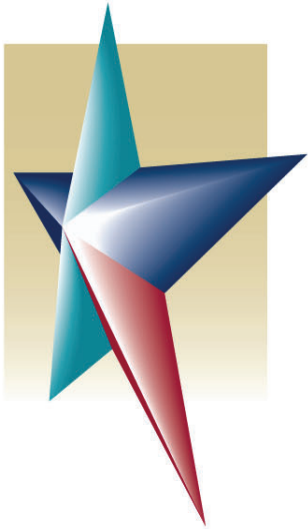


# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED  
AUGUST 31, 2023 AND 2022







# **Tarrant County College<sup>®</sup>**

**SUCCESS WITHIN REACH.**

Annual Comprehensive Financial Report

For the Fiscal Years Ended  
August 31, 2023 and 2022

**Prepared by:**  
**Finance Department**  
**Tarrant County College District**  
**Texas**





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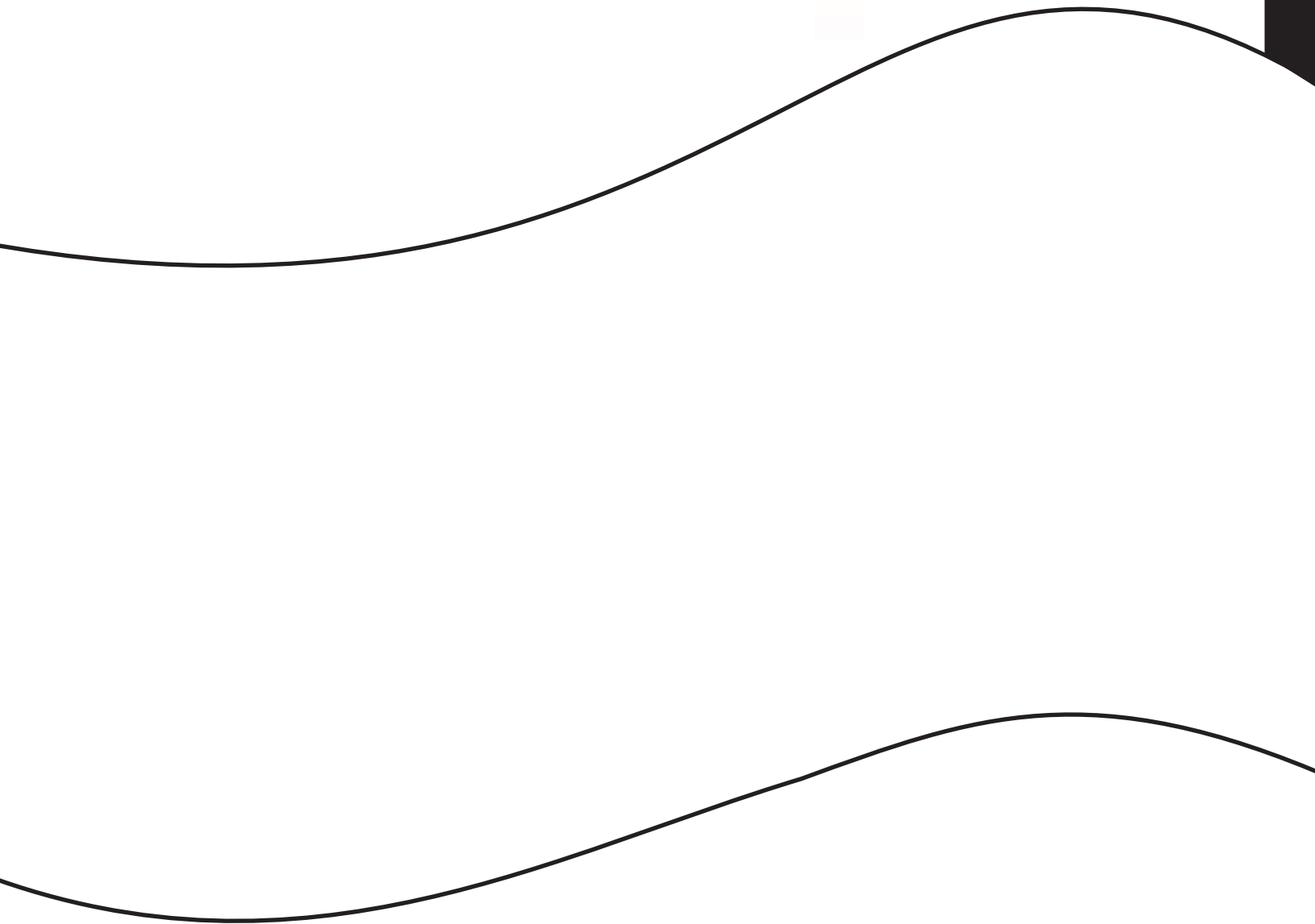
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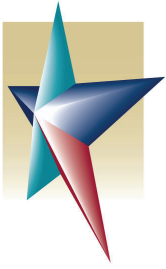
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# INTRODUCTORY SECTION







**Tarrant County College®**  
**SUCCESS WITHIN REACH.**



December 14, 2023

To the TCC Board of Trustees:

I am pleased to share the Annual Comprehensive Financial Report with you and our community. Through this report, you will gain a detailed understanding of the College's financial operations for the 2022-2023 fiscal year, which ended on August 31, 2023.

In August 2023, TCC's campuses commenced our 58th year serving Tarrant County. Since our humble beginnings, we have grown to be the fourth-largest community college in the state of Texas and one of the largest institutions of higher learning in the nation. We are proud of how we serve our community; the perseverance and resilience of our students, staff, and faculty; and our students' achievements and contributions to this county and beyond.

TCC demonstrates an unwavering commitment to its mission of providing affordable access to high-quality education. We play a significant role in the continued vitality of Tarrant County, as education is a critical factor in the sustainability of economic development, mobility, and growth. TCC's impact is vast and something to be celebrated.

As the community college for Tarrant County, we are called on to leverage our resources to educate students throughout the area and prepare them for lifelong learning while responding in a timely way to community and workforce needs. We take these duties seriously and embrace the opportunity to serve from a lens of readiness. We lead with a mindfulness of our impact and the potential to transform lives. Our partnerships throughout the educational and workforce continuums allow students to identify and embark on pathways that align education with their goals, and to transition seamlessly from TCC to a university and/or the workforce.

Thanks to the progress made with key initiatives such as the bond project, career advising model, and the environmental scan, TCC is positioned to offer experiences that prepare students to live, lead, and learn in the 21st century.

More detailed information about accomplishments that occurred during the 2022-2023 fiscal year will be shared throughout this report.

Thank you for your continued support and leadership.

Elva LeBlanc, Ph.D.  
Chancellor  
Tarrant County College District



**Tarrant  
County  
College**

OFFICE OF FINANCE

# TRANSMITTAL LETTER

FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

December 14, 2023

To: Chancellor Elva LeBlanc,  
Members of the Board of Trustees, and  
The Citizens of the Tarrant County College District

The annual comprehensive financial report of the Tarrant County College District for the fiscal years ended August 31, 2023 and 2022 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.

## *Annual Comprehensive Financial Report*

The Tarrant County College District’s annual comprehensive financial report for the fiscal years ended August 31, 2023 and 2022 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 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

## Enrollment by Headcount



Source: TCC Office of Institutional Research Statistical Handbook





*TCC Southeast campus students hone their pottery making skills.*

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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and an annual state single audit in conformity with the Texas Grant Management Standards. 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 the District***

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

## ***Mission***

Tarrant County College District provides affordable and open access to quality teaching and learning.

## ***Vision***

Tarrant County College District will be a recognized leader for academic excellence, economic impact, civic responsibility, and personal enrichment by functioning as one college, being student ready, and serving the community.

## ***Values***

The College carries forward its values from the Vision 2015 Strategic Plan:

- Student Success: Belief in providing quality instruction, resources, and support services to assist our students in achieving their lifelong goals.
- Access: Belief in providing educational opportunities for all members of the community.
- Excellence: Belief in providing outstanding quality in educational programs, administrative support, and services to its students, faculty, and staff.
- Diversity: Beliefs that the College should reflect the diversity of the community.
- Innovation and Creativity: Belief in cultivating a learning environment that evaluates and incorporates emerging technologies and methodologies to enhance the quality of instruction and administrative support for our students, faculty, and staff.



*Serving the community at the TCC South campus community resource fair.*

## Goals

The College has adopted the following goals to support students and the community:

- One College: TCC will function as One College to provide a consistent and successful student experience.
- Student Ready College: TCC will put students at the core of all programs and services, so that they are welcomed, engaged, and supported inside and outside the classroom.
- Serve the Community: TCC will serve the community and be its first choice for partnership.

## Economic Outlook and Impact

TCC is one of the largest institutions of higher education in the country and a centerpiece for the sustained progress and prosperity of the county. Like Texas as a whole, Tarrant County is harnessing the energy of growth and an increasingly diverse economy and population. For example, while the country had a population increase of roughly 7% between 2010 and 2021, Tarrant County and the state experienced a 17% increase in population size during that same period. As shown in national and state-level trends, Tarrant County's fastest growing demographic is the Hispanic/Latino community. The county's Hispanic/Latino population increased by more than three (3) percentage points between 2010 and 2021. Data shows the county's population mirrors national and state trends in other ways, with the 65 and older population ranking as the fastest growing age demographic and the 0-4 age group declining the most. (Sources: The Economic Value of Tarrant County College District, Lightcast, 2023; Our Changing Population, USAFacts.org)

We engaged Lightcast, a labor market analysis firm, to conduct an economic impact study and environmental scan during the 2022-2023 fiscal year. Results highlight the significant impact TCC has on the local community. For example, our extensive portfolio of economic impact highlights \$2.1 billion in annual added income to the county. TCC alumni accounted for \$1.7 billion in added income to the county; current students were responsible for adding \$93 million; and the College added \$267 million through operations spending.

Our value add to the economy extends beyond monies flowing directly into the economy. Investment analyses demonstrate yields of return on investment. On average, the annual return rate of investment for students who earn an associate degree from TCC is 30%. For perspective, the stock market's annual return rate averages less than 10%. The return rates for students result in additional earnings of \$9,200 per year compared to someone with a high school diploma. Taxpayers gain \$1.30 in added tax revenue for every dollar invested into TCC, and society gains \$11.00 in added income and social savings for each dollar invested.

The College's impact spans the county. Approximately one (1) out of every 25 residents takes a course at TCC each year, and one (1) out of every 54 jobs in the county is supported by activities of TCC and our students. The multibillion-dollar impact in annual added income



*TORO makes an appearance at the 2023SP Graduation.*



is an economic boost similar to the county hosting the MLB World Series more than 250 times. (Sources: The Economic Value of Tarrant County College District, Lightcast, 2023; Our Changing Population, USAFacts.org)

## 2022-2023 Accomplishments

### Academic Excellence

Academic excellence is central to TCC’s mission and operations. Students’ high level of college and career readiness reflects the quality teaching and learning they receive at TCC.

In Summer 2022, we initiated efforts to enhance strategies and activities that would result in increases in student enrollment and success. Efforts focused on proven and promising practices to advance student retention, progression, and completion. This work has resulted in reimagining the student life cycle as a comprehensive experience that begins at entry into TCC and ends with completion. The core of the work includes a new approach to advising and the integration of a career-oriented framework focused on putting students on pathways aligned with their individual goals.

In 2022-2023, we expanded our advising teams by increasing the number of advisors, establishing a career advising model of practice, and increasing the size of our student recruitment and outreach team. What has resulted is a comprehensive approach to strategic enrollment management. A team comprised of academic and student affairs practitioners from across the College is leading the charge to develop a one-college framework that results in a seamless onboarding and student learning experience while providing the support and services students need to be successful.

Highlights from work completed during the 2022-2023 fiscal year include creating career advisor and senior career advisor positions, connecting student advising with our Quality Enhancement Plan (QEP), integrating a registration-ready framework into student recruitment and onboarding, and aligning advising practices with pathways and stackable credentials.

TCC recognizes that the heart of the student experience is inside the classroom. With that in mind, we took significant steps designed to enhance the student learning experience, increase access and engagement between faculty and students, and align the academics of the College into a one-college framework. For example, we established a new protocol for student support hours that integrates a hybrid framework and leverages technology as a means of access to engagement. Faculty can now use Microsoft Teams as an official tool for student support hours, allowing students access to faculty and staff without physically coming to campus. The shift to more technology-friendly approach is important, considering roughly 80% of our students are enrolled part-time and thus often spend less time on campus than full-time enrolled students.

The 2022-2023 fiscal year also saw the College embark on efforts to bring greater conformity to academic programs and divisions across the District. The charge to align naming conventions and discipline/programs highlights the importance of and intersections between, functioning as one college and being student ready — both pillars of excellence. By creating consistency in our academic programs and disciplines, students will have an easier time navigating choices and actions (pertaining to programs of study, registration, course scheduling, and more) no matter which of our six (6) campuses they utilize. A one-college framework will also help streamline decision-making, hiring, and budget development processes for the College.



*Construction of a new building as part of the redevelopment of the Northwest campus.*



*Students graduating at the spring 2023 commencement.*

## *Partnerships*

Partnerships are an important aspect of the success of any organization. For TCC, the role of partners and partnerships is vast and linked directly to our ability to advance the mission of the College. Partnerships allow us to remain ready to respond to the community's needs. We work with entities throughout the county and the North Texas region to foster relationships that add value to our operations and how we serve. While each is unique, each is part of a broader scope of work that forms a robust, comprehensive framework for serving students, the community, and the workforce. Partners include community organizations, colleges and universities, foundations, government entities, K-12 schools, and businesses and industries. Each play an important role in ensuring we stand ready to re-

spond to the needs of the Tarrant County community and the many stakeholder groups we serve and support.

When considering the education-to-workforce continuum, the space that TCC holds in that spectrum is clear. During the 2022-2023 fiscal year, we had operational agreements with roughly 20 ISDs, which included more than 80 dual credit high school sites, more than 10 Early College High Schools (ECHS), and nearly 20 Pathways in Technology Early College High (P-TECH) schools. We also had partnerships with more than 60 colleges/universities that included more than 180 active articulation agreements.

The 2022-2023 period also marked the second year of implementation of the Tarrant To and Through (T3) program — which brings together colleges and universities, school districts, employers, and other stakeholders to ensure more Tarrant County students have the education and skills they need to thrive in the workforce. In year two, TCC enrolled nearly 1,100 T3 scholars and posted a Fall 2022 to Spring 2023 persistence rate of 81%. The role and value of quality partnerships with K-12 and higher education will remain pivotal as we identify opportunities to maximize benefits and opportunities made available through House Bill 8 (see next section for more details) and other legislation.

We work closely with business and industry in a variety of ways, such as aligning curriculum with industry trends and offering apprenticeships designed to provide students with on-the-job and classroom learning opportunities that reflect the modern workforce. These partnerships have resulted in apprenticeship offerings in automotive technologies, business administration, construction/building technologies, information technology, and mechanical and industrial technologies/machining. Each apprenticeship is registered with the Department of Labor and designed with industry demand and workforce readiness in mind. More than 10 partners provided nearly 50 apprenticeships during the 2022-2023 fiscal year.

Our Corporate Solutions and Economic Development (CSED) team functions as an “instrument of the workforce.” Through intentional collaborations, CSED fosters relationships with business and industry partners and identifies links between industry needs and educational opportunities. The CSED team then works with partners to develop customized trainings designed to meet workforce demand and need. In 2022-2023, CSED partnered with 26 industry stakeholders to facilitate 30 trainings that generated more than \$250,000 in revenue.



*The Chancellor, Dr. Elva LeBlanc, speaking at the spring 2023 legislative breakfast.*





*Students gain hands on experience at a South campus automotive class.*

Overall, TCC interfaced with more than 1,000 business and industry, community, and governmental partners in 2022-2023. These partnerships create access to resources and help keep us abreast of economic and workforce advancements, legislation, additional partnership possibilities, and more. Our relationships help ensure TCC is providing support, services, and programs to align what we do with what is needed — and that is true whether our partners serve on advisory committees and help ensure that programs reflect industry needs, provide board and community engagement opportunities, or facilitate philanthropic connections and other opportunities. Together, we provide a framework to help ensure Tarrant County and its residents have the knowledge and skills needed to serve and lead in the continued development and progress of the county.

## ***Looking Ahead***

The 2022-2023 fiscal year saw state-level and institutional-level decisions that will have significant impacts on how TCC operates moving forward. At the state level, House Bill 8 (HB 8) will change how community colleges receive funding. HB 8 transforms the state funding model from enrollments and headcounts to an outcomes-based structure. Allocations of state-level funding will have direct correlations to credentials of value, including degrees, certificates, and other credentials from both credit and non-credit programs; credentials of value awarded in high demand fields; transfers to four-year institutions; and dual credit hours earned in academic and workforce pathways.

At the institutional level, the Board of Trustees approved a lower tax rate and a homestead exemption policy. In June 2023, the Board approved a 1% homestead exemption with a \$5,000 minimum. In September 2023, the Board approved an adjustment of the annual ad valorem tax rate from .13017 to .11217 per \$100 on all properties within the boundaries of the TCC District. The new rate represents a 14% decrease compared to the 2021-2022 rate. This change reflects the largest, one-time tax reduction rate in the history of TCC.

As we look ahead, the College will remain steadfast in our commitment to good stewardship of resources, listening and being responsive to our constituents, and to maximizing student learning and success. We will do this through continuous process improvement and an ongoing emphasis on our direction, alignment, and commitment to being student ready, serving the community, and operating as one college.

## ***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.



*Students attend an ice-cream social on the Northwest campus.*



*TCC students enhance their college experience through clubs, organizations, and other student activities.*

### *Single Audit*

As a recipient of federal, state, and local financial assistance, the District is also responsible for ensuring that adequate internal controls are in place to comply with applicable laws and regulations related to those programs. The internal controls are subject to periodic evaluation by management and the independent auditors of the District. As a part of the District's single audits, tests are made to determine the adequacy of internal controls, 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, 2023, are found in the report on pages 124 and 134, 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 maintenance and operation fund, auxiliary enterprises fund, debt service and capital funds 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 in the Annual Comprehensive Financial Report, though not presented separately in accordance with GASB 34 and 35. 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.

### *Long-term Financial Planning*

Beginning in 2019, TCC re-emphasized the need for sound long-term financial planning. This began with TCC's first bond election in 25 years, allowing the College to take advantage of low interest rates and the opportunity to comprehensively plan and construct campuses of the future. The College prepared a facility condition assessment and a facility master plan to ensure that every dollar is spent strategically. The Board and Administration planned operating expenditures carefully to ensure long-term recovery from the pandemic, to use excess fund balance for the purpose of cash-funding significant technology and other capital needs, and to forecast future budgets to absorb new debt service and operating costs emerging from the College's strategic plan.

### *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 selected the accounting firm of Weaver and Tidwell, L.L.P. In addition to meeting the requirements set forth in state statutes, their audit was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and Uniform Guidance and the State Single Audit related to the Texas Grant Management Standards. The auditor's reports related specifically to the single audits are included in the Single Audit Sections of the financial report.



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## *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 annual comprehensive financial report for the fiscal year ended August 31, 2022. This was the thirty-first consecutive year that the District has achieved this prestigious award. To be awarded a Certificate of Achievement, an entity must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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.

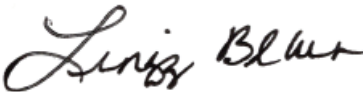
## *Acknowledgments*

As this financial report indicates, outstanding work is happening to take TCC into its next chapter. We thank the Board of Trustees for their leadership, diligence, and commitment to fiduciary responsibility. We are particularly grateful to the Chancellor, Cabinet, and various departments for providing resources and information needed to prepare this report. Additional appreciation goes to employees of the Finance Department who contributed to the completion of this report. Finally, we want to thank the accounting firm of Weaver and Tidwell, L.L.P., for its timely completion of the audit.

Sincerely,



Ronnie Watkins, MBA  
Executive Director of Finance &  
Administrative Services



Linzy R. Blain, CPA  
Director of Finance



Stephanie Duerm, CPA  
Senior Accounting Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tarrant County College District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2022

*Christopher P. Morill*

Executive Director/CEO

**Tarrant County College District  
Elected Officials  
August 31, 2023**



Teresa Ayala  
President of the Board  
Term Expires:  
May 2027



Kenneth Barr  
Vice President  
Term Expires:  
May 2025



Jeannie Deakyn  
Secretary  
Term Expires:  
May 2027



Leonard Hornsby  
Assistant Secretary  
Term Expires:  
May 2029



Gwendolyn Morrison  
Member of the Board  
Term Expires:  
May 2025



Laura Forkner Pritchett  
Member of the Board  
Term Expires:  
May 2029



Shannon Wood  
Member of the Board  
Term Expires:  
May 2027

**Tarrant County College District  
Principal Officials  
August 31, 2023**

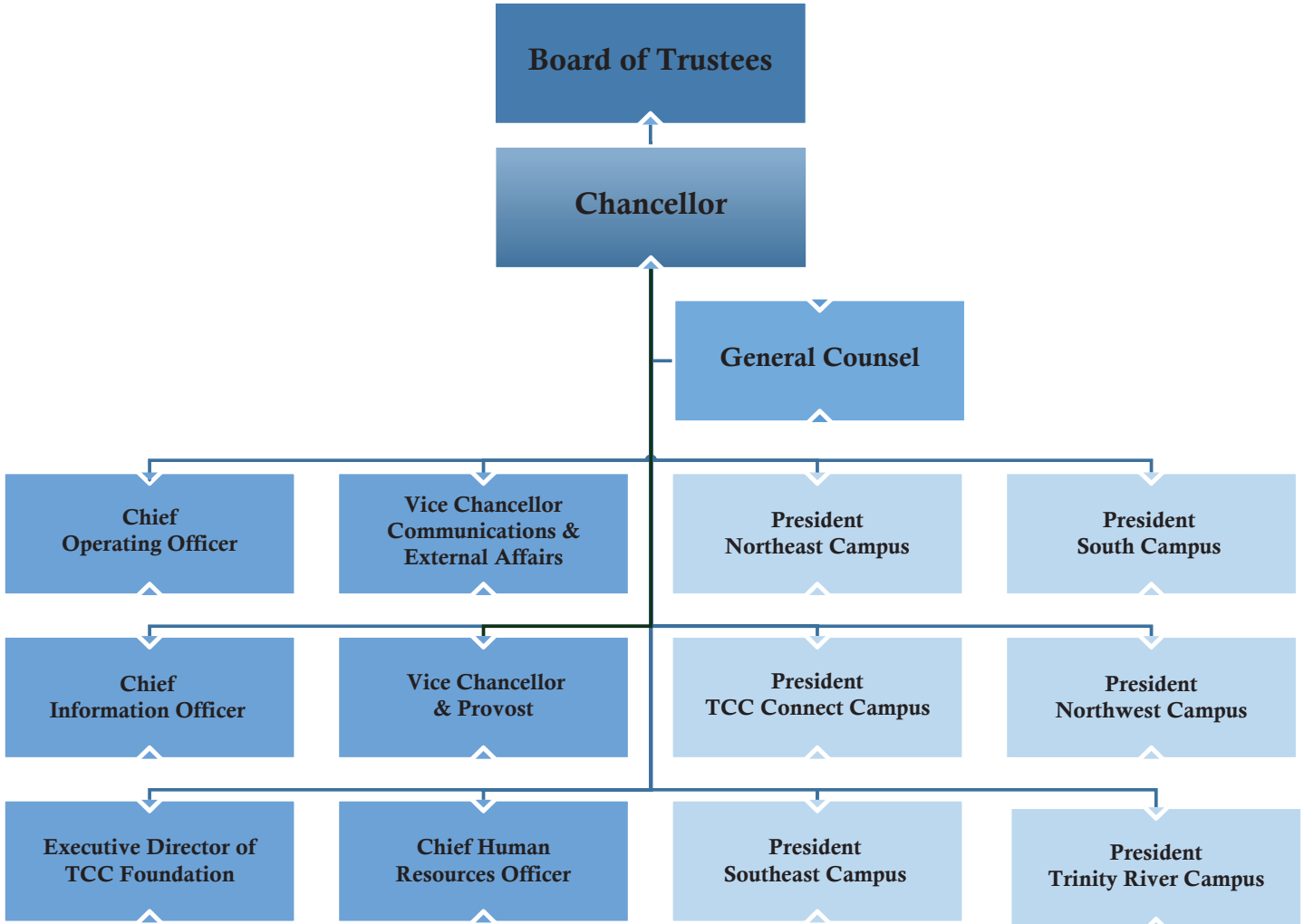
***Administration Team***

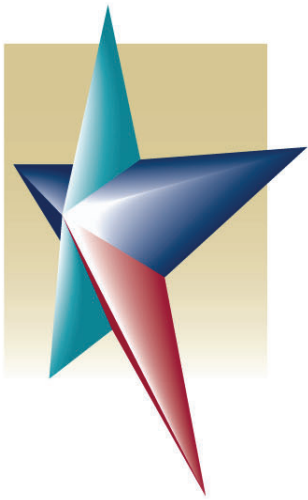
Chancellor	Elva Concha LeBlanc, Ph.D.
Vice Chancellor and Provost	Shelley Pearson, Ed.D.
Chief Operating Officer	Susan Alanis, MPA
President, Northeast Campus	Kenya Ayers-Palmer, Ph.D.
President, Northwest Campus	Zarina Blankenbaker, Ph.D.
General Counsel	Carol Bracken, J.D.
President, Southeast Campus	Bill Coppola, Ph.D.
Vice Chancellor for Communications and External Affairs	Reginald Gates, M.Ed.
Chief Information Officer	Todd Kreuger, B.A.
President, South Campus	Dan Lufkin, Ed.D.
Chief Human Resources Officer	Gloria Maddox-Powell, MBA
President, Trinity River Campus	S. Sean Madison, Ed.D.
President, TCC Connect Campus	Carlos Morales, Ph.D.
Executive Director of TCC Foundation	Laure O'Neal, MBA

***Finance Officials***

Executive Director of Finance and Administrative Services	Ronnie L. Watkins, MBA
Director of Finance	Linzy R. Blain, CPA
Senior Accounting Manager	Stephanie Duelm, CPA

