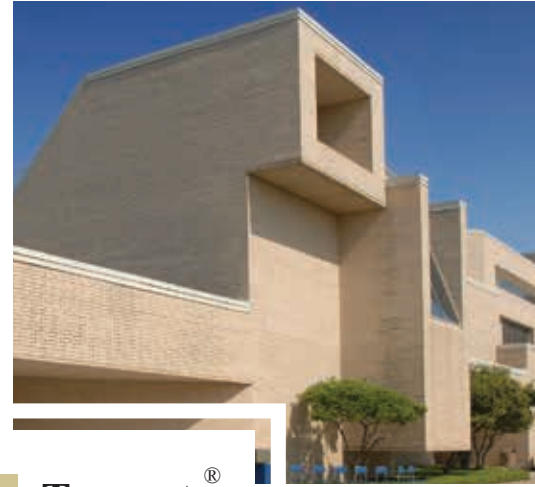


Comprehensive Annual Financial Report

For the Fiscal Years Ended August 31, 2013 and 2012 • Tarrant County College District • Texas



Tarrant County College District

Comprehensive Annual Financial Report

For the Fiscal Years Ended
August 31, 2013 and 2012

Prepared by:

**Finance Department
Tarrant County College District
Texas**

**Tarrant County College District
Comprehensive Annual Financial Report
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Introductory Section



CHANCELLOR'S LETTER

For the Year Ended August 31, 2013



Erma C. Johnson Hadley

December 11, 2013

To the Board of Trustees:

The past year has been a successful one for Tarrant County College District, and I am pleased to share the Comprehensive Annual Financial Report with you and with our community. This report presents a detailed picture of the District's financial operations for fiscal year 2013, which ended on August 31, 2013.

Community colleges around the country are repositioning themselves to become 21st Century Colleges by focusing on the 3R's – Redesign Students' Educational Experiences, Reinvent Institutional Roles, and Reset the System. This work is embedded in the premise that the student success that emanates from the community colleges is critical to the growth of the American economy. The American Association of Community Colleges (AACC) is leading this transformation and has challenged all community colleges around the country to use its 21st Century, "Reclaiming the

American Dream" report to measure the effectiveness of our work on student success.

Our long-term focus on student success at Tarrant County College District aligns with the work of the AACC 21st Century Commission supported by a deliberate focus on institutional excellence – ensuring we are agile enough to provide new programs, initiatives and services that anticipate the needs of a changing world, provide the support our students need to excel, and refine our infrastructure and internal processes as needed. Over the past 48 years, TCCD has grown to meet the very specialized needs of students in our community – all backgrounds, all ages, all educational levels and a plethora of desired career paths – so that we can be a vibrant engine powering the Tarrant County economy.

This report will provide an inside look not just at what we have introduced to help our students succeed, but how everything we do is designed to achieve the greatest-possible return on the dollars our community invests in our students for our community.

Our mission is to reach all our students, including those who think, "College isn't for me because I'm not book smart," and instead, offer learning paths and programs that lead to certification and well-paying jobs that enable our community's industries to thrive. Additionally, we are committed to creating a college-going culture with our young students in elementary, middle and high schools so that today's children are prepared to become our students tomorrow.

2012-13 MILESTONES

Students Statistics:

- 14,118 first-generation college students
- 1,980 veterans ready to enter the workforce
- 4,407 high-school students enrolled in the Dual Credit Program
- 9,404 children and teens visited the TCCD Mobile Go Center
- 3,000 local business employees received specialized training
- 4,678 students participated in the College Access program

- 4,098 children enrolled in College for Kids
- 1,120 students enrolled in personal enrichment or leisure courses
- 600 certificates awarded to ABE students who went to work immediately

IN PURSUIT OF INSTITUTIONAL EXCELLENCE:

- TCCD ranked 20th nationwide in the number of associate degrees conferred in 2012
- TCCD ranked 37th among the nation's top 100 associate degree producers for minority students
- TCCD's 20 state licensure programs, including nursing, police training and culinary arts, hold an average pass rate of 95 percent
- 100% state licensure pass rate for Respiratory Care program students
- 100% state licensure pass rate for Radiologic Technology students
- 91.6% state licensure pass rate for Nursing Program students
- 95.0% average pass rate for 17 other state licensure programs, including police and fire training programs
- 24% of employees trained in Lean Fundamentals process improvement
- 96,316 professional development hours completed by 3,245 faculty & staff
- 9,442 online learning hours logged by TCCD faculty & staff through SkillSoft

OTHER NOTABLE ACHIEVEMENTS:

- \$123,279,318 financial aid awarded
- \$65,447,002 invested in building and capital improvement
- \$12,592,099 active grants managed by TCCD
- \$800,000 savings on 10 facilities projects
- \$100,000 savings on Food Service equipment and maintenance costs
- \$500,000 savings produced by procurement bidding initiatives
- 80% of credit faculty hold advanced degrees in respective fields
- 51,916 admissions applications processed

- 1,494 Phi Theta Kappa honor students
- 125 dedicated counselors and academic advisors who help TCCD students
- 115 volunteer faculty trained to serve as student advisors
- 43 colleges and universities have transfer agreements with TCCD

These are just a few of the many data points that illustrate the important work we are doing to help our students reach success, and to have a profoundly positive impact on our community.

As always, I am honored to lead Tarrant County College District and the thousands of faculty, staff and administrators who share this commitment to student success. Once you have reviewed this report, I hope you will agree that Tarrant County College District brings "Success Within Reach" to our students, and to Tarrant County.

Sincerely



Erma C. Johnson Hadley
Chancellor

TRANSMITTAL LETTER

For the Years Ended August 31, 2013 and 2012

December 11, 2013

To: Chancellor Erma C. Johnson Hadley,
Members of the Board of Trustees, and
The Citizens of the Tarrant County College District

The comprehensive annual financial report of the Tarrant County College District for the fiscal year ended August 31, 2013, is hereby submitted.

The purpose of this report is to provide detailed information concerning the financial condition and performance of the District. Responsibility for the preparation and integrity of the financial information and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

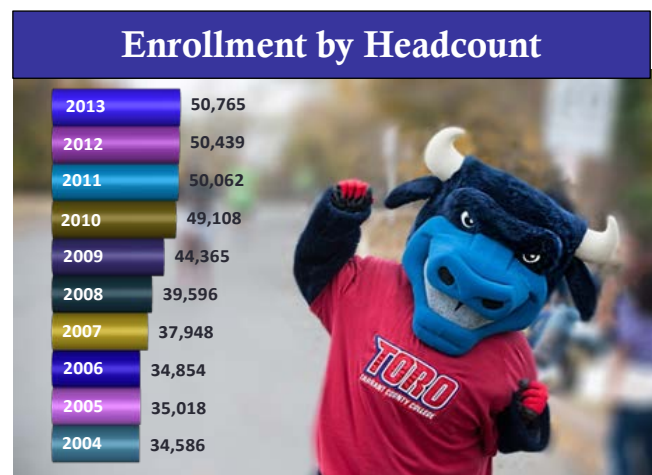
Comprehensive Annual Financial Report

The Tarrant County College District's comprehensive annual financial report (CAFR) for the fiscal year ended August 31, 2013 was prepared by the Finance Department. The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB) and comply with Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board. The Notes to the Financial Statements are provided in the financial section and are considered essential to fair presentation and adequate disclosure for this financial report. The notes include the Summary of Significant Accounting Policies for the District and other necessary disclosures of important matters relating to the financial position of the District. The notes are treated as an integral part of the financial statements and should be read in

conjunction with them. Further, this letter of transmittal and the financial statements should be read in conjunction with the Management's Discussion and Analysis (pages 4-10), which focuses on current activities, decisions, and currently known facts to provide an overview of the financial statements and reasons for significant changes from the prior year.

The independent firm of certified public accountants of Weaver and Tidwell, L.L.P., was engaged to audit the financial statements and related notes and issue a report thereon. They have informed District management and the Board of Trustees that their audit was conducted in accordance with generally accepted auditing standards, which require a consideration of internal controls in determining audit procedures. The report of the independent auditors based upon their audit of the financial statements is included in the financial section of this report.

The District is required to undergo an annual federal single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and an annual state single audit in conformity with the Texas Governor's Office of Budget and Planning *Uniform Grant Management Standards Single Audit Circular*. Information related to these single audits, including the schedule of federal expenditures of awards, schedule of state expenditures of awards, and auditor's reports on compliance and on internal controls is included in the federal and state single audit sections of this report.



Organization of District

The Tarrant County College District was established as a public community college in an election held in Tarrant County, Texas, on July 31, 1965. The District operates as a community college district under the laws of the State of Texas. An elected, seven-member Board of Trustees, that has oversight responsibility and control over all District activities, governs the District. The Board of Trustees has no financial accountability over Tarrant County or other Tarrant County districts and, accordingly, only financial data for the Tarrant County College District is included in this report.

Mission and Values

Tarrant County College District, a comprehensive two-year institution, is dedicated to providing quality education that exceeds the expectations of the people of Tarrant County. Accordingly, the mission is as follows: Tarrant County College District provides affordable and open access to quality teaching and learning. The District implements its mission through a clearly defined set of programs, services, and partnerships that include university transfer programs; workforce education programs; technical programs; developmental courses; adult literacy courses; continuing education and community services; an extensive curriculum; a highly qualified, enthusiastic, innovative, faculty and staff; appropriate technology, equipment, and learning resources; diverse modes of instruction and delivery; support services to foster student success; work and partnerships in support of the cultural and economic development of the community; and a commitment to institutional effectiveness—an ongoing process of self-examination, self-improvement, and an unending pursuit of excellence.

Tarrant County College District is committed to:

- **Excellence** - belief in providing outstanding quality in educational programs, administrative support, and services to students, faculty and staff;
- **Access** - belief in providing educational opportunities for all members of the community;
- **Diversity** - belief that the District should reflect the diversity of the community;
- **Student Success** - belief in providing quality instruction, resources, and support services to assist our students in achieving their lifelong goals;

- **Service to Community** - belief in the importance of engaging with the community to enhance economic vitality and quality of life; and
- **Innovation and Creativity** - belief in cultivating a learning environment that evaluates and incorporates emerging technologies and methodologies to enhance the quality of instruction and administrative support for students, faculty, and staff.

Economic Condition and Outlook

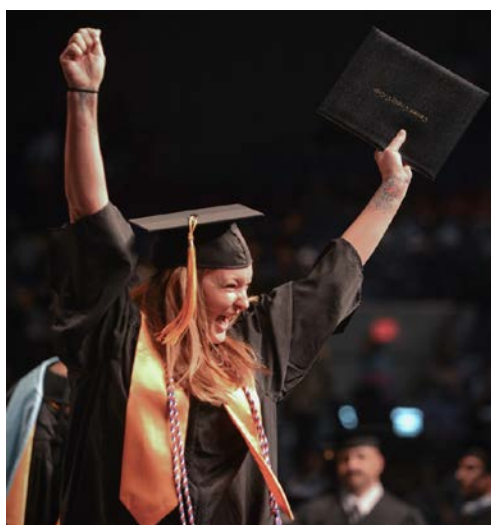
Located in North Central Texas, Tarrant County is one of the fastest-growing counties in the nation with nearly 1.8 million residents, according to the most recent census. Home to several major corporations including American Airlines, BNSF Railway, Pier 1 Imports, GE Manufacturing Solutions and RadioShack, among others, Tarrant County represents an ideal location for business due to its proximity to Dallas-Fort Worth International Airport and Alliance Airport. This vibrant business community, fueled by more than 30,000 companies, provides meaningful employment opportunities. Having steadily risen over the last 20 years, employment in Fort Worth alone is forecast to grow by 1.5 percent annually through 2030.



Already a diversified economy spanning agriculture, manufacturing, transportation, communication, construction, trade and professional services industries, the Fort Worth economic climate also has benefited from the increase in total number of natural gas wells throughout Tarrant County and surrounding communities. The Texas Railroad Commission ranked Tarrant County first in Texas's gas-producing counties and with continued exploration and production, associated jobs to support this industry will continue to increase and contribute to the county's vibrant economy.

Major Initiatives

What started in 1965 as a single-campus junior college has evolved to become the 15th largest college or university in the nation. Each year, TCCD touches the lives of one out of every 19 Tarrant County residents. Today's Tarrant County College District is five campuses strong, with 107 buildings throughout 817 total acres. TCCD serves more than 100,000 students each year, spanning all age groups and representing 63 countries. With continued demand for workforce development, and against the larger focus on economic and other obstacles facing students wishing to pursue higher education, TCCD remains committed to maximizing student success and cultivating future generations of workforce-ready citizens. This commitment, articulated through TCCD's Vision 2015 strategic plan, informs every new program or initiative TCCD introduces and provides the yardstick against which the District measures its effectiveness.



Achieving the Dream

Established in 2004 by Lumina Foundation, Achieving the Dream is the largest non-governmental reform movement for student success in the history of higher education. With a national membership of more than 190 community colleges and institutions, ATD works to develop and share best practices and “disruptive innovations” that are proven to enhance student success as measured by course completion and graduation.

TCCD has been an ATD member college since 2010, working with ATD mentors to help identify areas of student focus and introduce new interventions that will help students overcome obstacles to their achievement.

Through this collaborative process and with a dedicated multi-disciplinary team of TCCD professionals guiding the

work, TCCD identified and introduced five interventions last year.

1. Changes in Math Curriculum and Modes of Delivery

To help students succeed, TCCD developed a consistent math curriculum across the District and established tutoring centers on each campus, as well as Math Emporiums for face-to-face support.

2. Mandatory New Student Orientation

Designed for all first-time-in-college students, NSO provides students the information they need including all of the support services available to help them succeed.

3. Intentional Advising and Faculty Advising

Committed and engaged advisors and faculty advisors work closely with students to help them stay on track with the college experience.

4. Early Academic Alert System

To ensure that students are notified as soon as performance problems become apparent, this new alert system is designed to help students work with faculty and staff to correct issues before they become insurmountable.

5. Mandatory Student Success Course

Also designed for first-time-in-college students, the Transition to College Success course provides essential tools and resources to help students overcome their fears and perform to their best abilities.

Specialized Programs

Men of Color Mentoring

TCCD initiated the Men of Color Mentoring program in 2012 in response to dire statistics illustrating that African-American and Hispanic males consistently represented the least successful students attending TCCD. Only half of Hispanic male students and only one-third of African-American male students remained enrolled at TCCD,



according to data from fall 2010 to fall 2011 statistics. After assessing how other colleges addressed these same challenges, TCCD modeled those institutions that had established mentoring programs specifically for men of color.

The goals of the Men of Color Mentoring Program are measurable:

- To increase the retention and completion rates of African-American and Hispanic male students
- To increase awareness and use of available support services by African-American and Hispanic male students
- To provide opportunities for civic engagement and commitment to the community through service projects

Empowering Links

To help African-American female students succeed, TCCD introduced the Empowering Links mentor program in conjunction with the Fort Worth chapter of the Links, Incorporated, at TCCD's South Campus this year.

College Credit for Heroes

A partnership between the Texas Workforce Commission and the Texas Higher Education Coordinating Board, College Credit for Heroes is a program through which participating colleges can help active duty, former and retired military personnel receive college credit for their service to the nation.



As one of 30 colleges or universities in Texas to participate, TCCD's initial grant from College Credit for Heroes accommodates up to 20 military service members to enroll in the 15-month pilot program. To date, 15 service members/veterans are participating. In addition, TCCD

became a Servicemembers Opportunity College this year. Created in 1972, Servicemembers Opportunity Colleges (SOC) was created to help military servicemembers, who regularly relocate, complete their college degrees. As part of TCCD's participation with SOC, the District has signed an articulation agreement with Central Texas College.

Chancellor's Emerging Leaders Program

Introduced in spring 2012, the Chancellor's Emerging Leaders Program targets students who did not meet college-ready standards in the three fundamental disciplines of reading, writing and math based on the TSI Assessment or other college entrance exams. The program is designed to engage these students as potential leaders and equip them with the skills they need to become successful leaders of the future.



Consisting of pre-assessments and post-assessments, workshops, Community Leader panel discussions, independent and team activities, job shadowing, field trips, a community project and a graduation ceremony, the Emerging Leaders Program gives students hands-on experiences that illustrate what future success looks like. By giving them exposure they otherwise may not receive, students can envision a path for personal and professional success that is supported by TCCD resources.

Moving Students Toward Completion

During the summer 2013, the Student Success Division launched a new retention initiative focused on helping students reach the finish line. The retention process involves identifying students near completion of a credential (within 12 credits). Those students are then connected either with an academic advisor, career and technical advisor, or a faculty mentor. By using appreciative, intrusive advising approaches, the advisor or faculty mentor will contact the students and inform them of the courses needed to complete their credentials. The advisors and/or faculty mentors follow up with students to ensure they did not drop or neglect to register for the courses needed.

TCC CAREs

In order to take a preventive approach to behavioral intervention, TCCD has developed a district-wide, comprehensive, and systemic behavioral intervention team model called CARE: Consultation, Assessment, Resources & Referral, and Education.

The CARE team provides 1) assistance to students and the campus community who are in distress through confidential consultation with concerned faculty, staff and students; 2) consistent communication between departments; and 3) referral to resources both on and off campus. In particular, the CARE Team consults regarding students whose behaviors are of concern because they may pose a threat to themselves or others. The Team's primary focus is preventive rather than punitive, with the goals of assisting students to succeed and educating concerned others about ways to help distressed students.



eLearning

The Office of eLearning currently offers more than 250 college credit courses and a variety of continuing education classes. TCCD defines a distance learning course as one in which a student receives more than one-half of the instruction at a different location from the instructor.

Weekend Classes and Weekend College

For many current and potential students juggling the demands of work and/or family, taking college courses during the week simply isn't possible. TCCD offers weekend classes at each of its five campuses, spanning both academic and technical programs as well as continuing education.

In addition to weekend classes, TCCD now offers Weekend College at its Trinity River campus. Weekend College is designed for full-time students who have selected a specific academic program path, and who are dedicated to completing their associate's degree program as a precursor to completing their bachelor's degree.

Graduation Outreach at TCCD

TCCD's new Graduation Outreach initiative is designed to eliminate barriers toward completion of academic programs, identify and automatically award degrees and/or certificates to eligible students, and increase academic program completion rates.

Students are no longer required to complete a Graduation Application in order to be awarded their degree and/or certificate.

Institutional Excellence

TCCD continues to focus on institutional excellence with new initiatives that include our Quality Enhancement Plan, our Institutional Plan and our focus on diversity and inclusion. Together, these initiatives amplify TCCD's ability to reach the objectives of Vision 2015.

Quality Enhancement Plan

Work has begun to introduce TCCD's three-year Quality Enhancement Plan in support of TCCD's reexamination for accreditation with SACS. TCCD's QEP, communicated to the TCCD community through a dedicated "Power On" campaign, focuses on four student learning objectives that in total, comprise critical thinking: Apply, Analyze, Evaluate, and Create. POWER ON articulates TCCD's commitment to improve student learning through explicit exposures to the processes of critical thought, which will help them in their studies and beyond.

Institutional Plan

To better allocate resources in support of student success, TCCD developed an institutional master plan that marries several evaluation criteria together to ensure the projects undertaken support the District's strategic priorities, while delivering the highest possible return to the community on the dollars invested in students. Through this very efficient, but thorough, new process, ideas for improvement, environmental enhancements, building projects and beyond can be assessed in a faster, more objective way.

Community Collaborations

Dual Credit

Taught by highly qualified college instructors, Dual Credit courses satisfy high-school graduation requirements while allowing high-school students to earn college credits. Students taking Dual Credit courses during their junior and senior years in high school can graduate with up to 24 hours of college credit.

Early College High School

TCCD continues its commitment to creating a college-going culture through its Early College High School programs at

the Northwest and Trinity River campuses. In 2014, an Early College High School will be added at the Southeast campus.

At Marine Creek Collegiate High School at the Northwest campus, in partnership with the Lake Worth ISD, high school students earn both high school and college credit for the same courses.

The Early College High School at Trinity River, in partnership with Fort Worth ISD's Texas Academy of Biomedical Sciences (TABs), enables participating students interested in careers in healthcare science to take courses that will prepare them for successful careers by helping them cover the basic coursework needed before moving into specialized classes after graduation.

Family Empowerment Center

TCCD opened the Family Empowerment Center (FEC) on the South campus in April to promote and support economic stability through education. The FEC partners with community members and organizations to reduce and eliminate barriers to attending and completing college, promote economic stability, and support quality of life initiatives such as physical fitness.



