

**OREGON COAST COMMUNITY COLLEGE
LINCOLN COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2011



**12700 SW 72nd Ave.
Tigard, OR 97223**

**OREGON COAST COMMUNITY COLLEGE
400 SE COLLEGE WAY
NEWPORT, OREGON 97366**

**FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2011**

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

BOARD OF DIRECTORS

<u>Name and Address</u>	<u>Position</u>	<u>Term Expires</u>
Jeff Ouderkirk P.O. Box 1167 Newport, OR 97365	Chair Director-Zone 3	June 30, 2011
Rex Krabbe 8423 Yaquina Bay Road Newport, OR 97365	Vice Chair Director-Zone 6	June 30, 2011
Chris Chandler P.O. Box 578 Newport, OR 97365	Director-Zone 5	June 30, 2013
Peter Kelly P.O. Box 823 Waldport, OR 97394	Director-Zone 7	June 30, 2011
Lynn Nelson P.O. Box 815 Gleneden Beach, OR 97388	Director-Zone 1	June 30, 2013
Barbara Jenkin-Gibson P.O. Box 642 Lincoln City, OR 97367	Director-Zone 2	June 30, 2013
Sandy Roumagoux 19 SW Hubert Street Newport, OR 97365	Director-Zone 4	June 30, 2011

ADMINISTRATION

	<u>Position</u>	<u>Date Appointed</u>
Patrick O'Connor	President	September 1, 1990

MAILING ADDRESS

Oregon Coast Community College
400 SE College Way
Newport, Oregon 97366
Phone (541) 265-2283 – Fax (541) 265-3820

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NEWPORT, OREGON

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NEWPORT, OREGON

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

December 1, 2011

To the Board of Directors
Oregon Coast Community College
Newport, Oregon

INDEPENDENT AUDITORS' REPORT

We have audited the basic financial statements and the discretely presented component unit of the Oregon Coast Community College, as of and for the year ended June 30, 2011, which collectively comprise the College's basic financial statements as listed in the table of contents. The basic financial statements are the responsibility of the College's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of the Oregon Coast Community College Foundation (a component unit) were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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 opinions.

In our opinion the basic financial statements referred to above present fairly, in all material respects, the financial position of Oregon Coast Community College at June 30, 2011, changes in financials position, and cash flows of each opinion unit 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 reports dated November 23, 2011, on our consideration of City of Grants Pass's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management Discussion and Analysis, as listed on the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise Oregon Coast Community College's basic financial statements. The Schedule of Expenditures of Federal Awards, as listed in the table of contents, 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 not a required part of the basic financial statements. The supplementary information, including Budgetary comparison schedules listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



PAULY, ROGERS AND CO., P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis section of the College's annual financial performance provides an overview of the financial activities of Oregon Coast Community College (the College) for the fiscal year ended June 30, 2011. This report has been prepared by management and should be read in conjunction with the College's Financial Statements. It is a required component of an annual financial report prepared in accordance with generally accepted accounting principles. The discussion is designed to assist readers in understanding the accompanying financial statements through an objective and easily readable analysis of the College's financial activities.

Overview of the Financial Statements

The discussion and analysis serves as an introduction to the College's basic entity-wide financial statements. The entity-wide presentation is designed to provide readers with a broad overview of the College's finances, in a manner similar to a private sector business. These financial statements focus on the College's overall financial condition, its results of operations and its cash flows. The entity-wide statements are comprised of the following:

- The **Statement of Net Assets** presents the College's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets are indicators of the improvement or erosion of the College's financial condition. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation.
- The **Statement of Revenues, Expenses and Changes in Net Assets** presents the revenues earned and the expenses incurred during the year. Revenues and expenses are generally reported using the accrual method of accounting, which records transactions as soon as they occur, regardless when cash is exchanged. Usage of capital assets is reported as depreciation expense, which amortizes the cost of the assets over their estimated useful lives. Revenues and expenses are reported as either operating or non-operating. Primary sources of operating revenues include tuition, grants and contracts. State appropriations and property taxes are classified as non-operating revenues.
- The **Statement of Cash Flows** presents information on cash flows from operating activities, non-capital financial activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating financial viability and the College's ability to meet financial obligations as they become due.
- The **Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

The **Fund Financial Statements** are included in a latter section of the financial report. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called "modified accrual" accounting, which measures cash and all other financial assets that can be readily converted to cash. This information is essential for preparation of, and compliance with, annual budgets. Fund financial statements also report the College's operations in more detail than the government-wide financial statements by providing information about the College's most significant fund, the general fund. The remaining statement, the **Statement of Fiduciary Net Assets**, presents financial information about activities for which the College acts solely as an agent for the benefit of students.

Financial Highlights

- As of June 30, 2011 the College's assets exceeded its liabilities by \$14,043,201 (*Net Assets*). Of this amount, \$226,370 is classified as unrestricted net assets. These unrestricted net assets may be used to meet the College's ongoing obligations. The largest component (\$12,651,893) of net assets is the College's investment in capital assets, which represents its land, buildings, machinery and equipment, net of accumulated depreciation and related debt. The College uses these capital assets to provide educational services to its students; consequently these assets are not available for future spending.
- The College's net assets increased \$829,014 from prior year. The largest reason for the increase was the State's construction match to our ongoing construction project of \$1,437,804.
- In response to continued state funding uncertainties, the College was deliberate and thoughtful in the execution of the fiscal year 2010-11 operating budget that mitigated reductions per FTE in our state reimbursements for operating.

Analysis of the Statement of Net Assets

The statement of Net Assets includes all assets and liabilities of the College using the accrual basis of accounting. Net assets are the difference between assets and liabilities and are one important measure of the financial condition of the college.

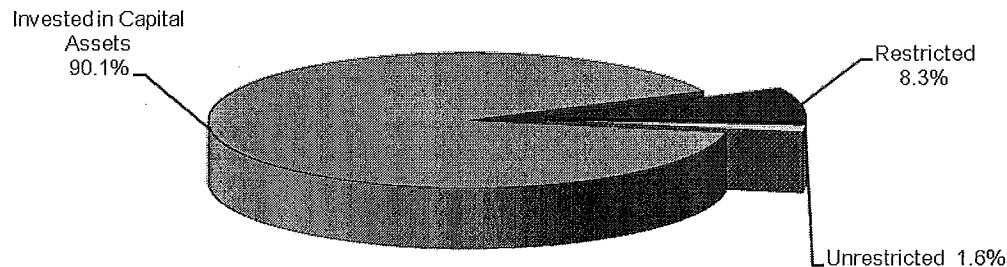
	2011	2010	% Change
Assets			
Current assets	\$ 2,650,784	\$ 4,679,519	-43.4%
Other noncurrent assets	1,940,564	1,956,421	-0.8%
Capital assets, net of depreciation	32,461,893	30,278,293	7.2%
Total assets	<u>\$ 37,053,241</u>	<u>\$ 36,914,233</u>	0.4%
Liabilities			
Current Liabilities	\$ 1,780,040	\$ 1,660,081	7.2%
Long-term debt, non-current portion	21,230,000	22,040,000	-3.7%
Total liabilities	<u>23,010,040</u>	<u>23,700,081</u>	-2.9%
Net Assets			
Invested in capital assets, net of related debt	\$ 12,651,893	\$ 12,426,990	1.8%
Restricted	1,164,938	539,660	115.9%
Unrestricted	226,370	247,502	-8.5%
Total net assets	<u>14,043,201</u>	<u>13,214,152</u>	6.3%
Total liabilities and net assets	<u>\$ 37,053,241</u>	<u>\$ 36,914,233</u>	0.4%

At June 30, 2011 the College's current assets of \$2,650,784 was sufficient to cover the College's current liabilities of \$1,780,040. This represents a current ratio of 1.48. Current assets consist primarily of cash and cash equivalents, receivables from student accounts, property taxes and grants. The College's noncurrent asset of \$1,940,564 is its pension asset created when the College paid into PERS investment account used to cover a portion of the College's unfunded actuarial liability. Also included in noncurrent assets are capital assets net of accumulated depreciation used to provide services to students.

Current liabilities primarily consist of accounts payable, payroll and payroll taxes payable, current maturities of long-term obligations, deferred revenue from property taxes, and compensated absences. Non-current liabilities consist of long-term debt relating to general obligation bonds and pension bond.

Within Net Assets, the "invested in capital assets" amount of \$12,651,893 represents the total original cost of all of the College's land, buildings, machinery and equipment and infrastructure, less total accumulated depreciation on these assets, and also less debt related to their acquisition. Restricted net assets consist of amounts legally restricted for debt service and grants and contracts.

The following graph shows the allocation of net assets.



Analysis of the Statement of Revenues, Expenses and Changes in Net Assets

The statement of Revenues, Expenses and Changes in Net Assets presents the operating results of the college as well as the non-operating revenues and expenses. Annual state reimbursements and property taxes, while budgeted to fund operations, are considered non-operating revenues according to generally accepted accounting principles in the United States of America (GAAP).