# Tarrant County College District Organizational Chart

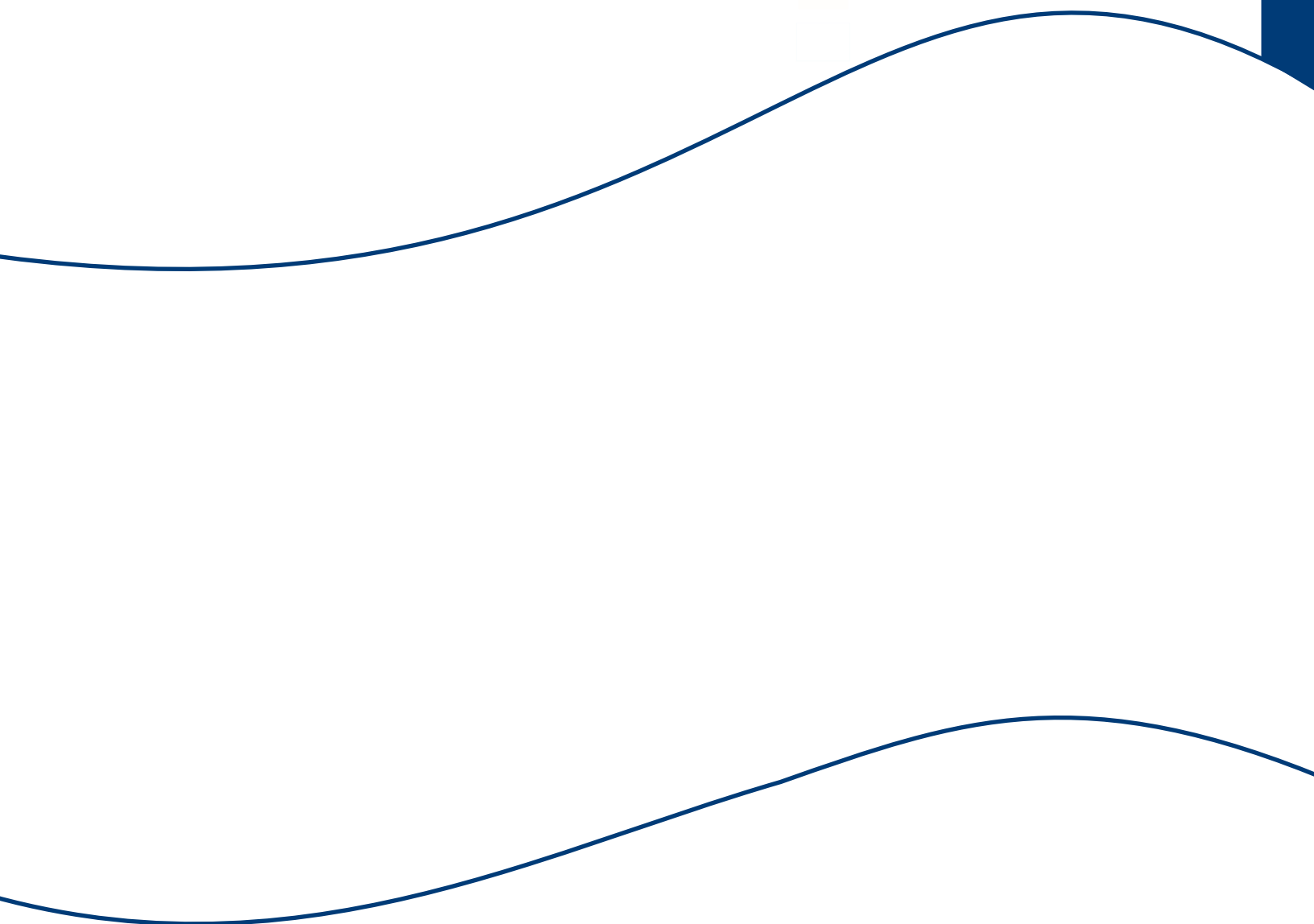




**Tarrant County College<sup>®</sup>**  
**SUCCESS WITHIN REACH.**



# FINANCIAL SECTION





## Independent Auditor's Report

To the Board of Trustees  
Tarrant County College District

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of Tarrant County College District (the District) as of and for the years ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2023 and 2022, 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.

#### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter

As discussed in Note 2 to the basic financial statements, during the year ended August 31, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

The District's 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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 and the required supplementary information on pages 54 to 64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

The Board of Trustees  
Tarrant County College District

### **Supplementary 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 75 to 113, and the additional financial information on pages 66 to 73 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 additional 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.

### **Other Information Included in the Annual Comprehensive Financial Report (ACFR)**

Management is responsible for the other information included in the ACFR. The other information comprises the Introductory Section and Statistical Section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Dallas, Texas  
December 14, 2023

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

### *Introduction*

The following Management's Discussion and Analysis (MD&A) reviews the District's financial activity during the fiscal years ended August 31, 2023, 2022 and 2021. 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 Governmental Accounting Standards (GASB) Statement No. 34 (GASB 34). It should be read in conjunction with the transmittal letter (pages ii-ix), the District's basic financial statements (pages 12-15) and the notes to the financial statements (pages 16-52). 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 GASB 34 and implemented by the District in fiscal year 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. Prior year balances have been restated due to the adoption of Governmental Accounting Standards Board (GASB) Statement No. 96 for Subscription-Based Information Technology Arrangements (SBITAs). This statement establishes standards of accounting and financial reporting for SBITAs. (A detailed discussion of the reporting and accounting policies of the District may be found in Note 2 to the financial statements, pages 16-19). 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, L.L.P., 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 years 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.
- *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, 2023 and 2022. 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 not a required part of the basic financial statements but is presented for the purposes of additional analysis.

### ***Fiscal Year 2023 Financial Highlights***

- Total District revenues exceeded total expenses by \$115.4 million as a result of careful budgeting, prudent fiscal management of resources.
- The District capitalized \$12.7 million of capital improvements to existing buildings, \$0.2 million of capital improvements other than buildings, \$2.7 million of telecommunications and peripheral equipment, \$0.8 million of library books, \$3.6 million of furniture and other equipment, and \$12.2 million of right-to-use assets for subscription-based information technology arrangements (SBITAs).

### ***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 \$84.1 million in 2023, and \$491.1 million in 2022. Total liabilities decreased \$31.1 million in 2023 and increased \$410.6 million in 2022.

#### **Condensed Statements of Net Position**

August 31 (Dollars in millions)	2023	2022	2022-23 Change	2021	2021-22 Change
Current Assets	534.2	906.2	(372.0)	593.9	312.3
Non-Current Assets:					
Long-Term Investments	602.5	247.8	354.7	163.6	84.2
Leases Receivable	7.6	8.0	(0.4)	8.6	(0.6)
Capital Assets, net	1,174.8	1,073.0	101.8	977.8	95.2
<b>Total Assets</b>	<b>2,319.1</b>	<b>2,235.0</b>	<b>84.1</b>	<b>1,743.9</b>	<b>491.1</b>
Deferred Outflows	46.7	49.2	(2.5)	63.0	(13.8)
Current Liabilities	103.1	109.3	(6.2)	75.9	33.4
Non-Current Liabilities	866.1	891.0	(24.9)	513.8	377.2
<b>Total Liabilities</b>	<b>969.2</b>	<b>1,000.3</b>	<b>(31.1)</b>	<b>589.7</b>	<b>410.6</b>
Deferred Inflows	75.0	77.8	(2.8)	69.8	8.0
Net Investment in Capital Assets	929.8	880.4	49.4	898.5	(18.1)
Restricted	21.0	17.4	3.6	13.6	3.8
Unrestricted	370.8	308.4	62.4	235.3	73.1
<b>Total Net Position</b>	<b>1,321.6</b>	<b>1,206.2</b>	<b>115.4</b>	<b>1,147.4</b>	<b>58.8</b>

• **Current Assets** decreased by \$372.0 million in 2023 and increased by \$312.3 million in 2022. The 2022 increase is attributable to an increase in short-term investments with bond proceeds that were received in July 2022. The 2023 decrease is attributable to a decrease in short-term investments as bond funds were spent and proceeds were invested in longer term investments consistent with the bond program spending requirements. 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 August 31, 2023, current assets as a percentage of total assets was 23.0% compared to 40.5% the prior year.

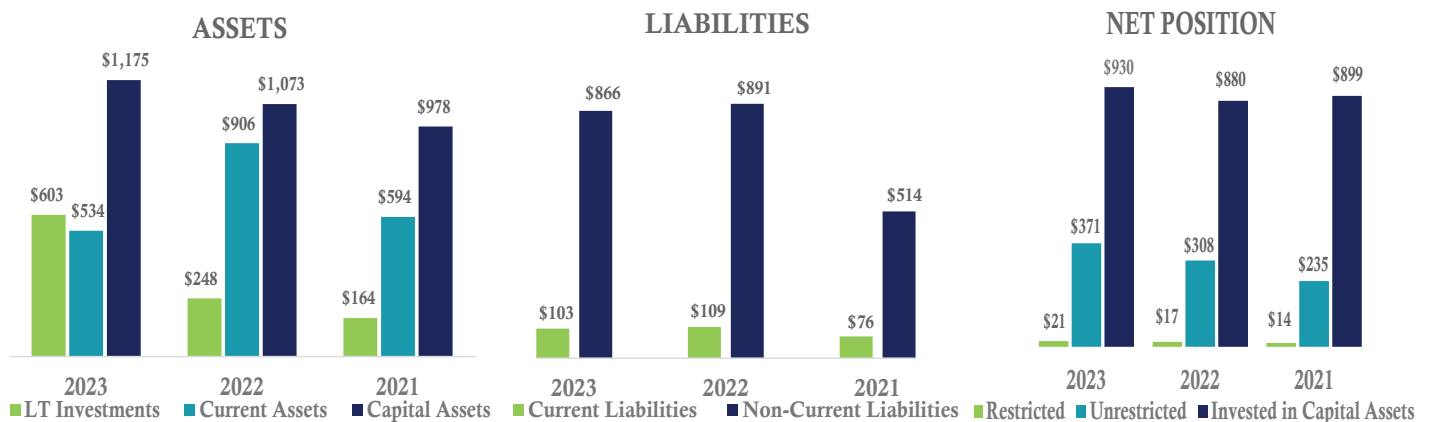
• **Non-Current Assets** increased by 34.3%, or \$456.1 million in 2023 and increased \$178.8 million (15.5%) in 2022. The 2023 increase is due to an increase in long-term investments and an increase in capital assets. Long-term investments increased \$354.7 million to 26.0% of total assets in

2023. Capital assets increased by \$101.8 million, and were 50.7% of total assets in 2023. 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. The majority of the capital asset value is in property and equipment, with additional construction continually ongoing. Capital assets were \$1.2 billion as of August 31, 2023, as compared to \$1.1 billion at August 31, 2022. This increase, net of current year depreciation of \$35.2 million, reflects spending on various ongoing capital improvement projects.

- **Deferred Outflows of Resources**- Required entries from GASB 68 resulted in the increase of \$11.2 million of deferred outflows of resources related to pensions in 2023, bringing the total to \$29.8 million, as compared to \$18.6 million at in 2022. Required entries from GASB 75 resulted in the recording of a decrease of \$13.8 million of deferred outflows of resources related to Other Post-Employment Benefits (OPEB) in 2023, bringing the total to \$16.9 million, as compared to \$30.7 million in 2022.
- **Current Liabilities** decreased \$6.2 million to a balance of \$103.1 million in 2023. These were comprised of accounts payable, accrued liabilities, accrued employee benefits, unearned revenue, lease liabilities, software liabilities, and the current portion of Net OPEB liability and bond payable. Accounts payable and accrued liabilities for goods and services received prior to the end of the fiscal year decreased \$7.9 million and the current portion of bonds payable increased \$1.9 million in 2023.
- **Non-Current Liabilities** primarily consist of bonds payable, accrued employee benefits, software liability, net pension liability, and net OPEB liability. Total non-current liabilities decreased by \$24.9 million to a balance of \$866.1 million in 2023. Net pension liability increased \$41.9 million, net OPEB liability decreased \$42.2 million, software liability increased \$3.3 million and bonds payable decreased \$27.3 million in 2023.
- **Deferred Inflows of Resources** - Required entries from GASB 68 resulted in the recording of a decrease of \$29.8 million of deferred inflows of resources related to pensions in 2023, bringing the total to \$9.4 million, as compared to \$39.2 million in 2022. Required entries from GASB 75 resulted in the recording of an increase of \$27.5 million of deferred inflows of resources related to OPEB in 2023, bringing the total to \$57.5 million, as compared to \$30.0 million in 2022. Required entries from the implementation of GASB 87 resulted in the recording of a decrease of \$0.4 million of deferred inflows of resources related to leases in 2023, bringing the total to \$8.1 million, as compared to \$8.5 million in 2022.
- **Net Position** (total assets and deferred outflows less total liabilities and deferred inflows) increased \$115.4 million, or 9.6% in 2023. This was primarily due to the increase to capital assets of \$101.8 million as previously mentioned. Net investment in capital assets, \$929.8 million in 2023, represents 70.4% 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 1.6% of net position. The remaining unrestricted net position may be used for educational or general operations of the District. Unrestricted

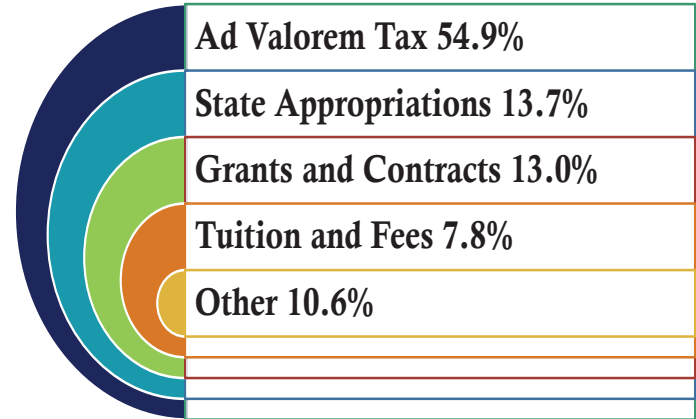
## *Comparative Composition of Assets, Liabilities, Deferred Outflows and Inflows, and Net Position*

Year Ended August 31  
(Dollars in Millions)



net position increased \$62.4 million in 2023 and represents 28.1% of net position. In fiscal year 2022, the Board designated \$88 million of unrestricted net position to fund the MyTCC Experience project that will replace the District's enterprise resource planning (ERP) tool, helping to modernize our approach to serving the unique needs of students and employees. In fiscal year 2023, the Board designated \$120.6 million of unrestricted net position to fund capital technology projects (\$7.6 million), a student experience building at the South campus (\$83 million) and to supplement the bond program redevelopment of the northwest and southeast campuses (\$30 million). The portion of net position committed to capital assets is expected to remain substantial with the ongoing district wide building and improvement programs.

## Total Revenue By Source Fiscal Year 2023 Total \$587.6



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

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as either operating or non-operating. Operating revenues represent the amounts received from customers in exchange for services provided by the District. Operating expenses are the costs incurred to provide District services to customers. Operating revenues include activities with characteristics of exchange transactions such as student tuition and fees (net of scholarship discounts and allowances), sales and services of auxiliary enterprises, some federal, state, and local grants and contracts, and interest on institutional student loans. Non-operating revenues include activities that have the characteristics of non-exchange transactions such as ad valorem taxes, state appropriations, other federal grants, and investment income. Depreciation on capital assets is included in operating expenses. Since state appropriations and county tax revenue are a significant portion of maintenance and operations funding, classification of this revenue as non-operating will usually result in an operating loss, as it does for the District in 2023 and prior years.

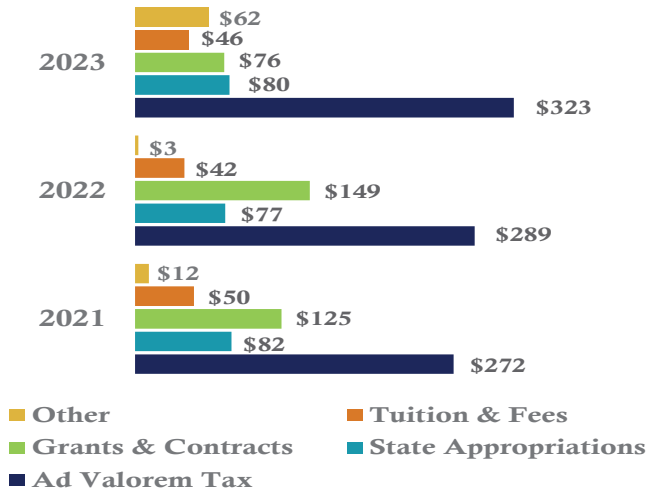
Condensed Statements of Revenues, Expenses and Changes in Net Position					
Years Ended August 31 (Dollars in millions)	2023	2022	2022-23 Change	2021	2021-22 Change
<b>Operating Revenue</b>					
Tuition & Fees	\$ 45.7	\$ 42.0	\$ 3.7	\$ 50.3	\$ (8.3)
Grants & Contracts	14.1	10.6	3.5	10.9	(0.3)
Auxiliary Enterprises	8.0	7.3	0.7	6.2	1.1
Other Operating Revenue	1.3	1.4	(0.1)	1.1	0.3
<b>Total Operating Revenue</b>	<b>69.1</b>	<b>61.3</b>	<b>7.8</b>	<b>68.5</b>	<b>(7.2)</b>
<b>Operating Expenses</b>					
Instruction	155.5	144.2	11.3	150.6	(6.4)
Public Service	4.7	3.8	0.9	4.9	(1.1)
Academic Support	42.1	35.6	6.5	36.1	(0.5)
Student Services	46.6	40.0	6.6	40.7	(0.7)
Institutional Support	62.1	63.2	(1.1)	54.5	8.7
Operation & Maintenance of Plant	36.8	32.4	4.4	31.0	1.4
Scholarships & Fellowships	60.3	130.1	(69.8)	102.8	27.3
Auxiliary Enterprises	9.2	8.6	0.6	6.6	2.0
Depreciation	35.2	35.5	(0.3)	35.3	0.2
<b>Total Operating Expenses</b>	<b>452.5</b>	<b>493.4</b>	<b>(40.9)</b>	<b>462.5</b>	<b>30.9</b>
<b>Operating Loss</b>	<b>(383.4)</b>	<b>(432.1)</b>	<b>48.7</b>	<b>(394.0)</b>	<b>(38.1)</b>
<b>Non-Operating Revenue (Expense)</b>					
State Appropriations	80.4	77.0	3.4	82.2	(5.2)
Ad Valorem Tax	323.0	289.4	33.6	271.5	17.9
Grants & Contracts	62.0	138.4	(76.4)	114.0	24.4
Investment & Other Income	53.1	(5.9)	59.0	4.4	(10.3)
Interest on indebtedness	(19.7)	(6.0)	(13.7)	(4.2)	(1.8)
Non-Operating Expense	-	(3.4)	3.4	-	(3.4)
<b>Total Non-Operating Revenue (Expense)</b>	<b>498.8</b>	<b>489.5</b>	<b>9.3</b>	<b>467.9</b>	<b>21.6</b>
Capital Contribution	-	-	-	0.8	(0.8)
<b>Increase in Net Position</b>	<b>115.4</b>	<b>57.4</b>	<b>58.0</b>	<b>74.7</b>	<b>(17.3)</b>
Net Position-Year Beginning	1,206.2	1,147.4	58.8	1,072.7	74.7
Change in Accounting Principle	-	1.4	(1.4)	-	1.4
Total Revenue	587.6	560.2	27.4	541.4	18.8
Total Expenses	(472.2)	(502.8)	30.6	(466.7)	(36.1)
<b>Net Position-Year End</b>	<b>\$ 1,321.6</b>	<b>\$ 1,206.2</b>	<b>\$ 115.4</b>	<b>\$ 1,147.4</b>	<b>\$ 58.8</b>

### Revenues

In 2023 total revenue increased \$27.4 million or 4.9% over 2022 to \$587.6 million. Total revenues increased

## Revenue By Source

Years Ended August 31  
(Dollars in millions)



\$18.8 million, or 3.5 percent over 2021 to \$560.2 million in 2022. The increases in total revenues were primarily due to increases in grants and contracts and ad valorem tax for 2022 and increases in investment income and ad valorem tax for 2023.

### Operating Revenues

In 2023 operating revenue increased \$7.8 million or 12.7% over 2022. The primary source of operating revenue has continually been tuition and fees. Operating revenue decreased \$7.2 million in 2022, or 10.5% compared to 2021, to \$61.3 million. Revenue from tuition and fees increased \$3.7 million or 8.8% over 2022 to \$45.7 million.

Enrollments began to trend upward in fiscal year 2023 and we expect them to continue to increase as the pandemic winds down and the District continues to invest in developing and expanding our academic programming, educational partnerships, and improving our facilities and technologies so that we are better equipped to serve our students and our community.

### Non-Operating Revenues (Expense)

For 2023, non-operating revenue consists predominantly of ad valorem taxes of \$323 million, which increased by \$33.6 million or 11.6%, state appropriations of \$80.4 million, which increased by \$3.4 million or 4.4%, investment income of \$42.9 million, which increased by \$49.8 million and grants & contracts of \$62 million, which decreased by \$76.4 million or 55.2%. In 2023 total non-operating revenue increased \$9.3 million to \$498.8 million compared to \$489.5 million in 2022.

In August 2023, the Board of Trustees of the District set the tax rate at 11.217 cents per \$100 valuation. The tax rate for 2022 and 2021 was 13.017 cents per \$100 valuation. The \$33.6 million increase to ad valorem taxes was due to increases in assessed taxable property values.

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. House Bill 8 was passed during the 88th regular legislative session in 2023, transforming the way that Texas funds community colleges. The outcomes driving the new funding model include: the number of high school students completing 15 semester credit hours in dual credit or dual

## Operating Expense by Natural Classification

Years Ended August 31 (Dollars in millions)	2023	2022	2023-22 Change	2021	2021-22 Change
Salary & Wages	\$ 202.1	\$ 185.2	\$ 16.9	\$ 183.5	\$ 1.7
Staff Benefits	61.5	53.5	8.0	70.9	(17.4)
Other Expenses	153.7	219.2	(65.5)	172.8	46.4
Depreciation	35.2	35.5	(0.3)	35.3	0.2
<b>Total Operating Expenses</b>	<b>\$ 452.5</b>	<b>\$ 493.4</b>	<b>\$ (40.9)</b>	<b>\$ 462.5</b>	<b>\$ 30.9</b>



enrollment courses, community college students who transfer successfully to public four-year universities or complete 15 semester credit hours in structured co-enrollment programs, and community college students who earn credentials of value, which offer purpose in the economy, value in the labor market, and opportunities for good jobs and meaningful careers.

The previous funding model was derived from enrollment during a “base year”- the total number of contact hours amassed during a period beginning the summer preceding the legislative session and ending with the spring semester during which the appropriations bill is passed. Texas community colleges have attempted for decades, without success, to achieve “full formula funding”. The District, together with the other community colleges in Texas, was being asked to do more with less. As State resources allocated to community colleges declined, the District looked 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% of total (operating and non-operating) revenue in 1998 and have declined to 13.7% of revenue in 2023. Tuition and fees accounted for 22.9% in 1998 compared to 7.8% in 2023. In contrast, local property taxes accounted for 21.0% of total revenue in 1998 compared to 55.0% of revenue in 2023. Tuition and fees were \$45.7 million in 2023 and \$42.0 million in 2022, increasing as a percentage of total revenue to 7.8% in 2023 from 7.5% in 2022.

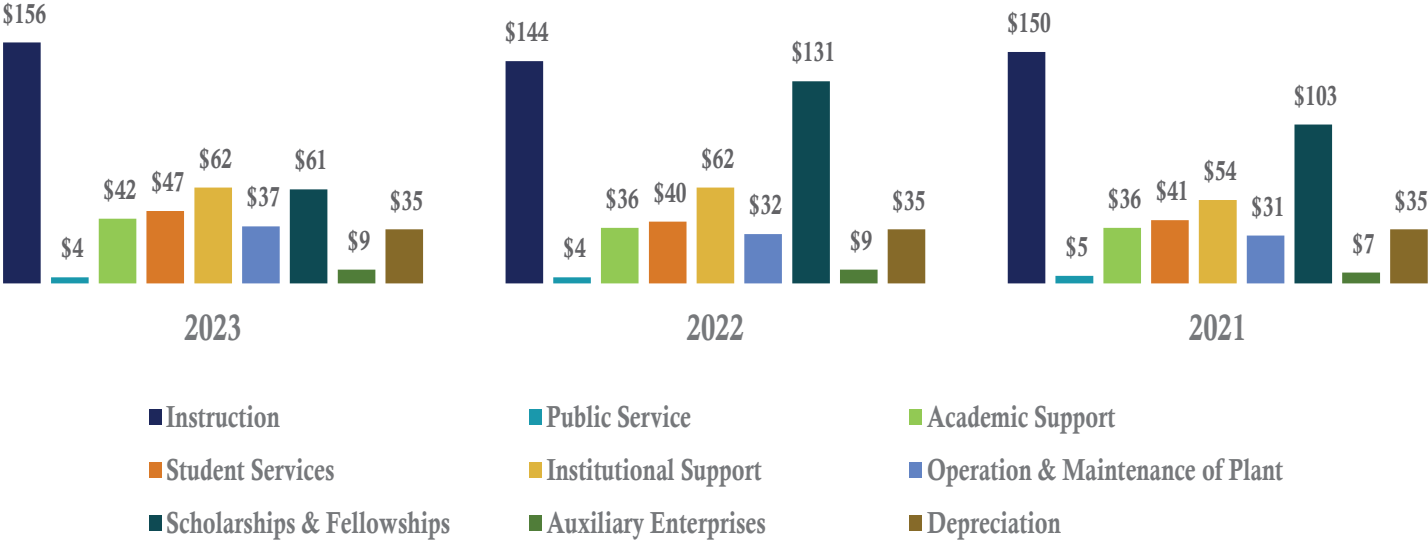
Grants and contracts decreased from \$149.0 million in 2022 to \$76.1 million in 2023 and are 13.0% of total revenues. This was primarily due to the winding down of funding from the CARES Act Higher Education Emergency Relief grant. During 2021, revenues from grants and contracts were \$124.9 million. 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 \$1.2 million in 2023. 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 2023, the District recorded a \$0.7 million increase in sales revenues from operations and a \$0.6 million increase in operating expenses at our auxiliary enterprises.

