



Year ending June 30, 2014
Grants Pass, Oregon

Comprehensive Annual Financial Report

www.roguecc.edu/audit/2014/

Comprehensive Annual Financial Report

Rogue Community College

Grants Pass, Oregon

For the Year Ended June 30, 2014

Report prepared by the Budget and Financial Services Department

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3345 Redwood Hwy
Grants Pass, OR 97527-9298

December 16, 2014

The Board of Education
Rogue Community College
Grants Pass, Oregon

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Rogue Community College (the College) for the fiscal year ended June 30, 2014, together with the audit opinion therein of our auditors as required by Oregon State Statutes. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the College. We believe the financial statements and related information are stated fairly in all material aspects in reflecting the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain maximum understanding of the College's financial affairs have been included.

This report consists of management's representations concerning the finances of Rogue Community College. To provide a reasonable basis for making these representations, management of the College has established a comprehensive internal control framework that is designed both to protect the College's assets from loss, theft, or misuse; and, to compile sufficient reliable information for the preparation of the College's financial statements in conformity with Generally Accepted Accounting Principles in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefit, the College's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The College's MD&A can be found immediately following the independent auditor's report in the Financial Section.

The Comprehensive Annual Financial Report is organized in five sections, as follows:

1. The Introductory Section contains the letter of transmittal with an overview of the College that includes factors affecting the financial condition and other supplementary information, a listing of principal officials, and an organizational chart.
2. The Financial Section includes the independent auditor's report, the MD&A, basic financial statements, including notes to the financial statements, required supplementary information, and other supplementary information.
3. The Statistical Section includes selected financial and demographic information that is generally presented on a multi-year basis.
4. The Audit Comments Section includes the independent auditor's comments required by the Minimum Standards for Audits of Oregon Municipal Corporations.
5. The Government Auditing Standards Section includes information related to the Single Audit Act and Government Auditing Standards, including the schedule of expenditures of federal awards, its related note disclosures and the various independent auditor's reports. The College is required to have an annual single audit in conformity with the

provisions of the Federal Single Audit Act of 1984 and United States Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

The College's CAFR has been prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and other recognized standard-setting bodies. You will find a summary of significant accounting policies in the notes accompanying the basic financial statements.

The annual budget serves as the foundation for the College's financial planning and control. The College is required by the State of Oregon to adopt an annual budget subject to the requirements of "Local Budget Law" as addressed in Oregon Revised Statutes chapter 294 and 310. The budget is a plan for the financial operations to be conducted during the coming fiscal year and is adopted annually, prior to July 1.

The budget committee is comprised of fourteen (14) members: seven (7) members of the advisory committee and seven (7) elected Board of Education members, each representing one of seven zones. House Bill 2972 requires that the College Board of Education appoint an advisory committee of seven members, including three from Josephine County and three from Jackson County and one at-large member from persons nominated by the advisory committee. Members of the advisory committee are then appointed to the Rogue Community College District budget committee. Appointed members serve three-year terms.

It is the duty of the budget committee to analyze and approve the College's proposed operating budget and forward its recommendations to the Board for final consideration. As a part of the budget review and approval process, the budget committee holds public meetings at which citizens of the community are invited to give testimony on the budget before it is approved by the budget committee.

Following approval of the budget committee, the Rogue Community College Board of Education holds a public budget hearing. The purpose of this hearing is to provide the citizens of the community an opportunity to give testimony on the approved budget prior to its adoption by the College Board of Education. The budget committee acts on fiscal matters, not on educational and personnel matters.

The College maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Rogue Community College Board of Education. The activities of all funds are included in the annual appropriated budget as required by state law.

The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) for all funds is established at the function level. Transfers of appropriations between existing budget appropriations can be authorized by resolution of the Rogue Community College Board of Education.

As demonstrated by the statements and schedules included in the financial section of this report, Rogue Community College continues to meet its responsibilities for sound financial management. Budget-to-actual comparisons are provided in this report as part of the Other Supplementary Information in the Financial Section.

About the College

Rogue Community College was established in November 1970 by the vote of the electorate of Josephine County. On May 21, 1996, voters in Jackson and Josephine counties approved the expansion of the College's boundaries to encompass both counties. The annexation was effective July 1, 1997.