Financial Information

Internal Controls

District management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in

conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state, and local financial assistance, the District also is responsible for ensuring that adequate internal control is in place to comply with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and the independent auditors of the District. As a part of the District's single audits, described earlier, tests are made to determine the adequacy of the internal control, including that portion related to federal and state awards programs, as well as to determine that the District has complied with applicable laws and regulations. The Schedules of Findings and Questioned Costs for the District's Federal and State Single Audits for the fiscal year ended August 31, 2013 are included on pages 93 and 99, respectively.

Budgeting Controls

The District continues to apply budgetary controls and accounting on a fund basis. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Trustees. Activities of the unrestricted current fund, auxiliary enterprises fund, and retirement of indebtedness fund are included in the annual appropriated budget. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances are re-appropriated as part of the next year's budget. All funds are included in the consolidated financial statements presented, although the funds are not separately reported in the CAFR under GASB 34 and 35. (See Note 2 to the Financial Statements, Summary of Significant Accounting Policies, pages 15-18)

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Debt Administration

As of August 31, 2013, the District had \$15.9 million of general obligation bonds and continues to be rated AAA and Aa1 by Standard & Poor's and Moody's Investors Service, respectively. Since 1998 when the Board of Trustees adopted the "pay-as-you-go" strategy, the District has worked to reduce the level of outstanding indebtedness and accompanying debt service expense, and we expect this trend to continue. The District has no plans to issue additional bonds; current and planned capital expenditures will be funded from District investments or budget resources. As a result, Tarrant County citizens get their money's worth – dollar for dollar – rather than seeing about a third of all capital outlay funds going to pay interest on bonds. Students are winners, too, as the District is able to add more and better facilities. This cash basis "pay-as-you-go" approach to capital funding is unique to TCCD among the 50 Texas public community colleges. Management's Discussion and Analysis provides additional detail on implementation of the District's financial strategy.

Independent Audit

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. The District's Board of Trustees selected the accounting firm of Weaver and Tidwell, L.L.P. In addition to meeting the requirements set forth in state statutes, their audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133 and the State Single Audit related to the Uniform Grant Management Standards Single Audit Circular. The auditor's reports related specifically to the single audits are included in the Single Audit Sections.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended August 31, 2012. This was the twenty-first consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a District must publish an easily readable and

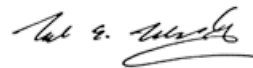
efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA in anticipation of another certificate.

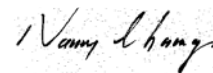
Acknowledgments

We are grateful to the Board of Trustees for its diligent planning and oversight of the financial operations of the District. We would particularly like to acknowledge the Chancellor and the Chancellor's Executive Leadership Team for providing the resources necessary to prepare this financial report. Finance Department employees are recognized for their contributions to the completion of this report. We would also like to thank the accounting firm of Weaver and Tidwell, L.L.P., for its timely completion of the audit.

Sincerely,



Mark E. McClendon
Vice Chancellor for Finance



Nancy H. Chang
Associate Vice Chancellor for Finance



Stan Vick, C.P.A.
Director of Accounting



Lori Lester, C.P.A.
Chief Accountant



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Tarrant County College District
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2012

Executive Director/CEO

**Tarrant County College District
Principal Officials
August 31, 2013**

Elected Officials

		Term Expires
President of the Board	Louise Appleman	May 2019
Vice President of the Board	Kristin Vandergriff	May 2015
Secretary of the Board	O.K. Carter	May 2017
Assistant Secretary of the Board	Conrad C. Heede	May 2015
Member of the Board	Bill Greenhill	May 2017
Member of the Board	Gwendolyn Morrison	May 2019
Member of the Board	Robyn Medina Winnett	May 2015

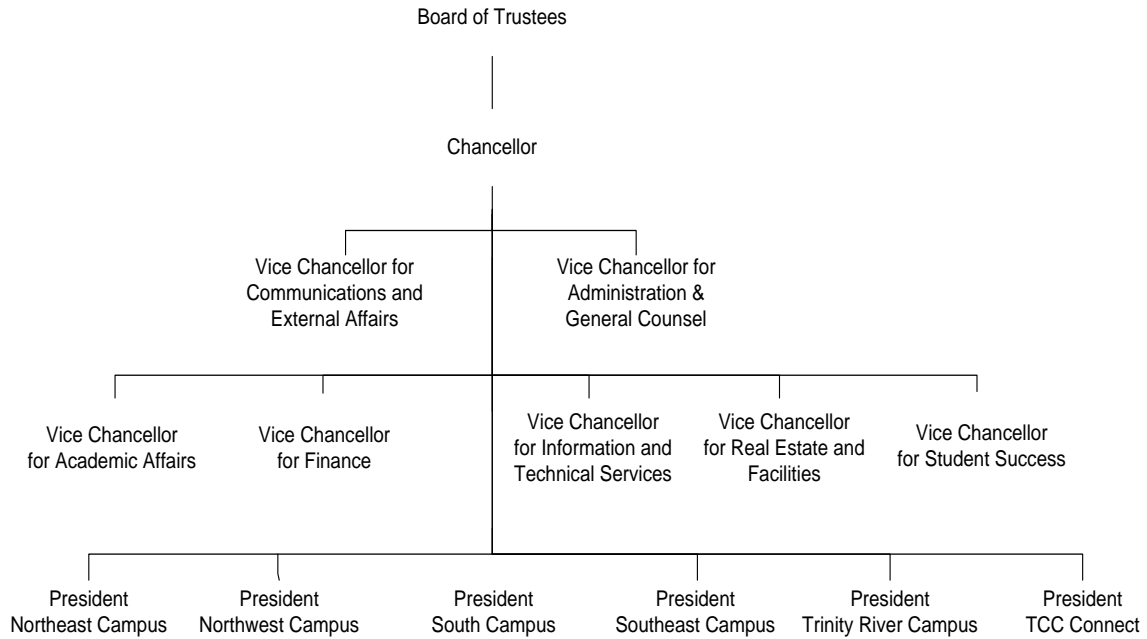
Administrative Officials

Chancellor	Erma C. Johnson Hadley, M.Ed.
President, Southeast Campus	Bill Coppola, Ph.D.
President, Northeast Campus	Larry J. Darlage, Ph.D.
President, Trinity River Campus	Tahita M. Fulkerson, Ph.D.
Vice Chancellor for Communications & External Affairs	Reginald Gates, M.Ed.
Vice Chancellor for Student Success	Joy Gates Black, Ed.D.
President, South Campus	Peter Jordan, Ed.D.
President, Northwest Campus	Elva C. LeBlanc, Ph.D.
Vice Chancellor for Information and Technical Services	Timothy Marshall, M.S.
Vice Chancellor for Finance	Mark McClendon, M.S., M.B.A.
President, TCC Connect	Carlos Morales, Ph.D.
Vice Chancellor for Real Estate and Facilities	Nina Petty, B.B.A.
Vice Chancellor for Administration and General Counsel	Angela Robinson, J.D.
Vice Chancellor for Academic Affairs	David A. Wells, Ph.D.

Finance Officials

Associate Vice Chancellor for Finance	Nancy H. Chang, M.B.A.
Director of Accounting	Stan L. Vick, C.P.A.
Chief Accountant	Lori Lester, C.P.A.

Tarrant County College District Chancellor's Executive Leadership Team





Financial Section

Financial Section





INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Tarrant County College District

Report on the Financial Statements

We have audited the accompanying Statements of Net Position of Tarrant County College District (the District) as of August 31, 2013 and 2012, the related Statements of Revenues, Expenses and Changes in Net Position and Cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Trustees
Tarrant County College District

Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements. The introductory section on pages i to xii, the statistical section on pages 48 to 83 and the additional financial information on pages 38 to 45 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are also presented for purposes of additional analysis and are also not a required part of the financial statements.

The additional financial information and schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional financial

To the Board of Trustees
Tarrant County College District

Page 3

information and the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
December 11, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended August 31, 2013 and 2012

Introduction

The following Management's Discussion and Analysis (MD&A) reviews the District's financial activity during the fiscal years ended August 31, 2013, 2012 and 2011. The MD&A is based on currently known facts, decisions, and conditions that have an impact on financial activities of the District and other key financial data as required by GASB 34. It should be read in conjunction with the transmittal letter (pages iii-ix), the District's basic financial statements (pages 11-14) and the notes to the financial statements (pages 15-36). Responsibility for the completeness and fairness of the information in this section rests with the District management.

Understanding the Financial Statements

The financial statement presentation was mandated by Governmental Accounting Standards Board (GASB) Statement No. 34 and implemented by the District in fiscal 2002. For financial statement purposes, the District is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements of the District are presented using the economic measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated. Certain reclassifications have been made to the 2011 and 2012 financial statements to make them conform with the 2013 financial statement format. Such classifications had no effect on change in net position. (A detailed discussion of the reporting and accounting policies of the District may be found in Note 2 to the financial statements, pages 15-18.) The financial statements are comprised of the following components.

Report of Independent Auditors presents an unqualified opinion rendered by an independent certified public accounting firm, Weaver and Tidwell LLP, on the fairness (in all material respects) of the financial statements.

Statement of Net Position (SNP) provides a snapshot of the District's assets and liabilities at the end of the fiscal year presented. It is the difference between: (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources, and is subdivided into three categories to indicate limitations on the use of net position:

- **Net Investment in Capital Assets**, is not available for use, since these are the resources that have been invested in capital assets such as land, buildings and improvements, and equipment of the District.
- **Restricted Net Position** is not accessible for general use because of third-party restrictions on the use of such assets.
- **Unrestricted Net Position** is available for general use as directed by the management of the District.

Statement of Revenues, Expenses, and Changes in Net Position (SRECNP) presents the revenues earned and the expenses incurred as a result of the District's operations during the fiscal year. Revenues and expenses are categorized as operating, non-operating, or other related activities in accordance with GASB 34 as interpreted by the Texas Higher Education Coordinating Board.

Statement of Cash Flows (SCF) presents information related to cash inflows and outflows summarized by operating, capital and non-capital financing, and investing activities. It provides relevant information when evaluating the financial viability of the District during the fiscal years ended August 31, 2013 and 2012. The SCF can be used to assess the District's ability to meet current and future financial obligations.

Notes to the Financial Statements (Notes) provide additional information to clarify and expand on the financial statements.

Supplementary Data is supporting information that the GASB has concluded is essential for placing basic financial statements and notes to basic financial statements in an appropriate operational, economic, or historical context.

Condensed Statement of Net Position

Years Ended August 31 (Dollars in millions)	2013	2012	2012-13 Change	2011	2011-12 Change
Current Assets	\$82.8	\$136.3	(\$53.5)	\$108.1	\$28.2
Non-Current Assets:					
Long-Term Investments	169.7	118.4	51.3	111.7	6.7
Capital Assets, net	845.6	796.1	49.5	788.2	7.9
Other	0.1	0.1	0.0	0.2	(0.1)
Total Assets	1,098.2	1,050.9	47.3	1,008.2	42.7
Current Liabilities	\$59.1	\$55.4	\$3.7	\$57.5	(\$2.1)
Non-Current Liabilities	22.1	19.7	2.4	26.8	(7.1)
Total Liabilities	81.2	75.1	6.1	84.3	(9.2)
Net Investment in Capital Assets					
Restricted	816.9	772.7	44.2	757.6	15.1
Unrestricted	6.7	6.8	(0.1)	6.3	0.5
Unrestricted	193.4	196.3	(2.9)	160.0	36.3
Total Net Position	1,017.0	975.8	41.2	923.9	51.9

Fiscal Year 2013 Financial Highlights

- In the fiscal year ended August 31, 2013, total District revenues exceeded total expenses by \$41.2 million as a result of careful budgeting, prudent fiscal management and conservation of resources.
- During the fiscal year, the District capitalized \$32.5 million of capital improvements on existing properties and construction-in-progress additions netted \$25.1 million.

Statement of Net Position

The Statement of Net Position includes all assets and liabilities. Changes in net position that occur over time can indicate improvement or erosion of the District's financial condition when considered with non-financial facts such as enrollment levels, the condition of facilities, etc.

Total assets increased by \$47.3 million during the year ended 2013, and \$42.7 million during the year ended 2012 and total liabilities increased \$6.1 million for the year ended 2013 and decreased \$9.2 million for the year ended 2012.

- **Current Assets** decreased by \$53.5 million during the year ended 2013, and increased by \$28.2 million during the year ended 2012. The 2013 decrease is attributable to an decrease in short-term investments. Current assets consist mainly of cash, short-term investments, and

receivables. Cash and short-term investments are maintained at levels necessary to cover current liabilities as they come due and to ensure adequate liquidity as funds are needed for expenditures associated with building and expansion projects. Receivables are from students, property taxes, and federal grants and contracts. At year-end 2013, current assets were 7.5 percent of total assets as compared with 13.0 percent in the prior year; long-term investments increased from 11.3 percent to 15.4 percent of total assets over the prior year, and capital assets increased to 77.0 percent of total assets from 75.7 percent at year-end 2012. The trends for long-term investments and capital assets will fluctuate with the spending schedule in future years based on planned construction and renovation projects.

- **Non-current Assets** increased by 11.0 percent, or \$100.8 million, for the year ended 2013, and \$14.5 million (1.6 percent) for the year ended 2012. The 2013 increase is due to an increase in both capital assets and long-term investments. The majority of the capital asset value is in property and equipment, with additional construction continually ongoing. Property, plant and equipment, net of depreciation, increased by \$49.5 million compared to year end 2012. This increase, net of current year depreciation of \$27.4 million, reflects spending on various ongoing capital improvement projects.
- **Current Liabilities** increased \$3.7 million and non-current liabilities increased \$2.4 million. Current liabilities of \$59.1 million were comprised of accounts payable, accrued liabilities, accrued employee benefits, deferred revenue, the current portion of our general obligation bonds, and the current portion of a note payable. Accounts payable and accrued expenses for goods and services received prior to the end of the fiscal year were unchanged. The current portion of the District's long-term debt at fiscal year-end of \$10.8 million increased by \$3.4 million over the fiscal 2012 amount. (See Notes 6 and 7, pages 22-24, for additional information regarding the bond indebtedness and the note payable.)
- **Non-current Liabilities** primarily consist of the portion of general obligation bonds and note payable that have a due date beyond the next fiscal year. Total non-current liabilities were \$22.1 million at August 31, 2013 versus \$19.7 million at August 31, 2012.
- **Net Position** (total assets less total liabilities) increased \$41.2 million, or 4.2 percent. Eighty percent of net

position, \$816.9 million, reflected the District's substantial investment in capital assets such as property, buildings, and equipment. Restricted net position such as grants from third-party agencies with expenditure restrictions, student loan funds, or assets designated for debt service represented an additional 0.7 percent of net position. The remaining unrestricted net position may be used for educational or general operations of the District. Unrestricted net position decreased \$2.9 million, and represents 19.0 percent of net position. During fiscal year 2013, the net position designated for future capital outlay increased by \$4.7 million to \$29.5 million. The portion of net position committed to capital assets is expected to remain substantial with the ongoing improvements district wide.

Statement of Revenues, Expenses, and Changes in Net Position

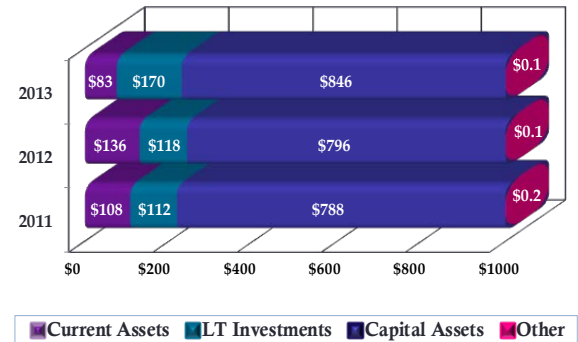
The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as either operating or non-operating. Operating revenues represent the amounts received from customers in exchange for services provided by the District. Operating expenses are the costs incurred to provide District services to customers. Operating revenues include activities with characteristics of exchange transactions such as student tuition and fees (net of scholarship discounts and allowances), sales and services of auxiliary enterprises, some federal, state, and local grants and contracts, and interest on institutional student loans. Non-operating revenues include activities that have the characteristics of non-exchange transactions such as ad valorem taxes, state appropriations, other federal grants and investment income. Depreciation on capital assets is included in operating expenses. Since state appropriations and county tax revenue are a significant portion of maintenance and operations funding, classification of this revenue as non-operating will usually result in an operating loss, as it does for the District for 2013.

Revenues

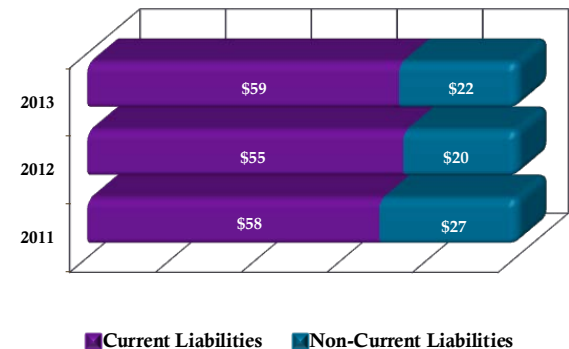
Total revenues increased \$6.2 million, or 1.6 percent, over the prior year to \$398.9 million in 2013. For fiscal 2012, total revenue was \$392.7 million. The increase for fiscal 2013 is the result of a slight increase in property taxes. For fiscal year 2012 the increase of \$4.8 million is primarily due to an increase in property taxes.

Comparative Composition of Assets, Liabilities, and Net Position Years Ended August 31 (Dollars in Millions)

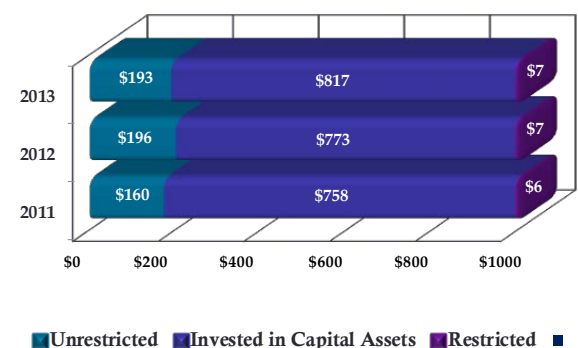
ASSETS



LIABILITIES



NET POSITION



Condensed Statement of Revenues, Expenses, and Changes in Net Position

Years Ended August 31 (Dollars in millions)	2013	2012	2012-13 Change	2011	2011-12 Change
Operating Revenue					
Tuition & Fees	\$50.2	\$50.2	\$0.0	\$46.5	\$3.7
Grants & Contracts	12.5	12.1	0.4	13.3	(1.2)
Auxiliary Enterprises	2.9	3.3	(0.4)	3.4	(0.1)
Other Operating Revenue	6.2	5.6	0.6	6.9	(1.3)
Total Operating Revenue	71.8	71.2	0.6	70.1	1.1
Operating Expenses					
Instruction	115.8	108.1	7.7	114.2	(6.1)
Public Service	8.3	5.5	2.8	7.0	(1.5)
Academic Support	24.8	21.5	3.3	21.8	(0.3)
Student Services	28.8	24.7	4.1	25.3	(0.6)
Institutional Support	39.3	34.3	5.0	29.3	5.0
Operation & Maintenance of Plant	34.7	38.8	(4.1)	34.9	3.9
Scholarships & Fellowships	76.4	79.0	(2.6)	78.8	0.2
Auxiliary Enterprises	2.2	2.1	0.1	2.2	(0.1)
Depreciation	27.4	26.2	1.2	20.7	5.5
Total Operating Expenses	357.7	340.2	17.5	334.2	6.0
Operating Loss	(285.9)	(269.0)	(16.9)	(264.1)	(4.9)
Non-Operating Revenue (Expense)					
State Appropriations	63.3	61.5	1.8	65.9	(4.4)
Ad Valorem Tax	182.2	180.0	2.2	163.3	16.7
Grants & Contracts	80.4	78.0	2.4	84.8	(6.8)
Investment & Other Income	1.1	2.0	(0.9)	3.8	(1.8)
Non-Operating Expense	0.0	(0.6)	0.6	(0.3)	(0.3)
Total Non-Operating Revenue	327.0	320.9	6.1	317.5	3.4
Income before Other Revenue, (Expense), Gains & (Losses)	41.1	51.9	(10.8)	53.4	(1.5)
Other Revenue-Gifts,					
Endowment Contributions	0.1	0.0	0.1	0.0	0.0
Increase in Net Position	\$41.2	\$51.9	(\$10.7)	\$53.4	(\$1.5)
Net Position					
Net Position-Year Beginning	975.8	923.9	51.9	870.5	53.4
Total Revenue	398.3	392.7	5.6	387.9	4.8
Total Expenses	(357.1)	(340.8)	(16.3)	(334.5)	(6.3)
Net Position-Year End	\$1,017.0	\$975.8	\$41.2	\$923.9	\$51.9

Operating Revenues

Operating revenue increased \$0.6 million in 2013, or 0.8 percent over 2012, to \$71.8 million. In fiscal year 2012, operating revenue increased 1.6 percent over 2011. The primary source of operating revenue has continually been tuition and fees.

