

**CLOUD COUNTY
COMMUNITY COLLEGE**

Concordia, Kansas

Financial Statements and
Independent Auditors' Report with
Supplemental Information and
Federal Compliance Section

For the Year Ended June 30, 2012

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

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CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

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Management's Discussion and Analysis

Introduction:

The following discussion and analysis of the financial performance and activity of Cloud County Community College (the College) is to provide an introduction to and an understanding of the basic financial statements of the College for the year ended June 30, 2012 with selected comparative information for the year ended June 30, 2011. This discussion focuses on the current activities, resulting changes, and currently known facts. This discussion should be read in conjunction with the College's basic financial statements and the footnotes to those financial statements. The College is solely responsible for the completeness of this information. A separate audit is issued for the Cloud County Community College Foundation and is available for review at 2221 Campus Drive, Concordia, Kansas.

Highlights to the Financial Statements:

In 2012 the College experienced a modest increase in credit enrollment and again reached the highest credit enrollment level in its history. Tuition and fees revenues and Federal Pell grants revenues increased. They increased by \$78,415 and \$105,976 respectively. The College experienced modest declines in State of Kansas and Cloud County appropriations and more significant declines in Federal and State Grants. The declines in county appropriations was due to the College's decision for the sixth consecutive year to not change the mill levy request from local property taxpayers. The decline in Federal Grants was caused by a decline in federal direct loans and completion of the Federal Title III grant in FY 2011. At year end, the College's assets exceeded its liabilities by \$14,821,311 compared to the June 30, 2011 amount of \$14,748,251. Of this amount, \$7,032,243 is classified as unrestricted net assets compared to \$7,161,319 in 2011. These unrestricted net assets may be used to meet the College's ongoing obligations and decreased by \$328,876 in fiscal year 2012. The majority of this decrease is associated with the unrestricted net assets from the reduction of retained capital levy funds being used for final payments on the HVAC project. The retained capital levy funds were expended during 2011 for the installation of a geo-thermal HVAC system which was completed in Mid-August of 2011; with substantial completion payments made in December of 2011.

Combined Statement of Net Assets

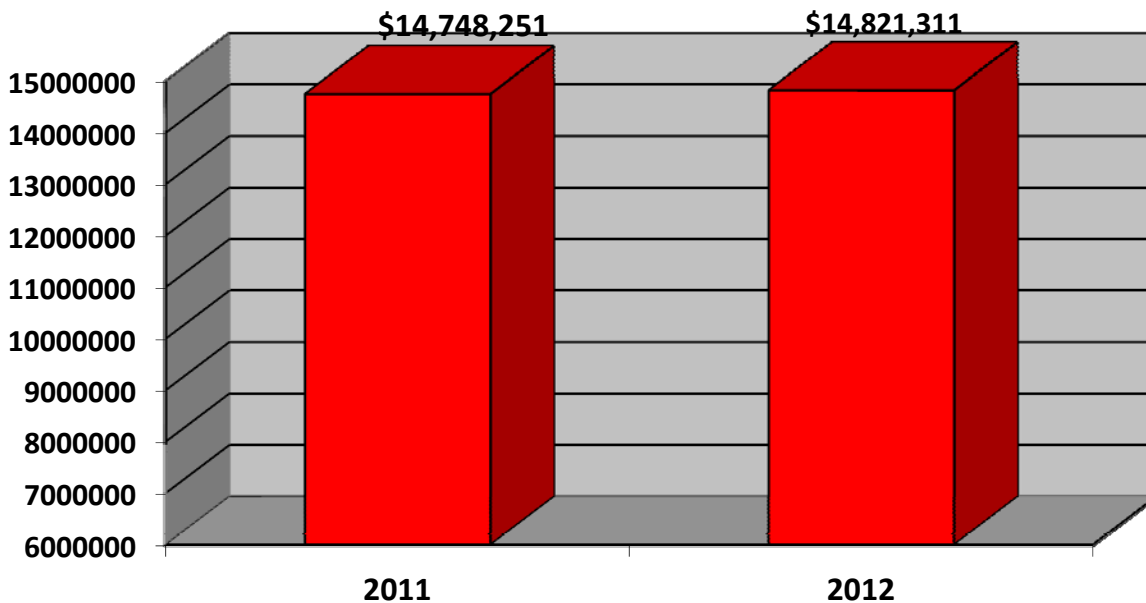
The combined statement of net assets presents the assets, liabilities, and net assets of the College at June 30, 2012. The purpose of the combined statements of net assets is to present the financial condition of the College.

The assets and liabilities are categorized between current and noncurrent. The difference is that current assets and current liabilities become receivable or payable within the normal 12-month accounting cycle, whereas noncurrent assets and liabilities become receivable or payable after 12 months.

Comparison of Assets – Fiscal Year 2011 to 2012

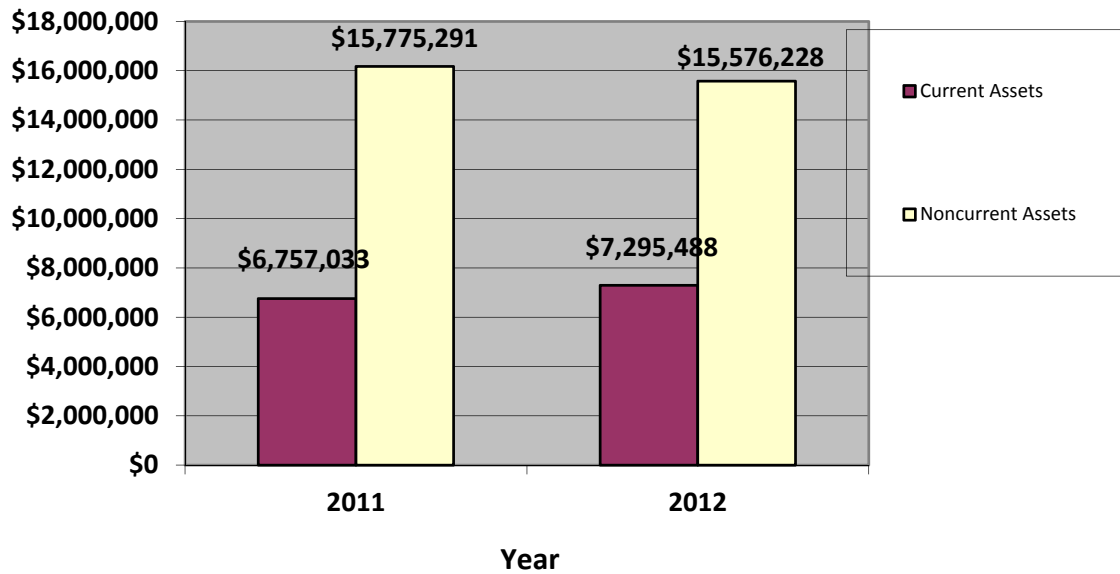
Net assets are presented in three major categories. The first is invested in capital assets, net of related debt, which represents the College's equity in its property, plant, and equipment. The second is restricted and the third is unrestricted. Net assets increased during the current fiscal year from \$14,748,251 to \$14,821,311 for a total increase of \$73,060.

Net Assets for 2011 Compared to 2012



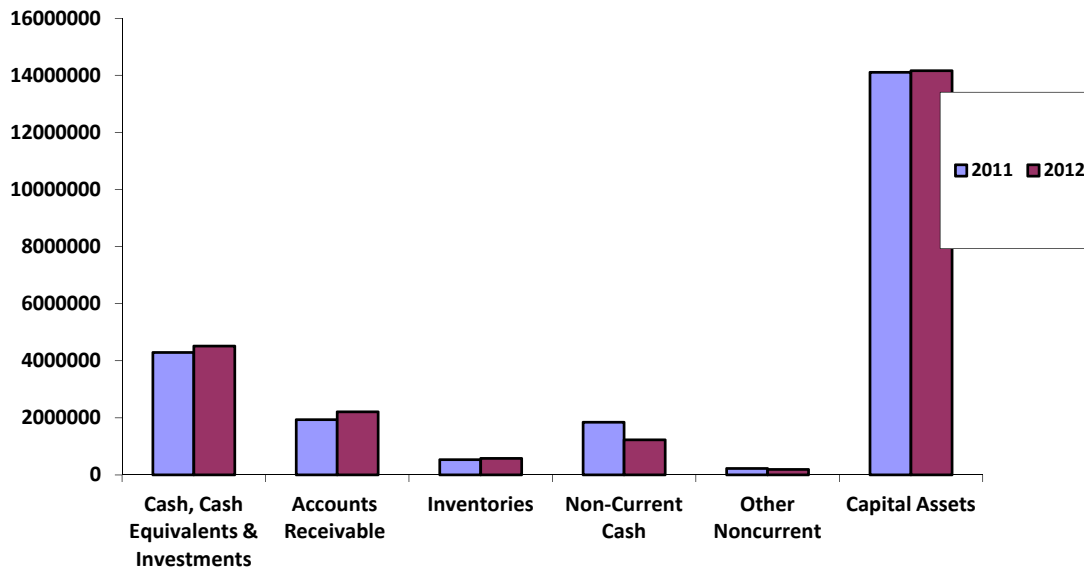
The College's current assets consist primarily of cash, accounts receivables and inventories; while noncurrent assets consist mainly of capital assets. The College's current assets in 2012 were \$7,295,488 compared to \$6,757,033 in 2011. This reflects an increase in current assets from 2011 to 2012 of \$538,455 or a 8.0% increase. Total breakdown of assets between current and noncurrent classifications follows:

Total Assets 2011 and 2012



:

2011 and 2012 Total Assets by Type



Of the \$22,871,716 in total assets, approximately 31.9% are in current assets. Noncurrent assets represent 68.3 % of total assets. Total assets decreased by \$56,953 in 2011.

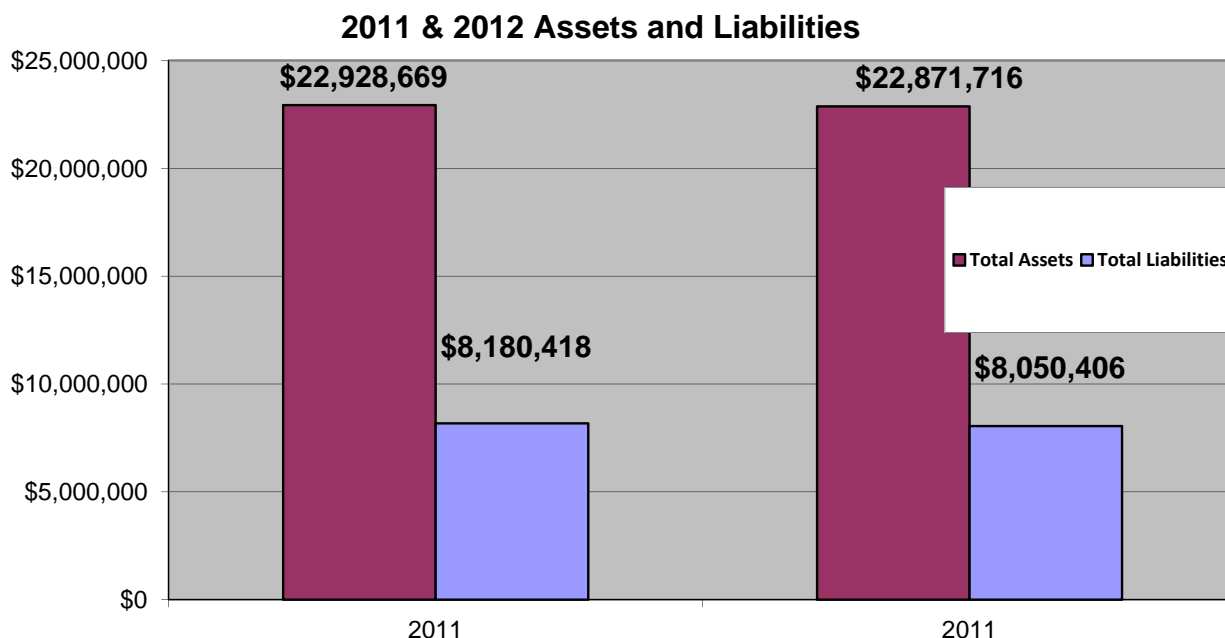
Comparison of Liabilities – Fiscal Year 2011 to 2012

The liabilities are categorized between current and noncurrent. For example, the College's current liabilities consist primarily of accounts payable, accrued liabilities, and deferred revenue. Current liabilities increased by \$214,995 in 2012 with \$186,211 being in deferred revenue from property taxes receivable. The noncurrent liabilities portion is due to the College's 2011 Series Revenue Bonds, notes payable for a 0% interest deferred maintenance loan from the State of Kansas, and the Capital Lease Payable for the Geo-Thermal HVAC system. The 2011 revenue bond was completed in February of 2011 and served two primary purposes: 1) to provide funding to build the Thunder Heights Residence life facility; 2) for the purchase and installation of equipment for the complete replacement of the existing HVAC system with a Geo-Thermal HVAC system. The total current liabilities of the College were increased by \$214,995.54 or 22.7% for 2012 when compared to 2011. However, the current ratio of current assets to current liabilities still remained high at 6.3 to 1. The breakdown of current liabilities and noncurrent is as follows:

	2011	% Total 2011	2012	% Total 2011
Current Liabilities	947,220	11.58%	1,162,216	14.44%
Noncurrent Liabilities	7,233,198	88.42%	6,888,190	85.56%
Total Liabilities	8,180,418	100.00%	8,050,406	100.00%

Comparison of Assets to Liabilities

In 2012 total assets decreased by \$56,953 while total liabilities decreased by \$130,013. This represents a 0.2% decrease in total assets and a 1.6 % decrease in total liabilities. The increase in total assets was generated by increases in current assets, capital assets, and decreases in noncurrent cash and cash equivalents.



Combined Statements of Revenues, Expenses, and Changes in Net Assets

The combined statements of revenues, expenses, and changes in net assets present the College's financial results for the fiscal year ending June 30, 2012. The statements include the College's revenue and expenses, both operating and nonoperating.

Operating revenues and expenses are those for which the College directly exchanges goods and services. Nonoperating revenues and expenses are those that exclude specific goods and services. Examples of nonoperating revenues would be County property tax revenue and State aid; whereby local and State taxpayers do not directly receive goods and services from the College.