The College was named for the Rogue River, which starts at Crater Lake and extends for 215 miles to the Pacific Ocean. As the river leaves the Cascade Mountains, it winds its way through the Rogue Valley that comprises Josephine and Jackson counties. The Rogue Valley is located midway between Seattle and San Francisco on the Interstate 5 corridor and extends to the Oregon-California border.

The College's full-time equivalent (FTE) number of students for 2013-14 was 5,289 and the unduplicated headcount for the same period was 17,092.

District Demographics

The Rogue Community College District covers a 4,453 square-mile area encompassing Josephine and Jackson counties. Total population for the two counties in 2014 is estimated at 289,342, which is a 7.25% increase since 2005.

The College's founding campus is located on 88 wooded acres; five miles west of the city of Grants Pass. The campus was originally constructed in the late 1960s as a federal training facility known as the Fort Vannoy Jobs Corps Training Center. Remodeled in 1989, the spacious campus of wood-framed buildings creates an informal atmosphere with several more recently constructed buildings that provides additional classrooms and modern laboratory space.

Upon annexation of Jackson County by the College district, the Riverside Campus was established in downtown Medford, where it plays a key role in the educational and cultural renaissance occurring in Medford. The Riverside Campus has grown to encompass five buildings totaling more than 149,607 square feet. The College now owns all of these buildings, including joint ownership in one.

In September of 2008, the College, in conjunction with Southern Oregon University (SOU), opened the Higher Education Center located in downtown Medford. The jointly financed, designed and constructed center provides students a seamless transition from community college courses to university courses. The building is 68,700 square feet, housing classrooms, science labs, computer labs, a Prometric Testing Center and a Business Center. In addition to being an example of cooperation and collaboration between the two institutions, the RCC/SOU Higher Education Center serves as a model of environmental stewardship. The design team worked with faculty, staff, students and community members to establish the green priorities for the project, which received a Platinum Leadership in Environmental Design (LEED) certification from the U.S. Green Building Council.

RCC also leases 12,000 square feet from the Jackson County Library in its Central Library in downtown Medford.

In Fall 2005 the College opened the Table Rock Campus in White City, Oregon. The 102,000 square foot building is home to the College's technical and professional training programs. Programs include manufacturing, electronics, fire science, construction, emergency medical technology and diesel technology.

Economic Outlook

Recovery from the Great Recession in the Rogue Valley has been a slow process. The encouraging news is that we are in recovery with continued growth expected. Economic indicators, such as employment and residential building permits, reflect an upward trend. As of June 2014 the unemployment rate is 8.4% for Jackson County and 9.3% for Josephine County. This is a 1.3% and 1.9% decrease from the prior year.

Forecasters continue to report patterns of growth and recovery at a higher rate in Oregon when compared with the nation. Overall, Oregon's employment growth has outpaced the nation by about one percentage point. However, the recovery has not been uniform throughout the state with a stronger economic growth in the metropolitan areas. However, forecaster's indicate that as the expansion continues in the metropolitan areas, their economic activity will have a positive impact on economic growth in rural regions.

One of the College's largest non-operating revenue sources is funding from the State of Oregon. The State increased the appropriation to \$450 million for the Community College Support Fund (CCSF) for the 2013-15 biennium. The gain in revenue between the 2011-13 funding level of \$395.5 million to the current funding level of \$450 million is \$54.5 million for the biennium. There was also the \$15 million grand bargain allocated to the CCSF in exchange for a freeze in tuition rates from 2013/14 to 2014/15. The total appropriation and grand bargain equates to \$4.4 million or 28.34% increase in CCSF funding for the College between the two biennium.

Another major source of income is property tax revenue. Property taxes are used for general operations and for debt service payments. Property tax revenue has been a stable factor in the College's revenue, increasing on average 6% a year. However, due to the downturn in the housing market, property tax revenue increased by 4.57% or \$583,295 in 2013-14. The College received \$13.3 million in property taxes for 2014; of the amount received, \$1.89 million or 14.12% is restricted for debt service payment.

Tuition and fee revenue accounts for approximately 23.31% of revenue. For 2013-14 the College collected \$19.2 million in tuition and fees. The College experienced a 2.59% decline in reimbursable FTE for 2013-14 and is anticipating a 7% decline in 2014-15.