	2011	2010	% Change
Total operating revenues	\$ 1,672,208	\$ 1,630,077	2.6%
Total operating expenses	6,405,694	6,138,753	4.3%
Operating loss	\$ (4,733,486)	\$ (4,508,676)	5.0%
Non-operating revenues, net	5,562,500	4,104,318	35.5%
Total increase in net assets	829,014	(404,358)	305.0%
Net assets, beginning of year, as restated	13,214,187	13,618,510	-3.0%
Net assets, end of year	\$ 14,043,201	\$ 13,214,152	6.3%

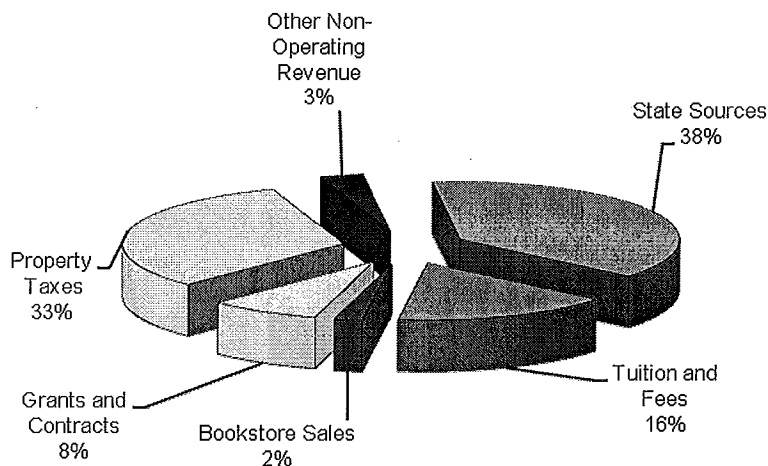
Revenues:

The most significant sources of operating revenue for the college are federal, state and local grants and contracts, student tuition and fees, and bookstore operations. Tuition and fees totaled \$1,332,398 which was up 17% over last year's amount.

Appropriations from the State of Oregon constitute 48% of non-operating revenue. The college received \$3,168,164 in State aid in this fiscal year, which represented a 73% increase over last year. Included in the number is the State construction match of \$1,437,804. The second largest source of non-operating of revenue was property taxes of \$2,693,178 received from the local college district taxpayers of Lincoln County.

Of the \$2,693,178 property tax resources, \$1,628,294 was received as a result of the general obligation bond levy approved by the voters in May 2004 and may be used solely for the purpose of servicing the long-term debt obligation. The amount of property taxes levied to fund general operations of the College was \$1,046,742..

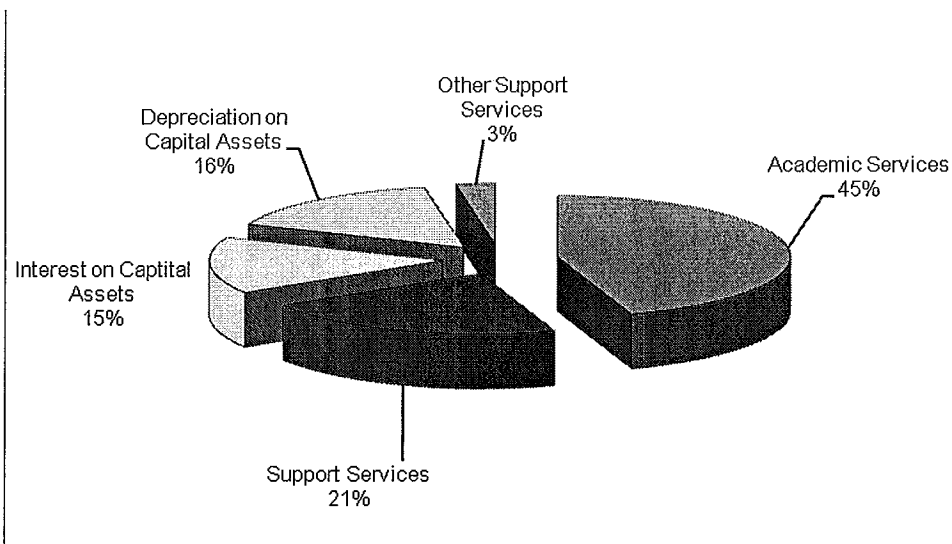
The following graph shows the allocation of total revenues for the College:



Expenses:

Operating expenses totaling \$6,405,694 include salaries and benefits, materials and supplies, utilities, grants and scholarships and depreciation of capital assets. Operating expenses show an increase of 4.3%, or \$266,941 over 2010.

The following graph shows the allocation of total expenses for the college:



Analysis of the Statement of Cash Flows

This statement provides an assessment of the financial health of the College. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the College during a stated period. The statement of cash flows also helps users assess the ability of the college to meet obligations as they become due and the need for external financing.

In summary from the cash flows for the year were:

	2011	2010	% Change
Cash Provided by (Used In):			
Operating Activities	\$ (4,588,497)	\$ (3,047,031)	50.6%
Noncapital Financing Activities	4,820,024	5,167,854	-6.7%
Capital Financing Activities	(3,268,203)	(3,445,834)	-5.2%
Investing Activities	13,264	37,603	-64.7%
Net Increase in cash	(3,023,412)	(1,287,408)	134.8%
Cash - Beginning of year	3,869,986	5,157,394	-25.0%
Cash - End of year	\$ 846,574	\$ 3,869,986	-78.1%

The major sources of cash from operating activities include student tuition and fees, grants and contracts and auxiliary enterprises. Major uses were payments made to employees, employee benefit programs and vendors.

State reimbursements and property taxes are the primary source of non-capital financing. The new accounting standards require that the College reflect these sources of revenue as non-operating even though the College's budget depends on these revenues for ongoing operations. Property taxes are assessed to property owners within the College's tax base of Lincoln County, Oregon. Beginning July 2004, the College levied additional property taxes required to service the resulting long-term obligation.

Cash payments for the acquisition of capital assets and principal and interest payments on long-term debt are the primary uses of capital financing cash activities.

Capital Assets and Debt Administration

At June 30, 2011 the College had \$32,461,893, net of accumulated depreciation, invested in a broad range of capital assets, including land, buildings, and equipment. Additional information pertaining to the College's capital assets is located in note 4 to these financial statements.

At June 30, 2011 the College had total long-term obligations outstanding of \$21,010,040. Additional information pertaining to the College's long-term obligations is located in note 11 to these financial statements.

Requests for Information

This financial report is designed to provide a general overview of Oregon Coast Community College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Director of Finance
Oregon Coast Community College
400 SE College Way
Newport, Oregon 97366

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

BASIC FINANCIAL STATEMENTS

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**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**STATEMENT OF NET ASSETS
June 30, 2011**

	COLLEGE	COMPONENT UNIT FOUNDATION
ASSETS		
Cash and Cash Equivalents	\$ 846,574	\$ 420,089
Investments	-	390,767
Receivables	1,804,210	249
Inventory	28,265	-
Prepaid Expenses	22,128	-
Prepaid Pension Costs	1,890,171	-
Capital Assets, net	32,461,893	467,600
Total Assets	<u>37,053,241</u>	<u>1,278,705</u>
LIABILITIES:		
Accounts Payable	485,017	-
Payroll Liabilities	391,793	-
Accrued Vacation	65,185	-
Due to Other Group	14,847	-
Current Portion of Long Term Debt	810,000	-
Unearned Revenue	13,198	-
Total Current Liabilities	<u>1,780,040</u>	<u>-</u>
Long Term Liabilities:		
Bonds Payable	21,230,000	-
Total Liabilities	<u>23,010,040</u>	<u>-</u>
NET ASSETS:		
Invested in Capital Assets, net of Related Debt	12,651,893	-
Restricted for:		
Debt Service	506,568	-
Capital Projects	647,786	-
Grants	10,584	-
Other Purposes	-	1,226,609
Unrestricted	226,370	52,096
Total Net Assets	<u>\$ 14,043,201</u>	<u>\$ 1,278,705</u>

The accompanying notes are an integral part of this statement.