Investment and other income increased by \$59.0 million to \$53.1 million in 2023 compared to a \$5.9 million loss for the prior year. The prior year loss was primarily due to the GASB 72 Fair Value Measurement and Application standard that required the District to record a \$15.0 million unrealized loss for the 2022 net decrease to the

### *Operating Expense By Function*

Years Ended August 31  
(Dollars in millions)



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fair values of the District's investments. The current year increase is primarily due to the rising interest rates which have substantially increased interest earnings on investments. (See Note 4, page 23 and Note 5, page 24 for additional information on investment earnings and fair value adjustments).

### ***Expenses***

Total expenses including non-operating expenses for 2023 decreased \$30.6 million to \$472.2 million compared to \$502.8 million in 2022. For 2021, total expenses were \$466.7 million. Significant fluctuations in 2023 operating expenses are as follows:

- Salaries and wages increased \$16.9 million to \$202.1 million
- Staff benefits increased by \$8.0 million to \$61.5 million
- Other expenses (excluding depreciation) decreased by \$65.5 million to \$153.7 million

An analysis of operating expenses by function, including other expenses, indicates the most significant change to be in scholarships and fellowships which decreased by \$69.8 million to \$60.3 million compared to \$130.1 million in 2022. This decrease is primarily due to the CARES Act Higher Education Emergency Relief funding completion.

### ***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 \$335.1 million in 2023, \$365.1 million in 2022, and \$320.9 million in 2021. 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 \$394.4 million in 2023, \$513.1 million in 2022, and \$399.6 million in 2021.

Cash used for capital and related financing activities in 2023 was \$147.0 million. Cash generated from capital and related financing activities was \$291.2 million in 2022. Cash used for capital and related financing activities in 2021 was \$107.6 million. This activity was regarding the finance and purchase of capital assets.

Cash generated from investing activities in 2023 was \$87.8 million. Cash used for investing activities in 2022 was \$438.1 million. Cash generated from investing activities in 2021 was \$29.5 million. This reflects the purchase and maturity of investments and interest income from investments. The cash used in 2022 was primarily due to the investment of \$400 million in bond proceeds that were issued in July 2022.

Cash and cash equivalents increased by \$8 thousand from \$2.07 million at August 31, 2022 to \$2.08 million at August 31, 2023.

### ***Capital Assets and Related Financing Activities***

#### ***Capital Assets***

At August 31, 2023, the District had a total of \$1.2 billion in capital assets, net of accumulated depreciation. Capital assets increased \$101.8 million in 2023, \$95.2 million in 2022, and increased \$66.1 million in 2021.

Construction-in-progress was \$258.4 million at August 31, 2023. During 2023, \$12.3 million of construction-in-progress jobs were completed, including \$3.0 million on mechanical, electrical, and plumbing (MEP) projects, \$9.3 million on space renovation, and several smaller scale projects throughout the District. (See Note 21, pages 49-50, to the financial statements for more detailed information regarding capital assets.)

Construction-in-progress was \$148.7 million at August 31, 2022. During 2022, \$32.4 million of construction-in-progress jobs were completed, including \$19.9 million on mechanical, electrical, and plumbing (MEP) projects, \$9.1 million on space renovation, and several smaller scale projects throughout the District.

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Construction-in-progress was \$86.3 million at August 31, 2021. During 2021, \$47.9 million of construction-in-progress jobs were completed, including \$27.6 million on District staff relocation, \$6.6 million on MEP projects, \$12 million on space renovation and several smaller scale projects throughout the District.

***Long-Term Debt Information***

On August 15, 2019, the Tarrant County College District Board of Trustees voted to call an improvement bond election. On November 5, 2019, voters approved an \$825 million bond proposal to fund a plan that will construct, improve, renovate, and equip buildings throughout the six-campus district. These funds will be used to enhance technology and facilities essential to training the region's future workforce. The first series were issued on August 6, 2020, \$264,175,000 of General Obligation Bonds, Series 2020. The second series were issued on July 19, 2022, \$363,150,000 of General Obligation Bonds, Series 2022, \$197,675,00 authorized bonds remain unissued. As a result, fiscal 2022 showed an increase in investments, additional construction-in-progress, and the related bond payable components. As of August 31, 2023, the District had \$649.3 million in outstanding general obligation bonds. The current portion was \$27.4 million and the long-term portion was \$621.9 million. (See Note 7, page 25-26 for additional information on long-term debt.)

***District Financial Position***

District management would like to report that the Tarrant County College District completes fiscal year 2023 with an exceptionally strong financial position. In addition, the budget adopted by the Board of Trustees for fiscal year 2024 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, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 2,084,568	\$ 2,076,847
Investments	469,479,389	874,508,404
Accounts receivable, less allowance for doubtful accounts of \$24,782,559 and \$22,725,035 in 2023 and 2022, respectively	11,530,214	10,923,170
Taxes receivable, less allowance for doubtful accounts of \$1,560,355 and \$1,781,028 in 2023 and 2022, respectively	4,532,006	5,151,032
Leases receivable	537,236	513,802
Interest receivable	7,539,815	2,013,636
Federal grants and contracts receivable	32,419,259	7,327,551
State and local grants and contracts receivable	4,502,621	2,053,387
Prepaid expenses	1,619,337	1,611,389
<b>Total current assets</b>	534,244,445	906,179,218
<b>Non-current assets</b>		
Investments	602,002,753	247,188,695
Restricted investments	451,608	590,123
Leases receivable	7,617,741	8,041,400
Capital assets, net		
Non-depreciable capital assets	350,867,402	232,791,844
Depreciable capital assets	823,873,520	840,228,937
<b>Total non-current assets</b>	1,784,813,024	1,328,840,999
<b>Total assets</b>	2,319,057,469	2,235,020,217
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	29,831,345	18,622,844
Deferred outflows related to OPEB	16,908,138	30,720,396
 <b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	17,962,906	26,576,865
Accrued liabilities	15,584,002	14,914,364
Accrued compensated absences	8,428,746	7,777,882
Deposits held for others	344,507	483,215
Unearned revenue	20,428,795	19,807,170
Bonds payable	27,365,738	25,531,728
Net OPEB liability	3,629,894	3,739,970
Lease liability	443,431	548,641
Software liability	8,941,015	9,882,213
<b>Total current liabilities</b>	103,129,034	109,262,048

**TARRANT COUNTY COLLEGE DISTRICT**  
**EXHIBIT 1**  
**STATEMENTS OF NET POSITION**  
**AUGUST 31, 2023 AND 2022**  
**(continued)**

	2023	2022
<b>Non-current liabilities</b>		
Accrued compensated absences	5,417,243	5,569,541
Non-current workers' comp liability	871	43,697
Bond payable	621,881,704	649,247,443
Net pension liability	74,944,661	33,045,511
Net OPEB liability	135,992,864	178,239,086
Lease liability	115,419	558,850
Software liability	27,660,276	24,415,505
<b>Total non-current liabilities</b>	<b>866,013,038</b>	<b>891,119,633</b>
<b>Total liabilities</b>	<b>969,142,072</b>	<b>1,000,381,681</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	9,414,125	39,182,343
Deferred inflows related to OPEB	57,498,916	30,047,532
Deferred inflows related to leases	8,106,560	8,521,880
 <b>NET POSITION</b>		
Net investment in capital assets	929,825,263	880,379,203
Restricted for:		
Expendable		
Student aid	11,016,971	10,691,120
Debt services	9,804,791	6,627,196
Loans	147,793	147,030
Total restricted	20,969,555	17,465,346
Unrestricted	370,840,461	308,385,472
<b>Total net position (Schedule D)</b>	<b>\$ 1,321,635,279</b>	<b>\$ 1,206,230,021</b>

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, 2023 AND 2022**

	2023	2022
<b>REVENUES</b>		
<b>Operating revenues</b>		
Tuition and fees, net of allowances and discounts of \$13,271,003 and \$13,708,188 in 2023 and 2022, respectively	\$ 45,708,789	\$ 41,974,960
Federal grants and contracts	3,479,989	2,092,999
State grants and contracts	6,784,788	4,043,603
Non-governmental grants and contracts	3,840,489	4,423,136
Auxiliary enterprises	8,020,612	7,347,319
Other operating revenue	1,306,918	1,421,516
Total operating revenue (Schedule A)	69,141,585	61,303,533
<b>EXPENSES</b>		
<b>Operating expenses</b>		
Instruction	155,565,903	144,163,067
Public service	4,741,069	3,755,438
Academic support	42,076,604	35,648,035
Student services	46,568,050	40,016,037
Institutional support	62,051,802	63,189,790
Operation and maintenance of plant	36,766,968	32,376,746
Scholarships and fellowships	60,301,137	130,110,486
Auxiliary enterprises	9,241,884	8,638,983
Depreciation	35,191,810	35,511,784
Total operating expenses (Schedule B)	452,505,227	493,410,366
Operating loss	(383,363,642)	(432,106,833)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
State appropriations	80,382,988	76,973,941
Maintenance ad-valorem taxes	275,386,605	271,006,319
Debt service ad-valorem taxes	47,542,823	18,404,809
Federal grants and contracts	61,984,737	138,386,986
Investment income	42,937,046	(6,849,511)
Other income	1,082,045	1,027,519
Interest on indebtedness	(19,698,723)	(6,014,177)
Gain or (loss) on disposal of assets	9,120,776	(3,402,500)
Total non-operating revenue (Schedule C)	498,738,297	489,533,386
Capital Contribution	30,603	
Increase in net position (Schedule D)	115,405,258	57,426,553
<b>NET POSITION, BEGINNING OF YEAR</b>	1,206,230,021	1,147,450,977
Change in accounting principle (Footnote 2)		1,352,491
<b>NET POSITION, END OF YEAR</b>	\$ 1,321,635,279	\$ 1,206,230,021

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, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from tuition and fees	\$ 45,738,171	\$ 43,691,799
Receipts from grants and contracts	11,256,209	10,921,351
Payments to suppliers	(160,379,845)	(206,153,364)
Payments to or on behalf of employees	(241,959,782)	(223,662,527)
Receipts from auxiliary enterprise charges	7,833,665	7,626,374
Other receipts	2,390,237	2,490,495
Net cash used by operating activities	(335,121,345)	(365,085,872)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations	58,943,344	58,943,344
Receipts from non-operating federal revenue	37,463,724	173,405,342
Receipts from local property taxes	323,548,454	289,312,714
Receipts from leases	546,000	546,000
Payments on interest	(26,145,452)	(9,059,544)
Net cash provided by non-capital financing activities	394,356,070	513,147,856
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	(140,639,631)	(99,592,479)
Payments on leases payable	(595,000)	(595,000)
Proceeds from bonds payable		400,000,000
Payments on bonds payable	(19,085,000)	(8,830,000)
Proceeds from sale of capital assets	13,279,288	231,574
Net cash provided (used) by capital and related financing activities	(147,040,343)	\$ 291,214,095
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturities of investments	2,661,081,634	1,823,200,621
Interest on investments	32,349,654	4,000,668
Purchase of investments	(2,605,617,949)	(2,265,349,831)
Net cash provided (used) by investing activities	87,813,339	(438,148,542)
Net increase in cash and cash equivalents	7,721	1,127,537
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	2,076,847	949,310
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 2,084,568	\$ 2,076,847
<b>RECONCILIATION OF OPERATING LOSS TO</b>		
<b>NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating loss	\$ (383,363,642)	\$ (432,106,833)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	35,191,810	35,511,784
Non-cash state appropriations	21,439,644	18,030,597
Pension expense	(922,431)	(5,861,954)
OPEB expense	752,206	3,548,118
Noncash lease expense	(547,737)	(527,523)
Non-operating other income	1,078,309	1,063,969
Change in operating assets and liabilities		
Receivables	(1,735,892)	1,160,090
Prepaid expenses and other current assets	(7,948)	1,601,397
Accounts payable and accrued liabilities	(7,987,147)	11,336,004
Accrued compensated absences	498,566	(565,245)
Deposits held for others	(138,708)	14,489
Deferred revenue	621,625	1,709,235
Net cash used by operating activities	\$ (335,121,345)	\$ (365,085,872)
<b>SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Change in fair value of investments	\$ (1,116,719)	\$ (15,047,828)
Donation of capital assets	\$ (30,603)	

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 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 for tuition and fees, 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 Higher Education Act (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 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, 2023 of \$144,641,084 have been provided for in the fiscal year 2024 budget.

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## ***NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued***

### ***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, except for certain investment pools, are reported at fair value. Fair values are based on published market rates. In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, certain investment pools are reported at amortized cost. 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 amounts held in public funds investment pools totaling \$373,367,603 and \$823,084,990 at August 31, 2023 and 2022, 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. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value. 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 of \$100,000 or more 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 other than buildings, 10 years for furniture 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. Right to use assets resulting from leases are amortized over the shorter of the lease term or the useful life of the underlying asset. Right to use subscription assets resulting from qualifying subscription-based information technology arrangements (SBITAs) are amortized over the subscription term.

### ***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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. Governments are only permitted to report deferred outflows of resources in circumstances specifically authorized by the GASB.

### ***Adoption of New Accounting Pronouncement***

In 2023, the District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting requirements for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The financial statements for the year ended August 31, 2022 have been restated in order to adopt GASB Statement No. 96.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

### Adoption of New Accounting Pronouncement-continued

	8/31/2022 As Previously Reported	GASB No. 96 Adoption	8/31/2022 As Restated
Right of use software subscription asset, net	\$	\$ 35,650,209	\$ 35,650,209
Current software subscription liability		9,882,213	9,882,213
Non-current software subscription liability		24,415,505	24,415,505
Net position	1,204,877,530	1,352,491	1,206,230,021

### 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.

### 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, leases 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 assets 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, 2023 or 2022.

**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.

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## ***NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued***

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

The District participates in the Teacher Retirement System of Texas (TRS) pension plan, a multi-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of the plan 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 the plan'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.

### ***Other Post-Employment Benefits (OPEB)***

The District participates in a cost-sharing, multiple-employer, other post-employment benefit (OPEB) plan with a special funding situation. The fiduciary net position of the plan, which is administered by the Employees Retirement System of Texas (ERS), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense; and information about assets, liabilities, and additions to/deductions from the plan's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

### ***Reclassifications***

Certain reclassifications have been made to the 2022 financial statements to make them conform with the 2023 financial statement format. Such reclassifications had no effect on change in net assets.

## ***NOTE 3. AUTHORIZED INVESTMENTS***

The Board of Trustees has adopted an investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the District are in compliance with the Board's investment policy. Authorized investments include: (1) U.S. Treasury Obligations, (2) U.S. Government Agencies and Instrumentalities, (3) Obligations guaranteed by the United States or its respective agencies and instrumentalities, (4) U.S. Government Agency and Instrumentality Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMO), (5) Local Government Investment Pools, (6) Depository Demand Deposits and Certificates of Deposit, (7) Brokered Certificate of Deposit Securities, (8) Repurchase Agreements, (9) Money Market Mutual Funds, (10) Commercial Paper, (11) 501(f) Funds, (12) Negotiable Certificates of Deposit, (13) Corporate Bonds, (14) State and Local Debt Obligations, and (15) Short-Term Bond Funds.

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 Public Funds Investment Act (PFIA). House Bill 1472, which became effective September 1, 2017, added section 2256.0206 to PFIA which allows that funds received from the management and development of mineral rights may be invested by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).



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#### ***NOTE 4. DEPOSITS AND INVESTMENTS***

At August 31, 2023 and 2022, the carrying amounts of the District's deposits were \$2,069,568 and \$2,061,847 and total bank balances equaled \$4,114,897 and \$3,577,329, respectively. Bank balances of \$250,000 were covered by the FDIC with \$3,864,897 and \$3,327,329 covered by collateral pledged in a joint custody security account with market values of \$5,265,583 and \$4,011,721 at August 31, 2023 and 2022, 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, 2023 and 2022 were \$10,136,587 and \$11,310,638 invested in TexPool, a pool managed by the Treasurer of the State of Texas, \$15,382,349 and \$1,854,665 invested in TexStar, a pool managed by JP Morgan Investment Management Inc. and First Southwest Company, \$249,630,700 and \$539,999,215 invested in TexasTerm, a series of pools managed by PFM Asset Management LLC, and \$98,217,967 and \$269,920,472 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.

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.

The TexPool, TexasTERM and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share; have a weighted average maturity of 60 days or less and a weighted average life of 120 days or less; hold investments that are highly rated by nationally recognized statistical rating organizations; have no more than 5% of their portfolio with one issuer (excluding U.S. Government securities); and can meet reasonably foreseeable redemptions. TexPool, TexasTERM, and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on a major securities market, a general banking moratorium, or a national or state emergency that affects the pools' liquidity. The District has no unfunded commitments related to the investment pools.

The TexStar investment pool is an external investment pool measured at its net asset value. TexStar's strategy is to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. TexStar has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on a major securities market, a general banking moratorium, or a national or state emergency that affects the pools' liquidity.

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 17). 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. 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.

**NOTE 4. DEPOSITS AND INVESTMENTS—continued**

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

<b>Cash and Cash Equivalents</b>		
	<b>2023</b>	<b>2022</b>
Bank deposits		
Demand deposits	\$ 2,069,568	\$ 2,061,847
Cash on hand		
Petty cash	<u>15,000</u>	<u>15,000</u>
Total cash and cash equivalents	<u>\$ 2,084,568</u>	<u>\$ 2,076,847</u>

<b>Reconciliation of Deposits and Investments to Exhibit 1</b>		
	<b>Carrying Value August 31, 2023</b>	<b>Carrying Value August 31, 2022</b>
TexPool	\$ 10,136,587	\$ 11,310,638
TexStar	15,382,349	1,854,665
TexasTERM - TexasDAILY	249,630,700	539,999,215
Lone Star Investment Pool	98,217,967	269,920,472
Beneficial Interest in Funds Held by Affiliate	15,989,238	14,695,996
U.S. Government Agencies	83,369,303	58,774,154
Corporate Securities	163,947,623	53,986,999
Municipal Securities	4,731,442	4,055,419
Money Markets	1,172,290	796,839
Commercial Paper	73,328,740	1,999,380
Certificates of Deposit	61,703,389	6,931,970
Treasury Bills	<u>294,324,122</u>	<u>157,961,475</u>
Total	1,071,933,750	1,122,287,222
Cash and cash equivalents	<u>2,084,568</u>	<u>2,076,847</u>
Total deposits and investments	<u>\$ 1,074,018,318</u>	<u>\$ 1,124,364,069</u>
Cash and cash equivalents (Exhibit 1)	\$ 2,084,568	\$ 2,076,847
Investments - current (Exhibit 1)	469,479,389	874,508,404
Restricted investments - non-current (Exhibit 1)	451,608	590,123
Investments - non-current (Exhibit 1)	<u>602,002,753</u>	<u>247,188,695</u>
Total deposits and investments	<u>\$ 1,074,018,318</u>	<u>\$ 1,124,364,069</u>

## NOTE 4. DEPOSITS AND INVESTMENTS—continued

As of August 31, 2023 the District had the following investments and maturities:

Investment Type	Carrying Value	Investment Maturities (in Years)					
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5	5+
TexPool	\$ 10,136,587	\$ 10,136,587	\$	\$	\$	\$	\$
TexStar	15,382,349	15,382,349					
TexasTERM - TexasDAILY	249,630,700	249,630,700					
Lone Star Investment Pool	98,217,967	98,217,967					
Beneficial interest in funds held by affiliate	15,989,238						
U.S. Agency Securities	83,369,303	14,395,501	27,260,171	7,749,268	4,958,956	13,275,119	15,730,288
Treasury Bills	294,324,122	75,350,370	111,453,526	61,705,768	19,685,114	26,129,344	
Corporate Securities	163,947,623	58,005,019	31,384,818	34,896,919	23,475,847	16,185,020	
Municipal Securities	4,731,442	1,146,045		1,394,483	1,403,410	787,504	
Commercial Paper	73,328,740	73,328,740					
Certificates of Deposit	61,703,389	56,698,489		5,004,900			
Money Markets	1,172,290	1,172,290					
Total carrying value	<u>\$ 1,071,933,750</u>	<u>\$ 653,464,057</u>	<u>\$ 170,098,515</u>	<u>\$ 110,751,338</u>	<u>\$ 49,523,327</u>	<u>\$ 56,376,987</u>	<u>\$ 15,730,288</u>

Beneficial Interest in Funds Held by Affiliate is comprised of cash equivalents, mutual funds, and exchange traded funds.

As of August 31, 2023 and 2022, Beneficial Interest in Funds Held by Affiliate was comprised of the following underlying investments:

	2023	2022
Exchange- Traded Fund- Bond	\$	\$ 468,157
Exchange- Traded Fund - Equity		325,132
Cash Equivalents	52,465	648,071
Mutual Fund - Fixed Income		
Mutual Fund - Bond	9,323,167	7,309,768
Mutual Fund - Commodities		333,792
Mutual Fund - Equity	6,613,606	5,079,355
Mutual Fund - Real Estate		531,721
Total fair value	<u>\$ 15,989,238</u>	<u>\$ 14,695,996</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. The District investments are limited to a maximum maturity of five years from the transaction settlement date with the exception of US Government agency/instrumentality guaranteed MBS and CMO securities, which must have a weighted average life of no more than five years. The Core Portfolio should remain at or below three years weighted average maturity. The maximum maturity of any security in the Liquidity Portfolio is one year. Debt service reserve funds with longer term investment horizons may be invested in securities exceeding five years if the maturity of such investment is made to coincide as nearly as practical with the expected use of funds.

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

**NOTE 4. DEPOSITS AND INVESTMENTS— continued**

**Concentration of Credit Risk-** The District’s investment policy places the following limits on the amounts the District may invest in any one issuer:

<b>Authorized Investment</b>	<b>Issuer Limit</b>
U.S. Treasury Obligations	100%
U.S. Gov. Agencies and Instrumentalities	35%
Obligations guaranteed by the United States or its representative agencies and instrumentalities	20%
U.S. Gov. Agency and Instrumentality MBS and CMO	20%
Local Gov. Investment Pools	50%
Depository Demand Deposits and Certificates of Deposit	20%
Brokered Certificates of Deposit Securities	5%
Repurchase Agreements	
*flex agreements 100% of bond proceeds	50%
Money Market Mutual Funds	50%
Commercial Paper	5%
501(f) Funds	20%
Negotiable Certificates of Deposit	5%
Corporate Bonds	5%
State and Local Debt Obligations	5%
Short-Term Bond Funds	10%

As of August 31, 2023, more than 5% of the District’s investments are in Lone Star Investment Pool (9.2%), TexasTERM - Texas Daily (23.3%) and U.S. Treasury Obligations (27.5%).

As of August 31, 2023 and 2022, restricted investments consisted of the following:

	<b>2023</b>	<b>2022</b>
Funds held for others	\$ 341,952	\$ 481,522
Funds restricted to student loans	109,656	108,601
Total restricted investments	<u>\$ 451,608</u>	<u>\$ 590,123</u>

Investment income for the years ended August 31, 2023 and 2022 consisted of the following:

	<b>2023</b>	<b>2022</b>
Interest and dividends	\$ 44,053,765	\$ 8,198,317
Net decrease in fair value of investments	<u>(1,116,719)</u>	<u>(15,047,828)</u>
Total investment income (loss)	<u>\$ 42,937,046</u>	<u>\$ (6,849,511)</u>

## NOTE 5. FAIR VALUE MEASUREMENTS

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities. If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that the government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy of investments at August 31, 2023 and 2022 follows:

	<b>2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interest in Funds Held by Affiliate	\$	\$ 15,989,238	\$	\$ 15,989,238
U.S. Government Agencies		83,369,303		83,369,303
Treasury Bills		294,324,122		294,324,122
Corporate Securities		163,947,623		163,947,623
Municipal Securities		4,731,442		4,731,442
Commercial Paper		73,328,740		73,328,740
Certificates of Deposit		61,703,389		61,703,389
Money Markets		1,172,290		1,172,290
	<u>\$</u>	<u>\$ 698,566,147</u>	<u>\$</u>	<u>\$ 698,566,147</u>
	<b>2022</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interest in Funds Held by Affiliate	\$	\$ 14,695,996	\$	\$ 14,695,996
U.S. Government Agencies		58,774,154		58,774,154
Treasury Bills		157,961,475		157,961,475
Corporate Securities		53,986,999		53,986,999
Municipal Securities		4,055,419		4,055,419
Commercial Paper		1,999,380		1,999,380
Certificates of Deposit		6,931,970		6,931,970
Money Markets		796,839		796,839
	<u>\$</u>	<u>\$ 299,202,232</u>	<u>\$</u>	<u>\$ 299,202,232</u>

U.S. Government treasuries and agency securities are valued using pricing models maximizing the use of observable inputs for similar securities.

Beneficial Interest in Funds Held by Affiliate is comprised of mutual funds and exchange-traded funds. Mutual funds and exchange-traded funds are valued at the daily closing price as reported by the fund.

## NOTE 6. 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, 2023 and 2022, the District did not invest in derivatives.