The College has proactively managed its budget based on reasonable projections of future financing. This enables the College to continue to meet its student-centered mission. The College continually develops multi-year financial plans to ensure the financial viability of the College and works with the Budget Advisory Team to develop the budget.

Long-Term Financial Planning

The College has an annual strategic and operational planning cycle that involves all levels of the organization. This process provides a framework to advance the District's vision, mission and goals in order to meet the needs of our students and community.

The Board approved financial policies that are in place provide guidance for planning of resources, capital needs and adequate reserve levels for revenue shortfalls or unforeseen expenditure needs. The College's budgets are built on the basis of maintaining the financial stability of the District. The College sets goals for financial stability enabling it to manage revenue shortfalls and cash flows to ensure continued operations, and to provide for unforeseen contingencies without impairing service quality.

Accreditation

Rogue Community College is accredited by the Northwest Commission on Colleges and Universities, a regional accrediting agency within the scope of the authority approved by the United States Department of Education. Courses and programs are approved by the Oregon State Board of Education, Department of Community Colleges and Workforce Development. In addition, Nursing, Emergency Medical Technician, and Massage Therapy programs have obtained specialized accreditation approval. The College is also approved as a veterans training institution by the Veterans Administration.

The College's accreditation was reaffirmed in fall of 2011. Regional accreditation is intended to ease transfer of credits to other approved institutions, to provide students with eligibility for federal financial aid, and to qualify the institution for state and federal grants and funding. The process also fosters excellence in education and continuous assessment and improvement practices.

Independent Audits

The provisions of Oregon Revised Statutes, Section 297.405 to 297.555 require an independent audit of the fiscal affairs of the College. The firm of Eide Bailly LLP has completed their examination of the College's basic financial statements and, accordingly, has included their Independent Auditor's Report in the Financial Section of this CAFR.

The Single Audit Act and OMB Circular A-133 require state and local governments that receive directly or indirectly certain amounts in federal assistance to have an audit conducted for that year. Included in this report are a Schedule of Expenditures of Federal awards, required reports on internal controls and compliance with laws and regulations, and a schedule of findings and questioned costs.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rogue Community College for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the eleventh consecutive year that the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and, therefore, will be submitted to the GFOA to determine its eligibility for certificate.

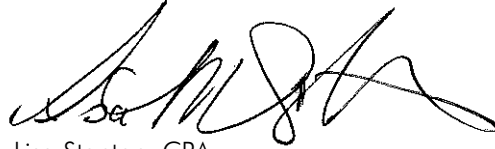
Acknowledgments

We wish to express our appreciation to the entire Budget and Financial Services department, Financial Aid department and Information Technology department for their efforts and contributions to this Comprehensive Annual Financial Report. We further extend our thanks to the staff of Eide Bailly LLP for their extra efforts during this audit. We would also like to thank the members of the Board of Education, faculty and staff for their continued support and dedication to the financial operations of the College.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Angstadt".

Peter Angstadt, Ph.D.
President

A handwritten signature in dark ink, appearing to read "Lisa Stanton".