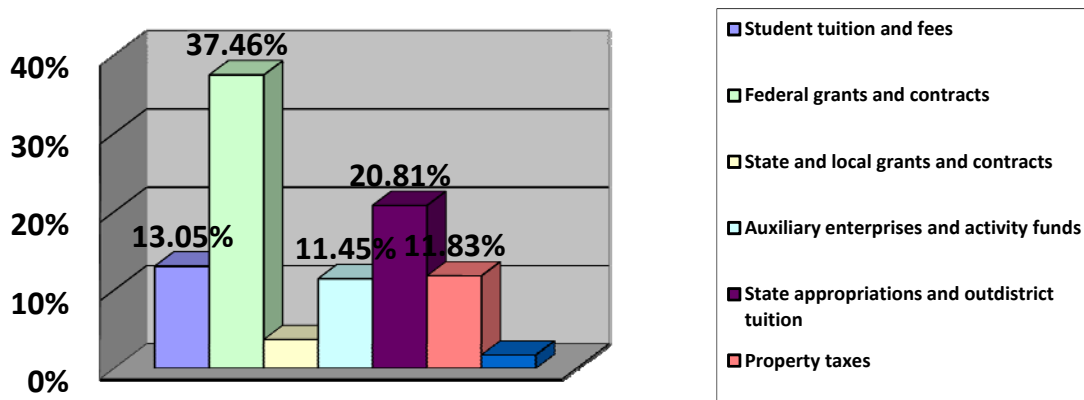
Revenue

Components and sources of revenue:

Cloud County Community College receives revenue from five major sources. They are: The State of Kansas; Federal Government; students, in the form of tuition and fees; local taxpayers, by way of property taxes; and through business style auxiliary enterprises. These sources are relatively stable year after year as a percentage of the total.

	2011	% Total 2010	2012	% Total 2011
Student tuition and fees	2,575,737	11.88%	2,654,152	13.05%
Federal grants and contracts	8,091,914	38.82%	7,618,700	37.46%
State and local grants and contracts	1,013,025	4.81%	750,799	3.69%
Auxiliary enterprises and activity funds	2,485,143	11.25%	2,328,362	11.45%
State appropriations	4,282,099	19.41%	4,233,100	20.81%
Property taxes	2,433,578	12.04%	2,405,344	11.83%
Other revenue	328,635	1.79%	349,599	1.72%
Total revenue	21,210,131	100.00%	20,340,056	100.00%

2012 Total Revenue Sources by Percentage



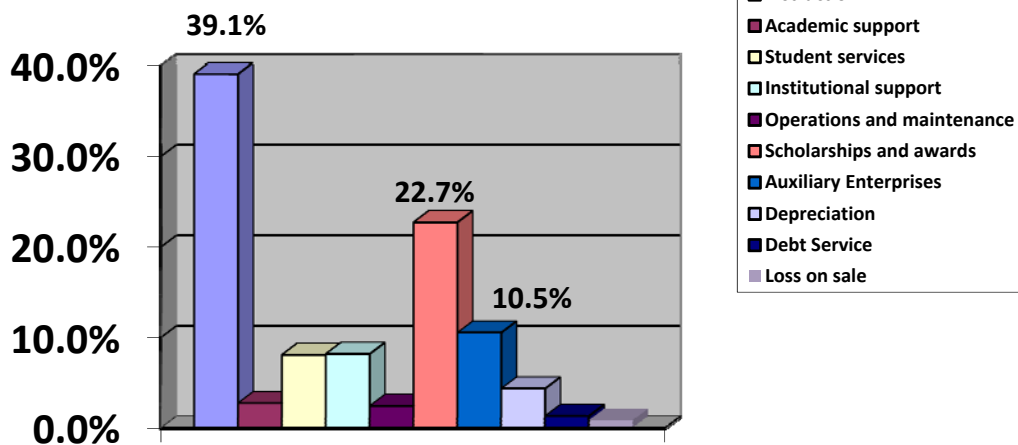
Expenditures

Components of expenses:

Cloud County Community College incurs nine types of expenses including Instruction, Academic Support, Student Services, Institutional Support, Operations and Maintenance, Scholarships and Awards, Auxiliary Enterprises, Depreciation, and Debt Services. These expenses are relatively stable year over year as a percentage of the total. The following charts show the comparison of expenses by function for 2011 and 2012 and the 2011 and 2012 expenses by percentage:

	2011	% Total 2011	2012	% Total 2012
Instruction	7,721,808	38.3%	7,915,701.72	39.1%
Academic support	823,997	4.1%	551,214.74	2.7%
Student services	1,604,584	8.0%	1,629,350.79	8.0%
Institutional support	1,487,687	7.4%	1,649,770.85	8.1%
Operations and maintenance	680,326	3.4%	487,709.20	2.4%
Scholarships and awards	4,769,724	23.7%	4,597,539.91	22.7%
Auxiliary enterprises	1,895,258	9.4%	2,127,378.35	10.5%
Depreciation	839,057	4.2%	875,667.97	4.3%
Debt Service	321,838	1.6%	263,513.97	1.3%
Loss on sale of Asset	-		169,148.64	0.8%
Total Education and General	20,144,279	100.0%	20,266,996.14	100.0%

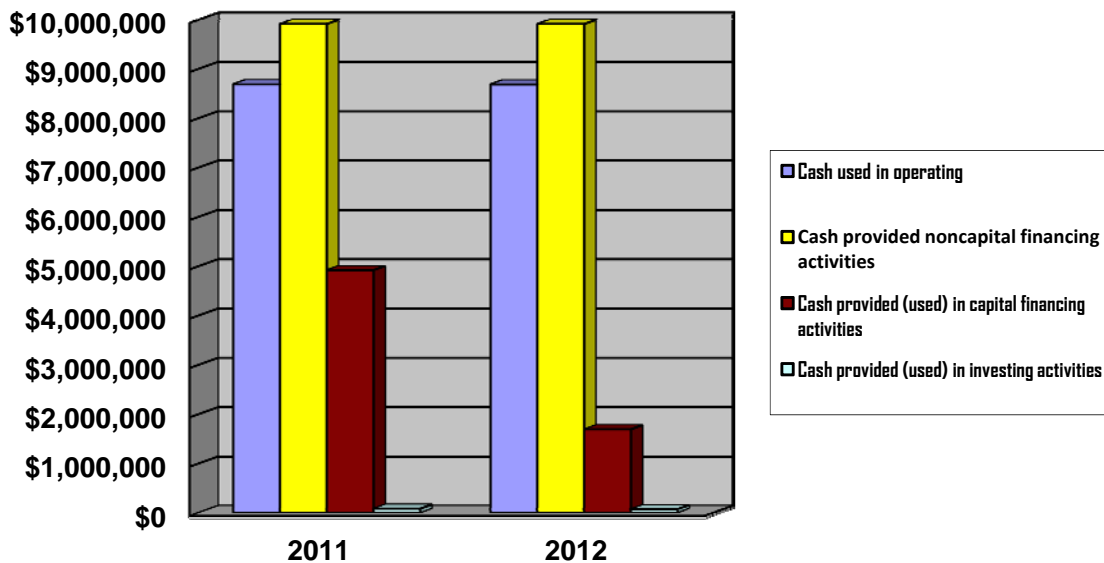
2012 Expenses by Percentage



Statement of Cash Flows

The statement of cash flows presents information about cash receipts and cash payments during the year. It helps assess the College's ability to generate net cash flows and to meet its obligations as they come due. The largest sources of cash from operating activities were student tuition and fees, Federal financial aid, and sales and services of auxiliary enterprises. Major uses of cash were payments made to employees and vendors. Net cash used in operations in 2012 increased by \$501,470 from 2011, while cash provided from noncapital financing in 2012 decreased by \$30,170 from 2011. Cash used in capital financing activities in 2011 decreased by \$3,226,953, and cash provided from investing activities in 2011 decreased by \$10,408. The net decrease in cash and cash equivalents for 2012 was \$394,980 as compared to an decrease of \$3,140,222 in 2011. This decrease in cash and cash equivalents was essentially caused by a reduction in the purchase of capital assets in 2012.

Cash Flows 2011 and 2012



Summary of Overall Performance

Cloud County Community College's financial condition has essentially remained the same this fiscal year as compared to fiscal year 2011 with net assets increasing in fiscal year 2012 by \$73,060 to a total of \$14,821,311. Total operating and nonoperating revenues were \$20,340,056 while operating expenses were \$20,266,996. Current

assets exceeded current liabilities by \$6,133,272.67. The FY 2012 modest enrollment increases generated an increase in FY 2013 State of Kansas appropriations based on a new technical education model by \$197,087. The College does not anticipate any increase in State of Kansas appropriations in fiscal years 2014 and 2015. If enrollment does not increase by more than anticipated, the College will need to seek alternative sources of operating and nonoperating revenue which may include increases in local property taxes, significant tuition rate increases; short term use of auxiliary revenue, and/or significant adjustment to operational expense allocations. The College is making adjustments in expense allocations and is working to continue to increase enrollment levels to provide revenue sources to deal with limited future State appropriation increases but may need to consider property tax levy increases.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Cloud County Community College
Concordia, Kansas

We have audited the accompanying statement of net assets of Cloud County Community College, Concordia, Kansas, as of June 30, 2012, and the related statement of revenues, expenses, and changes in net assets and statement of cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cloud County Community College as of June 30, 2012, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2012, on our consideration of the Cloud County Community College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

P.O. Box 779
Chanute, Kansas 66720
(620) 431-6342
November 10, 2012

CLOUD COUNTY COMMUNITY COLLEGEConcordia, Kansas
Statement of Net Assets
June 30, 2012

	Primary Institution	Component Unit - Foundation
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 4,512,629.36	\$ 396,048.50
Accounts Receivable, Net	2,208,988.78	6,048.03
Promises to Give	-	700,582.02
Inventories	575,558.06	-
Investments	-	2,398,116.91
Total Current Assets	<u>7,297,176.20</u>	<u>3,500,795.46</u>
Noncurrent Assets		
Cash and Cash Equivalents	1,227,335.67	-
Cash Value of Life Insurance	-	2,584.16
Bond Issuance Costs, Net of Accumulated Amortization	189,971.71	-
Capital Assets, Net of Accumulated Depreciation	<u>14,158,920.58</u>	<u>-</u>
Total Noncurrent Assets	<u>15,576,227.96</u>	<u>2,584.16</u>
TOTAL ASSETS	<u>\$ 22,873,404.16</u>	<u>\$ 3,503,379.62</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 380,307.88	\$ 2,288.32
Accrued Wages	144,031.40	-
Accrued Interest	104,626.21	-
Deferred Revenue	263,363.00	-
Compensated Absences	250,297.27	-
Deposits Held in Custody for Others	<u>21,277.77</u>	<u>-</u>
Total Current Liabilities	<u>1,163,903.53</u>	<u>2,288.32</u>
Noncurrent Liabilities		
Revenue Bonds Payable	3,905,000.00	-
Notes Payable	613,190.00	-
Capital Lease Payable	<u>2,370,000.00</u>	<u>-</u>
Total Noncurrent Liabilities	<u>6,888,190.00</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,052,093.53</u>	<u>2,288.32</u>
NET ASSETS		
Investment in Capital Assets, Net of Related Debt	7,270,730.58	-
Restricted- Expendable:		
Bond and Interest	187,562.50	-
Bond Reserve	330,775.00	-
Other Temporarily Restricted	-	842,695.38
Restricted- Nonexpendable	-	1,976,352.99
Unrestricted	<u>7,032,242.55</u>	<u>682,042.93</u>
TOTAL NET ASSETS	<u>14,821,310.63</u>	<u>3,501,091.30</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 22,873,404.16</u>	<u>\$ 3,503,379.62</u>

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

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas
Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended June 30, 2012

	Primary Institution	Component Unit - Foundation
REVENUES		
Operating Revenues		
Student Tuition and Fees, (net of scholarship discounts and allowances of \$1,674,973.11)	\$ 2,654,151.89	\$ -
Federal Grants and Contracts	4,361,643.66	-
State Grants and Contracts	750,798.91	-
Sales and Services of Auxiliary Enterprises (net of scholarship discounts and allowances of \$1,785,149.42)	1,117,492.96	-
Activity Fund Revenues	1,210,869.04	-
Miscellaneous Operating Income	252,995.42	-
Total Operating Revenues	<u>10,347,951.88</u>	<u>-</u>
EXPENSES		
Operating Expenses		
Educational and General		
Instruction	7,915,701.72	-
Academic Support	551,214.74	-
Student Services	1,629,350.79	-
Institutional Support	1,649,770.85	168,593.08
Operation and Maintenance	487,709.20	-
Scholarships, Grants and Awards	4,597,539.91	153,596.00
Fundraising	-	35,036.23
Auxiliary Enterprises	2,127,378.35	-
Activity Fund Expenses	-	48,417.61
Depreciation Expense	875,667.97	-
Total Operating Expenses	<u>19,834,333.53</u>	<u>405,642.92</u>
Operating Income (Loss)	<u>(9,486,381.65)</u>	<u>(405,642.92)</u>
Nonoperating Revenues (Expenses)		
State Appropriations	4,233,100.00	-
County Appropriations	2,405,344.51	-
Federal Pell Grants	3,257,056.00	-
Gifts and Contributions	18,725.00	406,040.18
Investment Income	77,878.37	52,247.29
Debt Service	(263,513.97)	-
Gain (Loss) on Sale of Asset	<u>(169,148.64)</u>	<u>(2,190.00)</u>
Net Operating Revenues (Expenses)	9,559,441.27	456,097.47
Increase (Decrease) in Net Assets	73,059.62	50,454.55
Net Assets - Beginning of Year	<u>14,748,251.01</u>	<u>3,450,636.75</u>
Net Assets - End of Year	<u>\$ 14,821,310.63</u>	<u>\$ 3,501,091.30</u>

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

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Statement of Cash Flows

For the Year Ended June 30, 2012

	Primary Institution	Component Unit - Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Tuition and Fees	\$ 2,567,947.81	\$ -
Federal Grants and Contracts	4,361,643.66	-
State Grants and Contracts	750,798.91	-
Sales and Services of Auxiliary Enterprises	1,117,492.96	-
Activity Fund Revenues	1,210,869.04	-
Miscellaneous Income	252,995.42	-
Payments on Behalf of Employees	(9,468,497.78)	-
Payments for Supplies and Materials	(2,416,677.75)	-
Payments for Other Expenses	(7,066,651.78)	(408,830.32)
Net cash provided by (used in) operating activities	(8,690,079.51)	(408,830.32)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	4,233,100.00	-
County Appropriations	2,405,344.51	-
Federal Pell Grant	3,257,056.00	-
Gifts and Contributions	18,725.00	452,679.93
Net cash provided by (used in) noncapital financing activities	9,914,225.51	452,679.93
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Payments for Purchase of Capital Assets	(1,385,012.47)	-
Proceeds from the Sale of Assets	286,185.00	220.00
Interest Paid on Long Term Debt	(253,168.65)	-
Proceeds from the Issuance of Debt	112,629.74	-
Principal Payments on Revenue Bonds	(457,638.00)	-
Net cash provided by (used in) capital financing activities	(1,697,004.38)	220.00
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned on Investments	77,878.37	77,003.19
Proceeds from the Sales and Maturities of Investments	-	437,625.49
Purchase of Investments	-	(611,397.67)
Net cash provided by (used in) investing activities	77,878.37	(96,768.99)
Net Increase (Decrease) in Cash and Cash Equivalents	(394,980.01)	(52,699.38)
Cash and Cash Equivalents, Beginning of Year	6,134,945.04	448,747.88
Cash and Cash Equivalents, End of Year	\$ 5,739,965.03	\$ 396,048.50

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

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Statement of Cash Flows

For the Year Ended June 30, 2012

	Primary Institution	Component Unit - Foundation
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (9,486,381.65)	\$ (405,642.92)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities:		
Depreciation Expense	875,667.97	-
(Increase) Decrease in Receivables	(253,338.08)	-
(Increase) Decrease in Inventory	(44,980.60)	-
Increase (Decrease) in Accounts Payable	37,453.32	(3,187.40)
Increase (Decrease) in Accrued Wages	24,533.89	-
Increase (Decrease) in Deferred Revenue	167,134.00	-
Increase (Decrease) in Compensated Absences	11,035.08	-
Increase (Decrease) in Deposits Held for Others	(21,203.44)	-
Net cash provided by (used in) operating activities	<u>\$ (8,690,079.51)</u>	<u>\$ (408,830.32)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS		
Cash and Cash Equivalents classified as current assets	\$ 4,512,629.36	\$ 396,048.50
Cash and Cash Equivalents classified as non-current assets	<u>1,227,335.67</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>\$ 5,739,965.03</u>	<u>\$ 396,048.50</u>
Supplemental Information		
Cash Paid During the Period for:		
Interest Expense	<u>\$ 253,168.65</u>	<u>\$ -</u>

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

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Notes to the Financial Statements

For the Year Ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Cloud County Community College, Concordia, Kansas, have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the College's accounting policies follow.

