General obligation refunding bonds - 2013	4,660,000	-	-	4,660,000	-
Capital lease	-	56,212	(11,823)	44,389	10,304
<b>Deferred amounts:</b>					
For premiums	1,621,522	-	(188,792)	1,432,730	-
	<u>16,926,522</u>	<u>56,212</u>	<u>(1,125,615)</u>	<u>15,857,119</u>	<u>1,040,304</u>
<b>Other liabilities:</b>					
Compensated absences	445,989	292,982	(313,593)	425,378	299,101
Deferred compensation payable	69,147	-	(16,868)	52,279	52,279
<b>Total Long-Term Liabilities</b>	<u>\$ 17,441,658</u>	<u>\$ 349,194</u>	<u>\$ (1,456,076)</u>	<u>\$ 16,334,776</u>	<u>\$ 1,391,684</u>

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

	<u>Balance September 1, 2012</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance August 31, 2013</u>	<u>Current Portion</u>
<b>Bonds:</b>					
General obligation bonds - 2005	\$ 7,470,000	\$ -	\$ (5,515,000)	\$ 1,955,000	\$ 925,000
General obligation refunding bonds - 2012	8,690,000	-	-	8,690,000	-
General obligation refunding bonds - 2013	-	4,660,000	-	4,660,000	-
<b>Deferred amounts:</b>					
On refunding	(904,266)	(310,909)	151,896	(1,063,279)	-
For premiums	1,491,786	488,256	(358,520)	1,621,522	-
	<u>16,747,520</u>	<u>4,837,347</u>	<u>(5,721,624)</u>	<u>15,863,243</u>	<u>925,000</u>
<b>Other liabilities:</b>					
Compensated absences	442,242	294,295	(290,548)	445,989	293,010
Deferred compensation payable	68,770	377	-	69,147	17,830
<b>Total Long-Term Liabilities</b>	<u>\$ 17,258,532</u>	<u>\$ 5,132,019</u>	<u>\$ (6,012,172)</u>	<u>\$ 16,378,379</u>	<u>\$ 1,235,840</u>

*Prior years' defeasance of debt*—In prior years, the College defeased certain portions of the limited tax bonds, series 2005 by placing the proceeds of new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the College's financial statements. At August 31, 2014, \$13,435,000 of defeased bonds remain outstanding.

<u>Bond Issue</u>	<u>Year Refunded</u>	<u>Par Value Outstanding</u>
Limited Tax Bonds, Series 2005	2012	\$ 8,750,000
Limited Tax Bonds, Series 2005	2013	4,685,000
<b>Total defeased bonds</b>		<u>\$ 13,435,000</u>

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 9—Bonds Payable**

General information related to bonds payable is summarized as follows:

**Limited Tax Bonds, Series 2005**

- To construct and equip a new Health Science Building and to pay the costs of issuing the bonds.
- Issued August 15, 2005.
- Original amount of issue - \$19,610,000, with all authorized bonds issued.
- Interest rate of four percent.
- Due in semiannual installments each February 15 and August 15, with the final installment due February 2015 (as the result of the two refundings noted below).
- Source of revenue for debt service - annual ad valorem taxes.
- Requires the College to maintain an insurance policy guaranteeing payment of bond principal and interest. All related premiums have been paid.
- The College advance refunded \$8,690,000 and \$4,685,000 during the fiscal years 2012 and 2013, respectively.
- Outstanding bonds payable of \$1,030,000 at August 31, 2014.

**Limited Tax Refunding Bonds, Series 2012**

- To advance refund \$8,750,000 of the limited tax, series 2005 bonds and to pay the costs of issuing the bonds.
- Issued April 1, 2012.
- Original amount of issue - \$8,690,000, with all authorized bonds issued.
- Interest rates range from 3.50 percent to five percent.
- Due in semiannual installments each February 15 and August 15, with interest payments beginning August 15, 2012 and principal payments beginning February 15, 2020, and the final installment due February 15, 2025.
- Source of revenue for debt service - annual ad valorem taxes.
- Outstanding bonds payable of \$8,690,000 at August 31, 2014.

**Limited Tax Refunding Bonds, Series 2013**

- To advance refund \$4,685,000 of the limited tax, series 2005 bonds and to pay the costs of issuing the bonds.
- Issued March 15, 2013.
- Original amount of issue - \$4,660,000, with all authorized bonds issued.
- Interest rates range from two percent to four percent.
- Due in semiannual installments each February 15 and August 15, with interest payments beginning August 15, 2013 and principal payments beginning February 15, 2016, and the final installment due February 15, 2020.
- Source of revenue for debt service - annual ad valorem taxes.
- Outstanding bonds payable of \$4,660,000 at August 31, 2014.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**Bond and Lease Debt Service Requirements**

The bond debt service requirements for the next five years and five year increments thereafter are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,030,000	\$ 536,938	\$ 1,566,938
2016	1,095,000	499,913	1,594,913
2017	1,130,000	465,126	1,595,126
2018	1,170,000	426,288	1,596,288
2019	1,210,000	381,613	1,591,613
2020-2024	7,135,000	1,042,243	8,177,243
2025	1,610,000	28,175	1,638,175
<b>Total</b>	<b>\$ 14,380,000</b>	<b>\$ 3,380,296</b>	<b>\$ 17,760,296</b>

Obligations under capital lease as of August 31, 2014 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 10,304	\$ 2,204	\$ 12,508
2016	10,816	1,692	12,508
2017	11,353	1,155	12,508
2018	11,916	592	12,508
<b>Total</b>	<b>\$ 44,389</b>	<b>\$ 5,643</b>	<b>\$ 50,032</b>

The College entered into a lease agreement as a lessee for financing the acquisition of equipment at an interest rate of 4.854 percent. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. Equipment acquired under current capital lease obligations totaled \$52,840, net of accumulated depreciation of \$3,373.

**Arbitrage Liability**

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is a risk that if such calculations are not performed or are not performed correctly, a substantial liability to the College could result. The College periodically engages an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations and the arbitrage liability is adjusted accordingly.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 10—Termination Benefits**

During the 2010-11 fiscal year, the College approved a one-time early retirement incentive plan, known as the Exit Incentive Program, for all employees. To be eligible, employees are required to have ten or more years of service with the College. Under the plan, employees who took advantage of this incentive will receive annual payments for a set number of years based on the following:

- 25+ years of service:
  - o 50 percent of the employee’s current base salary on the date the agreement was accepted
  - o four annual payments
- 10-24 years of service:
  - o 30 percent of the employee’s current base salary on the date the agreement was accepted
  - o two annual payments

A total of 11 employees accepted the agreement. As of August 31, 2014 and 2013, the College was liable for \$19,598 and \$39,196, respectively.

**NOTE 11—Unrestricted Net Position**

Through the budget process, the College designates a portion of unrestricted net position to indicate management’s tentative plans for future use of financial resources. The College had the following designations as of August 31:

	2014	2013
Building renovations	\$ 3,019	\$ -
Repairs	19,610	-
Restroom renovations	-	3,450
Other capital items	40,185	145,750
<b>Total</b>	<b>\$ 62,814</b>	<b>\$ 149,200</b>

**NOTE 12—Employee Retirement Plans**

The College’s employees may participate in one of three retirement plans. Faculty, administrators, counselors, and librarians may enroll in either the Teacher Retirement System of Texas (TRS) or the Optional Retirement Plan (ORP). Secretarial and clerical employees participate in TRS and part-time employees not enrolled in either TRS or ORP participate in the Alvin Community College Money Purchase Plan (“Money Purchase Plan”). The total payroll for all College employees was \$21,015,075 and \$19,785,480 for the fiscal years ended August 31, 2014 and 2013, respectively.

**Texas Teacher Retirement System**

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



**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

*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 6.0 percent of the member's annual compensation and a State contribution rate of not less than 6.0 percent and not more than 10 percent of the aggregate annual compensation of all members of the system; (2) a State statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4 percent for fiscal years 2014 and 2013 and a State contribution rate of 6.8 percent and 6.0 percent for fiscal years 2014 and 2013, respectively. In certain instances, the reporting college is required to make all or a portion of the State's contribution. Senate Bill (S.B.) 1812, effective September 1, 2013, limits the amount of the State's contribution to 50 percent of eligible employees in the reporting district.

The total payroll of employees covered by TRS was \$9,819,797, \$9,120,208 and \$8,718,199 for fiscal years 2014, 2013, and 2012, respectively. The TRS retirement expense to the State for the College was \$333,873, \$118,411, and \$523,092 for fiscal years 2014, 2013, and 2012, respectively.

**Optional Retirement Plan**

*Plan Description*-The State has also established an ORP for institutions of higher education. Participation in an ORP is in lieu of participation in TRS. The ORP provides for the purchase of annuity contracts and operates under the provisions of 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 State legislature. For fiscal years 2014 and 2013, the percentage of participant salaries contributed by the State and each participant was 6.6 percent and 6.0 percent, respectively. For employees who were employed as of September 1, 1995, the College contributed 3.3 percent and 2.5 percent for fiscal years 2014 and 2013, respectively. Benefits are fully vested after one year plus one day of employment. Because these are individual annuity contracts, neither the State nor the College has an additional or unfunded liability for this program. S.B. 1812, effective September 1, 2013, limits the amount of the State's contribution to 50 percent of eligible employees in the reporting district.

The ORP retirement expense to the State for the College was \$197,413, \$341,783, and \$350,785 for fiscal years 2014, 2013, and 2012, respectively. This amount represents the portion of expended appropriations made by the State legislature on behalf of the College.

The total payroll of employees covered by the ORP was \$6,027,018, \$5,719,095, and \$5,853,206 for fiscal years 2014, 2013, and 2012, respectively.

**Alvin Community College Money Purchase Plan**

The Money Purchase Plan is a defined contribution plan created in accordance with the Internal Revenue Code Section 401(a) and is available to eligible, part-time employees of the College. Under the Money Purchase Plan, employees may contribute 6.2 percent of their total gross earnings and the College contributes 1.3 percent of the participant's total gross earnings. Benefits are immediately vested. The total payroll of employees covered by the Money Purchase Plan was \$2,312,690, \$2,488,081, and \$2,384,108 for the years ended August 31, 2014, 2013, and 2012, respectively. Contributions made by the College during the years ended August 31, 2014, 2013, and 2012 were approximately \$30,065, \$32,347, \$30,993, respectively.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 13—Post Retirement Health Care and Life Insurance Benefits**

*Plan Description*—The College contributes to the State Retiree Health Plan (SRHP), a cost-sharing multiple-employer, defined benefit post-employment healthcare plan administered by the Employees Retirement System of Texas (ERS). The 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. The ERS issues a publicly available financial report that includes financial statements and Required Supplementary Information for the SRHP. That report may be obtained from the 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 No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*. The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years. The State's contribution per full-time employee was \$503 to \$1,077 per month for fiscal year 2014, \$468 to \$918 per month for fiscal year 2013 and \$438 to \$856 per month for fiscal year 2012, depending on the coverage elected. The State's contribution totaled \$1,295,698, \$942,155, and \$893,729 for the years ended August 31, 2014, 2013, and 2012, respectively. Beginning September 1, 2013, S.B. 1812 limited the State's contribution to 50 percent of eligible employees for community colleges.