Lisa Stanton, CPA
Chief Financial Officer

Year ended June 30, 2014

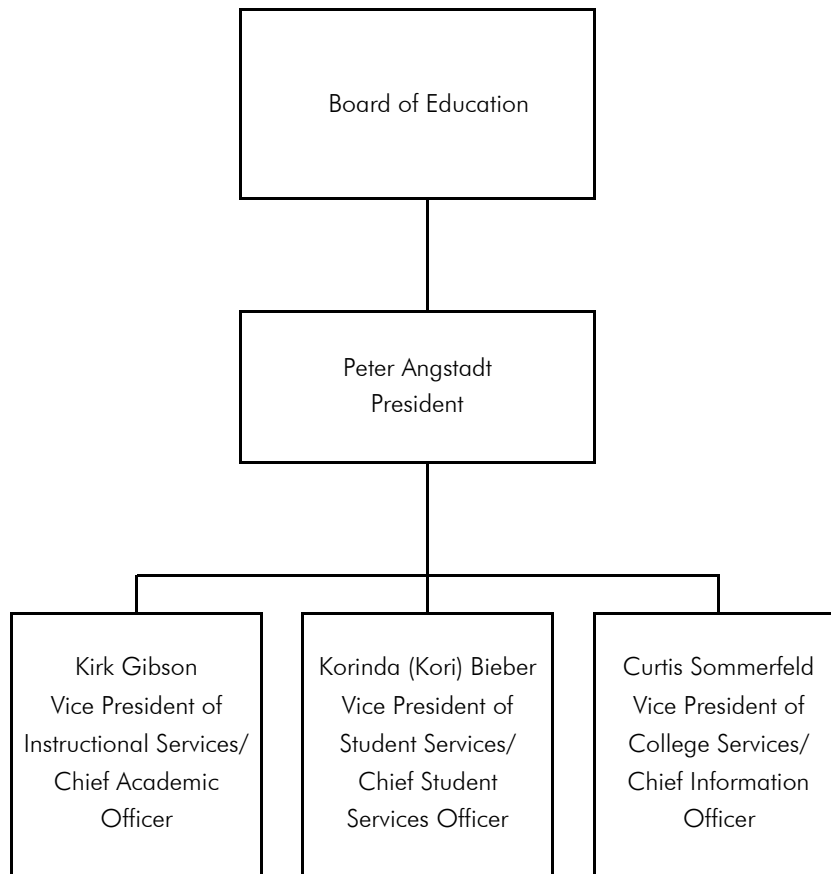
ELECTED/APPOINTED OFFICIALS

Mr. Dean Wendle P.O. Box 1988 Grants Pass, Oregon 97528	Chairperson
Mr. Kevin Talbert, Ph.D. 1291 N. Valley View Road Ashland, OR 97520	Vice-chairperson
Ms. Patricia Ashley 3182 Rogue River Drive Eagle Point, OR 97524	Member
Mr. Joseph Zagorski, Ed.D. 521 Seclusion Loop Grants Pass, OR 97526	Member
Timothy Johnson 1467 China Gulch Road Jacksonville, OR 97530	Member
Mr. Ronald G. Fox 4727 Torrey Pines Drive Medford, OR 97504	Member
Mr. Brett L. Johnson 1129 Steamboat Drive Central Point, OR 97502	Member

ADMINISTRATION

3345 Redwood Highway
Grants Pass, Oregon 97527

Peter Angstadt	President
Lisa Stanton	Chief Financial Officer





Government Finance Officers Association

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

Presented to

**Rogue Community College
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director/CEO



Independent Auditor's Report

To the Board of Education
Rogue Community College
Grants Pass, Oregon

We have audited the accompanying financial statements of Rogue Community College (the College), and its discretely presented component unit as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Rogue Community College Foundation, a component unit of the College, which statements reflect total assets of \$9,631,681 as of June 30, 2014, and total revenues of \$2,921,195 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Rogue Community College Foundation is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Rogue Community College Foundation were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College, as of June 30, 2014, and the respective changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As described in Notes 1 and 11 to the financial statements, the College presented a retroactive restatement of the previously reported net position from adopting the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The introductory section, individual fund financial schedules, schedules of property tax transactions, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The individual fund financial statements, the schedules of property tax transactions and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the individual fund financial statements, the schedules of property tax transactions and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 03, 2014, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 College's internal control over financial reporting and compliance.



For Eide Bailly LLP
Boise, Idaho
December 03, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Rogue Community College's (the College) Comprehensive Annual Financial Report (CAFR) presents an analysis of the financial activities of the College for the fiscal year ended June 30, 2014. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes and currently known facts.

Financial Highlights

The College's overall financial position has remained improved for the fiscal year ended June 30, 2014 as evidenced by:

- Student tuition and fees revenue experienced a slight increasing of 1.25% or \$237,328 from 2012-13. This increase is attributable to the \$4 per credit tuition increase and a 2.59% decrease in student FTE. The per credit tuition rate for 2013-14 is \$91 per credit. Additional information regarding enrollments is located in the Statistical Section.
- The College's student financial aid grants decreased \$925,132 or 3.16% from the prior year. The decrease in financial aid is in direct relation to the needs of the students the College serves. Additional information about student financial aid grants can be located in the revenue section of this analysis.
- FTE reimbursement from the State of Oregon increased 125.81% or \$4.9 million. This increase is attributable to an increase in State funding and the College receiving five of the eight quarterly payments in 2013-14, which were appropriated for the 2013-15 biennium. More information about FTE reimbursement is located in the revenue section of this analysis.
- The College's net position may serve, over time, as an indicator of the College's financial health. This report shows that assets exceeded liabilities and deferred outflows of resources by \$37.36 million at the close of the fiscal year.