Reporting Entity

The financial reporting entity consist of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete.

Component Unit

The component unit section of the financial statements includes the financial data of the discretely presented component unit, the Cloud County Community College Foundation. The component unit is reported separately to emphasize that it is legally separate from the College. The economic resources received or held by the component unit are held almost entirely for the direct benefit of the College. The Cloud County Community College Foundation was formed to promote and foster the educational purposes of the College, and to create a fund to be used for any program, project or enterprise undertaken in the interest of the College. The Foundation acts largely as a fundraising organization, soliciting, receiving, managing and disbursing contributions on behalf of the College. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation board of directors. The Foundation can sue and be sued, and can buy, sell, or lease real property. The Foundation's financial statements should be included with the College's financial statements. Separate audited financial statements are prepared and are available at the Foundation, and can be requested from the College's controller. The Foundation is considered a component unit.

The College's component unit is a private not-for-profit organization that reports under FASB standards. 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 component unit's financial information in the College's financial report for these differences. The component unit's financial data has, however, been aggregated into like categories for presentation purposes.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

The College has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The College has elected to not apply FASB pronouncements issued after the applicable date.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents.

Investments

The College accounts for its investments at fair value. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses, and changes in net assets.

Accounts Receivable and Deferred Revenue

Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of Kansas. Accounts receivable also includes amounts due from the Federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grant and contracts. Accounts receivable also include taxes in process of collection for property taxes assessed and collected for the calendar year ending December 31, 2012.

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. Property taxes levied in November 2009 are recorded as taxes receivable. Approximately 2% to 6% of these taxes are normally distributed after June 30, 2012, and are presented as accounts receivable-taxes in process and deferred revenue to indicate that they are not appropriable. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Inventories

Inventories consist of books and supplies held for resale in the bookstore and are valued at cost, using the first-in, first-out method (FIFO).

Noncurrent Cash and Cash Equivalents

Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the statement of net assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are stated at cost at the date of acquisition, or fair value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of \$1,000.00 or more, and an estimated useful life of greater than one year. Renovations to building, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is provided on straight-line method over the estimated useful lives of the respective classes of property. Estimated useful lives are as follows:

Buildings	35 Years
Building Improvements	20 Years
Furniture	10 Years
Vehicles	5-7 Years
Equipment, including computers	3-7 Years

Accounts Receivable and Allowance for Doubtful Accounts

The College regularly extends unsecured credit to various students. The College uses the allowance method to account for uncollectible accounts receivable.

Compensated Absences

Employee vacation pay is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued vacation payable in the statement of net assets, and a component of compensation and benefit expense in the statement of revenues, expenses, and changes in net assets.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; or (3) other liabilities that although payable within one year, are to be paid from funds that are classified as noncurrent assets.

Net Assets

The College's net assets are classified as follows:

Invested in Capital Assets, Net of Related Debt: This represents the College's total investment in capital assets, net of accumulated depreciation, and 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 investment in capital assets, net of related debt.

Restricted Net Assets – Expendable: Restricted expendable net assets include resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Restricted Net Assets – Nonexpendable: Nonexpendable restricted net assets consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Assets (Continued)

Unrestricted Net Assets: Unrestricted net assets represent resources derived from student tuition and fees, state appropriations and sales and services of educational departments and auxiliary enterprises. These resources are 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.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Income Taxes

The College, as a political subdivision of the State of Kansas, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended. The Foundation is exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code.

Classification of Revenues

The College has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales of services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most Federal, state and local grants and contracts, and Federal appropriations.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities that use Proprietary Fund Accounting*, and GASB No. 34, such as state appropriations and investment income.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses, and changes in net assets. Scholarship discounts and allowances are the difference between the stated charge and the goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bond Issuance Cost

Costs relating to obtaining bond financing are capitalized and amortized over the term of the related debt using the straight-line method.

Pension Plan

Substantially all full-time College employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The College's policy is to fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for current funds - unrestricted and plant funds (unless specifically exempted by statute). The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds.

Annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenue is recognized when cash is received. Expenditures include cash disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for Current Funds – Restricted, Deferred Maintenance, and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. **STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** (Continued)

Compliance with Bond Covenants

The bond resolution to issue the Student Union and Dormitory System Refunding and Improvement Revenue Bonds contains the following requirements:

1. All income from operation of the Revenue Fund are to be placed in the Revenue Fund.
2. Disbursements from the Revenue Fund are required as follows:
 - (a) Monthly transfers to the Debt Service Account not less than 1/6th of the next revenue bond interest.
 - (b) Monthly transfers to the Debt Service Account not less than 1/12th of the next revenue bond principal.
 - (c) A balance in an amount equal to the lesser of 10% of the original principal amounts of the bonds or one times the maximum future debt service requirements of the bonds or 125% of the average annual debt service requirements of the bonds is to be maintained in the Debt Service Reserve Fund
 - (d) On June 30th each year, after meeting all requirements of (a) through (c) above, all remaining money in the Dormitory and Student Union Account shall be paid to the Surplus Account. This fund may pay costs of operation, maintenance, repair, improvements or redeem the revenue bonds prior to their normal maturity.
 - (e) The College agrees to maintain rental rates, fees and charges for the use of buildings and facilities, which will be sufficient to have each fiscal year a net operating revenue of at least 125% of the annual requirement for principal and interest requirements of the current fiscal year of the Dormitory Revenue Bonds.

For the fiscal year ended June 30, 2012, the College met the gross operating income covenant, as follows:

Increase (Decrease) in Net Assets (Page 35)	\$	327,355.73
Net Transfers		255,688.75
Debt Service		95,224.47
Capital Outlay		42,207.60
Net Income as defined by Bond Agreements	\$	<u>720,476.55</u>
Required 125% of the proceeding year principle and interest	\$	<u>440,070.31</u>

During the fiscal year ended June 30, 2012, all of the transfers required by #2 above, were made. At June 30, 2012, the bond reserves had the following balances:

	<u>REQUIRED</u>	<u>ACTUAL</u>
Debt Service Account	\$ 187,562.50	\$187,562.50
Dormitory Bond Reserve Account	330,775.00	627,318.98

Compliance with Kansas Statutes

Supplemental Schedules 4 to 11 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Schedule 11 the College was in apparent violation of K.S.A. 79-2934 as the College has obligated expenditures in excess of budgetary limits in the Capital Outlay Fund. Management is not aware of any other Kansas statutes violations.

3. DEPOSITS

Primary Institution:

K.S.A 9-1401 establishes the depositories which may be used by the College. The statute requires banks eligible to hold the College's funds have a main branch or branch bank in the county in which the College is located and the bank provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The College has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the College's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The College has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. State statutes require the College's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2012.

At year-end, the carrying amount of the College's deposits were \$5,739,515.03. The bank balances were \$5,983,131.94. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance \$276,759.83 was covered by FDIC insurance and the remaining \$5,706,372.11 was collateralized with pledged securities held by the pledging financial institutions' agents in the College's name.

Component Unit:

At year-end, the carrying amount of the Foundation's deposits were \$396,048.50. The bank balances were \$397,179.16. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance \$56,358.31 was covered by FDIC insurance and the remaining \$340,820.85 are held in a trust and considered self-securing at year-end.

4. INVESTMENTS

Component Unit:

Investment Policy

The Foundation follows the Uniform Management of Institutional Funds Act of 1972 (UMIFA) and its own governing documents. UMIFA requires the historical dollar amount of a donor-restricted endowment fund to be preserved. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable under UMIFA.

Under the terms of the Governing Documents, the Board of Directors has the ability to distribute so much of the corpus of any trust or separate gift, devise, bequest or fund as the Board in its sole discretion shall determine. As a result of the ability to distribute corpus, all contributions not classified as temporarily or permanently restricted are classified as unrestricted net assets for financial statement purposes.

4. **INVESTMENTS** (Continued)

Component Unit:

Investment Policy (Continued)

The Primary objective of the Foundation's investment policy is to provide for long-term growth, a modest rate of return, and an average risk. The investment objective requires a disciplined and consistent management philosophy. The objectives do not call for a philosophy which represents extreme positions or opportunistic styles. The portfolio shall be diversified with cash, fixed income, and equity holdings.

The purpose of such diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact of the total portfolio.

Equity investments and other investments are recorded at fair values subject to comments on Investments under the summary of accounting practices.

Investments at June 30, 2012, are comprised of the following:

	<u>COST</u>	<u>FAIR VALUE</u>
Fixed Income Securities	\$ 696,935.03	\$ 728,154.92
Public Traded Equities	<u>1,519,352.66</u>	<u>1,669,961.99</u>
	<u>\$ 2,216,287.69</u>	<u>\$ 2,398,116.91</u>

5. **FAIR VALUE MEASUREMENTS**

Component Unit:

The Foundation uses fair value measurement to record fair value adjustment to certain assets and liabilities. Fair Value Measurements requires classification of assets and liabilities into three levels based on the method used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect the Foundation's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk of liquidity associated with the underlying investment. For example, U.S. government securities are generally high quality and liquid; however, they are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market. The following table sets forth carrying amounts and estimated fair value for financial instruments at June 30, 2012:

	<u>June 30, 2012</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Public Traded Equities	\$ 1,669,961.99	\$ --	\$ --	\$ 1,669,961.99
Fixed Income	<u>--</u>	<u>728,154.92</u>	<u>--</u>	<u>728,154.92</u>
Totals	<u>\$ 1,669,961.99</u>	<u>\$ 728,154.92</u>	<u>\$ --</u>	<u>\$ 2,398,116.91</u>

5. FAIR VALUE MEASUREMENTS (Continued)

Component Unit:

	June 30, 2011			
	Level 1	Level 2	Level 3	Total
Public Traded Equities	\$ 1,649,989.18	\$ --	\$ --	\$ 1,649,989.18
Fixed Income	<u>--</u>	<u>611,089.44</u>	<u>--</u>	<u>611,089.44</u>
Totals	<u>\$ 1,649,989.18</u>	<u>\$ 611,089.44</u>	<u>\$ --</u>	<u>\$ 2,261,078.62</u>

There were no significant transfers between level 1 and level 2 investments.

6. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2012, consisted of the following:

	<u>Primary Institution</u>
Current:	
Taxes in Process	\$ 263,363.00
Federal Grants	1,239,365.94
Student Accounts	606,359.84
Wind Turbine Sale	<u>100,000.00</u>
Total Current	<u>\$2,208,988.78</u>

The College uses the allowance method to account for uncollectible accounts receivable. Accounts receivable are presented net of an allowance for uncollectible accounts of \$1,230,516.92 at June 30, 2012.

7. INVENTORIES

Inventories consisted of the following at June 30, 2012:

Book Store Inventory	
Textbooks	\$ 541,876.92
Soft Goods and Supplies	<u>33,681.14</u>
Total Bookstore Inventory	<u>\$ 575,558.06</u>

8. UNCONDITIONAL PROMISES TO GIVE

Component Unit:

Unconditional promises to give at June 30, 2012 consist of the following:

Phonathon	\$	6,386.00
Fall Campaign		3,051.00
Johnson Trust		<u>691,145.02</u>
	\$	<u>700,582.02</u>
Endowed funds:		
Less than one year	\$	43,991.97
One to five years		148,522.84
More than five years		<u>2,017,434.65</u>
Total unconditional promises to give		<u>2,209,949.46</u>
Less unamortized discounts		<u>(1,518,804.44)</u>
	\$	<u>691,145.02</u>

Uncollectible amounts for unconditional promises to give are expected to be insignificant. Accordingly, no provision is made for uncollectible amounts. Long-term promises to give are recognized at fair value, using present value techniques and a discount rate of 4.4% in for the year ended June 30, 2012.