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2011**

	COLLEGE	COMPONENT UNIT FOUNDATION
OPERATING REVENUES		
Tuition and Fees	\$ 1,332,398	\$ -
Merchandise Sales	175,215	-
Grants	164,595	-
Total Operating Revenues	<u>1,672,208</u>	<u>-</u>
OPERATING EXPENSES		
Instruction	3,325,002	-
Support Services	1,742,829	367,238
Enterprise and Community Services	192,763	-
Depreciation	1,145,100	-
Total Operating Expenses	<u>6,405,694</u>	<u>367,238</u>
Operating Income (Loss)	<u>(4,733,486)</u>	<u>(367,238)</u>
NONOPERATING REVENUES (EXPENSES)		
Property Taxes	2,693,178	-
Interest Income	13,264	3,577
Donations	169,916	917,638
Miscellaneous	80,554	66,545
Interest Expense	(1,070,512)	-
Federal Sources	509,136	-
State Sources	3,168,164	-
Transfer to Fiduciary Funds	(1,200)	-
Gain/Loss on Investments	-	21,373
Net Nonoperating Revenues (Expenses)	<u>5,562,500</u>	<u>1,009,133</u>
Increase (Decrease) in Net Assets	829,014	641,895
Net Assets, Beginning of the Year	<u>13,214,187</u>	<u>\$ 636,810</u>
Net Assets, End of the Year	<u><u>\$ 14,043,201</u></u>	<u><u>\$ 1,278,705</u></u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2011

	COLLEGE	COMPONENT UNIT FOUNDATION
Cash Flows From Operating Activities:		
Cash Received from Customers	\$ 640,336	\$ 3,251
Cash Paid to Suppliers	(1,705,165)	641,895
Cash Paid to Employees	(3,523,668)	(699)
Net cash provided (used) by Operating activities	(4,588,497)	644,447
Cash flows from investing activities		
Interest on Investments	13,264	-
Donated Land	-	(467,600)
Sale of Investments	-	(301,372)
Net cash provided (used) by Investing activities	13,264	(768,972)
Cash flows from Noncapital financing activities		
Cash Received from Property Taxes	2,693,178	-
Cash Received from State	1,327,155	-
Cash Received from Federal Sources	509,136	-
Cash Received from Other Sources	225,505	-
Amortization of Prepaid PERS Liability	66,250	-
Transfer To Fiduciary Funds	(1,200)	-
Net cash provided (used) by Noncapital financing activities	4,820,024	-
Cash flows from Capital Financing activities		
Purchase of Capital Assets	(3,328,700)	-
Cash Received from State Bond Match and Lottery Funds	1,841,009	-
Cash Received from Local Government Donations - Designated for Capital Projects	25,000	-
Bond Payments	(735,000)	-
Interest Expense	(1,070,512)	-
Net cash provided (used) by Capital financing activities	(3,268,203)	-
Net increase (decrease) in cash and investments	(3,023,412)	(124,525)
Cash and investments, beginning of year	3,869,986	544,614
Cash and investments, end of year	\$ 846,574	\$ 420,089
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ (4,733,486)	\$ 641,895
Depreciation and Amortization	1,145,100	-
(Increase) Decrease in Inventory	(11,916)	-
(Increase) Decrease in Receivables	(1,078,499)	3,251
(Increase) Decrease in Prepaid Expenses	45,345	-
Increase (Decrease) in Payables	(8,586)	(699)
Increase (Decrease) in Unearned Revenues	13,198	-
Increase (Decrease) in Due to Other Groups	616	-
Increase (Decrease) in Payroll Liabilities	39,731	-
Net Cash Provided by Operating Activities	\$ (4,588,497)	\$ 644,447

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the College's accounting policies are described below.

REPORTING ENTITY

The Oregon Coast Community College ("College") was formed on May 19, 1987. The College is managed by a seven member Board of Directors elected by District voters. This Board is designated as the Board of Education of the District. The President is the District Clerk and reports directly to the Board of Education.

The College is a primary government. A primary government is financially accountable for the organizations (component units) that make up its legal entity. The College has considered all organizations for which the College is financially accountable. Financial accountability may be evidenced by the ability to appoint the voting majority of the governing body, and either it is able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or to impose specific burdens on, the primary government; or a fiscal dependency or intergovernmental relationship so close that exclusion from the primary government would render the financial statements incomplete or misleading. The College has determined that there is one component unit, the Oregon Coast Community College Foundation, which is required to be discretely presented in these financial statements.

BASIS OF PRESENTATION

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for state and local governments, and Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis of Public College and Universities, issued in June and November of 1999. The College now follows the "business-type activities" reporting requirements of GASB Statement No. 35 that provides a comprehensive one-column look at the College's financial activities.

BASIS OF ACCOUNTING

The basic financial statements are accounted for on the flow of economic resources measurement focus and are prepared on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Property taxes are recognized as revenue in the years for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor have been met. Under terms of grant agreements, the College funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the College's policy to first apply cost-reimbursement grant resources to such programs and then general revenues. The College's basic financial statements have elected to apply all applicable GASB pronouncements, as well as Financial Accounting Standard Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPERATING REVENUES AND EXPENSES

Proprietary funds (enterprise) distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is tuition and sale of educational material. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

BUDGETS

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles, except the property taxes received after year-end are not considered budgetary resources in the funds. A budget is not prepared for the agency funds as allowed by Oregon law.

The College begins its budget process early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in spring with a public hearing being held approximately two weeks later. The Board may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund:

LEVEL OF CONTROL

- Instruction
- Supporting Services
- Enterprise & Community Services
- Facilities Acquisition and Construction
- Other Uses - Debt Service and Interfund Transfers
- Operating Contingency

Expenditures can not legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted. The District did not adopt a supplemental budget during the 2010-2011 fiscal year.

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS

Budget amounts shown in the basic financial statements reflect the original budgeted appropriation amounts no changes in year. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2011.

CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, the statement of net assets and the balance sheets, monies in the Oregon State Local Government Investment Pool, savings deposits, and demand deposits are considered to be cash and cash equivalents. Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value.

PROPERTY TAXES RECEIVABLE

Uncollected real and personal property taxes are reflected on the statement of net assets as receivables. Uncollected taxes are deemed to be substantially collectible or recoverable through liens. All property taxes receivable are due from property owners within the County.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures are recorded as unearned revenue on the statement of net assets and the balance sheet.

INVENTORIES

Inventories are valued at the lower of cost (using the first-in/first-out (FIFO) method) or market. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

CAPITAL ASSETS

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements 50 years
Vehicles and Equipment 5 years

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the basic financial statements. No expenditure is reported for these amounts until paid. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

USE OF ESTIMATES

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

LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt. As permitted by GASB Statement No. 34 the cost of bond issuance will be amortized prospectively from the date of adoption of GASB Statement No. 34.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

During the 1996-1997 fiscal year, the State legislature passed HB 2610 that allows community colleges to incur bonded indebtedness.

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET ASSETS

Net assets comprise the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net assets are classified in the following three categories:

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – consists of all other assets that are not included in the other categories previously mentioned.

2. CASH AND INVESTMENTS

The College's cash management policies are governed by state statutes. Statutes authorize the College to invest in bankers acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities, Local Government Investment Pools and fixed or variable life insurance or annuity contracts for funding the deferred compensation plan.

DEPOSITS

Cash and Investments at June 30, 2011 (recorded at fair value) consisted of:

Deposits with Financial Institutions:

Petty Cash	\$	1,200
Demand Deposits		316,701
Investments		<u>528,673</u>
Total Cash and Investments	\$	<u><u>846,574</u></u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

INVESTMENTS

Policies officially adopted by the College's Board allows the entity to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, time certificates of deposit, corporate bonds, repurchase agreements, money market investments, bankers' acceptances, commercial paper, obligations of the States of Oregon, California, Idaho, and Washington, and the State Treasurer's investment pool. The State Treasurer's investment policies are government by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB).

There were no known violations of legal or contractual provisions for deposits.

As of June 30, 2011, the College had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
State Treasurer's investment pool	\$ 528,673	\$ 528,673	\$ -	\$ -
Total	<u>\$ 528,673</u>	<u>\$ 528,673</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2010 the fair value of the College's position in the LGIP is 100% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. The State Investment Pool is not rated.

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB.

The College limits investment maturities as follows:

Less than 30 days	10%
Less than 1 year	50%
Less than 18 months	65%
Less than 3 years	100%

Deposit Risk

At year-end, the College's net carrying amount of deposits was \$416,010 and the bank balance was \$416,010. The entire bank balance was covered by federal depository insurance.

Concentration of Credit Risk

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the College's investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2011 the College was in compliance with all percentage restrictions.

Amounts in the State Treasurer's Local Government Investment Pool are not required by law to be collateralized.

No more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

U.S. Treasury Obligations	100%
Federal Instrumentality Securities	100%
Commercial Paper and Corporate Indebtedness	35%
Banker's Acceptances	25%
Local Government Investment Pool (up to Statutory limit)	100%
Time Certificates of Deposit	25%
Repurchase Agreements	100%
Obligations of the States of Oregon, California, Idaho, and Washington	25%

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. ACCOUNTS/GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal state and local grant programs. No allowance for uncollectible accounts has been recorded because the college expects to collect all receivables.

4. CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2011 are as follows:

	<u>7/1/2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2011</u>
Land (non depreciable)	\$ 2,002,199	\$ -	\$ -	\$ 2,002,199
Buildings	28,109,073	-	-	28,109,073
Furniture and Equipment	1,647,983	-	(2,094)	1,645,889
Construction in Progress (non depreciable)	558,740	3,328,700	-	3,887,440
Total	<u>32,317,995</u>	<u>3,328,700</u>	<u>(2,094)</u>	<u>35,644,601</u>
Accumulated Depreciation				
Building	(1,166,166)	(936,969)	-	(2,103,135)
Equipment	(873,536)	(208,131)	2,094	(1,079,573)
Total	<u>(2,039,702)</u>	<u>(1,145,100)</u>	<u>2,094</u>	<u>(3,182,708)</u>
Totals	<u>\$ 30,278,293</u>			<u>\$ 32,461,893</u>

5. RETIREMENT PLAN

Plan Description:

The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs:

1. The Pension Program, the defined benefit portion of the plan, applies to qualifying College employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service.
2. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. RETIREMENT PLAN (CONTINUED)

Both PERS plans provide retirement and disability benefits, post employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, P.O. Box 73, Portland, Oregon 97207-0073 or by calling 503-598-7377.