## NOTE 7. BONDS PAYABLE

On August 15, 2019, the Tarrant County College District Board of Trustees voted to call an improvement bond election. On November 5, 2019, voters approved an \$825 million bond proposal to fund a plan that will construct, improve, renovate, and equip buildings throughout the six-campus district. The District plans to use the money to enhance technology and facilities essential to training the region's future workforce. The District issued the first series of bonds on August 6, 2020. The second series of bonds was issued on July 19, 2022. Bonds payable consist of bond principal, net of premiums and discounts. The changes in bonds payable for the years ended August 31, 2023 and 2022 were as follows:

	<b>2023</b>				
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
General obligation bonds, series 2020	\$ 247,165,000	\$	\$ 9,270,000	\$ 237,895,000	\$ 9,735,000
General obligation bonds, series 2022	363,150,000		9,815,000	353,335,000	11,580,000
Subtotal	<u>610,315,000</u>		<u>19,085,000</u>	<u>591,230,000</u>	<u>21,315,000</u>
Premium on bonds payable	65,095,312		6,485,191	58,610,121	6,089,202
Discount on bonds payable	<u>(631,141)</u>		<u>(38,463)</u>	<u>(592,678)</u>	<u>(38,463)</u>
Total bonds payable	<u>\$ 674,779,171</u>	<u>\$</u>	<u>\$ 25,531,728</u>	<u>\$ 649,247,443</u>	<u>\$ 27,365,739</u>
Due within one year				<u>27,365,739</u>	
Total long-term bonds payable				<u>\$ 621,881,704</u>	

	<b>2022</b>				
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
General obligation bonds, series 2020	\$ 255,995,000	\$	\$ 8,830,000	\$ 247,165,000	\$ 9,270,000
General obligation bonds, series 2022		363,150,000		363,150,000	9,815,000
Subtotal	<u>255,995,000</u>	<u>363,150,000</u>	<u>8,830,000</u>	<u>610,315,000</u>	<u>19,085,000</u>
Premium on bonds payable	31,525,249	38,690,707	5,120,644	65,095,312	6,485,191
Discount on bonds payable	<u>(669,604)</u>		<u>(38,463)</u>	<u>(631,141)</u>	<u>(38,463)</u>
Total bonds payable	<u>\$ 286,850,645</u>	<u>\$ 401,840,707</u>	<u>\$ 13,912,181</u>	<u>\$ 674,779,171</u>	<u>\$ 25,531,728</u>
Due within one year				<u>25,531,728</u>	
Total long-term bonds payable				<u>\$ 649,247,443</u>	



**NOTE 7. BONDS PAYABLE-continued**

Bonds payable are comprised of the following issues:

	<b>2023</b>	<b>2022</b>
General obligation bonds, series 2020. Issued August 6, 2020 for \$264,175,000; \$197,675,000 authorized bonds remain unissued. The bonds were issued to finance constructing, improving, renovating, and equipping school buildings in the District. The source of revenues for debt service is future property taxes.	\$ 237,895,000	\$ 247,165,000
General obligation bonds, series 2022. Issued July 19, 2022 for \$363,150,000; \$197,675,000 authorized bonds remain unissued. The bonds were issued to finance constructing, improving, renovating, and equipping school buildings in the District. The source of revenues for debt service is future property taxes.	<u>353,335,000</u>	<u>363,150,000</u>
Total	<u>\$ 591,230,000</u>	<u>\$ 610,315,000</u>

Bonds are due in annual installments varying from \$21,315,000 to \$42,790,000 with interest rates from 2.0% to 5.0% with the final installment due in 2042. The principal and interest requirements for the next five years and five-year increments thereafter are summarized below:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 21,315,000	\$ 25,279,894	\$ 46,594,894
2025	22,380,000	24,214,144	46,594,144
2026	23,495,000	23,095,144	46,590,144
2027	24,670,000	21,920,394	46,590,394
2028	25,905,000	20,686,894	46,591,894
2029-2033	150,135,000	82,807,020	232,942,020
2034-2038	185,160,000	47,803,620	232,963,620
2038-2042	<u>138,170,000</u>	<u>12,419,588</u>	<u>150,589,588</u>
Total	<u>\$ 591,230,000</u>	<u>\$ 258,226,698</u>	<u>\$ 849,456,698</u>

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## ***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 workload 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 Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/Pages/about\\_archive\\_acfr.aspx](https://www.trs.texas.gov/Pages/about_archive_acfr.aspx); 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 institutions in Texas. The pension formula is calculated using a 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, whose formulas use the three highest annual salaries. 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 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 cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan Description above.

Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS's 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.

#### ***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.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.



**NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued**

**Contributions-continued**

<b>Contribution Rates</b>		
	<b>2023</b>	<b>2022</b>
Member	8.00%	8.00%
Non-Employer Contributing Entity (State)	7.75%	7.75%
Employers	7.75%	7.75%
District Contributions	\$ 6,758,638	\$ 5,898,750
Member Contributions	\$ 12,242,629	\$ 11,111,640
State of Texas On-behalf Contributions	\$ 4,802,255	\$ 4,666,319

The District's contributions to the TRS pension plan in 2023 were \$6,758,638 as reported in the Schedule of District Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2023 were \$4,802,255.

- 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.

Public junior colleges or junior college districts 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.
- 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, 2021 actuarial valuation rolled forward to August 31, 2022 was determined using the following actuarial assumptions from TRS 2022 ACFR pg 87:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2022	3.91%. Source for the rate is the Fixed Income Market Data/YieldCurve/Data Municipal bonds with 20 years

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## **NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued**

### **Actuarial Assumptions-continued**

	to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index."
Last year ending August 31 in the	
Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. The TRS Board of Trustees has sole authority to determine the actuarial assumptions used for the plan.

### **Changes Since the Prior Measurement Date**

The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.

### **Discount Rate**

The single discount rate used to measure the total pension liability was 7.00%. The single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent. 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. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

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 7.00%. 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, 2022 (see page 54 of the TRS ACFR):

**NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued**

**Discount Rate-continued**

Asset Class	Target Allocation <sup>1</sup> %	Long Term Expected Geometric Real Rate of Return <sup>2</sup>	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
U.S.	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity <sup>4</sup>	14.00%	7.70%	1.55%
<b>Stable Value</b>			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return (Including Credit Sensitive Instruments)	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
<b>Real Return</b>			
Real Estate	15.00%	4.10%	0.94%
Energy and Natural Resources, and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	4.60%	0.43%
<b>Leverage</b>			
Cash	2.00%	3.00%	0.01%
Asset allocation leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag <sup>3</sup>			-0.91%
<b>Expected Return</b>	<b>100.00%</b>		<b>8.19%</b>

<sup>1</sup> Target allocations are based on the FY2022 policy model.

<sup>2</sup> Capital Market Assumptions come from Aon Hewitt (as of 08/31/2022).

<sup>3</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

<sup>4</sup> Absolute return includes credit sensitive investments.

**Discount Rate Sensitivity Analysis**

The following schedule shows the impact on the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the 2023 Net Pension Liability.

**NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued**

**Discount Rate Sensitivity Analysis-continued**

	1% Decrease in Discount Rate (2.59%)	Discount Rate (3.59%)	1% Increase in Discount Rate (4.59%)
The District's proportionate share of the net FY 2023 OPEB liability:	\$ 162,842,326	\$ 139,622,758	\$ 121,052,685
	1% Decrease in Discount Rate (1.14%)	Discount Rate (2.14%)	1% Increase in Discount Rate (3.14%)
The District's proportionate share of the net FY 2022 OPEB liability:	\$ 216,743,964	\$ 181,979,056	\$ 154,780,710

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

At August 31, 2023, the District reported a liability of \$74,944,661 for its proportionate share of 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	\$ 74,944,661
State's proportionate share that is associated with the District	61,097,188
Total	<u>\$ 136,041,849</u>

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2021 rolled forward to August 31, 2022. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net pension liability was 0.1262386853%, which was a decrease of 2.70% from its proportion measured as of August 31, 2021.

For the year ended August 31, 2023, the District recognized pension expense of \$5,840,199 and revenue of \$5,840,199 for support provided by the state, based on a measurement date of August 31, 2022.

**NOTE 8. EMPLOYEES' RETIREMENT PLAN-continued**

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

The District reported its proportionate share of TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>Based on a measurement date of August 31, 2021 rolled forward to August 31, 2022:</i>	<b><i>FY 2023</i></b> <i>Deferred Outflows of Resources</i>	<b><i>FY 2023</i></b> <i>Deferred Inflows of Resources</i>
Differences between expected and actual economic experience	\$ 1,086,692	\$ 1,633,936
Changes in actuarial assumptions	13,964,629	3,480,376
Difference between projected and actual investment earnings	7,404,293	
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	617,093	4,299,813
Contributions paid to TRS subsequent to the measurement date	6,758,638	
Total	<u>\$ 29,831,345</u>	<u>\$ 9,414,125</u>
	<b><i>FY 2022</i></b> <i>Deferred Outflows of Resources</i>	<b><i>FY 2022</i></b> <i>Deferred Inflows of Resources</i>
<i>Based on a measurement date of August 31, 2020 rolled forward to August 31, 2021:</i>		
Differences between expected and actual economic experience	\$ 55,301	\$ 2,326,430
Changes in actuarial assumptions	11,680,943	5,091,889
Difference between projected and actual investment earnings		27,708,232
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	987,850	4,055,792
Contributions paid to TRS subsequent to the measurement date	5,898,750	
Total	<u>\$ 18,622,844</u>	<u>\$ 39,182,343</u>

The FY 2023 contributions paid to TRS subsequent to the measurement date in the amount of \$6,758,638 will be recognized as a reduction of the net pension liability during the fiscal year ending August 31, 2024. Other FY 2023 amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended August 31</b>	<b>Pension Expense Amount</b>
2023	\$ 3,863,212
2024	1,492,108
2025	(370,252)
2026	7,810,204
2027	863,310
Thereafter	-



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## ***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 Legislature. The percentages of participant salaries currently contributed by the state and each participant are 3.30% and 6.65%, respectively. The District contributed 5.20% in fiscal years 2023, 2022, and 2021 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, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's 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, 2023, 2022, and 2021 were \$801,281, \$800,135, and \$825,134, 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 \$6,317,876 is reflected in the accompanying financial statements as both revenues and expenditures. Participants contributed \$13,857,833 (\$12,242,628 for the Teacher Retirement Program and \$1,615,205 for the Optional Retirement Program). The District contributed \$915,748, \$922,029, and \$964,328 for the years ended August 31, 2023, 2022, and 2021, respectively, to the Optional Retirement Program to cover the 5.2% referenced above.

Total payroll expense for fiscal years 2023 and 2022 was approximately \$202,200,000 and \$185,300,000, respectively. The total payroll of employees covered by the Teacher Retirement System was approximately \$138,500,000 and \$126,700,000, and the total payroll of employees covered by the Optional Retirement Program was approximately \$24,300,000 and \$24,200,000 for fiscal years 2023 and 2022, respectively.

## ***NOTE 9. OTHER POST EMPLOYMENT BENEFITS***

### ***Other Post-Employment Benefits (OPEB)***

#### ***Plan Description***

The District participates in a cost-sharing, multiple-employer, other post-employment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). The GBP provides certain post-employment health care, life, and dental insurance benefits to retired employees of participating universities, community colleges, and State agencies in accordance with Chapter 1551, Texas Insurance Code. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the State and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are established by state law and may be amended by the Texas Legislature.

#### ***OPEB Plan Fiduciary Net Position***

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the internet at <https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management>; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877)275-4377. The fiduciary net position of the plan has been determined using the same basis used by the OPEB plan.

#### ***Benefits Provided***

Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and

**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

**Benefits Provided-continued**

prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

**Contributions**

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. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds.

The following table summarizes the maximum monthly employer contribution toward eligible retirees' health and basic life premium. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

<b>Maximum Monthly Employer Contribution Retiree Health and Basic Life Premium</b>	
<b>Fiscal Year 2022</b>	
Retiree Only	\$ 624.82
Retiree & Spouse	1,339.90
Retiree & Children	1,103.58
Retiree & Family	1,818.66

Contributions of premiums to the GBP plan for the current and prior fiscal year by source is summarized in the following table.

<b>Premium Contributions by Source Group Benefits Program Plan For the Years Ended August 31, 2022 and 2021</b>		
	<b>2022</b>	<b>2021</b>
Employers	\$ 699,999,453	\$ 766,689,167
Members (Employees)	190,659,995	192,426,941
Nonemployer Contributing Entity (State of Texas)	36,750,724	39,188,518

Source: ERS 2022 Annual Comprehensive Financial Reports

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## **NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

### ***Actuarial Assumptions***

The total OPEB liability was determined by an actuarial valuation as of August 31, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	August 31, 2022
Actuarial Cost Method	Entry Age
Last Experience Study	State Agency Members: 5-year period from September 1, 2014 to August 31, 2019 Higher Education Members: 7-year period from September 1, 2010 to August 31, 2017
Actuarial Assumptions:	
Discount Rate	3.59%
Projected annual salary increase (includes inflation)	2.30% to 8.95%
Annual healthcare trend rate	<u>Health Select</u> 5.60% for FY 2024, 5.30% for FY 2025, 5.00% for FY 2026, 4.75% for FY 2027, 4.60% for FY 2028 decreasing 10 basis points per year to an ultimate rate of 4.30% for FY 2031 and later years <u>HealthSelect Medicare Advantage</u> 66.67% for FY 2024, 24.00% for FY 2025, 5.00% for FY 2026, 4.75% for FY 2027, 4.60% for FY 2028, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY 2031 and later years <u>Pharmacy</u> 10.00% for FY2024 and FY2025, decreasing 100 basis points per year to 5.00% for FY2030 and 4.30% for FY2031 and later years.
Inflation assumption rate	2.30%
Ad hoc post-employment benefit changes	None
Mortality rate	<u>State Agency Members</u> <ul style="list-style-type: none"><li>• Service Retirees, Survivors and other Inactive Members (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from the year 2020.</li><li>• Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table set forward three years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively.</li><li>• Active Members: Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members and Pub-2010 Public Safety Active Member Mortality table for CPO/CO members with Ultimate MP-2019 Projection Scale from the year 2010.</li></ul> <u>Higher Education Members</u> <ul style="list-style-type: none"><li>• Service retirees, Survivors and other Inactive Members: Tables based on Teachers Retirement System of Texas (TRS) experience with Ultimate MP Projection Scale from the year 2021.</li></ul>

**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

**Actuarial Assumptions-continued**

- Disability Retirees: Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
- Active Members: Sex Distinct Pub-2010 Amount Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP Projection Scale from the year 2010.

Source: 2022 ERS ACFR

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS retirement plan actuary as of August 31, 2019 and the TRS retirement plan actuary as of August 31, 2021.

**Investment Policy**

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System’s Board of Trustees adopted the amendment to the investment policy in August 2022 to require that all funds in the plan be invested in cash and equivalent securities. The expected rate of return on these investments is currently 4.1%, in line with the prevailing returns on 90-day US treasury bills.

**Discount Rate**

Because the GBP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The assumptions of the discount rate are summarized in the following schedule:

<b>Assumptions for Single Discount Rate Group Benefits Plan</b>	
<b>Expected investment rate of return</b>	<b>Not applicable because the plan operates on a pay-as-you-go basis</b>
Municipal bond rate (Note A)	3.59%
Year fiduciary net position depleted	2023
Single Discount Rate	3.59%
<p>Note A: The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard &amp; Poor's Corp.'s AA.</p>	

**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

***Discount Rate Sensitivity Analysis***

The following schedule shows the impact on the District's proportionate share of the collective net OPEB liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used in measuring the net OPEB liability.

	<b>1% Decrease in Discount Rate (2.59%)</b>	<b>Discount Rate (3.59%)</b>	<b>1% Increase in Discount Rate (4.59%)</b>
The District's proportionate share of the net FY 2023 OPEB liability:	\$ 162,842,326	\$ 139,622,758	\$ 121,052,685
	<b>1% Decrease in Discount Rate (1.14%)</b>	<b>Discount Rate (2.14%)</b>	<b>1% Increase in Discount Rate (3.14%)</b>
The District's proportionate share of the net FY 2022 OPEB liability:	\$ 216,743,964	\$ 181,979,056	\$ 154,780,710

***Healthcare Trend Rate Sensitivity Analysis***

The initial healthcare trend rate is 5.60% and 66.67% for HealthSelect Medicare Advantage and the ultimate rate is 4.30% for both. The following schedule shows the impact on the District's proportionate share of the collective net OPEB liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the net OPEB liability.



**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

**Healthcare Trend Rate Sensitivity Analysis-continued**

	1% Decrease in (HealthSelect: 4.6% decreasing to 3.3%; HealthSelect Medicare Advantage: 65.67% to 3.30%; Pharmacy: 9.00% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (HealthSelect: 5.6% decreasing to 4.30%; HealthSelect Medicare Advantage: 66.67% to 4.30%; Pharmacy: 10.00% decreasing to 4.30%)	1% Increase in (HealthSelect: 6.6% decreasing to 5.30%; HealthSelect Medicare Advantage: 65.67% to 5.30%; Pharmacy: 11.00% decreasing to 5.30%)
The District's proportionate share of the net FY 2023 OPEB liability:	\$ 119,567,704	\$ 139,622,758	\$ 165,227,648
	1% Decrease in (HealthSelect: 4.25% decreasing to 3.30%; HealthSelect Medicare Advantage: -1.00% to 3.30%; Pharmacy: 9.00% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (HealthSelect: 5.25% decreasing to 4.30%; HealthSelect Medicare Advantage: 0.00% to 4.30%; Pharmacy: 10.00% decreasing to 4.30%)	1% Increase in (HealthSelect: 6.25% decreasing to 5.30%; HealthSelect Medicare Advantage: 1.00% to 5.30%; Pharmacy: 11.00% decreasing to 5.30%)
The District's proportionate share of the net FY 2022 OPEB liability:	\$ 152,386,036	\$ 181,979,056	\$ 220,751,174

**OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At August 31, 2023, the District reported a liability of \$139,622,758 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for state support provided to the District for OPEB. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 139,622,758
State's proportionate share that is associated with the District	138,246,931
Total	<u>\$ 277,869,689</u>

The net OPEB liability was measured as of August 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the collective net OPEB liability was 0.49012857%, which was a decrease of 3.38% from its proportion measured as of August 31, 2021.

For the year ended August 31, 2023, the District recognized a reduction to OPEB expense of \$5,027,846 and a reduction to revenue of \$5,047,846 for support provided by the state.

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## ***NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued***

### ***OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-continued***

Changes Since the Prior Actuarial Valuation – Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

#### Demographic Assumptions

Since the last valuation was prepared for this plan, demographic assumptions (including rates of retirement, disability, termination, and mortality, and assumed salary increases) for Higher Education members have been updated to reflect assumptions recently adopted by the TRS Trustees. These new assumptions were adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

In addition, the following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.

#### Economic Assumptions

- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

#### Other Inputs

The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date- The following benefit revisions have been adopted since the prior valuation:

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided in the FY2023 Assumed Per Capita Health Benefit Costs.

The District reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-continued***

	<i>FY2023 Deferred Outflows of Resources</i>	<i>FY2023 Deferred Inflows of Resources</i>
<i>Based on a measurement date of August 31, 2022</i>		
Differences between expected and actual economic experience	\$	\$ 4,405,262
Changes in actuarial assumptions	8,203,394	43,158,716
Difference between projected and actual investment earnings	24,079	
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,043,965	9,934,938
Contributions paid to ERS subsequent to the measurement date	2,636,700	
Total	<u>\$ 16,908,138</u>	<u>\$ 57,498,916</u>
	<i>FY2022 Deferred Outflows of Resources</i>	<i>FY2022 Deferred Inflows of Resources</i>
<i>Based on a measurement date of August 31, 2021</i>		
Differences between expected and actual economic experience		\$ 4,463,741
Changes in actuarial assumptions	12,458,998	20,268,391
Difference between projected and actual investment earnings	32,230	
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	15,942,935	5,315,400
Contributions paid to ERS subsequent to the measurement date	2,286,233	
Total	<u>\$ 30,720,396</u>	<u>\$ 30,047,532</u>

The FY 2023 contributions subsequent to the measurement date in the amount of \$2,636,700 will be recognized as a reduction of the net OPEB liability during the fiscal year ending August 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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**NOTE 9. OTHER POST EMPLOYMENT BENEFITS-continued**

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-continued***

<b>Year Ended August 31:</b>	<b>OPEB Expense Amount</b>
2024	\$ (8,185,618)
2025	(11,046,854)
2026	(10,012,453)
2027	(8,966,177)
2028	(5,016,376)

The District is dependent upon information provided by ERS for recognizing the OPEB liability and related deferred inflows and deferred outflows of resources, and expenses. Information provided to the District by ERS for its accounting and reporting of the plan for fiscal year 2023 utilized data for retirees participating in the plan. Contributions made subsequent to the measurement date by the District for retirees have been recorded as deferred outflows of resources as of August 31, 2023, and contributions made subsequent to the measurement date by the District for active employees have been recorded as an expense for the year ended August 31, 2023. Future changes, if any, to the current methodology or actuarial assumptions being utilized could result in significant changes in accounting and financial reporting in future periods.

**NOTE 10. HEALTH CARE AND LIFE INSURANCE BENEFITS**

The state provides certain healthcare and life insurance benefits for active and retired employees through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's average contribution per full-time employee was \$402 and \$410 per month for the years ended August 31, 2023 and 2022, respectively. The cost of providing those benefits for all employees in the year ended August 31, 2023, paid by the State of Texas on behalf of the District, totaled \$14,309,416 (\$14,309,416 for the year ended August 31, 2022) with \$3,516,665 for 809 retirees (retiree benefits for 792 retirees cost \$3,423,835 in fiscal year 2022) and \$10,792,751 for 2,240 active employees (active employee benefits for 2,214 employees cost \$10,885,581 in fiscal year 2022). The on-behalf payments are reflected in the accompanying financial statements as both revenues and expenses.

**NOTE 11. 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, 2023 and 2022, the District had 356 and 355 employees participating in the program, respectively. A total of \$2,300,310 and \$2,368,290 in payroll deductions had been invested in approved plans during the fiscal years 2023 and 2022, respectively.

The District also sponsors a deferred compensation plan pursuant to Internal Revenue Code Section 457(b). Full-time employees can begin participating in the plan on their first day of employment. An employee can contribute up to a maximum of \$22,500 (\$30,000 for participants over 50 years of age) for 2023. As of August 31, 2023 and 2022, the District had 197 and 173 employees participating in the program, respectively. A total of \$1,381,314 and \$1,354,690 in payroll deductions had been invested in approved plans during the fiscal years 2023 and 2022, respectively. In August 2017, the District established a deferred compensation plan pursuant to Internal Revenue Code Section 457(f) covering a member of management.

**NOTE 12. COMPENSATED ABSENCES**

Full-time employees earn vacation leave from 8.67 to 15.33 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. 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.

Sick leave 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 of 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, 2023 and 2022 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Current Portion</b>
2023	\$ 13,347,423	\$ 9,468,825	\$ 8,970,259	\$ 13,845,989	\$ 8,428,746
2022	\$ 13,912,668	\$ 9,376,548	\$ 9,941,793	\$ 13,347,423	\$ 7,777,882

**NOTE 13. PENDING LAWSUITS AND CLAIMS**

On August 31, 2023, 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 14. LEASES - LESSEE AND LESSOR**

**Leases Payable**

The District has entered into multiple lease agreements as a lessee. The leases allow the right-to-use various buildings and copier equipment over the term of the lease. The District is required to make monthly payments at its incremental borrowing rate, or the interest rate stated or implied within the leases. Future lease payments will be made as follows:

<b>Fiscal Year</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>
2024	\$ 443,432	\$ 1,551	\$ 444,983
2025	16,606	626	17,232
2026	16,702	530	17,232
2027	16,800	432	17,232
2028	16,897	334	17,231
2029-2031	48,413	411	48,824



**NOTE 14. LEASES - LESSEE AND LESSOR-continued**

**Leases Payable-continued**

<b>Change in Lease Liability Fiscal Year Ending 8/31/2023</b>				
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Decreases</b>	<b>Ending Balance</b>
Lease liability by class				
Buildings	\$ 264,230	\$	89,514	\$ 174,716
Equipment	<u>843,261</u>	<u>                    </u>	<u>459,127</u>	<u>384,134</u>
Total lease liability	<u>\$ 1,107,491</u>	<u>\$</u>	<u>\$ 548,641</u>	<u>\$ 558,850</u>

<b>Asset Class</b>	<b>Lease Asset Value</b>	<b>Accumulated Amortization</b>	<b>Right-to-use asset, net</b>
Buildings	\$ 442,203	\$ 268,824	\$ 173,379
Equipment	<u>1,756,185</u>	<u>1,374,403</u>	<u>381,782</u>
Total Leases	<u>\$ 2,198,388</u>	<u>\$ 1,643,227</u>	<u>\$ 555,161</u>

**Leases Receivable**

The District has entered into multiple lease agreements as a lessor. TCCD has a total of two (2) leases that qualify for GASB 87. The District recognized \$439,930 in lease revenue and \$32,198 in interest income during the current fiscal year related to the leases. As of August 31, 2023, the District’s receivable for lease payments was \$8,154,977. The District’s deferred inflow of resources associated with these leases will be recognized as revenue over the terms of the leases. As of August 31, 2023, the balance of the deferred inflow of resources was \$8,106,560. Future lease payments will be received as follows:

<b>Fiscal Year</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>
2024	\$ 537,236	\$ 33,162	\$ 570,398
2025	539,854	30,544	570,398
2026	542,498	27,900	570,398
2027	545,168	25,230	570,398
2028	547,865	22,533	570,398
2029-2033	2,649,818	80,182	2,730,000
2034-2038	2,701,582	28,418	2,730,000
2039	90,956	44	91,000

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**NOTE 14. LEASES - LESSEE AND LESSOR-continued****Leases Receivable-continued**

In August 2019, the District entered into a contract to lease space in its Trinity River Campus to Tarleton State University. The term of the lease commenced August 19, 2019 and ends on May 31, 2029. Substantially all of the payments to be received under this contract, totaling approximately \$2,000,000, were received during the year ended August 31, 2020.

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 through 2037, with an additional \$50,000 in 2026.

**NOTE 15. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)**

TCCD is committed under various subscription-based IT arrangements (SBITAs). At August 31, 2023, TCCD has 33 qualifying SBITAs under GASB 96. TCCD recognizes a liability and an intangible right-to-use asset for such arrangements. Most SBITA contracts have initial terms of up to five years and contain one or more optional renewals, generally for one to two year periods. The subscription term generally includes the renewal options when it is reasonably certain that they will be exercised. The SBITA contracts do not contain any material residual value guarantees. As the interest rate implicit in the SBITAs is not readily determinable, an estimated incremental borrowing rate is used to discount the SBITA payments.