The College also provides dental benefits for retired employees. The College recognizes the cost of providing these benefits annually on a pay as you go basis. The College's contributions per retiree were approximately \$24 per month for fiscal years 2014, 2013, and 2012, respectively. The College's total contributions for the dental benefits were approximately \$31,627, \$31,939, and \$32,766 for the years ended August 31, 2014, 2013, and 2012, respectively.

**NOTE 14—Compensated Absences**

Compensated absences represent the liability associated with vacation benefits and compensatory time earned but not yet taken by employees of the College. The expense associated with vacation benefits and compensatory time benefits earned is recognized in the periods in which the associated employee services are rendered. Full time employees earn annual leave at the rate of eight hours per month (September through May). No employee may accrue more than 192 hours of vacation benefits and, upon termination, an employee is paid for vacation benefits and accrued compensatory time (if compensatory time is applicable). As of August 31, 2014 and 2013, the College had an accrued vacation and compensated time liability of \$425,378 and \$445,989, respectively.

Sick leave is earned at the rate of ten hours per month with a limit of 720 hours. It is paid to an employee who misses work because of illness. Unused accrued sick leave is forfeited upon termination of employment with the College. Therefore, no accrued liability has been recorded for sick leave.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 15—Deferred Compensation Program**

The College has established a deferred compensation program under which the President may elect to defer a portion of his earnings for income tax purposes pursuant to authority granted in Government Code 609.001. As of August 31, 2014 and 2013, the College had an accrued liability of \$52,279 and \$69,147, respectively.

**NOTE 16—Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of accounting principles generally accepted in the United States of America. Revenues are recognized on Exhibit 2 and Schedule A. Contract and grant awards for which funds are expended, but not collected, are reported as receivables 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 basic financial statements. Contract and grant award 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 \$4,932,350 and \$4,842,472, respectively, which was from Federal and State contract and grant awards.

**NOTE 17—Property Taxes**

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. Property taxes are recorded on the accrual basis of accounting.

At August 31:

	2014	2013	
Assessed valuation of the tax district	\$ 7,072,384,771	\$ 6,657,881,801	
Less exemptions	(566,308,843)	(598,527,974)	
<b>Net Assessed Valuation of the Tax District</b>	<b>\$ 6,506,075,928</b>	<b>\$ 6,059,353,827</b>	
	<b>Maintenance &amp; Operations</b>	<b>Debt Service</b>	<b>Total</b>
For fiscal year 2014:			
Taxrate per \$100 valuation authorized	\$ 0.500000	\$ 0.500000	\$ 1.000000
Taxrate per \$100 valuation assessed	\$ 0.176540	\$ 0.023216	\$ 0.199756
For fiscal year 2013:			
Taxrate per \$100 valuation authorized	\$ 0.500000	\$ 0.500000	\$ 1.000000
Taxrate per \$100 valuation assessed	\$ 0.175119	\$ 0.024637	\$ 0.199756

Taxes levied for the years ended August 31, 2014 and 2013 were \$12,452,654 and \$11,731,567, respectively. 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.

Under GASB Statement No. 33, *Accounting and Financial Reporting for Non Exchange Transactions*, ad valorem taxes are imposed non-exchange revenue. Assets from imposed non-exchange transactions are recorded when the entity has an enforceable legal claim to the assets or when the entity receives resources, whichever comes first. The enforceable legal claim date for ad valorem taxes is the assessment date. Accordingly, the College has recognized all assessed taxes and recorded a receivable for uncollected taxes.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

For the year ended August 31, 2014:

	<b>Maintenance &amp; Operations</b>	<b>Debt Service</b>	<b>Total</b>
Taxes collected:			
Current taxes collected	\$ 11,288,334	\$ 1,484,476	\$ 12,772,810
Delinquent taxes collected	187,992	26,056	214,048
Penalties and interest collected	100,378	12,833	113,211
<b>Total Taxes Collected</b>	<b>\$ 11,576,704</b>	<b>\$ 1,523,365</b>	<b>\$ 13,100,069</b>

For the year ended August 31, 2013:

	<b>Maintenance &amp; Operations</b>	<b>Debt Service</b>	<b>Total</b>
Current taxes collected	\$ 10,413,471	\$ 1,465,038	\$ 11,878,509
Delinquent taxes collected	222,566	33,382	255,948
Penalties and interest collected	112,178	15,002	127,180
<b>Total Taxes Collected</b>	<b>\$ 10,748,215</b>	<b>\$ 1,513,422</b>	<b>\$ 12,261,637</b>

Tax collections for the years ended August 31, 2014 and 2013 were 99 percent, respectively, of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to maintenance and operations and debt service.

**NOTE 18—Contingent Liabilities**

**Legal Matters**

The College is involved in various legal proceedings arising from its operations. While the ultimate liability with respect to litigation against the College cannot be reasonably estimated at this time, management of the College believes that the outcome of these proceedings, individually and in the aggregate, will have no material effect on the College's financial position.

**State and Federally Assisted Programs**

The College participates in a number of State and Federally assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the College's compliance with applicable grant requirements will be finally determined at some future date. The amount of expenditures, if any, which may be disallowed by the grantor agencies cannot be determined at this time, although management of the College expects such amounts, if any, to be immaterial.

**NOTE 19—Risk Management**

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the College maintains general liability insurance through a commercial insurance company. Workers' compensation coverage is obtained through the Deep East Texas Self Insurance Fund (DETSIF) program. This interlocal agreement permits public entities to enter into agreements with other public entities in the interest of cooperatively sharing resources for their mutual benefit. The College has no additional risk beyond the amount of the monthly premiums. The College has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

**ALVIN COMMUNITY COLLEGE**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Years Ended August 31, 2014 and 2013

**NOTE 20—Restatement of Net Position**

The fiscal year 2013 beginning net position has been restated due to the implementation of GASB No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65). GASB 65 reclassified costs associated with bond issuance as expenses of the current period. Consequently, the College is restating net position to reflect the write-off of unamortized bond issuance costs.

	<b>2013</b>
Beginning net position as reported	\$ 20,579,502
Restatement unamortized bond issuance costs	(269,722)
<b>Restated beginning net position as reported</b>	<b>\$ 20,309,780</b>

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***SUPPLEMENTAL SCHEDULES***

# ALVIN COMMUNITY COLLEGE

Schedule A

## SCHEDULE OF OPERATING REVENUES

For the Year Ended August 31, 2014

(With Memorandum Totals For the Year Ended August 31, 2013)

	2014			
	Educational Activities			Auxiliary
	Unrestricted	Restricted	Total	Enterprises
<b>Tuition</b>				
State funded courses:				
In-district resident tuition	\$ 2,080,964	\$ -	\$ 2,080,964	\$ -
Out-of-district resident tuition	4,534,866	-	4,534,866	-
TPEG - credit (set aside) *	228,127	-	228,127	-
Non-resident tuition	334,233	-	334,233	-
State funded continuing education	1,675,509	-	1,675,509	-
TPEG - non-credit (set aside) *	100,060	-	100,060	-
Non-state funded continuing education	469,951	-	469,951	-
<b>Total Tuition</b>	9,423,710	-	9,423,710	-
<b>Fees</b>				
General fees	1,262,647	-	1,262,647	-
Student service fees	-	-	-	195,054
Laboratory fees	313,329	-	313,329	-
Building use fees	505,351	-	505,351	-
Technology fees	592,635	-	592,635	-
Security fees	-	-	-	179,786
Other fees	28,540	-	28,540	-
<b>Total Fees</b>	2,702,502	-	2,702,502	374,840
<b>Scholarship Allowances and Discounts</b>				
Remissions and exemptions - State	(916,722)	-	(916,722)	-
Remissions and exemptions - local	-	-	-	(5,540)
TPEG allowances	(328,187)	-	(328,187)	-
Federal grants to students	(770,563)	-	(770,563)	-
Other	(227,351)	-	(227,351)	-
<b>Total Scholarship Allowances and Discounts</b>	(2,242,823)	-	(2,242,823)	(5,540)
<b>Total Net Tuition and Fees</b>	9,883,389	-	9,883,389	369,300



<u>2014</u>			
<u>Total</u>		<u>2013</u>	
\$ 2,080,964		\$ 2,018,430	
4,534,866		4,291,763	
228,127		223,545	
334,233		258,653	
1,675,509		813,227	
100,060		47,336	
469,951		458,446	
<u>9,423,710</u>		<u>8,111,400</u>	
1,262,647		1,210,804	
195,054		202,078	
313,329		382,017	
505,351		527,806	
592,635		461,081	
179,786		184,935	
28,540		25,725	
<u>3,077,342</u>		<u>2,994,446</u>	
(916,722)		(755,592)	
(5,540)		(5,782)	
(328,187)		(270,880)	
(770,563)		(794,375)	
(227,351)		(183,260)	
<u>(2,248,363)</u>		<u>(2,009,889)</u>	
<u>10,252,689</u>		<u>9,095,957</u>	

**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF OPERATING REVENUES, Continued**  
For the Year Ended August 31, 2014  
(With Memorandum Totals For the Year Ended August 31, 2013)

Schedule A

	2014			Auxiliary Enterprises
	Educational Activities			
	Unrestricted	Restricted	Total	
<b>Other Operating Revenues</b>				
Federal grants and contracts	\$ -	\$ 299,825	\$ 299,825	\$ -
State grants and contracts	-	1,861,103	1,861,103	-
Non-governmental grants and contracts	-	11,527	11,527	-
<b>Total Other Operating Revenues</b>	-	2,172,455	2,172,455	-
<b>Auxiliary Enterprises</b>				
Bookstore	-	-	-	1,923,341
Scholarships allowances and discounts	-	-	-	(329,136)
<b>Net Bookstore</b>	-	-	-	1,594,205
Child care center	-	-	-	227,315
Food services	-	-	-	59,247
Fitness center	-	-	-	37,763
<b>Total Net Auxiliary Enterprises</b>	-	-	-	1,918,530
<b>Total Operating Revenues (Exhibit 2)</b>	<b>\$ 9,883,389</b>	<b>\$ 2,172,455</b>	<b>\$ 12,055,844</b>	<b>\$ 2,287,830</b>

\* In accordance with Texas Education Code 56.033, \$328,187 and \$270,880 of tuition was set aside for Texas Public Education Grants (TPEG) during fiscal years 2014 and 2013, respectively.

