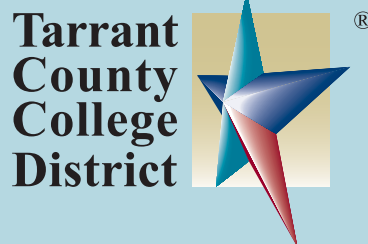




COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED AUGUST 31, 2015 AND 2014
TARRANT COUNTY COLLEGE DISTRICT
TEXAS





Comprehensive Annual Financial Report

For the Fiscal Years Ended
August 31, 2015 and 2014

Prepared by:

**Finance Department
Tarrant County College District
Texas**

**Tarrant County College District
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION

INTRODUCTORY SECTION

CHANCELLOR'S LETTER



December 11, 2015

To the Board of Trustees:

This past year has been one of celebration and success for Tarrant County College District, and I am pleased to share the Comprehensive Annual Financial Report with you and with our community. Through this report, you will get a detailed picture of the District's financial operations for fiscal year 2015, which ended on August 31, 2015.

On October 1, 2015, we lost our beloved leader, Chancellor Erma Johnson Hadley, after a courageous and determined battle with cancer. Her death came just two short months after she proudly stood alongside former Chancellors Joe B. Rushing, C.A. Roberson and Leonardo de la Garza on stage at TCCD's 50th Anniversary Celebration, which included a bond burning ceremony in honor of TCCD's last outstanding general obligation, making the District debt free for the first time in its history. At that moment, she announced to thunderous applause that TCCD was officially debt-free. What a wonderful way to begin our next 50 years, and what a profound testament to her leadership and to TCCD's stewardship of our taxpayers' dollars.

This year began with great discussion about the future of college affordability and new proposals. More than 100,000 students come through our doors each year – often, not knowing exactly what they wish to pursue but keenly aware their futures will be brighter with a college education. Our job is to meet them where they are and help get them where they wish to go – to show them their Success Within Reach – and to teach them, as Chancellor Hadley used to say, that “it's yours for the working.”

We continue to explore ways to improve student success outcomes as measured by course completion, by retention and by graduation. I'm pleased to report that in 2015, we enjoyed record-breaking graduation numbers, with 7,340 students receiving a diploma or certificate. Of those, 42 were graduating from the Marine Creek Early College High School, receiving an associate degree along with their high-school diploma. Last August, we opened our sixth early college high school at the South campus, our dual credit program continues to grow, and our online class offerings (along with enrollment) continue to grow exponentially. Going forward, we have set the bar even higher for ourselves, challenging our faculty and staff to improve the retention rates of our degree-seeking, first-time-in-college students by 20 percent in one year. We know this is bold work. We also know that this is the right work for our students and for our community.

This report will provide an inside look at how TCCD's commitments to student success, community impact and institutional excellence have been manifest over the past year. Our hope is that our 50-year legacy of serving Tarrant County – combined with our unwavering commitment to ongoing innovation – gives you continued confidence in the powerful economic engine that is Tarrant County College District.

Sincerely,

A handwritten signature in black ink that reads "Angela Robinson". The signature is written in a cursive, flowing style.

Angela Robinson
Acting Chancellor

TRANSMITTAL LETTER

FOR THE YEARS ENDED AUGUST 31, 2015 AND 2014

December 11, 2015

To: Acting Chancellor Angela Robinson,
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, 2015, 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, 2015 was prepared by the Finance Department. The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as established by 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 4-11), 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, which involves an ongoing process of self-examination, self-improvement, and an unwavering pursuit of excellence.

Tarrant County College District is committed to:

- **Excellence:** our belief in providing outstanding quality in educational programs, administrative support, and services to students, faculty and staff;
- **Access:** our belief in providing educational opportunities for all members of the community;
- **Diversity:** our belief that the District should reflect the diverse composition of our community;
- **Student Success:** our belief in providing quality instruction, resources, and support services to assist our students in achieving their goals;
- **Service to Community:** our belief in the importance of engaging the community in our efforts to enhance the economic health and quality of Tarrant County; and

- **Innovation and Creativity:** our belief in cultivating a learning environment that evaluates and incorporates into our curricula emerging technologies and methodologies to enhance our quality of instruction and our administrative effectiveness for our 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 1.9 million residents, according to the United States Census Bureau. Home to several major corporations including Alcon, AMR/American Airlines, Bell Helicopter, BNSF Railway, and Lockheed Martin, among others. Tarrant County represents an ideal location for business due to its proximity to Dallas-Fort Worth International Airport, the ninth busiest airport in the world; and Alliance Airport, the world's first 100% industrial airport designed for cargo and corporate aviation. This vibrant business community, fueled by more than 30,000 companies, provides meaningful employment opportunities even through economic fluctuations. In September 2015, the unemployment rate in Tarrant County totaled 4.1 percent compared to 5.1 percent nationwide. 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, health care, and trade and professional service 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, yielding 58.1 billion cubic feet annually. 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

Since its inception 50 years ago as a single-campus junior college, Tarrant County College District has



grown to become the nation's 13th-largest institution of higher education based on annual enrollment. Its impact is felt keenly throughout Tarrant County, with one of every 19 residents taking advantage of the educational programs and workforce training services the District offers. TCCD serves more than 100,000 students each year, spanning all age groups and representing 49 countries. With a greater number of students discouraged to attend college due to prohibitive costs or their own lack of college readiness, TCCD continues to provide pathways to higher education based on its fundamental philosophy that "everyone is college material." TCCD knows that sustainable economic viability for Tarrant County and beyond requires an educated, well-trained and prepared workforce ready to meet the demands of the future. The District's commitments to student success, affordability, accessibility and institutional effectiveness, as articulated in its Vision 2015 Strategic Plan, inform the creation of every new program or initiative TCCD introduces, and provide a relevant and evidence-based benchmark against which the District can measure its success.

According to American College Testing (ACT), making the transition from freshman to sophomore year is difficult for one in every four college students, who leave before achieving a degree or completing their college education elsewhere. Because TCCD prioritizes student retention, completion and graduation above all else, the District continues to invest in developing, sustaining and expanding those programs and services that will help students overcome obstacles and achieve success.



Chancellor's Emerging Leaders

Also under the heading of providing students with the support they need to succeed, the fourth class of the Chancellor's Emerging Leaders program completed their first year at TCCCD.

Supplemental Instruction

In the last several years, TCCCD has expanded its number and availability of learning labs, tutoring centers and mentoring programs to help students who require additional assistance keep pace with the rigors of college coursework.

TCCD Connect

To this same point, because of the diverse backgrounds and life obligations of TCCCD's students, the District's ability to provide flexible instructional delivery makes all the difference for people who may need a different path to that certificate or degree. This was one of the many catalysts for the creation of TCC Connect and in just two short years, TCCD now offers 15 fully online programs, including 5 associate degree programs and 13 certificate programs in the areas of business and office technology. Similarly, Weekend College – TCCD's newest offering through which full-time students can earn an associ-

ate degree in 18 months or less while only attending class on the weekends – clearly resonated with a population of students needing flexible instructional delivery.

2014-2015 Highlights

TCCD transformed the organization formerly known as Continuing Education into a new structure: Community and Industry Education (CIE). This new name and structure accommodate not only the programs TCCD has in place today, but those that may be added in the future. Community and Industry Education consists of four clear program units: Lifelong Learning, Workforce Training and Certifications, Preparatory Education, and Professional Seminars and Conferences.

TCCD graduated 7,340 students during the 2014-2015 school year, representing a 53 percent increase in number of degrees and certificates conferred in the past four years despite simultaneous enrollment increases of only 3 percent.



Tarrant County College's Northwest Campus opened the long-awaited Center of Excellence in Aviation, Transportation and Logistics (CEATL), providing significantly expanded training opportunities not just in Aviation, but in Logistics and Supply Chain Management as well. To date, five Associate Degree programs and 10 certificate programs are offered at this location.



TCCD's year-long celebration of its 50-year legacy of service to the community culminated in August with a free public event at Panther Island on the Trinity River in downtown Fort Worth. The hallmark event, "TCCD Proud: Celebrating 50 Years," included "Over the Years," a historical tribute; greetings and proclamations from elected officials; and a bond-burning ceremony in honor of TCCD's final payment on its last general obligation bond, making it debt-free for the first time in its history. Participants also enjoyed "Doing Up the Decades" – performances from each campus highlighting the last five decades, and the "Education Try-Way," where participants tried their hand at flying with a laptop flight simulator, recorded their memories of TCCD in the Radio/TV/Film studio, learned to spell their names in sign language and enjoyed chocolate-dipped fruit while checking out TCCD programs and services showcased in tents on the banks of the Trinity River.

The Fort Worth Chamber of Commerce honored TCCD with the Chairman's Spirit of Enterprise Award at the Chamber's 133rd annual meeting. Initiated in 1975, the award recognizes companies that have made significant contributions to the city's advancement and prosperity while reflecting the strengths of the American private enterprise system. TCCD becomes only the second higher education institution to be honored with the Spirit of Enterprise Award, and was lauded for its annual economic impact in Tarrant County of \$444.8 million.

Institutional Excellence

TCCD prides itself on putting "Success Within Reach" by virtue of its commitment to affordability, accessibility and diversity that is reflective of the community. Of all the Big 10 Community Colleges in Texas, TCCD has the second-lowest tuition.

In 2014-2015, TCCD also completed the work it began two years ago to move to common course materials for all TCCD courses. The anticipated benefits were two-fold: first, creating consistency across all TCCD campuses and second, to help students save some of their precious dollars while ensuring they would have access to the materials they needed to succeed. Currently, 97% of TCCD's classes now have common course materials selected.

High school students and their families are looking for every possible way to make college a reality, which is why the programs TCCD offers to foster a college-going culture are so critical. Our Early College High Schools underscore our commitment to this very thing – creating a college-going culture.

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, 2015 are included on pages 106 and 113, 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 16-20)

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 previously mentioned, during TCCD's 50th Celebration, Chancellor Hadley, former Chancellor de la Garza, and the Board of Trustees participated in a bond burning ceremony. The District becoming debt-free was due in part to policies initiated in 1998 when the Board of Trustees adopted the "pay-as-you-go" strategy. 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, 2014. This was the twenty-third 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



Linzy R. Brannan, 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, 2014

Executive Director/CEO

Tarrant County College District Elected Officials August 31, 2015



Louise Appleman
President of the Board
Term Expires: May 2019



Conrad C. Heede
Vice President of the Board
Term Expires: May 2021



O.K. Carter
Secretary of the Board
Term Expires: May 2017



Bill Greenhill
Assistant Secretary of the Board
Term Expires: May 2017



Teresa Ayala
Member of the Board
Term Expires: May 2021



Gwendolyn Morrison
Member of the Board
Term Expires: May 2019



Kristin Vandergriff
Member of the Board
Term Expires: May 2021

Tarrant County College District Principal Officials August 31, 2015

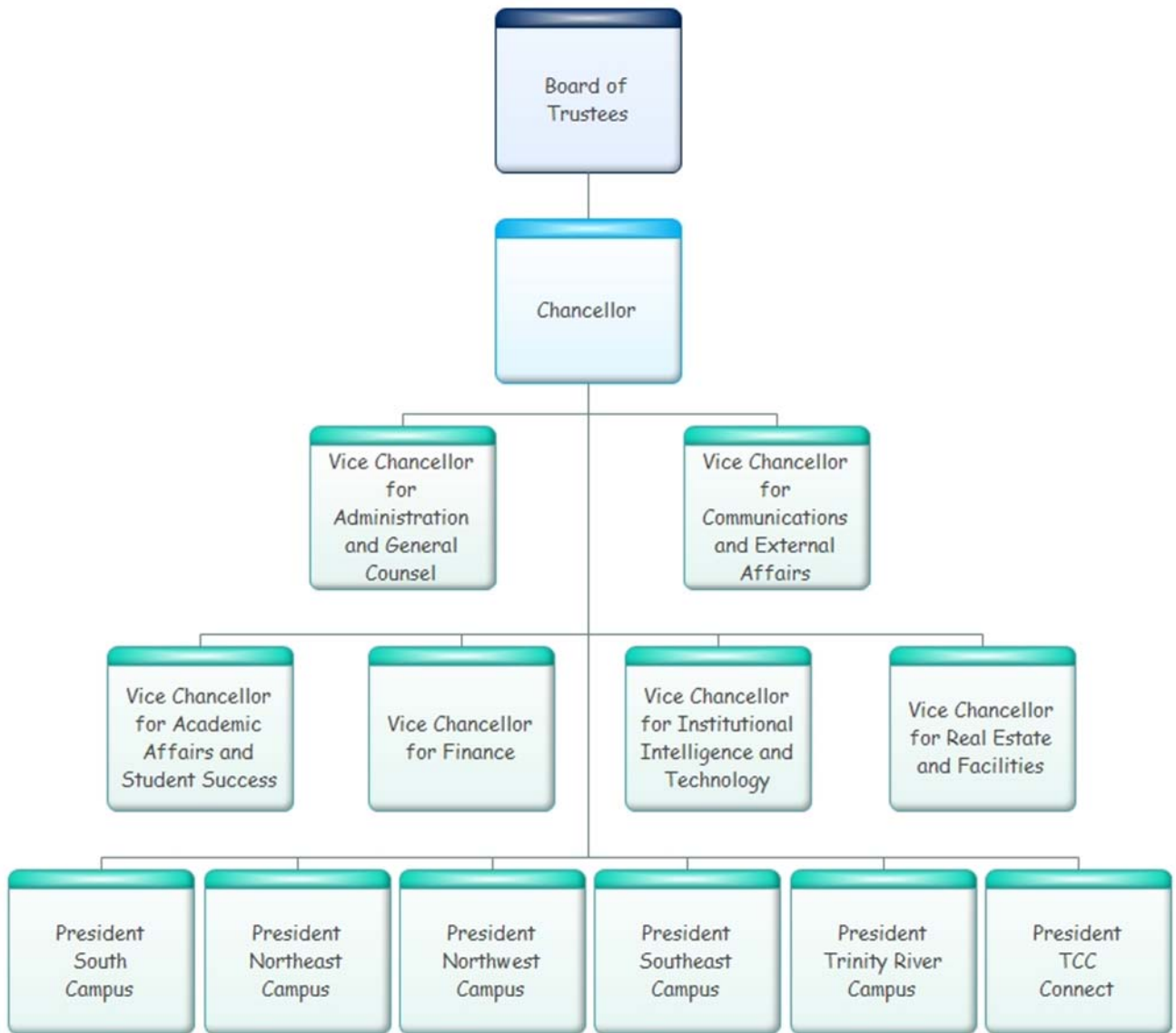
Administrative Officials

Chancellor	Erma C. Johnson Hadley, M.Ed.
President, Southeast Campus	Bill Coppola, Ph.D.
President, Trinity River Campus	Tahita M. Fulkerson, Ph.D.
Vice Chancellor for Communications and External Affairs	Reginald Gates, M.Ed.
Vice Chancellor for Academic Affairs and Student Success	Joy Gates Black, Ed.D.
President, Northeast Campus	Allen Goben, Ed.D.
President, South Campus	Peter Jordan, Ed.D.
President, Northwest Campus	Elva C. LeBlanc, Ph.D.
Vice Chancellor for Institutional Intelligence and Technology	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.

Finance Officials

Associate Vice Chancellor for Finance	Nancy H. Chang, M.B.A.
Director of Accounting	Stan L. Vick, C.P.A.
Chief Accountant	Linzy R. Brannan, 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, 2015 and 2014, 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, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 2, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective September 1, 2014. The implementation of these statements resulted in a restatement of net position as of August 31, 2014 in the amount of \$46,603,458. Our opinion is not modified with respect to this matter.

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 11, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of the District's Contributions and Notes to Required Supplementary Information on pages 44 to 46 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 57 to 95 and the additional financial information on pages 48 to 55 are presented for the purposes of

To the Board of Trustees
Tarrant County College District

Page 3

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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional financial 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, 2015 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, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED AUGUST 31, 2015 AND 2014

Introduction

The following Management's Discussion and Analysis (MD&A) reviews the District's financial activity during the fiscal years ended August 31, 2015, 2014 and 2013. 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 ii-viii), the District's basic financial statements (pages 12-15) and the notes to the financial statements (pages 16-42). 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. (A detailed discussion of the reporting and accounting policies of the District may be found in Note 2 to the financial statements, pages 16-20.) The financial statements are comprised of the following components.

Report of Independent Auditors presents an unmodified 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, liabilities and deferred outflows and inflows of resources at the end of the fiscal year presented. The District's net position 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, 2015 and 2014. 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.

Required Supplementary Information 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.

Supplementary Data is supporting information that is presented for the purposes of additional analysis or 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.