9. CAPITAL ASSETS

Primary Institution:

Following are the changes in capital assets for the year ended June 30, 2012:

	Balance 06/30/2011	Additions	Retirements	Balance 06/30/2012
Capital assets not being depreciated				
Land	\$ 429,388.00	\$ -	\$ -	\$ 429,388.00
Total Capital Assets not being depreciated	<u>\$ 429,388.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 429,388.00</u>
Other Capital Assets				
Buildings	\$ 12,667,656.46	\$ 786,271.57	\$ -	\$ 13,453,928.03
Buildings Under Capital Lease	2,659,364.69	-	-	2,659,364.69
Equipment	4,614,832.10	556,365.96	(513,052.00)	4,658,146.06
Furniture	305,430.36	16,074.94	-	321,505.30
Vehicles	543,788.65	26,300.00	(117,471.00)	452,617.65
Total Other Capital Assets	<u>\$ 20,791,072.26</u>	<u>\$ 1,385,012.47</u>	<u>\$ (630,523.00)</u>	<u>\$ 21,545,561.73</u>
Accumulated Depreciation				
Buildings	\$ 4,169,016.55	\$ 507,894.52	\$ -	\$ 4,676,911.07
Buildings Under Capital Lease	10,551.93	10,551.93	-	21,103.86
Equipment	2,343,410.93	272,318.38	(57,718.36)	2,558,010.95
Furniture	100,469.96	46,353.14	-	146,823.10
Vehicles	492,101.17	38,550.00	(117,471.00)	413,180.17
Total Accumulated Depreciation	<u>\$ 7,115,550.54</u>	<u>\$ 875,667.97</u>	<u>\$ (175,189.36)</u>	<u>\$ 7,816,029.15</u>
Total Net Capital Assets	<u>\$ 14,104,909.72</u>	<u>\$ 509,344.50</u>	<u>\$ (455,333.64)</u>	<u>\$ 14,158,920.58</u>

9. CAPITAL ASSETS (Continued)

Component Unit:

Following are the changes in capital assets for the year ended June 30, 2012:

	Balance 06/30/2011	Additions	Retirements	Balance 06/30/2012
Property and Equipment				
Land	\$ 2,410.00	\$ -	\$ 2,410.00	\$ -
Equipment	13,947.86	-	-	13,947.86
Total Other Capital Assets	<u>\$ 16,357.86</u>	<u>\$ -</u>	<u>\$ 2,410.00</u>	<u>\$ 13,947.86</u>
Accumulated Depreciation				
Equipment	\$ 13,947.86	\$ -	\$ -	\$ 13,947.86
Total Accumulated Depreciation	<u>\$ 13,947.86</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,947.86</u>
Total Net Capital Assets	<u>\$ 2,410.00</u>	<u>\$ -</u>	<u>\$ 2,410.00</u>	<u>\$ -</u>

10. LONG-TERM DEBT

Primary Institution:

Long-term debt of the College consists of the following as of June 30, 2012:

Revenue Bonds:

2.500 to 5.125% Student Union and Dormitory System
Refunding and Improvement revenue bonds issued
2010, maturing serially through September 1, 2029,
Secured by dormitory gross revenues. \$ 3,905,000.00

Notes Payable:

Kansas Board of Regents – PEI Infrastructure – One
eight of the Institution's total loan amount shall be
repaid on or before December 1 in each year of the eight
year amortization period of the Kansas Development
Finance Authority revenue bonds Series 2008A. 613,190.00

Total Long-Term Debt \$ 4,518,190.00

The following is a summary of changes in long-term debt for the year ended June 30, 2012:

<u>OBLIGATIONS</u>	<u>PRINCIPAL JUNE 30, 2011</u>	<u>PRINCIPAL RECEIVED (PAID)</u>	<u>PRINCIPAL JUNE 30, 2012</u>	<u>INTEREST PAID</u>
Revenue Bonds --				
Series 2010	\$ 4,055,000.00	\$ (150,000.00)	\$ 3,905,000.00	\$ 177,062.50
Notes Payable				
Series 2008A	623,198.26	112,629.74		
		<u>(122,638.00)</u>	<u>613,190.00</u>	<u>- -</u>
	<u>\$ 4,678,198.26</u>	<u>\$ (160,008.26)</u>	<u>\$ 4,518,190.00</u>	<u>\$ 177,062.50</u>

10. LONG-TERM DEBT (Continued)

The bond principal and interest requirements for the next five years and thereafter are as follows:

<u>FISCAL YEAR</u> <u>JUNE 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$ 277,638.00	\$ 173,056.25	\$ 450,694.25
2014	282,638.00	168,525.00	451,163.00
2015	287,638.00	163,650.00	451,288.00
2016	287,638.00	158,617.50	446,255.50
2017	297,638.00	152,997.50	450,635.50
2018-2022	970,000.00	650,027.50	1,620,027.50
2023-2027	1,225,000.00	388,706.25	1,613,706.25
2028-2030	<u>890,000.00</u>	<u>69,710.01</u>	<u>959,710.01</u>
	<u>\$4,518,190.00</u>	<u>\$1,925,290.01</u>	<u>\$6,443,480.01</u>

11. CAPITAL LEASES

The College entered into a certificate of participation dated May 15, 2010, with UMB Bank, N.A. for the purchase of numerous pieces of equipment. The total cost was \$2,730,000.00. The lease calls for varying annual payments, including interest between 2.00 and 3.80% semi-annually, maturing June 15, 2023.

<u>Capital Lease – Equipment</u>	
Debt requirements are as follows:	
<u>June 30,</u>	
2013	\$ 260,567.50
2014	261,769.50
2015	262,867.50
2016	258,467.50
2017	258,467.50
2018-2022	1,299,070.00
2023	<u>259,500.00</u>
Total Net Minimum Lease Payments	2,860,709.50
Less: Imputed Interest	<u>(490,709.50)</u>
Net Present Value of Capital Lease	<u>2,370,000.00</u>
Less: Current Maturities	<u>(190,000.00)</u>
Long-Term Capital Lease Obligations	<u>\$ 2,180,000.00</u>

12. LEASE AGREEMENTS

The College has entered into a lease agreement with Geary County to lease buildings for outreach classes. The agreement calls for rental payments that shall include a base rent of the amount equal to \$3,500.00 per month and variable rents, determined by enrollment, of \$3.00 for all credit hours in excess of the preceding school year total enrollment. The lease payments are due monthly. This lease is subject to change or termination at any time by the Kansas legislature. In the event of a change in the Kansas statutory or case law which makes this lease agreement illegal, this lease shall be terminated with no recourse by either party. As of June 30, 2012, the lease was a month to month lease. The total payments made under this lease agreement during the year ended June 30, 2012, was \$47,340.00.

12. LEASE AGREEMENTS (Continued)

The College has entered into a lease agreement with AFK Properties, LLC to lease buildings located at 1530 Lincoln Street, Concordia, Kansas. The agreement is for 36 months, commencing August 1, 2012, and continuing through the last day of July 2014. The agreement calls for rental payments in the amount of \$1,720.00 per month. The total payments made under this lease agreement during the year ended June 30, 2012, was \$20,640.00. Future minimum rental payments are as follows:

06/30/2013	\$ 20,640.00
06/30/2014	1,720.00

The College has entered into a lease agreement with Darrel and Margo Hosie to lease buildings located at 2015 Lincoln Street, Concordia, Kansas. The agreement is for 24 months, commencing August 15, 2010, and continuing through the last day of August 14, 2012. The agreement calls for rental payments in the amount of \$1,400.00 per month. The total payments made under this lease agreement during the year ended June 30, 2012, was \$16,800.00. Future minimum rental payments are as follows:

06/30/2012	\$ 2,800.00
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The College has entered into various other rental agreements for the rental of office equipment. Total rent payments made under these agreements during the year ended June 30, 2012, was \$48,208.55. There were no future minimum lease payments.

13. DEFINED BENEFIT PENSION PLAN

Plan Description: The College participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% or 6% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.17% of covered payroll. These contributions requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for school municipality employees for the years ending June 30, 2012, 2011, and 2010 were \$298,635,383, \$253,834,044, and \$248,468,186, respectively, equal to the statutory required contributions for each year. During the year ended June 30, 2012, payments made by the State of Kansas to KPERS on behalf of the College totaled \$579,033.01.

14. OTHER POST EMPLOYMENT BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

During fiscal year 2009, the College implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes the following measurement and recognition disclosures:

Plan description: The College sponsors a single-employer other post-employment benefit plan that provides medical, dental, and prescription drug benefits to qualifying retirees and their dependents. Employees, who qualify for pension benefits under the Kansas Public Employee Retirement System (KPERs) and are enrolled in the College's insurance benefits during the benefit plan year prior to retirement, are eligible for benefits. Under KPERs, a participant must be at least age 55 with at least 10 years of service or meet Rule of 85 (age + service \geq 85) at any age to be eligible. Also, a retiring employee who waives continuing participation in the College's health plan at the time of retirement is not eligible to participate at a later date. Employees who qualify for a total disability benefit under the KPERs Disability Benefits Program are eligible for benefits until they qualify for Medicare. Spouses may continue coverage upon retiree death or attainment of Medicare eligibility age under Cobra for up to 36 months not to exceed the spouse's own age 65.

Funding policy: The College establishes and amends contribution requirements. The current funding policy of the College is to fund benefits on a pay-as-you-go basis. This arrangement does not qualify as other post employment benefits (OPEB) plan assets under Governmental Accounting Standards Board (GASB) Statement No. 45 for current GASB reporting. Retirees, who either meet the Rule of 85 or are age 55 with 15 years of service upon retirement, pay premiums for medical coverage.

Annual OPEB cost and net OPEB obligation: The College's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities or funding excess) over a period not to exceed thirty years. The following table shows the components of the College's annual OPEB obligation.

Annual Required Contribution	\$ 428,700.00
Interest on Net OPEB Obligation	10,395.00
Adjustment to Annual Required Contribution	<u>14,986.00</u>
Annual OPEB Cost	424,109.00
Net Contributions Made	<u>- -</u>
Increase in net OPEB Obligation	\$ 424,109.00
Net OPEB Obligation – June 30, 2011	<u>277,213.00</u>
Net OPEB Obligation – June 30, 2012	<u>\$ 701,322.00</u>

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2012 follows.

Fiscal Year <u>Ended</u>	OPEB Cost	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
June 30, 2012	\$701,322	0.00%	\$701,322

Funded Status and Funding Progress: As of July 1, 2011, the most recent actuarial valuation, the plan was zero percent funded. The College's actuarial accrued liability for benefits was \$2,975,481 and the actuarial value of assets is zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,975,481. The results of the July 1, 2011 valuation were rolled forward to June 30, 2012. The actuarial accrued liability for benefits was \$2,975,481, and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,975,481 as of June 30, 2012. The covered payroll (annual payroll of active employees covered by the plan) was \$6,352,519 and the ratio of the UAAL to the covered payroll was 46.83%.

Actuarial Methods and Assumptions: Actuarial valuations for an ongoing Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the College's actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated. The required schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projection of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the initial actuarial valuation for the Plan as of July 1, 2011, the projected unit credit actuarial cost method was used. The actuarial assumptions included an 3.75% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on Plan assets and on the College's own investments calculated based on the funded level of the Plan at the valuation date, and an annual healthcare cost trend rate of 8.5% initially, reduced by decrements to an ultimate rate of 5% after eight years. The actuarial value of assets will be determined using fair value. The UAAL will be amortized over a 30 year open period in level dollar amounts.

15. COMPENSATED ABSENCES

Full-time administrators earn vacation time according to the following schedule:

- 12-month contracts: 20 workdays per year
- 11-month contracts: 10 workdays per year
- Less than 11-month contracts: no vacation time is earned

Vacation time can be accumulated until it reaches 1.5 times the scheduled time. In no case shall accumulated vacation exceed 30 workdays in one contract year.

Less than full-time administrators shall earn vacation on the schedule but prorated to the percentage the contract is of a full-time contract.

Full-time support staff personnel earn vacation hours based upon the following schedule:

- 0 to 6 years of service – 80 hours annually
- 7 to 14 years of service – 120 hours annually
- 15 and over years of service – 160 hours annually

Less than full-time support staff shall earn vacation on the schedule but prorated to the percentage of hours worked to 2,088 hours.

The provision for and accumulation of sick leave is based upon employment classification and years of service. Employees are not paid for accumulated sick leave upon termination.

The College accrues a liability for compensated absences which meet the following criteria:

1. The College's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the College has accrued a liability for vacation and not recorded a liability for sick leave which has been earned, but not taken, inasmuch as the amount cannot be reasonably.

16. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

17. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employee; employees' health and life; and natural disasters. The College manages these risks of loss through the purchase of insurance policies.

18. BOND ISSUANCE COST

Cost related to obtaining bond financing are capitalized and amortized over the term of the related debt using the straight-line method. Accumulated amortization at June 30, 2012 was \$12,614.63. When the loan is paid in full, any unamortized financing charges are removed from the related accounts and charged to operations.

19. CONCENTRATION OF RISK

Component Unit:

59.76% of the Foundation's monies are invested in equities in the stock market. The effect in the future on the Foundation's equity portfolio is unknown and is subject to market economic conditions.

20. RELATED PARTY TRANSACTIONS

The Foundation was formed to promote and foster the educational purposes of the Cloud County Community College, and to create a fund to be used for any program, project, or enterprise undertaken in the interest of the College. The Foundation acts largely as a fund raising organization, soliciting, receiving, managing and disbursing contributions on behalf of the College. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation's board of directors. The Foundation disbursed to the College for the year ended June 30, 2012, \$153,596.00. The Foundation disbursed on behalf of the College through its activity funds for the year ended June 30, 2012, \$48,417.61. The College disbursed on behalf of the Foundation donated services and facilities for the year ended June 30, 2012, \$101,068.58.

21. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Reason</u>	<u>Amount</u>
Bookstore	Revenue Bonds	Debt Service	\$ 71,373.76
Housing	Revenue Bonds	Debt Service	255,688.75
General	Capital Outlay	Operating Expenses	168,729.19

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

22. REVENUE BOND DISCLOSURES

Insurance is carried on property constituting the system covered by the Series 2010 Student Union and Dormitory System Refunding and Improvement Revenue Bonds in the amount of \$29,910,003 blanket property coverage, \$1,000 deductible per occurrence, through EMC Insurance Company for the period June 30, 2011, through June 30, 2012, renewable annually. The premiums paid were \$35,500.00

Total system users for the fall 2011 and the spring of 2012 were as follows:

	<u>Fall 2011</u>	<u>Spring 2012</u>
Dorm Residents	361	324

23. SEGMENT INFORMATION

A segment is an identifiable activity reported as a stand alone entity for which one or more revenue bonds are outstanding. A segment has a specific identifiable revenue stream pledged in support of revenue bonds and has related expenses, gains, losses, assets, and liabilities that are required by an external party to be accounted for separately. The Auxiliary Enterprise Housing Fund qualifies as a segment and is as follows:

Condensed Statement of Net Assets

Assets:	
Current assets	<u>\$ 1,164,650.29</u>
Liabilities	
Current liabilities	\$ 26,907.56
Net assets	
Unrestricted	<u>1,137,742.73</u>
Total Assets and Liabilities	<u>\$ 1,164,650.29</u>

Condensed Statement of Revenues, Expenses and

Changes in Net Assets	
Operating revenues	\$ 1,704,112.79
Other operating expenses	<u>(1,025,843.84)</u>
Operating income	<u>678,268.95</u>
Investment income -	
Debt Service	(95,224.47)
Transfers In (Out)	(255,688.75)
Change in net assets	327,355.73
Beginning net assets	<u>810,387.00</u>
Ending net assets	<u>\$ 1,137,742.73</u>

Condensed statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 644,517.70
Capital and related financing activities	<u>(327,355.73)</u>
Net increase (decrease) in cash	317,161.97
Beginning cash and cash equivalents	<u>847,488.32</u>
Ending cash and cash equivalents	<u>\$ 1,164,650.29</u>

24. SUBSEQUENT EVENTS

The College evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

**REQUIRED
SUPPLEMENTAL INFORMATION**

Schedule 1**CLOUD COUNTY COMMUNITY COLLEGE**
Concordia, Kansas

Schedule of Funding Progress

For the Year Ended June 30, 2012

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2012 follows. This is the second transition year of GASB Statement No. 45.