TCCD monitors changes in circumstances that would require a remeasurement of its SBITA arrangement and will re-measure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

TCCD recognized \$9,711,801 in software asset amortization expense and \$669,548 in software interest expense during the current fiscal year related to the 33 SBITAs. Subscription payments totaled \$10,551,761 during the year ending August 31, 2023.

Subscription assets total \$51,725,984 with corresponding accumulated amortization of \$13,542,062 for the year ending August 31, 2023. Future SBITA payments will be made as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 8,941,015	\$ 754,429	\$ 9,695,444
2025	6,791,092	623,436	7,414,527
2026	4,353,271	504,475	4,857,747
2027	2,990,503	406,626	3,397,130
2028	3,093,615	328,332	3,421,947
2029-2032	10,431,794	561,659	10,993,454

**NOTE 15. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)-continued**

<b>Asset Class</b>	<b>SBITA Asset Value</b>	<b>Accumulated Amortization</b>	<b>Right-to-use asset, net</b>
Software	<u>\$ 51,725,984</u>	<u>\$ 13,542,062</u>	<u>\$ 38,183,922</u>
Total Software	<u><u>\$ 51,725,984</u></u>	<u><u>\$ 13,542,062</u></u>	<u><u>\$ 38,183,922</u></u>

**Change in SBITA Liability Fiscal Year Ending 8/31/2023**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Decreases</b>	<b>Ending Balance</b>
Subscription liability by class				
Software	<u>34,297,718</u>	<u>12,185,786</u>	<u>(9,882,213)</u>	<u>36,601,291</u>
Total subscription liability	<u><u>34,297,718</u></u>	<u><u>12,185,786</u></u>	<u><u>(9,882,213)</u></u>	<u><u>36,601,291</u></u>

**NOTE 16. 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 2023 and 2022 for which monies have not been received nor funds expended totaled approximately \$13,910,000 and \$14,060,000, respectively. Of this amount approximately \$9,950,000 and \$12,070,000 were from federal contract and grant awards and \$3,960,000 and \$1,990,000 were from state contract and grant awards for fiscal years ended August 31, 2023 and 2022, respectively.

**NOTE 17. 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.

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 rate

**NOTE 17. RISK MANAGEMENT-continued**

used to calculate the present value of liabilities was 1.0% for the years ended August 31, 2023 and 2022.

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

	2023	2022	2021
Beginning balance	\$ 788,051	\$ 959,053	\$ 1,307,863
Current year claims and changes in estimates	(158,544)	102,778	(213,536)
Claim payments	<u>(156,095)</u>	<u>(273,780)</u>	<u>(135,274)</u>
Ending balance	473,412	788,051	959,053
Current portion	<u>(472,541)</u>	<u>(744,354)</u>	<u>(892,443)</u>
Non-current portion	<u>\$ (871)</u>	<u>\$ (43,697)</u>	<u>\$ (66,610)</u>

**NOTE 18. RELATED PARTIES**

The Tarrant County College Foundation (the 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 \$1,166,632 and \$1,471,144 to the District during the years ended August 31, 2023 and 2022, 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, 2023 and 2022, the District had a receivable balance due from the Foundation of \$224,254 and \$569,342, respectively.

**NOTE 19. PROPERTY TAXES**

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.

	FY 2023	FY 2022
Assessed Valuation of the District	\$ 311,921,072,183	\$ 278,460,092,155
Less: Exemptions and Abatements	<u>(52,426,349,592)</u>	<u>(47,515,012,298)</u>
Net Assessed Valuation of the District	<u>\$ 259,494,722,591</u>	<u>\$ 230,945,079,857</u>

**NOTE 19. PROPERTY TAXES-continued**

<b>FY 2023</b>			
	<b>Current Operations</b>	<b>Debt Service</b>	<b>Total</b>
Tax Rate per \$100 valuation assessed (maximum per enabling legislation)	\$ .200000	\$ .500000	\$ .700000
Tax Rate per \$100 valuation assessed	\$ .111170	\$ .019000	\$ .130170

<b>FY 2022</b>			
	<b>Current Operations</b>	<b>Debt Service</b>	<b>Total</b>
Tax Rate per \$100 valuation assessed (maximum per enabling legislation)	\$ .200000	\$ .500000	\$ .700000
Tax Rate per \$100 valuation assessed	\$ .122081	\$ .008089	\$ .130170

Taxes levied for the years ended August 31, 2023 and 2022 amounted to \$324,713,805 and \$290,624,279, 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.

<b>2023</b>			
<b>Taxes Collected</b>	<b>Current Operations</b>	<b>Debt Service</b>	<b>Total</b>
Current Taxes Collected	\$ 277,639,197	\$ 47,678,572	\$ 325,317,769
Delinquent Taxes Collected	1,432,721	246,039	1,678,760
Penalties and Interest Collected	986,636	169,434	1,156,070
Total Collections	<u>\$ 280,058,554</u>	<u>\$ 48,094,045</u>	<u>\$ 328,152,599</u>

**NOTE 19. PROPERTY TAXES-continued**

Taxes Collected	2022		
	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 270,402,665	\$ 19,645,935	\$ 290,048,600
Delinquent Taxes Collected	404,055	29,367	433,422
Penalties and Interest Collected	2,494,133	181,274	2,675,407
Total Collections	<u>\$ 273,300,853</u>	<u>\$ 19,856,576</u>	<u>\$ 293,157,429</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, 2023 and 2022 were 100.2% and 99.8% of the current tax levy, respectively. The District remitted payments of \$4,604,145 and \$3,844,715 in fiscal years 2023 and 2022, 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 20. 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, 2023 and 2022.



## NOTE 21. CAPITAL ASSETS

Capital assets activity for the years ended August 31, 2023 and 2022, is summarized as follows:

	2023			
	Beginning Balance	Additions (Transfers)	Deletions	Ending Balance
Non-depreciable capital assets				
Land	\$ 82,650,249	\$	\$ (1,250,085)	\$ 81,400,164
Collections	1,431,368			1,431,368
Construction in progress	148,710,227	109,682,021		258,392,248
Work in progress		9,643,622		9,643,622
Total cost of non-depreciable capital assets	<u>232,791,844</u>	<u>119,325,643</u>	<u>(1,250,085)</u>	<u>350,867,402</u>
Depreciable capital assets				
Buildings	792,941,482	12,681,361	(3,324,136)	802,298,707
Improvements other than buildings	368,769,285	163,106	(2,467,208)	366,465,183
Telecommunications and peripheral equipment	35,532,202	2,736,947	(1,008,348)	37,260,801
Library books	7,185,883	770,684	(1,432,656)	6,523,911
Furniture and other equipment	60,364,184	3,574,090	(1,028,865)	62,909,409
Right-to-use assets - leases, net	1,102,898		(547,737)	555,161
Right-to-use assets - SBITAs, net	35,650,209	12,245,514	(9,711,801)	38,183,922
Total cost of depreciable capital assets	<u>1,301,546,143</u>	<u>32,171,702</u>	<u>(19,520,751)</u>	<u>1,314,197,094</u>
Accumulated depreciation				
Buildings	194,857,874	14,485,037	(2,216,575)	207,126,336
Improvements other than buildings	188,949,773	14,749,874	(1,045,295)	202,654,352
Telecommunications and peripheral equipment	29,514,443	2,534,099	(941,478)	31,107,064
Library books	3,209,105	347,172	(991,032)	2,565,245
Furniture and other equipment	44,786,011	3,075,628	(991,062)	46,870,577
Total accumulated depreciation	<u>461,317,206</u>	<u>35,191,810</u>	<u>(6,185,442)</u>	<u>490,323,574</u>
Net depreciable capital assets	<u>840,228,937</u>	<u>(3,020,108)</u>	<u>(13,335,309)</u>	<u>823,873,520</u>
Net capital assets	<u>\$ 1,073,020,781</u>	<u>\$ 116,305,535</u>	<u>\$ (14,585,394)</u>	<u>\$ 1,174,740,922</u>

**NOTE 21. CAPITAL ASSETS-continued**

	<b>2022</b>			
	<b>Beginning Balance</b>	<b>Additions (Transfers)</b>	<b>Deletions</b>	<b>Ending Balance</b>
Non-depreciable capital assets				
Land	\$ 82,650,249	\$	\$	\$ 82,650,249
Collections	1,426,368	5,000		1,431,368
Construction in progress	86,316,656	62,393,571		148,710,227
Total cost of non-depreciable capital assets	<u>170,393,273</u>	<u>62,398,571</u>		<u>232,791,844</u>
Depreciable capital assets				
Buildings	769,889,067	30,303,499	(7,251,084)	792,941,482
Improvements other than buildings	366,910,515	1,858,770		368,769,285
Telecommunications and peripheral equipment	35,839,595	2,201,546	(2,508,939)	35,532,202
Library books	7,309,525	637,536	(761,178)	7,185,883
Furniture and other equipment	59,000,138	1,937,572	(573,526)	60,364,184
Right-to-use assets - leases, net	1,650,644		(547,746)	1,102,898
Right-to-use assets - SBITAs, net		40,090,004	(4,439,795)	35,650,209
Total cost of depreciable capital assets	<u>1,240,599,484</u>	<u>77,028,927</u>	<u>(16,082,268)</u>	<u>1,301,546,143</u>
Accumulated depreciation				
Buildings	184,563,800	14,147,277	(3,853,203)	194,857,874
Improvements other than buildings	173,973,600	14,976,173		188,949,773
Telecommunications and peripheral equipment	29,277,539	2,740,331	(2,503,427)	29,514,443
Library books	3,388,202	371,689	(550,786)	3,209,105
Furniture and other equipment	42,039,572	3,276,314	(529,875)	44,786,011
Total accumulated depreciation	<u>433,242,713</u>	<u>35,511,784</u>	<u>(7,437,291)</u>	<u>461,317,206</u>
Net depreciable capital assets	<u>807,356,771</u>	<u>41,517,143</u>	<u>(8,644,977)</u>	<u>840,228,937</u>
Net capital assets	<u>\$ 977,750,044</u>	<u>\$ 103,915,714</u>	<u>\$ (8,644,977)</u>	<u>\$ 1,073,020,781</u>

**NOTE 22. COMMITMENTS AND CONTINGENCIES**

The District has entered into several contracts for various construction and renovation projects across the District. As of August 31, 2023, the balance remaining on these contracts totaled approximately \$122,960,000.

**NOTE 23. DESIGNATIONS OF UNRESTRICTED NET POSITION**

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

	<b>2023</b>	<b>2022</b>
Unrestricted net position		
Designated for		
Future renewals and replacements	\$ 198,187,938	\$ 60,125,883
Future enterprise resource planning	75,905,548	87,275,202
Future capital technology	7,690,484	
Undesignated	<u>89,056,491</u>	<u>160,984,387</u>
<b>Total unrestricted net position</b>	<u><u>\$ 370,840,461</u></u>	<u><u>\$ 308,385,472</u></u>

**NOTE 24. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES**

Accounts receivable at August 31, 2023 and 2022, were as follows:

	<b>2023</b>	<b>2022</b>
Student Receivables	\$ 35,337,362	\$ 32,525,216
Accounts Receivable	665,410	946,570
Other Receivables	<u>310,001</u>	<u>176,419</u>
Subtotal	36,312,773	33,648,205
Allowance for Doubtful Accounts	<u>(24,782,559)</u>	<u>(22,725,035)</u>
<b>Total Accounts Receivable-Exhibit 1</b>	<u><u>\$ 11,530,214</u></u>	<u><u>\$ 10,923,170</u></u>

**NOTE 24. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES-continued**

Accounts payable and accrued liabilities at August 31, 2023 and 2022, were as follows:

	<b>2023</b>	<b>2022</b>
Vendors Payable	<u>\$ 17,962,906</u>	<u>\$ 26,576,865</u>
Accounts Payable-Exhibit 1	<u>17,962,906</u>	<u>26,576,865</u>
Salaries & Benefits Payable	3,568,153	6,601,420
Workers' Compensation Payable	360,598	377,525
Retainage Payable	9,267,104	4,060,817
Unemployment Compensation	111,943	366,830
Interest Payable	1,053,329	2,414,297
Professional Pilot Fees Liability	<u>1,222,875</u>	<u>1,093,475</u>
Accrued Liabilities-Exhibit 1	<u>15,584,002</u>	<u>14,914,364</u>
<b>Total Accounts Payable and Accrued Liabilities</b>	<u><u>\$ 33,546,908</u></u>	<u><u>\$ 41,491,229</u></u>

**NOTE 25: SUBSEQUENT EVENT**

On October 26, 2023 the District gave notice to Anthology, Inc. of the termination of the Anthology, Inc. Master Agreement for Software as a Service (SAAS), Software and Professional Services agreement. The software liability, right-to-use asset for software-based information technology arrangements (SBITAs) and work in progress asset as presented in the comparative financials related to this agreement were as follows:

	<b>2023</b>	<b>2022</b>
Right-to-use assets - SBITAs, net	\$ 20,291,281	\$ 22,588,407
Software liability	20,940,866	22,617,606
Work in progress asset	8,659,116	

Required  
Supplementary  
Information



**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
LAST NINE FISCAL YEARS**

	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>
District's proportionate share of collective net pension liability	0.1262387%	0.1297609%	0.1336016%	0.1413706%
District's proportionate share of collective net pension liability	\$ 74,944,661	\$ 33,045,511	\$ 71,554,272	\$ 73,488,867
Portion of non-employer contributing entity's total proportionate share of net pension liability associated with the District	<u>61,097,188</u>	<u>27,846,588</u>	<u>60,523,992</u>	<u>59,504,947</u>
Total	<u>\$ 136,041,849</u>	<u>\$ 60,892,099</u>	<u>\$ 132,078,264</u>	<u>\$ 132,993,814</u>
District's covered payroll amount	\$ 126,658,734	\$ 124,636,662	\$ 124,891,301	\$ 121,470,269
Ratio of the District's proportionate share of the collective net pension liability to its covered payroll amount	59.17%	26.51%	57.29%	60.50%
TRS net position as percentage of total pension liability	75.62%	88.79%	75.54%	75.24%

\* 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.

<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>
0.1378388%	0.1383464%	0.1351266%	0.1371994%	0.1539892%
\$ 75,869,797	\$ 44,235,720	\$ 51,062,332	\$ 48,498,163	\$ 41,132,646
<u>62,086,433</u>	<u>36,644,031</u>	<u>41,687,371</u>	<u>39,733,040</u>	<u>33,243,381</u>
<u>\$ 137,956,230</u>	<u>\$ 80,879,751</u>	<u>\$ 92,749,703</u>	<u>\$ 88,231,203</u>	<u>\$ 74,376,027</u>
\$ 113,911,195	\$ 109,351,322	\$ 102,150,596	\$ 96,710,266	\$ 91,440,746
66.60%	40.45%	49.99%	50.15%	44.98%
73.74%	82.17%	78.00%	78.43%	83.25%

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS FOR PENSIONS  
LAST NINE FISCAL YEARS**

	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>
Legally required contributions	\$ 6,758,638	\$ 5,898,750	\$ 5,511,959
Actual contributions	<u>(6,758,638)</u>	<u>(5,898,750)</u>	<u>(5,511,959)</u>
Contributions deficiency (excess)			
District covered payroll amount	\$ 138,450,421	\$ 126,658,734	\$ 124,636,662
Ratio of actual contributions to covered payroll amount	4.88%	4.66%	4.42%

\* 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.

2020*	2019*	2018*	2017*	2016*	2015*
\$ 5,506,949 (5,506,949)	\$ 4,912,506 (4,912,506)	\$ 4,628,899 (4,628,899)	\$ 4,512,730 (4,512,730)	\$ 4,258,346 (4,258,346)	\$ 4,054,353 (4,258,346)
\$ 124,891,301	\$ 121,470,269	\$ 113,911,195	\$ 109,351,322	\$ 102,150,596	\$ 96,710,266
4.41%	4.04%	4.06%	4.13%	4.17%	4.19%

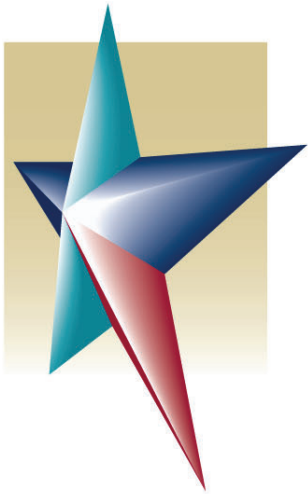
**TARRANT COUNTY COLLEGE DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR PENSIONS  
YEAR ENDED AUGUST 31, 2023**

**CHANGES OF BENEFIT TERMS:**

There were no benefit changes recognized in the total pension liability as of August 31, 2023.

**CHANGES OF ASSUMPTIONS:**

The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.



**Tarrant County College<sup>®</sup>**  
**SUCCESS WITHIN REACH.**



**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY  
EMPLOYEE RETIREMENT SYSTEM OF TEXAS  
STATE RETIREE HEALTH PLAN  
LAST SIX FISCAL YEARS**

	<u>*2023</u>	<u>*2022</u>	<u>*2021</u>
District's proportionate share of collective net OPEB liability	0.4901286%	0.5072515%	0.5081242%
District's proportionate share of collective net OPEB liability	\$ 139,622,758	\$ 181,979,057	\$ 167,907,764
State's proportionate share of net OPEB liability associated with the District	<u>138,246,931</u>	<u>171,987,088</u>	<u>158,380,511</u>
Total	<u>\$ 277,869,689</u>	<u>\$ 353,966,145</u>	<u>\$ 326,288,275</u>
District's covered payroll amount	\$ 140,115,753	\$ 140,446,007	\$ 139,691,258
Ratio of the District's proportionate share of the collective net OPEB liability to its covered payroll amount	99.65%	129.57%	120.20%
ERS net position as percentage of total OPEB liability	0.57%	0.38%	0.32%

\* 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 OPEB liability.

<u>*2020</u>	<u>*2019</u>	<u>*2018</u>
0.5036653%	0.5217194%	0.3943898%
\$ 174,080,186	\$ 154,625,846	\$ 134,380,479
<u>170,859,406</u>	<u>140,022,927</u>	<u>108,563,336</u>
<u>\$ 344,939,592</u>	<u>\$ 294,648,773</u>	<u>\$ 242,943,815</u>
\$ 135,759,776	\$ 133,033,828	\$ 130,055,414
128.23%	116.23%	103.33%
0.17%	1.27%	2.04%

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS FOR OPEB  
EMPLOYEE RETIREMENT SYSTEM OF TEXAS  
STATE RETIREE HEALTH PLAN  
LAST SIX FISCAL YEARS**

	<u>*2023</u>	<u>*2022</u>	<u>*2021</u>
Legally required contributions	\$ 4,254,432	\$ 4,162,905	\$ 4,084,323
Actual contributions	<u>(4,254,432)</u>	<u>(4,162,905)</u>	<u>(4,084,323)</u>
Contributions deficiency (excess)			
District covered employee payroll amount	\$ 148,633,455	\$ 140,115,753	\$ 140,446,007
Ratio of actual contributions to covered payroll amount	2.86%	2.97%	2.91%

\* 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.

<u>*2020</u>	<u>*2019</u>	<u>*2018</u>
\$ 4,089,757 <u>(4,089,757)</u>	\$ 4,002,254 <u>(4,002,254)</u>	\$ 3,842,889 <u>(3,842,889)</u>
\$ 139,691,258	\$ 135,759,776	\$ 133,033,828
2.93%	2.95%	2.89%

**TARRANT COUNTY COLLEGE DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR OPEB  
YEAR ENDED AUGUST 31, 2023**

**CHANGES OF BENEFIT TERMS:**

The following benefit revisions have been adopted since the prior valuation:

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

**CHANGES IN ASSUMPTIONS:**

Demographic Assumptions

Since the last valuation was prepared for this plan, demographic assumptions (including rates of retirement, disability, termination, and mortality, and assumed salary increases) for Higher Education members have been updated to reflect assumptions recently adopted by the TRS Trustees. These new assumptions were adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

In addition, the following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.

Economic Assumptions

- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

Other Inputs

The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

# Supplementary Data



**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE A  
SCHEDULE OF OPERATING REVENUES  
YEAR ENDED AUGUST 31, 2023  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2022)**

	Unrestricted	Restricted	Total Educational Activities
Tuition			
State funded courses			
In-district resident tuition	\$ 37,676,043	\$	\$ 37,676,043
Out-of-district resident tuition	8,486,257		8,486,257
Non-resident tuition	6,255,990		6,255,990
TPEG- credit (set aside)*	2,937,311		2,937,311
Continuing education	1,986,040		1,986,040
TPEG-continuing education (set aside)*	128,498		128,498
Non-state funded continuing education	883,254		883,254
Total tuition	<u>58,353,393</u>		<u>58,353,393</u>
Fees			
Installment plan fees	588,800		588,800
Other fees	37,599		37,599
Total fees	<u>626,399</u>		<u>626,399</u>
Allowances and discounts			
Bad debt allowance	(2,085,095)		(2,085,095)
Scholarship allowances	(1,049,463)		(1,049,463)
Remissions and exemptions	(998,246)		(998,246)
TPEG allowances	(476,609)		(476,609)
Federal grants to students	(8,661,590)		(8,661,590)
Total allowances and discounts	<u>(13,271,003)</u>		<u>(13,271,003)</u>
Total net tuition and fees	45,708,789		45,708,789
Other operating revenues			
Federal grants and contracts		3,479,989	3,479,989
State grants and contracts		6,784,788	6,784,788
Non-governmental grants and contracts		3,840,489	3,840,489
Other operating revenues	1,306,918		1,306,918
Total other operating revenues	<u>1,306,918</u>	<u>14,105,266</u>	<u>15,412,184</u>
Auxiliary enterprises			
Bookstore			
Food service			
Testing center			
Child center			
Professional Pilot			
Total net auxiliary enterprises			
Total operating revenues	<u>\$ 47,015,707</u>	<u>\$ 14,105,266</u>	<u>\$ 61,120,973</u>

\* In accordance with Education Code 56.033, \$2,984,459 and \$2,855,953 of tuition for the years ended August 31, 2023 and 2022, 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 June 30, 2027 and may be renewed for three additional successive one year periods at the option of the District.

Note: The District has contracted with a food service operator to operate and manage the District's cafeterias under an agreement that terminates on May 31, 2027 and may be renewed for one additional 5-year term at the option of the District.