<u>2014</u>			
<u>Total</u>		<u>2013</u>	
\$ 299,825		\$ 313,743	
1,861,103		265,697	
<u>11,527</u>		<u>5,000</u>	
2,172,455		584,440	
1,923,341		2,000,789	
<u>(329,136)</u>		<u>(350,304)</u>	
1,594,205		1,650,485	
227,315		223,034	
59,247		76,716	
<u>37,763</u>		<u>36,231</u>	
<u>1,918,530</u>		<u>1,986,466</u>	
<u>\$ 14,343,674</u>		<u>\$ 11,666,863</u>	

**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF OPERATING EXPENSES BY OBJECT**  
For the Year Ended August 31, 2014  
(With Memorandum Totals For the Year Ended August 31, 2013)

Schedule B

	2014			
	Educational Activities			Other Expenses
	Salaries and Wages	Benefits		
	State	Local		
<b>Unrestricted - Educational Activities</b>				
Instruction	\$ 11,939,136	\$ -	\$ 1,665,640	\$ 1,618,198
Public service	83,554	-	11,657	51,833
Academic support	2,482,976	-	346,402	1,085,256
Student services	1,731,179	-	241,518	300,366
Institutional support	2,355,356	-	348,800	1,886,934
Operation and maintenance of plant	1,298,207	-	400,762	1,411,421
<b>Total Unrestricted - Educational Activities</b>	19,890,408	-	3,014,779	6,354,008
<b>Restricted - Educational Activities</b>				
Instruction	166,911	1,173,213	932,476	10,845
Public service	-	8,211	-	6,925
Academic support	339,045	243,992	80,425	118,100
Student services	84,206	170,116	-	-
Institutional support	-	231,452	-	-
Scholarships and fellowships	-	-	-	4,437,212
<b>Total Restricted Educational Activities</b>	590,162	1,826,984	1,012,901	4,573,082
<b>Total Educational Activities</b>	20,480,570	1,826,984	4,027,680	10,927,090
Auxiliary enterprises	528,026	-	164,191	1,426,060
Depreciation expense - buildings and other real estate improvements	-	-	-	742,740
Depreciation expense - equipment and furniture	-	-	-	395,535
<b>Total Operating Expenses</b>	<b>\$ 21,008,596</b>	<b>\$ 1,826,984</b>	<b>\$ 4,191,871</b>	<b>\$ 13,491,425</b>

<u>2014</u>			
<u>Total</u>		<u>2013</u>	
\$ 15,222,974		\$ 14,237,145	
147,044		158,300	
3,914,634		3,995,604	
2,273,063		2,234,585	
4,591,090		3,677,316	
3,110,390		3,939,413	
29,259,195		28,242,363	
2,283,445		979,664	
15,136		6,427	
781,562		549,791	
254,322		224,457	
231,452		172,036	
4,437,212		4,961,534	
8,003,129		6,893,909	
37,262,324		35,136,272	
2,118,277		2,117,285	
742,740		749,891	
395,535		397,110	
<u>\$ 40,518,876</u>		<u>\$ 38,400,558</u>	

**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES**

Schedule C

For the Year Ended August 31, 2014

(With Memorandum Totals For the Year Ended August 31, 2013)

	2014			Total
	Unrestricted	Restricted	Auxiliary Enterprises	
<b>Nonoperating Revenues</b>				
State appropriations:				
Education and general State support	\$ 7,380,912	\$ -	\$ -	\$ 7,380,912
State group insurance	-	1,295,698	-	1,295,698
State retirement matching	-	531,286	-	531,286
<b>Total State Appropriations</b>	7,380,912	1,826,984	-	9,207,896
Taxes for maintenance and operations	11,586,195	-	-	11,586,195
Taxes for debt service	-	1,523,365	-	1,523,365
Federal revenue, nonoperating	-	4,547,963	-	4,547,963
Investment income	8,780	6,003	3,520	18,303
Other nonoperating revenues	612,216	-	-	612,216
<b>Total Nonoperating Revenues</b>	19,588,103	7,904,315	3,520	27,495,938
<b>Nonoperating Expenses</b>				
Interest and fiscal agent fees	539,144	-	-	539,144
<b>Total Nonoperating Expenses</b>	539,144	-	-	539,144
<b>Nonoperating Revenues, Net</b>	<b>\$ 19,048,959</b>	<b>\$ 7,904,315</b>	<b>\$ 3,520</b>	<b>\$ 26,956,794</b>

2013

\$ 6,957,910  
942,155  
460,194

8,360,259

10,760,131  
1,513,421  
5,048,318  
15,631  
677,246

26,375,006

618,942

618,942

\$ 25,756,064

**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY**

Schedule D

For the Year Ended August 31, 2014

(With Memorandum Totals For the Year Ended August 31, 2013)

	Detail by Source			Capital Assets Net of Depreciation and Related Debt
	Unrestricted	Restricted		
	Unrestricted	Expendable	Non-Expendable	
<b>Current</b>				
Unrestricted	\$ 3,819,439	\$ -	\$ -	\$ -
Board designated	62,814	-	-	-
Auxiliary	1,524,155	-	-	-
Scholarships	-	325,310	-	-
<b>Plant</b>				
Investment in plant	-	-	-	14,382,023
<b>Total Net Position, August 31, 2014</b>	5,406,408	325,310	-	14,382,023
Total net position, August 31, 2013	4,851,952	320,427	-	14,159,770
<b>Net Increase in Net Position</b>	<u>\$ 554,456</u>	<u>\$ 4,883</u>	<u>\$ -</u>	<u>\$ 222,253</u>



<u>Detail by Source</u>	<u>Available for Current Operations</u>	
<u>Total</u>	<u>Yes</u>	<u>No</u>
\$ 3,819,439	\$ 3,819,439	\$ -
62,814	-	62,814
1,524,155	1,524,155	-
325,310	-	325,310
<u>14,382,023</u>	<u>-</u>	<u>14,382,023</u>
20,113,741	5,343,594	14,770,147
<u>19,332,149</u>	<u>4,972,474</u>	<u>14,629,397</u>
<u>\$ 781,592</u>	<u>\$ 371,120</u>	<u>\$ 140,750</u>

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

To the Board of Regents of  
Alvin Community College:

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 the business-type activities of Alvin Community College (the "College"), as of and for the year ended August 31, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated November 17, 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 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.

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.

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### **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, 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*.

### **Texas Public Funds Investment Act**

We have performed tests designed to verify the College's compliance with the requirements of the Texas Public Funds Investment Act (the "Act"). During the year ended August 31, 2014, the results of our tests disclosed no instances of noncompliance with the Act. However, providing an opinion on compliance with the Act was not an objective of our audit and, accordingly, we do not express an opinion.

### **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.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 17, 2014



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

To the Board of Regents of  
Alvin Community College:

**Report on Compliance for Each Major Federal and State Program**

We have audited Alvin Community College's (the "College") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement and the State of Texas Single Audit Circular* that could have a direct and material effect on each of the College's major federal and State of Texas (State) programs for the year ended August 31, 2014. The College's major federal and State programs are identified in the summary of auditors' 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 and State programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the College's major federal and State 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and the State of Texas Single Audit Circular*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and State program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and State program. However, our audit does not provide a legal determination of the College's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, the College 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 and State programs for the year ended August 31, 2014.

**Partners**

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## Report 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 and State 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 and State 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

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.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 17, 2014

**ALVIN COMMUNITY COLLEGE**  
***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***  
For the Year Ended August 31, 2014

No prior findings.

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**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended August 31, 2014

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses a modified opinion on the basic financial statements of Alvin Community College.
2. No significant deficiencies in internal control were disclosed by the audit of the basic financial statements.
3. No instances of noncompliance material to the basic financial statements were disclosed during the audit.
4. No significant deficiencies in internal control over major federal and State award programs were disclosed by the audit.
5. The auditors' report on compliance for the major federal and State award programs expresses an unmodified opinion.
6. No audit findings relative to the major federal and State award programs for the College are reported in Part C of this schedule.
7. Major programs included:

<u>Name of Federal Program</u>	<u>Federal CFDA Number</u>
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268
<u>Name of State Program</u>	<u>State Contract Number</u>
TWC Partnership with a Petrochemical Consortium	2813SDF009
JET Grant for Process Technology	914J0032

8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The College was classified as a low-risk auditee in the context of OMB Circular A-133. The College did not qualify as a low-risk auditee in the context of the State of Texas Single Audit Circular.

**B. FINDINGS – BASIC FINANCIAL STATEMENT AUDIT**

None

**C. FINDINGS – FEDERAL AND STATE AWARDS**

None

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**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended August 31, 2014

Schedule E

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:			
Federal Supplemental Educational Opportunity Grants	84.007	P007A133951	\$ 101,833
Federal Work-Study Program	84.033	P033A133951	75,765
Federal Work-Study Program	84.033	P033A143951	5,369
TRIO Upward Bound	84.047	P047A120527	271,834
Federal Pell Grant Program	84.063	P063P132256	3,099,683
Federal Direct Student Loans	84.268	P268K142256	1,140,171
Pass-Through From:			
Texas Higher Education Coordinating Board:			
Career & Technical Education - Basic Grants to States	84.048	14420206	111,794
Texas Higher Education Coordinating Board:			
El Paso Community College			
Career & Technical Education - Basic Grants to States	84.048	141109	5,000
<b>Total U.S. Department of Education</b>			<b>4,811,449</b>
<u>U.S. Department of Housing and Urban Development</u>			
Pass-Through From:			
Brazoria County:			
Community Development Block Grants/Entitlement Grants	14.218	B09-UC-48-0005	7,772
<b>Total U.S. Department of Housing and Urban Development</b>			<b>7,772</b>
<u>U.S. Department of Health and Human Services</u>			
Pass-Through From:			
Texas Commission on Alcohol and Drug Abuse:			
University of Texas at Austin:			
Substance Abuse and Mental Health Services - 13	93.243	1-UD1-TI 024235-01	3,540
Substance Abuse and Mental Health Services - 14	93.243	1-UD1-TI 024235-01	17,893
<b>Total U.S. Department of Health and Human Services</b>			<b>21,433</b>
<u>National Endowment for the Arts</u>			
Direct Programs:			
National Endowment for the Arts	45.024	13-5900-7131	5,602
<b>Total National Endowments for the Arts</b>			<b>5,602</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 4,846,256</b>

See accompanying notes to schedule of expenditures of Federal awards.