Revenue from Tuition and fees was virtually unchanged from fiscal 2012. For the fiscal years 1996 through 2001, the District maintained a policy of increasing the in-district tuition rate by \$2 per hour per year. After 2001, in response to a call from the Texas Higher Education Coordinating Board to hold the line on tuition increases as part of the "Closing the Gaps Plan" for higher education, the amount of tuition increase at TCCD was reduced to \$1 per hour per year. Beginning in spring 2004, state universities in Texas were able to set their own levels of tuition for the first time. Subsequently some state universities imposed substantial tuition increases, which resulted in a greater number of

students seeking more affordable tuition rates such as those offered at TCCD. Support for this growth has to be funded by the two local sources of revenue – tuition and taxes. Planning in that regard, the Board approved a three-year tuition increase plan of \$2 per year beginning with the 2005 year. Following this three-year plan, In-County tuition was not increased. However, Out-of-district tuition increased by \$10 to \$73 per hour and the Non-resident tuition increased by \$15 to \$165 per hour in the spring of 2008. Since then, there were no increases until Spring 2012, when In-County tuition was increased by \$2 to \$52 per hour. Out-of-County tuition was increased \$3 to \$76 per hour, and Non-Resident tuition was increased \$6 to \$171 per hour. Beginning in spring 2013, In-County tuition was increased \$3 to \$55 per hour; Out-of-County tuition was increased \$10 to \$86 per hour; and Non-Resident tuition was increased \$34 to \$205 per hour.

Non-Operating Revenues

Non-operating revenues increased from \$320.9 million to \$327.0 million for the fiscal years ended August 31, 2012 and 2013, respectively. For fiscal 2011, non-operating revenue was \$317.5 million. For 2013, non-operating revenue consists predominantly of ad-valorem taxes of \$182.2 million, which increased by \$2.2 million or 1.2 percent, and state appropriations of \$63.3 million, which increased by \$1.8 million or 2.9 percent.

In 1998, the Board of Trustees of the Tarrant County College District, acting on the chancellor's recommendation, altered the traditional approach of relying on bonded indebtedness for new construction, repair and renovation, and major equipment purchases. Instead, the District elected to fund such expenditures from maintenance and operations tax revenue. In August 2002, the Board of Trustees of the District set the tax rate at 13.938 cents per \$100 valuation. Since that time the Board of Trustees increased the tax rate to 14.897 for 2012 and 2013, and increased the tax rate to 14.950 for 2014.

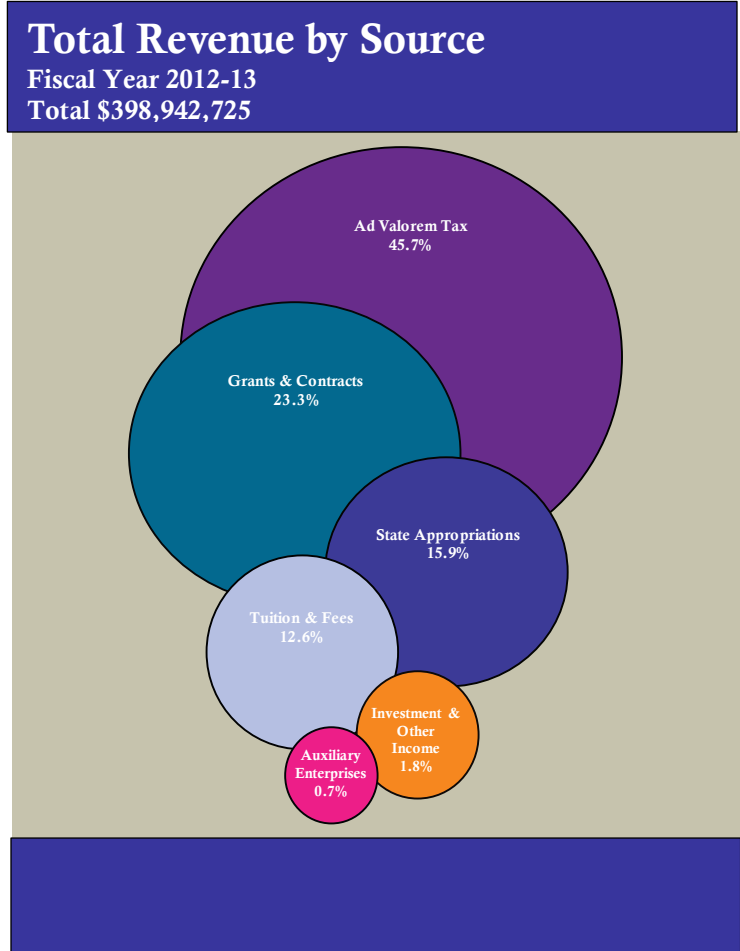
State Appropriations to the Tarrant County College District, as to all Texas public colleges and universities, are set during biennial sessions of the Texas Legislature. The level of funding for each biennium is derived from enrollment during a "base year"- the total number of contact hours amassed during a period beginning the summer preceding the legislative session and ending with the spring semester during which the appropriations bill is passed. Texas community colleges have attempted for decades, without success, to achieve "full formula funding". The District, together with

the other community colleges in Texas, is being asked to do more with less. As State resources allocated to community colleges decline, the District must look more and more to local tax revenues and tuition and fees as a source of revenue to provide educational services for the community.

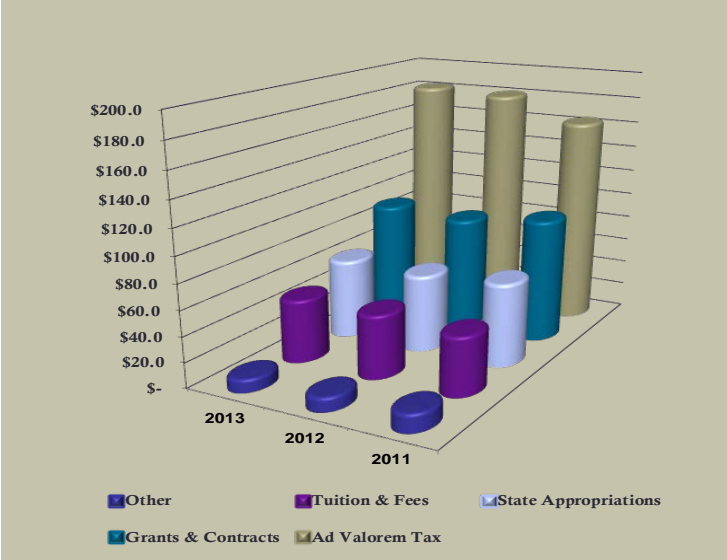
State appropriations accounted for 35 percent of total (operating and non-operating) revenue in fiscal 1998, and has continually declined to 15.7 percent of revenue in 2012 and 15.9 percent of revenue for the current fiscal year. In contrast, local property taxes accounted for 21.0 percent of total revenue in fiscal 1998 and 45.7 percent of revenue in 2013. Tuition and fees were \$50.2 million in both fiscal 2013 and 2012, and slightly decreased as a percentage of total revenue to 12.6 percent in 2013 from 12.8 percent in 2012.

Grants and contracts have increased from \$90.1 million in 2012 to \$92.9 million in 2013, or 23.3 percent of total revenues. During fiscal 2011, revenues from grants and contracts were \$98.1 million. This source of revenue includes restricted revenues made available by government agencies as well as private agencies. Grant funding is recognized as revenue at the point when all eligibility requirements imposed by the provider have been met.

Auxiliary enterprise revenues exceeded auxiliary enterprise expenses by \$0.7 million for fiscal 2013. Auxiliary enterprises



Revenue by Source (Dollars in million)



include various enterprise entities that exist predominantly to furnish goods or services to students, faculty, staff or the general public and charge a fee directly related to the cost of those goods or services. These enterprises are intended to be self-supporting. During fiscal 2013, the District recorded a \$0.4 million decrease in sales revenues from operations at our auxiliary enterprises.

Fiscal year 2013 investment and other income decreased by \$0.9 million to \$1.1 million compared to a \$1.8 million decrease for the prior year. (See Note 4, page 22, for additional information on investment earnings and portfolio market adjustments.)

Expenses

Total expenses for fiscal 2013 increased \$16.9 million to \$357.7 million from \$340.8 million for fiscal 2012. For fiscal 2011, total expenses were \$334.5 million. The current year increase is mostly attributable to additional instructional expense in fiscal year 2013.

Operating Expense by Natural Classification

Years Ended August 31 (Dollars in millions)	2013	2012	2012-13 Change	2011	2011-12 Change
Salary & Wages	\$146.5	\$137.2	\$9.3	\$135.2	\$2.0
Staff Benefits	43.4	34.8	8.6	44.3	(9.5)
Other Expenses	140.4	142.0	(1.6)	134.0	8.0
Depreciation	27.4	26.2	1.2	20.7	5.5
Total Operating Expenses	357.7	340.2	17.5	334.2	6.0

Operating expenses increased by \$17.5 million to \$357.7 million, an increase of 5.1 percent from fiscal 2012. For fiscal 2011, operating expenses were \$334.2 million. Significant fluctuations in 2013 operating expenses are as follows:

- Salaries and wages increased \$9.3 million to \$146.5 million
- Staff benefits increased by \$8.6 million to \$43.4 million
- Other expenses decreased by \$1.6 million to \$140.4 million

An analysis of operating expenses by function indicates the most significant year-to-year percentage increase to be in public service (increased 50.9 percent to \$8.3 million) and student services (increased 16.6 percent to \$28.8 million).

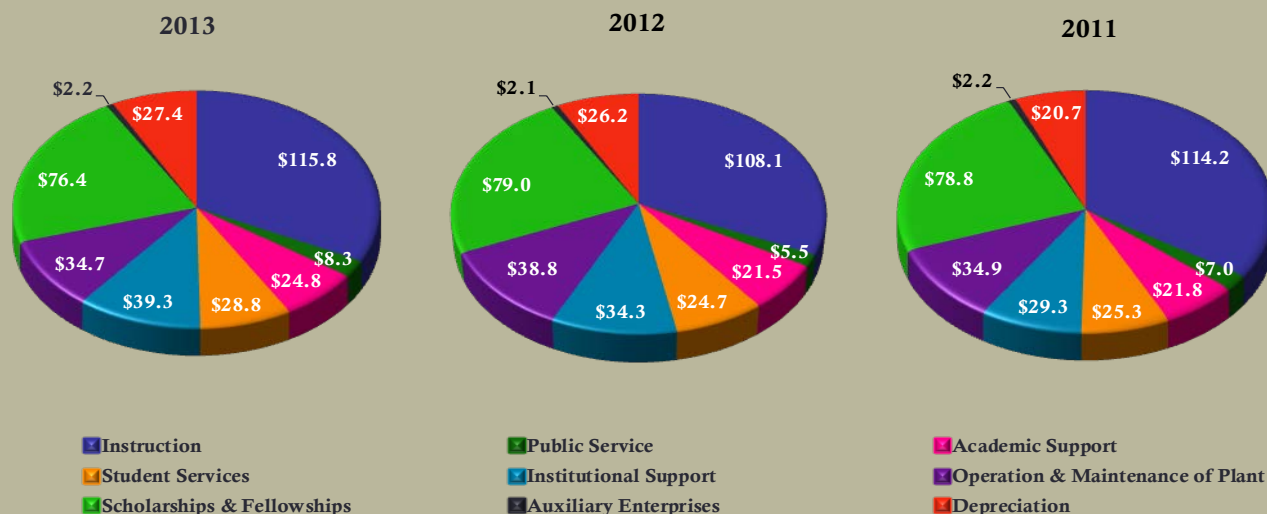
Statement of Cash Flows

Cash receipts from operating activities are from tuition and fees, grants and contracts, and auxiliary enterprise activities. The primary cash outlays for operating activities are payments to or on behalf of employees and to vendors. As is typical for colleges, universities, and many other public sector entities using the GASB financial model, TCCD's cash flow from operating activities was a deficit. The deficit was \$247.4 million for fiscal 2013, \$234.5 million for fiscal 2012, and \$239.0 million for fiscal 2011. This is a reflection of the classification (mandated by GASB Statement No. 9) of ad-valorem taxes, state appropriations, and Title IV grant revenue as non-operating activities, thus separating those revenues from the operating activities calculation.

Cash generated from non-capital financing activities, predominantly local property taxes, was \$318.3 million for 2013, \$303.5 million for 2012, and \$298.4 million for 2011.

Operating Expense by Function

Years Ended August 31



Condensed Statement of Cash Flows

Years Ended August 31 (Dollars in millions)	2013	2012	2012-13 Change	2011	2011-12 Change
Cash & cash equivalents provided/(used) by:					
Operating Activities	\$ (247.4)	\$ (234.5)	\$ (12.9)	\$ (239.0)	\$ 4.5
Non-Capital Financing Activities	318.3	303.5	14.8	298.4	5.1
Capital & Related Financing Activities	(70.9)	(41.9)	(29.0)	(71.4)	29.5
Investing Activities	0.1	(28.8)	28.9	13.2	(42.0)
Cash & Cash Equivalents Increase	0.1	(1.7)	1.8	1.2	(2.9)
Cash & Cash Equivalents Sept. 1	1.7	3.4	(1.7)	2.2	1.2
Cash & Cash Equivalents Aug. 31,	1.8	1.7	0.1	3.4	(1.7)

Cash used for capital and related financing activities was \$70.9 million for 2013, \$41.9 million for 2012, and \$71.4 million for 2011.

Cash provided by investing activities was \$0.1 million which reflects the purchase and maturity of investments and interest income from investments. This was \$28.9 million more than cash used by investing activities for fiscal 2012 of \$28.8 million.

Cash and cash equivalents increased by \$0.1 million from \$1.7 million at August 31, 2012 to \$1.8 million at August 31, 2013.

Capital Assets and Related Financing Activities

Capital Assets

At August 31, 2013, the District had a total of \$845.6 million in capital assets, net of accumulated depreciation. Capital assets increased \$49.5 million for 2013, \$7.9 million for 2012, and \$43.5 million for 2011. Construction-in-progress was \$42.0 million at August 31, 2013. During 2013, over \$32.5 million of construction-in-progress jobs were completed, including \$8.5 million for the NW Firing Range, \$1.8 million for district wide roofing, \$2.6 million for district wide energy conservation, \$2.9 million for Emergency Operations Center, \$1.1 million for Parking Lot repairs, \$1.6 million for Fire Safety Systems, \$1.0 million for NE Cooling Towers, and several smaller scale projects throughout the District. (See Note 19, pages 33-34, to the financial statements for more detailed information regarding capital assets.)

During 2012, over \$16.9 million of construction-in-progress jobs were completed, including \$1.7 million for the NW Swimming Pool, \$2.4 million for Code Blue Phones (Phase 1), \$1.5 million for district wide roofing, and \$1.4 million for the TCCOC Phase II Renovation.

As previously disclosed, the District purchased the RadioShack complex in downtown Fort Worth, Texas to use as the downtown campus. With the purchase of the RadioShack complex, the construction on the Bluff of the Trinity River has become an extension of the Trinity River Campus. It holds TCCD's allied health programs and opened for Fall 2011 classes.

During fiscal year ended August 31, 2013, the District purchased property from Bell Helicopter Textron for \$16 million consisting of land, buildings, and furniture and equipment. This property will be utilized to house the Aviation and other programs.

Long-Term Debt Information

The District had outstanding general obligation bonds of \$15.9 million on August 31, 2013, versus \$23.3 million in 2012 and \$30.6 million in 2011. For 2013, the current portion was \$7.8 million and the long-term portion was \$8.1 million. For the year ended August 31, 2013, debt service payments were \$8.2 million, compared to \$8.4 million and \$8.3 million in 2012 and 2011, respectively. For 2013, net reduction of bond principal was \$7.2 million, and interest payments on capital debt totaled \$0.9 million. For 2012, net reduction of bond principal was \$7.1 million, and interest payments on capital debt totaled \$1.8 million. (See Note 6, pages 22-24, to the financial statements for additional information on long-term debt.)

The District also had an outstanding note payable of \$12.9 million as of August 31, 2013, as a result of the purchase of property from Bell Helicopter Textron during the current fiscal year. A \$3.0 million payment was made upon closing in fiscal 2013. (See Note 7 on page 24 for additional information.)

District Financial Position

District management would like to report that Tarrant County College District completes fiscal 2013 with an exceptionally strong financial position. In addition, the budget adopted by the Board of Trustees for fiscal 2014 indicates that budgeted revenue coupled with unrestricted Net Position will be sufficient for operating needs and will allow the District to meet anticipated capital outlay requirements.

TARRANT COUNTY COLLEGE DISTRICT
EXHIBIT 1
STATEMENTS OF NET POSITION
AUGUST 31, 2013 AND 2012

	2013	2012
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,859,170	\$ 1,756,168
Investments	55,557,934	107,986,962
Accounts receivable, less allowance for doubtful accounts of \$7,696,515 and \$6,215,808 in 2013 and 2012, respectively	9,795,774	7,538,584
Taxes receivable, less allowance for doubtful accounts of \$1,839,343 and \$1,656,218 in 2013 and 2012, respectively	4,932,429	5,214,963
Interest receivable	298,451	350,473
Federal grants and contracts receivable	5,928,611	9,341,308
State and local grants and contracts receivable	1,810,979	1,659,545
Prepaid expenses and other current assets	2,603,884	2,465,283
Total current assets	82,787,232	136,313,286
Non-current assets		
Investments	167,851,717	115,850,594
Restricted investments	1,825,549	2,509,983
Bond issuance costs, net of related amortization of \$784,101 and \$721,457 in 2013 and 2012, respectively	91,479	154,123
Capital assets, net		
Non-depreciable capital assets	121,240,517	92,332,549
Depreciable capital assets	724,397,544	703,732,655
Total non-current assets	1,015,406,806	914,579,904
Total assets	1,098,194,038	1,050,893,190
LIABILITIES		
Current liabilities		
Accounts payable	12,293,754	13,285,889
Accrued liabilities	6,778,079	5,803,784
Accrued compensated absences	4,814,033	4,637,855
Deposits held for others	380,247	355,056
Deferred revenue	24,031,816	23,800,674
Current portion of bonds payable	7,812,870	7,448,407
Current portion of note payable	3,000,000	
Total current liabilities	59,110,799	55,331,665
Non-current liabilities		
Bonds payable	8,062,949	15,875,818
Note payable	9,851,975	
Accrued compensated absences	3,936,299	3,721,625
Workers' compensation payable	209,464	147,515
Total non-current liabilities	22,060,687	19,744,958
Total liabilities	81,171,486	75,076,623

The Notes to Financial Statements are an integral part of these statements.

TARRANT COUNTY COLLEGE DISTRICT
EXHIBIT 1
STATEMENTS OF NET POSITION
AUGUST 31, 2013 AND 2012
(continued)

	2013	2012
NET POSITION		
Net investment in capital assets	\$ 816,910,267	\$ 772,740,979
Restricted for:		
Expendable		
Student aid	4,852,509	4,090,361
Loans	141,970	140,903
Debt service	1,736,969	2,538,925
Total restricted	6,731,448	6,770,189
Unrestricted	193,380,837	196,305,399
Total net position (Schedule D)	\$ 1,017,022,552	\$ 975,816,567

The Notes to Financial Statements are an integral part of these statements.

TARRANT COUNTY COLLEGE DISTRICT
EXHIBIT 2
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEARS ENDED AUGUST 31, 2013 AND 2012

	2013	2012
REVENUES		
Operating revenues		
Tuition and fees, net of allowances and discounts of \$14,651,715 and \$10,068,706 in 2013 and 2012, respectively	\$ 50,245,813	\$ 50,214,996
Federal grants and contracts	3,757,923	3,338,370
State grants and contracts	5,554,657	4,770,234
Non-governmental grants and contracts	3,162,051	3,971,945
Auxiliary enterprises	2,920,961	3,275,283
Other operating revenue	6,212,717	5,607,184
Total operating revenue (Schedule A)	71,854,122	71,178,012
EXPENSES		
Operating expenses		
Instruction	115,814,409	108,078,177
Public service	8,333,736	5,496,537
Academic support	24,779,010	21,512,584
Student services	28,786,433	24,690,936
Institutional support	39,255,853	34,326,749
Operation and maintenance of plant	34,748,311	38,794,192
Scholarships and fellowships	76,363,289	78,968,897
Auxiliary enterprises	2,243,087	2,152,576
Depreciation	27,412,612	26,188,770
Total operating expenses (Schedule B)	357,736,740	340,209,418
Operating loss	(285,882,618)	(269,031,406)
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	63,300,842	61,563,447
Maintenance ad-valorem taxes	174,699,524	172,225,710
Debt service ad-valorem taxes	7,450,180	7,784,223
Federal grants and contracts	80,360,739	77,967,771
Gifts	142,795	
Investment income (loss)	(1,065,676)	1,117,501
Other income	1,551,767	899,186
Interest on capital related debt		(289,308)
Gain (loss) on disposal of assets	648,432	(307,511)
Total non-operating revenue (Schedule C)	327,088,603	320,961,019
Increase in net position (Schedule D)	41,205,985	51,929,613
NET POSITION, BEGINNING OF YEAR	975,816,567	923,886,954
NET POSITION, END OF YEAR	\$ 1,017,022,552	\$ 975,816,567

The Notes to Financial Statements are an integral part of these statements.