Auxiliary Enterprises	2023 Total	2022 Total
\$	\$ 37,676,043	\$ 36,150,919
	8,486,257	7,630,642
	6,255,990	5,664,029
	2,937,311	2,726,231
	1,986,040	2,005,946
	128,498	129,722
	883,254	700,768
	<u>58,353,393</u>	<u>55,008,257</u>
	588,800	564,375
	37,599	110,516
	<u>626,399</u>	<u>674,891</u>
	(2,085,095)	229,254
	(1,049,463)	(483,704)
	(998,246)	(874,845)
	(476,609)	(219,904)
	<u>(8,661,590)</u>	<u>(12,358,989)</u>
	<u>(13,271,003)</u>	<u>(13,708,188)</u>
	45,708,789	41,974,960
	3,479,989	2,092,999
	6,784,788	3,913,881
	3,840,489	4,552,858
	1,306,918	1,421,516
	<u>15,412,184</u>	<u>11,981,254</u>
4,343,127	4,343,127	3,972,068
378,064	378,064	396,217
258,329	258,329	241,586
221,858	221,858	202,111
2,819,234	2,819,234	2,535,337
<u>8,020,612</u>	<u>8,020,612</u>	<u>7,347,319</u>
<u>\$ 8,020,612</u>	<u>\$ 69,141,585</u>	<u>\$ 61,303,533</u>
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE B  
SCHEDULE OF OPERATING EXPENSES  
BY OBJECT  
YEAR ENDED AUGUST 31, 2023  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2022)**

	Salaries and Wages	Staff Benefits	
		State	Local
Unrestricted - educational activities			
Instruction	\$ 105,176,068	\$	\$ 16,220,974
Public service	2,176,908		376,782
Academic support	25,893,240		7,118,948
Student services	27,296,497		5,625,948
Institutional support	29,754,846		6,952,517
Operation and maintenance of plant	7,675,399		3,603,983
Scholarships and fellowships			
Total unrestricted educational activities	197,972,958		39,899,152
Restricted - educational activities			
Instruction	798,486	11,176,500	
Public service	532,054	438,077	
Academic support	528,080	2,148,753	
Student services	1,761,273	3,382,916	
Institutional support		4,293,398	
Scholarships and fellowships			
Total restricted educational activities	3,619,893	21,439,644	
Total educational activities	201,592,851	21,439,644	39,899,152
Auxiliary enterprises	396,362		231,255
Depreciation expense			
Buildings and other real estate improvements			
Equipment and furniture			
Total operating expenses	\$ 201,989,213	\$ 21,439,644	\$ 40,130,407

Other Expenses	2023 Total	2022 Total
\$ 20,182,032	\$ 141,579,074	\$ 132,864,430
859,906	3,413,596	2,690,127
6,387,583	39,399,771	33,723,160
6,679,362	39,601,807	34,018,365
21,051,041	57,758,404	59,608,617
25,487,586	36,766,968	32,376,746
1,524,141	1,524,141	1,553,163
82,171,651	320,043,761	296,834,608
2,011,843	13,986,829	11,298,637
357,342	1,327,473	1,065,311
	2,676,833	1,924,875
1,822,054	6,966,243	5,997,672
	4,293,398	3,581,173
58,776,996	58,776,996	128,557,323
62,968,235	88,027,772	152,424,991
145,139,886	408,071,533	449,259,599
8,614,267	9,241,884	8,638,983
29,234,919	29,234,919	29,123,450
5,956,891	5,956,891	6,388,334
\$ 188,945,963	\$ 452,505,227	\$ 493,410,366
	(Exhibit 2)	(Exhibit 2)

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE C  
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES  
YEAR ENDED AUGUST 31, 2023  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2022)**

	<u>Unrestricted</u>	<u>Restricted</u>
<b>NON-OPERATING REVENUES</b>		
State appropriations		
Education and general state support	\$ 58,943,344	\$ 5,840,199
State group insurance		9,281,570
State retirement matching		6,317,875
Total state appropriations	<u>58,943,344</u>	<u>21,439,644</u>
Maintenance ad valorem taxes	275,386,605	
Debt service ad valorem taxes	47,542,823	
Federal grants and contracts		61,984,737
Investment income	42,555,071	381,975
Gain on disposal of assets		
Other income	<u>1,082,045</u>	
Total non-operating revenues	425,509,888	83,806,356
<b>NON-OPERATING EXPENSES</b>		
Interest on indebtedness	(19,698,723)	
Gain or (loss) on disposal of assets	<u>9,120,776</u>	
Total non-operating expenses	<u>(10,577,947)</u>	
Net non-operating revenues	<u>\$ 414,931,941</u>	<u>\$ 83,806,356</u>

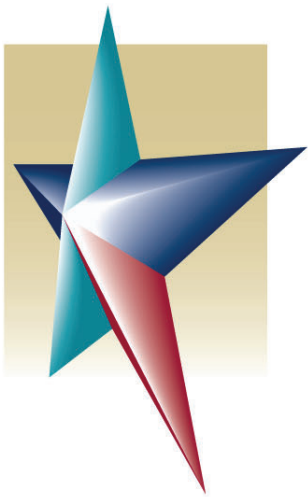
2023 Total	2022 Total
\$ 64,783,543	\$ 59,054,671
9,281,570	12,211,025
6,317,875	5,708,245
<u>80,382,988</u>	<u>76,973,941</u>
275,386,605	271,006,319
47,542,823	18,404,809
61,984,737	138,386,986
42,937,046	(6,849,511)
<u>1,082,045</u>	<u>1,027,519</u>
509,316,244	498,950,063
(19,698,723)	(6,014,177)
<u>9,120,776</u>	<u>(3,402,500)</u>
<u>(10,577,947)</u>	<u>(9,416,677)</u>
<u>\$ 498,738,297</u>	<u>\$ 489,533,386</u>
(Exhibit 2)	(Exhibit 2)



**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE D  
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY  
YEAR ENDED AUGUST 31, 2023  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2022)**

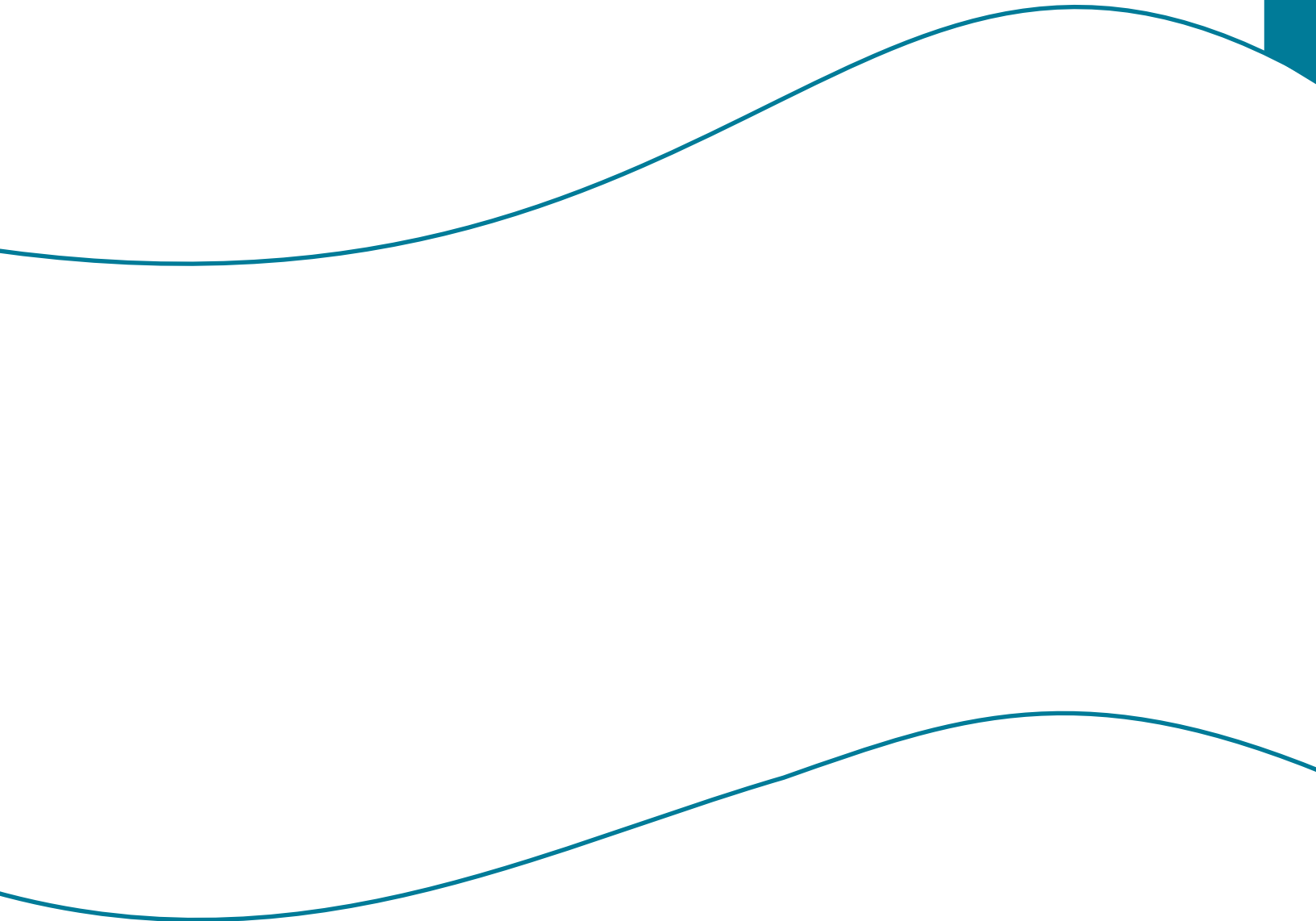
	Detail by Source		
	Unrestricted	Restricted	
		Expendable	Non-Expendable
Current:			
Unrestricted	\$ 69,621,167	\$	\$
Board designated	281,783,970		
Restricted		11,016,971	
Auxiliary enterprises	19,435,324		
Loan		147,793	
Plant:			
Debt services		9,804,791	
Investment in plant			
Total net position, August 31, 2023	370,840,461	20,969,555	
Total net position, August 31, 2022	307,032,981	17,465,346	
Change in accounting principle	1,352,491		
Net increase (decrease) in net position	\$ 62,454,989	\$ 3,504,209	\$

Detail by Source		Available for Current Operations	
Net Investment in Capital Assets	Total	Yes	No
\$	\$ 69,621,167	\$ 69,621,167	\$
	281,783,970		281,783,970
	11,016,971		11,016,971
	19,435,324	19,435,324	
	147,793		147,793
	9,804,791		9,804,791
<u>929,825,263</u>	<u>929,825,263</u>		<u>929,825,263</u>
929,825,263	1,321,635,279	89,056,491	1,232,578,788
	(Exhibit 1)		
<u>880,379,203</u>	<u>1,204,877,530</u>	<u>159,631,896</u>	<u>1,045,245,634</u>
	1,352,491	1,352,491	
	(Exhibit 2)		
<u>\$ 49,446,060</u>	<u>\$ 115,405,258</u>	<u>\$ (71,927,896)</u>	<u>\$ 187,333,154</u>
	(Exhibit 2)		



**Tarrant County College<sup>®</sup>**  
**SUCCESS WITHIN REACH.**

**STATISTICAL  
SECTION**





# STATISTICAL SECTION

This part of the Tarrant County College District’s annual comprehensive 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

	<u>Statistical Supplements</u>
<b>Financial Trends</b>	<b>1-3</b>
These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>4-8</b>
These schedules contain information to help the reader assess the District’s most significant local revenue sources.	
<b>Debt Capacity</b>	<b>9-11</b>
These schedules present information to help the reader assess the affordability of the District’s current level of outstanding debt.	
<b>Demographic and Economic Information</b>	<b>12-13</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s activities take place.	
<b>Operating Information</b>	<b>14-18</b>
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)**

	2023	2022	2021	2020
Net investment in capital assets	\$ 929,825,263	\$ 880,379,203	\$ 898,505,750	\$ 880,616,165
Restricted - expendable	20,969,555	17,465,346	13,661,438	8,133,417
Restricted - nonexpendable				
Unrestricted	370,840,461	307,032,981	235,270,765	184,023,018
Total primary government net position	1,321,635,279	1,204,877,530	1,147,437,953	1,072,772,600
Net position, beginning of year	1,204,877,530	1,147,437,953	1,072,772,600	1,017,425,540
Change in accounting principle	1,352,491	13,024		
Net position, beginning of year, restated	1,206,230,021	1,147,450,977	1,072,772,600	1,017,425,540
Increase in net position	<u>\$ 115,405,258</u>	<u>\$ 57,439,577</u>	<u>\$ 74,665,353</u>	<u>\$ 55,347,060</u>

2019	2018	2017	2016	2015	2014
\$ 897,385,348	\$ 899,396,935	\$ 894,078,441	\$ 873,199,085	\$ 871,262,514	\$ 839,009,623
7,739,827	7,359,091	6,923,169	6,498,958	6,784,817	8,843,553
112,300,365	79,459,586	209,516,518	194,778,466	161,798,085	206,331,733
1,017,425,540	986,215,612	1,110,518,128	1,074,476,509	1,039,845,416	1,054,184,909
986,215,612	1,110,518,128 (156,861,347)	1,074,476,509	1,039,845,416	1,054,184,909 (46,603,458)	975,662,444
986,215,612	953,656,781	1,074,476,509	1,039,845,416	1,007,581,451	975,662,444
<u>\$ 31,209,928</u>	<u>\$ (124,302,516)</u>	<u>\$ 36,041,619</u>	<u>\$ 34,631,093</u>	<u>\$ (14,339,493)</u>	<u>\$ 78,522,465</u>

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

	2023	2022	2021	2020
Operating revenues				
Tuition and fees (net of discounts)	\$ 45,708,789	\$ 41,974,960	\$ 50,288,617	\$ 46,156,087
Governmental grants and contracts				
Federal grants and contracts	3,479,989	2,092,999	3,827,168	3,329,262
State grants and contracts	6,784,788	4,043,603	3,881,186	4,619,064
Non-governmental grants and contracts	3,840,489	4,423,136	3,176,655	2,936,160
Auxiliary enterprises	8,020,612	7,347,319	6,242,981	5,084,931
Other operating revenues	1,306,918	1,421,516	1,121,721	3,668,313
Total operating revenues	<u>69,141,585</u>	<u>61,303,533</u>	<u>68,538,328</u>	<u>65,793,817</u>
Non-operating revenues				
State appropriations	80,382,988	76,973,941	82,160,085	86,355,223
Ad-valorem taxes	322,929,428	289,411,128	271,520,631	261,196,233
Federal grants and contracts	61,984,737	138,386,986	114,044,561	69,181,782
Investment income	42,937,046	(6,849,511)	3,259,637	11,269,365
Other income	1,082,045	1,027,519	968,288	966,253
Gain on disposal of assets	9,120,776		166,851	906,137
Total non-operating revenues	<u>518,437,020</u>	<u>498,950,063</u>	<u>472,120,053</u>	<u>429,874,993</u>
Total revenues	<u>\$ 587,578,605</u>	<u>\$ 560,253,596</u>	<u>\$ 540,658,381</u>	<u>\$ 495,668,810</u>
Operating revenues				
Tuition and fees (net of discounts)	7.78%	7.49%	9.30%	9.31%
Governmental grants and contracts				
Federal grants and contracts	0.59%	0.37%	0.71%	0.67%
State grants and contracts	1.15%	0.72%	0.72%	0.93%
Non-governmental grants and contracts	0.65%	0.79%	0.60%	0.59%
Auxiliary enterprises	1.37%	1.31%	1.14%	1.03%
Other operating revenues	0.22%	0.25%	0.21%	0.74%
Total operating revenues	<u>11.76%</u>	<u>10.93%</u>	<u>12.68%</u>	<u>13.27%</u>
Non-operating revenues				
State appropriations	13.68%	13.74%	15.20%	17.42%
Ad-valorem taxes	54.97%	51.66%	50.22%	52.70%
Federal grants and contracts	10.55%	24.71%	21.09%	13.96%
Investment income	7.31%	-1.22%	0.60%	2.28%
Other income	0.18%	0.18%	0.18%	0.19%
Gain on disposal of assets	1.55%	0.00%	0.03%	
Total non-operating revenues	<u>88.24%</u>	<u>89.07%</u>	<u>87.32%</u>	<u>86.55%</u>
Total revenues	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>99.82%</u>

2019	2018	2017	2016	2015	2014
\$ 55,682,936	\$ 55,145,642	\$ 54,986,934	\$ 52,482,348	\$ 49,478,068	\$ 49,371,002
3,380,340	3,144,177	4,523,229	3,676,399	3,685,838	3,217,611
5,678,124	7,219,799	5,402,033	5,512,293	5,228,098	5,880,099
3,376,037	3,913,274	3,445,783	2,586,684	2,727,036	4,946,370
4,562,486	4,104,814	3,799,593	3,742,094	3,358,327	2,835,286
1,804,790	799,607	1,785,418	2,347,842	4,714,371	6,343,924
74,484,713	74,327,313	73,942,990	70,347,660	69,191,738	72,594,292
80,154,552	82,581,830	78,428,968	72,889,359	70,036,690	69,156,327
244,974,129	232,639,439	220,336,268	206,958,870	197,422,606	187,826,286
59,118,313	62,594,892	59,652,406	64,293,615	66,314,027	76,657,485
12,057,614	3,319,826	2,595,851	2,767,332	1,467,880	3,653,612
939,730	1,027,388	1,087,193	2,103,574	910,990	1,691,575
397,244,338	382,163,375	362,100,686	349,012,750	336,152,193	338,985,285
\$ 471,729,051	\$ 456,490,688	\$ 436,043,676	\$ 419,360,410	\$ 405,343,931	\$ 411,579,577
11.80%	12.07%	12.61%	12.51%	12.21%	12.00%
0.72%	0.68%	1.03%	0.88%	0.91%	0.78%
1.20%	1.58%	1.24%	1.31%	1.29%	1.43%
0.72%	0.86%	0.79%	0.62%	0.68%	1.20%
0.97%	0.90%	0.87%	0.89%	0.83%	0.70%
0.38%	0.18%	0.41%	0.56%	1.17%	1.54%
15.79%	16.27%	16.95%	16.77%	17.09%	17.65%
16.99%	18.09%	17.99%	17.38%	17.28%	16.80%
51.93%	50.96%	50.53%	49.35%	48.70%	45.64%
12.53%	13.71%	13.68%	15.33%	16.36%	18.63%
2.56%	0.73%	0.60%	0.66%	0.36%	
0.20%	0.23%	0.25%	0.50%	0.21%	0.41%
84.21%	83.72%	83.05%	83.22%	82.91%	81.48%
100.00%	99.99%	100.00%	100.00%	100.00%	99.00%

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

	2023	2022	2021	2020
Instruction	\$ 155,565,903	\$ 144,163,067	\$ 150,601,746	\$ 162,343,395
Public service	4,741,069	3,755,438	4,872,783	6,987,297
Academic support	42,076,604	35,648,035	36,148,835	39,761,312
Student services	46,568,050	40,016,037	40,703,157	41,473,222
Institutional support	62,051,802	63,189,790	54,465,159	56,923,123
Operation and maintenance of plant	36,766,968	32,376,746	31,007,731	34,580,681
Scholarship and fellowships	60,301,137	130,110,486	102,820,252	56,377,882
Auxiliary enterprises	9,241,884	8,638,983	6,596,340	6,911,786
Depreciation	35,191,810	35,511,784	35,294,389	34,728,158
Total operating expenses	452,505,227	493,410,366	462,510,392	440,086,856
Interest on capital related debt	19,698,723	6,014,177	4,241,730	282,926
Loss on disposal of capital assets		3,402,500		
Total non-operating expenses	19,698,723	9,416,677	4,241,730	282,926
Total expenses	<u>\$ 472,203,950</u>	<u>\$ 502,827,043</u>	<u>\$ 466,752,122</u>	<u>\$ 440,369,782</u>
Instruction	32.94%	28.67%	32.27%	36.86%
Public service	1.00%	0.75%	1.04%	1.59%
Academic support	8.91%	7.09%	7.74%	9.03%
Student services	9.86%	7.96%	8.72%	9.42%
Institutional support	13.15%	12.55%	11.67%	12.93%
Operation and maintenance of plant	7.79%	6.44%	6.65%	7.85%
Scholarship and fellowships	12.77%	25.88%	22.03%	12.80%
Auxiliary enterprises	1.96%	1.72%	1.41%	1.57%
Depreciation	7.45%	7.06%	7.56%	7.89%
Total operating expenses	95.83%	98.12%	99.09%	99.94%
Interest on capital related debt	4.17%	1.20%	0.91%	0.06%
Loss on disposal of capital assets		0.68%		
Total non-operating expenses	4.17%	1.88%	0.91%	0.06%
Total expenses	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

2019	2018	2017	2016	2015	2014
\$ 159,321,611	\$ 150,579,446	\$ 140,735,776	\$ 136,401,326	\$ 130,672,056	\$ 123,303,575
10,245,318	14,132,205	12,736,336	10,082,205	9,188,202	8,099,598
37,918,976	33,963,458	35,116,541	30,605,416	28,991,793	27,567,965
40,891,712	38,449,561	36,217,071	32,772,581	31,470,516	29,578,631
54,713,160	50,310,302	45,811,537	42,947,782	40,875,729	39,704,272
40,368,561	36,897,204	34,862,956	33,057,686	33,264,591	38,451,779
56,825,486	60,424,814	58,061,684	63,879,015	64,561,713	75,701,812
5,395,065	4,618,011	4,587,947	4,036,187	3,786,956	2,822,103
34,332,422	33,521,323	32,197,448	30,617,191	29,897,030	29,196,006
440,012,311	422,896,324	400,327,296	384,399,389	372,708,586	374,425,741
574,253	1,132,866	396,924	344,578	371,380	
574,253	1,132,866	396,924	344,578	371,380	
\$ 440,586,564	\$ 424,029,190	\$ 400,724,220	\$ 384,743,967	\$ 373,079,966	\$ 374,425,741
36.16%	35.51%	35.12%	35.45%	35.03%	32.93%
2.33%	3.33%	3.18%	2.62%	2.45%	2.16%
8.61%	8.01%	8.76%	7.96%	7.77%	7.36%
9.28%	9.07%	9.04%	8.52%	8.44%	7.90%
12.42%	11.86%	11.43%	11.16%	10.96%	10.61%
9.16%	8.70%	8.70%	8.59%	8.92%	10.27%
12.90%	14.25%	14.49%	16.60%	17.31%	20.22%
1.22%	1.09%	1.15%	1.05%	1.02%	0.75%
7.79%	7.91%	8.03%	7.96%	8.01%	7.80%
99.87%	99.73%	99.90%	99.91%	99.91%	100.00%
0.13%	0.27%	0.10%	0.09%	0.09%	
0.13%	0.27%	0.10%	0.09%	0	
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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

RESIDENT  
Fees per Semester Credit Hour (b)

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
2023	\$ 64	\$ 126	\$	\$	\$ 64	\$ 126
2022	64	126			64	126
2021	64	126			64	126
2020	64	126			64	126
2019	59	106			59	106
2018	59	106			59	106
2017	59	106			59	106
2016	55	86			55	86
2015	55	86			55	86
2014	55	86			55	86

NON-RESIDENT  
Fees per Semester Credit Hour (b)

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
2023	\$ 305	\$ 305	\$	\$	\$ 305	\$ 305
2022	305	305			305	305
2021	305	305			305	305
2020	305	305			305	305
2019	255	255			255	255
2018	255	255			255	255
2017	255	255			255	255
2016	205	205			205	205
2015	205	205			205	205
2014	205	205			205	205

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.
- (b) This schedule reflects Fall tuition rates.



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
\$ 768	\$ 1,512	0.00%	0.00%
768	1,512	0.00%	0.00%
768	1,512	0.00%	0.00%
768	1,512	8.47%	18.87%
708	1,272	0.00%	0.00%
708	1,272	0.00%	0.00%
708	1,272	7.27%	23.26%
660	1,032	0.00%	0.00%
660	1,032	0.00%	0.00%
660	1,032	5.77%	13.16%

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
\$ 3,660	\$ 3,660	0.00%	0.00%
3,660	3,660	0.00%	0.00%
3,660	3,660	0.00%	0.00%
3,660	3,660	19.61%	19.61%
3,060	3,060	0.00%	0.00%
3,060	3,060	0.00%	0.00%
3,060	3,060	24.39%	24.39%
2,460	2,460	0.00%	0.00%
2,460	2,460	0.00%	0.00%
2,460	2,460	19.88%	19.88%

**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>
2023	\$ 274,287,121,716	\$ 39,471,775,265	\$ 313,758,896,981	\$ (65,754,565,885)
2022	242,509,442,576	36,890,265,244	279,399,707,820	(55,260,599,161)
2021	229,448,778,465	35,511,846,530	264,960,624,995	(60,059,174,988)
2020	218,985,294,012	33,651,021,626	252,636,315,638	(46,817,841,668)
2019	197,677,751,257	30,869,611,640	228,547,362,897	(43,540,190,343)
2018	181,478,921,348	29,134,190,135	210,613,111,483	(45,242,452,413)
2017	162,291,841,412	28,072,182,184	190,364,023,596	(40,373,205,705)
(b) 2016	144,468,399,702	26,875,858,000	171,344,257,702	(37,435,407,124)
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)

Source:  
Tarrant Appraisal District

Notes:

Property is assessed at full market value.

(a) per \$100 taxable assessed valuation

(b) District debt was paid off during fiscal 2015, thus there is no debt service tax beginning in fiscal 2016.  
Debt was issued in fiscal 2020 and debt service tax added in fiscal 2021.

<u>Taxable Assessed Value</u>	<u>Ratio of Taxable Assessed Value to Assessed Value</u>	<u>Maintenance and Operations (a)</u>	<u>Debt Service (b)</u>	<u>Total (a)</u>
\$ 248,004,331,096	79.04%	\$ 0.11117	\$ 0.01900	\$ 0.13017
224,139,108,659	80.22%	0.12208	0.00809	0.13017
204,901,450,007	77.33%	0.12147	0.00870	0.13017
205,818,473,970	81.47%	0.13017		0.13017
185,007,172,554	80.95%	0.13607		0.13607
165,370,659,070	78.52%	0.14006		0.14006
149,990,817,891	78.79%	0.14473		0.14473
133,908,850,578	78.15%	0.14950		0.14950
136,312,562,282	81.84%	0.14392	0.00558	0.14950
127,454,200,572	80.55%	0.14241	0.00709	0.14950

**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 (Unrestricted)	FTSE	State Appropriation per FTSE
2023	\$ 58,943,344	23,119	\$ 2,550
2022	58,943,344	20,755	2,840
2021	56,846,930	25,229	2,253
2020	56,850,738	27,231	2,088
2019	55,364,500	27,665	2,001
2018	55,365,768	28,774	1,924
2017	56,326,105	28,038	2,009
2016	56,235,643	28,364	1,983
2015	54,396,982	28,160	1,932
2014	54,479,329	29,395	1,853

Source:

(a) CBM004 (2014 - 2021) & CBM0CS (beginning 2022)

(b) CBM00C

Note:

FTSE is defined as the number of full time students hours 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
14,933,521	537,032	15,470,553	\$ 3.81
14,157,825	616,592	14,774,417	3.99
16,360,746	445,001	16,805,747	3.38
17,513,724	440,516	17,954,240	3.17
17,459,848	636,616	18,096,464	3.06
18,042,096	673,690	18,715,786	2.96
17,613,050	722,912	18,335,962	3.07
17,824,356	874,252	18,698,608	3.01
18,199,288	816,899	19,016,187	2.86
18,599,915	778,717	19,378,632	2.81

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

Taxpayer	Type of Business	Taxable Assessed Value by Tax Year		
		2023	2022	2021
Winner LLC/Facebook Procurement LL	Technology	\$ 2,230,840,381	\$ 2,083,530,239	\$ 1,958,426,229
Oncor Electric Delivery Co LLC	Electricity Utility	1,642,966,884	1,608,229,731	1,520,810,956
American Airlines Inc / Envoy Air Inc	Airline	1,614,728,781	1,471,937,379	2,083,949,531
General Motors LLC	Auto Manufacturer	1,183,105,217	987,733,872	1,236,253,865
Atmos Energy/Mid Tex Division	Natural Gas Utility	838,626,146	690,906,481	560,024,808
BKV Energy North Texas LLC	Electricity Utility	793,955,770		
Bell Helicopter Textron Inc	Helicopter Manufacturer	683,636,214	721,023,915	678,989,350
Total E&P USA Barnett LLC	Natural Gas Exploration & Production	609,708,970		
Amazon.Com Services LLC	Online Retail	460,513,003	405,121,030	320,855,240
AT&T Mobility LLC/Southwestern Bell	Telephone Utility	434,770,828		
Alcon Laboratories Inc	Ophthalmic Manufacturing & Research		411,059,063	426,920,839
Wal-Mart Stores	Retail		377,760,545	389,583,272
United Parcel Service Inc/BT-OH LLC	Shipping & Receiving		363,059,947	
Opryland Hotel	Hotel			289,567,144
DDR/DTC City Investments LP Etal	Real Estate			
XTO Energy Inc	Natural Gas Utility			
Mouser Electronics Inc	Electronics Distributor			
Dallas MTA LP	Wireless Service			
Chesapeake Operating	Natural Gas Utility			
Devon Energy Production	Natural Gas Utility			
Town Square Ventures LP	Retail			
	Totals	\$ 10,492,852,194	\$ 9,120,362,202	\$ 9,465,381,234
	Total Taxable Assessed Value	\$ 248,004,331,096	\$ 224,139,108,659	\$ 204,901,450,007