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**ALVIN COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
For the Year Ended August 31, 2014

Schedule F

<u>Grantor Agency/Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
Texas Higher Education Coordinating Board:		
Nursing Shortage Reduction Over 70	9105232M	\$ 19,000
Nursing Shortage Reduction Grant FY2011	9106824M	34,021
Texas College Work Study	9121641M	10,736
Texas Grant I	9121528M	169,158
TEOG formerly Texas Grant II	9123124M	100,628
Nursing and Allied Health Grant	9124328M	377
College Student Loan	9404899H	3,814
JET Grant for Process Technology	914J0032	310,329
2014 Accelerate Texas Grant:		
Subcontract with Houston Community College	OGC#2197	23,089
Nursing Innovation Grant:		
Subcontract with Trinity Valley Community College	10566	13,000
<b>Total Texas Higher Education Coordinating Board</b>		<b>684,152</b>
Texas Workforce Commission:		
Partnership with a Petrochemical Consortium	2813SDF009	1,090,877
Infrastructure Development for Oil and Gas Industry	2814SSF001	26,422
Partnership with ShawCor Pipe Protection	2813SDF004	57,992
Small Business Grant	2814SSD000	1,660
<b>Total Texas Workforce Commission</b>		<b>1,176,951</b>
<b>Total Expenditures of State Awards</b>		<b>\$ 1,861,103</b>

Note 1: State Assistance Reconciliation

State Revenue - per Schedule A		
State Financial Assistance		
Per Schedule of Expenditures of State Awards		\$ 1,861,103
<b>Total State Revenue per Schedule A</b>		<b>\$ 1,861,103</b>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The schedule of expenditures of State awards (schedule) presents the activity of the State of Texas financial assistance programs of the College for the year ended August 31, 2014. 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 during fiscal year 2014. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of fiscal year 2014. 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 schedules.

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# ALVIN COMMUNITY COLLEGE

## NOTES TO SCHEDULE OF EXPENDITURES

### OF FEDERAL AND STATE AWARDS

For the Year Ended August 31, 2014

#### 1. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULES

The schedule of expenditures of Federal and State awards (the "Schedule") present the activity of Federal and State of Texas financial assistance programs of the College for the year ended August 31, 2014. Federal financial assistance received directly from Federal agencies is included in this Schedule.

Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported previously represent funds which have been expended by the College for the purposes of the award during fiscal year 2014. The expenditures reported previously may not have been reimbursed by the funding agencies as of the end of fiscal year 2014. 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 Schedules.

#### 2. FEDERAL ASSISTANCE RECONCILIATION

Federal revenues:

Federal grants and contracts - per Schedule A	\$	299,825
Federal revenue, nonoperating - per Schedule C		4,547,963
Total federal revenues	\$	<u>4,847,788</u>
Total per schedule of expenditures of federal awards	\$	4,846,256
Indirect costs - Veterans Affairs		<u>1,532</u>
Total federal revenues	\$	<u>4,847,788</u>

#### 3. RELATIONSHIP TO FEDERAL AND STATE REPORTS

Differences between amounts reflected in the financial reports filed with grantor agencies for the programs and in the schedules are due to different program year ends and accruals that will be reflected in the next report filed with the agencies.

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***STATISTICAL INFORMATION***  
**(Unaudited)**

These statistical tables provide selected financial and demographic information.  
The statistical tables are for informational purposes only and are not audited.

# ALVIN COMMUNITY COLLEGE

SS-1

## NET POSITION BY COMPONENT

Last 10 Years

(Amounts expressed in thousands)

	For the Years Ended August 31,			
	2014	2013	2012	2011
Primary government				
Net investment in capital assets	\$ 14,382	\$ 14,160	\$ 14,325	\$ 13,714
Restricted - expendable	325	320	320	349
Unrestricted	5,406	4,852	5,934	5,339
<b>Total Primary Government</b>				
<b>Net Position</b>	<b>\$ 20,113</b>	<b>\$ 19,332</b>	<b>\$ 20,579</b>	<b>\$ 19,402</b>

For the Years Ended August 31,

2010	2009	2008	2007	2006	2005
\$ 14,012	\$ 13,553	\$ 13,713	\$ 14,391	\$ 14,514	\$ 12,500
237	356	651	658	672	983
<u>6,550</u>	<u>7,491</u>	<u>7,120</u>	<u>6,084</u>	<u>5,297</u>	<u>5,154</u>
<u>\$ 20,799</u>	<u>\$ 21,400</u>	<u>\$ 21,484</u>	<u>\$ 21,133</u>	<u>\$ 20,483</u>	<u>\$ 18,637</u>

# ALVIN COMMUNITY COLLEGE

SS-2

## REVENUES BY SOURCE

Last Ten Fiscal Years

	For the Years Ended August 31, (amounts expressed in thousands)			
	2014	2013	2012	2011
<b>Operating Revenues:</b>				
Tuition and fees (net of discounts)	\$ 10,253	\$ 9,096	\$ 9,482	\$ 8,541
Governmental grants and contracts				
Federal grants and contract	300	314	399	596
State grants and contracts	1,861	266	1,690	1,190
Non-governmental grants and contracts	12	5	1	4
Sales and services of educational revenues				
Auxiliary enterprises	1,919	1,986	1,756	1,971
Other operating revenues	-	-	-	24
<b>Total Operating Revenues</b>	<u>14,345</u>	<u>11,667</u>	<u>13,328</u>	<u>12,326</u>
<b>Nonoperating Revenues:</b>				
State appropriations	9,208	8,360	9,128	10,323
Ad valorem taxes	13,109	12,274	11,887	11,575
Federal revenue, nonoperating	4,548	5,048	5,423	5,612
Gifts	-	-	-	-
Investment income	18	16	17	19
Other nonoperating revenues	612	677	692	577
<b>Total Nonoperating Revenues</b>	<u>27,495</u>	<u>26,375</u>	<u>27,147</u>	<u>28,106</u>
<b>Total Primary Government Program Revenues</b>	<u>\$ 41,840</u>	<u>\$ 38,042</u>	<u>\$ 40,475</u>	<u>\$ 40,432</u>

	For the Years Ended August 31, (amounts expressed in percentages)			
	2014	2013	2012	2011
<b>Operating Revenues:</b>				
Tuition and fees (net of discounts)	24.51%	23.91%	23.43%	21.12%
Governmental grants and contracts				
Federal grants and contract	0.72%	0.83%	0.99%	1.47%
State grants and contracts	4.45%	0.70%	4.18%	2.94%
Non-governmental grants and contracts	0.03%	0.01%	0.00%	0.01%
Sales and services of educational revenues				
Auxiliary enterprises	4.59%	5.22%	4.34%	4.87%
Other operating revenues	0.00%	0.00%	0.00%	0.06%
<b>Total Operating Revenues</b>	<u>34.29%</u>	<u>30.67%</u>	<u>32.93%</u>	<u>30.49%</u>
<b>Nonoperating Revenues:</b>				
State appropriations	22.01%	21.98%	22.55%	25.53%
Ad valorem taxes	31.33%	32.26%	29.37%	28.63%
Federal revenue, nonoperating	10.87%	13.27%	13.40%	13.88%
Gifts	0.00%	0.00%	0.00%	0.00%
Investment income	0.04%	0.04%	0.04%	0.05%
Other nonoperating revenues	1.46%	1.78%	1.71%	1.43%
<b>Total Nonoperating Revenues</b>	<u>65.71%</u>	<u>69.33%</u>	<u>67.07%</u>	<u>69.51%</u>
<b>Total Primary Government Program Revenues</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

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

2010	2009	2008	2007	2006	2005
\$ 7,872	\$ 6,893	\$ 5,826	\$ 5,062	\$ 4,997	\$ 4,477
1,485	594	473	1,179	478	869
1,007	1,569	534	113	80	106
105	96	141	131	62	7
1,944	2,146	2,026	1,895	1,841	1,908
25	24	5	7	31	27
<u>12,438</u>	<u>11,322</u>	<u>9,005</u>	<u>8,387</u>	<u>7,489</u>	<u>7,394</u>
10,323	10,996	10,904	10,353	10,342	10,128
11,881	11,830	11,102	9,969	9,178	7,778
3,416	2,419	2,431	2,436	2,461	2,733
156	-	-	-	-	7
28	65	351	1,003	1,435	119
785	427	505	553	(11)	22
<u>26,589</u>	<u>25,737</u>	<u>25,293</u>	<u>24,314</u>	<u>23,405</u>	<u>20,787</u>
<u>\$ 39,027</u>	<u>\$ 37,059</u>	<u>\$ 34,298</u>	<u>\$ 32,701</u>	<u>\$ 30,894</u>	<u>\$ 28,181</u>

**For the Years Ended August 31,  
(amounts expressed in percentages)**

2010	2009	2008	2007	2006	2005
20.17%	18.60%	16.99%	15.48%	16.17%	15.89%
3.81%	1.60%	1.38%	3.61%	1.55%	3.08%
2.58%	4.23%	1.56%	0.35%	0.26%	0.38%
0.27%	0.26%	0.41%	0.40%	0.20%	0.02%
4.98%	5.79%	5.91%	5.79%	5.96%	6.77%
0.06%	0.06%	0.01%	0.02%	0.10%	0.10%
<u>31.87%</u>	<u>30.55%</u>	<u>26.26%</u>	<u>25.65%</u>	<u>24.24%</u>	<u>26.24%</u>
26.45%	29.67%	31.79%	31.66%	33.48%	35.94%
30.44%	31.92%	32.37%	30.49%	29.71%	27.60%
8.75%	6.53%	7.09%	7.45%	7.97%	9.70%
0.40%	0.00%	0.00%	0.00%	0.00%	0.02%
0.07%	0.18%	1.02%	3.07%	4.64%	0.42%
2.01%	1.15%	1.47%	1.69%	-0.04%	0.08%
<u>68.13%</u>	<u>69.45%</u>	<u>73.74%</u>	<u>74.35%</u>	<u>75.76%</u>	<u>73.76%</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

# ALVIN COMMUNITY COLLEGE

SS-3

## PROGRAM EXPENSES BY FUNCTION

Last Ten Fiscal Years

	For the Years Ended August 31, (amounts expressed in thousands)			
	2014	2013	2012	2011
<b>Operating Expenses:</b>				
Instruction	\$ 17,506	\$ 15,217	\$ 15,687	\$ 16,549
Public service	162	165	155	144
Academic support	4,696	4,545	3,818	3,555
Student services	2,527	2,459	2,518	2,489
Institutional support	4,823	3,849	3,763	4,171
Operation and maintenance of plant	3,110	3,939	4,306	4,526
Scholarships and fellowships	4,437	4,962	5,264	5,308
Auxiliary enterprises	2,118	2,117	1,977	2,240
Depreciation	1,138	1,147	1,138	1,102
<b>Total Operating Expenses</b>	<b>40,517</b>	<b>38,400</b>	<b>38,626</b>	<b>40,084</b>
<b>Nonoperating Expenses:</b>				
Amortization of issuance costs	-	-	-	11
Interest on capital related debt	540	619	670	801
<b>Total Nonoperating Expenses</b>	<b>540</b>	<b>619</b>	<b>670</b>	<b>812</b>
<b>Total Expenses</b>	<b>\$ 41,057</b>	<b>\$ 39,019</b>	<b>\$ 39,296</b>	<b>\$ 40,896</b>