Fiscal Year 2015 Financial Highlights

- In the fiscal year ended August 31, 2015, total District revenues exceeded total expenses by \$32.3 million as a result of careful budgeting, prudent fiscal management and conservation of resources.
- During the fiscal year, the District capitalized \$14.7 million of capital improvements on existing properties.

Statement of Net Position

The Statement of Net Position includes all assets, liabilities, and deferred outflows and inflows of resources. 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 \$14.8 million during fiscal year 2015, and \$30.6 million during fiscal year 2014 and total liabilities increased \$23.9 million for fiscal year 2015 and decreased \$6.7 million for fiscal year 2014.

- **Current Assets** increased by \$36.3 million during fiscal year 2015, and increased by \$37.5 million during fiscal year 2014. The 2015 increase is pri-

Condensed Statements of Net Position

August 31

(Dollars in millions)

	2015	2014	2014-15 Change	2013	2013-14 Change
Current Assets	\$156.6	\$120.3	\$36.3	\$82.8	\$37.5
Non-Current Assets:					
Long-Term Investments	110.6	151.5	(40.9)	169.7	(18.2)
Capital Assets, net	876.3	856.9	19.4	845.6	11.3
Total Assets	1,143.5	1,128.7	14.8	1,098.1	30.6
Deferred Outflows	7.4		7.4		
Current Liabilities	53.1	65.3	(12.2)	59.1	6.2
Non-Current Liabilities	45.3	9.2	36.1	22.1	(12.9)
Total Liabilities	98.4	74.5	23.9	81.2	(6.7)
Deferred Inflows	12.6		12.6		
Net Investment in Capital Assets	871.3	839.0	32.3	816.9	22.1
Restricted	6.8	8.9	(2.1)	6.6	2.3
Unrestricted	161.8	206.3	(44.5)	193.4	12.9
Total Net Position	\$1,039.9	\$1,054.2	\$ (14.3)	\$1,016.9	\$ 37.3

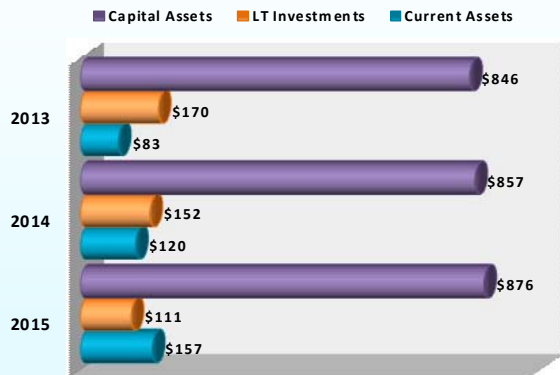
marily due to an increase in short-term investments. The 2014 increase is also attributable to an increase in short-term investments. Current assets consist mainly of cash, short-term investments, and receivables. Cash and short-term investments are maintained at levels necessary to cover current liabilities 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 grants and contracts. At year-end 2015, current assets increased from the prior year 10.7 percent of total assets to the current year 13.7 percent of total assets; long-term investments decreased from the prior year 13.4 percent of total assets to the current year 9.7 percent of total assets; and capital assets increased from the prior year 75.9 percent of total assets to current year 76.6 percent of total assets. 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** decreased by 2.1 percent, or \$21.5 million, for fiscal year 2015, and decreased \$6.9 million (0.7 percent) for fiscal year 2014. The 2015 decrease is due to a decrease in long-term investments. The majority of the capital asset

Comparative Composition of Assets, Liabilities, Deferred Outflows and Inflows, and Net Position

Years Ended August 31 (Dollars in Millions)

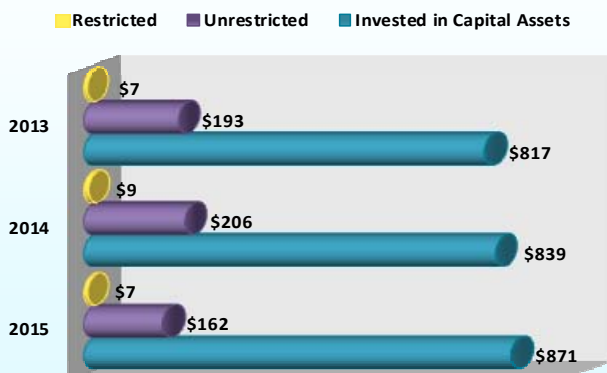
ASSETS



value is in property and equipment, with additional construction continually ongoing. Property, plant and equipment, net of depreciation, increased by \$19.4 million compared to year end 2014. This increase, net of current year depreciation of \$29.9 million, reflects spending on various ongoing capital improvement projects.

- **Deferred Outflows of Resources** - The implementation of GASB 68 this year resulted in the recording of deferred outflows of resources related to pensions for the year ended August 31, 2015 in the amount of \$7.4 million.

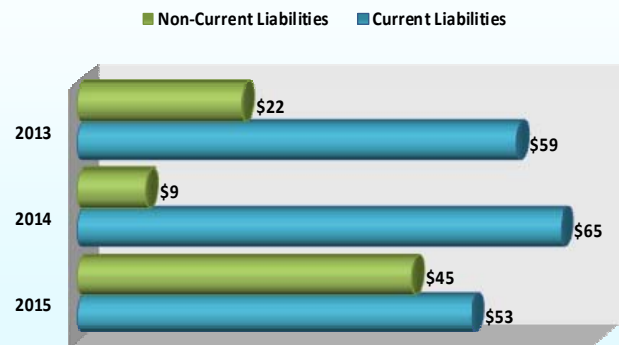
NET POSITION



- **Current Liabilities** decreased \$12.2 million and non-current liabilities increased \$36.1 million for the year ended August 31, 2015. Current liabilities of \$53.1 million were comprised of accounts payable, accrued liabilities, accrued employee benefits, unearned revenue, 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 decreased \$4.3 million. The current portion of the District's long-term debt at fiscal year-end of \$5.0 million decreased by \$8.0 million over the fiscal 2014 amount. (See Notes 6 and 7, pages 24-26, for additional information regarding the bond indebtedness and the note payable.)

- **Non-current Liabilities** primarily consist of accrued employee benefits and net pension liability as required by GASB 68. Total non-current liabilities were \$45.3 million at August 31, 2015

LIABILITIES



(including net pension liability of \$41.1 million) versus \$9.2 million at August 31, 2014.

- **Deferred Inflows of Resources** - The implementation of GASB 68 this year resulted in the recording of deferred inflows of resources related to pensions for the year ended August 31, 2015 in the amount of \$12.6 million.
- **Net Position** (total assets and deferred outflows less total liabilities and deferred inflows) decreased \$14.3 million, or 1.4 percent. This was primarily due to the requirements of GASB 68

whereby individual institutions must record the present value of projected pension payments. Net investment in capital assets, \$871.3 million, represents 83.8 percent of net position, which reflects 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 0.6 percent of net position. The remaining unrestricted net position may be used for educational or general operations of the District. Unrestricted net position decreased \$44.5 million, and represents 15.6 percent of net position. During fiscal year 2015, the net position designated for future capital outlay decreased by \$8.0 million to \$19.7 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 usual-

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

Years Ended August 31
(Dollars in millions)

	2015	2014	2014-15 Change	2013	2013-14 Change
Operating Revenue					
Tuition & Fees	\$ 49.5	\$ 49.4	\$ 0.1	\$ 50.2	\$ (0.8)
Grants & Contracts	11.6	14.1	(2.5)	12.5	1.6
Auxiliary Enterprises	3.4	2.8	0.6	2.9	(0.1)
Other Operating Revenue	4.7	6.3	(1.6)	6.2	0.1
Total Operating Revenue	69.2	72.6	(3.4)	71.8	0.8
Operating Expenses					
Instruction	130.7	123.3	7.4	115.8	7.5
Public Service	9.2	8.1	1.1	8.3	(0.2)
Academic Support	29.0	27.6	1.4	24.8	2.8
Student Services	31.5	29.6	1.9	28.8	0.8
Institutional Support	40.9	39.7	1.2	39.3	0.4
Operation & Maintenance of Plant	33.2	38.4	(5.2)	34.7	3.7
Scholarships & Fellowships	64.5	75.7	(11.2)	76.4	(0.7)
Auxiliary Enterprises	3.8	2.8	1.0	2.2	0.6
Depreciation	29.9	29.2	0.7	27.4	1.8
Total Operating Expenses	372.7	374.4	(1.7)	357.7	16.7
Operating Loss	(303.5)	(301.8)	(1.7)	(285.9)	(15.9)
Non-Operating Revenue (Expense)					
State Appropriations	70.0	69.2	0.8	63.3	5.9
Ad Valorem Tax	197.4	187.8	9.6	182.2	5.6
Grants & Contracts	66.3	76.7	(10.4)	80.4	(3.7)
Investment & Other Income	2.4	5.3	(2.9)	1.1	4.2
Non-Operating Expense	(0.3)	-	(0.3)	-	-
Total Non-Operating Revenue (Expense)	335.8	339.0	(3.2)	327.0	12.0
Income before Other Revenue, (Expense), Gains & (Losses)	32.3	37.2	(4.9)	41.1	(3.9)
Other Revenue-Gifts	-	0.1	(0.1)	0.1	-
Increase in Net Position	32.3	37.3	(5.0)	41.2	(3.9)
Net Position					
Net Position-Year Beginning	1,054.2	1,016.9	37.3	975.7	41.2
Change in Accounting Principle	(46.6)	-	(46.6)	-	-
Total Revenue	405.3	411.7	(6.4)	398.9	12.8
Total Expenses	(373.0)	(374.4)	1.4	(357.7)	(16.7)
Net Position-Year End	\$ 1,039.9	\$ 1,054.2	\$ (14.3)	\$ 1,016.9	\$ 37.3

ly result in an operating loss, as it does for the District for fiscal year 2015.

Revenues

Total revenues decreased \$6.4 million, or 1.6 percent, over the prior year to \$405.3 million in 2015. For fiscal 2014, total revenue was \$411.7 million. The decrease for fiscal 2015 is primarily the result of a decrease in grants and contracts. For fiscal year 2014 the increase of \$12.8 million was primarily due to a slight increase in property taxes, state appropriations, and investment income and other.

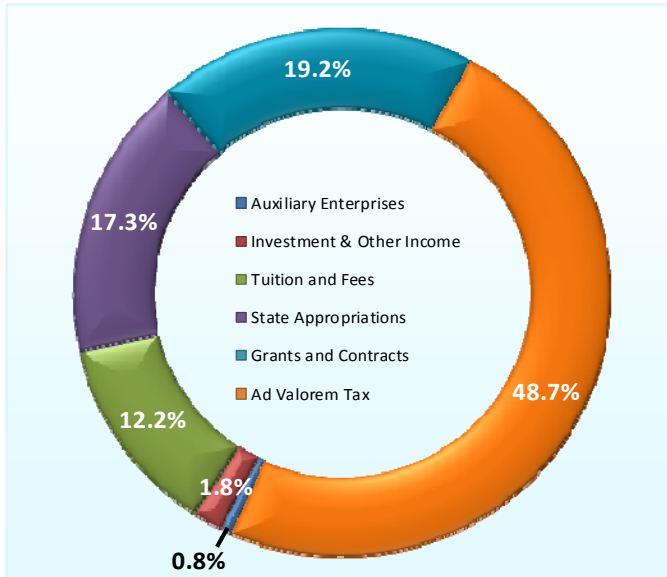
Operating Revenues

Operating revenue decreased \$3.4 million in 2015, or 4.7 percent over 2014, to \$69.2 million. In fiscal year 2014, operating revenue increased 1.1 percent over 2013. The primary source of operating revenue has continually been tuition and fees.

Revenue from tuition and fees increased \$0.1 million or 0.2 percent over 2014 to \$49.5 million. For the

Total Revenue by Source

Fiscal Year 2014-15
 Total \$405.3
 (Dollars in millions)



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 had 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. Those tuition rates remain in effect until spring 2016 when the following changes will occur: In County rate will be \$59 per hour; Out-of-County rate will be \$106 per hour; Out-of-State and Non-Resident rate will be \$255 per hour.

Non-Operating Revenues (Expense)

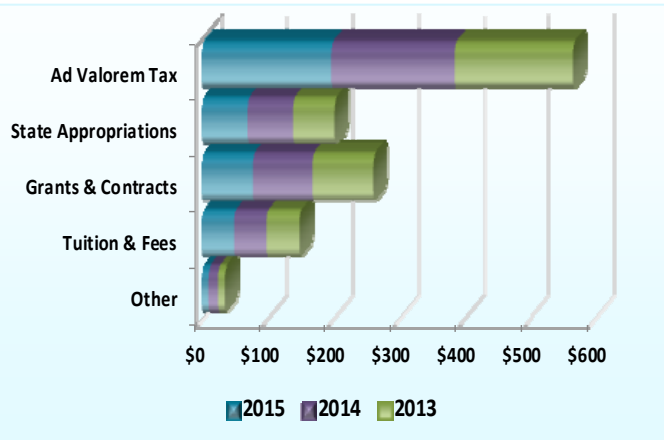
Non-operating revenues (expense) decreased from \$339.0 million to \$335.8 million for the fiscal years ended August 31, 2015 and 2014, respectively. For fiscal 2013, non-operating revenue was \$327.0 million. For 2015, non-operating revenue consists predominantly of ad-valorem taxes of \$197.4 million, which increased by \$9.6 million or 5.1 percent, and state appropriations of \$70.0 million, which increased by \$0.8 million or 1.2 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 beginning in 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

Revenue by Source

Years Ended August 31
(Dollars in millions)



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 declined to 16.8 percent of revenue in 2014. For 2015, state appropriations accounted for 17.3 percent of revenue. In contrast, local property taxes accounted for 21.0 percent of total revenue in fiscal 1998 and 48.7 percent of revenue in 2015. Tuition and fees were \$49.5 million in fiscal 2015 and \$49.4 in fiscal 2014, and slightly increased as a percentage of total revenue to 12.2 percent in 2015 from 12.0 percent in 2014.

Grants and contracts have decreased from \$90.8 million in 2014 to \$77.9 million in 2015, and are 19.2 percent of total revenues. During fiscal 2013, revenues from grants and contracts were \$92.9 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 expense exceeded auxiliary enterprise revenue by \$0.4 million for fiscal 2015. Auxiliary enterprises 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 2015, the District recorded a \$0.6 million increase in sales revenues from operations at our auxiliary enterprises.

Fiscal year 2015 investment and other income decreased by \$2.9 million to \$2.4 million compared to a \$4.2 million increase for the prior year. (See Note 4, page 24, for additional information on investment earnings and portfolio market adjustments.)

Expenses

Total expenses for fiscal 2015 decreased \$1.4 million to \$373.0 million from \$374.4 million for fiscal 2014. For fiscal 2013, total expenses were \$357.7 million. The current year decrease is mostly attributable to reduced scholarship and fellowship expense and operating and maintenance of plant expense in fiscal year 2015.

Operating expenses decreased by \$1.7 million to \$372.7 million, a decrease of 0.5 percent from fiscal 2014. For fiscal 2013, operating expenses were \$357.7 million. Significant fluctuations in 2015 operating expenses are as follows:

- Salaries and wages increased \$7.4 million to \$164.7 million

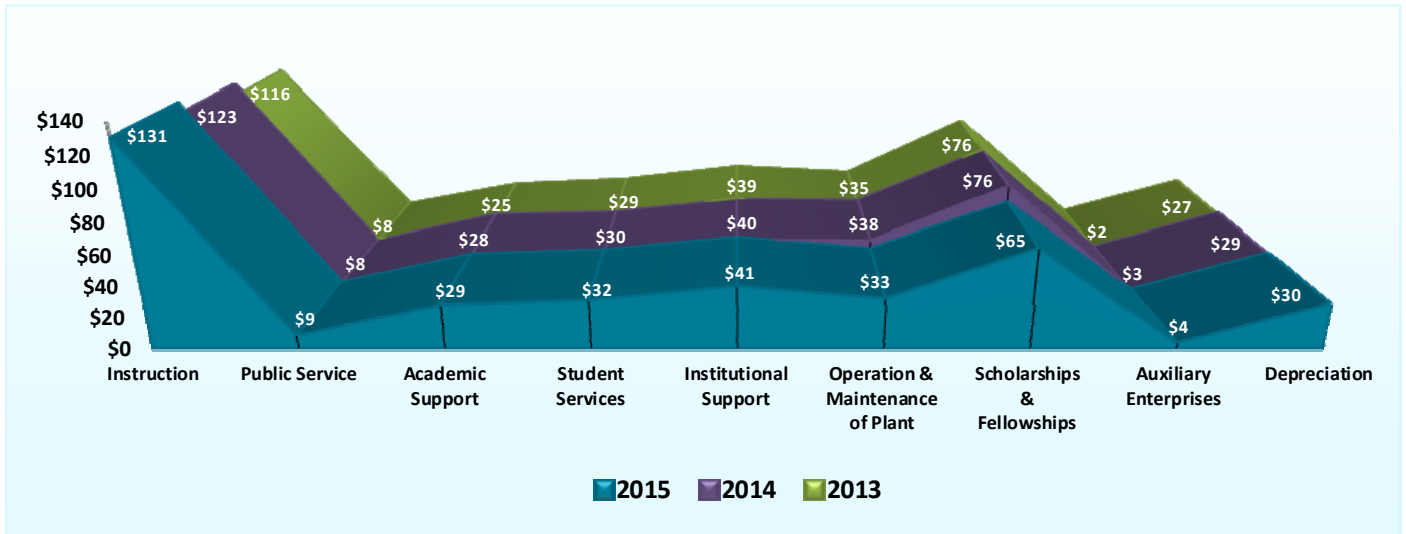
Operating Expense by Natural Classification

Years Ended August 31
(Dollars in millions)

	2015	2014	2014-15 Change	2013	2013-14 Change
Salary & Wages	\$164.7	\$157.3	\$7.4	\$146.5	\$10.8
Staff Benefits	47.7	45.1	2.6	43.4	1.7
Other Expenses	130.4	142.8	(12.4)	140.4	2.4
Depreciation	29.9	29.2	0.7	27.4	1.8
Total Operating Expenses	\$372.7	\$374.4	\$ (1.7)	\$357.7	\$ 16.7

Operating Expense by Function

Years Ended August 31
(Dollars in millions)



- Staff benefits increased by \$2.6 million to \$47.7 million
- Other expenses decreased by \$12.4 million to \$130.4 million

An analysis of operating expenses by function indicates the most significant year-to-year percentage changes to be in auxiliary enterprises (increased 35.7 percent to \$3.8 million) and scholarships and fellowships (decreased 14.8 percent to \$64.5 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 \$261.5 million for fiscal 2015, \$256.0 million for fiscal 2014, and \$248.9 million for fiscal 2013. 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 \$318.7 million for 2015, \$316.3 million for 2014, and \$319.9 million for 2013.