Fiscal Year <u>Ended</u>	<u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
June 30, 2012	\$701,322	0.00%	\$701,322

SUPPLEMENTAL INFORMATION

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	GENERAL	POSTSECONDARY TECHNICAL EDUCATION	ADULT EDUCATION	ADULT SUPPLEMENTAL EDUCATION	EMPLOYEE BENEFITS	AUXILIARY ENTERPRISE BOOKSTORE
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 1,427,911.48	\$ -	\$ 2,446.79	\$ 91,610.58	\$ 412.95	\$ 957,903.97
Receivables - Taxes in Process	263,363.00	-	-	-	-	-
Receivables - Federal	-	-	3,046.99	-	-	-
Receivables - Other Receivables	606,359.84	-	-	-	-	-
Inventories	-	-	-	-	-	575,558.06
Total Current Assets	2,297,634.32	-	5,493.78	91,610.58	412.95	1,533,462.03
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Bond Issuance Costs, Net	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 2,297,634.32	\$ -	\$ 5,493.78	\$ 91,610.58	\$ 412.95	\$ 1,533,462.03
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ 525.00	\$ -	\$ 5,833.34	\$ -	\$ -	\$ 107,887.24
Accrued Wages	110,889.83	6,022.50	-	-	-	3,464.95
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	263,363.00	-	-	-	-	-
Compensated Absences	222,542.44	-	-	5,163.46	-	1,825.67
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	597,320.27	6,022.50	5,833.34	5,163.46	-	113,177.86
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	597,320.27	6,022.50	5,833.34	5,163.46	-	113,177.86
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	1,700,314.05	(6,022.50)	(339.56)	86,447.12	412.95	1,420,284.17
TOTAL NET ASSETS	1,700,314.05	(6,022.50)	(339.56)	86,447.12	412.95	1,420,284.17
TOTAL LIABILITIES AND NET ASSETS	\$ 2,297,634.32	\$ 0.00	\$ 5,493.78	\$ 91,610.58	\$ 412.95	\$ 1,533,462.03

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	ASSETS							
	AUXILIARY ENTERPRISE HOUSING	AUXILIARY ENTERPRISE FOOD SERVICE	AUXILIARY ENTERPRISE SCHOLARSHIPS	AUXILIARY ENTERPRISE CHILDREN'S CENTER	AUXILIARY ENTERPRISE BUILDING DEVELOPMENT	AUXILIARY ENTERPRISE CAMPUS PATROL		
Current Assets								
Cash and Cash Equivalents	\$ 1,164,650.29	\$ 68,908.24	\$ 67,194.97	\$ 34,956.15	\$ 168,438.38	\$ 19,748.82		
Receivables - Taxes in Process	-	-	-	-	-	-		
Receivables - Federal	-	-	-	503.37	-	-		
Receivables - Other Receivables	-	-	-	-	-	-		
Inventories	-	-	-	-	-	-		
Total Current Assets	1,164,650.29	68,908.24	67,194.97	35,459.52	168,438.38	19,748.82		
Noncurrent Assets								
Cash and Cash Equivalents	-	-	-	-	-	-		
Bond Issuance Costs, Net	-	-	-	-	-	-		
Capital Assets	-	-	-	-	-	-		
Accumulated Depreciation	-	-	-	-	-	-		
Total Noncurrent Assets	-	-	-	-	-	-		
TOTAL ASSETS	\$ 1,164,650.29	\$ 68,908.24	\$ 67,194.97	\$ 35,459.52	\$ 168,438.38	\$ 19,748.82		
LIABILITIES AND NET ASSETS								
LIABILITIES								
Current Liabilities								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Accrued Wages	13,643.10	-	-	2,983.46	-	-		
Accrued Interest	-	-	-	-	-	-		
Deferred Revenue	-	-	-	-	-	-		
Compensated Absences	10,064.46	-	-	5,268.57	-	-		
Deposits Held in Custody for Others	3,200.00	-	-	-	-	-		
Total Current Liabilities	26,907.56	-	-	8,252.03	-	-		
Noncurrent Liabilities								
Revenue Bonds Payable	-	-	-	-	-	-		
Notes Payable	-	-	-	-	-	-		
Capital Lease Payable	-	-	-	-	-	-		
Total Noncurrent Liabilities	-	-	-	-	-	-		
TOTAL LIABILITIES	26,907.56	-	-	8,252.03	-	-		
NET ASSETS								
Investment in capital assets, net of related debt	-	-	-	-	-	-		
Restricted for:								
Bond and Interest	-	-	-	-	-	-		
Bond Reserve	-	-	-	-	-	-		
Unrestricted	1,137,742.73	68,908.24	67,194.97	27,207.49	168,438.38	19,748.82		
TOTAL NET ASSETS	1,137,742.73	68,908.24	67,194.97	27,207.49	168,438.38	19,748.82		
TOTAL LIABILITIES AND NET ASSETS	\$ 1,164,650.29	\$ 68,908.24	\$ 67,194.97	\$ 35,459.52	\$ 168,438.38	\$ 19,748.82		

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	ASSETS		AUXILIARY ENTERPRISE		AUXILIARY ENTERPRISE TRUSTEE DISCRETIONARY		FEDERAL PELL GRANTS		FEDERAL DIRECT LOANS		FEDERAL SEOG GRANTS	
	AUXILIARY ENTERPRISE LAUNDRY		AUXILIARY ENTERPRISE CONTINGENCY		AUXILIARY ENTERPRISE TRUSTEE DISCRETIONARY		FEDERAL PELL GRANTS		FEDERAL DIRECT LOANS		FEDERAL SEOG GRANTS	
Current Assets												
Cash and Cash Equivalents	\$ 42,052.15	\$	100,000.00	\$	124,214.20	\$	-	\$	-	\$	-	-
Receivables - Taxes in Process	-		-		-		-		-		-	-
Receivables - Federal	-		-		-		80,031.00		1,741.00		2,200.00	
Receivables - Other Receivables	-		-		-		-		-		-	
Inventories	-		-		-		-		-		-	
Total Current Assets	42,052.15		100,000.00		124,214.20		80,031.00		1,741.00		2,200.00	
Noncurrent Assets												
Cash and Cash Equivalents	-		-		-		-		-		-	
Bond Issuance Costs, Net	-		-		-		-		-		-	
Capital Assets	-		-		-		-		-		-	
Accumulated Depreciation	-		-		-		-		-		-	
Total Noncurrent Assets	-		-		-		-		-		-	
TOTAL ASSETS	42,052.15	\$	100,000.00	\$	124,214.20	\$	80,031.00	\$	1,741.00	\$	2,200.00	
LIABILITIES AND NET ASSETS												
LIABILITIES												
Current Liabilities												
Accounts Payable	\$ -	\$	-	\$	-	\$	80,031.00	\$	1,741.00	\$	2,200.00	
Accrued Wages	-		-		-		-		-		-	
Accrued Interest	-		-		-		-		-		-	
Deferred Revenue	-		-		-		-		-		-	
Compensated Absences	-		-		-		-		-		-	
Deposits Held in Custody for Others	-		-		-		-		-		-	
Total Current Liabilities	-		-		-		80,031.00		1,741.00		2,200.00	
Noncurrent Liabilities												
Revenue Bonds Payable	-		-		-		-		-		-	
Notes Payable	-		-		-		-		-		-	
Capital Lease Payable	-		-		-		-		-		-	
Total Noncurrent Liabilities	-		-		-		-		-		-	
TOTAL LIABILITIES	-		-		-		80,031.00		1,741.00		2,200.00	
NET ASSETS												
Investment in capital assets, net of related debt	-		-		-		-		-		-	
Restricted for:												
Bond and Interest	-		-		-		-		-		-	
Bond Reserve	-		-		-		-		-		-	
Unrestricted	42,052.15		100,000.00		124,214.20		-		-		-	
TOTAL NET ASSETS	42,052.15		100,000.00		124,214.20		-		-		-	
TOTAL LIABILITIES AND NET ASSETS	42,052.15	\$	100,000.00	\$	124,214.20	\$	80,031.00	\$	1,741.00	\$	2,200.00	

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	FEDERAL WORK STUDY	WORK FORCE SOLUTIONS	BOARD OF REGENTS NURSING GRANT	CARL PERKINS PROGRAM IMPROVEMENT GRANT	TRAC-7 WASHBURN GRANT	INTERNSHIP GRANT
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 91,000.00	\$ 11,000.00
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	-	-	-	-	182,000.00	-
Receivables - Other Receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total Current Assets	-	-	-	-	273,000.00	11,000.00
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Bond Issuance Costs, Net	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 273,000.00	\$ 11,000.00
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 182,090.30	\$ -
Accrued Wages	-	-	-	2,000.00	-	4,000.00
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	-	-	-	2,000.00	182,090.30	4,000.00
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	2,000.00	182,090.30	4,000.00
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	-	-	-	(2,000.00)	90,909.70	7,000.00
TOTAL NET ASSETS	-	-	-	(2,000.00)	90,909.70	7,000.00
TOTAL LIABILITIES AND NET ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 273,000.00	\$ 11,000.00

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	TRIO- STUDENT SUPPORT SERVICES GRANT	DOE - WIND ENERGY GRANT	ENERGYNET GRANT	STATE ENERGY SECTOR PARTNERSHIP AND TRAINING GRANT	CLOUD COUNTY COMMUNITY COLLEGE ACTIVITY	CAPITAL OUTLAY
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ -	\$ (979,716.78)	\$ -	\$ -	\$ 805,275.42	\$ -
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	-	937,876.20	-	-	-	31,867.38
Receivables - Other Receivables	-	-	-	-	100,000.00	-
Inventories	-	-	-	-	-	-
Total Current Assets	-	(41,840.58)	-	-	905,275.42	31,867.38
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	507,887.77
Bond Issuance Costs, Net	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	507,887.77
TOTAL ASSETS	\$ -	\$ (41,840.58)	\$ -	\$ -	\$ 905,275.42	\$ 539,755.15
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	880.88	146.68
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	-	-	-	-	5,432.67	-
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	6,313.55	146.68
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	6,313.55	146.68
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	-	(41,840.58)	-	-	898,961.87	539,608.47
TOTAL NET ASSETS	-	(41,840.58)	-	-	898,961.87	539,608.47
TOTAL LIABILITIES AND NET ASSETS	\$ -	\$ (41,840.58)	\$ (41,840.58)	\$ -	\$ 905,275.42	\$ 539,755.15

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Net Assets - Primary Institution

June 30, 2012

	ASSETS					TOTALS -	
	DEFERRED MAINTENANCE	TURBINE REFURBISHMENT	REVENUE BONDS	INVESTMENT IN PLANT	AGENCY FUNDS	PRIMARY INSTITUTION	
Current Assets							
Cash and Cash Equivalents	\$ -	\$ -	\$ 296,543.98	\$ -	\$ 18,077.77	\$ 4,512,629.36	
Receivables - Taxes in Process	-	-	-	-	-	263,363.00	
Receivables - Federal	-	-	-	-	-	1,239,265.94	
Receivables - Other Receivables	-	-	-	-	-	706,359.84	
Inventories	-	-	-	-	-	575,558.06	
Total Current Assets	-	-	296,543.98	-	18,077.77	7,297,176.20	
Noncurrent Assets							
Cash and Cash Equivalents	201,110.40	-	518,337.50	-	-	1,227,335.67	
Bond Issuance Costs, Net	-	-	189,971.71	-	-	189,971.71	
Capital Assets	-	-	-	21,974,949.73	-	21,974,949.73	
Accumulated Depreciation	-	-	-	(7,816,029.15)	-	(7,816,029.15)	
Total Noncurrent Assets	201,110.40	-	708,309.21	14,158,920.58	-	15,576,227.96	
TOTAL ASSETS	\$ 201,110.40	\$ -	\$ 1,004,853.19	\$ 14,158,920.58	\$ 18,077.77	\$ 22,873,404.16	
LIABILITIES AND NET ASSETS							
LIABILITIES							
Current Liabilities							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380,307.88	
Accrued Wages	-	-	-	-	-	144,031.40	
Accrued Interest	-	-	104,626.21	-	-	104,626.21	
Deferred Revenue	-	-	-	-	-	263,363.00	
Compensated Absences	-	-	-	-	-	250,297.27	
Deposits Held in Custody for Others	-	-	-	-	18,077.77	21,277.77	
Total Current Liabilities	-	-	104,626.21	-	18,077.77	1,163,903.53	
Noncurrent Liabilities							
Revenue Bonds Payable	-	-	-	3,905,000.00	-	3,905,000.00	
Notes Payable	-	-	-	613,190.00	-	613,190.00	
Capital Lease Payable	-	-	-	2,370,000.00	-	2,370,000.00	
Total Noncurrent Liabilities	-	-	-	6,888,190.00	-	6,888,190.00	
TOTAL LIABILITIES	-	-	104,626.21	6,888,190.00	18,077.77	8,052,093.53	
NET ASSETS							
Investment in capital assets, net of related debt	-	-	-	7,270,730.58	-	7,270,730.58	
Restricted for:							
Bond and Interest	-	-	187,562.50	-	-	187,562.50	
Bond Reserve	-	-	330,775.00	-	-	330,775.00	
Unrestricted	201,110.40	-	381,889.48	-	-	7,032,242.55	
TOTAL NET ASSETS	201,110.40	-	900,226.98	7,270,730.58	-	14,821,310.63	
TOTAL LIABILITIES AND NET ASSETS	\$ 201,110.40	\$ -	\$ 1,004,853.19	\$ 14,158,920.58	\$ 18,077.77	\$ 22,873,404.16	

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	GENERAL	POSTSECONDARY		ADULT EDUCATION	ADULT SUPPLEMENTAL EDUCATION	EMPLOYEE BENEFITS
REVENUES		TECHNICAL EDUCATION				
Operating Revenues						
Student Tuition and Fees	\$ 2,678,869.08	\$ 934,837.19	\$ -	\$ 74,417.00	\$ 65,734.73	\$ -
Federal Grants and Contracts	15,159.31	-	-	57,384.00	-	-
State Grants and Contracts	595,857.01	-	-	-	-	-
Sales and Services of						
Auxiliary Enterprises	-	-	-	-	-	-
Activity Fund Revenues	-	-	-	-	-	-
Miscellaneous Income	223,861.92	-	-	21,483.00	-	-
Total Operating Revenues	3,513,747.32	934,837.19		153,284.00	65,734.73	-
EXPENSES						
Operating Expenses						
Educational and General						
Instruction	4,729,621.96	1,349,584.20		153,058.99	43,627.44	-
Academic Support	365,413.85	75,142.00		-	-	-
Student Services	1,505,082.89	125,336.41		-	-	-
Institutional Support	1,261,507.93	388,262.92		-	-	-
Operation and Maintenance	400,807.30	123,508.49		-	-	-
Scholarships and Awards	883,838.02	3,627.01		-	-	-
Depreciation Expense	-	-		-	-	-
Auxiliary Enterprises	-	-		-	-	-
Total Operating Expenses	9,146,271.95	2,065,461.03		153,058.99	43,627.44	-
Operating Income (Loss)	(5,632,524.63)	(1,130,623.84)		225.01	22,107.29	-
Nonoperating Revenues (Expenses)						
State Appropriations	3,096,705.00	1,136,395.00		-	-	-
County Appropriations	2,356,884.94	-		-	-	-
Federal Pell Grants	-	-		-	-	-
Gifts and Contributions	-	-		-	-	-
Interest Income	72,279.17	-		-	-	-
Debt Service	-	-		-	-	-
Gain (Loss) on Sale of Asset	11,185.00	-		-	-	-
Operating Transfers	(168,729.19)	-		-	-	-
Increase (Decrease) in Net Assets	(264,199.71)	5,771.16		225.01	22,107.29	-
Net Assets - Beginning of Year	1,964,513.76	(11,793.66)		(564.57)	64,339.83	412.95
Net Assets - End of Year	\$ 1,700,314.05	\$ (6,022.50)		\$ (339.56)	\$ 86,447.12	\$ 412.95