	For the Years Ended August 31, (amounts expressed in percentages)			
	2014	2013	2012	2011
<b>Operating Expenses:</b>				
Instruction	42.64%	39.00%	39.92%	40.47%
Public service	0.39%	0.42%	0.39%	0.35%
Academic support	11.44%	11.65%	9.72%	8.69%
Student services	6.15%	6.30%	6.41%	6.09%
Institutional support	11.75%	9.86%	9.58%	10.20%
Operation and maintenance of plant	7.57%	10.10%	10.96%	11.07%
Scholarships and fellowships	10.81%	12.72%	13.40%	12.98%
Auxiliary enterprises	5.16%	5.43%	5.03%	5.48%
Depreciation	2.77%	2.94%	2.90%	2.69%
<b>Total Operating Expenses</b>	<b>98.68%</b>	<b>98.41%</b>	<b>98.29%</b>	<b>98.01%</b>
<b>Nonoperating Expenses:</b>				
Amortization of issuance costs	0.00%	0.00%	0.00%	0.03%
Interest on capital related debt	1.32%	1.59%	1.71%	1.96%
<b>Total Nonoperating Expenses</b>	<b>1.32%</b>	<b>1.59%</b>	<b>1.71%</b>	<b>1.99%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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

2010	2009	2008	2007	2006	2005
\$ 17,031	\$ 17,157	\$ 14,680	\$ 15,564	\$ 12,847	\$ 12,286
139	134	147	236	221	207
3,973	3,348	3,195	3,146	3,146	2,925
2,444	2,250	2,067	1,934	1,845	1,649
3,764	3,610	3,639	3,021	2,962	2,716
4,770	4,016	4,358	2,950	2,580	2,370
3,120	2,213	1,819	1,645	1,948	1,723
2,569	2,510	2,172	2,052	1,975	2,125
1,110	1,054	985	589	586	632
<u>38,920</u>	<u>36,292</u>	<u>33,062</u>	<u>31,137</u>	<u>28,110</u>	<u>26,633</u>
-	-	-	-	-	-
823	851	885	914	939	77
<u>823</u>	<u>851</u>	<u>885</u>	<u>914</u>	<u>939</u>	<u>77</u>
<u>\$ 39,743</u>	<u>\$ 37,143</u>	<u>\$ 33,947</u>	<u>\$ 32,051</u>	<u>\$ 29,049</u>	<u>\$ 26,710</u>

**For the Years Ended August 31,  
(amounts expressed in percentages)**

2010	2009	2008	2007	2006	2005
42.85%	46.19%	43.24%	48.56%	44.23%	46.00%
0.35%	0.36%	0.43%	0.74%	0.76%	0.77%
10.00%	9.01%	9.41%	9.82%	10.83%	10.95%
6.15%	6.06%	6.09%	6.03%	6.35%	6.17%
9.47%	9.72%	10.72%	9.43%	10.20%	10.17%
12.00%	10.81%	12.84%	9.20%	8.88%	8.87%
7.85%	5.96%	5.36%	5.13%	6.71%	6.45%
6.46%	6.76%	6.40%	6.40%	6.80%	7.96%
2.79%	2.84%	2.90%	1.84%	2.02%	2.37%
<u>97.93%</u>	<u>97.71%</u>	<u>97.39%</u>	<u>97.15%</u>	<u>96.77%</u>	<u>99.71%</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2.07%	2.29%	2.61%	2.85%	3.23%	0.29%
<u>2.07%</u>	<u>2.29%</u>	<u>2.61%</u>	<u>2.85%</u>	<u>3.23%</u>	<u>0.29%</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

# ALVIN COMMUNITY COLLEGE

SS-4

## TUITION AND FEES

Last Ten Academic Years

Academic Year (Fall)	Resident Fees per Semester Credit Hour (SCH)			Resident Fees per Semester		
	In-District Tuition	Out-of- District Tuition	General Service Fee	Registration Fee (per Student)	Technology Fee	Student Activity Fee
2013	\$ 44	\$ 88	\$ 5	\$ 30	\$ 60	\$ 22
2012	\$ 42	\$ 84	\$ 5	\$ 30	\$ 45	\$ 22
2011	\$ 42	\$ 84	\$ 5	\$ 30	\$ 45	\$ 22
2010	\$ 36	\$ 72	\$ 5	\$ 21	\$ 45	\$ 22
2009	\$ 32	\$ 65	\$ 5	\$ 21	\$ 40	\$ 22
2008	\$ 30	\$ 58	\$ 5	\$ 21	\$ 30	\$ 22
2007	\$ 30	\$ 58	\$ 5	\$ 21	\$ 30	\$ 17
2006	\$ 28	\$ 54	\$ 5	\$ 21	\$ 30	\$ 17
2005	\$ 28	\$ 54	\$ 5	\$ 21	\$ 30	\$ 17
2004	\$ 26	\$ 52	\$ 5	\$ 21	\$ 30	\$ 17

Academic Year (Fall)	Resident Fees per Semester Credit Hour (SCH)			Resident Fees per Semester		
	Non-Resident Tuition Out of State	Non-Resident Tuition International	General Service Fee	Registration Fee (per Student)	Technology Fee	Student Activity Fee
2013	\$ 134	\$ 134	\$ 5	\$ 30	\$ 60	\$ 22
2012	\$ 130	\$ 130	\$ 5	\$ 30	\$ 45	\$ 22
2011	\$ 130	\$ 130	\$ 5	\$ 30	\$ 45	\$ 22
2010	\$ 130	\$ 130	\$ 5	\$ 21	\$ 45	\$ 22
2009	\$ 110	\$ 110	\$ 5	\$ 21	\$ 40	\$ 22
2008	\$ 110	\$ 110	\$ 5	\$ 21	\$ 30	\$ 22
2007	\$ 110	\$ 110	\$ 5	\$ 21	\$ 30	\$ 17
2006	\$ 110	\$ 110	\$ 5	\$ 21	\$ 30	\$ 17
2005	\$ 110	\$ 110	\$ 5	\$ 21	\$ 30	\$ 17
2004	\$ 96	\$ 96	\$ 5	\$ 21	\$ 30	\$ 17

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



<b>Resident Fees per Semester</b>
---------------------------------------

<u>Security Fee</u>	<u>LRC Fee</u>	<u>Bursar Fee</u>	<u>Cost for 12 SCH In-District</u>	<u>Cost for 12 SCH Out-of-District</u>	<u>Increase from Prior Year In-District</u>	<u>Increase from Prior Year Out-of-District</u>
\$ 20	\$ 15	\$ 10	\$ 755	\$ 1,283	5.45%	5.16%
\$ 20	\$ 15	\$ 10	\$ 716	\$ 1,220	0.00%	0.00%
\$ 20	\$ 15	\$ 10	\$ 716	\$ 1,220	17.38%	17.08%
\$ 20	\$ -	\$ -	\$ 610	\$ 1,042	11.52%	9.34%
\$ 20	\$ -	\$ -	\$ 547	\$ 953	8.75%	13.59%
\$ 10	\$ -	\$ -	\$ 503	\$ 839	1.00%	0.60%
\$ 10	\$ -	\$ -	\$ 498	\$ 834	5.06%	6.11%
\$ 10	\$ -	\$ -	\$ 474	\$ 786	0.00%	0.00%
\$ 10	\$ -	\$ -	\$ 474	\$ 786	5.33%	3.15%
\$ 10	\$ -	\$ -	\$ 450	\$ 762	27.12%	33.68%

<b>Resident Fees per Semester</b>
---------------------------------------

<u>Security Fee</u>	<u>LRC Fee</u>	<u>Bursar Fee</u>	<u>Cost for 12 SCH Non-Resident</u>	<u>Cost for 12 SCH International</u>	<u>Increase from Prior Year Non-Resident</u>	<u>Increase from Prior Year International</u>
\$ 20	\$ 15	\$ 10	\$ 1,835	\$ 1,835	3.56%	3.56%
\$ 20	\$ 15	\$ 10	\$ 1,772	\$ 1,772	0.00%	0.00%
\$ 20	\$ 15	\$ 10	\$ 1,772	\$ 1,772	1.96%	1.96%
\$ 20	\$ -	\$ -	\$ 1,738	\$ 1,738	17.19%	17.19%
\$ 20	\$ -	\$ -	\$ 1,483	\$ 1,483	1.37%	1.37%
\$ 10	\$ -	\$ -	\$ 1,463	\$ 1,463	0.34%	0.34%
\$ 10	\$ -	\$ -	\$ 1,458	\$ 1,458	0.00%	0.00%
\$ 10	\$ -	\$ -	\$ 1,458	\$ 1,458	0.00%	0.00%
\$ 10	\$ -	\$ -	\$ 1,458	\$ 1,458	13.02%	13.02%
\$ 10	\$ -	\$ -	\$ 1,290	\$ 1,290	74.80%	74.80%

**ALVIN COMMUNITY COLLEGE**  
**ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY**  
 Last Ten Fiscal Years

(Amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Assessed Valuation of Property</u>	<u>Less Exemptions</u>	<u>Taxable Assessed Value (TAV)</u>	<u>Ratio of Taxable Assessed Value to Assessed Value</u>
2013-14	\$ 7,072,385	\$ 566,309	\$ 6,506,076	91.99%
2012-13	\$ 6,657,882	\$ 598,528	\$ 6,059,354	91.01%
2011-12	\$ 6,526,053	\$ 1,187,556	\$ 5,888,930	82.79%
2010-11	\$ 6,898,889	\$ 1,044,338	\$ 5,711,333	84.88%
2009-10	\$ 6,905,533	\$ 916,132	\$ 5,861,195	86.38%
2008-09	\$ 6,728,205	\$ 843,423	\$ 5,812,073	85.99%
2007-08	\$ 6,020,738	\$ 718,678	\$ 5,177,315	86.08%
2006-07	\$ 5,164,489	\$ 654,631	\$ 4,445,811	85.23%
2005-06	\$ 4,433,472	\$ 627,574	\$ 3,778,841	83.38%
2004-05	\$ 3,775,034	\$ 537,287	\$ 3,147,460	83.63%

Source: Local Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

**Direct Rate**

---

<b>Maintenance &amp; Operations</b>	<b>Debt Service</b>	<b>Total</b>
<b>(a)</b>	<b>(a)</b>	<b>(a)</b>
\$ 0.176540	\$ 0.023216	\$ 0.199756
\$ 0.175119	\$ 0.024637	\$ 0.199756
\$ 0.173798	\$ 0.025687	\$ 0.199485
\$ 0.174867	\$ 0.024963	\$ 0.199830
\$ 0.176312	\$ 0.023518	\$ 0.199830
\$ 0.177329	\$ 0.022503	\$ 0.199832
\$ 0.186741	\$ 0.023539	\$ 0.210280
\$ 0.193221	\$ 0.026300	\$ 0.219521
\$ 0.208306	\$ 0.029249	\$ 0.237555
\$ 0.240561	\$ -	\$ 0.240561