Description of Funding Policy:

Covered employees are required by State statute to contribute 6% of their salary to the plan, the college pays the employee 6% contribution. The College is required to contribute at actuarially determined rates, as adopted by the PERS Board. The College's employer contribution rate effective January 1, 2010 was 1.62% for Tier I/II employees, 2.26% for OPSRP employees. The College's contribution to the plan for the years ending June 30, 2011, 2010, and 2009 were \$333,258, \$304,355, and \$378,703, respectively, and were equal to the required contributions for each year.

6. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon approved ballot Measure 5, a constitutional limit on property taxes for schools and non-school government operations, in November 1990. School operations include community colleges, local school Colleges and education service Colleges. The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school Colleges have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue. The voters of the State of Oregon passed ballot Measure 50 in May, 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available to the College for its 1997-98 fiscal year, and thereafter. This reduction is accomplished by rolling assessed property values back to their 1995-96 values less 10%, and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to school Colleges. The State of Oregon, in its 2001 legislative session, provided additional State revenues for the 2002-2003 biennium to help alleviate the impact on school operations. The ultimate impact to the College as a result of this measure is not determinable at this time.

7. RISK MANAGEMENT

The College sets aside funds to pay worker unemployment claims and insurance deductible expenses and other related costs. This activity is accounted for in the Internal Service Funds. The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College purchases commercial insurance to minimize its exposure to these risks. Settled claims did not exceed this commercial coverage for the past three years.

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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 grantor agencies cannot be determined at this time although the College expects such amounts, if any, to be immaterial.

The College has entered into contracts for capital construction related to the campus expansion. The outstanding balance on those contracts was \$137,581 at June 30, 2011.

9. PREPAID PERS LIABILITY

As a result of the issuance of the 2005 Limited Tax Pension Obligation Bonds, as described in Note 11, the College has reported a Prepaid PERS Liability in the Statement of Net Assets. The prepaid liability is equal to the initial payment made to PERS from the bond proceeds, less accumulated amortization at June 30, 2011 for a net total of \$1,890,171. Annual amortization is being calculated on a straight-line basis over the life of the pension obligation bonds.

10. INTERFUND BALANCES AND TRANSFERS

The composition of interfund transfers as of June 30, 2011 is as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 48,800	\$ -
Bookstore Fund	-	50,000
Fiduciary Funds	1,200	-
	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Transfers are used to fund operations between funds.

11. LONG TERM DEBT

All long-term debt obligations of the College are payable from the General and Debt Service funds.

GO Bonds

In July of 2004 the College issued general obligation bonds. The proceeds were used for capital construction projects. The interest rates range from 2.25% to 5.25%.

Pension Obligation Bonds

In June of 2005, the College issued \$2,370,000 of limited tax pension obligation bonds to finance its unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the College's UAL and resulted in an estimated present value savings of approximately \$729,811 over the life of the bonds. The actual savings realized by the College over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the College's future required contribution rate. The interest rates range from 4.643% to 4.831%, which change over the life of the bonds.

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

11. LONG TERM DEBT (CONTINUED)

Future maturities of long term debt are as follows:

	<u>PERS Bonds</u>	<u>GO Bonds</u>	<u>Total</u>
Outstanding Balance, 7/1/10	\$ 2,265,000	\$ 20,510,000	\$ 22,775,000
Matured and Redeemed	35,000	700,000	735,000
Outstanding Balance, 6/30/11	<u>\$ 2,230,000</u>	<u>\$ 19,810,000</u>	<u>\$ 22,040,000</u>

Amounts Payable
in fiscal year:

				<u>Interest Due</u>
2011-2012	\$ 45,000	\$ 765,000	\$ 810,000	\$ 1,042,490
2012-2013	50,000	840,000	890,000	1,013,626
2013-2014	60,000	910,000	970,000	980,644
2014-2015	70,000	995,000	1,065,000	941,458
2015-2016	80,000	1,095,000	1,175,000	885,971
2016-2021	575,000	7,140,000	7,715,000	3,432,866
2021-2026	965,000	8,065,000	9,030,000	1,229,488
2026-2028	385,000	-	385,000	25,121
	<u>\$ 2,230,000</u>	<u>\$ 19,810,000</u>	<u>\$ 22,040,000</u>	<u>\$ 9,551,664</u>

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

SUPPLEMENTARY INFORMATION

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

Reconciliation of the Governmental Funds
Combining Balance Sheet to the Statement of Net Assets
June 30, 2011

Total Fund Balances - Governmental Funds	\$ 1,575,257
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The statement of Net Assets includes those capital assets among the assets of the District as a whole.	32,461,893
Net Capital Assets	
The unamortized portion of prepaid pension costs and bond issuance costs is not available to pay for current period expenditures, and therefore is not reported in the governmental funds.	
Prepaid pension costs	1,890,171
The cost of accrued vacation is expended in the governmental funds, but is capitalized on the Statement of Net Assets.	(65,185)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Assets.	
Long term Liabilities	
General obligation bonds payable	(22,040,000)
Deferred revenue related to property taxes	<u>221,065</u>
Net Assets	<u>\$ 14,043,201</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**Reconciliation of the Governmental Funds
Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2011**

Total Net Changes in Fund Balances - Governmental Funds	\$ (2,045,489)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Additions to bond principal is an expense for the Statement of Net Assets but not the governmental funds.

	735,000
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Capital Outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation.

Capitalized Expenditures	3,328,700
Depreciation Expense	(1,145,100)

In the governmental funds, the current year payment to PERS to advance fund the District's UAL is charged as expenditures. In the Statement of Activities it is reported as an asset and amortized over the life of the pension bonds issued to fund the payment. This is the net effect of these transactions.

	(66,250)
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Accrued Vacation is an expenditure when used in the governmental funds, but is expensed as earned in the Statement of Activities

	4,011
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Property tax revenue in the Statement of Activities differs from the amount reported in the governmental funds. In the governmental funds, which are on the modified accrual basis, the District recognizes a deferred revenue for all property taxes levied but not received, however in the Statement of Activities, there is no deferred revenue and the full property tax receivable is accrued.

	<u>18,142</u>
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Change in Net Assets of Governmental Activities	<u><u>\$ 829,014</u></u>
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**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

COMBINING BALANCE SHEET

June 30, 2011

	<u>GENERAL FUND</u>	<u>DEBT SERVICE FUND</u>	<u>DEBT SERVICE PERS FUND</u>	<u>SPECIAL REVENUE GRANT FUNDS</u>	<u>RESERVE AUDUBON FUND</u>	<u>CAMPUS PROJECT FUND</u>
ASSETS:						
Cash and Cash Equivalents	\$ 239,389	\$ 347,972	\$ 102	\$ -	\$ -	\$ 259,111
Receivables:						
Property Taxes	101,846	162,498	-	-	-	-
Accounts, net	464,137	-	-	-	-	845,088
Grants and Reimbursements	-	-	-	230,641	-	-
Due From Other Funds	-	-	131,691	35,769	105,000	8,734
Inventory	-	-	-	-	-	-
Prepaid Expenses	22,128	-	-	-	-	-
Total Assets	<u>\$ 827,500</u>	<u>\$ 510,470</u>	<u>\$ 131,793</u>	<u>\$ 266,410</u>	<u>\$ 105,000</u>	<u>\$ 1,112,933</u>
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 21,682	\$ -	\$ -	\$ 14,681	\$ -	\$ 465,147
Payroll Liabilities	391,793	-	-	-	-	-
Deferred Property Taxes	85,370	135,695	-	-	-	-
Due to Other Groups	-	-	-	-	-	-
Due To Other Funds	179,443	-	-	241,145	-	-
Deferred Revenue	13,198	-	-	-	-	-
Total Liabilities	<u>691,486</u>	<u>135,695</u>	<u>-</u>	<u>255,826</u>	<u>-</u>	<u>465,147</u>
Fund Balances:						
Reserved	-	374,775	131,793	10,584	-	647,786
Unreserved Reported In:						
General Fund	136,014	-	-	-	-	-
Special Revenue Funds	-	-	-	-	105,000	-
Total Fund Balances	<u>136,014</u>	<u>374,775</u>	<u>131,793</u>	<u>10,584</u>	<u>105,000</u>	<u>647,786</u>
Total Liabilities and Fund Balances	<u>\$ 827,500</u>	<u>\$ 510,470</u>	<u>\$ 131,793</u>	<u>\$ 266,410</u>	<u>\$ 105,000</u>	<u>\$ 1,112,933</u>