Cash used for capital and related financing activities was \$62.5 million for 2015, \$50.6 million for 2014, and \$71.0 million for 2013.

Cash provided by investing activities for 2015 was \$4.8 million which reflects the purchase and maturity of investments and interest income from investments. This was \$9.9 million more than cash used by investing activities for fiscal 2014 of \$5.1 million.

Cash and cash equivalents decreased by \$0.5 million from \$6.4 million at August 31, 2014 to \$5.9 million at August 31, 2015.

Capital Assets and Related Financing Activities

Capital Assets

At August 31, 2015, the District had a total of \$876.3 million in capital assets, net of accumulated depreciation. Capital assets increased \$19.4 million for 2015, \$11.3 million for 2014, and \$49.5 million for 2013. Construction-in-progress was \$70.2 million at August 31, 2015. During 2015, \$14.7 million of construction-in-progress jobs were completed, including \$6.2 million for various district wide projects, \$6.8 million for South Lab Renovation, \$1.6 million for Northeast Biology Lab, and several smaller scale projects throughout the District. (See Note 19, pages 39-40, to the financial statements for more detailed information regarding capital assets.)

During fiscal year ended August 31, 2014, TCCD completed a land exchange with the Tarrant Regional Water District which resulted in over \$4.0 million being received by the District. TCCD exchanged approximately nine acres of undeveloped land near the Trinity River East Campus in exchange for approximately ten acres of undeveloped land in the same area. The land received is more likely to be utilized by the District than the land that was given up.

During 2014, \$43.0 million of construction-in-progress jobs were completed, including \$4.0 million for the district wide energy conservation, \$3.4 million for Math Emporiums, \$8.1 million for Mechanical, Electrical and Plumbing, \$2.8 million for Fire Safety Systems, \$2.1 million for Safety and Security, \$3.8 million for the STEC Building Renovation, \$1.8 million for the SE Entrance Roads and Traffic Signals, and several smaller scale projects throughout the District.

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 is being utilized to house the Aviation and other programs.

Long-Term Debt Information

On February 13, 2015, the District made its final payment on outstanding general obligation bonds in the

Condensed Statement of Cash Flows

Years Ended August 31

(Dollars in millions)

	2015	2014	2014-15 Change	2013	2013-14 Change
Cash & cash equivalents provided/(used) by:					
Operating Activities	\$(261.5)	\$(256.0)	\$ (5.5)	\$(248.9)	\$ (7.1)
Non-Capital Financing Activities	318.7	316.3	2.4	319.9	(3.6)
Capital & Related Financing Activities	(62.5)	(50.6)	(11.9)	(71.0)	20.4
Investing Activities	4.8	(5.1)	9.9	0.1	(5.2)
Cash & Cash Equivalents Increase	(0.5)	4.6	(5.1)	0.1	4.5
Cash & Cash Equivalents Sept. 1	6.4	1.8	4.6	1.7	0.1
Cash & Cash Equivalents Aug. 31,	\$ 5.9	\$ 6.4	\$ (0.5)	\$ 1.8	\$ 4.6

amount of \$8.1 million. Thus, on August 31, 2015 the outstanding balance was \$0.0 million as compared to \$8.1 million in 2014 and \$15.9 million in 2013. For the years ended August 31, 2015, 2014, and 2013, debt service payments were \$8.1 million, \$8.1 million, and \$8.2 million, respectively. For 2015, net reduction to bond principal was \$7.9 million, and interest payments on capital debt totaled \$0.2 million. For 2014, net reduction to bond principal was \$7.6 million, and interest payments on capital debt totaled \$0.6 million. (See Note 6, pages 24-25, to the financial statements for additional information on long-term debt.)

The District also had an outstanding note payable of \$5.0 million as of August 31, 2015, as a result of the purchase of property from Bell Helicopter Textron during fiscal year 2013. A \$5.0 million payment was made in fiscal 2015. (See Note 7 on page 26 for additional information.)

District Financial Position

District management would like to report that Tarrant County College District completes fiscal 2015 with an exceptionally strong financial position. In addition, the budget adopted by the Board of Trustees for fiscal 2016 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, 2015 AND 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,938,874	\$ 6,438,891
Investments	120,018,090	82,590,429
Accounts receivable, less allowance for doubtful accounts of \$13,821,570 and \$10,672,700 in 2015 and 2014, respectively	11,440,097	10,316,773
Taxes receivable, less allowance for doubtful accounts of \$2,340,116 and \$2,090,709 in 2015 and 2014, respectively	4,861,026	4,803,181
Interest receivable	342,556	224,567
Federal grants and contracts receivable	8,058,054	8,511,289
State and local grants and contracts receivable	2,100,589	2,920,080
Prepaid expenses and other current assets	3,864,197	4,474,703
Total current assets	156,623,483	120,279,913
Non-current assets		
Investments	110,096,695	149,728,532
Restricted investments	479,913	1,789,985
Capital assets, net		
Non-depreciable capital assets	143,545,686	114,097,350
Depreciable capital assets	732,716,828	742,827,197
Total non-current assets	986,839,122	1,008,443,064
Total assets	1,143,462,605	1,128,722,977
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	7,364,151	
Deferred refunding costs		20,055
LIABILITIES		
Current liabilities		
Accounts payable	11,924,003	17,684,007
Accrued liabilities	8,269,810	6,783,511
Accrued compensated absences	5,353,319	5,040,853
Deposits held for others	377,776	390,235
Unearned revenue	22,176,568	22,430,342
Current portion of bonds payable		8,083,004
Current portion of note payable	5,000,000	4,901,480
Total current liabilities	53,101,476	65,313,432
Non-current liabilities		
Note payable		4,950,495
Accrued compensated absences	4,076,442	4,163,795
Workers' compensation payable	88,178	130,401
Net pension liability	41,132,646	
Total non-current liabilities	45,297,266	9,244,691
Total liabilities	98,398,742	74,558,123
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	12,582,598	

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

TARRANT COUNTY COLLEGE DISTRICT
EXHIBIT 1
STATEMENTS OF NET POSITION
AUGUST 31, 2015 AND 2014
(continued)

	2015	2014
NET POSITION		
Net investment in capital assets	\$ 871,262,514	\$ 839,009,623
Restricted for:		
Expendable		
Student aid	6,617,434	7,143,143
Loans	143,862	142,266
Debt service	23,521	1,558,144
Total restricted	6,784,817	8,843,553
Unrestricted	161,798,085	206,331,733
Total net position (Schedule D)	\$ 1,039,845,416	\$ 1,054,184,909

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, 2015 AND 2014

	2015	2014
REVENUES		
Operating revenues		
Tuition and fees, net of allowances and discounts of \$13,592,252 and \$15,472,087 in 2015 and 2014, respectively	\$ 49,478,068	\$ 49,371,002
Federal grants and contracts	3,685,838	3,217,611
State grants and contracts	5,228,098	5,880,099
Non-governmental grants and contracts	2,727,036	4,946,370
Auxiliary enterprises	3,358,327	2,835,286
Other operating revenue	4,714,371	6,343,924
Total operating revenue (Schedule A)	69,191,738	72,594,292
EXPENSES		
Operating expenses		
Instruction	130,672,056	123,303,575
Public service	9,188,202	8,099,598
Academic support	28,991,793	27,567,965
Student services	31,470,516	29,578,631
Institutional support	40,875,729	39,704,272
Operation and maintenance of plant	33,264,591	38,451,779
Scholarships and fellowships	64,561,713	75,701,812
Auxiliary enterprises	3,786,956	2,822,103
Depreciation	29,897,030	29,196,006
Total operating expenses (Schedule B)	372,708,586	374,425,741
Operating loss	(303,516,848)	(301,831,449)
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	70,036,690	69,156,327
Maintenance ad-valorem taxes	190,805,920	179,789,467
Debt service ad-valorem taxes	6,616,686	8,036,819
Federal grants and contracts	66,314,027	76,657,485
Gifts		100,000
Investment income	1,467,880	3,653,612
Other income	910,990	959,439
Gain (loss) on disposal of assets	(371,380)	732,136
Total non-operating revenue (Schedule C)	335,780,813	339,085,285
Increase in net position (Schedule D)	32,263,965	37,253,836
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	1,054,184,909	1,016,931,073
Change in accounting principle (Schedule D)	(46,603,458)	
NET POSITION, BEGINNING OF YEAR, AS RESTATED	1,007,581,451	
NET POSITION, END OF YEAR	\$ 1,039,845,416	\$ 1,054,184,909

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, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tuition and fees	\$ 47,877,014	\$ 47,572,165
Receipts from grants and contracts	12,670,345	13,046,144
Payments to suppliers	(149,794,290)	(154,112,058)
Payments to or on behalf of employees	(181,105,799)	(172,514,407)
Receipts from auxiliary enterprise charges	3,208,327	2,685,286
Other receipts	5,627,407	7,305,699
Net cash used by operating activities	(261,516,996)	(256,017,171)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations	54,396,982	54,479,329
Receipts from non-operating federal revenue	66,929,290	73,787,670
Receipts from local property taxes	197,364,761	187,955,534
Receipts from gifts		100,000
Net cash provided by non-capital financing activities	318,691,033	316,322,533
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(49,645,122)	(46,064,381)
Proceeds from sale of assets	38,745	6,314,025
Payments on capital debt - principal	(12,786,975)	(10,550,000)
Payments on capital debt - interest, net of interest capitalized 2015 of \$194,263 and 2014 \$295,390	(144,841)	(279,035)
Net cash used by capital and related financing activities	(62,538,193)	(50,579,391)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturities of investments	719,047,872	453,773,647
Interest on investments	1,282,823	1,308,445
Purchase of investments	(715,466,556)	(460,228,342)
Net cash provided (used) by investing activities	4,864,139	(5,146,250)
Net increase (decrease) in cash and cash equivalents	(500,017)	4,579,721
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,438,891	1,859,170
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 5,938,874	\$ 6,438,891
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (303,516,848)	\$ (301,831,449)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	29,897,030	29,196,006
Non-cash state appropriations	15,639,708	14,676,998
Non-cash pension expense	3,801,988	
Non-operating other income	913,036	961,775
Change in operating assets and liabilities		
Receivables	(465,861)	(1,342,963)
Prepaid expenses and other current assets	610,506	(1,870,819)
Deferred outflows of resources	(4,054,353)	
Accounts payable and accrued liabilities	(4,299,036)	5,332,787
Accrued compensated absences	225,113	454,316
Deposits held for others	(12,459)	9,988
Deferred revenue	(255,820)	(1,603,810)
Net cash used by operating activities	\$ (261,516,996)	\$ (256,017,171)
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Change in fair value of investments	\$ (87,410)	\$ 2,385,159
Land acquired under exchange contract	\$	\$ 4,723,130

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 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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Basis of Accounting– continued

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, 2015 of \$19,152,060 have been provided for in the fiscal year 2016 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 \$112,102,616 and \$75,703,658 at August 31, 2015 and 2014, 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.

Deferred Outflows of Resources

In addition to assets, the Statements of Net Position present a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow expense of resources until that time. Governments are only permitted to report deferred outflows of resources in circumstances specifically authorized by the GASB.

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

Unearned Revenue

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

Deferred Inflows of Resources

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

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.

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 net investment in capital assets.

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, 2015 or 2014.

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 trans-

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Operating and Non-operating Revenue and Expense Policy– continued

actions, 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 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.

Pensions

For the year ended August 31, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* (GASB 71). The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined on the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS’s fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. As a result of this change, the District reported pension expense of \$3,801,988 for the year ended August 31, 2015.

The District is reporting in fiscal year 2015, the net pension liability, deferred outflows of resources, and deferred inflows of resources using a measurement date of August 31, 2014 in accordance with GASB 68, paragraphs 22-23.

Restatement of Beginning Net Position

In the year of implementation of GASB 68, as amended by GASB 71, a restatement to beginning net position as of September 1, 2014 was required for the recording of the beginning net pension liability and for the recording of deferred outflows of resources for contributions made after the measurement date of the beginning net pension liability and beginning of the District’s fiscal year. It was impracticable to determine the cumulative effect of this accounting change and its retroactive application to prior periods because the information required to determine the balances of deferred inflows of resources and deferred outflows of resources related to pensions as of August 31, 2013 was not available.

Beginning net position as of September 1, 2014, has been restated as follows for the implementation of GASB 68 as amended by GASB 71.

Beginning net position, as previously reported	\$ 1,054,184,909
Prior period adjustment-implementation of GASB 68:	
Net pension liability (measurement date as of August 31, 2013)	(50,507,393)
Deferred outflows-District contributions made during fiscal year 2014	3,903,935
Beginning net position, as restated	<u>\$ 1,007,581,451</u>

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Reclassifications

Certain reclassifications have been made to the 2014 financial statements to make them conform with the 2015 financial statement presentation. Such reclassifications had no effect on change in net position.

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, 2015 and 2014, the carrying amounts of the District's deposits were \$5,916,874 and \$6,418,893 and total bank balances equaled \$7,016,620 and \$9,189,320, respectively. Bank balances of \$250,000 were covered by the Federal Depository Insurance Corporation with \$6,766,620 and \$8,939,320 covered by collateral pledged in a joint custody security account with market values of \$11,416,303 and \$11,306,875 at August 31, 2015 and 2014, respectively. The collateral account is held in the District's name by the Federal Reserve Bank, which is an independent third-party custodian.

Included in short-term investments at August 31, 2015 and 2014 were \$5,334,102 and \$24,526,336 invested in TexPool, a pool managed by the Treasurer of the State of Texas, \$5,388,882 and \$26,590,100 invested in TexStar, a pool managed by JP Morgan Investment Management Inc. and First Southwest Company, \$64,081,314 and \$32,926 invested in TexasTerm, a series of pools managed by PFM Asset Management, LLC, and \$37,298,318 and \$24,554,296 invested in Lone Star Investment Pool, a pool managed by First Public, LLC, respectively. The fair value of the District's positions 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.

NOTE 4. DEPOSITS AND INVESTMENTS-continued

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure.

TexStar is overseen by an advisory board composed of participants in TexStar and others who do not have a business relationship with TexStar. The business and affairs of TexStar are managed by the advisory board.

TexasTERM has an advisory board composed of local government officials, finance directors and treasurers. The advisory board has oversight responsibility and reviews the investment policy and management fee structure.

Lone Star Investment Pool is governed by an 11 member board of individuals representing participating entities. The board manages the business and affairs of the pool.