**ALVIN COMMUNITY COLLEGE**  
**STATE APPROPRIATION PER FULL TIME STUDENT**  
**EQUIVALENTS AND CONTACT HOUR**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Appropriation per FTSE</u>			<u>Appropriation per</u>
	<u>State</u>	<u>FTSE</u>	<u>State</u>	<u>Contact Hour</u>
	<u>Appropriation</u>	<u>(a)</u>	<u>Appropriation</u>	<u>Academic</u>
			<u>per FTSE</u>	<u>Contact</u>
				<u>Hours (a)</u>
2013-14	\$ 9,220	\$ 7568	\$ 1,218	1,368
2012-13	\$ 8,360	\$ 7400	\$ 1,130	1,354
2011-12	\$ 9,128	\$ 7,562	\$ 1,207	1,396
2010-11	\$ 10,323	\$ 7,621	\$ 1,355	1,503
2009-10	\$ 10,438	\$ 7,790	\$ 1,340	1,461
2008-09	\$ 10,996	\$ 6,778	\$ 1,622	1,032
2007-08	\$ 10,904	\$ 6,425	\$ 1,697	1,140
2006-07	\$ 10,353	\$ 6,500	\$ 1,593	1,158
2005-06	\$ 10,342	\$ 6,753	\$ 1,531	1,152
2004-05	\$ 10,128	\$ 6,844	\$ 1,480	1,226

## Notes:

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

(a) Source CBM 004

Appropriation per Contact Hour

<u>Voc/Tech Contact Hours (a)</u>	<u>Total Contact Hours</u>	<u>State Appropriation per Contact Hour</u>
777	2,145	\$ 4.30
818	2,253	\$ 3.71
857	2,408	\$ 3.79
905	2,472	\$ 4.18
1,011	1,978	\$ 5.28
978	2,118	\$ 5.19
978	2,061	\$ 5.29
903	2,013	\$ 5.14
861	2,107	\$ 4.91
881	2,133	\$ 4.75

# ALVIN COMMUNITY COLLEGE

SS-7

## PRINCIPAL TAXPAYERS

Last Ten Tax Years

Taxpayer	Type of Business	Year (amounts expressed in thousands)		
		2013	2012	2011
Ineos USA LLC	petrochemical	\$ 401,327	\$ 371,419	\$ 419,543
Denbury Onshore LLC	oil & gas exploration	381,509	302,544	116,260
Ascend Performance Materials	manufacturing	77,754	77,403	94,886
Innovene USA LLC	petrochemical	-	-	-
BP Amoco Chemicals	petrochemical	-	-	-
Solutia, Inc.	petrochemical	-	-	-
Equistar Chemicals LP	petrochemical	-	16,484	-
Innovene LLC	petrochemical	-	-	-
Novus International Inc	agriculture	46,013	49,610	54,451
Schlumberger Well Svcs	oilfield services	51,529	33,614	32,614
Center Point Energy	utility	42,514	41,357	37,008
Huntsman Petrochemical Corp	petrochemical	41,872	47,690	47,405
Cyanco International	manufacturing	61,875	40,500	-
Tex Cal Energy LLC	utility	-	-	-
Amreit SPF Shadow Creek LP	investment	48,188	47,959	43,672
Monsanto Company	refinery	-	-	-
Southwestern Bell Telephone	utility	-	-	-
Perry Homes	real estate	-	-	-
Pearland Investments LTD PRT	real estate	-	-	21,155
Inland American Waterford LTD	real estate	-	-	-
Pearland Town Center LP	investment	69,086	66,757	68,763
Team Services Inc.	manufacturing	22,377	50,523	20,724
Noble Energy Incorporated	utility	-	-	-
IPOP Management Incorporated	oil & gas	24,206	-	-
Houston Lighting & Power Company	utility	23,746	-	-
Dune Operating Company	oil & gas	-	-	29,759
12400 Shadow Creek Parkway LLC	real estate	27,100	27,100	28,229
Discovery Shadow Creek Owner	real estate	26,780	25,330	26,392
Shadow Kirby LTD	real estate	25,000	25,000	25,000
Weatherford US LP	oil & gas	23,971	30,530	22,985
Energyquest Inc.	utility	-	-	19,883
BNSF Railway Co.	transportation	-	19,015	18,140
Texas New Mexico Power Co.	utility	20,910	19,196	16,493
Argent Energy	utility	-	18,209	-
Rice-Tec Inc.	agriculture	-	17,033	16,434
Zenergy Inc	oil & gas exploration	-	-	-
Oxy Petrochemical Incorporated	petrochemical	-	-	-
Shadow Creek Phase II	real estate	20,605	-	-
Schlumberger Technology Corp.	exploration/production	21,926	-	-
<b>Totals</b>		<u>\$ 1,458,288</u>	<u>\$ 1,327,273</u>	<u>\$ 1,159,796</u>
<b>Total Taxable Assessed Value</b>		<u>\$ 6,506,076</u>	<u>\$ 6,059,244</u>	<u>\$ 5,888,930</u>

Year  
(amounts expressed in thousands)

2010	2009	2008	2007	2006	2005	2004
\$ 442,249	\$ 418,260	\$ 428,791	\$ -	\$ -	\$ -	\$ -
103,859	-	112,253	-	-	-	-
82,367	-	-	-	-	-	-
-	-	-	507,006	340,150	-	-
-	-	-	-	-	433,628	397,875
-	-	198,216	202,162	197,715	192,821	205,158
-	-	72,131	171,509	202,509	176,080	153,498
-	-	-	-	129,186	-	-
55,390	53,501	53,767	54,174	57,935	55,660	54,456
37,026	35,471	63,885	70,395	58,735	49,425	33,254
36,014	-	-	32,024	34,895	36,413	28,405
58,560	40,949	-	22,082	24,274	22,578	19,929
-	-	-	-	-	-	-
-	-	-	69,738	26,369	-	-
41,007	50,744	49,614	-	-	-	-
-	-	-	-	-	21,313	20,941
-	16,757	-	-	-	19,190	19,228
-	-	-	-	-	17,989	-
31,697	35,554	41,742	26,876	-	-	25,311
-	17,125	-	-	-	-	-
66,933	67,661	75,533	-	-	-	-
-	22,348	-	-	-	-	-
-	-	-	-	30,239	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	36,196	-	-	-	-
-	-	-	68,176	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 955,102</u>	<u>\$ 758,370</u>	<u>\$ 1,132,128</u>	<u>\$ 1,224,142</u>	<u>\$ 1,102,007</u>	<u>\$ 1,025,097</u>	<u>\$ 958,055</u>
<u>\$ 5,711,333</u>	<u>\$ 5,861,195</u>	<u>\$ 5,812,073</u>	<u>\$ 5,177,315</u>	<u>\$ 4,445,811</u>	<u>\$ 3,778,841</u>	<u>\$ 3,147,460</u>

# ALVIN COMMUNITY COLLEGE

SS-7

## PRINCIPAL TAXPAYERS (Continued)

Last Ten Tax Years

Taxpayer	Type of Business	Year		
		2013	2012	2011
Ineos USA LLC	petrochemical	6.17%	6.13%	6.30%
Denbury Onshore LLC	oil & gas exploration	5.86%	4.99%	1.75%
Ascend Performance Materials	manufacturing	1.20%	1.28%	1.43%
Innovene USA LLC	petrochemical	0.00%	0.00%	0.00%
BP Amoco Chemicals	petrochemical	0.00%	0.00%	0.00%
Solutia, Inc.	petrochemical	0.00%	0.00%	0.00%
Equistar Chemicals LP	petrochemical	0.00%	0.27%	0.00%
Innovene LLC	petrochemical	0.00%	0.00%	0.00%
Novus International Inc	agriculture	0.71%	0.82%	0.82%
Schlumberger Well Svcs	oilfield services	0.79%	0.55%	0.49%
Center Point Energy	utility	0.65%	0.68%	0.56%
Huntsman Petrochemical Corp	petrochemical	0.64%	0.79%	0.71%
Cyanco International	manufacturing	0.95%	0.67%	0.00%
Tex Cal Energy LLC	utility	0.00%	0.00%	0.00%
Amreit SPF Shadow Creek LP	investment	0.74%	0.79%	0.66%
Monsanto Company	refinery	0.00%	0.00%	0.00%
Southwestern Bell Telephone	utility	0.00%	0.00%	0.00%
Perry Homes	real estate	0.00%	0.00%	0.00%
Pearland Investments LTD PRT	real estate	0.00%	0.00%	0.32%
Inland American Waterford LTD	real estate	0.00%	0.00%	0.00%
Pearland Town Center LP	investment	1.06%	1.10%	1.03%
Team Services Inc.	manufacturing	0.34%	0.83%	0.31%
Noble Energy Incorporated	utility	0.00%	0.00%	0.00%
IPOP Management Incorporated	oil & gas	0.37%	0.00%	0.00%
Houston Lighting & Power Company	utility	0.36%	0.00%	0.00%
Dune Operating Company	oil & gas	0.00%	0.00%	0.45%
12400 Shadow Creek Parkway LLC	real estate	0.42%	0.45%	0.42%
Discovery Shadow Creek Owner	real estate	0.41%	0.42%	0.40%
Shadow Kirby LTD	real estate	0.38%	0.41%	0.38%
Weatherford US LP	oil & gas	0.37%	0.50%	0.35%
Energyquest Inc.	utility	0.00%	0.00%	0.30%
BNSF Railway Co.	transportation	0.00%	0.31%	0.27%
Texas New Mexico Power Co.	utility	0.32%	0.32%	0.25%
Argent Energy	utility	0.00%	0.30%	0.00%
Rice-Tec Inc.	agriculture	0.00%	0.28%	0.25%
Zenergy Inc	oil & gas exploration	0.00%	0.00%	0.00%
Oxy Petrochemical Incorporated	petrochemical	0.00%	0.00%	0.00%
Shadow Creek Phase II	real estate	0.32%	0.00%	0.00%
Schlumberger Technology Corp.	exploration/production	0.34%	0.00%	0.00%
<b>Totals</b>		22.41%	21.89%	17.45%



Year						
2010	2009	2008	2007	2006	2005	2004
7.74%	7.14%	7.38%	0.00%	0.00%	0.00%	0.00%
1.82%	0.00%	1.93%	0.00%	0.00%	0.00%	0.00%
1.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	9.79%	7.65%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	11.48%	12.64%
0.00%	0.00%	3.41%	3.90%	4.45%	5.10%	6.52%
0.00%	0.00%	1.24%	3.31%	4.56%	4.66%	4.88%
0.00%	0.00%	0.00%	0.00%	2.91%	0.00%	0.00%
0.97%	0.91%	0.93%	1.05%	1.30%	1.47%	1.73%
0.65%	0.61%	1.10%	1.36%	1.32%	1.31%	1.06%
0.63%	0.00%	0.00%	0.62%	0.78%	0.96%	0.90%
1.03%	0.70%	0.00%	0.43%	0.55%	0.60%	0.63%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	1.35%	0.59%	0.00%	0.00%
0.72%	0.87%	0.85%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.56%	0.67%
0.00%	0.29%	0.00%	0.00%	0.00%	0.51%	0.61%
0.00%	0.00%	0.00%	0.00%	0.00%	0.48%	0.00%
0.55%	0.61%	0.72%	0.52%	0.00%	0.00%	0.80%
0.00%	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%
1.17%	1.15%	1.30%	0.00%	0.00%	0.00%	0.00%
0.00%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.68%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.62%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	1.32%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>16.72%</u>	<u>12.94%</u>	<u>19.48%</u>	<u>23.64%</u>	<u>24.79%</u>	<u>27.13%</u>	<u>30.44%</u>