TARRANT COUNTY COLLEGE DISTRICT
EXHIBIT 3
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tuition and fees	\$ 48,597,024	\$ 51,102,705
Receipts from grants and contracts	13,134,433	11,068,434
Payments to suppliers	(183,778,078)	(176,450,608)
Payments to employees	(135,913,211)	(129,807,272)
Receipts from auxiliary enterprise charges	2,770,961	3,125,283
Other operating receipts	7,806,195	6,506,370
Net cash used by operating activities	(247,382,676)	(234,455,088)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from gifts	142,795	
Receipts from state appropriations	53,068,368	51,882,971
Receipts from non-operating federal revenue	82,693,230	71,610,404
Receipts from local property taxes	182,432,238	180,001,363
Net cash provided by non-capital financing activities	318,336,631	303,494,738
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(66,495,293)	(34,373,061)
Proceeds from sale of assets	3,010,231	
Payments on capital debt - principal	(7,220,000)	(7,075,000)
Payments on capital debt - interest, net of interest capitalized 2013 of \$701,704 and 2012 \$820,370	(244,576)	(493,956)
Net cash used by capital and related financing activities	(70,949,638)	(41,942,017)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturities of investments	598,950,579	610,350,807
Interest on investments	1,464,083	1,262,702
Purchase of investments	(600,315,977)	(640,378,385)
Net cash provided (used) by investing activities	98,685	(28,764,876)
Net increase (decrease) in cash and cash equivalents	103,002	(1,667,243)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,756,168	3,423,411
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,859,170	\$ 1,756,168
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (285,882,618)	\$ (269,031,406)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	27,412,612	26,188,770
Amortization	62,644	62,817
Non-cash state appropriations	10,232,474	9,680,476
Other income	1,551,767	899,186
Change in operating assets and liabilities		
Receivables	(1,328,418)	(761,161)
Prepaid expenses and other current assets	(138,601)	452,887
Accounts payable and accrued liabilities	60,279	(3,366,440)
Accrued compensated absences	390,852	824,494
Deposits held for others	25,191	103,034
Deferred revenue	231,142	492,255
Net cash used by operating activities	\$ (247,382,676)	\$ (234,455,088)
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Change in fair value of investments	\$ (2,665,928)	\$ (222,888)
Acquisition of capital assets under note payable	\$ 12,851,975	

The Notes to Financial Statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. REPORTING ENTITY

The Tarrant County College District (the District) was established as a public junior college in an election held in Tarrant County, Texas on July 31, 1965. The two largest cities in Tarrant County are Fort Worth and Arlington. The District operates as a junior college district under the laws of the State of Texas and is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14. While the District receives funding from local, state and federal sources, and must comply with the spending, reporting and record keeping requirements of these entities, it is not a component unit of any other governmental entity. In addition, the District has considered all potential component units and no other entity meets the criteria for inclusion in the District's reporting entity.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Report Guidelines

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

Tuition Discounting

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

Certain Title IV HEA Program funds are received by the District to pass through to students. These funds are initially received by the District and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, the amounts are recorded as revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Basis of Accounting

The financial statements of the District have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant internal activity has been eliminated.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding as of August 31, 2013 of \$18,178,008 have been provided for in the fiscal year 2014 budget.

Budgetary Data

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

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at the date of purchase. The governing board has designated public funds investment pools comprised of \$49,288,858 and \$102,827,790 at August 31, 2013 and 2012, respectively, to be short-term investments. Long-term investments have an original maturity of greater than one year at the date of purchase.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for improvements, 10 years for furniture, machinery, vehicles and other equipment, 5 years for telecommunications and peripheral equipment, and 15 years for library books. Collections, which consist of purchased works of art, are not depreciated as they are deemed to have permanent value.

Accrued Compensated Absences

Employees' compensated absences are accrued when earned. The liability and expense incurred are recorded at year-end as accrued compensated absences in the Statements of Net Position and as a component of operating expenses in the Statements of Revenues, Expenses and Changes in Net Position.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Estimates

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

Deferred Revenue

Tuition and fees collected in advance and related to academic terms in the next fiscal year are recorded as deferred revenue. Contract revenues related to government grants and food services are recognized over the contract period. Contract payments received in advance are recorded as deferred revenue.

Net Position

The District's net position is classified as follows:

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

Restricted net position – nonexpendable – Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be either expended or added to principal. The District had no nonexpendable restricted net position as of August 31, 2013 or 2012.

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

Unrestricted net position – Unrestricted net position represents resources to be used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

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

Operating and Non-operating Revenue and Expense Policy

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a business-type activity and as a single proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations.

The principal operating revenues are tuition and related fees, grants and contracts, and operations of auxiliary enterprises. Operating expenses include the cost of sales and services, administrative expenses, and depreciation of capital assets. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as property taxes, state appropriations, gifts and contributions, and other revenue and expenses that are defined as non-operating by GASB 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities that use Proprietary Fund Accounting*, and investment income. Non-exchange transactions are recognized in accordance with the standards in GASB 33, *Accounting and Financial Reporting for Nonexchange*

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Transactions. In accordance with GASB 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the District records revenue received for federal Title IV grant programs (such as Pell grants) as non-operating revenue.

New Accounting Pronouncements

GASB Statement No. 63, *Financial Reporting Deferred Outflows of Resources, Deferred Inflows or Resources, and Net Position*, is effective for periods beginning after December 15, 2011. This standard provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The District has implemented this reporting for the year ended August 31, 2013. The components of net position were renamed to reflect the requirements of this statement.

Reclassifications

Certain reclassifications have been made to the 2012 financial statements to make them conform with the 2013 financial statement format. Such reclassifications had no effect on change in net assets.

NOTE 3. AUTHORIZED INVESTMENTS

The Board of Trustees has adopted an investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the District are in compliance with the Board's investment policy. Authorized investments include: (1) obligations of the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (2) other obligations which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or their respective agencies and instrumentalities, (3) certificates of deposit, (4) fully collateralized repurchase agreements, (5) eligible investment pools rated no lower than AAA or AAA-m by a nationally recognized rating service, (6) commercial paper notes rated no lower than A-1 or P-1 or an equivalent rating by a nationally recognized rating service, and (7) cash management and fixed income funds sponsored by organizations exempt from federal income taxation, negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency; and corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories.

During the year ended August 31, 2012, the District established the Gas Royalty Scholarship Fund. As described in Note 4, these funds are invested and managed by a related organization. Under the District's investment policy, the scholarship fund is invested in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The investment strategy governing the scholarship fund shall be to (1) preserve the real purchasing power of the principal in the fund and (2) provide a stable source of perpetual financial support.

NOTE 4. DEPOSITS AND INVESTMENTS

At August 31, 2013 and 2012, the carrying amounts of the District's deposits were \$1,838,670 and \$1,735,668 and total bank balances equaled \$9,175,292 and \$7,832,280, respectively. Bank balances of \$250,000 were covered by the Federal Depository Insurance Corporation with \$8,925,292 covered by collateral pledged in a joint custody security account with a market value of \$10,270,000 at August 31, 2013. The collateral account is held in the

NOTE 4. DEPOSITS AND INVESTMENTS—continued

District's name by the Federal Reserve Bank, which is an independent third-party custodian. Bank balances of \$7,832,280 were covered by the Federal Depository Insurance Corp. (FDIC) as of August 31, 2012. Under the FDIC's Transaction Account Guarantee Program, through December 31, 2012, all non-interest bearing transaction accounts were fully guaranteed for the entire amount in the account. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules. Thus, the District did not collateralize any amount of its cash accounts at August 31, 2012.

Included in short-term investments at August 31, 2013 and 2012 were \$14,516,376 and \$39,967,345 invested in TexPool, a pool managed by the Treasurer of the State of Texas, \$14,825,758 and \$42,840,665 invested in TexStar, a pool managed by JP Morgan Fleming Asset Management (USA), Inc., \$32,913 and \$20,019,780 invested in TexasTerm, a pool managed by PFM Asset Management, LLC, and \$19,913,811 and \$0 invested in Lone Star Investment Pool, a pool managed by First Public, LLC, respectively. The fair value of the District's position in the pools is substantially the same as the value of the pools' shares. The investments in which the pools may invest are subject to the same restrictions as the District.

During the year ended August 31, 2012, the District entered into a management agreement with Tarrant County College Foundation (the Foundation), a related organization (see Note 16). Under this agreement, the Foundation will invest, manage and monitor certain designated funds of the District (hereinafter referred to as Beneficial Interest in Funds Held by Affiliate), derived principally from oil and gas lease and bonus payments, in accordance with applicable laws and the District's investment policy. The terms of the agreement dictate that the District will determine the use of the earnings from the invested funds and authorize all expenditures from the funds.

Cash and Cash Equivalents included on Exhibit 1 consist of the items reported below:

Cash and Cash Equivalents		
	2013	2012
Bank Deposits		
Demand Deposits	\$ 1,838,670	\$ 1,735,668
Cash on Hand		
Petty Cash	20,500	20,500
Total Cash and Cash Equivalents	<u>\$ 1,859,170</u>	<u>\$ 1,756,168</u>

NOTE 4. DEPOSITS AND INVESTMENTS— continued

Reconciliation of Deposits and Investments to Exhibit 1		
	Fair Value August 31, 2013	Fair Value August 31, 2012
TexPool	\$ 14,516,376	\$ 39,967,345
TexStar	14,825,758	42,840,665
TexasTERM	32,913	20,019,780
Lone Star Investment Pool	19,913,811	
Beneficial Interest in Funds Held by Affiliate	8,094,625	7,669,155
Federal Agency Notes	167,851,717	115,850,594
Total	225,235,200	226,347,539
Cash and cash equivalents	1,859,170	1,756,168
	<u>227,094,370</u>	<u>228,103,707</u>
Cash and cash equivalents (Exhibit 1)	1,859,170	1,756,168
Investments - current (Exhibit 1)	55,557,934	107,986,962
Restricted investments - non-current (Exhibit 1)	1,825,549	2,509,983
Investments - non-current (Exhibit 1)	167,851,717	115,850,594
	<u>\$ 227,094,370</u>	<u>\$ 228,103,707</u>

As of August 31, 2013, the District had the following investments and maturities:

Investment Maturities (in Years)					
Investment Type	Credit Rating	Fair Value	Less than 1	1 to 2	3 to 4
U.S. Government Agencies	AAA	\$ 167,851,717	\$	\$	\$ 167,851,717
TexPool	AAAm	14,516,376	14,516,376		
TexStar	AAAm	14,825,758	14,825,758		
TexasTERM	AAAm	32,913	32,913		
Lone Star Investment Pool	AAA	19,913,811	19,913,811		
Beneficial Interest in Funds Held by Affiliate		8,094,625			
		<u>\$ 225,235,200</u>	<u>\$ 49,288,858</u>	<u>\$</u>	<u>\$ 167,851,717</u>

NOTE 4. DEPOSITS AND INVESTMENTS— continued

As of August 31, 2013, Beneficial Interest in Funds Held by Affiliate was comprised of the following underlying investments:

Federal Agency Notes	\$ 2,947,101
Certificates of Deposit	450,765
Corporate Bonds	795,602
Mutual Funds - Money Market	157,679
Mutual Funds - Fixed Income	1,024,152
Mutual Funds - Equity	2,537,157
Mutual Funds - Real Estate	182,169
	<u>\$ 8,094,625</u>

Interest Rate Risk- In accordance with state law and District policy, the District concentrates its investment portfolio in shorter-term securities in order to limit interest rate risk. Unless matched to a specific cash flow, the District does not invest in securities maturing more than four years from the date of purchase. For investment pools, the average dollar-weighted maturity shall not exceed two years.

Credit Risk- In accordance with state law and District policy, investments in investment pools are rated no lower than AAA or AAAM or an equivalent rating of at least one nationally recognized rating service.

Concentration of Credit Risk- The District's investment policy does not place a limit on the amount the District may invest in any one issuer with the exception of a 3% maximum per issuer in regards to corporate bonds. As of August 31, 2013, more than 5% of the District's investments are in TexPool (6.4%), TexStar (6.6%), Lone Star Investment Pool (8.8%), FHLB (8.9%), FHLMC (22.0%), FNMA (30.6%), and FFCB (13.0%)

As of August 31, 2013 and 2012, restricted investments consist of the following:

	2013	2012
Funds held for others	\$ 326,998	\$ 304,200
Funds restricted to student loans	100,418	99,408
Funds restricted to debt retirement	1,398,133	2,106,375
Total restricted investments	<u>\$ 1,825,549</u>	<u>\$ 2,509,983</u>

NOTE 4. DEPOSITS AND INVESTMENTS— continued

Investment income for the years ended August 31, 2013 and 2012 consists of the following:

	2013	2012
Interest and dividends	\$ 1,600,252	\$ 1,340,389
Net decrease in fair value of investments	<u>(2,665,928)</u>	<u>(222,888)</u>
Total investment income (loss)	<u>\$ (1,065,676)</u>	<u>\$ 1,117,501</u>

NOTE 5. DERIVATIVES

Derivatives are investment products which may be a security or contract which derives its value from another security, currency, commodity or index. During the years ended August 31, 2013 and 2012, the District did not invest in derivatives.

NOTE 6. BONDS PAYABLE

Bonds payable consist of bond principal, net of premiums, interest accreted on capital appreciation bonds and deferred refunding costs. The changes in bonds payable are as shown below:

	2013				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation refunding bonds, series 2001	\$ 3,480,000	\$	\$ 2,910,000	\$ 570,000	\$ 280,000
General obligation refunding bonds, series 2004	5,790,000			5,790,000	2,660,000
General obligation refunding bonds, series 2005	13,435,000		4,310,000	9,125,000	4,610,000
Subtotal	22,705,000		7,220,000	15,485,000	7,550,000
Premium on bonds payable	791,115		321,555	469,560	321,556
Deferred refunding costs	(171,890)		(93,149)	(78,741)	(58,686)
Total bonds payable	<u>\$ 23,324,225</u>	<u>\$</u>	<u>\$ 7,448,406</u>	<u>\$ 15,875,819</u>	<u>\$ 7,812,870</u>
Due within one year				7,812,870	
Total long-term bonds payable				<u>\$ 8,062,949</u>	

NOTE 6. BONDS PAYABLE—continued

	2012				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation refunding bonds, series 2001	\$ 6,260,000	\$	\$ 2,780,000	\$ 3,480,000	\$ 2,910,000
General obligation refunding bonds, series 2004	10,085,000		4,295,000	5,790,000	
General obligation refunding bonds, series 2005	13,435,000			13,435,000	4,310,000
Subtotal	29,780,000		7,075,000	22,705,000	7,220,000
Premium on bonds payable	1,113,553		322,438	791,115	321,556
Deferred refunding costs	(305,513)		(133,623)	(171,890)	(93,149)
Total bonds payable	<u>\$ 30,588,040</u>	<u>\$</u>	<u>\$ 7,263,815</u>	<u>\$ 23,324,225</u>	<u>\$ 7,448,407</u>
Due within one year				7,448,407	
Total long-term bonds payable				<u>\$ 15,875,818</u>	

Bonds payable are comprised of the following issues:

	2013	2012
General obligation bonds, series 2001, issued to partially refund series 1994, 1995 and 1996. Issued July 15, 2001 for \$18,765,000; all authorized bonds have been issued. The source of revenues for debt service is future property taxes.	\$ 570,000	\$ 3,480,000
General obligation bonds, series 2004, issued to partially refund series 1994, 1995 and 1996. Issued September 1, 2004 for \$23,375,000; all authorized bonds have been issued. The source of revenues for debt service is future property taxes.	5,790,000	5,790,000
General obligation bonds, series 2005, issued to partially refund series 1994. Issued May 24, 2005 for \$13,435,000; all authorized bonds have been issued. The source of revenues for debt service is future property taxes.	9,125,000	13,435,000
Total	<u>\$ 15,485,000</u>	<u>\$ 22,705,000</u>

NOTE 6. BONDS PAYABLE—continued

Bonds are due in annual installments varying from \$280,000 to \$4,610,000 with interest rates from 4.000% to 5.000% with the final installment due in 2015. The principal and interest requirements for the next two years are summarized below.

Fiscal Year	Principal	Interest	Total
2014	\$ 7,550,000	\$ 574,425	\$ 8,124,425
2015	7,935,000	194,263	8,129,263
	<u>\$ 15,485,000</u>	<u>\$ 768,688</u>	<u>\$ 16,253,688</u>

NOTE 7. NOTE PAYABLE

The District has a note payable outstanding at August 31, 2013 in the amount of \$12,851,975. The note is secured by real property and bears no interest, so the District imputed interest at 1.0%. There were no payments made on the note during the year ended August 31, 2013. Payments are due on September 1 as follows:

Fiscal Year	
2014	\$ 3,000,000
2015	4,950,495
2016	4,901,480

NOTE 8. EMPLOYEES' RETIREMENT PLAN

The State of Texas has joint contributory plans for the District's full-time employees. Full-time employees participate in either the Teacher Retirement System of Texas or the Optional Retirement Program.

Teacher Retirement System of Texas

Plan Description. The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special

NOTE 8. EMPLOYEES' RETIREMENT PLAN- continued

authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Departments, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4% for fiscal years 2013, 2012 and 2011, and a state contribution rate of 6.4%, 6.0% and 6.664% for fiscal years 2013, 2012 and 2011, respectively. In certain instances the reporting district is required to make all or a portion of the state's contribution, limited to 6.644% for the period of January 2010 through August 2011 and decreased to 6.0% thereafter. State contributions to TRS made on behalf of the District's employees for the years ended August 31, 2013, 2012 and 2011 were \$1,584,835, \$1,435,910, and \$4,666,084, respectively. The on-behalf payments are reflected in the accompanying financial statements as both revenues and expenses. The State of Texas has failed to pay a required matching contribution to TRS on behalf of the employees of the District of approximately \$3,660,000 and \$2,944,000 for the years ended August 31, 2013 and 2012. The District paid these amounts on-behalf of the State during the year ended August 31, 2013.

Optional Retirement Plan

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

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.0% and 6.65%, respectively. The District contributes 2.5% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

State contributions to the Optional Retirement Plan made on behalf of the District for the years ended August 31, 2013, 2012 and 2011 were \$1,716,110, \$1,669,318, and \$2,032,745, respectively. The on-behalf payments are reflected in the accompanying financial statements as both revenue and expenses.

Total retirement expense paid by the State of \$3,300,945 is reflected in the accompanying financial statements as both revenues and expenditures. Participants contributed \$8,149,801 (\$6,244,506 for the Teacher Retirement Program and \$1,905,295 for the Optional Retirement Program). The District contributed \$369,614, \$360,817, and \$390,093 for the years ended August 31, 2013, 2012 and 2011, respectively, to the Optional Retirement Program to cover the 2.5% referenced above.

NOTE 8. EMPLOYEES' RETIREMENT PLAN- continued

Total payroll expense for fiscal years 2013 and 2012 was approximately \$147,000,000 and \$137,000,000, respectively. The total payroll of employees covered by the Teacher Retirement System was approximately \$82,000,000 and \$73,000,000, and the total payroll of employees covered by the Optional Retirement Program was approximately \$28,700,000 and \$27,900,000 for fiscal years 2013 and 2012, respectively.

All employees of the District who are employed for ½ or more of the standard workload are eligible to participate in one of the above programs. Participants in the Teacher Retirement System are eligible for normal retirement at age 65 with 5 years of service or when the sum of the participant's age and years of credited service equals or exceeds 80 years. Participants may elect to receive reduced retirement at age 55 with 5 years of service or at any age below 50 with 30 years of service or any combination of age plus years of service which equals 80. A member is fully vested after 5 years of creditable service and is entitled to any benefit for which eligibility requirements have been met. Participants in the Optional Retirement Program are fully vested in their individual investments after one year of service.

NOTE 9. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

In addition to providing pension benefits, the State provides certain healthcare and life insurance benefits for retired employees. Most of the employees with 10 years of service will become eligible for those benefits when they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums.