<u>BOOKSTORE FUND</u>	<u>UNEMPLOYMENT INSURANCE FUND</u>	<u>COPYING FUND</u>	<u>INSURANCE DEDUCTIBLE FUND</u>	<u>FIDUCIARY FUNDS</u>	<u>TOTAL GOVERNMENTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 846,574
-	-	-	-	-	264,344
-	-	-	-	-	1,309,225
-	-	-	-	-	230,641
-	92,688	28,489	15,000	14,847	432,218
28,265	-	-	-	-	28,265
-	-	-	-	-	22,128
<u>\$ 28,265</u>	<u>\$ 92,688</u>	<u>\$ 28,489</u>	<u>\$ 15,000</u>	<u>\$ 14,847</u>	<u>\$ 3,133,395</u>
\$ (21,059)	\$ 3,277	\$ 1,289	\$ -	\$ -	\$ 485,017
-	-	-	-	-	391,793
-	-	-	-	-	221,065
-	-	-	-	14,847	14,847
11,630	-	-	-	-	432,218
-	-	-	-	-	13,198
<u>(9,429)</u>	<u>3,277</u>	<u>1,289</u>	<u>-</u>	<u>14,847</u>	<u>1,558,138</u>
-	-	-	-	-	1,164,938
-	-	-	-	-	136,014
37,694	89,411	27,200	15,000	-	274,305
<u>37,694</u>	<u>89,411</u>	<u>27,200</u>	<u>15,000</u>	<u>-</u>	<u>1,575,257</u>
<u>\$ 28,265</u>	<u>\$ 92,688</u>	<u>\$ 28,489</u>	<u>\$ 15,000</u>	<u>\$ 14,847</u>	<u>\$ 3,133,395</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2011**

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Revenue From Local Sources:				
Property Taxes	\$ 997,750	\$ 997,750	\$ 1,046,742	\$ 48,992
Tuition and Fees	1,316,186	1,316,186	1,332,398	16,212
Interest	4,500	4,500	3,152	(1,348)
Donations	74,000	74,000	169,916	95,916
Miscellaneous	30,431	30,431	41,100	10,669
Total Local Revenue	2,422,867	2,422,867	2,593,308	170,441
Revenue From State Sources:				
Total State Revenue	1,354,518	1,354,518	1,289,237	(65,281)
Total Revenues	3,777,385	3,777,385	3,882,545	105,160
EXPENDITURES:				
Direct Instruction (Dept 11)				
Personal Services	1,705,310	1,705,310	1,682,244	23,066
Materials and Services	276,338	276,338	97,679	178,659
Total Direct Instruction	1,981,648	1,981,648 (1)	1,779,923	201,725
Instructional Support (Dept 20)				
Personal Services	510,884	510,884	392,703	118,181
Materials and Services	103,085	103,085	200,448	(97,363)
Capital Outlay	-	-	-	-
Total Instructional Support	613,969	613,969	593,151	20,818
Student Services (Dept 30)				
Personal Services	477,536	477,536	410,729	66,807
Materials and Services	24,504	24,504	39,807	(15,303)
Total Student Services	502,040	502,040	450,536	51,504

(1) Appropriation Level

Continued on Page 21

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2011**

	<u>GENERAL FUND</u>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
College Support Services (Dept 50)				
Personal Services	585,134	585,134	594,451	(9,317)
Materials and Services	259,350	259,350	261,187	(1,837)
Capital Outlay	-	-	-	-
Total College Support Services	<u>844,484</u>	<u>844,484</u>	<u>855,638</u>	<u>(11,154)</u>
Plant Operation/Maintenance (Dept 60)				
Personal Services	-	-	-	-
Materials and Services	<u>233,683</u>	<u>233,683</u>	<u>241,851</u>	<u>(8,168)</u>
Total Plant Operation/Maintenance	<u>233,683</u>	<u>233,683</u>	<u>241,851</u>	<u>(8,168)</u>
Total Support Services	<u>2,194,176</u>	<u>2,194,176</u>	<u>1,899,325</u>	<u>294,851</u>
Total Expenditures	<u>4,175,824</u>	<u>4,175,824</u>	<u>3,921,099</u>	<u>254,725</u>
Excess of Revenues Over (Under) Expenditures	(398,439)	(398,439)	(38,554)	359,885
OTHER FINANCING SOURCES (USES):				
Sale of Assets	290,000	290,000	-	(290,000)
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>48,800</u>	<u>(1,200)</u>
Total Other Financing Sources (Uses)	<u>340,000</u>	<u>340,000</u>	<u>48,800</u>	<u>(291,200)</u>
Net Change in Fund Balance	(58,439)	(58,439)	10,246	68,685
Beginning Fund Balance	<u>58,439</u>	<u>58,439</u>	<u>125,768</u>	<u>67,329</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,014</u>	<u>\$ 136,014</u>

(1) Appropriation Level

Continued from Page 20

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

<u>DEBT SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES:				
Property Taxes	\$ 1,659,656	\$ 1,659,656	\$ 1,628,294	\$ (31,362)
Interest	<u>7,500</u>	<u>7,500</u>	<u>5,082</u>	<u>(2,418)</u>
Total Revenues	<u>1,667,156</u>	<u>1,667,156</u>	<u>1,633,376</u>	<u>(33,780)</u>
EXPENDITURES:				
Principal Payments	700,000	700,000	700,000	-
Interest Payments	962,400	962,400	962,400	-
Other Bank Charges	<u>250</u>	<u>250</u>	<u>147</u>	<u>103</u>
Total Debt Expenditures	<u>1,662,650</u>	<u>1,662,650</u>	<u>(1) 1,662,547</u>	<u>103</u>
Net Change in Fund Balance	4,506	4,506	(29,171)	(33,677)
Beginning Fund Balance	<u>366,977</u>	<u>366,977</u>	<u>403,946</u>	<u>36,969</u>
Ending Fund Balance	<u>\$ 371,483</u>	<u>\$ 371,483</u>	<u>\$ 374,775</u>	<u>\$ 3,292</u>

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

DEBT SERVICE PERS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest	\$ 2,000	\$ 2,000	\$ 102	\$ (1,898)
Miscellaneous	170,000	170,000	165,809	(4,191)
Total Revenues	172,000	172,000	165,911	(6,089)
EXPENDITURES:				
Debt Service	143,000	143,000 (1)	142,965	35
Total Expenditures	143,000	143,000	142,965	35
Net Change in Fund Balance	29,000	29,000	22,946	(6,054)
Beginning Fund Balance	114,255	114,255	108,847	(5,408)
Ending Fund Balance	\$ 143,255	\$ 143,255	\$ 131,793	\$ (11,462)

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

SPECIAL REVENUE GRANT FUNDS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest	\$ -	\$ -	\$ -	\$ -
State Sources	300,000	300,000	37,918	(262,082)
Federal Sources	1,200,000	1,200,000	509,136	(690,864)
Local Sources	500,000	500,000	164,595	(335,405)
Total Revenues	2,000,000	2,000,000	711,649	(1,288,351)
EXPENDITURES:				
Personal Services	1,500,000	1,500,000 (1)	370,035	1,129,965
Materials and Services	500,000	500,000 (1)	359,666	140,334
Total Expenditures	2,000,000	2,000,000	729,701	1,270,299
Net Change in Fund Balance	-	-	(18,052)	(18,052)
Beginning Fund Balance	-	-	28,636	28,636
Ending Fund Balance	\$ -	\$ -	\$ 10,584	\$ 10,584

NOTE -

This is a summary for budgetary purposes and is comprised of various funds.

(1) Appropriation Level

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
June 30, 2011

	<u>BILINGUAL LITERACY</u>	<u>ABE EL CIVICS</u>	<u>ABE COMPREHENSIVE</u>	<u>ABE CORRECTIONS</u>	<u>ABE ACCOUNTABILITY</u>
ASSETS:					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Grants and Reimbursements	-	23,207	34,715	6,304	11,705
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 23,207</u>	<u>\$ 34,715</u>	<u>\$ 6,304</u>	<u>\$ 11,705</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ -	\$ 1,243	\$ 4,758	\$ -	\$ -
Due To Other Funds	-	21,964	29,957	6,304	11,705
Total Liabilities	-	23,207	34,715	6,304	11,705
Fund Balances:					
Reserved	-	-	-	-	-
Total Fund Balances	-	-	-	-	-
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 23,207</u>	<u>\$ 34,715</u>	<u>\$ 6,304</u>	<u>\$ 11,705</u>

<u>ABE TUTORING</u>	<u>ABE OPABS</u>	<u>LEARNING STANDARDS PILOT</u>	<u>SBDC VIDA FUNDS</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
2,917	-	7,638	-	86,486
-	-	-	986	986
<u>\$ 2,917</u>	<u>\$ -</u>	<u>\$ 7,638</u>	<u>\$ 986</u>	<u>\$ 87,472</u>

\$ -	\$ -	\$ 75	\$ -	\$ 6,076
2,917	-	7,563	-	80,410
<u>2,917</u>	<u>-</u>	<u>7,638</u>	<u>-</u>	<u>86,486</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>986</u>	<u>986</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>986</u>	<u>986</u>
<u>\$ 2,917</u>	<u>\$ -</u>	<u>\$ 7,638</u>	<u>\$ 986</u>	<u>\$ 87,472</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS (Continued)