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	AUXILIARY ENTERPRISE BOOKSTORE	AUXILIARY ENTERPRISE HOUSING	AUXILIARY ENTERPRISE FOOD SERVICE	AUXILIARY ENTERPRISE SCHOLARSHIPS	AUXILIARY ENTERPRISE CHILDREN'S CENTER
REVENUES					
Operating Revenues					
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ 546,567.00	\$ -
Federal Grants and Contracts	-	-	-	-	27,969.06
State Grants and Contracts	-	-	-	-	-
Sales and Services of					
Auxiliary Enterprises	1,073,826.54	1,704,112.79	50,822.02	-	65,452.91
Activity Fund Revenues	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Operating Revenues	1,073,826.54	1,704,112.79	50,822.02	546,567.00	93,421.97
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	-	-	-	-	-
Academic Support	-	-	-	-	-
Student Services	-	-	-	-	-
Institutional Support	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-
Scholarships and Awards	-	-	-	565,170.29	-
Depreciation Expense	-	-	-	-	-
Auxiliary Enterprises	916,361.01	1,025,843.84	55,005.58	-	97,654.56
Total Operating Expenses	916,361.01	1,025,843.84	55,005.58	565,170.29	97,654.56
Operating Income (Loss)	157,465.53	678,268.95	(4,183.56)	(18,603.29)	(4,232.59)
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Appropriations	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-
Interest Income	-	-	-	-	5,599.20
Debt Service	-	(95,224.47)	-	-	-
Gain (Loss) on Sale of Asset	-	-	-	-	-
Operating Transfers	(71,373.76)	(255,688.75)	-	-	-
Increase (Decrease) in Net Assets	86,091.77	327,355.73	(4,183.56)	(18,603.29)	1,366.61
Net Assets - Beginning of Year	1,334,192.40	810,387.00	73,091.80	85,798.26	25,840.88
Net Assets - End of Year	\$ 1,420,284.17	\$ 1,137,742.73	\$ 68,908.24	\$ 67,194.97	\$ 27,207.49

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	ENTERPRISE BUILDING DEVELOPMENT	AUXILIARY ENTERPRISE CAMPUS PATROL	AUXILIARY ENTERPRISE LAUNDRY	AUXILIARY ENTERPRISE CONTINGENCY	ENTERPRISE TRUSTEE DISCRETIONARY
REVENUES					
Operating Revenues					
Student Tuition and Fees	\$ 103,117.00	\$ -	-	\$ -	-
Federal Grants and Contracts	-	-	-	-	-
State Grants and Contracts	-	-	-	-	-
Sales and Services of					
Auxiliary Enterprises	-	3,460.00	4,968.12	-	-
Activity Fund Revenues	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Operating Revenues	103,117.00	3,460.00	4,968.12	-	-
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	-	-	-	-	-
Academic Support	-	-	-	-	-
Student Services	-	-	-	-	-
Institutional Support	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-
Scholarships and Awards	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Auxiliary Enterprises	124,327.10	8,495.56	-	-	30,000.00
Total Operating Expenses	124,327.10	8,495.56	-	-	30,000.00
Operating Income (Loss)	(21,210.10)	(5,035.56)	4,968.12	-	(30,000.00)
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Appropriations	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-
Interest Income	-	-	-	-	-
Debt Service	(29,253.10)	-	-	-	-
Gain (Loss) on Sale of Asset	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Increase (Decrease) in Net Assets	(50,463.20)	(5,035.56)	4,968.12	-	(30,000.00)
Net Assets - Beginning of Year	218,901.58	24,784.38	37,084.03	100,000.00	154,214.20
Net Assets - End of Year	\$ 168,438.38	\$ 19,748.82	\$ 42,052.15	\$ 100,000.00	\$ 124,214.20

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	FEDERAL PELL GRANTS	FEDERAL DIRECT LOANS	FEDERAL SEOG GRANTS	FEDERAL WORK STUDY	WORK FORCE SOLUTIONS GRANT
REVENUES					
Operating Revenues					
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -	-
Federal Grants and Contracts	-	3,188,885.00	72,700.00	86,386.12	-
State Grants and Contracts	-	-	-	-	25,995.00
Sales and Services of					
Auxiliary Enterprises	-	-	-	-	-
Activity Fund Revenues	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Operating Revenues	-	3,188,885.00	72,700.00	86,386.12	25,995.00
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	-	-	-	-	-
Academic Support	-	-	-	-	-
Student Services	-	-	-	-	-
Institutional Support	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-
Scholarships and Awards	3,257,056.00	3,188,885.00	72,700.00	86,386.12	-
Depreciation Expense	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-
Total Operating Expenses	3,257,056.00	3,188,885.00	72,700.00	86,386.12	-
Operating Income (Loss)	(3,257,056.00)	-	-	-	25,995.00
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Appropriations	-	-	-	-	-
Federal Pell Grants	3,257,056.00	-	-	-	-
Gifts and Contributions	-	-	-	-	-
Interest Income	-	-	-	-	-
Debt Service	-	-	-	-	-
Gain (Loss) on Sale of Asset	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Increase (Decrease) in Net Assets	-	-	-	-	25,995.00
Net Assets - Beginning of Year	-	-	-	-	(25,995.00)
Net Assets - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	REGENTS NURSING GRANT	CARL PERKINS PROGRAM IMPROVEMENT GRANT	TRAC-7 WASHBURN GRANT	INTERNSHIP GRANT	TRIO- STUDENT SUPPORT SERVICES GRANT
REVENUES					
Operating Revenues					
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	-	132,157.00	274,601.85	2,478.81	245,192.55
State Grants and Contracts	53,542.00	-	-	18,020.90	-
Sales and Services of					
Auxiliary Enterprises	-	-	-	-	-
Activity Fund Revenues	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Operating Revenues	53,542.00	132,157.00	274,601.85	20,499.71	245,192.55
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	53,542.00	-	183,692.15	13,499.71	240,970.91
Academic Support	-	134,157.00	-	-	-
Student Services	-	-	-	-	-
Institutional Support	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-
Scholarships and Awards	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-
Total Operating Expenses	53,542.00	134,157.00	183,692.15	13,499.71	240,970.91
Operating Income (Loss)	-	(2,000.00)	90,909.70	7,000.00	4,221.64
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Appropriations	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-
Interest Income	-	-	-	-	-
Debt Service	-	-	-	-	-
Gain (Loss) on Sale of Asset	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Increase (Decrease) in Net Assets	-	(2,000.00)	90,909.70	7,000.00	4,221.64
Net Assets - Beginning of Year	-	-	-	-	(4,221.64)
Net Assets - End of Year	\$ -	\$ (2,000.00)	\$ 90,909.70	\$ 7,000.00	\$ -

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	DOE - WIND ENERGY GRANT	ENERGYNET GRANT	STATE ENERGY SECTOR PARTNERSHIP AND TRAINING GRANT	COMMUNITY COLLEGE ACTIVITY	CAPITAL OUTLAY
REVENUES					
Operating Revenues					
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -	-
Federal Grants and Contracts	-	66,250.00	175,446.96	-	-
State Grants and Contracts	-	-	-	-	-
Sales and Services of					
Auxiliary Enterprises	-	-	-	-	-
Activity Fund Revenues	-	-	-	1,210,869.04	-
Miscellaneous Income	-	-	-	-	7,650.50
Total Operating Revenues	-	66,250.00	175,446.96	1,210,869.04	7,650.50
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	-	66,250.00	171,527.71	1,392,246.50	-
Academic Support	-	-	-	-	-
Student Services	-	-	-	-	-
Institutional Support	-	-	-	-	-
Operation and Maintenance	-	-	-	-	651,162.87
Scholarships and Awards	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-
Total Operating Expenses	-	66,250.00	171,527.71	1,392,246.50	651,162.87
Operating Income (Loss)	-	-	3,919.25	(181,377.46)	(643,512.37)
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Appropriations	-	-	-	-	48,459.57
Federal Pell Grants	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-
Interest Income	-	-	-	-	-
Debt Service	-	-	-	-	(259,266.58)
Gain (Loss) on Sale of Asset	-	-	-	275,000.00	-
Operating Transfers	-	-	-	-	168,729.19
Increase (Decrease) in Net Assets	-	-	3,919.25	93,622.54	(685,590.19)
Net Assets - Beginning of Year	(41,840.58)	-	(3,919.25)	805,339.33	1,225,198.66
Net Assets - End of Year	\$ (41,840.58)	\$ -	\$ -	\$ 898,961.87	\$ 539,608.47

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	DEFERRED MAINTENANCE	TURBINE REFURBISHMENT	REVENUE BONDS	INVESTMENT IN PLANT
REVENUES				
Operating Revenues				
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	-	-	-	-
State Grants and Contracts	-	-	-	-
Sales and Services of				
Auxiliary Enterprises	-	-	-	-
Activity Fund Revenues	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Operating Revenues	-	-	-	-
EXPENSES				
Operating Expenses				
Education and General				
Instruction	-	-	-	(481,919.85)
Academic Support	-	-	-	(23,498.11)
Student Services	-	-	-	(1,068.51)
Institutional Support	-	-	-	-
Operation and Maintenance	40,447.24	20,000.00	-	(748,216.70)
Scholarships and Awards	-	-	-	-
Depreciation Expense	-	-	-	875,667.97
Auxiliary Enterprises	-	-	-	(130,309.30)
Total Operating Expenses	40,447.24	20,000.00	-	(509,344.50)
Operating Income (Loss)	(40,447.24)	(20,000.00)	-	509,344.50
Nonoperating Revenues (Expenses)				
State Appropriations	-	-	-	-
County Appropriations	-	-	-	-
Federal Pell Grants	-	-	-	-
Gifts and Contributions	18,725.00	-	-	-
Interest Income	-	-	-	-
Debt Service	112,629.74	-	(337,407.82)	345,008.26
Gain (Loss) on Sale of Asset	-	-	-	(455,333.64)
Operating Transfers	-	-	327,062.51	-
Increase (Decrease) in Net Assets	90,907.50	(20,000.00)	(10,345.31)	399,019.12
Net Assets - Beginning of Year	110,202.90	20,000.00	910,572.29	6,871,711.46
Net Assets - End of Year	\$ 201,110.40	\$ -	\$ 900,226.98	\$ 7,270,730.58

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Schedule of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2012

	SUB-TOTAL PRIMARY INSTITUTION	ELIMINATING INTER-COMPANY SCHOLARSHIPS	TOTALS - PRIMARY INSTITUTION
REVENUES			
Operating Revenues			
Student Tuition and Fees	\$ 4,329,125.00	\$ (1,674,973.11)	\$ 2,654,151.89
Federal Grants and Contracts	4,361,643.66	-	4,361,643.66
State Grants and Contracts	750,798.91	-	750,798.91
Sales and Services of			
Auxiliary Enterprises	2,902,642.38	(1,785,149.42)	1,117,492.96
Activity Fund Revenues	1,210,869.04	-	1,210,869.04
Miscellaneous Income	252,995.42	-	252,995.42
Total Operating Revenues	13,808,074.41	(3,460,122.53)	10,347,951.88
EXPENSES			
Operating Expenses			
Educational and General			
Instruction	7,915,701.72	-	7,915,701.72
Academic Support	551,214.74	-	551,214.74
Student Services	1,629,350.79	-	1,629,350.79
Institutional Support	1,649,770.85	-	1,649,770.85
Operation and Maintenance	487,709.20	-	487,709.20
Scholarships and Awards	8,057,662.44	(3,460,122.53)	4,597,539.91
Depreciation Expense	875,667.97	-	875,667.97
Auxiliary Enterprises	2,127,378.35	-	2,127,378.35
Total Operating Expenses	23,294,456.06	(3,460,122.53)	19,834,333.53
Operating Income (Loss)	(9,486,381.65)	-	(9,486,381.65)
Nonoperating Revenues (Expenses)			
State Appropriations	4,233,100.00	-	4,233,100.00
County Appropriations	2,405,344.51	-	2,405,344.51
Federal Pell Grants	3,257,056.00	-	3,257,056.00
Gifts and Contributions	18,725.00	-	18,725.00
Interest Income	77,878.37	-	77,878.37
Debt Service	(263,513.97)	-	(263,513.97)
Gain (Loss) on Sale of Asset	(169,148.64)	-	(169,148.64)
Operating Transfers	-	-	-
Increase (Decrease) in Net Assets	73,059.62	-	73,059.62
Net Assets - Beginning of Year	14,748,251.01	-	14,748,251.01
Net Assets - End of Year	\$ 14,821,310.63	\$ -	\$ 14,821,310.63

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and
Changes in Unencumbered Cash – Budget and Actual

For the Year Ended June 30, 2012

Schedules 4 to 12 are prepared in accordance with Kansas cash basis and budget laws (Budget Basis), which differs from generally accepted accounting principles (GAAP Basis). Cash receipts are recognized when the cash balance of a fund is increased. For an interfund transaction, a cash receipt is recorded in the fund receiving the cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund in which the cash is transferred. Expenditures include cash disbursements, transfers, accounts payable and encumbrances – that is, commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

General Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Student Tuition and Fees						
In State	\$ 2,703,961.32	\$ 2,124,050.58	\$ (54,757.33)	\$ 2,069,293.25	\$ 2,461,281.00	\$ (391,987.75)
Out-of-State	482,939.75	503,356.00	-	503,356.00	-	503,356.00
Other Student Fees	52,353.80	51,462.50	-	51,462.50	53,924.00	(2,461.50)
Total Student Tuition and Fees	3,239,254.87	2,678,869.08	(54,757.33)	2,624,111.75	2,515,205.00	108,906.75
Federal Sources						
Federal Grants	11,830.13	15,159.31	-	15,159.31	-	15,159.31
State Sources						
State Operating Grant	3,207,099.00	3,096,705.00	-	3,096,705.00	3,132,052.00	(35,347.00)
Other State Sources	18,063.51	595,857.01	(579,033.01)	16,824.00	-	16,824.00
Total State Sources	3,225,162.51	3,692,562.01	(579,033.01)	3,113,529.00	3,132,052.00	(18,523.00)
Local Sources						
Ad Valorem Tax	1,830,433.40	2,064,867.94	-	2,064,867.94	2,332,094.00	(267,226.06)
Motor Vehicle Tax	247,006.07	224,806.01	-	224,806.01	277,755.00	(52,948.99)
Recreational Vehicle	3,716.08	3,336.17	-	3,336.17	4,043.00	(706.83)
16/20 M Vehicle Tax	17,395.99	19,012.22	-	19,012.22	-	19,012.22
Vehicle Rental Excise Tax	90.20	207.81	-	207.81	-	207.81
Delinquent Tax	17,665.74	44,572.67	-	44,572.67	20,627.00	23,945.67
In Lieu of Tax	3,633.65	82.12	-	82.12	4,172.00	(4,089.88)
Total Local Sources	2,119,941.13	2,356,884.94	-	2,356,884.94	2,638,691.00	(281,806.06)
Other Sources						
Interest Income	87,186.58	72,279.17	-	72,279.17	87,187.00	(14,907.83)
Proceeds from Sale of Assets	-	11,185.00	-	11,185.00	-	11,185.00
Miscellaneous	204,323.19	223,861.92	-	223,861.92	329,171.00	(105,309.08)
Total Other Sources	291,509.77	307,326.09	-	307,326.09	416,358.00	(109,031.91)
Operating Transfers from:						
Bookstore Fund	13,936.00	-	-	-	-	-
Housing Fund	13,936.00	-	-	-	-	-
Food Service Fund	13,936.00	-	-	-	-	-
Total Operating Transfers	41,808.00	-	-	-	-	-
TOTAL REVENUES	8,929,506.41	9,050,801.43	(633,790.34)	8,417,011.09	8,702,306.00	(285,294.91)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

General Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
EXPENDITURES						
Education and General						
Instruction	\$ 4,420,309.91	\$ 4,729,621.96	\$ (579,687.88)	\$ 4,149,934.08	\$ 3,500,000.00	\$ 649,934.08
Academic Support	451,675.10	365,413.85	(4,409.10)	361,004.75	487,000.00	(125,995.25)
Student Services	1,586,757.32	1,505,082.89	1,242.54	1,506,325.43	1,750,000.00	(243,674.57)
Institutional Support	1,457,083.72	1,261,507.93	(11,677.59)	1,249,830.34	2,753,414.00	(1,503,583.66)
Operation and Maintenance	531,802.15	400,807.30	-	400,807.30	800,000.00	(399,192.70)
Scholarships and Awards	834,821.51	883,838.02	-	883,838.02	-	883,838.02
Operating Transfers to:						
Capital Outlay Fund	-	168,729.19	-	168,729.19	-	168,729.19
Contingency Fund	75,000.00	-	-	-	-	-
Turbine Refurbishment Fund	20,000.00	-	-	-	-	-
TOTAL EXPENDITURES	9,377,449.71	9,315,001.14	(594,532.03)	8,720,469.11	9,290,414.00	(569,944.89)
Excess of Revenues Over (Under) Expenditures	(447,943.30)	(264,199.71)	(39,258.31)	(303,458.02)	(588,108.00)	284,649.98
Unencumbered Cash Beginning of Year	2,067,897.97	1,964,513.76	(344,559.09)	1,619,954.67	2,048,207.00	(428,252.33)
End of Year	\$ 1,619,954.67	\$ 1,700,314.05	\$ (383,817.40)	\$ 1,316,496.65	\$ 1,460,099.00	\$ (143,602.35)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Postsecondary Technical Education Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year		Current Year			Variance Over (Under)
	Budget Basis	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Student Tuition and Fees						
In State	\$ -	\$ 934,837.19	\$ -	\$ 934,837.19	\$ 1,229,933.00	\$ (295,095.81)
State Sources						
State Operating Grant	1,075,000.00	1,136,395.00	-	1,136,395.00	1,150,047.00	(13,652.00)
TOTAL REVENUES	1,075,000.00	2,071,232.19	-	2,071,232.19	2,379,980.00	(308,747.81)
EXPENDITURES						
Education and General						
Instruction	899,259.58	1,349,584.20	6,400.75	1,355,984.95	900,000.00	455,984.95
Academic Support	76,137.09	75,142.00	-	75,142.00	213,000.00	(137,858.00)
Student Services	12,032.39	125,336.41	-	125,336.41	190,000.00	(64,663.59)
Institutional Support	51,003.57	388,262.92	-	388,262.92	1,020,984.00	(632,721.08)
Operation and Maintenance	-	123,508.49	-	123,508.49	-	123,508.49
Scholarships and Awards	4,410.85	3,627.01	-	3,627.01	-	3,627.01
TOTAL EXPENDITURES	1,042,843.48	2,065,461.03	6,400.75	2,071,861.78	2,323,984.00	(252,122.22)
Excess of Revenues Over (Under) Expenditures	32,156.52	5,771.16	(6,400.75)	(629.59)	55,996.00	(56,625.59)
Unencumbered Cash Beginning of Year	(37,549.43)	(11,793.66)	6,400.75	(5,392.91)	(8,260.00)	2,867.09
End of Year	\$ (5,392.91)	\$ (6,022.50)	\$ -	\$ (6,022.50)	\$ 47,736.00	\$ (53,758.50)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Adult Education Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Federal Sources						
Federal Grants	\$ 74,685.09	\$ 74,417.00	\$ (334.99)	\$ 74,082.01	\$ 80,000.00	\$ (5,917.99)
State Sources						
State Grants	39,837.87	57,384.00	-	57,384.00	70,000.00	(12,616.00)
Local Sources						
Miscellaneous Income	21,483.00	21,483.00	-	21,483.00	25,100.00	(3,617.00)
TOTAL REVENUES	136,005.96	153,284.00	(334.99)	152,949.01	175,100.00	(22,150.99)
EXPENDITURES						
Education and General						
Instruction	138,362.86	153,058.99	-	153,058.99	172,612.00	(19,553.01)
TOTAL EXPENDITURES	138,362.86	153,058.99	-	153,058.99	172,612.00	(19,553.01)
Excess of Revenues Over (Under) Expenditures	(2,356.90)	225.01	(334.99)	(109.98)	2,488.00	(2,597.98)
Unencumbered Cash Beginning of Year	(919.67)	(564.57)	(2,712.00)	(3,276.57)	(3,732.00)	455.43
End of Year	\$ (3,276.57)	\$ (339.56)	\$ (3,046.99)	\$ (3,386.55)	\$ (1,244.00)	\$ (2,142.55)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Adult Supplemental Education Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year	Current Year				Variance
	Budget	Actual	Adjustments	Actual	Budget	Over
	Basis	GAAP	Budget	Basis	Basis	(Under)
REVENUES						
Student Tuition and Fees						
In State	\$ 63,227.98	\$ 65,734.73	\$ -	\$ 65,734.73	\$ 100,000.00	\$ (34,265.27)
TOTAL REVENUES	63,227.98	65,734.73	-	65,734.73	100,000.00	(34,265.27)
EXPENDITURES						
Education and General						
Instruction	49,594.36	43,627.44	(20.26)	43,607.18	100,000.00	(56,392.82)
TOTAL EXPENDITURES	49,594.36	43,627.44	(20.26)	43,607.18	100,000.00	(56,392.82)
Excess of Revenues Over						
(Under) Expenditures	13,633.62	22,107.29	20.26	22,127.55	-	22,127.55
Unencumbered Cash						
Beginning of Year	55,849.41	64,339.83	5,143.20	69,483.03	68,918.00	565.03
End of Year	\$ 69,483.03	\$ 86,447.12	\$ 5,163.46	\$ 91,610.58	\$ 68,918.00	\$ 22,692.58

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Employee Benefits Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year	Current Year				Variance
	Budget	Actual	Adjustments	Actual	Budget	Over
	Basis	GAAP	Budget	Basis	Basis	(Under)
		Basis	Basis			
REVENUES						
Local Sources						
Delinquent Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-	-	-
EXPENDITURES						
Education and General						
Institutional Support	-	-	-	-	-	-
Excess of Revenues Over						
(Under) Expenditures	-	-	-	-	-	-
Unencumbered Cash						
Beginning of Year	412.95	412.95	-	412.95	-	412.95
End of Year	\$ 412.95	\$ 412.95	\$ -	\$ 412.95	\$ -	\$ 412.95

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Auxiliary Enterprise Funds (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year	CURRENT YEAR						
	Total Auxiliary Enterprise Funds Budget Basis	Bookstore GAAP	Campus Housing GAAP	Food Service GAAP	Activity Fee Scholarship GAAP	Children's Center GAAP	Building Development GAAP	Campus Patrol GAAP
REVENUES								
Sales and Services of Auxiliary Enterprises	\$ 2,760,795.68	\$ 1,073,826.54	\$ 1,704,112.79	\$ -	\$ -	\$ -	\$ -	\$ -
Student Sources	821,289.89	-	-	50,822.02	546,567.00	65,452.91	103,117.00	3,460.00
Other Student Fees								
Federal Sources	8,571.84	-	-	-	-	27,969.06	-	-
Federal Grants								
Other Revenues	997.28	-	-	-	-	5,599.20	-	-
Interest								
TOTAL REVENUES	3,591,654.69	1,073,826.54	1,704,112.79	50,822.02	546,567.00	99,021.17	103,117.00	3,460.00
EXPENDITURES								
Auxiliary Enterprise								
Salaries and Benefits	381,665.98	130,897.07	244,488.73	-	-	81,178.57	-	-
General Operating Expense	332,216.03	47,818.07	231,973.98	17,121.77	-	1,350.50	-	8,495.56
Supplies	14,330.71	-	507,173.53	-	-	11,627.21	-	-
Capital Outlay	215,576.69	1,283.20	42,207.60	7,856.74	-	3,498.28	124,327.10	-
Scholarships	515,083.00	-	-	-	565,170.29	-	-	-
Food Service	482,906.50	-	-	-	-	-	-	-
Books and Merchandise	881,432.50	736,362.67	-	-	-	-	-	-
Debt Service	124,784.17	-	95,224.47	-	-	-	29,253.10	-
Operating Transfer to:								
Revenue Bonds Fund	327,062.51	71,373.76	255,688.75	-	-	-	-	-
TOTAL EXPENDITURES	3,369,866.09	987,734.77	1,376,757.06	24,978.51	565,170.29	97,654.56	153,580.20	8,495.56
Excess of Revenues Over (Under) Expenditures	221,788.60	86,091.77	327,355.73	25,843.51	(18,603.29)	1,366.61	(50,463.20)	(5,035.56)
Unencumbered Cash								
Beginning of Year	1,969,939.44	1,334,192.40	810,387.00	73,091.80	85,798.26	25,840.88	218,901.58	24,784.38
End of Year	\$ 2,191,728.04	\$ 1,420,284.17	\$ 1,137,742.73	\$ 98,935.31	\$ 67,194.97	\$ 27,207.49	\$ 168,438.38	\$ 19,748.82

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas
Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted
Auxiliary Enterprise Funds (Budget Basis)
For the Year Ended June 30, 2012
With Comparative Actual Amounts for the Year Ended June 30, 2011

	Laundry Service GAAP	Current Year						Variance Over (Under)
		Contingency GAAP	Trustee Discretionary GAAP	Total Auxiliary Enterprise Funds GAAP	Adjustments to Budget Basis	Total Auxiliary Enterprise Funds Budget Basis	Final Budget	
REVENUES								
Sales and Services of								
Auxiliary Enterprises	\$ 4,968.12	\$ -	\$ -	\$ 2,782,907.45	\$ -	\$ 2,782,907.45	\$ 2,390,000.00	\$ 392,907.45
Student Sources								
Other Student Fees	-	-	-	769,418.93	-	769,418.93	2,550,000.00	(1,780,581.07)
Federal Sources								
Federal Grants	-	-	-	27,969.06	164.44	28,133.50	-	28,133.50
Other Revenues								
Interest	-	-	-	5,599.20	-	5,599.20	1,900,000.00	(1,894,400.80)
TOTAL REVENUES	4,968.12	-	-	3,585,894.64	164.44	3,586,059.08	6,840,000.00	(3,253,940.92)
EXPENDITURES								
Auxiliary Enterprise								
Salaries and Benefits	-	-	-	456,564.37	(2,298.12)	454,266.25	420,000.00	34,266.25
General Operating Expense	-	-	-	306,759.88	-	306,759.88	1,950,000.00	(1,643,240.12)
Supplies	-	-	-	518,800.74	-	518,800.74	-	518,800.74
Capital Outlay	-	-	30,000.00	209,172.92	(7,856.74)	201,316.18	1,220,000.00	(1,018,683.82)
Scholarships	-	-	-	565,170.29	-	565,170.29	550,000.00	15,170.29
Food Service	-	-	-	-	-	-	600,000.00	(600,000.00)
Books and Merchandise	-	-	-	736,362.67	(111,201.20)	625,161.47	900,000.00	(274,838.53)
Debt Service	-	-	-	124,477.57	-	124,477.57	-	124,477.57
Operating Transfer to:								
Revenue Bonds Fund	-	-	-	327,062.51	-	327,062.51	327,063.00	(0.49)
TOTAL EXPENDITURES	-	-	30,000.00	3,244,370.95	(121,356.06)	3,123,014.89	5,967,063.00	(2,844,048.11)
Excess of Revenues Over (Under) Expenditures	4,968.12	-	(30,000.00)	341,523.69	121,520.50	463,044.19	872,937.00	(409,892.81)
Unencumbered Cash Beginning of Year	37,084.03	100,000.00	154,214.20	2,864,294.53	(672,566.49)	2,191,728.04	2,425,782.00	(234,053.96)
End of Year	\$ 42,052.15	\$ 100,000.00	\$ 124,214.20	\$ 3,205,818.22	\$ (551,045.99)	\$ 2,654,772.23	\$ 3,298,719.00	\$ (643,946.77)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Plant Funds

Revenue Bonds Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Other Sources						
Interest Income	\$ 5.97	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers from:						
Bookstore Fund	71,373.76	71,373.76	-	71,373.76	71,374.00	(0.24)
Housing Fund	255,688.75	255,688.75	-	255,688.75	255,689.00	(0.25)
Capital Outlay Fund	119,110.13	-	-	-	-	-
TOTAL REVENUES	446,178.61	327,062.51	-	327,062.51	327,063.00	(0.49)
EXPENDITURES						
Debt Service						
Bond Principal	-	150,000.00	-	150,000.00	150,000.00	-
Bond Interest	193,848.97	174,793.19	2,269.31	177,062.50	177,063.00	(0.50)
Debt Service Expense	18,500.00	12,614.63	(12,614.63)	-	-	-
TOTAL EXPENDITURES	212,348.97	337,407.82	(10,345.32)	327,062.50	327,063.00	(0.50)
Excess of Revenues and Transfers Over (Under) Expenditures	233,829.64	(10,345.31)	10,345.32	0.01	-	0.01
Unencumbered Cash Beginning of Year	581,051.83	910,572.29	(95,690.82)	814,881.47	837,706.00	(22,824.53)
End of Year	\$ 814,881.47	\$ 900,226.98	\$ (85,345.50)	\$ 814,881.48	\$ 837,706.00	\$ (22,824.52)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Plant Funds