The State's average contribution per full-time employee was \$91 per month for the years ended August 31, 2013 and 2012. The cost of providing those benefits for all employees in the year ended August 31, 2013, paid by the State of Texas on behalf of the District, totaled \$6,931,529 (\$6,575,248 for the year ended August 31, 2012) with \$4,743,862 for 661 retirees (retiree benefits for 672 retirees cost \$4,461,797 in fiscal year 2012) and \$2,187,667 for 2,014 active employees (active employee benefits for 1,933 employees cost \$2,113,451 in fiscal year 2012). The on-behalf payments are reflected in the accompanying financial statements as both revenues and expenses.

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

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

Funding Policy. Section 1551.055 of Chapter 1551, Texas Insurance Code provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS board of trustees. Plan members or beneficiaries receiving benefits pay any premium over and above the employer contribution.

The employer's share of the cost of retiree healthcare coverage for the current year is known as the implicit rate subsidy. It is the difference between the claims costs for the retirees and the amounts contributed by the retirees.

NOTE 9. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS- continued

The ERS board of trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB Statement 45.

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

The District's contributions to SRHP for the years ended August 31, 2013, 2012 and 2011, were \$427,704, \$383,854, and \$313,068, respectively, which equaled the required contributions each year.

NOTE 10. DEFERRED COMPENSATION PROGRAMS

District employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. The employees' investments are held in tax deferred annuity plans pursuant to Internal Revenue Code Section 403(b). As of August 31, 2013 and 2012, the District had 345 and 334 employees participating in the program, respectively. A total of \$1,706,892 and \$1,689,537 in payroll deductions had been invested in approved plans during the fiscal years 2013 and 2012, respectively.

In June 2003 the District added a deferred compensation plan pursuant to Internal Revenue Code Section 457(b) to the employer benefit package. Full-time employees can begin participating in the plan on their first day of employment. An employee can contribute up to a maximum of \$17,500 (\$23,000 for participants over 50 years of age) for 2013. As of August 31, 2013, the District had 96 employees participating in the program. A total of \$413,645 in payroll deductions had been invested in approved plans during the fiscal year 2013. As of August 31, 2012, the District had 92 employees participating in the program. A total of \$423,532 in payroll deductions had been invested in approved plans during the fiscal year 2012.

NOTE 11. COMPENSATED ABSENCES

Full-time employees earn vacation leave from 6.67 to 13.33 hours per month, depending on the number of years employed with the District. An employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to twenty days for those employees with sixteen or more years of service. Employees with at least three months of service who terminate their employment are entitled to payment for all accumulated vacation leave up to the maximum allowed. Sick leave, which can be accumulated up to a maximum of 90 days, is earned at the rate of 1 day per month. It is paid to an employee who misses work because of illness or to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid to an employee with at least 10 years service upon separation or to an employee's estate is one-half of the employee's accumulated entitlement or 45 days, whichever is less.

NOTE 11. COMPENSATED ABSENCES-continued

Compensated absences activity for the years ended August 31, 2013 and 2012 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
2012	\$ 7,534,986	\$ 5,842,877	\$ 5,018,383	\$ 8,359,480	\$ 4,637,855
2013	\$ 8,359,480	\$ 6,064,266	\$ 5,673,414	\$ 8,750,332	\$ 4,814,033

NOTE 12. PENDING LAWSUITS AND CLAIMS

On August 31, 2013, various lawsuits and claims involving the District were pending. The ultimate liability with respect to litigation and other claims asserted against the District cannot be reasonably estimated at this time. Based on consultation with legal counsel, management believes this liability, if any, to the extent not provided for by insurance or otherwise, will not have a material effect on the District.

NOTE 13. OPERATING LEASE COMMITMENTS AND RENTAL AGREEMENTS

Future minimum lease rental payments under noncancellable operating leases having an initial term in excess of one year as of August 31, 2013 are as follows:

Fiscal Year Ending	Minimum Future Lease Payments
2014	\$ 594,607
2015	184,536
2016	187,162
2017	138,139
Thereafter	94,689
	<u>\$ 1,199,133</u>

Approximately \$1,032,000 and \$845,000 in rent paid or due under operating leases is included in expenses on the statements of revenues, expenses and changes in net position for the years ended August 31, 2013 and 2012, respectively.

Effective in February 2007, the District entered into a contract to lease excess broadband capacity to a third party. The lease is for an initial term of 15 years with an automatic 15 year renewal pending certain conditions. Under

NOTE 13. OPERATING LEASE COMMITMENTS AND RENTAL AGREEMENTS- continued

the terms of the lease, the District will receive (1) a \$150,000 equipment allowance, payable in three installments over the lease term; (2) annual royalties of \$702,662 through December 2010 and increased to \$760,383 beginning January 2011, which is indexed for inflation beginning in 2013; and (3) a royalty overage equal to 0.2% of the lessee's revenue derived from the leased capacity. Upon commencement of the initial lease term, the District also received a \$2,000,000 inducement royalty payment. Annual future minimum payments to be received under this agreement are as follows: \$760,383 indexed for inflation for 2013-2037, with an additional \$50,000 in 2016 and 2026.

The District leases space in its Trinity River Campus under a noncancellable operating lease with a current term through 2018. Lease income of \$5,881,720 and \$5,238,312 was recognized during the years ended August 31, 2013 and 2012, respectively. Future minimum lease payments to be received under this agreement are as follows:

Fiscal Year Ending	Minimum Future Lease Payments
2014	\$ 5,650,000
2015	5,650,000
2016	5,650,000
2017	5,650,000
2018	3,766,667
	<u>\$ 26,366,667</u>

NOTE 14. CONTRACT AND GRANT AWARDS

The District receives funding from various federal and state contract and grant programs. Revenues are recognized as funds are actually expended. Funds received but not expended during the reporting period are reported as deferred revenue. For direct federal contract and grant awards, funds expended but not collected are reported as federal receivables. Federal pass-through awards and non-federal contract and grant awards for which funds are expended but not collected are reported as state and local grants and contracts receivable. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g. multi-year awards or funds awarded during fiscal years 2013 and 2012 for which monies have not been received nor funds expended totaled approximately \$8,140,000 and \$12,690,000, respectively. Of this amount approximately \$6,220,000 and \$9,680,000 were from federal contract and grant awards and \$1,920,000 and \$3,010,000 were from state contract and grant awards for fiscal years ended August 31, 2013 and 2012, respectively.

NOTE 15. RISK MANAGEMENT

The District 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 District fully insures its buildings, structures, contents and equipment with the purchase of commercial insurance in an all risk blanket property insurance policy. The District has designated unrestricted net position of \$700,000 to cover self-insurance for workers' compensation, unemployment compensation and insurance policy deductibles.

Settled claims have not exceeded commercial insurance coverage in any of the past three years. The District self-insures its workers' compensation plan and its unemployment compensation.

The workers' compensation plan is administered by an outside insurance carrier which processes all self-insurance claims. The District also carries an insurance policy for excess liabilities related to workers' compensation. An outside agent processes all unemployment compensation claims. The District has accrued amounts that represent the best estimate of claims filed, but not paid and claims incurred, but not reported. Accrued liabilities are generally based on actuarial valuation and the present value of unpaid expected claims. The discount rates used to calculate the present value of liabilities was 1.0% for the years ended August 31, 2013 and 2012.

Changes in the accrued uninsured claims liability are as follows for fiscal years ended August 31:

	2013	2012
Beginning balance	\$ 990,422	\$ 921,742
Current year claims and changes in estimates	1,285,829	948,015
Claim payments	(1,198,949)	(879,335)
Ending balance	1,077,302	990,422
Current portion	(867,838)	(842,907)
Non-current portion	<u>\$ 1,945,140</u>	<u>\$ 147,515</u>

NOTE 16. RELATED PARTIES

The Tarrant County College Foundation is a nonprofit organization with the sole purpose of supporting the educational and other activities of the District. The Foundation solicits donations and acts as coordinator of gifts made by other parties. It remitted restricted gifts of \$1,425,114 and \$1,382,225 to the District during the years ended August 31, 2013 and 2012, respectively. During the fiscal year, the District furnished certain services, such as office space, utilities and some staff assistance to the Foundation at no charge. As of August 31, 2013 and 2012, the District had a receivable balance due from the Foundation of \$446,188 and \$332,457, respectively.

NOTE 17. PROPERTY TAX CALENDAR

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the District.

NOTE 17. PROPERTY TAX CALENDAR-continued

	2013	2012
Assessed Valuation of the District	\$ 153,193,426,191	\$ 149,760,115,733
Less: Exemptions	<u>(27,812,450,545)</u>	<u>(25,956,224,062)</u>
Net Assessed Valuation of the District	<u>\$ 125,380,975,646</u>	<u>\$ 123,803,891,671</u>

	2013		
	Current Operations	Debt Service	Total
Tax Rate per \$100 valuation authorized (maximum per enabling legislation)	\$.20000	\$.50000	\$.70000
Tax Rate per \$100 valuation assessed	\$.14241	\$.00656	\$.14897

	2012		
	Current Operations	Debt Service	Total
Tax Rate per \$100 valuation authorized (maximum per enabling legislation)	\$.20000	\$.50000	\$.70000
Tax Rate per \$100 valuation assessed	\$.14206	\$.00691	\$.14897

Taxes levied for the years ended August 31, 2013 and 2012 amounted to \$186,047,346 and \$184,397,758, respectively, including any penalties and interest assessed. Property taxes attach as an enforceable lien on property as of January 1 following the October 1 levy. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

NOTE 17. PROPERTY TAX CALENDAR-continued

Taxes Collected	2013		
	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 175,136,165	\$ 8,067,504	\$ 183,203,669
Delinquent Taxes Collected	1,579,878	72,776	1,652,654
Penalties and Interest Collected	1,343,267	61,877	1,405,144
Total Collections	<u>\$ 178,059,310</u>	<u>\$ 8,202,157</u>	<u>\$ 186,261,467</u>

Taxes Collected	2012		
	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 173,197,857	\$ 8,424,590	\$ 181,622,447
Delinquent Taxes Collected	1,394,840	67,847	1,462,687
Penalties and Interest Collected	1,285,059	62,507	1,347,566
Total Collections	<u>\$ 175,877,756</u>	<u>\$ 8,554,944</u>	<u>\$ 184,432,700</u>

The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenses. Tax collections for the years ended August 31, 2013 and 2012 were 100.12% and 100.02% of the current tax levy, respectively. The District remitted payments of \$3,829,230 and \$4,431,336 in fiscal years 2013 and 2012, respectively, for taxes collected on behalf of Tax Incremental Finance Districts. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes.

NOTE 18. INCOME TAXES

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. The District had no unrelated business income tax liability for the years ended August 31, 2013 and 2012.

NOTE 19. CAPITAL ASSETS

Capital assets activity for the years ended August 31, 2013 and 2012, is summarized as follows:

	2013			
	Beginning Balance	Additions (Transfers)	Deletions	Ending Balance
Land	\$ 74,034,151	\$ 3,784,058	\$	\$ 77,818,209
Collections	1,440,997		(7,479)	1,433,518
Construction in progress	16,857,401	25,131,389		41,988,790
Total cost of non-depreciable capital assets	92,332,549	28,915,447	(7,479)	121,240,517
Buildings	578,479,276	10,660,712		589,139,988
Improvements other than buildings	220,556,830	32,508,217	(4,784)	253,060,263
Telecommunications and peripheral equipment	30,879,740	2,419,543	(5,042,252)	28,257,031
Library books	7,827,524	588,827	(565,792)	7,850,559
Furniture and other equipment	40,615,080	4,254,522	(3,973,432)	40,896,170
Total cost of depreciable capital assets	878,358,450	50,431,821	(9,586,260)	919,204,011
Total cost of capital assets	970,690,999	79,347,268	(9,593,739)	1,040,444,528
Accumulated Depreciation				
Buildings	80,772,892	10,451,181		91,224,073
Improvements other than buildings	51,179,864	9,651,595	(1,830)	60,829,629
Telecommunications and peripheral equipment	21,514,453	3,434,485	(4,223,111)	20,725,827
Library books	4,742,089	623,541	(418,956)	4,946,674
Furniture and other equipment	16,416,497	3,251,810	(2,588,043)	17,080,264
Total accumulated depreciation	174,625,795	27,412,612	(7,231,940)	194,806,467
Net depreciable capital assets	703,732,655	23,019,209	(2,354,320)	724,397,544
Net capital assets	\$ 796,065,204	\$ 51,934,656	\$ (2,361,799)	\$ 845,638,061

NOTE 19. CAPITAL ASSETS-continued

	2012			
	Beginning Balance	Additions (Transfers)	Deletions	Ending Balance
Land	\$ 74,034,151	\$	\$	\$ 74,034,151
Collections	1,440,997			1,440,997
Construction in progress	6,210,298	10,647,103		16,857,401
Total cost of non-depreciable capital assets	81,685,446	10,647,103		92,332,549
Buildings	578,479,276			578,479,276
Improvements other than buildings	203,658,270	16,898,560		220,556,830
Telecommunications and peripheral equipment	30,196,696	1,371,853	(688,809)	30,879,740
Library books	7,614,694	688,813	(475,983)	7,827,524
Furniture and other equipment	36,325,142	4,766,732	(476,794)	40,615,080
Total cost of depreciable capital assets	856,274,078	23,725,958	(1,641,586)	878,358,450
Total cost of capital assets	937,959,524	34,373,061	(1,641,586)	970,690,999
Accumulated Depreciation				
Buildings	70,360,263	10,412,629		80,772,892
Improvements other than buildings	42,682,242	8,497,622		51,179,864
Telecommunications and peripheral equipment	18,628,849	3,543,733	(658,129)	21,514,453
Library books	4,379,104	616,845	(253,860)	4,742,089
Furniture and other equipment	13,707,563	3,117,941	(409,007)	16,416,497
Total accumulated depreciation	149,758,021	26,188,770	(1,320,996)	174,625,795
Net depreciable capital assets	706,516,057	(2,462,812)	(320,590)	703,732,655
Net capital assets	\$ 788,201,503	\$ 8,184,291	\$ (320,590)	\$ 796,065,204

Included in gain on disposal of assets for the year ended August 31, 2013 is \$3,000,000 in insurance proceeds from District property that was impaired.

NOTE 20. COMMITMENTS AND CONTINGENCIES

The District has entered into several contracts for various construction and renovation projects across the District. As of August 31, 2013, the balance remaining on these contracts totaled approximately \$7,400,000.

NOTE 21. DESIGNATIONS OF UNRESTRICTED NET POSITION

The governing board of the District has made the following designations of unrestricted net position:

	2013	2012
Unrestricted net position		
Designated for		
Capital outlay	\$ 29,507,858	\$ 24,755,403
Future renewals and replacements	3,631,246	32,185,298
Future operating budgets	5,000,000	5,000,000
Insurance	700,000	700,000
Undesignated	154,541,733	133,664,698
Total unrestricted net position	<u>\$ 193,380,837</u>	<u>\$ 196,305,399</u>

NOTE 22. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Accounts receivable at August 31, 2013 and 2012, were as follows:

	2013	2012
Student Receivables	\$ 15,786,646	\$ 11,706,888
Accounts Receivable	1,480,063	1,219,646
Other Receivables	225,580	827,858
Subtotal	17,492,289	13,754,392
Allowance for Doubtful Accounts	<u>(7,696,515)</u>	<u>(6,215,808)</u>
Total Accounts Receivable-Exhibit 1	<u>\$ 9,795,774</u>	<u>\$ 7,538,584</u>

NOTE 22. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES-continued

Accounts payable and accrued liabilities at August 31, 2013 and 2012, were as follows:

	2013	2012
Vendors Payable	<u>\$ 12,293,754</u>	<u>\$ 13,285,889</u>
Accounts Payable-Exhibit 1	<u>12,293,754</u>	<u>13,285,889</u>
Salaries & Benefits Payable	4,885,686	4,295,055
Workers' Compensation Payable	601,409	609,724
Retainage Payable	991,497	616,594
Accrued Interest	33,058	49,228
Unemployment Compensation	<u>266,429</u>	<u>233,183</u>
Accrued Liabilities-Exhibit 1	<u>6,778,079</u>	<u>5,803,784</u>
Total Accounts Payable and Accrued Liabilities	<u><u>\$ 19,071,833</u></u>	<u><u>\$ 19,089,673</u></u>

Supplementary Data

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE A
SCHEDULE OF OPERATING REVENUES
YEAR ENDED AUGUST 31, 2013
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2012)**

	Unrestricted	Restricted	Total Educational Activities
Tuition			
State funded courses			
In-district resident tuition	\$ 45,123,148	\$	\$ 45,123,148
Out-of-district resident tuition	5,791,265		5,791,265
TPEG- credit (set aside)*	3,337,271		3,337,271
Non-resident tuition	5,616,925		5,616,925
Continuing education	2,797,448		2,797,448
TPEG-continuing education (set aside)*	178,750		178,750
Non-state funded continuing education	1,765,057		1,765,057
Total tuition	64,609,864		64,609,864
Fees			
Laboratory fees	101,582		101,582
Other fees	186,082		186,082
Total fees	287,664		287,664
Allowances and discounts			
Bad debt allowance	(1,745,708)		(1,745,708)
Scholarship allowances	(714,899)		(714,899)
Remissions and exemptions	(1,694,984)		(1,694,984)
TPEG allowances	(434,669)		(434,669)
Federal grants to students	(10,061,455)		(10,061,455)
Total allowances and discounts	(14,651,715)		(14,651,715)
Total net tuition and fees	50,245,813		50,245,813
Other operating revenues			
Federal grants and contracts		3,757,923	3,757,923
State grants and contracts		5,554,657	5,554,657
Non-governmental grants and contracts		3,162,051	3,162,051
Other operating revenues	6,212,717		6,212,717
Total other operating revenues	6,212,717	12,474,631	18,687,348
Auxiliary enterprises			
Bookstore			
Food service			
Testing center			
Child center			
Total net auxiliary enterprises			
Total operating revenues	\$ 56,458,530	\$ 12,474,631	\$ 68,933,161

* In accordance with Education Code 56.033, \$3,516,021 and \$3,295,292 of tuition for the years ending August 31, 2013 and 2012, respectively, was set aside for Texas Public Education Grants (TPEG)

Note: The District has contracted with a college bookstore operator to operate and manage the District's bookstores under an agreement that terminates on September 30, 2016 and may be renewed for additional successive one year periods upon mutual agreement of the parties.