June 30, 2011

	<u>ABE PROGRAM IMPROVEMENT</u>	<u>CONTRACT TRAINING ABE/GED</u>	<u>OCCC FOUNDATION</u>	<u>SBDC LINCOLN COUNTY</u>	<u>OUTDOOR FURNITURE FUND</u>
ASSETS:					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Grants and Reimbursements	7,674	-	-	-	-
Due From Other Funds	-	-	14,767	-	309
Total Assets	<u>\$ 7,674</u>	<u>\$ -</u>	<u>\$ 14,767</u>	<u>\$ -</u>	<u>\$ 309</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due To Other Funds	7,674	-	-	-	-
Total Liabilities	<u>7,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Reserved	-	-	14,767	-	309
Total Fund Balances	<u>-</u>	<u>-</u>	<u>14,767</u>	<u>-</u>	<u>309</u>
Total Liabilities and Fund Balances	<u>\$ 7,674</u>	<u>\$ -</u>	<u>\$ 14,767</u>	<u>\$ -</u>	<u>\$ 309</u>

<u>SBDC STATE ENHANCEMENT</u>	<u>SBA FEDERAL</u>	<u>SBDC PROGRAM INCOME</u>	<u>SBDC LINCOLN COUNTY TOURISM</u>	<u>SBDC SPECIAL PROJECTS MS</u>	<u>SBDC SMALL BUSINESS JOBS ACT</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
8,610	19,734	-	-	-	8,024	44,042
-	-	728	-	85	-	15,889
<u>\$ 8,610</u>	<u>\$ 19,734</u>	<u>\$ 728</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 8,024</u>	<u>\$ 59,931</u>
\$ -	\$ -	\$ 692	\$ -	\$ -	\$ -	\$ 692
8,610	19,734	-	-	-	5,480	41,498
8,610	19,734	692	-	-	5,480	42,190
-	-	36	-	85	2,544	17,741
-	-	36	-	85	2,544	17,741
<u>\$ 8,610</u>	<u>\$ 19,734</u>	<u>\$ 728</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 8,024</u>	<u>\$ 59,931</u>

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS (Continued)

June 30, 2011

	SBDC SPECIAL PROJECTS WORKFORCE	SBDC DISASTER PREPAREDNESS	SBDC CDBG	NSF - AQS SHARKS	HRSA NURSING SIM EQUIPMENT
ASSETS:					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Grants and Reimbursements	-	-	38,920	-	-
Due From Other Funds	<u>269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 269</u>	<u>\$ -</u>	<u>\$ 38,920</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 180	\$ -	\$ -	\$ -	\$ -
Due To Other Funds	<u>-</u>	<u>-</u>	<u>38,920</u>	<u>2,633</u>	<u>-</u>
Total Liabilities	<u>180</u>	<u>-</u>	<u>38,920</u>	<u>2,633</u>	<u>-</u>
Fund Balances:					
Reserved	<u>89</u>	<u>-</u>	<u>-</u>	<u>(2,633)</u>	<u>-</u>
Total Fund Balances	<u>89</u>	<u>-</u>	<u>-</u>	<u>(2,633)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 269</u>	<u>\$ -</u>	<u>\$ 38,920</u>	<u>\$ -</u>	<u>\$ -</u>

<u>DOL OR HEALTHCARE WORKFORCE</u>	<u>AQS STREAMING SHARKS</u>	<u>NSF WETLAND EVALUATION</u>	<u>COSEE</u>	<u>NSF AQUARIUM TECHNOLOGY</u>	<u>CAREER PATHWAYS</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	6,907	12,271	58,098
-	8,994	4,600	-	-	-	13,863
<u>\$ -</u>	<u>\$ 8,994</u>	<u>\$ 4,600</u>	<u>\$ -</u>	<u>\$ 6,907</u>	<u>\$ 12,271</u>	<u>\$ 71,961</u>
\$ -	\$ -	\$ 4,600	\$ -	\$ -	\$ 106	\$ 4,886
-	-	-	-	-	12,165	53,718
-	-	4,600	-	-	12,271	58,604
-	8,994	-	-	6,907	-	13,357
-	8,994	-	-	6,907	-	13,357
<u>\$ -</u>	<u>\$ 8,994</u>	<u>\$ 4,600</u>	<u>\$ -</u>	<u>\$ 6,907</u>	<u>\$ 12,271</u>	<u>\$ 71,961</u>

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS (Continued)

June 30, 2011

	<u>CARL PERKINS</u>	<u>MISCELLANEOUS GRANTS</u>	<u>SHARK NET</u>	<u>PATHWAYS INCENTIVE</u>	<u>LINCOLN COUNTY NURSING</u>
ASSETS:					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Grants and Reimbursements	11,786	-	-	15,229	-
Due From Other Funds	<u>-</u>	<u>1,964</u>	<u>-</u>	<u>-</u>	<u>1,430</u>
Total Assets	<u>\$ 11,786</u>	<u>\$ 1,964</u>	<u>\$ -</u>	<u>\$ 15,229</u>	<u>\$ 1,430</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 1,376
Due To Other Funds	<u>11,786</u>	<u>-</u>	<u>12,938</u>	<u>16,325</u>	<u>-</u>
Total Liabilities	<u>11,786</u>	<u>-</u>	<u>12,938</u>	<u>16,325</u>	<u>1,376</u>
Fund Balances:					
Reserved	<u>-</u>	<u>1,964</u>	<u>(12,938)</u>	<u>(1,096)</u>	<u>54</u>
Total Fund Balances	<u>-</u>	<u>1,964</u>	<u>(12,938)</u>	<u>(1,096)</u>	<u>54</u>
Total Liabilities and Fund Balances	<u>\$ 11,786</u>	<u>\$ 1,964</u>	<u>\$ -</u>	<u>\$ 15,229</u>	<u>\$ 1,430</u>

<u>GO OREGON FUND</u>	<u>STCCF ART EXHIBIT</u>	<u>USDA RBEG PROGRAM DELIVER</u>	<u>GREEN LMI IMPLEMENTATION</u>	<u>FIRST YEAR STUDENTS</u>	<u>UNION 50</u>	<u>GRANT FUNDS TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	15,000	-	230,641
<u>1,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,769</u>
<u>\$ 1,637</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 266,410</u>
\$ 1,637	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ 14,681
<u>-</u>	<u>1,849</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>7,621</u>	<u>241,145</u>
<u>1,637</u>	<u>1,849</u>	<u>-</u>	<u>-</u>	<u>15,014</u>	<u>7,621</u>	<u>255,826</u>
<u>-</u>	<u>(1,849)</u>	<u>-</u>	<u>-</u>	<u>(14)</u>	<u>(7,621)</u>	<u>10,584</u>
<u>-</u>	<u>(1,849)</u>	<u>-</u>	<u>-</u>	<u>(14)</u>	<u>(7,621)</u>	<u>10,584</u>
<u>\$ 1,637</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 266,410</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2011**

	<u>BILINGUAL LITERACY</u>	<u>ABE EL CIVICS</u>	<u>ABE COMPREHENSIVE</u>	<u>ABE CORRECTIONS</u>	<u>ABE ACCOUNTABILITY</u>
REVENUES:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:					
Other State Sources	-	-	-	-	-
Lottery Funds	-	-	-	-	-
Federal Sources:					
Small Business Assistance Grant	-	-	-	-	-
Other Federal Sources	-	32,898	44,863	11,088	22,663
Other Miscellaneous and Local	-	-	-	-	-
Total Revenues	<u>-</u>	<u>32,898</u>	<u>44,863</u>	<u>11,088</u>	<u>22,663</u>
EXPENDITURES:					
Personal Services	-	29,286	33,288	11,088	21,507
Materials and Services	-	3,612	11,575	-	1,156
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>32,898</u>	<u>44,863</u>	<u>11,088</u>	<u>22,663</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-	-
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Beginning Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>ABE TUTORING</u>	<u>ABE OPABS</u>	<u>LEARNING STANDARDS PILOT</u>	<u>SBDC VIDA FUNDS</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,585	1,585
-	-	-	-	-
-	-	-	-	-
9,162	-	7,638	-	128,312
-	-	-	-	-
<u>9,162</u>	<u>-</u>	<u>7,638</u>	<u>1,585</u>	<u>129,897</u>
9,131	-	5,205	-	109,505
31	-	2,433	599	19,406
-	-	-	-	-
<u>9,162</u>	<u>-</u>	<u>7,638</u>	<u>599</u>	<u>128,911</u>
-	-	-	986	986
-	-	-	-	-
-	-	-	-	-
-	-	-	986	986
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 986</u>	<u>\$ 986</u>

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS (Continued)**
For the Year Ended June 30, 2011

	<u>ABE PROGRAM IMPROVEMENT</u>	<u>CONTRACT TRAINING ABE/GED</u>	<u>OCCC FOUNDATION</u>	<u>SBDC LINCOLN COUNTY</u>	<u>OUTDOOR FURNITURE FUND</u>
REVENUES:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:					
Other State Sources	-	-	-	-	-
Lottery Funds	-	-	-	-	-
Federal Sources:					
Small Business Assistance Grant	-	-	-	-	-
Other Federal Sources	8,692	-	-	-	-
Other Miscellaneous and Local	-	-	57,648	43,000	12,500
Total Revenues	<u>8,692</u>	<u>-</u>	<u>57,648</u>	<u>43,000</u>	<u>12,500</u>
EXPENDITURES:					
Personal Services	4,723	-	-	43,000	-
Materials and Services	3,969	-	42,881	-	12,289
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>8,692</u>	<u>-</u>	<u>42,881</u>	<u>43,000</u>	<u>12,289</u>
Excess of Revenues Over (Under) Expenditures	-	-	14,767	-	211
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Change in Fund Balance	-	-	14,767	-	211
Beginning Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,767</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 309</u></u>