Taxpayer	Type of Business	% of Taxable Assessed Value by Tax Year		
		2023	2022	2021
Winner LLC/Facebook Procurement LL	Technology	0.90%	0.93%	0.96%
Oncor Electric Delivery Co LLC	Electricity Utility	0.66%	0.72%	0.74%
American Airlines Inc / Envoy Air Inc	Airline	0.65%	0.66%	1.02%
General Motors LLC	Auto Manufacturer	0.48%	0.44%	0.60%
Atmos Energy/Mid Tex Division	Natural Gas Utility	0.34%	0.31%	0.27%
BKV Energy North Texas LLC	Electricity Utility	0.32%		
Bell Helicopter Textron Inc	Helicopter Manufacturer	0.28%	0.32%	0.33%
Total E&P USA Barnett LLC	Natural Gas Exploration & Production	0.25%		
Amazon.Com Services LLC	Online Retail	0.19%	0.18%	0.16%
AT&T Mobility LLC/Southwestern Bell	Telephone Utility	0.18%		
Alcon Laboratories Inc	Ophthalmic Manufacturing & Research		0.18%	0.21%
Wal-Mart Stores	Retail		0.17%	0.19%
United Parcel Service Inc/BT-OH LLC	Shipping & Receiving		0.16%	
Opryland Hotel	Hotel			0.14%
DDR/DTC City Investments LP Etal	Real Estate			
XTO Energy Inc	Natural Gas Utility			
Mouser Electronics Inc	Electronics Distributor			
Dallas MTA LP	Wireless Service			
Chesapeake Operating	Natural Gas Utility			
Devon Energy Production	Natural Gas Utility			
Town Square Ventures LP	Retail			
	Totals	4.25%	4.07%	4.62%

Source:  
Tarrant Appraisal District

Taxable Assessed Value by Tax Year

2020	2019	2018	2017	2016	2015	2014
\$ 1,938,352,072	\$ 1,574,939,466	\$ 1,054,626,607	\$ 368,973,812	\$	\$	\$
1,418,469,567	1,155,058,854	1,106,298,311	1,104,560,947	996,396,908	996,124,098	996,541,431
1,601,917,810	1,326,443,458	1,130,994,158	914,365,256	608,719,560	434,149,748	415,466,631
859,001,772	786,833,915	592,360,932	596,415,769		694,999,441	305,558,069
516,468,300	468,623,200	428,739,050	391,051,446	268,687,927		
597,554,871	531,418,645	542,109,329	625,144,551	513,773,261	526,450,434	368,852,302
				345,413,120	401,081,040	400,981,515
				315,194,518		
426,233,973	441,287,485	449,069,886	603,391,911			
365,531,815	417,738,835	444,872,061	551,430,061	499,185,633	474,129,452	474,104,104
379,753,224	407,132,619	350,206,304		559,231,745		252,604,271
288,872,491	288,872,491					
		319,534,069		297,815,979	703,298,589	691,815,632
			370,536,067	318,402,108		
			297,653,461			
					494,992,110	472,698,380
					295,994,780	322,885,510
					293,001,243	
<u>\$ 8,392,155,895</u>	<u>\$ 7,398,348,968</u>	<u>\$ 6,418,810,707</u>	<u>\$ 5,823,523,281</u>	<u>\$ 4,722,820,759</u>	<u>\$ 5,314,220,935</u>	<u>\$ 4,701,507,845</u>
<u>\$ 205,818,473,970</u>	<u>\$ 185,007,172,554</u>	<u>\$ 165,370,659,070</u>	<u>\$ 149,990,817,891</u>	<u>\$ 133,908,850,578</u>	<u>\$ 136,312,562,282</u>	<u>\$ 127,454,200,572</u>

% of Taxable Assessed Value by Tax Year

2020	2019	2018	2017	2016	2015	2014
0.94%	0.85%	0.64%	0.25%			
0.69%	0.62%	0.67%	0.74%	0.74%	0.73%	0.78%
0.78%	0.72%	0.68%	0.61%	0.45%	0.32%	0.33%
0.42%	0.43%	0.36%	0.40%		0.51%	0.24%
0.25%	0.25%	0.26%	0.26%	0.20%		
0.29%	0.29%	0.33%	0.42%	0.38%	0.39%	0.29%
				0.26%	0.29%	0.31%
				0.24%		
0.21%	0.24%	0.27%	0.40%			
0.18%	0.23%	0.27%	0.37%	0.37%	0.35%	0.37%
0.18%	0.22%	0.21%		0.42%		0.20%
0.14%	0.16%					
		0.19%		0.22%	0.52%	0.54%
			0.25%	0.24%		
			0.20%			
					0.36%	0.37%
					0.22%	0.25%
					0.21%	
<u>4.08%</u>	<u>4.01%</u>	<u>3.88%</u>	<u>3.90%</u>	<u>3.52%</u>	<u>3.90%</u>	<u>3.68%</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)
2023	\$ 312,168,564	\$ 12,545,241	\$ 324,713,805	\$ 323,143,912
2022	282,035,854	8,588,425	290,624,279	288,550,982
2021	258,588,918	17,555,864	276,144,782	274,149,696
2020	260,742,225	3,515,271	264,257,496	262,273,260
2019	245,547,235	3,440,901	248,988,136	246,894,874
2018	226,743,507	8,123,143	234,866,650	233,242,550
2017	213,254,345	7,724,561	220,978,906	218,693,928
2016	195,442,891	13,876,314	209,319,205	207,402,437
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

Source:  
Tarrant County Tax Assessor/ Collector and District records

- Notes:
- (a) As of August 31<sup>st</sup> 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>
99.52%	\$	\$	\$ 323,143,912	99.52%
99.29%		819,988	289,370,970	99.57%
99.28%	(18,694)	478,841	274,609,843	99.44%
99.25%	398,185	240,884	262,912,329	99.49%
99.16%	711,018	116,039	247,721,931	99.49%
99.31%	1,114,546	75,929	234,433,025	99.82%
98.97%	1,316,807	59,036	220,069,771	99.59%
99.08%	1,699,453	54,954	209,156,844	99.92%
98.97%	1,482,112	53,780	200,369,740	99.73%
99.09%	1,155,716	11,656	190,124,118	99.70%

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

	2023	2022	2021
General bonded debt			
General obligation bonds	\$ 649,247,443	\$ 674,779,171	\$ 286,850,645
Less: Funds restricted for debt service	(9,681,229)	(6,627,196)	(3,246,529)
Net general bonded debt	639,566,214	668,151,975	283,604,116
Other debt			
Lease liability	558,850	1,107,491	1,653,725
Total outstanding debt	<u>\$ 640,125,064</u>	<u>\$ 669,259,466</u>	<u>\$ 285,257,841</u>
General bonded debt ratios			
Per capita	\$ 296.84	\$ 314.21	\$ 134.37
Per FTSE	27,664	32,192	11,241
As a percentage of taxable assessed value	0.26%	0.30%	0.14%
Total outstanding debt ratios			
Per capita	\$ 297.10	\$ 314.73	\$ 135.15
Per FTSE	27,688	32,246	11,307
As a percentage of taxable assessed value	0.26%	0.30%	0.14%

Notes:

Ratios calculated using population and TAV from each year.

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

- (a) While the District had net position restricted for debt service in the amount of \$23,521 as of both August 31, 2016 and 2015 and \$0 as of August 31, 2019, 2018 and 2017, there was no bonded debt outstanding at those dates. As a result, the calculations presented in the table are not relevant for August 31, 2015, August 31, 2016, August 31, 2017, August 31, 2018, and August 31, 2019.

2020	2019 (a)	2018 (a)	2017 (a)	2016 (a)	2015 (a)	2014
\$ 300,240,418	\$	\$	\$	\$	\$	\$ 8,062,949
						(1,656,309)
300,240,418						6,406,640
<u>\$ 300,240,418</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 6,406,640</u>

\$ 142.80	\$	\$	\$	\$	\$	\$ 3.35
11,026						218
0.15%					0.00%	0.01%
\$ 142.80	\$	\$	\$	\$	\$	\$ 3.35
11,026						218
0.15%					0.00%	0.01%

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

	2023	2022	2021	2020
Taxable Assessed Value	\$ 248,004,331,096	\$ 224,139,108,659	\$ 204,901,450,007	\$ 205,818,473,970
General Obligation Bonds				
Statutory Tax Levy Limit for Debt Service	\$ 1,240,021,655	\$ 1,120,695,543	\$ 1,024,507,250	\$ 1,029,092,370
Less Funds Restricted for Repayment of General Obligation Bonds	(9,681,229)	(6,627,196)	(3,246,529)	
Total Net General Obligation Debt	1,230,340,426	1,114,068,347	1,021,260,721	1,029,092,370
Current Year Debt Service Requirements	46,591,418	17,889,544	17,885,257	
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 1,183,749,008	\$ 1,096,178,803	\$ 1,003,375,464	\$ 1,029,092,370
Net Current Requirements as a % of Statutory Limit	2.98%	1.00%	1.43%	0.00%

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 net position restricted for debt service in the amount of \$23,521 as of both August 31, 2016 and 2015 and \$0 as of August 31, 2019, 2018 and 2017, there was no bonded debt outstanding at those dates. As a result, the calculations presented in the table are not relevant for August 31, 2015, August 31, 2016, August 31, 2017, August 31, 2018 and August 31, 2019.

2019 (a)	2018 (a)	2017 (a)	2016 (a)	2015 (a)	2014
\$ 185,007,172,554	\$ 165,370,659,070	\$ 149,990,817,891	\$ 133,908,850,578	\$ 136,312,562,282	\$ 127,454,200,572
\$ 925,035,863	\$ 826,853,295	\$ 749,954,089	\$ 669,544,253	\$ 681,562,811	\$ 637,271,003
					(1,656,309)
925,035,863	826,853,295	749,954,089	669,544,253	681,562,811	635,614,694
				8,129,263	8,124,425
\$ 925,035,863	\$ 826,853,295	\$ 749,954,089	\$ 669,544,253	\$ 673,433,548	\$ 627,490,269
0.00%	0.00%	0.00%	0.00%	1.19%	1.01%

**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)**

Calendar Year	District Population	District Personal Income	District Personal Income Per Capita	District Unemployment Rate
2023	2,154,595	\$ 125,334,153,000	\$ 58,171	4.20%
2022	2,126,477	118,090,622,000	55,533	3.80%
2021	2,110,640	112,046,590,000	53,087	4.90%
2020	2,102,515	106,829,236,000	50,810	6.60%
2019	2,084,931	97,639,160,000	46,831	3.40%
2018	2,054,475	96,909,978,000	47,170	3.60%
2017	2,016,872	96,600,949,000	47,896	3.90%
2016	1,982,498	89,814,369,000	45,304	4.20%
2015	1,945,360	84,905,643,000	43,645	4.00%
2014	1,911,541	80,929,107,000	42,337	5.50%

Sources:  
 Population from US Bureau of the Census  
 Personal Income from US Bureau of Economic Analysis  
 Unemployment rate from US Bureau of Labor & Statistics



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

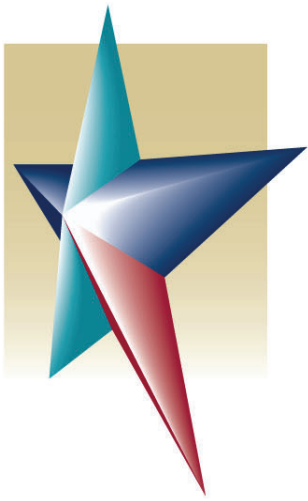
Employer	2023		2022		2021	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Lockheed Martin Corp.	18,700	1.54%	16,900	1.46%	16,900	1.58%
Dallas Fort Worth International Airport	14,000	1.15%				
General Motors Arlington Plant	10,512	0.87%				
NAS-Fort Worth-Joint Reserve Base	10,500	0.87%	10,000	0.86%	10,000	0.94%
Burlington Northern Santa Fe Rail	4,900	0.40%				
University of Texas at Arlington	4,383	0.36%	7,436	0.64%	7,436	0.70%
John Peter Smith Hospital	4,600	0.38%	6,700	0.58%	6,700	0.63%
Alcon Laboratories Inc.	4,500	0.37%				
GM Financial Coporate HQ	4,371	0.36%				
Texas Health Harris Methodist Hospital	4,100	0.34%				
AMR/American Airlines			33,000	2.85%	33,000	3.09%
Texas Health Resources			12,266	1.06%	12,266	1.15%
Fort Worth ISD			11,645	1.01%	11,645	1.09%
Arlington ISD			8,500	0.73%	8,500	0.80%
Cook Children's Health Care System			7,381	0.64%	7,381	0.69%
City of Fort Worth			6,738	0.58%	6,738	0.63%
	<u>80,566</u>	<u>6.64%</u>	<u>120,566</u>	<u>10.41%</u>	<u>120,566</u>	<u>11.30%</u>

Source:  
Bureau of Labor Statistics for Total Employment  
Tarrant County (tarrantcountytx.gov)

Prior Sources Now Unavailable:  
Fort Worth Business.com  
Fort Worth Chamber Economic Development for Major Employers

2020		2019		2018		2017	
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
16,900	1.63%	13,690	1.27%	13,690	1.30%	13,690	1.32%
10,000	0.97%	10,000	0.93%	10,000	0.95%	10,000	0.97%
7,436	0.72%	7,311	0.68%	7,311	0.69%	7,311	0.71%
6,700	0.65%	6,500	0.60%	6,500	0.62%	6,500	0.63%
33,000	3.19%	25,000	2.32%	25,000	2.37%	25,000	2.42%
12,266	1.19%	12,000	1.11%	12,000	1.14%	12,000	1.16%
11,645	1.13%	12,000	1.11%	12,000	1.14%	12,000	1.16%
8,500	0.82%	8,500	0.79%	8,500	0.81%	8,500	0.82%
7,381	0.71%	6,042	0.56%	6,042	0.57%	6,042	0.58%
6,738	0.65%	6,161	0.57%	6,161	0.58%	6,161	0.60%
<u>120,566</u>	<u>11.66%</u>	<u>107,204</u>	<u>9.94%</u>	<u>107,204</u>	<u>10.17%</u>	<u>107,204</u>	<u>10.36%</u>

Employer	2016		2015		2014	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Lockheed Martin Corp.	13,690	1.35%	13,690	1.37%	14,988	1.58%
Dallas Fort Worth International Airport						
General Motors Arlington Plant						
NAS-Fort Worth-Joint Reserve Base	10,000	0.99%	11,000	1.10%	11,350	1.20%
Burlington Northern Santa Fe Rail						
University of Texas at Arlington	7,311	0.72%			6,239	0.66%
John Peter Smith Hospital	6,500	0.64%	6,000	0.60%	4,872	0.51%
Alcon Laboratories Inc.			5,922	0.59%		
GM Financial Coporate HQ						
Texas Health Harris Methodist Hospital						
AMR/American Airlines	25,000	2.47%	24,000	2.40%	22,169	2.34%
Texas Health Resources	12,000	1.18%	12,000	1.20%	18,866	1.99%
Fort Worth ISD	12,000	1.18%	12,000	1.20%	11,000	1.16%
Arlington ISD	8,500	0.84%	8,126	0.81%	8,126	0.86%
Cook Children's Health Care System	6,042	0.60%	5,876	0.59%	4,826	0.51%
City of Fort Worth	6,161	0.61%	6,161	0.62%	6,195	0.65%
	<u>107,204</u>	<u>10.58%</u>	<u>104,775</u>	<u>10.48%</u>	<u>108,631</u>	<u>11.46%</u>



**Tarrant County College<sup>®</sup>**  
**SUCCESS WITHIN REACH.**

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Faculty				
Full-Time	745	725	756	771
Part-Time	1,089	486	524	565
Total	<u>1,834</u>	<u>1,211</u>	<u>1,280</u>	<u>1,336</u>
Percent				
Full-Time	40.6%	59.9%	59.1%	57.7%
Part-Time	59.4%	40.1%	40.9%	42.3%
Staff and Administrators				
Full-Time	1,638	1,591	1,637	1,665
Part-Time	444	998	1,002	1,202
Total	<u>2,082</u>	<u>2,589</u>	<u>2,639</u>	<u>2,867</u>
Percent				
Full-Time	78.7%	61.5%	62.0%	58.1%
Part-Time	21.3%	38.5%	38.0%	41.9%
FTSE per Full-Time Faculty	31	29	33	35
FTSE per Full-Time Staff Member	14	13	15	16
Average Annual Faculty Salary	\$ 75,503	\$ 71,049	\$ 68,066	\$ 67,697

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
773	746	709	673	667	668
591	574	524	508	503	525
<u>1,364</u>	<u>1,320</u>	<u>1,233</u>	<u>1,181</u>	<u>1,170</u>	<u>1,193</u>
56.7%	56.5%	57.5%	57.0%	57.0%	56.0%
43.3%	43.5%	42.5%	43.0%	43.0%	44.0%
1,661	1,652	1,687	1,662	1,618	1,544
1,238	1,217	1,207	1,155	1,124	1,073
<u>2,899</u>	<u>2,869</u>	<u>2,894</u>	<u>2,817</u>	<u>2,742</u>	<u>2,617</u>
57.3%	57.6%	58.3%	59.0%	59.0%	59.0%
42.7%	42.4%	41.7%	41.0%	41.0%	41.0%
36	39	40	42	42	44
17	17	17	17	17	19
\$ 67,432	\$ 66,800	\$ 65,893	\$ 65,321	\$ 64,934	\$ 64,556



Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
30,952	66.2%	31,882	66.1%	32,193	66.1%	31,374	65.8%	31,857	65.6%
11,162	23.9%	11,454	23.7%	11,620	23.8%	11,358	23.8%	11,717	24.1%
1,021	2.2%	1,162	2.4%	1,245	2.6%	1,379	2.9%	1,525	3.1%
2,591	5.5%	2,773	5.8%	2,687	5.5%	2,615	5.5%	2,520	5.2%
1,051	2.2%	981	2.0%	958	2.0%	945	2.0%	972	2.0%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>	<u>48,591</u>	<u>100.0%</u>

37,353	79.9%	36,766	76.2%	38,309	78.7%	37,033	77.7%	37,509	77.2%
9,424	20.1%	11,486	23.8%	10,394	21.3%	10,638	22.3%	11,082	22.8%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>	<u>48,591</u>	<u>100.0%</u>

7.5

7.8

7.5

7.6

7.6

40,838	87.3%	41,870	86.8%	41,858	86.0%	41,257	86.5%	41,799	86.0%
3,124	6.7%	3,304	6.8%	3,274	6.7%	3,206	6.7%	3,200	6.6%
993	2.1%	1,193	2.5%	1,275	2.6%	1,170	2.5%	1,390	2.9%
1,822	3.9%	1,885	3.9%	2,296	4.7%	2,038	4.3%	2,202	4.5%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>	<u>48,591</u>	<u>100.0%</u>

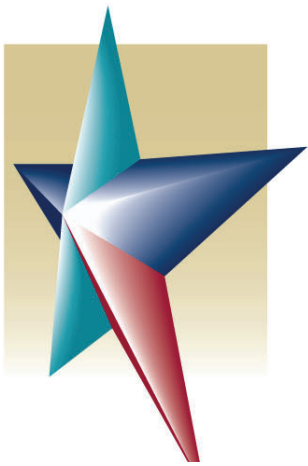


<u>Student Classification</u>	Fall 2014		Fall 2013	
	Number	Percent	Number	Percent
00-30 hours	30,420	64.6%	30,330	64.1%
31-60 hours	11,694	24.8%	12,064	25.5%
Unclassified	1,594	3.4%	1,731	3.7%
Associates	2,378	5.1%	2,154	4.5%
Bachelors	990	2.1%	1,060	2.2%
Total	<u>47,076</u>	<u>100.0%</u>	<u>47,339</u>	<u>100.0%</u>

<u>Semester Hour Load</u>	Fall 2014		Fall 2013	
0-11 semester hours	35,294	75.0%	34,312	72.5%
12 & over	11,782	25.0%	13,027	27.5%
Total	<u>47,076</u>	<u>100.0%</u>	<u>47,339</u>	<u>100.0%</u>

Average course load	7.8	8.1
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<u>Tuition Status</u>	Fall 2014		Fall 2013	
Texas resident (in-district)	40,652	86.4%	41,216	87.1%
Texas resident (out-of-district)	3,119	6.6%	3,136	6.6%
Non-resident tuition	1,147	2.4%	913	1.9%
Other	2,158	4.6%	2,074	4.4%
Total	<u>47,076</u>	<u>100.0%</u>	<u>47,339</u>	<u>100.0%</u>



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**SUCCESS WITHIN REACH.**

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

	Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent
<u>Gender</u>						
Female	23,315	58.1%	21,758	60.0%	26,101	60.7%
Male	16,816	41.9%	14,506	40.0%	16,899	39.3%
Total	<u>40,131</u>	<u>100.0%</u>	<u>36,264</u>	<u>100.0%</u>	<u>43,000</u>	<u>100.0%</u>

<u>Ethnic Origin</u>						
American Indian or Alaskan Native	123	0.3%	103	0.3%	145	0.3%
Asian	2,701	6.7%	2,481	6.8%	2,858	6.7%
Black or African American	6,700	16.7%	6,130	16.9%	7,101	16.5%
Hawaiian or Pacific Islander	64	0.2%	58	0.2%	63	0.1%
Hispanic	14,792	36.9%	12,830	35.4%	14,990	34.9%
Multiracial	1,543	3.8%	1,449	4.0%	1,588	3.7%
White	11,408	28.4%	11,426	31.5%	14,443	33.6%
Other	2,800	7.0%	1,787	4.9%	1,812	4.2%
Total	<u>40,131</u>	<u>100.0%</u>	<u>36,264</u>	<u>100.0%</u>	<u>43,000</u>	<u>100.0%</u>

<u>Age</u>						
Under 18	9,510	23.7%	8,015	22.1%	9,125	21.2%
18-21	15,639	39.0%	13,415	37.0%	16,039	37.3%
22-24	4,853	12.1%	4,637	12.8%	5,449	12.7%
25-29	3,954	9.8%	3,927	10.8%	4,863	11.3%
30-34	2,389	5.9%	2,435	6.7%	2,942	6.8%
35-50	3,036	7.6%	3,132	8.7%	3,783	8.8%
51 and older	750	1.9%	703	1.9%	799	1.9%
Total	<u>40,131</u>	<u>100.0%</u>	<u>36,264</u>	<u>100.0%</u>	<u>43,000</u>	<u>100.0%</u>

Average age	23.0	23.0	23.5
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Source:  
CBM0C1 & CBM001

Fall 2019		Fall 2018		Fall 2017		Fall 2016	
Number	Percent	Number	Percent	Number	Percent	Number	Percent
27,441	58.7%	28,496	59.1%	28,228	58.0%	27,342	57.4%
19,336	41.3%	19,756	40.9%	20,475	42.0%	20,329	42.6%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>

151	0.3%	176	0.4%	187	0.4%	173	0.3%
3,038	6.5%	3,094	6.4%	3,030	6.2%	2,891	6.1%
7,756	16.6%	8,009	16.6%	8,199	16.8%	7,991	16.7%
66	0.1%	61	0.1%	80	0.2%	96	0.2%
17,125	36.6%	16,994	35.2%	16,361	33.6%	15,245	32.0%
1,570	3.4%	1,499	3.1%	1,367	2.8%	1,276	2.7%
15,907	34.0%	17,122	35.5%	18,243	37.5%	19,006	39.9%
1,164	2.5%	1,297	2.7%	1,236	2.5%	993	2.1%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>

9,377	20.1%	8,647	17.9%	7,957	16.4%	7,276	15.3%
18,776	40.1%	19,056	39.5%	19,677	40.4%	19,275	40.4%
5,757	12.3%	6,172	12.8%	6,462	13.3%	6,438	13.5%
5,040	10.8%	5,663	11.7%	5,766	11.8%	5,783	12.1%
2,996	6.4%	3,275	6.8%	3,255	6.7%	3,171	6.7%
3,891	8.3%	4,414	9.2%	4,493	9.2%	4,652	9.7%
940	2.0%	1,025	2.1%	1,093	2.2%	1,076	2.3%
<u>46,777</u>	<u>100.0%</u>	<u>48,252</u>	<u>100.0%</u>	<u>48,703</u>	<u>100.0%</u>	<u>47,671</u>	<u>100.0%</u>

23.5

24.1

24.1

24.3

Gender	Fall 2015		Fall 2014		Fall 2013	
	Number	Percent	Number	Percent	Number	Percent
Female	28,059	57.7%	27,364	58.1%	27,608	58.3%
Male	20,532	42.3%	19,712	41.9%	19,731	41.7%
Total	48,591	100.0%	47,076	100.0%	47,339	100.0%

Ethnic Origin						
American Indian or Alaskan Native	212	0.4%	213	0.5%	246	0.5%
Asian	2,847	5.9%	2,772	5.9%	2,733	5.8%
Black or African American	8,475	17.4%	8,497	18.0%	8,715	18.4%
Hawaiian or Pacific Islander	101	0.2%	104	0.2%	87	0.2%
Hispanic	14,805	30.5%	13,547	28.8%	12,771	27.0%
Multiracial	1,166	2.4%	1,009	2.1%	757	1.6%
White	20,035	41.2%	19,985	42.5%	21,277	44.9%
Other	950	2.0%	949	2.0%	753	1.6%
Total	48,591	100.0%	47,076	100.0%	47,339	100.0%

Age						
Under 18	6,469	13.3%	5,527	11.7%	4,865	10.3%
18-21	19,293	39.7%	18,314	38.9%	18,547	39.2%
22-24	6,744	13.9%	6,819	14.5%	6,862	14.5%
25-29	6,215	12.8%	6,082	12.9%	6,086	12.9%
30-34	3,429	7.1%	3,565	7.6%	3,744	7.9%
35-50	5,151	10.6%	5,415	11.5%	5,841	12.3%
51 and older	1,290	2.6%	1,354	2.9%	1,394	2.9%
Total	48,591	100.0%	47,076	100.0%	47,339	100.0%

Average age	24.8	25.6	26.0
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**TARRANT COUNTY COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 17  
TRANSFERS TO SENIOR INSTITUTIONS  
2021-2022 GRADUATES, COMPLETERS AND NON-RETURNERS  
(UNAUDITED)**