Auxiliary Enterprises	2013 Total	2012 Total
\$	\$ 45,123,148	\$ 42,783,433
	5,791,265	5,164,355
	3,337,271	3,127,312
	5,616,925	4,641,143
	2,797,448	2,631,523
	178,750	167,980
	1,765,057	1,480,563
	<u>64,609,864</u>	<u>59,996,309</u>
	101,582	102,628
	186,082	184,765
	<u>287,664</u>	<u>287,393</u>
	(1,745,708)	(2,231,989)
	(714,899)	(379,593)
	(1,694,984)	(1,347,638)
	(434,669)	(198,284)
	<u>(10,061,455)</u>	<u>(5,911,202)</u>
	<u>(14,651,715)</u>	<u>(10,068,706)</u>
	50,245,813	50,214,996
	3,757,923	3,338,370
	5,554,657	4,770,234
	3,162,051	3,971,945
	6,212,717	5,607,184
	<u>18,687,348</u>	<u>17,687,733</u>
1,581,033	1,581,033	1,853,930
389,688	389,688	445,796
667,446	667,446	658,184
282,794	282,794	317,373
<u>2,920,961</u>	<u>2,920,961</u>	<u>3,275,283</u>
<u>\$ 2,920,961</u>	<u>\$ 71,854,122</u>	<u>\$ 71,178,012</u>
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE B
SCHEDULE OF OPERATING EXPENSES
BY OBJECT
YEAR ENDED AUGUST 31, 2013
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2012)**

	Salaries and Wages	Staff Benefits	
		State	Local
Unrestricted - educational activities			
Instruction	\$ 81,060,294	\$	\$ 14,252,441
Public service	4,472,811		825,417
Academic support	15,109,576		4,848,141
Student services	16,511,553		4,676,529
Institutional support	18,469,630		5,337,608
Operation and maintenance of plant	6,854,524		3,019,076
Scholarships and fellowships			
Total unrestricted educational activities	<u>142,478,388</u>		<u>32,959,212</u>
Restricted - educational activities			
Instruction	1,936,231	2,921,951	
Public service	416,662	273,997	
Academic support		510,152	
Student services	1,337,999	731,086	
Institutional support		5,795,288	
Scholarships and fellowships			
Total restricted educational activities	<u>3,690,892</u>	<u>10,232,474</u>	
Total educational activities	146,169,280	10,232,474	32,959,212
Auxiliary enterprises	365,747		227,669
Depreciation expense			
Buildings and other real estate improvements			
Equipment and furniture			
Total operating expenses	<u>\$ 146,535,027</u>	<u>\$ 10,232,474</u>	<u>\$ 33,186,881</u>

Other Expenses	2013 Total	2012 Total
\$ 13,177,101	\$ 108,489,836	\$ 101,495,863
945,062	6,243,290	4,451,633
4,311,141	24,268,858	20,983,689
4,094,027	25,282,109	21,900,245
9,653,327	33,460,565	28,931,205
24,874,711	34,748,311	38,794,192
1,694,984	1,694,984	1,347,638
<u>58,750,353</u>	<u>234,187,953</u>	<u>217,904,465</u>
2,466,391	7,324,573	6,582,314
1,399,787	2,090,446	1,044,904
	510,152	528,895
1,435,239	3,504,324	2,790,691
	5,795,288	5,395,544
74,668,305	74,668,305	77,621,259
<u>79,969,722</u>	<u>93,893,088</u>	<u>93,963,607</u>
138,720,075	328,081,041	311,868,072
1,649,671	2,243,087	2,152,576
24,160,802	24,160,802	23,070,829
3,251,810	3,251,810	3,117,941
<u>\$ 167,782,358</u>	<u>\$ 357,736,740</u>	<u>\$ 340,209,418</u>
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE C
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
YEAR ENDED AUGUST 31, 2013
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2012)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>
NON-OPERATING REVENUES			
State appropriations			
Education and general state support	\$ 53,068,368	\$	\$
State group insurance		6,931,529	
State retirement matching		3,300,945	
Total state appropriations	<u>53,068,368</u>	<u>10,232,474</u>	
Maintenance ad valorem taxes	174,699,524		
Debt service ad valorem taxes	7,450,180		
Federal grants and contracts		80,360,739	
Gifts	142,795		
Investment income	(1,449,259)	367,056	16,527
Other income	<u>1,551,767</u>		
Total non-operating revenues	<u>235,463,375</u>	<u>90,960,269</u>	<u>16,527</u>
NON-OPERATING EXPENSES			
Interest on capital related debt			
Gain (loss) on disposal of assets	<u>648,432</u>		
Total non-operating expenses	<u>648,432</u>		
Net non-operating revenues	<u>\$ 236,111,807</u>	<u>\$ 90,960,269</u>	<u>\$ 16,527</u>

2013 Total	2012 Total
\$ 53,068,368	\$ 51,882,971
6,931,529	6,575,248
3,300,945	3,105,228
<u>63,300,842</u>	<u>61,563,447</u>
174,699,524	172,225,710
7,450,180	7,784,223
80,360,739	77,967,771
142,795	
(1,065,676)	1,117,501
1,551,767	899,186
<u>326,440,171</u>	<u>321,557,838</u>
	(289,308)
<u>648,432</u>	<u>(307,511)</u>
648,432	(596,819)
<u>\$ 327,088,603</u>	<u>\$ 320,961,019</u>
(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE D
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
YEAR ENDED AUGUST 31, 2013
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2012)**

	Detail by Source		
	Unrestricted	Restricted	
		Expendable	Non-Expendable
Current:			
Unrestricted	\$ 131,566,686	\$	\$
Board designated	38,839,104		
Restricted		4,852,509	
Auxiliary enterprises	22,975,047		
Loan		141,970	
Plant:			
Debt service		1,736,969	
Investment in plant			
Total net position, August 31, 2013	193,380,837	6,731,448	
Total net position, August 31, 2012	196,305,399	6,770,189	
Net increase in net position	\$ (2,924,562)	(\$ 38,741)	\$

Detail by Source		Available for Current Operations	
Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
\$	\$ 131,566,686	\$ 131,566,686	\$
	38,839,104		38,839,104
	4,852,509		4,852,509
	22,975,047	22,975,047	
	141,970		141,970
	1,736,969		1,736,969
816,910,267	816,910,267		816,910,267
816,910,267	1,017,022,552	154,541,733	862,480,819
	(Exhibit 1)		
772,740,979	975,816,567	133,664,698	842,151,869
	(Exhibit 1)		
\$ 44,169,288	\$ 41,205,985	\$ 20,877,035	\$ 20,328,950
	(Exhibit 2)		





Statistical Section



Statistical Section



STATISTICAL SECTION

This part of the Tarrant County College District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Statistical Supplements

Financial Trends

1-3

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

4-8

These schedules contain information to help the reader assess the District's most significant local revenue sources.

Debt Capacity

9-11

These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt.

Demographic and Economic Information

12-13

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's activities take place.

Operating Information

14-18

These schedules contain employment, enrollment and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports from the relevant year.

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 1
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net investment in capital assets	\$ 816,910,267	\$ 772,740,979	\$ 757,613,463	\$ 707,299,717
Restricted - expendable	6,731,448	6,770,189	6,243,001	5,601,190
Restricted - nonexpendable				
Unrestricted	<u>193,380,837</u>	<u>196,305,399</u>	<u>160,030,490</u>	<u>157,642,379</u>
Total primary government net position	1,017,022,552	975,816,567	923,886,954	870,543,286
Net Position beginning of year	<u>975,816,567</u>	<u>923,886,954</u>	<u>870,543,286</u>	<u>792,148,121</u>
Increase in net Postion	<u>\$ 41,205,985</u>	<u>\$ 51,929,613</u>	<u>\$ 53,343,668</u>	<u>\$ 78,395,165</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$638,222,485	\$548,838,668	\$207,334,709	\$152,503,842	\$130,334,950	\$98,652,552
5,419,823	5,709,923	4,524,571	4,628,236	5,647,254	4,597,889
207,973	699,347	673,065	607,895	561,604	554,164
<u>148,297,840</u>	<u>143,437,568</u>	<u>374,501,328</u>	<u>320,001,778</u>	<u>246,888,986</u>	<u>201,459,679</u>
792,148,121	698,685,506	587,033,673	477,741,751	383,432,794	305,264,284
<u>698,685,506</u>	<u>587,033,673</u>	<u>477,741,751</u>	<u>383,432,794</u>	<u>305,264,284</u>	<u>237,234,779</u>
<u><u>\$93,462,615</u></u>	<u><u>\$111,651,833</u></u>	<u><u>\$109,291,922</u></u>	<u><u>\$94,308,957</u></u>	<u><u>\$78,168,510</u></u>	<u><u>\$68,029,505</u></u>

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 2
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2013	2012	2011	2010
Operating revenues				
Tuition and fees (net of discounts)	\$ 50,245,813	\$ 50,214,996	\$ 46,446,649	\$ 45,507,326
Governmental grants and contracts				
Federal grants and contracts	3,757,923	3,338,370	3,738,898	2,662,284
State grants and contracts	5,554,657	4,770,234	6,403,470	4,436,087
Non-Governmental grants and contracts	3,162,051	3,971,945	3,123,262	2,245,408
Auxiliary enterprises	2,920,961	3,275,283	3,453,670	3,381,510
Other operating revenues	6,212,717	5,607,184	6,922,636	7,036,611
Total operating revenues	71,854,122	71,178,012	70,088,585	65,269,226
Non-operating revenues				
State appropriations	63,300,842	61,563,447	65,923,473	67,133,335
Ad-Valorem taxes	182,149,704	180,009,933	163,339,387	170,989,124
Federal grants and contracts	80,360,739	77,967,771	84,809,753	59,862,557
Gifts	142,795		750	5,250
Investment income		1,117,501	1,600,511	1,404,780
Other income	1,134,523	899,186	2,213,352	702,665
Total non-operating revenues	327,088,603	321,557,838	317,887,226	300,097,711
Other revenues				
Additions to permanent endowments				26,223
Total revenues	\$ 398,942,725	\$ 392,735,850	\$ 387,975,811	\$ 365,393,160
Operating revenues				
Tuition and fees (net of discounts)	12.59%	12.81%	11.98%	12.45%
Governmental grants and contracts				
Federal grants and contracts	0.94%	0.85%	0.96%	0.73%
State grants and contracts	1.39%	1.21%	1.65%	1.21%
Non-governmental grants and contracts	0.79%	1.01%	0.81%	0.61%
Auxiliary enterprises	0.73%	0.83%	0.89%	0.93%
Other operating revenues	1.56%	1.43%	1.78%	1.93%
Total operating revenues	18.00%	18.14%	18.07%	17.86%
Non-operating revenues				
State appropriations	15.87%	15.68%	16.99%	18.37%
Ad-Valorem taxes	45.66%	45.82%	42.10%	46.80%
Federal grants and contracts	20.15%	19.85%	21.86%	16.38%
Gifts	0.04%	0.00%	0.00%	0.00%
Investment income	0.00%	0.28%	0.41%	0.38%
Other income	0.28%	0.23%	0.57%	0.19%
Total non-operating revenues	82.00%	81.86%	81.93%	82.12%
Other revenues				
Additions to permanent endowments				0.02%
Total revenues	100.00%	100.00%	100.00%	100.00%

2009	2008	2007	2006	2005	2004
\$ 41,411,491	\$ 38,918,863	\$ 35,651,135	\$ 37,454,608	\$ 35,771,981	\$ 28,235,712
4,530,581	2,420,630	2,122,182	2,642,452	2,799,072	2,132,709
2,931,041	2,335,426	1,793,467	1,377,111	2,171,726	2,238,875
2,180,664	1,139,402	1,366,985	1,049,439	954,541	578,946
3,103,757	3,211,761	4,513,492	15,677,393	16,161,056	13,301,776
7,095,780	1,481,599	428,375	564,977	881,735	719,500
61,253,314	49,507,681	45,875,636	58,765,980	58,740,111	47,207,518
60,335,031	59,543,945	57,004,281	56,331,587	50,517,157	51,271,037
168,458,577	156,897,585	145,076,199	133,946,296	125,472,175	119,660,692
35,579,625	23,179,682	20,153,359	18,676,113	17,847,942	17,693,920
	1,200	1,000	1,101,500	450	12,000
3,681,350	17,518,082	21,165,311	13,464,141	4,529,550	3,749,014
702,660	702,656	5,141,280	1,189,502		
268,757,243	257,843,150	248,541,430	224,709,139	198,367,274	192,386,663
42,660	40,810	64,698	45,801	7,109	25,400
<u>\$ 330,053,217</u>	<u>\$ 307,391,641</u>	<u>\$ 294,481,764</u>	<u>\$ 283,520,920</u>	<u>\$ 257,114,494</u>	<u>\$ 239,619,581</u>
12.55%	12.65%	12.11%	13.21%	13.91%	11.78%
1.37%	0.79%	0.72%	0.93%	1.09%	0.89%
0.89%	0.76%	0.61%	0.49%	0.84%	0.94%
0.66%	0.37%	0.46%	0.37%	0.37%	0.24%
0.94%	1.04%	1.53%	5.53%	6.29%	5.55%
2.15%	0.48%	0.15%	0.20%	0.34%	0.30%
18.56%	16.09%	15.58%	20.73%	22.84%	19.70%
18.28%	19.37%	19.36%	19.87%	19.65%	21.40%
51.04%	51.06%	49.26%	47.24%	48.81%	49.94%
10.78%	7.54%	6.84%	6.59%	6.94%	7.38%
0.00%	0.00%	0.00%	0.39%	0.00%	0.01%
1.12%	5.70%	7.19%	4.75%	1.76%	1.56%
0.21%	0.23%	1.75%	0.42%	0.00%	0.00%
81.43%	83.90%	84.40%	79.26%	77.16%	80.29%
0.01%	0.01%	0.02%	0.01%		0.01%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 3
PROGRAM EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2013	2012	2011	2010
Instruction	\$ 115,814,409	\$ 108,078,177	\$ 114,166,378	\$ 95,921,420
Public service	8,333,736	5,496,537	7,001,458	6,739,303
Academic support	24,779,010	21,512,584	21,847,574	16,917,975
Student services	28,786,433	24,690,936	25,282,806	20,840,918
Institutional support	39,255,853	34,326,749	29,283,026	31,207,465
Operation and maintenance of plant	34,748,311	38,794,192	34,941,445	39,900,473
Scholarship and fellowships	76,363,289	78,968,897	78,792,547	55,583,034
Auxiliary enterprises	2,243,087	2,152,576	2,262,986	2,114,115
Depreciation	27,412,612	26,188,770	20,670,066	17,268,778
Total operating expenses	357,736,740	340,209,418	334,248,286	286,493,481
Interest on capital related debt		289,308		
Foundation transfer				201,997
Loss on disposal of fixed assets		307,511	383,857	302,517
Total non-operating expenses		596,819	383,857	504,514
Total expenses	<u>\$ 357,736,740</u>	<u>\$ 340,806,237</u>	<u>\$ 334,632,143</u>	<u>\$ 286,997,995</u>
Instruction	32.37%	31.74%	34.11%	33.42%
Public service	2.33%	1.61%	2.09%	2.35%
Academic support	6.93%	6.31%	6.53%	5.89%
Student services	8.05%	7.24%	7.56%	7.26%
Institutional support	10.97%	10.07%	8.75%	10.87%
Operation and maintenance of plant	9.71%	11.38%	10.44%	13.90%
Scholarship and fellowships	21.35%	23.17%	23.55%	19.37%
Auxiliary enterprises	0.63%	0.63%	0.68%	0.74%
Depreciation	7.66%	7.68%	6.18%	6.02%
Total operating expenses	<u>100.00%</u>	<u>99.83%</u>	<u>99.89%</u>	<u>99.82%</u>
Interest on capital related debt	0.00%	0.08%	0.00%	0.00%
Foundation transfer	0.00%	0.00%	0.00%	0.07%
Loss on disposal of fixed assets	0.00%	0.09%	0.11%	0.11%
Total non-operating expenses	<u>0.00%</u>	<u>0.17%</u>	<u>0.11%</u>	<u>0.18%</u>
Total expenses	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

2009	2008	2007	2006	2005	2004
\$ 83,437,483	\$ 75,066,102	\$ 71,745,930	\$ 68,221,085	\$ 64,375,184	\$ 60,187,257
6,365,670	5,041,719	4,641,156	4,751,125	5,688,458	5,117,646
14,013,169	12,514,941	11,349,181	10,097,671	11,281,130	11,017,822
17,849,057	15,874,448	14,125,391	14,092,532	13,179,019	12,156,394
26,010,789	23,307,939	26,263,394	21,636,434	20,740,980	20,617,202
38,177,688	32,293,652	26,056,295	23,876,530	19,063,186	17,475,544
35,129,416	21,813,943	18,846,333	21,169,637	17,924,863	15,683,897
1,624,126	1,582,216	2,583,589	14,599,987	14,620,155	13,036,081
12,123,042	7,961,528	7,561,001	7,941,827	8,683,682	9,339,681
234,730,440	195,456,488	183,172,270	186,386,828	175,556,657	164,631,524
		1,055,063	2,676,865	3,201,195	3,843,954
1,432,482					
427,680	283,320	962,509	148,270	188,132	192,708
1,860,162	283,320	2,017,572	2,825,135	3,389,327	4,036,662
<u>\$ 236,590,602</u>	<u>\$ 195,739,808</u>	<u>\$ 185,189,842</u>	<u>\$ 189,211,963</u>	<u>\$ 178,945,984</u>	<u>\$ 168,668,186</u>
35.27%	38.35%	38.73%	36.04%	35.98%	35.68%
2.69%	2.58%	2.51%	2.51%	3.18%	3.04%
5.92%	6.39%	6.13%	5.34%	6.30%	6.53%
7.54%	8.11%	7.63%	7.45%	7.36%	7.21%
10.99%	11.91%	14.18%	11.44%	11.59%	12.22%
16.14%	16.50%	14.07%	12.62%	10.65%	10.36%
14.85%	11.14%	10.18%	11.19%	10.02%	9.30%
0.69%	0.81%	1.40%	7.72%	8.17%	7.73%
5.12%	4.07%	4.08%	4.20%	4.85%	5.54%
<u>99.21%</u>	<u>99.86%</u>	<u>98.91%</u>	<u>98.51%</u>	<u>98.10%</u>	<u>97.61%</u>
0.00%	0.00%	0.57%	1.41%	1.79%	2.28%
0.61%					
0.18%	0.14%	0.52%	0.08%	0.11%	0.11%
0.79%	0.14%	1.09%	1.49%	1.90%	2.39%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 4
TUITION AND FEES
LAST TEN ACADEMIC YEARS
(UNAUDITED)**

RESIDENT

Fees per Semester Credit Hour (SCH)

Academic Year	In-District Tuition	Out-of-District Tuition	Facilities Use & Technology Fees	Student Services Fee	Total Tuition & Fees In-District	Total Tuition & Fees Out-of-District
2013	\$ 52	\$ 76	\$	\$	\$ 52	\$ 76
2012	50	73			50	73
2011	50	73			50	73
2010	50	73			50	73
2009	50	73			50	73
2008	50	63			50	63
2007	50	63			50	63
2006	48	61			48	61
2005 (a)	46	59			46	59
2004	31	43	6	1	38	50

NON-RESIDENT

Fees per Semester Credit Hour (SCH)

Academic Year	Non-Resident Tuition Out of State	Non-Resident Tuition International	Facilities Use & Technology Fees	Student Services Fee	Total Tuition & Fees Out of State	Total Tuition & Fees International
2013	\$ 171	\$ 171	\$	\$	\$ 171	\$ 171
2012	165	165			165	165
2011	165	165			165	165
2010	165	165			165	165
2009	165	165			165	165
2008	150	150			150	150
2007	150	150			150	150
2006	150	150			150	150
2005	150	150			150	150
2004	140	140	6	1	147	147

Note:

(a) Beginning with the 2004-2005 academic year, the District no longer assessed a \$24 laboratory fee, a \$6 facilities use fee, and a \$1 student services fee. They are now included in the tuition rate.

RESIDENT
Fees per Semester Credit Hour (SCH)

Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
\$ 624	\$ 912	4.00%	4.11%
600	876	0.00%	0.00%
600	876	0.00%	0.00%
600	876	0.00%	0.00%
600	876	0.00%	15.87%
600	756	0.00%	0.00%
600	756	4.17%	3.28%
576	732	4.35%	3.39%
552	708	21.59%	18.39%
454	598	2.71%	2.05%

NON-RESIDENT
Fees per Semester Credit Hour (SCH)

Cost for 12 SCH Out of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
\$ 2,052	\$ 2,052	3.64%	3.64%
1,980	1,980	0.00%	0.00%
1,980	1,980	0.00%	0.00%
1,980	1,980	0.00%	0.00%
1,980	1,980	10.00%	10.00%
1,800	1,800	0.00%	0.00%
1,800	1,800	0.00%	0.00%
1,800	1,800	0.00%	0.00%
1,800	1,800	2.16%	2.16%
1,762	1,762	0.00%	0.00%

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 5
ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Assessed Valuation of Real Property</u>	<u>Assessed Valuation of Personal Property</u>	<u>Assessed Valuation of Property</u>	<u>Less: Exemptions</u>
2013	\$ 131,175,795,248	\$ 22,689,236,805	\$ 153,865,032,053	\$ (28,772,399,041)
2012	129,269,619,814	21,355,852,598	150,625,472,412	(27,134,616,699)
2011	126,259,248,729	20,867,055,732	147,126,304,461	(25,115,089,135)
2010	131,940,371,709	21,335,328,974	153,275,700,683	(25,568,435,000)
2009	126,732,666,961	21,837,887,387	148,570,554,348	(23,951,146,989)
2008	117,918,342,981	20,528,694,871	138,447,037,852	(23,543,915,305)
2007	109,182,979,056	19,094,790,500	128,277,769,556	(22,509,449,466)
2006	96,338,355,955	19,697,899,501	116,036,255,456	(21,098,340,175)
2005	91,982,017,722	18,571,387,042	110,553,404,764	(20,245,811,412)
2004	88,752,885,287	16,779,677,480	105,532,562,767	(19,707,936,628)

Source:
Tarrant Appraisal District

Notes:
Property is assessed at full market value.
(a) per \$100 taxable assessed valuation

<u>Taxable Assessed Value</u>	<u>Ratio of Taxable Assessed Value to Assessed Value</u>	<u>Maintenance and Operations (a)</u>	<u>Debt Service (a)</u>	<u>Total (a)</u>
\$ 125,092,633,012	81.30%	\$ 0.14241	\$ 0.00656	\$ 0.14897
123,490,855,713	81.99%	0.14206	0.00691	0.14897
122,011,215,326	82.93%	0.13126	0.00638	0.13764
127,707,265,683	83.32%	0.13126	0.00641	0.13767
124,619,407,359	83.88%	0.13126	0.00670	0.13796
114,903,122,547	82.99%	0.13126	0.00812	0.13938
105,768,320,090	82.45%	0.13068	0.00870	0.13938
94,937,915,281	81.82%	0.13046	0.00892	0.13938
90,307,593,352	81.69%	0.12983	0.00955	0.13938
85,824,626,139	81.33%	0.12939	0.00999	0.13938