<u>SBDC STATE ENHANCEMENT</u>	<u>SBA FEDERAL</u>	<u>SBDC PROGRAM INCOME</u>	<u>SBDC LINCOLN COUNTY TOURISM</u>	<u>SBDC SPECIAL PROJECTS MS</u>	<u>SBDC SMALL BUSINESS JOBS ACT</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24,636	-	-	2,064	-	-	26,700
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	43,603	-	-	-	10,568	62,863
-	-	21,540	-	1,485	-	136,173
<u>24,636</u>	<u>43,603</u>	<u>21,540</u>	<u>2,064</u>	<u>1,485</u>	<u>10,568</u>	<u>225,736</u>
24,486	33,603	2,497	1,588	-	7,274	117,171
150	10,000	20,749	476	1,400	750	92,664
-	-	-	-	-	-	-
<u>24,636</u>	<u>43,603</u>	<u>23,246</u>	<u>2,064</u>	<u>1,400</u>	<u>8,024</u>	<u>209,835</u>
-	-	(1,706)	-	85	2,544	15,901
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(1,706)	-	85	2,544	15,901
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,742</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,840</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 2,544</u>	<u>\$ 17,741</u>

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS (Continued)**

For the Year Ended June 30, 2011

	SBDC SPECIAL PROJECTS WORKFORCE	SBDC DISASTER PREPAREDNESS	SBDC CDBG	NSF - AQS SHARKS	HRSA NURSING SIM EQUIPMENT
REVENUES:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:					
Other State Sources	-	-	-	-	-
Lottery Funds	-	-	-	-	-
Federal Sources:					
Small Business Assistance Grant	-	-	-	-	-
Other Federal Sources	-	-	38,920	111,280	-
Other Miscellaneous and Local	1,144	-	-	-	-
Total Revenues	1,144	-	38,920	111,280	-
EXPENDITURES:					
Personal Services	-	-	4,461	3,815	-
Materials and Services	4,463	-	34,459	110,098	-
Capital Outlay	-	-	-	-	-
Total Expenditures	4,463	-	38,920	113,913	-
Excess of Revenues Over (Under) Expenditures	(3,319)	-	-	(2,633)	-
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Change in Fund Balance	(3,319)	-	-	(2,633)	-
Beginning Fund Balance	3,408	-	-	-	-
Ending Fund Balance	\$ 89	\$ -	\$ -	\$ (2,633)	\$ -

<u>DOL OR HEALTHCARE WORKFORCE</u>	<u>AQS STREAMING SHARKS</u>	<u>NSF WETLAND EVALUATION</u>	<u>COSEE</u>	<u>NSF AQUARIUM TECHNOLOGY</u>	<u>CAREER PATHWAYS</u>	<u>PAGE TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	39,258	189,458
-	-	5,000	-	-	-	6,144
-	-	5,000	-	-	39,258	195,602
-	-	13,800	-	-	12,827	34,903
-	-	1,200	-	-	23,989	174,209
-	-	-	-	-	-	-
-	-	15,000	-	-	36,816	209,112
-	-	(10,000)	-	-	2,442	(13,510)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(10,000)	-	-	2,442	(13,510)
-	8,994	10,000	-	6,907	(2,442)	26,867
\$ -	\$ 8,994	\$ -	\$ -	\$ 6,907	\$ -	\$ 13,357

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS (Continued)**

For the Year Ended June 30, 2011

	<u>CARL PERKINS</u>	<u>MISCELLANEOUS GRANTS</u>	<u>SHARK .NET</u>	<u>PATHWAYS INCENTIVE</u>	<u>LINCOLN COUNTY NURSING</u>
REVENUES:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:					
Other State Sources	-	-	-	-	-
Lottery Funds	-	-	-	-	-
Federal Sources:					
Small Business Assistance Grant	-	-	-	-	-
Other Federal Sources	46,665	-	-	76,838	-
Other Miscellaneous and Local	-	-	-	-	3,178
Total Revenues	<u>46,665</u>	<u>-</u>	<u>-</u>	<u>76,838</u>	<u>3,178</u>
EXPENDITURES:					
Personal Services	31,535	-	-	72,452	-
Materials and Services	15,130	-	15,418	5,482	3,124
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>46,665</u>	<u>-</u>	<u>15,418</u>	<u>77,934</u>	<u>3,124</u>
Excess of Revenues Over (Under) Expenditures	-	-	(15,418)	(1,096)	54
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Change in Fund Balance	-	-	(15,418)	(1,096)	54
Beginning Fund Balance	<u>-</u>	<u>1,964</u>	<u>2,480</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ 1,964</u>	<u>\$ (12,938)</u>	<u>\$ (1,096)</u>	<u>\$ 54</u>

GO OREGON FUND	STCCF ART EXHIBIT	USDA RBEG PROGRAM DELIVER	GREEN LMI IMPLEMENTATION	FIRST YEAR STUDENTS	UNION 50	GRANT FUNDS TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,633	-	-	-	-	-	37,918
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	5,000	-	-	509,136
-	-	4,100	-	15,000	-	164,595
9,633	-	4,100	5,000	15,000	-	711,649
-	-	-	2,781	1,688	-	370,035
5,118	1,849	4,100	2,219	13,326	7,621	359,666
-	-	-	-	-	-	-
5,118	1,849	4,100	5,000	15,014	7,621	729,701
4,515	(1,849)	-	-	(14)	(7,621)	(18,052)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,515	(1,849)	-	-	(14)	(7,621)	(18,052)
(4,515)	-	-	-	-	-	28,636
\$ -	\$ (1,849)	\$ -	\$ -	\$ (14)	\$ (7,621)	\$ 10,584

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

CAMPUS PROJECT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
State Construction Matching Funds	\$ 2,000,000	\$ 2,000,000	\$ 1,437,804	\$ (562,196)
Lottery Funds	-	-	403,205	403,205
Local Govt. Donations	100,000	100,000	25,000	(75,000)
Interest	10,000	10,000	4,928	(5,072)
Miscellaneous	-	-	14,454	14,454
Total Revenues	<u>2,110,000</u>	<u>2,110,000</u>	<u>1,885,391</u>	<u>(224,609)</u>
EXPENDITURES:				
Personal Services	89,500	89,500 (1)	88,290	1,210
Materials and Services	1,052,850	1,052,850 (1)	1,028,687	24,163
Capital Outlay	<u>3,967,650</u>	<u>3,967,650 (1)</u>	<u>2,779,325</u>	<u>1,188,325</u>
Total Expenditures	<u>5,110,000</u>	<u>5,110,000</u>	<u>3,896,302</u>	<u>1,213,698</u>
Net Change in Fund Balance	(3,000,000)	(3,000,000)	(2,010,911)	989,089
Beginning Fund Balance	<u>3,000,000</u>	<u>3,000,000</u>	<u>2,658,697</u>	<u>(341,303)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 647,786</u>	<u>\$ 647,786</u>

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

RESERVE AUDUBON FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest Earning	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES:				
Materials and Services	105,000	105,000 (1)	-	105,000
Total Expenditures	105,000	105,000	-	105,000
Net Change in Fund Balance	(105,000)	(105,000)	-	105,000
Beginning Fund Balance	105,000	105,000	105,000	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,000</u>	<u>\$ 105,000</u>

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

BOOKSTORE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Merchandise Sales	\$ 195,900	\$ 195,900	\$ 175,215	\$ (20,685)
Total Revenues	195,900	195,900	175,215	(20,685)
EXPENDITURES:				
Personal Services	30,000	30,000	25,536	4,464
Materials and Services	154,650	154,650	122,664	31,986
Contingency	14,313	14,313	-	14,313
Total Expenditures	198,963	198,963 (1)	148,200	50,763
OTHER FINANCING SOURCES (USES):				
Transfer out	(50,000)	(50,000) (1)	(50,000)	-
Net Change in Fund Balance	(53,063)	(53,063)	(22,985)	30,078
Beginning Fund Balance	53,063	53,063	60,679	7,616
Ending Fund Balance	\$ -	\$ -	\$ 37,694	\$ 37,694

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

UNEMPLOYMENT INSURANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Charges	\$ 12,800	\$ 12,800	\$ 12,831	\$ 31
Total Revenues	12,800	12,800	12,831	31
EXPENDITURES:				
Materials and Services	112,381	112,381 (1)	16,565	95,816
Total Expenditures	112,381	112,381	16,565	95,816
Net Change in Fund Balance	(99,581)	(99,581)	(3,734)	95,847
Beginning Fund Balance	99,581	99,581	93,145	(6,436)
Ending Fund Balance	\$ -	\$ -	\$ 89,411	\$ 89,411