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		
	2015	2014
Bank deposits		
Demand deposits	\$5,916,874	\$6,418,893
Cash on hand		
Petty cash	22,000	19,998
Total cash and cash equivalents	<u>\$5,938,874</u>	<u>\$6,438,891</u>

NOTE 4. DEPOSITS AND INVESTMENTS—continued

Reconciliation of Deposits and Investments to Exhibit 1

	Fair Value August 31, 2015	Fair Value August 31, 2014
TexPool	\$ 5,334,102	\$ 24,526,336
TexStar	5,388,882	26,590,100
TexasTERM - TexasDAILY	44,081,314	32,926
TexasTERM - TexasTERM	20,000,000	
Lone Star Investment Pool	37,298,318	24,554,296
Beneficial Interest in Funds Held by Affiliate	8,395,387	8,676,756
U.S. Government Agencies	110,096,695	149,728,532
Total	230,594,698	234,108,946
Cash and cash equivalents	5,938,874	6,438,891
Total deposits and investments	<u>236,533,572</u>	<u>240,547,837</u>
Cash and cash equivalents (Exhibit 1)	5,938,874	6,438,891
Investments - current (Exhibit 1)	120,018,090	82,590,429
Restricted investments - non-current (Exhibit 1)	479,913	1,789,985
Investments - non-current (Exhibit 1)	110,096,695	149,728,532
Total deposits and investments	<u>\$ 236,533,572</u>	<u>\$ 240,547,837</u>

As of August 31, 2015 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	\$ 110,096,695	\$	\$ 69,980,703	\$ 40,115,992
TexPool	AAAm	5,334,102	5,334,102		
TexStar	AAAm	5,388,882	5,388,882		
TexasTERM - TexasDAILY	AAAm	44,081,314	44,081,314		
TexasTERM - TexasTERM	AAAf	20,000,000	20,000,000		
Lone Star Investment Pool	AAA	37,298,318	37,298,318		
Beneficial interest in funds held by affiliate		8,395,387			
Total fair value		<u>\$ 230,594,698</u>	<u>\$ 112,102,616</u>	<u>\$ 69,980,703</u>	<u>\$ 40,115,992</u>

NOTE 4. DEPOSITS AND INVESTMENTS—continued

Due to the diversity of the underlying investments, Beneficial Interest in Funds Held by Affiliate does not have a specific investment maturity.

As of August 31, 2015 and 2014, Beneficial Interest in Funds Held by Affiliate was comprised of the following underlying investments:

	2015	2014
U.S. Government Agencies	\$3,156,749	\$3,098,300
Certificates of Deposit	351,252	352,584
Corporate Bonds	780,898	790,288
Mutual Funds - Money Market	129,197	187,480
Mutual Funds - Fixed Income	1,333,032	1,161,098
Mutual Funds - Equity	2,501,927	2,916,640
Mutual Funds - Real Estate	142,332	170,366
Total fair value	<u>\$8,395,387</u>	<u>\$8,676,756</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, 2015, more than 5% of the District’s investments are in TexasTERM (8.7%), TexasDAILY (19.1%), Lone Star Investment Pool (16.2%), FHLB (8.7%), FHLMC (8.7%), FNMA (17.4%), and FFCB (13.0%).

As of August 31, 2015 and 2014, restricted investments consist of the following:

	2015	2014
Funds held for others	\$ 377,776	\$ 325,510
Funds restricted to student loans	102,137	100,523
Funds restricted to debt retirement		1,363,952
Total restricted investments	<u>\$ 479,913</u>	<u>\$1,789,985</u>

NOTE 4. DEPOSITS AND INVESTMENTS—continued

Investment income for the years ended August 31, 2015 and 2014 consists of the following:

	2015	2014
Interest and dividends	\$ 1,555,290	\$ 1,268,453
Net increase (decrease) in fair value of investments	(87,410)	2,385,159
Total investment income (loss)	<u>\$ 1,467,880</u>	<u>\$ 3,653,612</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, 2015 and 2014, 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:

	2015				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation refunding bonds, series 2001	\$ 290,000	\$	\$ 290,000	\$	\$
General obligation refunding bonds, series 2004	3,130,000		3,130,000		
General obligation refunding bonds, series 2005	4,515,000		4,515,000		
Subtotal	7,935,000		7,935,000		
Premium on bonds payable	148,004		148,004		
Total bonds payable	<u>\$8,083,004</u>	<u>\$</u>	<u>\$8,083,004</u>	<u>\$</u>	<u>\$</u>
Due within one year					
Total long-term bonds payable				<u>\$</u>	

NOTE 6. BONDS PAYABLE—continued

2014					
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation refunding bonds, series 2001	\$ 570,000	\$	\$ 280,000	\$ 290,000	\$ 290,000
General obligation refunding bonds, series 2004	5,790,000		2,660,000	3,130,000	3,130,000
General obligation refunding bonds, series 2005	9,125,000		4,610,000	4,515,000	4,515,000
Subtotal	15,485,000		7,550,000	7,935,000	7,935,000
Premium on bonds payable	469,560		321,556	148,004	148,004
Total bonds payable	<u>\$ 15,954,560</u>	<u>\$</u>	<u>\$7,871,556</u>	<u>\$8,083,004</u>	<u>\$8,083,004</u>
Due within one year				8,083,004	
Total long-term bonds payable				<u>\$</u>	

Bonds payable are comprised of the following issues:

	2015	2014
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. Retired.	\$	\$ 290,000
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. Retired.		3,130,000
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. Retired.		4,515,000
Total	<u>\$</u>	<u>\$ 7,935,000</u>

NOTE 7. NOTE PAYABLE

The District has a note payable that had a balance of \$5,000,000 and \$9,851,975 outstanding at August 31, 2015 and 2014, respectively. The note is secured by real property and bears no interest, so the District imputed interest at 1.0%. Payments are due on September 1 as follows:

Fiscal Year	
2016	\$5,000,000

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 participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

Benefits Provided– continued

service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

Contribution Rates		
Fiscal Year	2015	2014
Member	6.7%	6.4%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
District Contributions	\$ 4,054,353	\$ 3,904,053
State of Texas On-behalf Contributions	\$ 3,073,289	\$ 3,148,538

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

Contributions– continued

- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2014
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5 year Market Value
Discount Rate	8.00%
Long-term expected Investment Rate of Return*	8.00%
Salary Increases*	4.25% to 7.25%
Weighted-Average at Valuation Date	5.55%
Payroll Growth Rate	3.50%

**Includes Inflation of 3%*

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2010 and adopted on April 8, 2011. With the exception of the post-retirement mortality rates for healthy lives and a minor change to the expected retirement age for inactive vested members stemming from the actuarial audit performed in the Summer of 2014, the assumptions and methods are the same as used in the prior valuation. When the mortality assumptions were adopted in 2011 they contained a significant margin for possible future mortality improvement. As of the date of the valuation there has been a significant erosion of this margin to the point that the margin has been eliminated. Therefore, the post-retirement mortality rates for current and future retirees was decreased to add additional margin for future improvement in mortality in accordance with the Actuarial Standards of Practice No. 35.

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the systems target asset allocation as of August 31, 2014, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns*
Global Equity			
U.S.	18.0%	4.6%	1.0%
Non-U.S. Developed	13.0%	5.1%	0.8%
Emerging Markets	9.0%	5.9%	0.7%
Directional Hedge Funds	4.0%	3.2%	0.1%
Private Equity	13.0%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11.0%	0.7%	0.1%
Absolute Return	0.0%	1.8%	0.0%
Stable Value Hedge Funds	4.0%	3.0%	0.1%
Cash	1.0%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3.0%	0.9%	0.0%
Real Assets	16.0%	5.1%	1.1%
Energy and Natural Resources	3.0%	6.6%	0.2%
Commodities	0.0%	1.2%	0.0%
Risk Parity			
Risk Parity	5.0%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
Total	100.0%		8.7%

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric means return

Source: Teacher Retirement System of Texas 2014 Comprehensive Annual Financial Report

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2014 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
The Districts proportionate share of the net pension liability:	\$ 73,501,543	\$ 41,132,646	\$ 16,926,738

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At August 31, 2015, the District reported a liability of \$41,132,646 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

The District's Proportionate share of the collective net pension liability	\$ 41,132,646
State's proportionate share that is associated with the District	33,243,381
Total	<u>\$ 74,376,027</u>

The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contribution to the net pension plan relative to the contributions of all employers to the plan for the period September 1, 2013 thru August 31, 2014.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective September 1, 2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions-continued

For the year ended August 31, 2015, the District recognized pension expense of \$3,073,289 and revenue of \$3,073,289 for support provided by the State, based on a measurement date of August 31, 2014.

At August 31, 2015, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, based on a measurement date of August 31, 2014:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 636,130	\$
Changes in actuarial assumptions	2,673,668	
Difference between projected and actual investment earnings		12,571,816
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions		10,782
Contributions paid to TRS subsequent to the measurement date	4,054,353	
Total	\$ 7,364,151	\$ 12,582,598

District contributions subsequent to the measurement date of \$4,054,353 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability during the year ending August 31, 2016.

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended August 31	Pension Expense Amount
2016	\$ 1,467,942
2017	(2,586,411)
2018	(2,586,411)
2019	(2,586,411)
2020	556,543
Thereafter	516,301

NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued

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 3.3% and 6.65%, respectively. The District contributed 5.2% in fiscal years 2015 and 2014 and 2.5% in fiscal year 2013 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. Senate Bill (S.B.) 1812, effective September 1, 2013, limits the amount of the states contribution to 50% of eligible employees in the reporting district.

State contributions to the Optional Retirement Plan made on behalf of the District for the years ended August 31, 2015, 2014, and 2013 were \$970,542, \$971,829, and \$1,716,110, 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 \$4,257,841 is reflected in the accompanying financial statements as both revenues and expenditures. Participants contributed \$9,161,315 (\$7,205,527 for the Teacher Retirement Program and \$1,955,788 for the Optional Retirement Program). The District contributed \$1,234,139, \$1,251,073, and \$369,614 for the years ended August 31, 2015, 2014, and 2013, respectively, to the Optional Retirement Program to cover the 5.2% and 2.5% referenced above.

Total payroll expense for fiscal years 2015 and 2014 was approximately \$165,000,000 and \$157,000,000, respectively. The total payroll of employees covered by the Teacher Retirement System was approximately \$96,700,000 and \$91,400,000, and the total payroll of employees covered by the Optional Retirement Program was approximately \$29,400,000 for each of the fiscal years 2015 and 2014.

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.

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

The State's average contribution per full-time employee was \$224 and \$213 per month for the years ended August 31, 2015 and 2014, respectively. The cost of providing those benefits for all employees in the year ended August 31, 2015, paid by the State of Texas on behalf of the District, totaled \$11,381,867 (\$10,604,553 for the year ended August 31, 2014) with \$5,543,251 for 672 retirees (retiree benefits for 661 retirees cost \$5,119,953 in fiscal year 2014) and \$5,838,616 for 2,175 active employees (active employee benefits for 2,143 employees cost \$5,484,600 in fiscal year 2014). 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 and is the difference between the claims costs for the retirees and the amounts contributed by the retirees. The ERS board of trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB Statement 45.

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. Beginning September 1, 2013, S.B. 1812 limited the state's contribution to 50% of eligible employees for community colleges.

The District's contributions to SRHP for the years ended August 31, 2015, 2014, and 2013, were \$525,911, \$479,682, and \$427,704, 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, 2015 and 2014, the District had 333 and 348 employees participating in the program, respectively. A total of \$1,781,400 and \$1,818,369 in payroll deductions had been invested in approved plans during the fiscal years 2015 and 2014, 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 \$18,000 (\$24,000 for participants over 50 years

NOTE 10. DEFERRED COMPENSATION PROGRAMS-continued

of age) for 2015. As of August 31, 2015, the District had 105 employees participating in the program. A total of \$550,204 in payroll deductions had been invested in approved plans during the fiscal year 2015. As of August 31, 2014, the District had 100 employees participating in the program. A total of \$530,479 in payroll deductions had been invested in approved plans during the fiscal year 2014.

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.

Compensated absences activity for the years ended August 31, 2015 and 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
2015	\$9,204,648	\$6,773,405	\$6,548,292	\$9,429,761	\$5,353,319
2014	\$8,750,332	\$6,585,395	\$6,131,079	\$9,204,648	\$5,040,853

NOTE 12. PENDING LAWSUITS AND CLAIMS

On August 31, 2015, 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, 2015 are as follows:

NOTE 13. OPERATING LEASE COMMITMENTS AND RENTAL AGREEMENTS-
continued

Fiscal Year Ending	Minimum Future Lease Payments
2016	\$ 703,916
2017	290,551
2018	207,429
2019	73,458
2020	73,458
2021-2024	263,225
	<u>\$ 1,612,037</u>

Approximately \$893,000 and \$1,060,000 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, 2015 and 2014, 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 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 2015-2037, 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 \$4,047,813 and \$5,650,000 was recognized during the years ended August 31, 2015 and 2014, respectively. Future minimum lease payments to be received under this agreement are as follows:

Fiscal Year Ending	Minimum Future Lease Payments
2016	\$ 1,279,202
2017	978,027
2018	652,018
	<u>\$ 2,909,247</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 unearned 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 2015 and 2014 for which monies have not been received nor funds expended totaled approximately \$9,420,000 and \$13,110,000, respectively. Of this amount approximately \$6,890,000 and \$9,570,000 were from federal contract and grant awards and \$2,530,000 and \$3,540,000 were from state contract and grant awards for fiscal years ended August 31, 2015 and 2014, 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, 2015 and 2014.

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

	2015	2014
Beginning balance	\$ 875,396	\$1,077,302
Current year claims and changes in estimates	423,829	197,636
Claim payments	(449,071)	(399,542)
Ending balance	850,154	875,396
Current portion	(761,976)	(744,995)
Non-current portion	<u>\$ 88,178</u>	<u>\$ 130,401</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 \$1,823,040 and \$1,729,690 to the District during the years ended August 31, 2015 and 2014, 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, 2015 and 2014, the District had a receivable balance due from the Foundation of \$665,367 and \$555,647, 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.

	2015	2014
Assessed Valuation of the District	\$ 165,536,552,214	\$ 157,360,405,817
Less: Exemptions and Abatements	<u>(29,410,889,832)</u>	<u>(28,379,058,585)</u>
Net Assessed Valuation of the District	<u>\$ 136,125,662,382</u>	<u>\$ 128,981,347,232</u>

2015			
	Current Operations	Debt Service	Total
Tax Rate per \$100 valuation authorized (maximum per enabling legislation)	\$.20000	\$.50000	\$.70000
Tax Rate per \$100 valuation assessed	\$.14392	\$.00558	\$.14950

2014			
	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	\$.00709	\$.14950

NOTE 17. PROPERTY TAX CALENDAR-continued

Taxes levied for the years ended August 31, 2015 and 2014 amounted to \$201,968,650 and \$192,007,990, 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.

2015			
Taxes Collected	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 191,531,525	\$ 7,425,972	\$ 198,957,497
Delinquent Taxes Collected	1,317,109	51,066	1,368,175
Penalties and Interest Collected	1,331,567	51,627	1,383,194
Total Collections	<u>\$ 194,180,201</u>	<u>\$ 7,528,665</u>	<u>\$ 201,708,866</u>

2014			
Taxes Collected	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 180,129,897	\$ 8,967,916	\$ 189,097,813
Delinquent Taxes Collected	1,438,341	71,609	1,509,950
Penalties and Interest Collected	1,319,236	65,679	1,384,915
Total Collections	<u>\$ 182,887,474</u>	<u>\$ 9,105,204</u>	<u>\$ 191,992,678</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, 2015 and 2014 were 99.87% and 99.99% of the current tax levy, respectively. The District remitted payments of \$4,344,158 and \$4,037,163 in fiscal years 2015 and 2014, 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, 2015 and 2014.