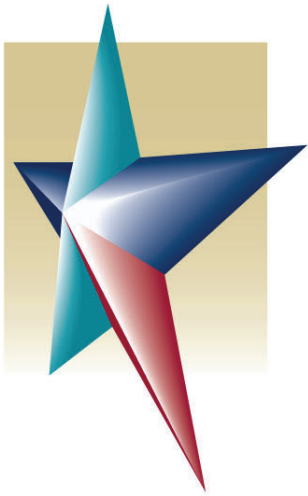
	Transfer Student Count <u>Academic</u>	Transfer Student Count <u>Technical</u>	Transfer Student Count <u>Tech-Prep</u>	Total of all Transfer Students	% of all Transfer Students
<b>Universities:</b>					
Angelo State University	6	1		7	0.10%
Lamar University	16	3		19	0.29%
Midwestern State University	48	66		114	1.72%
Prairie View A&M University	41	11		52	0.78%
Sam Houston State University	51	10		61	0.92%
Stephen F. Austin State University	54	5		59	0.89%
Sul Ross State University	1			1	0.01%
Tarleton State University	482	128		610	9.18%
Texas A&M University	292	61		353	5.31%
Texas A&M University - Central Texas	7	10		17	0.26%
Texas A&M University - Commerce	33	11		44	0.66%
Texas A&M University - Corpus Christi	13	2		15	0.23%
Texas A&M University - Kingsville	1			1	0.01%
Texas A&M University - San Antonio	5			5	0.08%
Texas A&M University - Texarkana	4	1		5	0.08%
Texas A&M University at Galveston	4	1		5	0.08%
Texas Southern University	12	7		19	0.29%
Texas State University	120	27		147	2.21%
Texas Tech University	279	56		335	5.04%
Texas Woman's University	267	44		311	4.68%
The University of Texas Permian Basin	6	3		9	0.14%
The University of Texas - Rio Grande Valley	6			6	0.09%
The University of Texas at Arlington	2,185	370		2,555	38.47%
The University of Texas at Austin	209	37		246	3.70%
The University of Texas at Dallas	183	50		233	3.51%
The University of Texas at El Paso	3	1		4	0.06%
The University of Texas at San Antonio	22	1		23	0.34%
The University of Texas at Tyler	21	4		25	0.38%
University of Houston	59	6		65	0.98%
University of Houston - Clear Lake	3	1		4	0.06%
University of Houston - Downtown	5	1		6	0.09%
University of Houston - Victoria	2			2	0.03%
University of North Texas	999	151		1,150	17.31%
University of North Texas at Dallas	32	7		39	0.59%
West Texas A&M University	15			15	0.23%
Texas A&M University Health Science Ctr	9			9	0.14%
Texas Tech University Health Sciences Ctr	29	17		46	0.69%
Texas Tech University Health Sciences Ctr - El Paso	1			1	0.01%
University of Texas Health Science Ctr San Antonio	1	1		2	0.03%
University of Texas M.D. Anderson Cancer Ctr	1			1	0.01%
University of Texas Medical Branch at Galveston	2			2	0.03%
University of Texas Southwestern Medical Ctr	2			2	0.03%
University of North Texas Health Science Ctr	15	2		17	0.26%
<b>Total</b>	<b>5,546</b>	<b>1,096</b>	<b>-</b>	<b>6,642</b>	<b>100.00%</b>

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Academic Buildings	83	84	84	85
Square footage	2,427,560	2,415,467	2,418,002	2,437,123
Libraries	6	5	5	5
Square footage	125,958	124,630	124,630	124,630
Number of Volumes	179,532	216,961	232,852	229,010
Administrative & Support Buildings	16	16	16	17
Square footage	254,273	248,522	245,987	277,724
Dining Facilities	11	10	10	10
Square footage	97,734	95,327	95,327	95,327
Average daily customers	1,456	1,417	450	1,644
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	14	14
Square footage	104,725	104,725	104,725	104,725
Transportation				
Cars	23	23	23	23
Light Trucks/Vans	217	213	212	207
Fire Trucks	5	5	5	5

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
85	85	85	86	86	84
2,436,166	2,437,334	2,376,535	2,391,882	2,387,613	2,267,293
5	5	5	5	5	5
124,630	124,630	124,630	124,630	124,630	124,630
225,028	223,398	260,982	279,028	282,822	274,597
17	16	16	15	15	15
278,301	273,133	330,212	248,558	252,270	192,115
10	10	10	10	10	8
95,327	95,327	95,327	95,327	95,327	89,146
2,157	4,524	1,803	1,725	1,707	2,138
13	13	13	13	13	13
172,000	172,000	172,000	172,000	172,000	172,000
4	4	4	4	4	4
5	5	5	5	5	5
3	3	3	3	3	3
14	14	14	14	14	14
104,725	104,725	104,725	104,725	104,725	104,725
23	27	20	22	24	24
202	189	187	183	179	174
4	4	4	3	3	2





**Tarrant County College®**  
**SUCCESS WITHIN REACH.**

# FEDERAL SINGLE AUDIT SECTION





**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE E  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor Pass-Through Grantor's Award Number	Assistance Listing Number (ALN#)	Direct Awards	Pass-Through Awards	Expenditures Total
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Federal Direct Programs:				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grant	84.007	\$ 1,372,026	\$	\$ 1,372,026
Federal Work Study	84.033	829,666		829,666
Federal Pell Grant	84.063	55,526,304		55,526,304
Direct Loans	84.268	20,766,010		20,766,010
Total Student Financial Assistance Cluster		78,494,006		78,494,006
Higher Education Institutional Aid				
College, Career and Life Readiness	84.031	664,716		664,716
TRIO Cluster				
TRIO Student Support Services	84.042	654,863		654,863
TRIO Talent Search	84.044	127,708		127,708
TRIO Upward Bound	84.047	742,249		742,249
Total TRIO Cluster		1,524,820		1,524,820
The Higher Education Opportunity Act				
Childcare Access Means Parents in School	84.335	343,167		343,167
Coronavirus Aid, Relief, and Economic Security Act				
COVID-19 Higher Education Emergency Relief Fund	84.425E	243		243
COVID-19 Higher Education Emergency Relief Fund	84.425F	1,851,503		1,851,503
Total Coronavirus Aid, Relief, and Economic Security Act		1,851,746		1,851,746
Pass-Through from:				
Tarrant County Workforce Development Board				
Adult Education - Basic Grants to States	84.002		689,331	689,331
22-SPC-AEL-005				
Texas Higher Education Coordinating Board				
Carl Perkins Postsecondary Vocational Education	84.048		1,709,354	1,709,354
234256				
Governor's Emergency Education Relief Fund				
COVID-19 Texas Reskilling Support	84.425C		2,058	2,058
24103				
Governor's Emergency Education Relief Fund				
COVID-19 OER Course Development and Implementati	84.425C		8,270	8,270
24540				
Governor's Emergency Education Relief Fund				
COVID-19 OER Course Development and Implementati	84.425C		14,016	14,016
24540				
Governor's Emergency Education Relief Fund				
COVID-19 Educational Stabilization Fund	84.425C		60,415	60,415
28344				
Total Texas Higher Education Coordinating Board			1,794,113	1,794,113

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE E  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor Pass-Through Grantor's Award Number	Assistance Listing Number (ALN#)	Direct Awards	Pass-Through Awards	Expenditures Total
Dallas College Governor's Emergency Education Relief Fund COVID-19 Tx Reskilling and Upskilling for Education 25705	84.425C		73,980	73,980
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>		<b>82,878,455</b>	<b>2,557,424</b>	<b>85,435,879</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Pass-Through from: Water from the Rock Community Development Block Grants/Entitlement Grants 3692	14.218		16,539	16,539
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Pass-Through from: Office of Violence Against Women Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus 2019-WA-AX-0014	16.525		45,683	45,683
<b>U.S. DEPARTMENT OF LABOR</b>				
Pass-Through from: Texas Workforce Commission WIA Dislocated Worker Formula Grant 0523ATP002	17.278		89,140	89,140
<b>DEPARTMENT OF THE TREASURY</b>				
Pass-Through From: Tarrant County Commissioners Court COVID-19 T3 Persistence Coaching Program CO#135821	21.027		302,837	302,837
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>				
Pass-Through from: American Library Association Women's Suffrage LTAI-WS-015	45.164		213	213
<b>NATIONAL SCIENCE FOUNDATION</b>				
Pass-Through from: University of Texas at El Paso LSAMP: A Model Senior Alliance 226100996E	47.076		13,190	13,190

**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE E  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor Pass-Through Grantor's Award Number	Assistance Listing Number (ALN#)	Direct Awards	Pass-Through Awards	Expenditures Total
Pass-Through from: University of Texas at Arlington Robert Noyce Teacher Scholarship Program 26100666061	47.076		13,853	13,853
Pass-Through from: American Association of Community Colleges MentorLinks 92909	47.076		12,630	12,630
Pass-Through from: Texas Wesleyan University Robert Noyce Teacher Scholarship Program 2150794	47.076		50,000	50,000
<b>TOTAL NATIONAL SCIENCE FOUNDATION</b>			<b>89,673</b>	<b>89,673</b>
<b>SMALL BUSINESS ADMINISTRATION</b>				
Pass-Through from: North Texas Small Business Development Center Small Business Development Center SBAHQ-22-B0006 SBAHQ-23-B0053	59.037 59.037		29,176 208,371	29,176 208,371
			<u>237,547</u>	<u>237,547</u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Pass-Through from: Child Care Management Services Texas Rising Star 37604	93.575		1,355	1,355
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b><u>\$82,878,455</u></b>	<b><u>\$ 3,340,411</u></b>	<b><u>\$ 86,218,866</u></b>

**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	\$ 3,479,989
Federal Grants and Contracts – per Schedule C	61,984,737
Direct Loans	20,766,010
Veterans' Administration	<u>11,870</u>
Total Federal Revenues per Schedule of Expenditures of Federal Awards	<u><u>\$ 86,218,866</u></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 &amp; Admin Cost Recovered</u>
U.S. Department of Education:			
84.268 Direct Loans	<u>\$ 20,766,010</u>	<u>\$</u>	<u>\$ 20,766,010</u>

**NOTE 4. INDIRECT COST RATE**

The District has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**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, 2023, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2023.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-01 that we consider to be a significant deficiency.

**Report on 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*.



The Board of Trustees  
Tarrant County College District

### **The District's Response to the Finding**

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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.

Dallas, Texas  
December 14, 2023

**Independent Auditor's Report on Compliance for  
Each Major Federal Program and on Internal Control over  
Compliance in Accordance with the Uniform Guidance,  
and on the Schedule of Expenditures of Federal Awards**

To the Board of Trustees  
Tarrant County College District

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

***Opinion on Compliance for Each Major Federal Program***

We have audited the compliance of Tarrant Country College District (the District) with the types of compliance requirements described in the *OMB 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, 2023. 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.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit.

Weaver and Tidwell, L.L.P.  
2300 North Field Street, Suite 1000 | Dallas, Texas 75201  
Main: 972.490.1970

The Board of Trustees  
Tarrant County College District

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal program is not modified with respect to these matters. Government Auditing Standards required the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. 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**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

The Board of Trustees  
Tarrant County College District

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the District as of and for the year ended August 31, 2023 and have issued our report thereon dated December 14, 2023 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
December 14, 2023

**Tarrant County College District**  
 Federal Schedule of Findings and Questioned Costs  
 Year Ended August 31, 2023

**Section I. Summary of Auditor's Results**

**Financial Statements**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified  Yes  No
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None Reported

An unmodified opinion was issued on compliance for all major programs.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major programs:

<u>CDFA Number(s)</u>	<u>Name of Federal Programs or Clusters</u>
84.007, 84.033, 84.063, and 84.268	U.S. Department of Education - Student Financial Assistance Cluster

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?  Yes  No

**Tarrant County College District**  
Federal Schedule of Findings and Questioned Costs  
Year Ended August 31, 2023

**Section II. Financial Statement Findings**

**2023-001: User Access Administration**

**Type of Finding: Significant Deficiency in Internal Control over Financial Reporting**

Criteria

The National Institute of Standards and Technology (NIST) system control framework recommends that:

1. User access reviews be based on a pre-established frequency;
2. Upon termination of individual employment, system access should be disabled within the timeline pre-established by the entity; and
3. Provisioning of individual users access to systems should be appropriately documented and approved prior to completion of the provisioning.

Condition

42 active user accounts to Active Directory associated with terminated employees or contractors were identified. This could result in inappropriate access that could impact system processing or data.

For 1 of 25 sampled new user accounts, access was provisioned to the Colleague application without documentation requesting access or capturing management's approval. If access for this user was provisioned with privileges greater than what is required to perform job duties, the user could perform unauthorized transactions in the system.

A formal periodic access review of all functional access to the Colleague application was not documented and executed during the audit period.

Cause

The process to document and approve new user access requests and requests to revoke access for terminated users was not performed consistently for all instances. Additionally, management did not properly document and execute user access reviews to revalidate the appropriateness of access for each user account in the application.

Effect

Without the recommended access controls operating effectively for user provisioning, user terminations, and user access reviews, there is a risk that inappropriate access through Active Directory and the Colleague application could result in unauthorized processing or changes to data.

**Tarrant County College District**  
Federal Schedule of Findings and Questioned Costs - Continued  
Year Ended August 31, 2023

Recommendation

We recommend that the District review the policies and procedures for IT general controls over the key financial applications as it relates to user access management to ensure that controls are in place to operate consistently and effectively. This should include how:

- New and modified access requests to specific systems and roles within the application are documented, approved, and granted.
- Requests for access of terminated users are communicated to IT administrators to remove access timely.
- Management performs and maintains documentation of user access reviews to revalidate the appropriateness of each user account in the application. Reviews should be performed at a quarterly frequency and user accounts that require modification or removal should be requested to be changed by IT.

Status

See Corrective Action Plan noted as the District's response to finding 2023-001.



**CORRECTIVE ACTION PLAN**

**Finding 2023-001 User Access Administration**

*Views of Responsible Officials*

The District agrees with the auditor's findings and recommendations.

*Corrective Action Plan*

The IT Operations and Information Security offices have developed the following action plans to address the items discovered during the audit.

Condition

42 active user accounts to Active Directory associated with terminated employees or contractors were identified. This could result in inappropriate access that could impact system processing or data.

**Response:** The District will review processes and procedures for terminated users and develop access review schedules for Active Directory to ensure terminated users access is removed in a timely manner from Active Directory.

For 1 of 25 sampled new user accounts, access was provisioned to the Colleague application without documentation requesting access or capturing management's approval. If access for this user was provisioned with privileges greater than what is required to perform job duties, the user could perform unauthorized transactions in the system.

**Response:** For new users, the District policy is to create new user account access based on the roles/duties of the employee. Access is provisioned based on only what is required for the employee to fulfil their job. Documentation to support each request and approval for access will be required and saved. This is based on the information security principle of least privilege. The District also plans to increase the access reviews from quarterly to monthly to make sure all access is appropriate based on roles and status.

A formal periodic access review of all functional access to the Colleague application was not documented and executed during the audit period.

**Response:** The District will ensure that a formal periodic review of all in-scope systems/applications privileged access is completed with documentation to support the review on a quarterly basis.

*Implementation Date*

Immediate

*Individual(s) Responsible*

The Information Security and Information Technology offices will be responsible for the implementation of the revised procedures.



**Tarrant County College District**  
Federal Schedule of Findings and Questioned Costs - Continued  
Year Ended August 31, 2023

**Section III. Federal Award Findings and Questioned Costs**

**Finding 2023-002: Using a Servicer or Financial Institution to Deliver Title IV Credit Balances**  
**Type of finding: Significant Deficiency in Internal Controls over Compliance and Compliance**

Major Program: Student Financial Aid Cluster

Questioned Cost: \$0

Criteria

34 CFR 668.164 sets forth the criteria for required disclosures regarding arrangements or contracts made with servicers or financial institutions used to make direct payments of Title IV credit balances to students through electronic fund transfer to a bank account designated by the student or parent or to issue a check payment to the student, to use an access device to access those funds.

Condition

The District failed to submit their contract with the third-party service provider of Title IV refunds to the Department of Education for the publication in a centralized database accessible to the public.

Cause

The District was unaware of the requirement to submit this information to the Department of Education.

Effect

The failure to provide required information to the Department of Education resulted in the exclusion of the District in the centralized database made accessible to the public.

Recommendation

We recommend the District identify the responsible party to oversee that the required information is sent to the Department of Education.

Status

See Corrective Action Plan noted as the District's response to finding 2023-002.



**CORRECTIVE ACTION PLAN**

**Finding 2023-002 Using a Servicer of Financial Institution to Deliver Title IV Credit Balances**

*Views of Responsible Officials*

The District agrees with the auditor's findings and recommendations.

*Corrective Action Plan*

Under the Title IV cash management regulations, institutions are required to publicly disclose any contract that governs a Tier One or Tier Two Arrangement as well as information about the costs incurred by students who elect to use a financial account offered under one of those arrangements. The District submitted the required disclosure of its Tier One contract with BankMobile Technologies, Inc. to the Department of Education on November 29, 2023. Additional information about student refunds including the District's contract with BankMobile Technologies, Inc. is currently available to the public at the following link.

<https://www.tccd.edu/services/paying-for-college/refunds/>

*Implementation Date*

Immediate

*Individual(s) Responsible*

The Director of Business Services is responsible for disclosures related to student refunds.

**Tarrant County College District**  
Federal Schedule of Findings and Questioned Costs - Continued  
Year Ended August 31, 2023

**Section IV. Prior Year Audit Findings**

**2022-001: User Access Administration**

**Type of Finding: Significant Deficiency in Internal Control over Financial Reporting**

Condition

For 15 of 40 sampled terminated users, Colleague application access was identified. This could result in inappropriate access that could impact system processing or data.

For 14 of 40 sampled new user accounts, the accounts were provisioned to the Colleague application without proper documentation to request access and/or management approval. If access for these users was provisioned inappropriately due to the lack of approval, inappropriate access could impact system processing or data.

A formal periodic access review of all functional access to the Colleague application was not documented and executed during the audit period.

Status

An additional finding was noted in the fiscal year 2023 audit related to the condition identified above. See Corrective Action Plan noted as the District's response to finding 2023-001.

**Finding 2022-002: Verification**

**Type of finding: Significant Deficiency in Internal Controls over Compliance and Compliance**

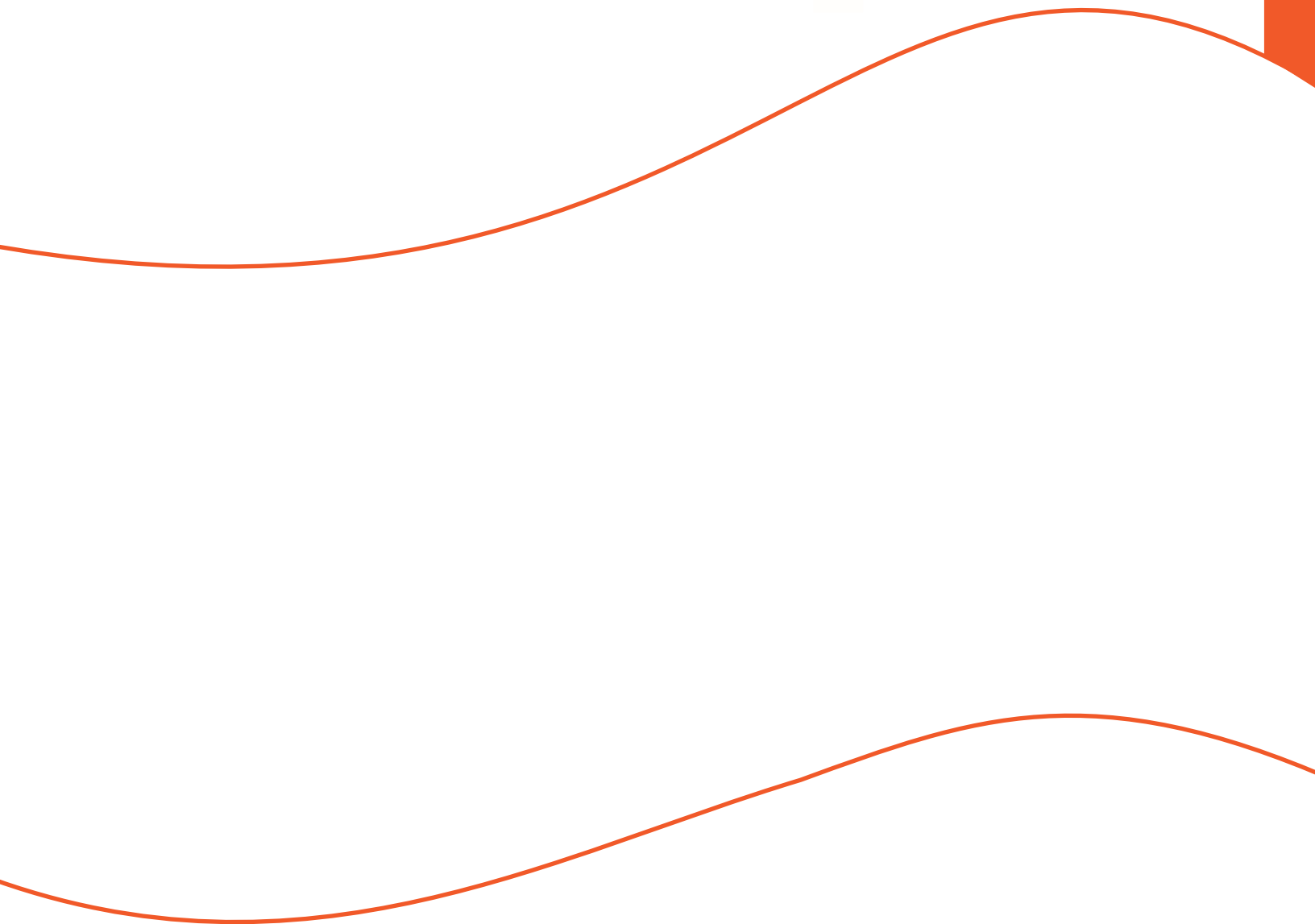
Condition

For 1 out of 40 students selected for testing, the District failed to obtain the necessary documentation for the student which was selected for verification.

Status

Corrected.

# STATE SINGLE AUDIT SECTION





**TARRANT COUNTY COLLEGE DISTRICT  
SCHEDULE F  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED AUGUST 31, 2023**

<u>Grant Agency / Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
TEXAS WORKFORCE COMMISSION		
Apprenticeship	0523ATP002	\$ 201,660
Apprenticeship Texas Expansion	0522ATG001	39,019
Governor Summer Merit Program	0523SMP001	<u>38,681</u>
Total Texas Workforce Commission		279,360
TEXAS WORKFORCE COMMISSION		
Law Enforcement Office Standards and Education	9P220478	8,931
TEXAS HIGHER EDUCATION COORDINATING BOARD		
Work Study	221005	145,706
Texas Educational Opportunity Grant	2704:1588	5,692,002
Professional Nursing Shortage FY2020	22421	20,908
Professional Nursing Shortage Over 70% Program FY2020	23005	116,046
Nursing Innovation Grant Program	23827	44,478
Professional Nursing Shortage Over 70% Program FY2021	23650	161,291
CB Workstudy Mentoring Model	28154	126,462
Educational Aide Exemption Program	27880	<u>749</u>
		6,307,642
Pass-Through from:		
Dallas County Community College		
Small Business Development Center	SBAHQ-22-B0006	110,159
Small Business Development Center	SBAHQ-23-B0053	<u>78,696</u>
		<u>188,855</u>
Total Texas Higher Education Coordinating Board		<u>6,496,497</u>
Total State Financial Assistance		<u><u>\$ 6,784,788</u></u>

**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	<u>\$ 6,784,788</u>
Total State Revenues per Schedule of Expenditures of State Awards	<u><u>\$ 6,784,788</u></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. 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 State Program and Report on Internal Control over Compliance  
in Accordance with the Texas Grant Management Standards**

To the Board of Trustees  
Tarrant County College District

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

**Opinion on 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 Grant Management Standards (TxGMS)*, that could have a direct and material effect on each of the District's major state programs for the year ended August 31, 2023. 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.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended August 31, 2023.

**Basis for Opinion on Each Major State Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of TxGMS. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's state programs.

**Auditor's Responsibility for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and TxGMS will always detect material noncompliance when it exists.

Weaver and Tidwell, L.L.P.  
2300 North Field Street, Suite 1000 | Dallas, Texas 75201  
Main: 972.490.1970



The Board of Trustees  
Tarrant County College District

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and TxGMS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 in internal control over compliance. Given these limitations, during our audit 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 Board of Trustees  
Tarrant County College District

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 TxGMS. Accordingly, this report is not suitable for any other purpose.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
December 14, 2023

**Tarrant County College District**  
 State Schedule of Findings and Questioned Costs  
 Year Ended August 31, 2023

**Section I. Summary of Auditor's Results**

**Financial Statements**

An unmodified opinion was issued on the financial statements.

Internal Control over financial reporting:

- Material weakness(es) identified \_\_\_ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? X Yes \_\_\_ 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

An unmodified opinion was issued on compliance for all major programs.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of the TxGMS? \_\_\_ Yes X No

Identification of major programs:

Texas Educational Opportunity Grant

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes \_\_\_ No

**Tarrant County College District**  
State Schedule of Findings and Questioned Costs - Continued  
Year Ended August 31, 2023

**Section II. Financial Statement Findings**

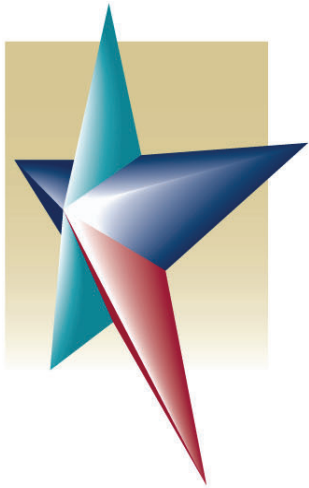
See Section II of the Schedule of Federal Findings and Questioned Costs.

**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. Prior Year Audit Findings**

See Section IV of the Schedule of Federal Findings and Questioned Costs.



**Tarrant County College<sup>®</sup>**  
**SUCCESS WITHIN REACH.**