**TARRANT COUNTY COLLEGE DISTRICT
 STATISTICAL SUPPLEMENT 6
 STATE APPROPRIATION PER FTSE AND CONTACT HOUR
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Appropriation per FTSE		
	State Appropriation	FTSE	State Appropriation per FTSE
2013	\$ 53,068,368	29,403	\$ 1,805
2012	51,882,971	29,054	1,786
2011	48,763,674	28,417	1,716
2010	50,920,045	25,536	1,994
2009	45,672,690	22,649	2,017
2008	45,442,760	21,658	2,098
2007	43,361,661	20,206	2,146
2006	43,361,661	20,509	2,114
2005	40,035,026	20,393	1,963
2004	40,035,687	19,231	2,082

Source:

(a) CBM004

(b) CBM00C

Note:

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

Appropriation per Contact Hour

Academic and Vocational Contact Hours (a)	Continuing Ed Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
18,611,304	1,615,743	20,227,047	\$ 2.62
18,486,584	1,682,220	20,168,804	2.57
18,559,872	1,467,076	20,026,948	2.43
17,673,443	1,247,942	18,921,385	2.69
15,212,795	1,283,646	16,496,441	2.77
13,975,532	1,107,544	15,083,076	3.01
12,703,996	1,097,771	13,801,767	3.14
12,868,384	551,891	13,420,275	3.23
12,863,032	599,602	13,462,634	2.97
12,240,642	527,444	12,768,086	3.14

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 7
PRINCIPAL TAXPAYERS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Taxpayer	Type of Business	2013	2012	2011
Oncor Electric Delivery Co LLC	Electric Utility	\$ 951,568,636	\$ 910,223,719	\$ 888,088,078
XTO Energy Inc	Natural Gas Utility	597,305,424	874,943,953	
Chesapeake Operating	Natural Gas Utility	565,845,620	664,160,020	736,221,860
Barnett Gathering LP	Natural Gas Exploration	471,761,413	288,678,979	251,248,399
Wal-Mart Stores	Retail	470,417,156	437,961,437	395,426,831
Devon Energy Production	Natural Gas Utility	381,143,310	471,202,990	506,053,300
American Airlines Inc	Airline	366,781,877	332,996,493	292,074,639
Bell Helicopter Textron	Helicopter Manufacturer	353,813,947	388,497,181	418,973,452
Opryland Hotels	Hotel	278,139,403	285,854,271	273,331,856
Southwestern Bell	Telephone Utility	240,513,694	269,220,847	308,900,768
Quicksilver Resources	Natural Gas Exploration			359,055,290
Encana Oil & Gas (USA) Inc	Natural Gas Utility			
Ddr/Dtc City Investments	Investments			
Grapevine Mills Ltd Partnership	Retail			
TXU Electric Delivery Co	Electric Utility			
City Center Development Co	Real Estate Development			
Chief Oil and Gas	Natural Gas Utility			
Albertson's Inc.	Grocery			
CAE Simuflite	Aviation Training			
Alcon Laboratories	Pharmaceutical			
General Motors Corp	Auto Manufacturer			
Miller Brewing Co	Brewery			
Delta Airlines	Airline			
Tandy Corp	Electronics			
Maguire Thomas Partners Etal	Commercial Real Estate Development			
AT&T Wireless Services	Phone Service			
Totals		<u>\$ 4,677,290,480</u>	<u>\$ 4,923,739,890</u>	<u>\$ 4,429,374,473</u>
Total Taxable Assessed Value		<u>\$ 125,092,633,012</u>	<u>\$ 123,490,855,713</u>	<u>\$122,011,215,326</u>

Taxpayer	Type of Business	2013	2012	2011
Oncor Electric Delivery Co LLC	Electric Utility	0.76%	0.74%	0.73%
XTO Energy Inc	Natural Gas Utility	0.48%	0.71%	0.00%
Chesapeake Operating	Natural Gas Utility	0.45%	0.54%	0.60%
Devon Energy Production	Natural Gas Utility	0.30%	0.38%	0.42%
Wal-Mart Stores	Retail	0.38%	0.35%	0.32%
Bell Helicopter Textron	Helicopter Manufacturer	0.28%	0.31%	0.34%
American Airlines Inc	Airline	0.29%	0.27%	0.24%
Barnett Gathering LP	Natural Gas Exploration	0.38%	0.23%	0.21%
Opryland	Hotel	0.22%	0.23%	0.22%
Southwestern Bell	Telephone Utility	0.19%	0.22%	0.25%
Quicksilver Resources	Natural Gas Exploration	0.00%	0.00%	0.30%
Encana Oil & Gas (USA) Inc	Natural Gas Utility	0.00%	0.00%	0.00%
Ddr/Dtc City Investments	Investments	0.00%	0.00%	0.00%
Grapevine Mills Ltd Partnership	Retail	0.00%	0.00%	0.00%
TXU Electric Delivery Co	Electric Utility	0.00%	0.00%	0.00%
City Center Development Co	Real Estate Development	0.00%	0.00%	0.00%
Chief Oil and Gas	Natural Gas Utility	0.00%	0.00%	0.00%
Albertson's Inc.	Grocery	0.00%	0.00%	0.00%
CAE Simuflite	Aviation Training	0.00%	0.00%	0.00%
Alcon Laboratories	Pharmaceutical	0.00%	0.00%	0.00%
General Motors Corp	Auto Manufacturer	0.00%	0.00%	0.00%
Miller Brewing Co	Brewery	0.00%	0.00%	0.00%
Delta Airlines	Airline	0.00%	0.00%	0.00%
Tandy Corp	Electronics	0.00%	0.00%	0.00%
Maguire Thomas Partners Etal	Commercial Real Estate Development	0.00%	0.00%	0.00%
AT&T Wireless Services	Phone Service	0.00%	0.00%	0.00%
Totals		<u>3.73%</u>	<u>3.98%</u>	<u>3.63%</u>

Source:
Tarrant Appraisal District

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 8
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended August 31	Levy	Cumulative Levy Adjustment	Adjusted Tax Levy (a)	Collections-Year of Levy (b)
2013	\$ 184,458,402	\$ 395,328	\$ 184,853,730	\$ 183,071,724
2012	182,088,704	427,055	182,515,759	180,673,316
2011	165,529,411	1,217,026	166,746,437	164,882,248
2010	166,752,648	7,611,534	174,364,183	171,863,844
2009	163,282,528	7,347,808	170,630,336	168,182,973
2008	158,440,008	759,323	159,199,331	157,104,943
2007	145,656,686	1,117,463	146,774,149	144,425,218
2006 (e)	132,491,200	2,065,866	134,557,066	132,300,437
2005			125,872,507	123,873,298
2004			119,622,047	117,404,793

Source:
Tarrant County Tax Assessor/ Collector and District records

- Notes:
- (a) As of August 31st of the current reporting year
 - (b) Property tax only- does not include penalties and interest
 - (c) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy
 - (d) Represents current year collections of prior years levies
 - (e) The District previously did not present this schedule and chose to implement prospectively

<u>Percentage</u>	<u>Prior Collections of Prior Levies (c)</u>	<u>Current Collections of Prior Levies (d)</u>	<u>Total Collections (b+c+d)</u>	<u>Cumulative Collections of Adjusted Levy</u>
99.04%	\$ -	\$ -	\$ 183,071,724	99.04%
98.99%	-	886,484	181,559,800	99.48%
98.88%	806,609	389,556	166,078,413	99.60%
98.57%	1,343,369	186,304	173,393,517	99.44%
98.57%	1,785,731	127,829	170,096,533	99.69%
98.68%	1,826,667	69,965	159,001,575	99.88%
98.40%	1,799,885	29,333	146,254,436	99.65%
98.32%	1,550,174	24,215	133,874,826	99.49%
98.41%	1,594,623	10,213	125,478,134	99.69%
98.15%	764,403	7,436	118,176,632	98.79%

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 9
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
General bonded debt			
General obligation bonds	\$ 15,875,819	\$ 23,324,225	\$ 30,588,040
Less: Funds restricted for debt service	<u>(1,784,207)</u>	<u>(2,559,199)</u>	<u>(3,260,900)</u>
Net general bonded debt	<u>14,091,612</u>	<u>20,765,026</u>	<u>27,327,140</u>
Other debt			
Revenue bonds			
Total outstanding debt	<u>\$ 14,091,612</u>	<u>\$ 20,765,026</u>	<u>\$ 27,327,140</u>
General bonded debt ratios			
Per capita	\$ 7.49	\$ 11.34	\$ 15.03
Per FTSE	479	715	962
As a percentage of taxable assessed value	0.01%	0.02%	0.02%
Total Outstanding Debt Ratios			
Per capita	\$ 7.49	\$ 11.34	\$ 15.03
Per FTSE	479	715	962
As a percentage of taxable assessed value	0.01%	0.02%	0.02%

Notes:

Ratios calculated using population and TAV from each year.

Debt per student calculated using full-time-equivalent enrollment.

2010	2009	2008	2007	2006	2005	2004
\$ 37,444,583	\$ 43,834,151	\$ 51,097,358	\$ 57,077,547	\$ 62,652,263	\$ 67,958,824	\$ 72,651,301
(4,073,884)	(4,431,372)	(4,795,411)	(4,171,254)	(4,362,986)	(4,245,097)	(3,584,893)
33,370,699	39,402,779	46,301,947	52,906,293	58,289,277	63,713,727	69,066,408
<u>\$ 33,370,699</u>	<u>\$ 39,402,779</u>	<u>\$ 46,301,947</u>	<u>\$ 52,906,293</u>	<u>\$ 58,289,277</u>	<u>\$ 63,713,727</u>	<u>\$ 69,066,408</u>

\$ 18.24	\$ 21.80	\$ 26.01	\$ 30.32	\$ 34.88	\$ 39.13	\$ 43.46
1,307	1,740	2,138	2,618	2,842	3,124	3,591
0.03%	0.03%	0.04%	0.05%	0.06%	0.07%	0.08%

\$ 18.24	\$ 21.80	\$ 26.01	\$ 30.32	\$ 34.88	\$ 39.13	\$ 43.46
1,307	1,740	2,138	2,618	2,842	3,124	3,591
0.03%	0.03%	0.04%	0.05%	0.06%	0.07%	0.08%

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 10
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2013	2012	2011	2010
Taxable Assessed Value	<u>\$ 125,092,633,012</u>	<u>\$ 123,490,855,713</u>	<u>\$ 122,011,215,326</u>	<u>\$ 127,707,265,683</u>
General Obligation Bonds				
Statutory Tax Levy Limit for Debt Service	\$ 625,463,165	\$ 617,454,279	\$ 610,056,077	\$ 638,536,328
Less Funds Restricted for Repayment of General Obligation Bonds	<u>(1,784,207)</u>	<u>(2,559,199)</u>	<u>(3,260,900)</u>	<u>(4,073,884)</u>
Total Net General Obligation Debt	623,678,958	614,895,080	606,795,177	634,462,444
Current Year Debt Service Requirements	<u>8,166,281</u>	<u>8,389,325</u>	<u>8,372,725</u>	<u>8,260,344</u>
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 615,512,677</u>	<u>\$ 606,505,755</u>	<u>\$ 598,422,452</u>	<u>\$ 626,202,100</u>
Net Current Requirements as a % of Statutory Limit	1.02%	0.94%	0.84%	0.66%

Note:

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

2009	2008	2007	2006	2005	2004
<u>\$ 124,619,407,359</u>	<u>\$ 114,903,122,547</u>	<u>\$ 105,768,320,090</u>	<u>\$ 94,937,915,281</u>	<u>\$ 90,307,593,352</u>	<u>\$ 85,824,626,139</u>
\$ 623,097,037	\$ 574,515,613	\$ 528,841,600	\$ 474,689,576	\$ 451,537,967	\$ 429,123,131
<u>(4,431,372)</u>	<u>(4,795,411)</u>	<u>(4,171,254)</u>	<u>(4,362,986)</u>	<u>(4,245,097)</u>	<u>(3,584,893)</u>
618,665,665	569,720,202	524,670,346	470,326,590	447,292,870	425,538,238
<u>9,626,181</u>	<u>8,539,225</u>	<u>8,412,368</u>	<u>8,421,042</u>	<u>8,392,700</u>	<u>8,472,800</u>
<u>\$ 609,039,484</u>	<u>\$ 561,180,977</u>	<u>\$ 516,257,978</u>	<u>\$ 461,905,548</u>	<u>\$ 438,900,170</u>	<u>\$ 417,065,438</u>
0.83%	0.65%	0.80%	0.85%	0.92%	1.14%

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 11
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Currently the District has no outstanding or pledged revenue bonds

**TARRANT COUNTY COLLEGE DISTRICT
 STATISTICAL SUPPLEMENT 12
 DEMOGRAPHIC AND ECONOMIC STATISTICS - TAXING DISTRICT
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Calendar Year	District Population	District Personal Income	District Personal Income Per Capita	District Unemployment Rate
2013	1,880,153	\$ 75,776,982,000	\$ 40,304	5.90%
2012	1,831,230	70,095,625,000	38,278	6.90%
2011	1,817,840	70,485,542,000	38,774	8.40%
2010	1,829,400	68,105,714,000	37,228	8.40%
2009	1,807,750	65,870,354,000	36,438	8.20%
2008	1,780,150	61,138,590,000	34,345	5.00%
2007	1,745,050	58,844,636,480	33,721	4.00%
2006	1,671,295	55,513,808,000	33,216	5.00%
2005	1,628,200	55,068,152,220	33,821	5.70%
2004	1,589,200	51,951,087,000	32,690	5.82%

Sources:

Population from US Bureau of the Census

Personal Income from US bureau of Economic Analysis

Unemployment rate from Texas Workforce Commission

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 13
PRINCIPAL EMPLOYERS
LAST EIGHT FISCAL YEARS
(UNAUDITED)**

Employer	2013		2012		2011	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
American Airlines	22,169	2.38%	11,709	1.11%	11,709	0.72%
Texas Health Resources	18,866	2.03%				
Lockheed Martin Corp	14,988	1.61%	10,500	0.99%	13,500	0.83%
NAS Fort Worth Joint Reserve Base	11,350	1.22%	11,350	1.07%	11,350	0.70%
Fort Worth ISD	11,000	1.18%				
Arlington ISD	8,126	0.87%				
University of Texas at Arlington	6,239	0.67%			5,300	0.33%
City of Fort Worth	6,195	0.67%				
John Peter Smith Hospital	4,872	0.52%	4,600	0.43%	4,302	0.26%
Cook Children's Health Care System	4,826	0.52%				
Burlington Northern			4,900	0.46%		
Harris Methodist Fort Worth			4,100	0.39%	3,968	0.24%
Bell Helicopter Textron Plant			3,820	0.36%	3,820	0.24%
Alcon			3,500	0.33%	3,300	0.20%
City of Arlington			3,500	0.33%		
Fidelity Investments			3,200	0.30%	3,200	0.20%
American Airlines/ HQ					6,500	0.40%
Cowboys Stadium						
Odyssey One Source Inc						
RadioShack Corp						
Tarrant County Administrative Office						
Harris Methodist Southwest						
	108,631	11.67%	61,179	5.78%	66,949	4.12%

Source 2013:
Fort Worth Chamber Economic Development for Major Employers
Bureau of Labor Statistics for Total Employment

Prior Source Now Unavailable:
North Central Texas Council of Governments
(Source data has not been updated since prior year)

Note:
The District previously did not present this schedule and chose to implement prospectively.

2010		2009		2008		2007		2006	
Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
11,709	0.72%	11,842	0.73%	11,842	0.73%	12,000	0.74%	5,011	0.31%
13,500	0.83%	13,500	0.83%	13,500	0.83%	16,000	0.99%	16,800	1.03%
11,350	0.70%	5,361	0.33%	5,361	0.33%	5,361	0.33%	3,906	0.24%
5,300	0.33%	4,987	0.31%	3,337	0.21%	3,337	0.21%	5,079	0.31%
4,302	0.26%	4,302	0.26%	3,811	0.23%	3,811	0.23%	3,473	0.21%
				3,900	0.24%	3,900	0.24%	3,740	0.23%
3,968	0.24%	3,968	0.24%	3,500	0.22%	3,500	0.22%	4,000	0.25%
3,820	0.24%	3,820	0.24%	3,820	0.24%	3,478	0.21%		
3,300	0.20%								
3,200	0.20%								
6,500	0.40%	6,500	0.40%	4,118	0.25%	4,118	0.25%	4,118	0.25%
		3,500	0.22%						
		3,273	0.20%						
				3,337	0.21%	3,337	0.21%		
								4,141	0.26%
								3,789	0.23%
<u>66,949</u>	<u>4.12%</u>	<u>61,053</u>	<u>3.76%</u>	<u>56,526</u>	<u>3.48%</u>	<u>58,842</u>	<u>3.62%</u>	<u>54,057</u>	<u>3.33%</u>

**TARRANT COUNTY COLLEGE DISTRICT
 STATISTICAL SUPPLEMENT 14
 FACULTY, STAFF AND ADMINISTRATORS STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Faculty				
Full-Time	656	653	673	664
Part-Time	<u>605</u>	<u>598</u>	<u>501</u>	<u>473</u>
Total	<u>1,261</u>	<u>1,251</u>	<u>1,174</u>	<u>1,137</u>
Percent				
Full-Time	52.0%	52.2%	57.3%	58.4%
Part-Time	48.0%	47.8%	42.7%	41.6%
Staff and Administrators				
Full-Time	1,505	1,429	1,398	1,338
Part-Time	<u>1,082</u>	<u>1,005</u>	<u>971</u>	<u>956</u>
Total	<u>2,587</u>	<u>2,434</u>	<u>2,369</u>	<u>2,294</u>
Percent				
Full-Time	58.2%	58.7%	59.0%	58.3%
Part-Time	41.8%	41.3%	41.0%	41.7%
FTSE per Full-Time Faculty	44	44	43	44
FTSE per Full-Time Staff Member	19	20	18	22
Average Annual Faculty Salary (a)	\$ 63,352	\$ 59,446	\$ 59,496	\$ 60,110

Note:

(a) Survey format and methodology were changed FY 2003

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
602	576	545	522	494	478
490	431	476	437	436	400
<u>1,092</u>	<u>1,007</u>	<u>1,021</u>	<u>959</u>	<u>930</u>	<u>878</u>
55.1%	57.2%	53.4%	54.4%	53.1%	54.4%
44.9%	42.8%	46.6%	45.6%	46.9%	45.6%
1,174	1,070	1,062	1,072	1,076	1,064
804	1,058	1,114	1,039	1,058	991
<u>1,978</u>	<u>2,128</u>	<u>2,176</u>	<u>2,111</u>	<u>2,134</u>	<u>2,055</u>
59.4%	50.3%	48.8%	50.8%	50.4%	51.8%
40.6%	49.7%	51.2%	49.2%	49.6%	48.2%
38	38	37	39	41	40
19	20	19	19	19	18
\$ 58,209	\$ 55,981	\$ 55,515	\$ 54,122	\$ 54,956	\$ 52,641

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 15
ENROLLMENT DETAILS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Student Classification</u>	Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	29,411	52%	36,012	63%	37,994	65%	34,988	67%
31-60 hours	19,333	34%	15,504	27%	15,133	26%	13,021	25%
Unclassified	2,914	5%	1,999	4%	1,671	3%	1,509	3%
Associates	3,785	7%	2,072	4%	2,059	4%	1,783	3%
Bachelors	986	2%	1,219	2%	1,194	2%	1,048	2%
Total	<u>56,429</u>	<u>100%</u>	<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>

<u>Semester Hour Load</u>								
0-11 semester hours	37,243	66%	36,924	65%	37,153	64%	33,503	64%
12 & over	19,186	34%	19,882	35%	20,898	36%	18,846	36%
Total	<u>56,429</u>	<u>100%</u>	<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>

Average course load	8.70	8.70	8.70	8.60
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<u>Tuition Status</u>								
Texas resident (in-district)	48,807	86%	49,856	88%	50,870	88%	45,937	88%
Texas resident (out-of-district)	4,368	8%	4,106	7%	4,267	7%	4,002	8%
Non-resident tuition	3,254	6%	2,844	5%	2,914	5%	2,410	4%
Total	<u>56,429</u>	<u>100%</u>	<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>

Source:
CBM001

Note:
A change in administrative software changed the data accumulation beginning Fall 2004.

Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
30,545	67%	28,825	67%	25,447	66%	25,784	67%	26,774	70%
10,970	24%	10,112	24%	9,731	25%	9,536	25%	9,413	25%
1,324	3%	1,161	3%	1,088	3%	965	2%	1,605	4%
1,588	4%	1,533	4%	1,407	4%	1,485	4%	146	0%
898	2%	787	2%	778	2%	818	2%	336	1%
<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>	<u>38,274</u>	<u>100%</u>

29,914	66%	27,784	66%	24,993	65%	24,696	64%	24,113	63%
15,411	34%	14,634	34%	13,458	35%	13,892	36%	14,161	37%
<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>	<u>38,274</u>	<u>100%</u>

8.60

8.60

8.70

8.70

8.41

40,104	89%	37,301	88%	33,971	89%	34,242	89%	34,164	90%
3,219	7%	3,463	8%	3,239	8%	3,171	8%	3,050	8%
2,002	4%	1,654	4%	1,241	3%	1,175	3%	1,060	2%
<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>	<u>38,274</u>	<u>100%</u>

<u>Student Classification</u>	Fall 2003	
	<u>Number</u>	<u>Percent</u>
00-30 hours	20,143	58%
31-60 hours	7,912	23%
Unclassified	6,598	19%
Total	<u>34,653</u>	<u>100%</u>

<u>Semester Hour Load</u>		
Less than 6	8,472	24%
6-8 semester hours	9,304	27%
9-11 semester hours	5,599	16%
12-14 semester hours	9,230	27%
15-17 semester hours	1,782	5%
18 & over	266	1%
Total	<u>34,653</u>	<u>100%</u>

Average course load 8.46

<u>Tuition Status</u>		
Texas resident (in-district)	31,244	90%
Texas resident (out-of-district)	2,783	8%
Non-resident tuition	626	2%
Total	<u>34,653</u>	<u>100%</u>



**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 16
STUDENT PROFILE
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fall 2012		Fall 2011		Fall 2010		Fall 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<u>Gender</u>								
Female	34,426	61.0%	34,618	60.9%	34,864	60.1%	31,347	59.9%
Male	22,003	39.0%	22,188	39.1%	23,187	39.9%	21,002	40.1%
Total	<u>56,429</u>	<u>100.0%</u>	<u>56,806</u>	<u>100.0%</u>	<u>58,051</u>	<u>100.0%</u>	<u>52,349</u>	<u>100.0%</u>
<u>Ethnic Origin</u>								
White	26,654	47.2%	28,408	50.0%	30,683	52.9%	29,333	56.0%
Hispanic	13,779	24.4%	12,642	22.3%	12,064	20.8%	10,412	19.9%
African american	11,008	19.5%	10,946	19.3%	10,485	18.1%	8,647	16.5%
Asian	3,211	5.7%	3,319	5.8%	3,462	6.0%	3,121	6.0%
Native american	296	0.5%	312	0.5%	293	0.5%	253	0.5%
Other	1,481	2.6%	1,179	2.1%	1,064	1.8%	583	1.1%
Total	<u>56,429</u>	<u>100.0%</u>	<u>56,806</u>	<u>100.0%</u>	<u>58,051</u>	<u>100.0%</u>	<u>52,349</u>	<u>100.0%</u>
<u>Age</u>								
Under 17	1,348	2.4%	1,232	2.2%	1,093	1.9%	768	1.5%
17	1,995	3.5%	2,048	3.6%	1,853	3.2%	2,047	3.9%
18	5,509	9.8%	5,807	10.2%	5,858	10.1%	5,637	10.8%
19-21	16,129	28.6%	16,204	28.5%	16,736	28.8%	15,610	29.8%
22-24	8,575	15.2%	8,921	15.7%	9,340	16.1%	8,156	15.6%
25-30	9,544	16.9%	9,714	17.1%	10,303	17.7%	8,737	16.7%
31-35	4,908	8.7%	4,692	8.3%	4,668	8.0%	4,046	7.7%
36-50	6,890	12.2%	6,744	11.9%	6,823	11.8%	6,095	11.6%
51-64	1,415	2.5%	1,301	2.3%	1,277	2.2%	1,145	2.2%
65 and older	116	0.2%	143	0.3%	100	0.2%	108	0.2%
Total	<u>56,429</u>	<u>100.0%</u>	<u>56,806</u>	<u>100.0%</u>	<u>58,051</u>	<u>100.0%</u>	<u>52,349</u>	<u>100.0%</u>
Average age	26.0		25.8		25.6		25.6	

Source:
CBM001

Note:
A change in administrative software changed the data accumulation beginning Fall 2004.

Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
27,371	60.4%	25,701	60.6%	23,238	60.4%	22,869	59.3%	24,946	65.2%
17,954	39.6%	16,717	39.4%	15,213	39.6%	15,719	40.7%	13,328	34.8%
<u>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>	<u>38,274</u>	<u>100.0%</u>

26,278	58.0%	25,308	59.6%	23,424	61.0%	24,152	62.6%	24,271	63.4%
8,421	18.6%	7,472	17.6%	5,780	15.0%	6,310	16.3%	5,832	15.2%
7,143	15.8%	6,429	15.2%	6,511	16.9%	5,366	13.9%	5,348	14.0%
2,768	6.1%	2,464	5.8%	2,128	5.5%	2,058	5.3%	1,989	5.2%
256	0.5%	192	0.5%	193	0.5%	214	0.6%	233	0.6%
459	1.0%	553	1.3%	415	1.1%	488	1.3%	601	1.6%
<u>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>	<u>38,274</u>	<u>100.0%</u>

468	1.0%	390	0.9%	83	0.2%	95	0.3%	75	0.2%
1,675	3.7%	1,609	3.8%	715	1.9%	682	1.8%	690	1.8%
5,146	11.4%	4,871	11.5%	4,597	12.0%	4,464	11.6%	4,422	11.5%
14,218	31.4%	13,326	31.4%	12,310	32.1%	12,664	32.8%	12,511	32.7%
7,136	15.7%	6,794	16.0%	6,273	16.3%	6,576	17.0%	6,481	16.9%
7,228	15.9%	6,611	15.6%	6,159	16.0%	5,959	15.4%	5,776	15.1%
3,306	7.3%	3,012	7.1%	2,825	7.3%	2,906	7.5%	2,916	7.6%
5,157	11.4%	4,941	11.6%	4,671	12.1%	4,412	11.4%	4,653	12.2%
906	2.0%	799	1.9%	737	1.9%	758	2.0%	690	1.8%
85	0.2%	65	0.2%	81	0.2%	72	0.2%	60	0.2%
<u>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>	<u>38,274</u>	<u>100.0%</u>

25.3

25.3

25.6

25.5

25.5

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 17
TRANSFER TO SENIOR INSTITUTIONS
2011-2012 GRADUATES, COMPLETERS AND NON-RETURNERS
(UNAUDITED)**

	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of all Transfer Students	% of all Transfer Students
Universities:					
Angelo State University	35	12		47	0.34%
Lamar University	18	8	2	28	0.20%
Midwestern State University	152	30	1	183	1.33%
Prairie View A&M University	40	9		49	0.36%
Sam Houston State University	53	14	1	68	0.49%
Stephen F. Austin State University	211	30	8	249	1.81%
Sul Ross State University	3			3	0.02%
Tarleton State University	681	142	76	899	6.52%
Texas A&M University International University	2			2	0.01%
Texas A&M University	633	29	9	671	4.86%
Texas A&M University-Central Texas				-	0.00%
Texas A&M University-Commerce	83	19	10	112	0.81%
Texas A&M University-Corpus Christi	36	8	2	46	0.33%
Texas A&M University-Kingsville	3	4		7	0.05%
Texas A&M University-Texarkana				-	0.00%
Texas A&M University- Galveston	17			17	0.12%
Texas A&M University- San Antonio	2			2	0.01%
Texas Southern University	33	6		39	0.28%
Texas State University	275	24	7	306	2.22%
Texas Tech University	599	51	12	662	4.80%
Texas Woman's University	640	208	47	895	6.49%
The University of Texas at Arlington	5,035	927	328	6,290	45.58%
The University of Texas at Austin	436	26	7	469	3.40%
The University of Texas at Brownsville				-	0.00%
The University of Texas at Dallas	154	19	10	183	1.33%
The University of Texas at El Paso	2	3	4	9	0.07%
The University of Texas-Pan American	3			3	0.02%
The University of Texas at San Antonio	28	7		35	0.25%
The University of Texas at Tyler	20	6	2	28	0.20%
The University of Texas of the Permian Basin	12	1		13	0.09%
University of Houston	91	16		107	0.78%
University of Houston- Downtown	3		4	7	0.05%
University of Houston at Clear Lake				-	0.00%
University of Houston at Victoria	5			5	0.04%
University of North Texas	1,939	213	100	2,252	16.33%
University of North Texas at Dallas	62	10	13	85	0.62%
West Texas A&M University	19	2	2	23	0.17%
Total	11,325	1,824	645	13,794	100.00%

Source:

<http://www.txhighereddata.org/reports/performance/ctcasalf/ctcadd/>

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 18
CAPITAL ASSET INFORMATION
LAST EIGHT FISCAL YEARS
(UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Academic Buildings	82	81	79	60
Square footage	2,191,020	2,172,664	2,167,963	2,030,332
Libraries	5	5	5	5
Square footage	127,000	124,630	127,000	127,000
Number of Volumes	282,245	278,276	266,019	253,989
Administrative and support support buildings	15	14	13	11
Square footage	97,607	79,000	77,400	70,500
Dining Facilities	6	6	6	5
Square footage	80,109	80,109	80,109	79,000
Average daily customers	2,402	2,200	2,345	2,230
Athletic Facilities	13	13	13	13
Square footage	172,000	172,000	172,000	172,000
Gymnasiums	4	4	4	4
Fitness Centers	5	5	5	5
Tennis Courts	3	3	3	3
Plant facilities	12	12	12	11
Square footage	100,205	97,100	97,100	91,000
Transportation				
Cars	25	65	52	44
Light Trucks/Vans	166	127	112	127

Note:

(a) The District previously did not present this schedule and chose to implement prospectively.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006 (a)</u>
52	41	40	42
2,021,500	1,625,000	1,611,000	1,611,000
5	4	4	4
127,000	113,000	113,000	113,000
237,318	212,591	249,630	255,062
10	8	8	8
69,000	66,000	66,000	66,000
5	4	4	4
79,000	61,000	61,000	61,000
1,308	1,380	1,208	1,075
13	12	12	12
172,000	166,000	166,000	166,000
4	4	4	4
5	4	4	4
3	2	2	4
11	10	10	11
91,000	56,000	56,000	56,000
44	41	41	22
130	128	120	128



**Tarrant[®]
County
College**



Federal Single Audit Section



Federal Single Audit
Section

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2013**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
U.S. DEPARTMENT OF EDUCATION			
Federal Direct Programs:			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grant	84.007		\$ 1,426,533
Federal Work Study Program	84.033		849,636
Federal Pell Grant Program	84.063		77,660,707
Federal Direct Student Loans	84.268		40,322,910
Higher Education Institutional Aid	84.031A		415,224
TRIO Cluster			
TRIO Student Support Services	84.042A		285,517
TRIO Upward Bound	84.047A		<u>778,184</u>
Total Direct from U.S. Department of Education			121,738,711
Pass-Through from:			
Texas Education Agency			
Adult Education - Basic Grants to States	84.002	220-905	204,041
Texas Higher Education Coordinating Board			
Career and Technical Education - Basic Grants to States	84.048	124257	<u>1,352,596</u>
Total U.S. Department of Education			123,295,348
U.S. DEPARTMENT OF AGRICULTURE			
Pass-Through From:			
Texas Workforce Commission			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0513ATP000	21,333
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-Through from:			
Water from the Rock			
Community Development Block Grants/Entitlement Grants	14.218		15,100

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2013**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
U.S. DEPARTMENT OF LABOR			
Pass-Through from:			
North Central Texas Council of Governments Community Based Job Based Training	17.269	CB20564-10-60-A-48	489,385
Texas Workforce Commission			
WIA Cluster			
College Credit for Heroes - WIA Title V Incentive Grants	17.267	2913WSW007	5,847
Apprenticeship -WIA Dislocated Workers	17.278	0513ATP000	<u>102,381</u>
Total U. S. Department of Labor			597,613
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION			
Pass-Through from:			
Texas Department of Transportation Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	583EGF5041	2,104
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-Through From:			
U.S. General Services Administration	39.003		8,564
NATIONAL SCIENCE FOUNDATION			
Pass-Through from:			
University of Texas at Arlington Opportunity Enhancing Diversity in GeoSciences	47.050	NSF10-599	8,638
University of Texas at El Paso Education and Human Resources	47.076	26-1008-4125	9,130
Texas A&M Engineering Experiment Station Education and Human Resources	47.076	DUE-1205021	<u>14,958</u> 32,726

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2013**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
U.S. SMALL BUSINESS ADMINISTRATION			
Pass-Through from:			
North Texas Small Business Development Center			
Small Business Development Centers	59.037	8-603001-Z-0046-24	72,724
Small Business Development Centers	59.037	SBAHQ-12-B-0051	96,336
Small Business Job Act Program	59.037	1-603001-0152	85,181
			<u>254,241</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through from:			
Substance Abuse and Mental Health Services Administration			
Suicide Prevention Pilot	93.243	1U79SM060533-01	88,802
Texas Education Agency			
Temporary Assistance for Needy Families	93.558	220-905	19,002
Texas Workforce Commission			
Temporary Assistance for Needy Families - Apprenticeship	93.558	0513ATP000	15,263
Temporary Assistance for Needy Families - Summer Merit	93.558	0513TAN003	58,137
Total Temporary Assistance for Needy Families			<u>92,402</u>
Total Department of Health and Human Services			181,204
NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES			
Pass-Through from:			
Texas Woman's University			
Biomedical Research and Research Training	93.859	R25GM058397-10	1,368
Total Federal Financial Assistance			<u><u>\$ 124,409,601</u></u>

See Notes to Schedule on Following Page

**TARRANT COUNTY COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

NOTE 1. FEDERAL ASSISTANCE RECONCILIATION

Federal Revenues – per Schedule of Expenditures of Federal Awards:

Federal Grants and Contracts – per Schedule A	\$ 3,757,923
Federal Grants and Contracts – per Schedule C	80,360,739
Direct Loans	40,322,910
Veterans' Administration	<u>(31,971)</u>
 Total Federal Revenues per Schedule of Expenditures of Federal Awards	 <u>\$ 124,409,601</u>

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The expenditures included in the schedule are reported for the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. Management believes they have followed all applicable guidelines issued by various entities in the preparation of the schedule.

NOTE 3. STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

<u>Federal Grantor/ CFDA Number/Program Name</u>	<u>New Loans Processed</u>	<u>Admin Cost Recovered</u>	<u>Total Loans Processed & Admin Cost Recovered</u>
U.S. Department of Education:			
84.268 Direct Loans	<u>\$ 40,322,910</u>	<u>\$ -</u>	<u>\$ 40,322,910</u>



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

To the Board of Trustees
Tarrant County College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tarrant County College District (the District), as of and for the year ended August 31, 2013, and the related notes to the financial statements, and have issued our report thereon dated December 11, 2013.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Texas Public Funds Investment Act

We have also performed tests designed to verify the District's compliance with the requirements of the Texas Public Funds Investment Act. During the year ended August 31, 2013, no instances of noncompliance were found.

To the Board of Trustees
Tarrant County College District

Page 2

Compliance and Other Matters

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

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
December 11, 2013



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

To the Board of Trustees
Tarrant County College District

Report on Compliance for Each Major Federal Program

We have audited the compliance of Tarrant Country College District (the District) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2013.

To the Board of Trustees
Tarrant County College District

Page 2

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
December 11, 2013

**TARRANT COUNTY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2013**

Section I. Summary of Auditor's Results

Financial Statements

The type of auditor's report issued: Unqualified

Internal Control over Financial reporting:

- Material weakness(es) identified _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? reported _____ yes X none

Type of auditor's 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 Circular A-133? _____ yes X no

Identification of major programs:

Student Financial Assistance Cluster

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes _____ no

**TARRANT COUNTY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2013**

Section II. Financial Statement Findings

There were no findings relating to internal control or compliance which are required to be reported in accordance with Government Auditing Standards.

Section III. Federal Award Findings and Questioned Costs

There were no findings relating to internal control or compliance which are required to be reported in accordance with U.S. Office of Management and Budget Circular A-133.

Section IV. Corrective Action Plan

The current year audit of federal awards disclosed no findings that require a corrective action plan.

Section V. Prior Year Audit Findings

There were no prior year audit findings.



State Single Audit Section



State Single Audit
Section

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE F
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED AUGUST 31, 2013**

Grant Agency / Program Title	Grant Contract Number	Expenditures
TEXAS WORKFORCE COMMISSION		
Apprenticeship	0513ATP000	\$ 161,871
Skills Development Fund - Skills for Small Business	0511SSD000	231
Skills Development Fund - Manufacturing consortium	0512SDF001	295,899
Skills Development Fund - Hospital Corp of America, Inc	0512SDF002	228,543
Skills Development Fund - GE Manu Solutions	0512SDF003	620,140
Skills Development Fund - Weir SPM	0512SDF004	<u>179,477</u>
Total Texas Workforce Commission		1,486,161
TEXAS EDUCATION AGENCY		
Adult Basic Education Program	220-905	35,537
TEXAS HIGHER EDUCATION COORDINATING BOARD		
Work Study	9116697M	137,265
Be On Time	9300001H	42,708
Toward Excellence, Access and Success Grant I	9117701M	2,210,009
Texas Educational Opportunity Grant	9117622M	559,385
Professional Nursing Shortage Reduction - 2011	9106843M	65,286
Professional Nursing Shortage Over 70% Program - 2010	9000122M	61,534
Professional Nursing Shortage Over 70% Program - 2011	9105206M	29,675
Accelerated Developmental Education Pilot Project - ModMath	9120873M	28,623
P-16 Developmental Education Demonstration Project and Adult Basic Education	9118724M	749,898
Top 10% Scholarship	9300032M	93,522
Texas Science, Technology Engineering and Math T-STEM	9120437M	<u>211</u>
Total Texas Higher Education Coordinating Board		3,978,116
DALLAS COUNTY COMMUNITY COLLEGE		
Small Business Development Center	1-603001-Z-0046-24	26,700
Small Business Development Center	SBAHQ-12-B-0051	<u>28,143</u>
Total Dallas County Community College		<u>54,843</u>
Total State Financial Assistance		<u><u>\$ 5,554,657</u></u>

See Notes to Schedule on Following Page

**TARRANT COUNTY COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS**

NOTE 1. STATE ASSISTANCE RECONCILIATION

State Revenues – per Schedule of Expenditures of State Awards:

State Grants and Contracts – per Schedule A \$ 5,554,657

Total State Revenues per Schedule of Expenditures of State Awards \$ 5,554,657

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The expenditures included in the schedule are reported for the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds, which have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. Management believes they have followed all applicable guidelines issued by various entities in the preparation of the schedule.



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UGMS SINGLE AUDIT CIRCULAR

To the Board of Trustees
Tarrant County College District

Report on Compliance for Each Major State Program

We have audited the compliance of Tarrant Country College District (the District) with the types of compliance requirements described in the Texas Governor's Office of Budget and Planning, *Uniform Grant Management Standards (UGMS)* which includes the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the District's major state programs for the year ended August 31, 2013. The District's major state programs are identified in the summary of auditor's results section of the accompanying state schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *UGMS State of Texas Single Audit Circular*. Those standards and UGMS Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended August 31, 2013.

To the Board of Trustees
Tarrant County College District

Page 2

Report on Internal Control over Compliance

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
December 11, 2013

**TARRANT COUNTY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2013**

Section I. Summary of Auditor's Results

Financial Statements

The type of auditor's report issued: Unqualified

Internal Control over Financial reporting:

- Material weakness(es) identified _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

State Awards

Internal control over major programs:

- Material weakness(es) identified _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditor's 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 the Uniform Grant Management Standards Single Audit Circular? _____ yes X no

Identification of major programs:

Toward Excellence, Access and Success Grant I
Texas Educational Opportunity Grant

**TARRANT COUNTY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2013**

Dollar threshold used to distinguish
between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

Section II. Financial Statement Findings

There were no findings relating to internal control or compliance which are required to be reported in accordance with Government Auditing Standards.

Section III. State Award Findings and Questioned Costs

There were no findings relating to internal control or compliance which are required to be reported in accordance with U.S. Office of Management and Budget Circular A-133.

Section IV. Corrective Action Plan

The current year audit of federal awards disclosed no findings that require a corrective action plan.

Section V. Prior Year Audit Findings

12-01 Condition: The District awarded \$28,800 of financial aid to ineligible students.

Recommendation: The District should implement controls to ensure that only eligible students receive awards.

Current status: Student Financial Aid Services has put two additional controls in place to prevent a student from being awarded a Texas Grant without the correct high school graduation type. No similar findings were noted in the 2013 audit.

Tarrant County College District
Finance Department
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Fort Worth, Texas 76102
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