NOTE 19. CAPITAL ASSETS

Capital assets activity for the years ended August 31, 2015 and 2014, is summarized as follows:

	2015			
	Beginning Balance	Additions (Transfers)	Deletions	Ending Balance
Non-depreciable capital assets				
Land	\$ 71,950,588	\$	\$	\$ 71,950,588
Collections	1,433,518		(7,150)	1,426,368
Construction in progress	40,713,244	29,455,486		70,168,730
Total cost of non-depreciable capital assets	114,097,350	29,455,486	(7,150)	143,545,686
Depreciable capital assets				
Buildings	589,139,988	23,262		589,163,250
Improvements other than buildings	296,025,141	14,744,272		310,769,413
Telecommunications and peripheral equipment	26,395,681	1,310,392	(1,911,863)	25,794,210
Library books	7,903,450	559,509	(421,147)	8,041,812
Furniture and other equipment	42,167,109	3,552,201	(834,907)	44,884,403
Total cost of depreciable capital assets	961,631,369	20,189,636	(3,167,917)	978,653,088
Accumulated depreciation				
Buildings	101,828,592	10,604,730		112,433,322
Improvements other than buildings	72,346,489	12,928,186		85,274,675
Telecommunications and peripheral equipment	20,846,889	2,279,796	(1,787,159)	21,339,526
Library books	4,033,793	389,414	(309,729)	4,113,478
Furniture and other equipment	19,748,409	3,694,904	(668,054)	22,775,259
Total accumulated depreciation	218,804,172	29,897,030	(2,764,942)	245,936,260
Net depreciable capital assets	742,827,197	(9,707,394)	(402,975)	732,716,828
Net capital assets	\$ 856,924,547	\$ 19,748,092	\$ (410,125)	\$ 876,262,514

NOTE 19. CAPITAL ASSETS-continued

2014				
	Beginning Balance	Additions (Transfers)	Deletions	Ending Balance
Non-depreciable capital assets				
Land	\$ 77,818,209	\$ 4,723,140	\$ (10,590,761)	\$ 71,950,588
Collections	1,433,518			1,433,518
Construction in progress	41,988,790	(1,275,546)		40,713,244
Total cost of non-depreciable capital assets	<u>121,240,517</u>	<u>3,447,594</u>	<u>(10,590,761)</u>	<u>114,097,350</u>
Depreciable capital assets				
Buildings	589,139,988			589,139,988
Improvements other than buildings	253,060,263	42,973,054	(8,176)	296,025,141
Telecommunications and peripheral equipment	28,257,031	1,373,602	(3,234,952)	26,395,681
Library books	7,850,559	718,164	(665,273)	7,903,450
Furniture and other equipment	40,896,170	2,275,097	(1,004,158)	42,167,109
Total cost of depreciable capital assets	<u>919,204,011</u>	<u>47,339,917</u>	<u>(4,912,559)</u>	<u>961,631,369</u>
Accumulated depreciation				
Buildings	91,224,073	10,604,519		101,828,592
Improvements other than buildings	60,829,629	11,521,103	(4,243)	72,346,489
Telecommunications and peripheral equipment	20,725,827	3,205,174	(3,084,112)	20,846,889
Library books	4,946,674	372,770	(1,285,651)	4,033,793
Furniture and other equipment	17,080,264	3,492,440	(824,295)	19,748,409
Total accumulated depreciation	<u>194,806,467</u>	<u>29,196,006</u>	<u>(5,198,301)</u>	<u>218,804,172</u>
Net depreciable capital assets	<u>724,397,544</u>	<u>18,143,911</u>	<u>285,742</u>	<u>742,827,197</u>
Net capital assets	<u>\$ 845,638,061</u>	<u>\$ 21,591,505</u>	<u>\$ (10,305,019)</u>	<u>\$ 856,924,547</u>

Capital assets activity for the year ended August 31, 2014 reflects a change in estimate of accumulated depreciation. Included in gain on disposal of assets for the years ended August 31, 2015 and 2014, respectively, are \$0 and \$2,282,833 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, 2015, the balance remaining on these contracts totaled approximately \$11,418,000.

NOTE 21. DESIGNATIONS OF UNRESTRICTED NET POSITION

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

	2015	2014
Unrestricted net position		
Designated for		
Capital outlay	\$ 19,707,675	\$ 27,706,873
Future renewals and replacements	25,382,599	1,729,754
Future operating budgets	5,000,000	5,000,000
Insurance	700,000	700,000
Undesignated	111,007,811	171,195,106
Total unrestricted net position	\$ 161,798,085	\$ 206,331,733

NOTE 22. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Accounts receivable at August 31, 2015 and 2014, were as follows:

	2015	2014
Student Receivables	\$ 23,514,446	\$ 19,578,926
Accounts Receivable	1,469,588	1,242,280
Other Receivables	277,633	168,267
Subtotal	25,261,667	20,989,473
Allowance for Doubtful Accounts	(13,821,570)	(10,672,700)
Total Accounts Receivable-Exhibit 1	\$ 11,440,097	\$ 10,316,773

NOTE 22. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES-continued

Accounts payable and accrued liabilities at August 31, 2015 and 2014, were as follows:

	2015	2014
Vendors Payable	\$ 11,924,003	\$ 17,684,007
Accounts Payable-Exhibit 1	11,924,003	17,684,007
Salaries & Benefits Payable	5,684,714	5,130,761
Workers' Compensation Payable	606,278	502,959
Retainage Payable	1,823,120	890,863
Accrued Interest		16,892
Unemployment Compensation	155,698	242,036
Accrued Liabilities-Exhibit 1	8,269,810	6,783,511
Total Accounts Payable and Accrued Liabilities	\$ 20,193,813	\$ 24,467,518

NOTE 23. CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 2, the District has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. In accordance with these statements, the District has restated its net position as of August 31, 2014 as shown on the Statements of Revenues, Expenses, and Changes in Net Position in order to reflect the effects of implementing these standards. The effect of these adjustments was a reduction of the District’s August 31, 2014 net position as previously reported in the amount of \$46,603,458.

Required
Supplementary
Information

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEAR ENDED AUGUST 31, 2015**

	2015*
TRS net position as percentage of total pension liability	83.25%
District's proportionate share of collective net pension liability	0.1539892%
District's proportionate share of collective net pension liability	\$ 41,132,646
Portion of non-employer contributing entity's total proportionate share of net pension liability associated with the District	33,243,381
Total	\$ 74,376,027
District's covered payroll amount	\$ 96,710,266
Ratio of the District's proportionate share of the collective net pension liability to its covered payroll amount	42.53%

* The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Note: The amounts presented above are as of the measurement date of the collective net pension liability.

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
YEAR ENDED AUGUST 31, 2015**

	2015*
Legally required contributions	\$ 4,054,353
Actual contributions	(4,054,353)
Contributions deficiency (excess)	-
District covered employee payroll amount	\$ 96,710,266
Ratio of actual contributions to covered payroll amount	4.19%

* The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Note: The amounts presented above are as of the District's most recent fiscal year-end.

**TARRANT COUNTY COLLEGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED AUGUST 31, 2015**

CHANGES OF BENEFIT TERMS:

There were no benefit changes recognized in the total pension liability as of August 31, 2015.

CHANGES OF ASSUMPTIONS:

There were no changes of assumptions for the year ended August 31, 2015.

Supplementary Data

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE A
SCHEDULE OF OPERATING REVENUES
YEAR ENDED AUGUST 31, 2015
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2014)**

	Unrestricted	Restricted	Total Educational Activities
Tuition			
State funded courses			
In-district resident tuition	\$ 44,336,742	\$	\$ 44,336,742
Out-of-district resident tuition	5,761,108		5,761,108
TPEG- credit (set aside)*	3,135,665		3,135,665
Non-resident tuition	5,366,074		5,366,074
Continuing education	2,637,554		2,637,554
TPEG-continuing education (set aside)*	168,344		168,344
Non-state funded continuing education	1,420,134		1,420,134
Total tuition	<u>62,825,621</u>		<u>62,825,621</u>
Fees			
Laboratory fees	96,677		96,677
Other fees	148,022		148,022
Total fees	<u>244,699</u>		<u>244,699</u>
Allowances and discounts			
Bad debt allowance	(2,807,548)		(2,807,548)
Scholarship allowances	(899,751)		(899,751)
Remissions and exemptions	(1,098,551)		(1,098,551)
TPEG allowances	(345,358)		(345,358)
Federal grants to students	(8,441,044)		(8,441,044)
Total allowances and discounts	<u>(13,592,252)</u>		<u>(13,592,252)</u>
Total net tuition and fees	49,478,068		49,478,068
Other operating revenues			
Federal grants and contracts		3,685,838	3,685,838
State grants and contracts		5,228,098	5,228,098
Non-governmental grants and contracts		2,727,036	2,727,036
Other operating revenues	4,714,371		4,714,371
Total other operating revenues	<u>4,714,371</u>	<u>11,640,972</u>	<u>16,355,343</u>
Auxiliary enterprises			
Bookstore			
Food service			
Testing center			
Child center			
Professional Pilot			
Total net auxiliary enterprises			
Total operating revenues	<u>\$ 54,192,439</u>	<u>\$ 11,640,972</u>	<u>\$ 65,833,411</u>

* In accordance with Education Code 56.033, \$3,304,009 and \$3,364,701 of tuition for the years ended August 31, 2015 and 2014, 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	2015 Total	2014 Total
\$	\$ 44,336,742	\$ 46,056,705
	5,761,108	5,860,255
	3,135,665	3,225,259
	5,366,074	5,627,289
	2,637,554	2,180,030
	168,344	139,442
	1,420,134	1,490,206
	<u>62,825,621</u>	<u>64,579,186</u>
	96,677	96,677
	148,022	167,226
	<u>244,699</u>	<u>263,903</u>
	(2,807,548)	(3,042,230)
	(899,751)	(788,680)
	(1,098,551)	(1,798,244)
	(345,358)	(442,354)
	(8,441,044)	(9,400,579)
	<u>(13,592,252)</u>	<u>(15,472,087)</u>
	49,478,068	49,371,002
	3,685,838	3,217,611
	5,228,098	5,880,099
	2,727,036	4,946,370
	4,714,371	6,343,924
	<u>16,355,343</u>	<u>20,388,004</u>
1,026,173	1,026,173	1,348,227
347,046	347,046	346,062
439,497	439,497	480,380
311,354	311,354	334,526
1,234,257	1,234,257	326,091
<u>3,358,327</u>	<u>3,358,327</u>	<u>2,835,286</u>
<u>\$ 3,358,327</u>	<u>\$ 69,191,738</u>	<u>\$ 72,594,292</u>
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE B
SCHEDULE OF OPERATING EXPENSES
BY OBJECT
YEAR ENDED AUGUST 31, 2015
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2014)**

	Salaries and Wages	Staff Benefits	
		State	Local
Unrestricted - educational activities			
Instruction	\$ 88,984,444	\$	\$ 14,028,107
Public service	5,243,438		822,561
Academic support	18,332,283		5,049,581
Student services	18,956,806		3,967,843
Institutional support	21,230,360		4,828,754
Operation and maintenance of plant	7,283,631		3,146,808
Scholarships and fellowships			
Total unrestricted educational activities	160,030,962		31,843,654
Restricted - educational activities			
Instruction	2,208,302	8,920,513	
Public service	400,155	530,052	
Academic support	104,093	1,019,160	
Student services	1,450,770	1,408,632	
Institutional support		3,761,351	
Scholarships and fellowships			
Total restricted educational activities	4,163,320	15,639,708	
Total educational activities	164,194,282	15,639,708	31,843,654
Auxiliary enterprises	468,303		198,932
Depreciation expense			
Buildings and other real estate improvements			
Equipment and furniture			
Total operating expenses	\$ 164,662,585	\$ 15,639,708	\$ 32,042,586

Other Expenses	2015 Total	2014 Total
\$ 15,370,955	\$ 118,383,506	\$ 112,284,612
1,509,924	7,575,923	6,569,060
4,486,676	27,868,540	26,493,923
4,537,486	27,462,135	26,101,310
11,055,264	37,114,378	36,149,782
22,834,152	33,264,591	38,451,779
1,698,401	1,698,401	1,798,244
<u>61,492,858</u>	<u>253,367,474</u>	<u>247,848,710</u>
1,159,735	12,288,550	11,018,963
682,072	1,612,279	1,530,538
1,148,979	1,123,253	1,074,042
3,761,351	4,008,381	3,477,321
62,863,312	3,761,351	3,554,490
<u>65,854,098</u>	<u>62,863,312</u>	<u>73,903,568</u>
<u>127,346,956</u>	<u>85,657,126</u>	<u>94,558,922</u>
3,119,721	339,024,600	342,407,632
3,786,956	3,119,721	2,822,103
23,532,916	3,786,956	23,532,916
6,364,114	23,532,916	22,125,623
<u>\$ 160,363,707</u>	<u>6,364,114</u>	<u>7,070,383</u>
	<u>\$ 372,708,586</u>	<u>\$ 374,425,741</u>
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE C
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
YEAR ENDED AUGUST 31, 2015
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2014)**

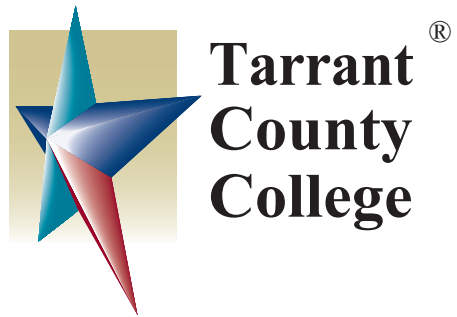
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>
NON-OPERATING REVENUES			
State appropriations			
Education and general state support	\$ 54,396,982	\$	\$
State group insurance		11,381,867	
State retirement matching		4,257,841	
Total state appropriations	<u>54,396,982</u>	<u>15,639,708</u>	
Maintenance ad valorem taxes	190,805,920		
Debt service ad valorem taxes	6,616,686		
Federal grants and contracts		66,314,027	
Gifts			
Investment income	1,763,238		23,302
Other income	910,990		
Gain on disposal of assets			
Total non-operating revenues	<u>254,493,816</u>	<u>81,953,735</u>	<u>23,302</u>
NON-OPERATING EXPENSES			
Investment losses		318,660	
Loss on disposal of assets	<u>371,380</u>		
Total non-operating expenses	<u>371,380</u>	<u>318,660</u>	
Net non-operating revenues	<u>\$ 254,122,436</u>	<u>\$ 81,635,075</u>	<u>\$ 23,302</u>

2015 Total	2014 Total
\$ 54,396,982	\$ 54,479,329
11,381,867	10,604,553
4,257,841	4,072,445
<hr/> 70,036,690	<hr/> 69,156,327
190,805,920	179,789,467
6,616,686	8,036,819
66,314,027	76,657,485
	100,000
1,786,540	3,653,612
910,990	959,439
<hr/> 336,470,853	<hr/> 339,085,285
318,660	
371,380	
<hr/> 690,040	<hr/>
<hr/> <hr/> \$ 335,780,813	<hr/> <hr/> \$ 339,085,285
(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE D
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
YEAR ENDED AUGUST 31, 2015
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2014)**

	Detail by Source		
	Unrestricted	Restricted	
		Expendable	Non-Expendable
Current:			
Unrestricted	\$ 87,157,475	\$	\$
Board designated	50,790,274		
Restricted		6,617,434	
Auxiliary enterprises	23,850,336		
Loan		143,862	
Plant:			
Debt service		23,521	
Investment in plant			
Total net position, August 31, 2015	161,798,085	6,784,817	
Total net position, August 31, 2014	206,331,733	8,843,553	
Change in accounting principle	(46,603,458)		
Net increase (decrease) in net position	\$ (44,533,648)	\$ (2,058,736)	\$

Detail by Source		Available for Current Operations	
Net Investment in Capital Assets	Total	Yes	No
\$	\$ 87,157,475	\$ 87,157,475	\$
	50,790,274		50,790,274
	6,617,434		6,617,434
	23,850,336	23,850,336	
	143,862		143,862
	23,521		23,521
871,262,514	871,262,514		871,262,514
871,262,514	1,039,845,416 (Exhibit 1)	111,007,811	928,837,605
839,009,623	1,054,184,909 (Exhibit 1)	175,209,031	878,975,878
	(46,603,458)	(46,603,458)	
	(Exhibit 2)		
\$ 32,252,891	\$ 32,263,965 (Exhibit 2)	\$ (17,597,762)	\$ 49,861,727





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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net investment in capital assets	\$ 871,262,514	\$ 839,009,623	\$ 816,910,267	\$ 772,740,979
Restricted - expendable	6,784,817	8,843,553	6,639,969	6,770,189
Restricted - nonexpendable				
Unrestricted	<u>161,798,085</u>	<u>206,331,733</u>	<u>193,380,837</u>	<u>196,305,399</u>
Total primary government net position	1,039,845,416	1,054,184,909	1,016,931,073	975,816,567
Net Position, beginning of year	1,054,184,909	1,016,931,073	975,662,444	923,886,954
Change in accounting principle	(46,603,458)			
Net Position, beginning of year, restated	<u>1,007,581,451</u>			
Increase in Net Position	<u><u>\$ 32,263,965</u></u>	<u><u>\$ 37,253,836</u></u>	<u><u>\$ 41,268,629</u></u>	<u><u>\$ 51,929,613</u></u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 757,613,463	\$ 707,299,717	\$ 638,222,485	\$ 548,838,668	\$ 207,334,709	\$ 152,503,842
6,243,001	5,601,190	5,419,823	5,709,923	4,524,571	4,628,236
		207,973	699,347	673,065	607,895
<u>160,030,490</u>	<u>157,642,379</u>	<u>148,297,840</u>	<u>143,437,568</u>	<u>374,501,328</u>	<u>320,001,778</u>
923,886,954	870,543,286	792,148,121	698,685,506	587,033,673	477,741,751
870,543,286	792,148,121	698,685,506	587,033,673	477,741,751	383,432,794
<u><u>\$ 53,343,668</u></u>	<u><u>\$ 78,395,165</u></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>