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# ALVIN COMMUNITY COLLEGE

SS-8

## PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years  
(amounts expressed in thousands)

<u>Fiscal Year Ended August 31</u>	<u>Total Tax Levy (a)</u>	<u>Collections Current Levy (b)</u>	<u>Percentage</u>	<u>Current Collections of Prior Levies (b)</u>	<u>Total Collections (c)</u>	<u>Percentage of Current Levy</u>
2014	\$ 12,981	\$ 12,832	98.85%	\$ -	\$ 12,832	98.85%
2013	12,102	11,950	98.74%	90	12,040	99.49%
2012	11,746	11,574	98.54%	136	11,710	99.69%
2011	11,418	11,221	98.27%	171	11,392	99.77%
2010	11,722	11,497	98.08%	200	11,697	99.79%
2009	11,651	11,394	97.79%	238	11,632	99.84%
2008	10,891	10,625	97.56%	250	10,875	99.85%
2007	9,758	9,488	97.23%	254	9,742	99.84%
2006	8,973	8,722	97.20%	237	8,959	99.84%
2005	7,594	7,366	97.00%	212	7,578	99.79%

Source: Local Tax Assessor/Collector and District records

(a) As of August 31

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

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

# ALVIN COMMUNITY COLLEGE

SS-9

## RATIOS OF OUTSTANDING DEBT

Last Ten Fiscal Years

	For the Years Ended August 31, (amounts expressed in thousands)			
	2014	2013	2012	2011
General Bonded Debt:				
General obligation bonds	\$ 14,380	\$ 15,305	\$ 16,160	\$ 16,960
Less: Funds restricted for debt service	(1,523)	(1,513)	(1,528)	(1,444)
Net general bonded debt	<u>12,857</u>	<u>13,792</u>	<u>14,632</u>	<u>15,516</u>
Revenue Bonds	-	-	-	-
Notes	-	-	-	-
Capital leases	44	-	-	-
<b>Total Outstanding Debt</b>	<u>\$ 12,901</u>	<u>\$ 13,792</u>	<u>\$ 14,632</u>	<u>\$ 15,516</u>

**General Bonded Debt Ratios:**

As a percentage of Taxable Assessed Value	0.20%	0.23%	0.25%	0.27%
---	-------	-------	-------	-------

**Total Outstanding Debt Ratios:**

Per capita	430.03	487.73	517.20	540.53
Per student	1,843	2,090	2,217	2,317
As a percentage of Taxable Assessed Value	198.29%	227.62%	248.47%	271.67%

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

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

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 17,615	\$ 18,194	\$ 18,675	\$ 19,065	\$ 19,375	\$ -
(1,399)	(1,325)	(1,236)	(1,174)	(1,105)	-
16,216	16,869	17,439	17,891	18,270	-
-	-	302	584	849	1,099
-	-	-	-	-	68
-	-	-	-	-	-
\$ 16,216	\$ 16,869	\$ 17,741	\$ 18,475	\$ 19,119	\$ 1,167

0.28%	0.29%	0.34%	0.40%	0.48%	0.00%
-------	-------	-------	-------	-------	-------

562.33	591.37	615.83	637.30	38.91	50.78
2,410	2,534	2,639	2,731	167	210
276.67%	290.24%	342.67%	415.56%	505.95%	37.08%

# ALVIN COMMUNITY COLLEGE

SS-10

## LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

	For the Years Ended August 31, (amounts expressed in thousands)			
	2014	2013	2012	2011
Taxable Assessed Value	\$ 6,506,076	\$ 6,059,244	\$ 5,888,930	\$ 5,711,333
General Obligation Bonds:				
Statutory tax levy limit for debt service	32,530	30,296	28,557	28,794
Less: Funds restricted for repayment of general obligation bonds	(1,523)	(1,513)	(1,528)	(1,444)
<b>Total Net General Obligation Debt</b>	<u>31,007</u>	<u>28,783</u>	<u>27,029</u>	<u>27,350</u>
Current Year Debt Service Requirements	1,501	1,443	1,405	1,456
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 29,506</u>	<u>\$ 27,340</u>	<u>\$ 25,624</u>	<u>\$ 25,894</u>
Net Current Requirements as a % of Statutory Limit	0.05%	0.05%	0.05%	0.04%

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.

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

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>\$ 5,861,195</u>	<u>\$ 5,812,073</u>	<u>\$ 5,177,315</u>	<u>\$ 4,445,811</u>	<u>\$ 3,778,841</u>	<u>\$ 3,147,460</u>
29,306	29,060	30,104	22,229	22,167	15,737
<u>(1,399)</u>	<u>(1,325)</u>	<u>(1,236)</u>	<u>(1,174)</u>	<u>(1,105)</u>	<u>-</u>
<u>27,907</u>	<u>27,735</u>	<u>28,868</u>	<u>21,055</u>	<u>21,062</u>	<u>15,737</u>
<u>1,403</u>	<u>1,321</u>	<u>1,247</u>	<u>1,178</u>	<u>1,111</u>	<u>-</u>
<u>\$ 26,504</u>	<u>\$ 26,414</u>	<u>\$ 27,621</u>	<u>\$ 19,877</u>	<u>\$ 19,951</u>	<u>\$ 15,737</u>
0.01%	-0.01%	0.04%	0.02%	0.03%	0.00%

# ALVIN COMMUNITY COLLEGE

SS-11

## PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Year	Revenue Bonds			Debt Service Requirement (in thousands)
	Technology Fee	General Services Fee	Total	Principal
2014	\$ -	\$ -	\$ -	\$ -
2013	\$ -	\$ -	\$ -	\$ -
2012	\$ -	\$ -	\$ -	\$ -
2011	\$ -	\$ -	\$ -	\$ -
2010	\$ -	\$ -	\$ -	\$ -
2009	\$ 238,467	\$ 387,715	\$ 626,182	\$ 302,000
2008	\$ 230,855	\$ 380,244	\$ 611,099	\$ 282,000
2007	\$ 228,978	\$ 378,389	\$ 607,367	\$ 265,000
2006	\$ 227,218	\$ 377,139	\$ 604,357	\$ 250,000
2005	\$ 235,365	\$ 396,158	\$ 631,523	\$ 233,000



**Debt Service Requirements (in thousands)**

<b>Interest</b>	<b>Total</b>	<b>Coverage Ratio</b>
\$ -	\$ -	-
\$ -	\$ -	-
\$ -	\$ -	-
\$ -	\$ -	-
\$ -	\$ -	-
\$ 9,815	\$ 311,815	2.01
\$ 28,654	\$ 310,654	1.97
\$ 46,026	\$ 311,026	1.95
\$ 62,123	\$ 312,123	1.94
\$ 76,863	\$ 309,863	2.04

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**ALVIN COMMUNITY COLLEGE**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS - TAXING DISTRICT**  
 Last Ten Calendar Years

SS-12

Year	District Population	District Personal Income (a) (in Thousands)	District Personal Income Per Capita	District Unemployment Rate
2013	330,242	\$ (a)	\$ (a)	6.6%
2012	324,769	13,104,592	40,351	7.1% *
2011	319,973	12,550,313	39,315	8.7% *
2010	313,166	11,610,075	37,344	9.0%
2009	309,208	11,275,252	36,462	8.1%
2008	301,044	11,455,625	38,030	5.2%
2007	294,233	10,120,236	34,529	4.4%
2006	287,898	9,241,458	32,513	5.0%
2005	276,956	8,298,208	29,962	6.3%
2004	270,870	7,701,167	28,431	7.1%

Sources:

Population from U.S. Bureau of the Census

Personal income from U.S. Bureau of Economic Analysis

Unemployment rate from Texas Workforce Commission

Notes:

(a) Not yet available

\* Updated from last year

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# ALVIN COMMUNITY COLLEGE

SS-13

## PRINCIPAL EMPLOYERS

Current Fiscal Year

<u>Employer</u>	<u>Employees (1)</u>	<u>Employment (2)</u>
Ascend Performance Materials	1000+	1.32%
Dish Network Customer Call Center	500-999	0.99%
Wal-Mart Supercenter	500-999	0.99%
Alvin Autoland	100-499	0.39%
Alvin Community College	100-499	0.39%
Alvin High School	100-499	0.39%
Alvin Independent School District	100-499	0.39%
Alvin Police Department	100-499	0.39%
City of Alvin	100-499	0.39%
Diversified Ceramics	100-499	0.39%
GTE Inc.	100-499	0.39%
Home Depot	100-499	0.39%
House Calls Home Health	100-499	0.39%
Kroger	100-499	0.39%
Olive Garden Restaurant	100-499	0.39%
Ron Carter Used Cars Inc	100-499	0.39%
T & L Lease Svc	100-499	0.39%
Team Engineering	100-499	0.39%
Team Inc	100-499	0.39%
Team Industrial Svc Inc	100-499	0.39%
Teco Manufacturing Inc	100-499	0.39%
Woman's Hospital of Texas	100-499	0.39%
	<u>3,500 - 10,483</u>	<u>10.71%</u>

Source:

(1) Texas Workforce Commission - SOCRATES, Employer Search

(2) Demographicsnow.com - Custom Geography - ACC District and Service Area - Current Employment

Note:

Percentages are calculated using the midpoints of the ranges.