Unexpended (Capital Outlay) Fund (Budget Basis)

For the Year Ended June 30, 2012

With Comparative Actual Amounts for the Year Ended June 30, 2011

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Federal Sources						
Federal Grants						
Local Sources						
Ad Valorem Tax		5,243.69	-	5,243.69	-	5,243.69
Motor Vehicle Tax	271,522.35	33,348.21	-	33,348.21	-	33,348.21
Recreational Vehicle Tax	35,939.02	494.89	-	494.89	-	494.89
16/20 M Vehicle Tax	540.93	2,819.58	-	2,819.58	-	2,819.58
Vehicle Rental Excise Tax	2,504.22	30.82	-	30.82	-	30.82
Delinquent Tax	12.98	6,522.38	-	6,522.38	-	6,522.38
In-Lieu of Tax	2,578.67	-	-	-	-	-
Donations	539.01	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Other Income	96.67	7,650.50	-	7,650.50	-	7,650.50
Operating Transfers from General Fund	-	168,729.19	-	168,729.19	-	168,729.19
TOTAL REVENUES	768,177.47	224,839.26	-	224,839.26	-	224,839.26
EXPENDITURES						
Plant, Equipment and Facility						
Capital Outlay	3,545,076.27	651,162.87	-	651,162.87	760,050.00	(108,887.13)
Debt Service						
Bond Principal	175,000.00	185,000.00	-	185,000.00	-	185,000.00
Bond Interest	84,247.97	74,266.58	-	74,266.58	-	74,266.58

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Plant Funds

Unexpended (Capital Outlay) Fund (Budget Basis)

For the Year Ended June 30, 2012

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	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
EXPENDITURES (Continued)						
Operating Transfers to Revenue Bonds Fund	\$ 119,110.13	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	3,923,434.37	910,429.45	-	910,429.45	760,050.00	150,379.45
Excess of Revenues and Transfers Over (Under) Expenditures	(3,155,256.90)	(685,590.19)	-	(685,590.19)	(760,050.00)	74,459.81
Unencumbered Cash Beginning of Year	4,348,588.18	1,225,198.66	(31,867.38)	1,193,331.28	1,040,074.00	153,257.28
End of Year	\$ 1,193,331.28	\$ 539,608.47	\$ (31,867.38)	\$ 507,741.09	\$ 280,024.00	\$ 227,717.09

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Changes in Assets and Liabilities

All Agency Funds - Primary Institution

For the Year Ended June 30, 2012

ACCOUNT NAME	Primary Institution			BALANCE JUNE 30, 2012
	BALANCE JUNE 30, 2011	ADDITIONS	DEDUCTIONS	
AGENCY FUND				
School Projects Accounts				
Sales Tax	\$ 2,212.31	\$ 87,522.91	\$ 88,224.95	\$ 1,510.27
Scholarships	8,775.00	279,290.00	286,850.00	1,215.00
Total School Projects	<u>\$ 10,987.31</u>	<u>\$ 366,812.91</u>	<u>\$ 375,074.95</u>	<u>\$ 2,725.27</u>
Student Organization Accounts				
SIFE	\$ 623.80	\$ -	\$ -	\$ 623.80
Block & Bridle	731.38	-	-	731.38
Child Care Club	8,337.03	2,600.00	2,451.51	8,485.52
J.C. PHI THETA KAPPA	1,121.79	1,340.00	2,168.09	293.70
J.C. Student Senate	1,438.11	-	419.58	1,018.53
PHI THETA KAPPA	2,254.42	128.34	-	2,382.76
VICA	0.20	1,500.00	1,478.06	22.14
Geary Co. SIFE	1,686.04	-	-	1,686.04
Radio Club	108.63	-	-	108.63
Total Student Organizations	<u>\$ 16,301.40</u>	<u>\$ 5,568.34</u>	<u>\$ 6,517.24</u>	<u>\$ 15,352.50</u>
TOTAL AGENCY FUNDS	<u>\$ 27,288.71</u>	<u>\$ 372,381.25</u>	<u>\$ 381,592.19</u>	<u>\$ 18,077.77</u>
Assets				
Cash and Investments	\$ 27,288.71	\$ 372,381.25	\$ 381,592.19	\$ 18,077.77
TOTAL ASSETS	<u>\$ 27,288.71</u>	<u>\$ 372,381.25</u>	<u>\$ 381,592.19</u>	<u>\$ 18,077.77</u>
Liabilities				
Deposits Held For Others	\$ 27,288.71	\$ 372,381.25	\$ 381,592.19	\$ 18,077.77
TOTAL LIABILITIES	<u>\$ 27,288.71</u>	<u>\$ 372,381.25</u>	<u>\$ 381,592.19</u>	<u>\$ 18,077.77</u>

**CLOUD COUNTY COMMUNITY COLLEGE
CONCORDIA, KANSAS**

FEDERAL COMPLIANCE SECTION

For the Year Ended June 30, 2012

AUDITOR INFORMATION SHEET

CLOUD COUNTY COMMUNITY COLLEGE

2221 Campus Drive
CONCORDIA, KANSAS 66901

EIN NUMBER: 48-0732624
OPE ID NUMBER: 00190900
DUNS NUMBER: 21365291

TELEPHONE: (785) 243-1435
FAX: (785) 243-1043

PRESIDENT: Dr. Danette Toone
CONTACT PERSON & TITLE: Mary LaBarge, Director of Accounting Services

LEAD AUDITOR: Neil L. Phillips, CPA
EMAIL ADDRESS: nphillips@jgppa.com
LICENSE NUMBER & HOME STATE: 4348 KS
FIRM'S NAME & ADDRESS: JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants
1815 S. Santa Fe
P.O. Box 779
Chanute, Kansas 66720
FIRM'S FEDERAL ID NUMBER: 20-3906022
TELEPHONE: (620) 431-6342
FAX: (620) 431-0724

PROGRAMS EXAMINED:	PELL	84.063
	FSEOG	84.007
	FWS	84.033
	FDL	84.268

For the Award Year that ended during the institution's fiscal year, the percentage of:

Correspondence or telecommunication courses to total courses	NONE
Regular students enrolled in correspondence courses	NONE
Regular students that are incarcerated	NONE
Regular students enrolled based on ability to benefit	NONE
For short term programs—	
Completion	N/A
Placement	N/A

The campuses/locations considered as part of this entity and covered or excluded by this examination are:

ALL LOCATIONS	> 50% OF PROGRAM OFFERED @ SITE	LOCATION ON ELIGIBILITY LETTER	NOTICE TO ED PRIOR TO OFFERING INSTRUCTION	DATE OPENED	DATE CLOSED	DATE OF CPA'S LAST VISIT	EXCLUSION REASON
Concordia	Yes	Yes	Yes	1965	N/A	2011	N/A
Abilene	Yes	Yes	Yes	1990	N/A	2011	N/A
Clay Center	Yes	Yes	Yes	1978	N/A	2011	N/A
Junction City	Yes	Yes	Yes	1991	N/A	2011	N/A

Institution's Primary Accrediting Organization: North Central Association of Colleges and Schools

The College does not use a servicer.

Records for the accounting and administration of the SFA Programs are located at:

CLOUD COUNTY COMMUNITY COLLEGE
2221 CAMPUS DRIVE
CONCORDIA, KANSAS 67337

For Close-Out Examination only: N/A

Open bank accounts or unexercised securities that may contain Federal Funds:

<u>BANK</u>	<u>ACCOUNTS</u>
The Citizens National Bank	7419421
115 West 6 th St.	7419432
Concordia, Ks 66901	7419410

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	Pass-Through Entity Identifying Number	Federal CFDA Number	Disbursements/ Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Direct Programs:			
Student Financial Assistance Programs Cluster			
Federal Supplemental Education Opportunity	N/A	84.007	\$ 72,700.00
Federal Supplemental Education Opportunity - Administration	N/A	84.007	4,700.00
		Total 84.007	77,400.00
Federal College Workstudy	N/A	84.033	86,386.12
Federal College Workstudy - Administration	N/A	84.033	4,319.31
		Total 84.033	90,705.43
Federal Pell Grant	N/A	84.063	3,257,056.00
Federal Pell Grant Administration	N/A	84.063	6,140.00
		Total 84.063	3,263,196.00
Federal Direct Loan	N/A	84.268	3,188,885.00
Total Student Financial Assistance Programs Cluster		(M)	6,620,186.43
TRIO - Student Support Services	N/A	84.042A	245,192.55
Passed through the State of Kansas Department of Education:			
Adult Basic Education Program	FY12- ABE	84.002	65,129.00
Adult Basic Education Program - Professional Development	FY12- ABE	84.002	9,288.00
		Total 84.002	74,417.00
Carl Perkins Vocational Education Grants:			
Program Improvement	LEA#JO803	84.048	82,157.00
Perkins Reserve Fund	LEA#JO803	84.048	50,000.00
Technology Internship Program	LEA#JO803	84.048	2,478.81
Energy Network of Education and Training	LEA#JO803	84.048	66,250.00
		Total 84.048	200,885.81
Total U.S. Department of Education			7,140,681.79

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	Pass-Through Entity Identifying Number	Federal CFDA Number	Disbursements/ Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through the Clay County Head Start			
Child Care Development Block Grant	07-CCDBG	93.575	\$ 16,406.93
Total U.S. Department of Health and Human Services			16,406.93
<u>U.S. DEPARTMENT OF LABOR</u>			
Passed through Washburn University			
Technical Retraining to Achieve Credentials (TRAC-7)	TC-22513-11-60-A-20	17.282	274,782.45
Passed through the Kansas Department of Commerce			
State Energy Sector Partnership and Training Grant	GJ-20033-10-60-A-20 #10	17.275	171,527.71
Total U.S. Department of Labor			446,310.16
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed through the State Department of Education			
Child and Adult Care Food Program	LEA#JO803	10.558	11,562.13
Total U.S. Department of Agriculture			11,562.13
FEDERAL ASSISTANCE TOTALS			\$ 7,614,961.01

This schedule has been prepared in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned. Expenditures are recorded when goods or services are received.
(M) Major Programs

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Trustees
Cloud County Community College
Concordia, Kansas

We have audited the financial statements of Cloud County Community College, as of and for the year ended June 30, 2012, which collectively comprise the Cloud County Community College's basic financial statements and have issued our report thereon dated November 10, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

A handwritten signature in cursive script that reads "Jarred, Gilmore & Phillips, PA".

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

November 10, 2012
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
Cloud County Community College
Concordia, Kansas

Compliance

We have audited Cloud County Community College's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Cloud County Community College's major federal programs for the year ended June 30, 2012. Cloud County Community College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Cloud County Community College's management. Our responsibility is to express an opinion on Cloud County Community College's compliance based on our audit.

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

In our opinion, Cloud County Community College, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control over Compliance

Management of Cloud County Community College, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Cloud County Community College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Cloud County Community College's internal control over compliance.

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

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

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

A handwritten signature in cursive script that reads "Jarred, Gilmore & Phillips, PA".

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

November 10, 2012
Chanute, Kansas

**CLOUD COUNTY COMMUNITY COLLEGE
CONCORDIA, KANSAS**

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

The auditors' report expresses an unqualified opinion on the basic financial statements of Cloud County Community College.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	___X___	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	___X___	No
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	___X___	No

Federal Awards:

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	___X___	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	___X___	No

The auditors' report on compliance for the major federal award programs for Cloud County Community College expresses an unqualified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____	Yes	___X___	No
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Identification of major programs:

U.S. DEPARTMENT OF EDUCATION

Student Financial Aid Cluster

Federal Pell Grant Program – CFDA No. 84.063

Federal Supplemental Educational Opportunity Grant – CFDA No. 84.007

Federal Work-Study Program – CFDA No. 84.033

Federal Direct Student Loan Program – CFDA No. 84.268

The threshold for distinguishing Types A and B programs was \$300,000.00.

Auditee qualified as a low risk auditee?	_____	Yes	___X___	No
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**CLOUD COUNTY COMMUNITY COLLEGE
CONCORDIA, KANSAS**

Schedule of Findings and Questioned Costs
(Continued)
For the Year Ended June 30, 2012

II. FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

III. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

NONE

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2012

Cloud County Community College is accredited by the Kansas State Department of Education and the North Central Association of Colleges and Secondary Schools. The audit fieldwork was conducted at the College's administrative building in Concordia, Kansas at various dates from August 27, 2012 to August 30, 2012. The following is a schedule of statistics for the year ended June 30, 2012:

TOTAL POPULATION:

	PELL	FDLP	FSEOG	FWS
Universe				
Dollars	\$3,257,056	\$3,188,885	\$72,700	\$86,386
Students	1,029	753	450	66
Sample				
Dollars	\$141,419	\$203,379	\$2,700	\$4,406
Sample	50	53	16	4

ENROLLED, GRADUATED OR STUDENTS ON AN APPROVED LEAVE OF ABSENCE:

	PELL	FDLP	FSEOG	FWS
Universe				
Dollars	\$2,757,986	\$2,797,919	\$61,500	\$84,084
Students	824	630	369	60
Sample				
Dollars	\$68,768	\$150,600	\$1,100	\$4,239
Sample	22	36	6	3

WITHDREW, DROPPED OR TERMINATED STUDENTS:

	PELL	FDLP	FSEOG	FWS
Universe				
Dollars	\$499,070	\$390,966	\$11,200	\$2,302
Students	205	123	81	6
Sample				
Dollars	\$72,651	\$52,779	\$1,600	\$167
Sample	28	17	10	1

WITHDREW, DROPPED OR TERMINATED STUDENTS:

	PELL	FDLP	FSEOG	FWS
Universe				
Dollars Refunded	\$25,531	\$35,645	\$0	\$0
Students	36	35	0	0
Sample				
Dollars Refunded	\$2,436	\$3,935	\$0	\$0
Sample	3	5	0	0

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Resolution of Prior Year's Audit Findings and Questioned Costs
For the Year Ended June 30, 2012

Finding: 2011-01 – Eligibility

Recommendation: Policies and procedures should be written to provide on-going monitoring of students to ensure the student is not over or under awarded financial aid.

Status: Policies and procedures have been put into place to ensure all students are properly awarded aid in accordance with the Department of Education rules and regulations.

Finding: 2011-02 – Special Tests and Provisions - Verification

Recommendation:

Policies and procedures should be written to provide internal control over the verification of student files. We recommend the College establish a filing process that allows all applications selected for verification to be verified before financial aid is awarded and shows how the income verification was calculated.

Status: Policies and procedures have been put into place to ensure all students are properly verified in accordance with the Department of Education rules and regulations.