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

	2015	2014	2013	2012
Operating revenues				
Tuition and fees (net of discounts)	\$ 49,478,068	\$ 49,371,002	\$ 50,245,813	\$ 50,214,996
Governmental grants and contracts				
Federal grants and contracts	3,685,838	3,217,611	3,757,923	3,338,370
State grants and contracts	5,228,098	5,880,099	5,554,657	4,770,234
Non-governmental grants and contracts	2,727,036	4,946,370	3,162,051	3,971,945
Auxiliary enterprises	3,358,327	2,835,286	2,920,961	3,275,283
Other operating revenues	4,714,371	6,343,924	6,212,717	5,607,184
Total operating revenues	69,191,738	72,594,292	71,854,122	71,178,012
Non-operating revenues				
State appropriations	70,036,690	69,156,327	63,300,842	61,563,447
Ad-valorem taxes	197,422,606	187,826,286	182,149,704	180,009,933
Federal grants and contracts	66,314,027	76,657,485	80,360,739	77,967,771
Gifts		100,000	142,795	
Investment income	1,467,880	3,653,612		1,117,501
Other income	910,990	1,691,575	1,134,523	899,186
Total non-operating revenues	336,152,193	339,085,285	327,088,603	321,557,838
Other revenues				
Additions to permanent endowments				
Total revenues	\$ 405,343,931	\$ 411,679,577	\$ 398,942,725	\$ 392,735,850
Operating revenues				
Tuition and fees (net of discounts)	12.21%	11.99%	12.59%	12.81%
Governmental grants and contracts				
Federal grants and contracts	0.91%	0.78%	0.94%	0.85%
State grants and contracts	1.29%	1.43%	1.39%	1.21%
Non-governmental grants and contracts	0.68%	1.20%	0.79%	1.01%
Auxiliary enterprises	0.83%	0.70%	0.73%	0.83%
Other operating revenues	1.17%	1.54%	1.56%	1.43%
Total operating revenues	17.09%	17.64%	18.00%	18.14%
Non-operating revenues				
State appropriations	17.28%	16.80%	15.87%	15.68%
Ad-valorem taxes	48.70%	45.62%	45.66%	45.82%
Federal grants and contracts	16.36%	18.62%	20.15%	19.85%
Gifts	0.00%	0.02%	0.04%	
Investment income	0.36%	0.89%		0.28%
Other income	0.21%	0.41%	0.28%	0.23%
Total non-operating revenues	82.91%	82.36%	82.00%	81.86%
Other revenues				
Additions to permanent endowments				
Total revenues	100.00%	100.00%	100.00%	100.00%

2011	2010	2009	2008	2007	2006
\$ 46,446,649	\$ 45,507,326	\$ 41,411,491	\$ 38,918,863	\$ 35,651,135	\$ 37,454,608
3,738,898	2,662,284	4,530,581	2,420,630	2,122,182	2,642,452
6,403,470	4,436,087	2,931,041	2,335,426	1,793,467	1,377,111
3,123,262	2,245,408	2,180,664	1,139,402	1,366,985	1,049,439
3,453,670	3,381,510	3,103,757	3,211,761	4,513,492	15,677,393
6,922,636	7,036,611	7,095,780	1,481,599	428,375	564,977
70,088,585	65,269,226	61,253,314	49,507,681	45,875,636	58,765,980
65,923,473	67,133,335	60,335,031	59,543,945	57,004,281	56,331,587
163,339,387	170,989,124	168,458,577	156,897,585	145,076,199	133,946,296
84,809,753	59,862,557	35,579,625	23,179,682	20,153,359	18,676,113
750	5,250		1,200	1,000	1,101,500
1,600,511	1,404,780	3,681,350	17,518,082	21,165,311	13,464,141
2,213,352	702,665	702,660	702,656	5,141,280	1,189,502
317,887,226	300,097,711	268,757,243	257,843,150	248,541,430	224,709,139
	26,223	42,660	40,810	64,698	45,801
<u>\$ 387,975,811</u>	<u>\$ 365,393,160</u>	<u>\$ 330,053,217</u>	<u>\$ 307,391,641</u>	<u>\$ 294,481,764</u>	<u>\$ 283,520,920</u>
11.98%	12.45%	12.55%	12.65%	12.11%	13.21%
0.96%	0.73%	1.37%	0.79%	0.72%	0.93%
1.65%	1.21%	0.89%	0.76%	0.61%	0.49%
0.81%	0.61%	0.66%	0.37%	0.46%	0.37%
0.89%	0.93%	0.94%	1.04%	1.53%	5.53%
1.78%	1.93%	2.15%	0.48%	0.15%	0.20%
18.07%	17.86%	18.56%	16.09%	15.58%	20.73%
16.99%	18.37%	18.28%	19.37%	19.36%	19.87%
42.10%	46.80%	51.04%	51.06%	49.26%	47.24%
21.86%	16.38%	10.78%	7.54%	6.84%	6.59%
					0.39%
0.41%	0.38%	1.12%	5.70%	7.19%	4.75%
0.57%	0.19%	0.21%	0.23%	1.75%	0.42%
81.93%	82.12%	81.43%	83.90%	84.40%	79.26%
	0.02%	0.01%	0.01%	0.02%	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)**

	2015	2014	2013	2012
Instruction	\$ 130,672,056	\$ 123,303,575	\$ 115,814,409	\$ 108,078,177
Public service	9,188,202	8,099,598	8,333,736	5,496,537
Academic support	28,991,793	27,567,965	24,779,010	21,512,584
Student services	31,470,516	29,578,631	28,786,433	24,690,936
Institutional support	40,875,729	39,704,272	39,193,209	34,326,749
Operation and maintenance of plant	33,264,591	38,451,779	34,748,311	38,794,192
Scholarship and fellowships	64,561,713	75,701,812	76,363,289	78,968,897
Auxiliary enterprises	3,786,956	2,822,103	2,243,087	2,152,576
Depreciation	29,897,030	29,196,006	27,412,612	26,188,770
Total operating expenses	372,708,586	374,425,741	357,674,096	340,209,418
Interest on capital related debt				289,308
Foundation transfer				
Loss on disposal of fixed assets	371,380			307,511
Total non-operating expenses	371,380			596,819
Total expenses	\$ 373,079,966	\$ 374,425,741	\$ 357,674,096	\$ 340,806,237
Instruction	35.03%	32.93%	32.38%	31.74%
Public service	2.45%	2.16%	2.33%	1.61%
Academic support	7.77%	7.36%	6.93%	6.31%
Student services	8.44%	7.90%	8.05%	7.24%
Institutional support	10.96%	10.61%	10.96%	10.07%
Operation and maintenance of plant	8.92%	10.27%	9.71%	11.38%
Scholarship and fellowships	17.31%	20.22%	21.35%	23.17%
Auxiliary enterprises	1.02%	0.75%	0.63%	0.63%
Depreciation	8.01%	7.80%	7.66%	7.68%
Total operating expenses	99.91%	100.00%	100.00%	99.83%
Interest on capital related debt				0.08%
Foundation transfer				
Loss on disposal of fixed assets	0.09%			0.09%
Total non-operating expenses	0.09%			0.17%
Total expenses	100.00%	100.00%	100.00%	100.00%

2011	2010	2009	2008	2007	2006
\$ 114,166,378	\$ 95,921,420	\$ 83,437,483	\$ 75,066,102	\$ 71,745,930	\$ 68,221,085
7,001,458	6,739,303	6,365,670	5,041,719	4,641,156	4,751,125
21,847,574	16,917,975	14,013,169	12,514,941	11,349,181	10,097,671
25,282,806	20,840,918	17,849,057	15,874,448	14,125,391	14,092,532
29,283,026	31,207,465	26,010,789	23,307,939	26,263,394	21,636,434
34,941,445	39,900,473	38,177,688	32,293,652	26,056,295	23,876,530
78,792,547	55,583,034	35,129,416	21,813,943	18,846,333	21,169,637
2,262,986	2,114,115	1,624,126	1,582,216	2,583,589	14,599,987
20,670,066	17,268,778	12,123,042	7,961,528	7,561,001	7,941,827
334,248,286	286,493,481	234,730,440	195,456,488	183,172,270	186,386,828
				1,055,063	2,676,865
	201,997	1,432,482			
383,857	302,517	427,680	283,320	962,509	148,270
383,857	504,514	1,860,162	283,320	2,017,572	2,825,135
<u>\$ 334,632,143</u>	<u>\$ 286,997,995</u>	<u>\$ 236,590,602</u>	<u>\$ 195,739,808</u>	<u>\$ 185,189,842</u>	<u>\$ 189,211,963</u>
34.11%	33.42%	35.27%	38.35%	38.73%	36.04%
2.09%	2.35%	2.69%	2.58%	2.51%	2.51%
6.53%	5.89%	5.92%	6.39%	6.13%	5.34%
7.56%	7.26%	7.54%	8.11%	7.63%	7.45%
8.75%	10.87%	10.99%	11.91%	14.18%	11.44%
10.44%	13.90%	16.14%	16.50%	14.07%	12.62%
23.55%	19.37%	14.85%	11.14%	10.18%	11.19%
0.68%	0.74%	0.69%	0.81%	1.40%	7.72%
6.18%	6.02%	5.12%	4.07%	4.08%	4.20%
99.89%	99.82%	99.21%	99.86%	98.91%	98.51%
				0.57%	1.41%
	0.07%	0.61%			
0.11%	0.11%	0.18%	0.14%	0.52%	0.08%
0.11%	0.18%	0.79%	0.14%	1.09%	1.49%
<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 (a)	Student Services Fee (a)	Total Tuition & Fees In-District	Total Tuition & Fees Out-of-District
2015	\$ 55	\$ 86	\$	\$	\$ 55	\$ 86
2014	55	86			55	86
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

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
2015	\$ 205	\$ 205	\$	\$	\$ 205	\$ 205
2014	205	205			205	205
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

Note:

(a) The District no longer assesses a laboratory fee, facilities fee, or student services fee. These fees 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
\$ 660	\$ 1,032	0.00%	0.00%
660	1,032	5.77%	13.16%
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%

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
\$ 2,460	\$ 2,460	0.00%	0.00%
2,460	2,460	19.88%	19.88%
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%

**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>
2015	\$ 141,311,318,941	\$ 25,239,113,478	\$ 166,550,432,419	\$ (30,237,870,137)
2014	134,490,264,565	23,748,078,239	158,238,342,804	(30,784,142,232)
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)

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>
\$ 136,312,562,282	81.84%	\$ 0.14392	\$ 0.00558	\$ 0.14950
127,454,200,572	80.55%	0.14241	0.00709	0.14950
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

**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
2015	\$ 54,396,982	28,160	\$ 1,932
2014	54,479,329	29,395	1,853
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

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
18,199,288	1,883,522	20,082,810	\$ 2.71
18,599,915	1,638,878	20,238,793	2.69
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

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

Taxpayer	Type of Business	2015	2014	2013
Oncor Electric Delivery Co LLC	Electric Utility	\$ 996,124,098	\$ 996,541,431	\$ 951,568,636
XTO Energy Inc	Natural Gas Utility	703,298,589	691,815,632	597,305,424
General Motors LLC	Auto Manufacturer	694,999,441	305,558,069	
Bell Helicopter Textron	Helicopter Manufacturer	526,450,434	368,852,302	353,813,947
Chesapeake Operating	Natural Gas Utility	494,992,110	472,698,380	565,845,620
Wal-Mart Stores	Retail	474,129,452	474,104,104	470,417,156
American Airlines Inc	Airline	434,149,748	415,466,631	366,781,877
Barnett Gathering LP	Natural Gas Exploration	401,081,040	400,981,515	471,761,413
Devon Energy Production	Natural Gas Utility	295,994,780	322,885,510	381,143,310
Town Square Ventures LP	Retail	293,001,243		
Opryland Hotel	Hotel		252,604,271	278,139,403
Southwestern Bell	Telephone Utility			240,513,694
Quicksilver Resources	Natural Gas Exploration			
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			
	Totals	<u>\$ 5,314,220,935</u>	<u>\$ 4,701,507,845</u>	<u>\$ 4,677,290,480</u>
	Total Taxable Assessed Value	<u>\$ 136,312,562,282</u>	<u>\$ 127,454,200,572</u>	<u>\$ 125,092,633,012</u>

Taxpayer	Type of Business	2015	2014	2013
Oncor Electric Delivery Co LLC	Electric Utility	0.73%	0.78%	0.76%
XTO Energy Inc	Natural Gas Utility	0.52%	0.54%	0.48%
General Motors LLC	Auto Manufacturer	0.51%	0.24%	
Bell Helicopter Textron	Helicopter Manufacturer	0.39%	0.29%	0.28%
Chesapeake Operating	Natural Gas Utility	0.36%	0.37%	0.45%
Wal-Mart Stores	Retail	0.35%	0.37%	0.38%
American Airlines Inc	Airline	0.32%	0.33%	0.29%
Barnett Gathering LP	Natural Gas Exploration	0.29%	0.31%	0.38%
Devon Energy Production	Natural Gas Utility	0.22%	0.26%	0.30%
Town Square Ventures LP	Retail	0.21%		
Opryland Hotel	Hotel		0.20%	0.22%
Southwestern Bell	Telephone Utility			0.19%
Quicksilver Resources	Natural Gas Exploration			
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			
	Totals	<u>3.90%</u>	<u>3.69%</u>	<u>3.73%</u>

Source:
Tarrant Appraisal District

Taxable Assessed Value by Tax Year

2012	2011	2010	2009	2008	2007	2006
\$ 910,223,719	\$ 888,088,078	\$ 903,047,789	\$ 912,586,199	\$ 1,065,754,757	\$ 502,644,401	\$ 377,420,196
874,943,953		295,564,940	289,614,547	717,253,382		
388,497,181	418,973,452	441,749,768	493,923,798	445,724,506	285,082,199	206,682,031
664,160,020	736,221,860	512,027,150	459,642,110			
437,961,437	395,426,831	392,756,246	404,645,406	370,549,819	413,905,030	313,528,707
332,996,493	292,074,639	379,219,005	366,801,436	498,730,635	517,041,670	507,896,741
288,678,979	251,248,399					
471,202,990	506,053,300	497,668,900	594,289,520	414,202,754	299,098,900	
285,854,271	273,331,856	247,781,677	256,104,271	285,567,693	254,567,693	220,172,829
269,220,847	308,900,768	348,419,062	394,307,840	408,342,184	467,495,260	585,760,329
	359,055,290					
		311,069,570	297,235,050			
				271,364,765	238,241,510	
				218,044,937	204,390,717	190,000,000
					1,022,692,138	990,629,437
						244,925,000
						226,205,474
<u>\$ 4,923,739,890</u>	<u>\$ 4,429,374,473</u>	<u>\$ 4,329,304,107</u>	<u>\$ 4,469,150,177</u>	<u>\$ 4,695,535,432</u>	<u>\$ 4,205,159,518</u>	<u>\$ 3,863,220,744</u>
<u>\$ 123,490,855,713</u>	<u>\$ 122,011,215,326</u>	<u>\$ 127,707,265,683</u>	<u>\$ 124,619,407,359</u>	<u>\$ 114,903,122,547</u>	<u>\$ 105,768,320,090</u>	<u>\$ 94,937,915,281</u>

% of Taxable Assessed Value by Tax Year

2012	2011	2010	2009	2008	2007	2006
0.74%	0.73%	0.71%	0.73%	0.93%		
0.71%		0.23%	0.23%	0.62%	0.48%	0.40%
0.31%	0.34%	0.35%	0.40%	0.39%	0.27%	0.22%
0.54%	0.60%	0.40%	0.37%			
0.35%	0.32%	0.31%	0.32%	0.32%	0.39%	0.33%
0.27%	0.24%	0.30%	0.29%	0.43%	0.49%	0.53%
0.23%	0.21%					
0.38%	0.42%	0.39%	0.48%	0.36%	0.28%	
0.23%	0.22%	0.19%	0.21%	0.25%	0.24%	0.23%
0.22%	0.25%	0.27%	0.32%	0.36%	0.44%	0.62%
	0.30%					
		0.24%	0.24%			
				0.24%	0.23%	
				0.19%	0.19%	0.20%
					0.97%	1.04%
						0.26%
						0.24%
<u>3.98%</u>	<u>3.63%</u>	<u>3.39%</u>	<u>3.59%</u>	<u>4.09%</u>	<u>3.98%</u>	<u>4.07%</u>

**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)
2015	\$ 201,369,072	\$ (459,345)	\$ 200,909,727	\$ 198,833,848
2014	188,459,192	2,236,286	190,695,478	188,956,746
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	174,364,182	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	132,491,200	2,065,866	134,557,066	132,300,437

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

<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>
98.97%	\$	\$	\$ 198,833,848	98.97%
99.09%		609,970	189,566,716	99.41%
99.04%	755,155	334,510	184,161,389	99.63%
98.99%	1,199,335	183,497	182,056,148	99.75%
98.88%	1,385,055	125,483	166,392,786	99.79%
98.57%	1,676,026	115,151	173,655,021	99.59%
98.57%	2,014,096	39,795	170,236,864	99.77%
98.68%	1,924,842	17,920	159,047,705	99.90%
98.40%	1,841,543	12,495	146,279,256	99.66%
98.32%	1,581,798	8,472	133,890,707	99.50%

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

	2015 (a)	2014	2013
General bonded debt			
General obligation bonds	\$	\$ 8,062,949	\$ 15,875,819
Less: Funds restricted for debt service		(1,656,309)	(1,784,207)
Net general bonded debt		6,406,640	14,091,612
Other debt			
Revenue bonds			
Total outstanding debt	\$	\$ 6,406,640	\$ 14,091,612
General bonded debt ratios			
Per capita	\$	\$ 3.35	\$ 7.49
Per FTSE		218	479
As a percentage of taxable assessed value		0.01%	0.01%
Total outstanding debt ratios			
Per capita	\$	\$ 3.35	\$ 7.49
Per FTSE		218	479
As a percentage of taxable assessed value		0.01%	0.01%

Notes:

Ratios calculated using population and TAV from each year.