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

COPYING FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Charges	\$ 27,150	\$ 27,150	\$ 20,473	\$ (6,677)
Total Revenues	27,150	27,150	20,473	(6,677)
EXPENDITURES:				
Materials and Services	12,100	12,100	14,301	(2,201)
Contingency	35,423	35,423	-	35,423
Total Expenditures	47,523	47,523 (1)	14,301	33,222
Net Change in Fund Balance	(20,373)	(20,373)	6,172	26,545
Beginning Fund Balance	20,373	20,373	21,028	655
Ending Fund Balance	\$ -	\$ -	\$ 27,200	\$ 27,200

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2011**

INSURANCE DEDUCTIBLE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
EXPENDITURES:				
Materials and Services	\$ 15,000	\$ 15,000 (1)	\$ -	\$ 15,000
Total Expenditures	15,000	15,000	-	15,000
Net Change in Fund Balance	(15,000)	(15,000)	-	15,000
Beginning Fund Balance	15,000	15,000	15,000	-
Ending Fund Balance	\$ -	\$ -	\$ 15,000	\$ 15,000

(1) Appropriation Level

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
June 30, 2011**

	<u>STUDENT GOVERNMENT</u>	<u>PHI THETA KAPPA</u>	<u>AQUANAUTS</u>	<u>LITERACY</u>	<u>SBM ALUMNI</u>
ASSETS:					
Due From other Funds	\$ 732	\$ 685	\$ 4,923	\$ 1,251	\$ 4,770
Total Assets	<u>\$ 732</u>	<u>\$ 685</u>	<u>\$ 4,923</u>	<u>\$ 1,251</u>	<u>\$ 4,770</u>
LIABILITIES AND FIDUCIARY NET ASSETS:					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary Net Assets:	<u>732</u>	<u>685</u>	<u>4,923</u>	<u>1,251</u>	<u>4,770</u>
Total Liabilities and Fiduciary Net Assets	<u>\$ 732</u>	<u>\$ 685</u>	<u>\$ 4,923</u>	<u>\$ 1,251</u>	<u>\$ 4,770</u>

STUDENT NURSES ORGANIZATION	TOTAL
<u>\$ 2,486</u>	<u>\$ 14,847</u>
<u>2,486</u>	<u>\$ 14,847</u>

<u>\$ -</u>	<u>\$ -</u>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>2,486</u>	<u>14,847</u>
<u>2,486</u>	<u>\$ 14,847</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
For the Year Ended June 30, 2011**

	<u>STUDENT GOVERNMENT</u>	<u>PHI THETA KAPPA</u>	<u>AQUANAUTS</u>	<u>LITERACY</u>	<u>SBM ALUMNI</u>
ADDITIONS:					
Membership Fees	\$ -	\$ (1,610)	\$ -	\$ -	\$ 1,150
Cash Donations	-	-	1,000	-	-
Miscellaneous	<u>1,438</u>	<u>337</u>	<u>-</u>	<u>-</u>	<u>175</u>
Total Additions	<u>1,438</u>	<u>(1,273)</u>	<u>1,000</u>	<u>-</u>	<u>1,325</u>
REDUCTIONS:					
Materials and services	<u>1,154</u>	<u>483</u>	<u>280</u>	<u>-</u>	<u>1,274</u>
Total Reductions	<u>1,154</u>	<u>483</u>	<u>280</u>	<u>-</u>	<u>1,274</u>
OTHER FINANCING SOURCES:					
Transfers In	<u>-</u>	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fiduciary Net Assets	284	(556)	720	-	51
Beginning Fiduciary Net Assets	<u>448</u>	<u>1,241</u>	<u>4,203</u>	<u>1,251</u>	<u>4,719</u>
Ending Fiduciary Net Assets	<u>\$ 732</u>	<u>\$ 685</u>	<u>\$ 4,923</u>	<u>\$ 1,251</u>	<u>\$ 4,770</u>

STUDENT NURSES ORGANIZATION	TOTAL
\$ -	\$ (460)
-	1,000
<u>1,945</u>	<u>3,895</u>
<u>1,945</u>	<u>4,435</u>
 <u>1,829</u>	 <u>5,020</u>
<u>1,829</u>	<u>5,020</u>
 <u>-</u>	 <u>1,200</u>
116	615
<u>2,370</u>	<u>14,232</u>
<u>\$ 2,486</u>	<u>\$ 14,847</u>

**OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2011**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED JULY 1, 2010</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED June 30, 2011</u>
Current:						
2010-2011	\$ 2,715,827	\$ 64,859	\$ (5,424)	\$ 1,949	\$ 2,502,979	\$ 144,514
Prior Years:						
2009-2010	137,210	(16)	(2,275)	5,209	74,000	66,160
2008-2009	62,970	-	(216)	4,924	30,635	37,043
2007-2008	28,641	-	(115)	5,403	23,303	10,626
2006-2007	8,832	-	(102)	2,417	8,980	2,167
Prior	4,678	(50)	(2,840)	390	(1,556)	3,834
Total Prior	242,331	(66)	(5,548)	18,343	135,362	119,830
Total	<u>\$ 2,958,158</u>	<u>\$ 64,793</u>	<u>\$ (10,972)</u>	<u>\$ 20,292</u>	<u>\$ 2,638,341</u>	<u>\$ 264,344</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	\$ 2,638,341
Accrual of Receivables:	
June 30, 2011	43,279
June 30, 2010	(39,532)
Other Taxes	32,948
Total Revenue	<u>\$ 2,675,036</u>

FUND DISTRIBUTION:

General Fund	\$ 1,046,742
Debt Service Fund	1,628,294
	<u>\$ 2,675,036</u>

RECEIVABLE ON BALANCE SHEET:

General Fund	\$ 101,846
Debt Service Fund	162,498
	<u>\$ 264,344</u>

OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

December 1, 2011

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Oregon Coast Community College as of and for the year ended June 30, 2011, and have issued our report thereon dated December 1, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Oregon Coast Community College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the Oregon Coast Community College was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

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

This report is intended solely for the information and use of the Board of Directors and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

PAULY, ROGERS AND CO., P.C.

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OREGON COAST COMMUNITY COLLEGE
LINCOLN COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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OREGON COAST COMMUNITY COLLEGE
NEWPORT, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
US DEPARTMENT OF EDUCATION		
Passed through Oregon Department of Community Colleges and Workforce Development Adult Education and Family Literacy	84.002	\$ 137,004 (1)
Passed through Chemeketa Community College Carl Perkins Vocational and Technical Education	84.048	85,923 (1)
Passed through Portland Community College Workforce Investment Act of 1998, Title I, Subtitle D, Section 1	17.269	<u>76,838 (1)</u>
Total U.S. Department of Education		<u>299,765</u>
US SMALL BUSINESS ADMINISTRATION		
Passed through Lane Community College Small Business Development Center	59.037	43,603
Small Business Jobs Act	59.017	10,568
Passed Through Oregon Microenterprise Network Small Business Development Center	59.037	<u>38,920</u>
Total U.S. Small Business Administration		<u>93,091</u>
NATIONAL SCIENCE FOUNDATION		
Aquarium Technology and Marine Interpretation Education Program	47.076	<u>111,280 (1)</u>
Total National Science Foundation		<u>111,280</u>
US DEPARTMENT OF LABOR		
Passed through Oregon Department of Community Colleges and Workforce Development Employment Training	17.275	<u>5,000</u>
TOTAL FEDERAL FINANCIAL AWARDS		<u><u>\$ 509,136</u></u>

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

December 1, 2011

To the Board of Directors
Oregon Coast Community College
Lincoln County, Oregon

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

We have audited the financial statements of Oregon Coast Community College as of and for the year ended June 30, 2011, and have issued our report thereon dated December 1, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

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 financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oregon Coast 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, the governing body, 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.


PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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December 1, 2011

To the Board of Directors
Oregon Coast Community College
Lincoln County, Oregon

Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Compliance

We have audited the compliance of Oregon Coast Community College with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. Oregon Coast 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 Oregon Coast Community College's management. Our responsibility is to express an opinion on Oregon Coast 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 Oregon Coast 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 Oregon Coast Community College's compliance with those requirements.

In our opinion, Oregon Coast Community College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control over Compliance

The management of Oregon Coast 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 Oregon Coast Community College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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, the governing body, 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.


PAULY, ROGERS AND CO., P.C.

OREGON COAST COMMUNITY COLLEGE
LINCOLN COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

Section I: Summary of Auditors' Results –

Financial Statements

Type of Auditors' report issued:

Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified that are not considered to be material weaknesses

_____ Yes X No

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 505(d)(2) of OMB Circular A-133?

_____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified that are not considered to be material weaknesses

_____ Yes X No

_____ Yes X None reported

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

_____ Yes X No

Identification of major programs

CFDA Number(s):

84.048

84.002

47.076

17.269

Name of Federal Program:

Carl Perkins - Vocational & technical Education

Adult Education

Education and Human Resources

Workforce Investment Act

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

_____ Yes X No

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

OREGON COAST COMMUNITY COLLEGE
LINCOLN COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

Section II: Financial Statement Findings –

None

Section III: Federal Award Findings and Questioned Costs

None

Notes to the Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Oregon Coast Community College and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.