**ALVIN COMMUNITY COLLEGE**  
**FACULTY, STAFF, AND ADMINISTRATORS STATISTICS**  
 Last Ten Fiscal Years

SS-14

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Faculty				
Full-Time	111	110	108	109
Part-Time	170	170	180	180
<b>Total</b>	<u><u>281</u></u>	<u><u>280</u></u>	<u><u>288</u></u>	<u><u>289</u></u>
Faculty				
Full-Time	39.5%	39.3%	37.5%	37.7%
Part-Time	60.5%	60.7%	62.5%	62.3%
Staff and Administrators				
Full-Time	166	170	168	163
Part-Time	55	50	50	54
<b>Total</b>	<u><u>221</u></u>	<u><u>220</u></u>	<u><u>218</u></u>	<u><u>217</u></u>
Faculty				
Full-Time	75.1%	77.3%	77.1%	75.1%
Part-Time	24.9%	22.7%	22.9%	24.9%
FTSE per Full-time Faculty	68.2	67.2	70.0	69.9
FTSE per Full-Time Staff Member	45.6	43.5	45.0	46.8
Average Annual Faculty Salary	\$ 55,309	\$ 54,308	\$ 59,598	\$ 57,416

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
108	108	103	100	100	96
199	171	153	168	145	152
<u>307</u>	<u>279</u>	<u>256</u>	<u>268</u>	<u>245</u>	<u>248</u>
35.2%	38.7%	40.2%	37.3%	40.8%	38.7%
64.8%	61.3%	59.8%	62.7%	59.2%	61.3%
169	162	169	154	158	154
47	46	45	54	56	42
<u>216</u>	<u>208</u>	<u>214</u>	<u>208</u>	<u>214</u>	<u>196</u>
78.2%	77.9%	79.0%	74.0%	73.8%	78.6%
21.8%	22.1%	21.0%	26.0%	26.2%	21.4%
72.1	62.8	62.4	65.0	67.5	71.3
46.1	41.8	38.0	42.2	42.7	44.4
\$ 54,458	\$ 54,064	\$ 52,518	\$ 50,978	\$ 50,700	\$ 52,526

# ALVIN COMMUNITY COLLEGE

SS-15

## ENROLLMENT DETAILS

Last Five Fall Semesters

Student Classification	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
0-30 hours	3,400	65.50%	3,364	64.82%
31-60 hours	947	18.24%	991	19.09%
> 60 hours	844	16.26%	835	16.09%
<b>Total</b>	<b>5,191</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>

Semester Hour Load	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
Less than 3	266	5.12%	119	2.29%
3-5 semester hours	1,330	25.62%	1,645	31.70%
6-8 semester hours	1,502	28.93%	1,306	25.16%
9-11 semester hours	1,055	20.32%	993	19.13%
12-14 semester hours	780	15.03%	871	16.78%
15-17 semester hours	202	3.89%	193	3.72%
18 & over	56	1.08%	63	1.21%
<b>Total</b>	<b>5,191</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>

Tuition Status	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
Texas Resident (in-District)	2,305	44.40%	2,385	45.95%
Texas Resident (out-of-District)	2,695	51.92%	2,640	50.87%
Non-Resident Tuition	104	2.00%	75	1.45%
Tuition Exemption - Texas Resident	87	1.68%	90	1.73%
<b>Total</b>	<b>5,191</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>



Fall 2011		Fall 2010		Fall 2009	
Number	Percent	Number	Percent	Number	Percent
3,630	69.90%	3,947	68.99%	3,629	69.94%
897	17.27%	981	17.15%	874	16.84%
666	12.82%	793	13.86%	686	13.22%
5,193	100.00%	5,721	100.00%	5,189	100.00%

Fall 2011		Fall 2010		Fall 2009	
Number	Percent	Number	Percent	Number	Percent
44	0.85%	155	2.71%	806	15.53%
1,438	27.69%	1,555	27.18%	1,199	23.11%
1,391	26.79%	1,512	26.43%	1,154	22.24%
1,010	19.45%	1,071	18.72%	652	12.57%
942	18.14%	1,064	18.60%	1,011	19.48%
273	5.26%	248	4.33%	283	5.45%
95	1.83%	116	2.03%	84	1.62%
5,193	100.00%	5,721	100.00%	5,189	100.00%

Fall 2011		Fall 2010		Fall 2009	
Number	Percent	Number	Percent	Number	Percent
2,495	48.05%	2,603	45.50%	2,386	45.98%
2,543	48.97%	2,963	51.79%	2,737	52.75%
77	1.48%	73	1.28%	66	1.27%
78	1.50%	82	1.43%	-	-
5,193	100.00%	5,721	100.00%	5,189	100.00%

# ALVIN COMMUNITY COLLEGE

SS-16

## STUDENT PROFILE

Last Five Fall Semesters

Student Classification	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
Female	3,007	57.93%	3,009	57.98%
Male	2,184	42.07%	2,181	42.02%
<b>Total</b>	<b>5,191</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>

Semester Hour Load	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
White	3,847	59.46%	2,876	55.41%
Hispanic**	1,533	23.69%	1,427	27.50%
African American	561	8.67%	522	10.06%
Asian	259	4.00%	231	4.45%
Foreign	45	0.70%	30	0.58%
Native American	121	1.87%	24	0.46%
Native Hawaiian/ Pacific Islander	22	0.34%	16	0.31%
Unknown	82	1.27%	64	1.23%
<b>Total</b>	<b>6,470</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>

Tuition Status	Fall 2013		Fall 2012	
	Number	Percent	Number	Percent
Under 18	1,351	26.03%	1,215	23.41%
18 -21	1,811	34.89%	1,790	34.49%
22 - 24	566	10.90%	565	10.89%
25 - 35	878	16.91%	966	18.61%
36 - 50	459	8.84%	530	10.21%
51 & over	126	2.43%	124	2.39%
<b>Total</b>	<b>5,191</b>	<b>100.00%</b>	<b>5,190</b>	<b>100.00%</b>

Average Age	23.3	24.0
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\*\*Numbers are skewed because Hispanic is no longer considered a race by the Federal Government. It is an origin, and Hispanic students can declare their origin without declaring a race.

Fall 2011	
Number	Percent
3,002	57.81%
2,191	42.19%
5,193	100.00%

Fall 2010	
Number	Percent
3,141	54.90%
2,580	45.10%
5,721	100.00%

Fall 2009	
Number	Percent
2,886	55.62%
2,303	44.38%
5,189	100.00%

Fall 2011	
Number	Percent
4,123	64.05%
1,396	21.69%
481	7.47%
225	3.50%
36	0.56%
94	1.46%
11	0.17%
71	1.10%
6,437	100.00%

Fall 2010	
Number	Percent
4,609	65.44%
1,446	20.53%
572	8.12%
247	3.51%
37	0.53%
64	0.91%
11	0.16%
57	0.81%
7,043	100.00%

Fall 2009	
Number	Percent
3,098	59.70%
1,290	24.86%
515	9.92%
205	3.95%
22	0.42%
37	0.71%
-	-
22	0.42%
5,189	100.00%

Fall 2011	
Number	Percent
1,207	23.24%
1,832	35.28%
535	10.30%
978	18.83%
522	10.05%
119	2.29%
5,193	100.00%

Fall 2010	
Number	Percent
1,422	24.86%
1,804	31.53%
567	9.91%
1,171	20.47%
635	11.10%
122	2.13%
5,721	100.00%

Fall 2009	
Number	Percent
1,337	25.77%
1,710	32.95%
526	10.14%
945	18.21%
560	10.79%
111	2.14%
5,189	100.00%

24.0

24.0

24.0

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# ALVIN COMMUNITY COLLEGE

SS-17

## TRANSFERS TO SENIOR INSTITUTIONS

845 Fall Students as of Fall 2013

(Included only Public Senior Colleges in Texas)

	<u>Transfer Student Count Academic</u>	<u>Transfer Student Count Technical</u>	<u>Transfer Student Count Tech-Prep</u>	<u>Total of All Sample Transfer Students</u>	<u>% of All Sample Transfer Students</u>
1 Angelo State University	1			1	0.12%
2 Lamar University	8			8	0.98%
3 Midwestern State University	4			4	0.49%
4 Prairie View A&M University	6	1		7	0.85%
5 Sam Houston State University	74	2		76	9.27%
6 Sul Ross State University	1			1	0.12%
7 Tarleton State University	5			5	0.61%
8 Texas A&M University	92	1	1	94	11.46%
9 Texas A&M University - Commerce	2			2	0.24%
10 Texas A&M University - Corpus Christi	11			11	1.34%
11 Texas A&M University - Kingsville	8			8	0.98%
12 Texas A&M University at Galveston	26			26	3.17%
13 Texas A&M University System Health Science Center	1			1	0.12%
14 Texas Southern University	5			5	0.61%
15 Texas State University - San Marcos	45		1	46	5.61%
16 Texas Tech University	27	2	1	30	3.66%
17 Texas Tech University Health Science Center		2		2	0.24%
18 Texas Woman's University	10	1		11	1.34%
19 The University of Texas - Pan American	1			1	0.12%
20 The University of Texas at Arlington	13	4		17	2.07%
21 The University of Texas at Austin	38			38	4.63%
22 The University of Texas at Dallas	5			5	0.61%
23 The University of Texas at El Paso	2			2	0.24%
24 The University of Texas at San Antonio	18	1		19	2.32%
25 The University of Texas at Tyler	5			5	0.61%
26 The University of Texas Health Science Center at Houston	6			6	0.73%
27 The University of Texas M.D. Anderson Cancer Center	1			1	0.12%
28 The University of Texas Health Medical Branch at Galveston	19	2		21	2.56%
29 The University of Texas of the Permian Basin	1			1	0.12%
30 The University of Texas Southwestern Medical Center	1			1	0.12%
31 University of Houston	137	7	4	148	18.05%
32 University of Houston at Clear Lake	161	5	2	168	20.49%
33 University of Houston - Downtown	17	3		20	2.44%
34 University of Houston at Victoria	8	1		9	1.10%
35 University of North Texas	15	1	1	17	2.07%
36 University of North Texas at Dallas	1			1	0.12%
37 West Texas A&M University	2			2	0.24%
<b>Total</b>	<u>777</u>	<u>33</u>	<u>10</u>	<u>820</u>	<u>100%</u>

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# ALVIN COMMUNITY COLLEGE

SS-18

## CAPITAL ASSET INFORMATION

Fiscal Years 2010 to 2014

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Academic buildings	12	12	12	12	12
Square footage (in thousands)	311	311	311	311	311
Libraries	1	1	1	1	1
Square footage (in thousands)	12	12	12	12	12
Number of volumes (in thousands)	12	12	12	12	11
Administrative and support buildings	3	3	3	3	3
Square footage (in thousands)	13	13	13	13	13
Dormitories	-	-	-	-	-
Square footage (in thousands)	-	-	-	-	-
Number of beds	-	-	-	-	-
Apartments	-	-	-	-	-
Square footage (in thousands)	-	-	-	-	-
Number of beds	-	-	-	-	-
Dining facilities	1	1	1	1	1
Square footage (in thousands)	5	5	5	5	5
Average daily customers	150	150	150	150	200
Athletic facilities	8	8	8	8	8
Square footage (in thousands)	22	22	22	22	22
Stadiums	-	-	-	-	-
Gymnasiums	1	1	1	1	1
Fitness centers	1	1	1	1	1
Tennis courts	6	6	6	6	6
Plant facilities	1	1	1	1	1
Square footage (in thousands)	18	18	18	18	18
Transportation					
Cars	6	7	7	6	7
Light trucks/vans/ambulance	11	9	9	9	9
Buses	2	2	2	2	3
Heavy trucks	3	1	1	-	-