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

(a) While the District had funds restricted for debt service in the amount of \$23,521 as of August 31, 2015, there was no bonded debt outstanding at that date as all bonds payable were completely paid off in February 2015. As a result, the calculations presented in the table are not relevant for August 31, 2015.

2012	2011	2010	2009	2008	2007	2006
\$ 23,324,225	\$ 30,588,040	\$ 37,444,583	\$ 43,834,151	\$ 51,097,358	\$ 57,077,547	\$ 62,652,263
(2,559,199)	(3,260,900)	(4,073,884)	(4,431,372)	(4,795,411)	(4,171,254)	(4,362,986)
20,765,026	27,327,140	33,370,699	39,402,779	46,301,947	52,906,293	58,289,277
<u>\$ 20,765,026</u>	<u>\$ 27,327,140</u>	<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>

\$ 11.34	\$ 15.03	\$ 18.24	\$ 21.80	\$ 26.01	\$ 30.32	\$ 34.88
715	962	1,307	1,740	2,138	2,618	2,842
0.02%	0.02%	0.03%	0.03%	0.04%	0.05%	0.06%

\$ 11.34	\$ 15.03	\$ 18.24	\$ 21.80	\$ 26.01	\$ 30.32	\$ 34.88
715	962	1,307	1,740	2,138	2,618	2,842
0.02%	0.02%	0.03%	0.03%	0.04%	0.05%	0.06%

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

	2015 (a)	2014	2013	2012
Taxable Assessed Value	<u>\$ 136,312,562,282</u>	<u>\$ 127,454,200,572</u>	<u>\$ 125,092,633,012</u>	<u>\$ 123,490,855,713</u>
General Obligation Bonds				
Statutory Tax Levy Limit for Debt Service	\$ 681,562,811	\$ 637,271,003	\$ 625,463,165	\$ 617,454,279
Less Funds Restricted for Repayment of General Obligation Bonds		<u>(1,656,309)</u>	<u>(1,784,207)</u>	<u>(2,559,199)</u>
Total Net General Obligation Debt	681,562,811	635,614,694	623,678,958	614,895,080
Current Year Debt Service Requirements	<u>8,129,263</u>	<u>8,124,425</u>	<u>8,166,281</u>	<u>8,389,325</u>
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 673,433,548</u>	<u>\$ 627,490,269</u>	<u>\$ 615,512,677</u>	<u>\$ 606,505,755</u>
Net Current Requirements as a % of Statutory Limit	1.19%	1.01%	1.02%	0.94%

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.

(a) While the District had funds restricted for debt service in the amount of \$23,521 as of August 31, 2015, there was no bonded debt outstanding at that date as all bonds payable were completely paid off in February 2015. As a result, the calculations presented in the table are not relevant for August 31, 2015.

2011	2010	2009	2008	2007	2006
<u>\$ 122,011,215,326</u>	<u>\$ 127,707,265,683</u>	<u>\$ 124,619,407,359</u>	<u>\$ 114,903,122,547</u>	<u>\$ 105,768,320,090</u>	<u>\$ 94,937,915,281</u>
\$ 610,056,077	\$ 638,536,328	\$ 623,097,037	\$ 574,515,613	\$ 528,841,600	\$ 474,689,576
<u>(3,260,900)</u>	<u>(4,073,884)</u>	<u>(4,431,372)</u>	<u>(4,795,411)</u>	<u>(4,171,254)</u>	<u>(4,362,986)</u>
606,795,177	634,462,444	618,665,665	569,720,202	524,670,346	470,326,590
<u>8,372,725</u>	<u>8,260,344</u>	<u>9,626,181</u>	<u>8,539,225</u>	<u>8,412,368</u>	<u>8,421,042</u>
<u>\$ 598,422,452</u>	<u>\$ 626,202,100</u>	<u>\$ 609,039,484</u>	<u>\$ 561,180,977</u>	<u>\$ 516,257,978</u>	<u>\$ 461,905,548</u>
0.84%	0.66%	0.83%	0.65%	0.80%	0.85%

**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 11
PLEGGED 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)**

<u>Calendar Year</u>	<u>District Population</u>	<u>District Personal Income</u>	<u>District Personal Income Per Capita</u>	<u>District Unemployment Rate</u>
2015	1,945,360	\$ 84,905,643,000	\$ 43,645	4.00%
2014	1,911,541	80,929,107,000	42,337	5.50%
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%

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 TEN FISCAL YEARS
(UNAUDITED)**

Employer	2015		2014		2013	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
AMR/American Airlines	24,000	2.40%	22,169	2.34%	22,169	2.38%
Lockheed Martin	13,690	1.37%	14,988	1.58%	14,988	1.61%
Fort Worth ISD	12,000	1.20%	11,000	1.16%	11,000	1.18%
Texas Health Resources	12,000	1.20%	18,866	1.99%	18,866	2.03%
NAS-Fort Worth-Joint Reserve Base	11,000	1.10%	11,350	1.20%	11,350	1.22%
Arlington ISD	8,126	0.81%	8,126	0.86%	8,126	0.87%
City of Fort Worth	6,161	0.62%	6,195	0.65%	6,195	0.67%
JPS Health Network	6,000	0.60%	4,872	0.51%	4,872	0.52%
Alcon Laboratories Inc.	5,922	0.59%				
Cook Children's Health Care System	5,876	0.59%	4,826	0.51%	4,826	0.52%
University of Texas at Arlington			6,239	0.66%	6,239	0.67%
Burlington Northern						
Harris Methodist Fort Worth						
Bell Helicopter Textron Plant						
City of Arlington						
Fidelity Investments						
American Airlines/ HQ						
Cowboys Stadium						
Odyssey One Source Inc						
RadioShack Corp						
Tarrant County Administrative Office						
Harris Methodist Southwest						
	104,775	10.48%	108,631	11.46%	108,631	11.67%

Source 2013 and forward:
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

2012		2011		2010		2009	
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	1.11%	11,709	0.72%	11,709	0.72%	11,842	0.73%
10,500	0.99%	13,500	0.83%	13,500	0.83%	13,500	0.83%
11,350	1.07%	11,350	0.70%	11,350	0.70%	5,361	0.33%
4,600	0.43%	4,302	0.26%	4,302	0.26%	4,302	0.26%
3,500	0.33%	3,300	0.20%	3,300	0.20%		
		5,300	0.33%	5,300	0.33%	4,987	0.31%
4,900	0.46%						
4,100	0.39%	3,968	0.24%	3,968	0.24%	3,968	0.24%
3,820	0.36%	3,820	0.24%	3,820	0.24%	3,820	0.24%
3,500	0.33%						
3,200	0.30%	3,200	0.20%	3,200	0.20%		
		6,500	0.40%	6,500	0.40%	6,500	0.40%
						3,500	0.22%
						3,273	0.20%
<u>61,179</u>	<u>5.77%</u>	<u>66,949</u>	<u>4.12%</u>	<u>66,949</u>	<u>4.12%</u>	<u>61,053</u>	<u>3.76%</u>

Employer	2008		2007		2006	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
AMR/American Airlines	11,842	0.73%	12,000	0.74%	5,011	0.31%
Lockheed Martin	13,500	0.83%	16,000	0.99%	16,800	1.03%
Fort Worth ISD						
Texas Health Resources						
NAS-Fort Worth-Joint Reserve Base	5,361	0.33%	5,361	0.33%	3,906	0.24%
Arlington ISD						
City of Fort Worth						
JPS Health Network	3,811	0.23%	3,811	0.23%	3,473	0.21%
Alcon Laboratories Inc.						
Cook Children's Health Care System	3,900	0.24%	3,900	0.24%	3,740	0.23%
University of Texas at Arlington	3,337	0.21%	3,337	0.21%	5,079	0.31%
Burlington Northern						
Harris Methodist Fort Worth	3,500	0.22%	3,500	0.22%	4,000	0.25%
Bell Helicopter Textron Plant	3,820	0.24%	3,478	0.21%		
City of Arlington						
Fidelity Investments						
American Airlines/ HQ	4,118	0.25%	4,118	0.25%	4,118	0.25%
Cowboys Stadium						
Odyssey One Source Inc						
RadioShack Corp	3,337	0.21%	3,337	0.21%		
Tarrant County Administrative Office					4,141	0.26%
Harris Methodist Southwest					3,789	0.23%
	<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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Faculty				
Full-Time	667	668	656	653
Part-Time	503	525	605	598
Total	<u>1,170</u>	<u>1,193</u>	<u>1,261</u>	<u>1,251</u>
Percent				
Full-Time	57.0%	56.0%	52.0%	52.2%
Part-Time	43.0%	44.0%	48.0%	47.8%
Staff and Administrators				
Full-Time	1,618	1,544	1,505	1,429
Part-Time	1,124	1,073	1,082	1,005
Total	<u>2,742</u>	<u>2,617</u>	<u>2,587</u>	<u>2,434</u>
Percent				
Full-Time	59.0%	59.0%	58.2%	58.7%
Part-Time	41.0%	41.0%	41.8%	41.3%
FTSE per Full-Time Faculty	42	44	45	44
FTSE per Full-Time Staff Member	17	19	20	20
Average Annual Faculty Salary	\$ 64,934	\$ 64,556	\$ 63,352	\$ 59,446

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
673	664	602	576	545	522
501	473	490	431	476	437
<u>1,174</u>	<u>1,137</u>	<u>1,092</u>	<u>1,007</u>	<u>1,021</u>	<u>959</u>
57.3%	58.4%	55.1%	57.2%	53.4%	54.4%
42.7%	41.6%	44.9%	42.8%	46.6%	45.6%
1,398	1,338	1,174	1,070	1,062	1,072
971	956	804	1,058	1,114	1,039
<u>2,369</u>	<u>2,294</u>	<u>1,978</u>	<u>2,128</u>	<u>2,176</u>	<u>2,111</u>
59.0%	58.3%	59.4%	50.3%	48.8%	50.8%
41.0%	41.7%	40.6%	49.7%	51.2%	49.2%
42	38	38	38	37	39
20	19	19	20	19	19
\$ 59,496	\$ 60,110	\$ 58,209	\$ 55,981	\$ 55,515	\$ 54,122

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

<u>Student Classification</u>	Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent
00-30 hours	35,341	61%	37,196	61%	29,411	52%
31-60 hours	16,083	28%	17,263	28%	19,333	34%
Unclassified	2,100	4%	2,324	4%	2,914	5%
Associates	2,933	5%	2,797	5%	3,785	7%
Bachelors	1,146	2%	1,287	2%	986	2%
Total	<u>57,603</u>	<u>100%</u>	<u>60,867</u>	<u>100%</u>	<u>56,429</u>	<u>100%</u>

<u>Semester Hour Load</u>	Fall 2014		Fall 2013		Fall 2012	
0-11 semester hours	39,919	69%	40,172	66%	37,243	66%
12 & over	17,684	31%	20,695	34%	19,186	34%
Total	<u>57,603</u>	<u>100%</u>	<u>60,867</u>	<u>100%</u>	<u>56,429</u>	<u>100%</u>

Average course load	8.3	8.6	8.7
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<u>Tuition Status</u>	Fall 2014		Fall 2013		Fall 2012	
Texas resident (in-district)	49,655	86%	52,861	87%	48,807	86%
Texas resident (out-of-district)	4,044	7%	4,293	7%	4,368	8%
Non-resident tuition	3,904	7%	3,713	6%	3,254	6%
Total	<u>57,603</u>	<u>100%</u>	<u>60,867</u>	<u>100%</u>	<u>56,429</u>	<u>100%</u>

Source:
CBM001

Fall 2011		Fall 2010		Fall 2009		Fall 2008		Fall 2007	
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
36,012	63%	37,994	65%	34,988	67%	30,545	67%	28,825	67%
15,504	27%	15,133	26%	13,021	25%	10,970	24%	10,112	24%
1,999	4%	1,671	3%	1,509	3%	1,324	3%	1,161	3%
2,072	4%	2,059	4%	1,783	3%	1,588	4%	1,533	4%
1,219	2%	1,194	2%	1,048	2%	898	2%	787	2%
<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>	<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>

36,924	65%	37,153	64%	33,503	64%	29,914	66%	27,784	66%
19,882	35%	20,898	36%	18,846	36%	15,411	34%	14,634	34%
<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>	<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>

8.7

8.7

8.6

8.6

8.6

49,856	88%	50,870	88%	45,937	88%	40,104	89%	37,301	88%
4,106	7%	4,267	7%	4,002	8%	3,219	7%	3,463	8%
2,844	5%	2,914	5%	2,410	4%	2,002	4%	1,654	4%
<u>56,806</u>	<u>100%</u>	<u>58,051</u>	<u>100%</u>	<u>52,349</u>	<u>100%</u>	<u>45,325</u>	<u>100%</u>	<u>42,418</u>	<u>100%</u>

<u>Student Classification</u>	Fall 2006		Fall 2005	
	Number	Percent	Number	Percent
00-30 hours	25,447	66%	25,784	67%
31-60 hours	9,731	25%	9,536	25%
Unclassified	1,088	3%	965	2%
Associates	1,407	4%	1,485	4%
Bachelors	778	2%	818	2%
Total	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>

<u>Semester Hour Load</u>				
0-11 semester hours	24,993	65%	24,696	64%
12 & over	13,458	35%	13,892	36%
Total	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>

Average course load	8.7	8.7
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<u>Tuition Status</u>				
Texas resident (in-district)	33,971	89%	34,242	89%
Texas resident (out-of-district)	3,239	8%	3,171	8%
Non-resident tuition	1,241	3%	1,175	3%
Total	<u>38,451</u>	<u>100%</u>	<u>38,588</u>	<u>100%</u>



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

	Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent
Gender						
Female	34,190	59.4%	36,630	60.2%	34,426	61.0%
Male	23,413	40.6%	24,237	39.8%	22,003	39.0%
Total	<u>57,603</u>	<u>100.0%</u>	<u>60,867</u>	<u>100.0%</u>	<u>56,429</u>	<u>100.0%</u>

Ethnic Origin						
White	24,669	42.8%	27,512	45.2%	26,654	47.2%
Hispanic	16,107	28.0%	15,991	26.3%	13,779	24.4%
African American	10,723	18.6%	11,622	19.1%	11,008	19.5%
Asian	3,351	5.8%	3,399	5.6%	3,211	5.7%
Native American	259	0.5%	313	0.5%	296	0.5%
Other	2,494	4.3%	2,030	3.3%	1,481	2.6%
Total	<u>57,603</u>	<u>100.0%</u>	<u>60,867</u>	<u>100.0%</u>	<u>56,429</u>	<u>100.0%</u>

Age						
Under 17	2,399	4.1%	1,653	2.7%	1,348	2.4%
17	3,210	5.7%	3,317	5.5%	1,995	3.5%
18	5,712	9.9%	5,954	9.8%	5,509	9.8%
19-21	16,150	28.0%	16,884	27.7%	16,129	28.6%
22-24	8,643	15.0%	9,250	15.2%	8,575	15.2%
25-30	9,136	15.9%	9,855	16.2%	9,544	16.9%
31-35	4,375	7.6%	4,926	8.1%	4,908	8.7%
36-50	6,325	11.0%	7,277	12.0%	6,890	12.2%
51-64	1,505	2.6%	1,610	2.6%	1,415	2.5%
65 and older	148	0.2%	141	0.2%	116	0.2%
Total	<u>57,603</u>	<u>100.0%</u>	<u>60,867</u>	<u>100.0%</u>	<u>56,429</u>	<u>100.0%</u>

Average age	25.6	26.0	26.0
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Source:
CBM001

Fall 2011		Fall 2010		Fall 2009		Fall 2008		Fall 2007	
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
34,618	60.9%	34,864	60.1%	31,347	59.9%	27,371	60.4%	25,701	60.6%
22,188	39.1%	23,187	39.9%	21,002	40.1%	17,954	39.6%	16,717	39.4%
<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>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>

28,408	50.0%	30,683	52.9%	29,333	56.0%	26,278	58.0%	25,308	59.6%
12,642	22.3%	12,064	20.8%	10,412	19.9%	8,421	18.6%	7,472	17.6%
10,946	19.3%	10,485	18.1%	8,647	16.5%	7,143	15.8%	6,429	15.2%
3,319	5.8%	3,462	6.0%	3,121	6.0%	2,768	6.1%	2,464	5.8%
312	0.5%	293	0.5%	253	0.5%	256	0.5%	192	0.5%
1,179	2.1%	1,064	1.8%	583	1.1%	459	1.0%	553	1.3%
<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>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>

1,232	2.2%	1,093	1.9%	768	1.5%	468	1.0%	390	0.9%
2,048	3.6%	1,853	3.2%	2,047	3.9%	1,675	3.7%	1,609	3.8%
5,807	10.2%	5,858	10.1%	5,637	10.8%	5,146	11.4%	4,871	11.5%
16,204	28.4%	16,736	28.8%	15,610	29.8%	14,218	31.4%	13,326	31.4%
8,921	15.7%	9,340	16.1%	8,156	15.6%	7,136	15.7%	6,794	16.0%
9,714	17.1%	10,303	17.7%	8,737	16.7%	7,228	15.9%	6,611	15.6%
4,692	8.3%	4,668	8.0%	4,046	7.7%	3,306	7.3%	3,012	7.1%
6,744	11.9%	6,823	11.8%	6,095	11.6%	5,157	11.4%	4,941	11.6%
1,301	2.3%	1,277	2.2%	1,145	2.2%	906	2.0%	799	1.9%
143	0.3%	100	0.2%	108	0.2%	85	0.2%	65	0.2%
<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>45,325</u>	<u>100.0%</u>	<u>42,418</u>	<u>100.0%</u>

25.8

25.6

25.6

25.3

25.3

<u>Gender</u>	Fall 2006		Fall 2005	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Female	23,238	60.4%	22,869	59.3%
Male	15,213	39.6%	15,719	40.7%
Total	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>

<u>Ethnic Origin</u>				
White	23,424	61.0%	24,152	62.6%
Hispanic	5,780	15.0%	6,310	16.3%
African American	6,511	16.9%	5,366	13.9%
Asian	2,128	5.5%	2,058	5.3%
Native American	193	0.5%	214	0.6%
Other	415	1.1%	488	1.3%
Total	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>

<u>Age</u>				
Under 17	83	0.2%	95	0.3%
17	715	1.9%	682	1.8%
18	4,597	12.0%	4,464	11.6%
19-21	12,310	32.1%	12,664	32.8%
22-24	6,273	16.3%	6,576	17.0%
25-30	6,159	16.0%	5,959	15.4%
31-35	2,825	7.3%	2,906	7.5%
36-50	4,671	12.1%	4,412	11.4%
51-64	737	1.9%	758	2.0%
65 and older	81	0.2%	72	0.2%
Total	<u>38,451</u>	<u>100.0%</u>	<u>38,588</u>	<u>100.0%</u>

Average age	25.6	25.5
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**TARRANT COUNTY COLLEGE DISTRICT
STATISTICAL SUPPLEMENT 17
TRANSFER TO SENIOR INSTITUTIONS
2013-2014 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	57	4		61	0.39%
Lamar University	24	5		29	0.18%
Midwestern State University	175	42		217	1.38%
Prairie View A&M University	51	8		59	0.37%
Sam Houston State University	115	28	3	146	0.93%
Stephen F. Austin State University	206	23		229	1.46%
Sul Ross State University	3			3	0.02%
Sul Ross State University - Rio Grande		3		3	0.02%
Tarleton State University	940	250	14	1,204	7.65%
Texas A&M University	798	47		845	5.37%
Texas A&M University - Central Texas	1			1	0.01%
Texas A&M University - Commerce	70	20	2	92	0.58%
Texas A&M University - Corpus Christi	57	10		67	0.43%
Texas A&M University - Kingsville	11	3	1	15	0.09%
Texas A&M University - Texarkana	11	5		16	0.10%
Texas A&M University at Galveston	33	1		34	0.22%
Texas A&M University - San Antonio		3		3	0.02%
Texas Southern University	33	3		36	0.23%
Texas State University - San Marcos	374	34		408	2.59%
Texas Tech University	805	89	3	897	5.70%
Texas Woman's University	807	212	18	1,037	6.59%
The University of Texas at Arlington	5,359	1,127	64	6,550	41.64%
The University of Texas at Austin	490	19		509	3.24%
The University of Texas at Brownsville	8	4		12	0.08%
The University of Texas at Dallas	233	41	3	277	1.76%
The University of Texas at El Paso	9	3		12	0.08%
The University of Texas - Pan American	5	1		6	0.04%
The University of Texas at San Antonio	38	2	2	42	0.27%
The University of Texas at Tyler	43	12		55	0.35%
The University of Texas of the Permian Basin	50	12	1	63	0.40%
University of Houston	83	12	2	97	0.62%
University of Houston - Downtown	6	2	3	11	0.07%
University of Houston - Clear Lake	4			4	0.02%
University of Houston - Victoria	7	5		12	0.08%
University of North Texas	2,157	351	27	2,535	16.11%
University of North Texas at Dallas	63	18	1	82	0.52%
West Texas A&M University	49	12		61	0.39%
Total	13,175	2,411	144	15,730	100.00%

Source:

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

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Academic Buildings	86	84	82	81
Square footage	2,387,613	2,267,293	2,191,020	2,172,664
Libraries	5	5	5	5
Square footage	124,630	124,630	127,000	124,630
Number of Volumes	282,822	274,597	282,245	278,276
Administrative and support support buildings	15	15	15	14
Square footage	252,270	192,115	97,607	79,000
Dining Facilities	10	8	6	6
Square footage	95,327	89,146	80,109	80,109
Average daily customers	1,707	2,138	2,402	2,200
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	14	14	12	12
Square footage	104,725	104,725	100,205	97,100
Transportation				
Cars	24	24	25	65
Light Trucks/Vans	179	174	166	127
Fire Trucks	3	2		

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
79	60	52	41	40	42
2,167,963	2,030,332	2,021,500	1,625,000	1,611,000	1,611,000
5	5	5	4	4	4
127,000	127,000	127,000	113,000	113,000	113,000
266,019	253,989	237,318	212,591	249,630	255,062
13	11	10	8	8	8
77,400	70,500	69,000	66,000	66,000	66,000
6	5	5	4	4	4
80,109	79,000	79,000	61,000	61,000	61,000
2,345	2,230	1,308	1,380	1,208	1,075
13	13	13	12	12	12
172,000	172,000	172,000	166,000	166,000	166,000
4	4	4	4	4	4
5	5	5	4	4	4
3	3	3	2	2	4
12	11	11	10	10	11
97,100	91,000	91,000	56,000	56,000	56,000
52	44	44	41	41	22
112	127	130	128	120	128





**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2015**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
DEPARTMENT OF EDUCATION			
Federal Direct Programs:			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grant	84.007		\$ 809,100
Federal Work Study Program	84.033		758,845
Federal Pell Grant Program	84.063		64,371,780
Federal Direct Student Loans	84.268		33,022,850
Higher Education Institutional Aid	84.031A		371,814
TRIO Cluster			
TRIO Student Support Services	84.042A		283,533
TRIO Upward Bound	84.047A		684,973
Total Direct from Department of Education			<u>100,302,895</u>
Pass-Through from:			
Fort Worth Independent School District			
Adult Education - Basic Grants to States	84.002	0514AEL000	234,164
Texas A&M University			
Adult Education - Basic Grants to States	84.002	02-S150202	42,038
Texas Workforce Commission			
Adult Education - Basic Grants to States	84.002	BTAEL-03-CD	368
Texas Higher Education Coordinating Board			
Career and Technical Education - Basic Grants to States	84.048	154260	1,554,829
MDRC Developmental Education Acceleration Project	84.372	R372A090010	18,880
Total Texas Higher Education Coordinating Board			<u>1,573,709</u>
Total Department of Education			102,153,174
DEPARTMENT OF AGRICULTURE			
Pass-Through From:			
Texas Workforce Commission			
State Administrative Matching Grants for the Supplemental Apprenticeship	10.561	0515ATP000	25,600
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-Through from:			
Water from the Rock			
Community Development Block Grants/Entitlement Grants	14.218		18,170

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2015**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
DEPARTMENT OF JUSTICE			
Pass-Through from:			
Bureau of Justice Assistance			
Bulletproof Vest	16.607		6,753
DEPARTMENT OF LABOR			
Pass-Through from:			
Texas Workforce Commission			
Employment Service / Wagner-Peyser Funded Activities	17.207		43,203
Apprenticeship -WIA Dislocated Workers	17.278	0515ATP000	100,422
Total Texas Workforce Commission			<u>143,625</u>
Texas Higher Education Coordinating Board			
Worker Train National Emergency Grant	17.277	EM-24470-13-60-A-48	53,614
Total Department of Labor			197,239
NATIONAL ENDOWMENT FOR THE HUMANITIES			
Pass-Through From:			
Gilder Lehrman Institute of American History			
Civil War 150	45.164	GI-50416-12	18
Created Equal	45.164	GI-50416-12	60
Changing America	45.164	GI-50416-12	1,161
Dust, Drought and Dreams	45.164	GI-50416-12	287
Total National Endowment For The Humanities			<u>1,526</u>
NATIONAL SCIENCE FOUNDATION			
Pass-Through from:			
University of Texas at Arlington			
Opportunity Enhancing Diversity in GeoSciences	47.050	NSF10-599	2,487
University of Texas at El Paso			
LSAMP: A Model Senior Alliance	47.076	26-1008-4125	18,811
Texas A&M Engineering Experiment Station			
Pathways for Industrial Automation Careers	47.076	DUE-1304843	15,081
South Texas Aviation Maintenance Tech Ed Project	47.076	DUE-1205021	25,143
Total National Science Foundation			<u>61,522</u>

**TARRANT COUNTY COLLEGE DISTRICT
SCHEDULE E
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2015**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Pass Through Disbursements and Expenditures
SMALL BUSINESS ADMINISTRATION			
Pass-Through from:			
North Texas Small Business Development Center			
Small Business Development Centers	59.037	SBAHQ-12-B-0051	50,065
Small Business Development Centers	59.037	SBAHQ-12-B-0051	267,624
Small Business Job Act Program	59.037	1-603001-0152	18,000
Total Small Business Administration			<u>335,689</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through from:			
Substance Abuse and Mental Health Services Administration			
Suicide Prevention Pilot	93.243	1U79SM060533-01	88,600
Fort Worth Independent School District			
Temporary Assistance for Needy Families	93.558	0514AEL000	89,678
Texas Workforce Commission			
Temporary Assistance for Needy Families - Apprenticeship	93.558	0515ATP000	36,044
Total Department of Health and Human Services			<u>214,322</u>
Total Federal Financial Assistance			<u><u>\$ 103,013,995</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	\$ 3,685,838
Federal Grants and Contracts – per Schedule C	66,314,027
Direct Loans	33,022,850
Veterans' Administration	<u>(8,720)</u>
 Total Federal Revenues per Schedule of Expenditures of Federal Awards	 <u>\$ 103,013,995</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>\$ 33,022,850</u>	<u>\$ -</u>	<u>\$ 33,022,850</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, 2015, and the related notes to the financial statements, and have issued our report thereon dated December 11, 2015.

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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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, 2015, no instances of noncompliance were found.

To the Board of Trustees
Tarrant County College District

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, 2015



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 *U.S. Office of Management and Budget (OMB) 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, 2015. 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, 2015.

To the Board of Trustees
Tarrant County College District

Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the compliance requirements referred to above that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying federal schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit are described in the accompanying corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 as a basis for designing 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying federal schedule of findings and questioned costs as item 2015-001, that we consider to be significant deficiencies.

To the Board of Trustees
Tarrant County College District

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, 2015

**TARRANT COUNTY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2015**

Section I. Summary of Auditor's Results

Financial Statements

The type of auditor's report issued: Unmodified

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? X yes _____ no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X yes _____ no

Identification of major programs:

Student Financial Assistance Cluster
Career and Technical Education - Basic Grants to States
Small Business Development Center

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, 2015
(CONTINUED)**

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

Finding: 2015-001

Federal program: CFDA 84.048 Career and Technical Education - Basic Grants to States

Federal agency: U.S. Department of Education

Pass-Through Entity: Texas Higher Education Coordinating Board

Compliance Requirements: Activities Allowed or Unallowed; Allowable Costs and Cost Principles; Period of Availability of Federal Funds

Criteria: Program requirements state that grant activities and costs must be according to OMB Circular A-21 and the grant's Request for Application. Activities and costs must also be expended during the federal funding period (September 1, 2014 to August 31, 2015).

Condition: For the year ended August 31, 2015, we reviewed a sample of expenses charged to the grant and noted \$9,313 in unallowable expenses and expenses incurred outside of the federal funding period. Projection of noncompliance noted in our sample resulted in likely questioned costs of \$24,918 for the year ended August 31, 2015.

Questioned Costs: \$24,918

Cause: During the grant's year-end closing process, review of invoice descriptions and shipping dates was not sufficient to ensure that unallowable expenses were not charged to the grant.

Effect: As a result, the District charged expenses to the grant that are unallowable and outside the period of availability.

Recommendation: The District's program staff and management should review invoices descriptions and shipping dates in sufficient detail during the year-end closing process to ensure that all expenses charged to the grant are allowable and incurred during the period of availability.

**TARRANT COUNTY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2015
(CONTINUED)**

Section IV. Corrective Action Plan

Finding: 2015-001

Responsible official's response and planned corrective actions: The District will implement the controls and processes in place to ensure only allowable expenses are charged to grants. A review will be conducted no less than each quarter between the grant accountant and project manager. All equipment purchases will be rigorously reviewed to detect any items that are not in compliance with regulation.

Implementation Date: September 1, 2015

Responsible Person: Sheryl Harris, Perkins Basic Grant Project Director

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, 2015**

<u>Grant Agency / Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
TEXAS WORKFORCE COMMISSION		
Apprenticeship	0515ATP000	\$ 180,975
Skills Development Fund - GM	0513SDF000	232,109
Skills Development Fund - Manu Cons	0514SDF000	191,752
Skills Development Fund - Veteran & Industry	0514SDF001	186,469
Skills for Small Business	0515SSD000	7,200
Total Direct from Texas Workforce Commission		<u>798,505</u>
Pass-Through From:		
Fort Worth Independent School District		
Adult Education and Literacy		41,365
Total Texas Workforce Commission		<u>839,870</u>
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		
Law Enforcement Office Standards and Education		5,733
TEXAS DEPARTMENT OF STATE HEALTH SERVICES		
Pass-Through From:		
MHMR of Tarrant County		
Healthy Community Collaborative	E151767	18,342
TEXAS HIGHER EDUCATION COORDINATING BOARD		
Work Study		251,580
Be On Time	9116697M	8,049
Toward Excellence, Access & Success Grant I	9117701M	244,587
Texas Educational Opportunity Grant	9122062M	3,379,369
Professional Nursing Shortage Over 70% Program FY2011	9105206M	18,445
Professional Nursing Shortage Over 70% Program FY2015	9000122M	270,856
Nursing and Allied Health	13058	399
Accelerated Developmental Education Pilot Project - ModMath	9120873M	328
Adult Basic Education Innovation Grants	9123413M	47,962
Top 10% Scholarship	9300032M	7,800
Texas-Science, Technology, Engineering and Math T-STEM	11276	65,188
Total Direct From Texas Higher Education Coordinating Board		<u>4,294,563</u>
Pass-Through From:		
Education Service Center Region 11		
Academic Vertical Alignment Training and Renewal		2,232
Dallas County Community College		
Small Business Development Center	SBAHQ-12-B-0051	66,980
Small Business Development Center		378
Total Texas Higher Education Coordinating Board		<u>4,364,153</u>
Total State Financial Assistance		<u>\$ 5,228,098</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 \$ 5,228,098

Total State Revenues per Schedule of Expenditures of State Awards \$ 5,228,098

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, 2015. 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, 2015.

To the Board of Trustees
Tarrant County College District

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 as a basis for designing 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, 2015

**TARRANT COUNTY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2015**

Section I. Summary of Auditor's Results

Financial Statements

The type of auditor's report issued: Unmodified

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: Unmodified

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:

Texas Educational Opportunity Grant
Texas Workforce Commission - Skills Development Funds

**TARRANT COUNTY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2015
(CONTINUED)**

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 Government Auditing Standards.

Section IV. Corrective Action Plan

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

Section V. Prior Year Audit Findings

There were no prior year audit findings.

TARRANT COUNTY COLLEGE DISTRICT
FINANCE DEPARTMENT
1500 HOUSTON STREET
FORT WORTH, TEXAS 76102
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