One of the College's largest category in net position (\$14.1 million) reflects the amount invested in capital assets, (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Overview of the Financial Statements

This discussion and analysis is an introduction to the College's basic financial statements, which are comprised of entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. In addition, the report contains the Required Supplementary Information Section, the Statistical Section and a Single Audit Section.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances in a manner similar to a private-sector business. These entity-wide statements consist of comparative statements including; *Statement of Net Position*, *Statement of Revenues, Expenses and Changes in Net Position* and the *Statement of Cash Flows*. The *Notes to the Basic Financial Statements* provide additional information essential to a full understanding of the data provided in the entity-wide financial statements.

***Analysis of the Statement of Net Position
As of June 30, 2014***

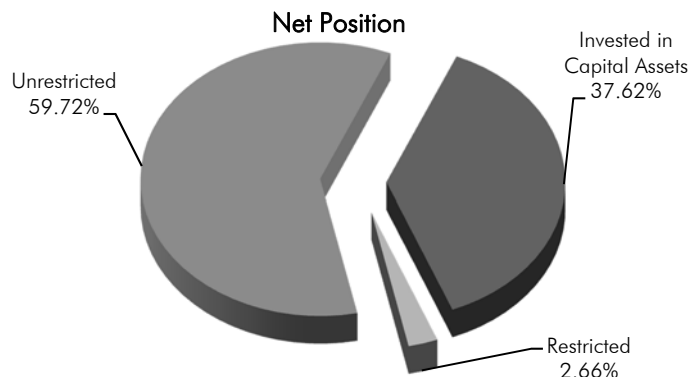
The *Statement of Net Position* presents information on all of the College's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position are indicators of the improvement or erosion of the College's financial health when considered along with non-financial facts such as enrollment levels and the condition of the facilities. The *Statement of Net Position* includes all assets and liabilities of the College using the accrual basis of accounting, which is similar to the accounting presentation used by most private colleges. Net position is the difference between assets and liabilities, and is one measure of the financial condition of the College.

	2014	Restated 2013	% Change
Assets			
Current Assets	\$ 24,353,444	\$ 19,914,939	22.29%
Capital assets, net of depreciation	34,305,318	35,135,602	-2.36%
Other non-current assets	18,812,043	17,361,011	8.36%
Total assets	77,470,805	72,411,552	6.99%
Deferred Outflow of Resources			
Deferred charge on refunding	1,291,998	1,413,863	-8.62%
Liabilities			
Current liabilities	4,040,632	3,847,703	5.01%
Long-term debt, non current position	37,360,562	39,210,979	-4.72%
Total Liabilities	41,401,194	43,058,682	-3.85%
Net position			
Net investment in capital assets	14,057,119	13,608,528	3.30%
Restricted	993,992	592,876	67.66%
Unrestricted	22,310,498	16,565,329	34.68%
Total Net Position	\$ 37,361,609	\$ 30,766,733	21.44%

On June 30, 2014, the College's assets were approximately \$77.4 million. The College's current assets of \$24.3 million were sufficient to cover current liabilities of \$4.0 million. This represents a current ratio of 5.21. Investment in capital assets, net of related debt is \$14.0 million, and represents an increase of \$448,591 from the prior year. The College uses capital assets to provide services to students; consequently, these assets are not available for future spending. Therefore, the resources to repay this debt will be provided by other sources. The College's receivables consist of taxes, student accounts, interest and various operating receivables. Additional information regarding capital assets can be found in Note 3.

Restricted net position consists primarily of amounts set aside for grants and debt service. Unrestricted net position is used for the continuing operations of the College.

The following graph shows the allocation of the net position for the College:



***Analysis of the Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2014***

The *Statement of Revenues, Expenses and Changes in Net Position* presents the revenues earned and the expenses incurred during the year. All changes in net position are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing as to when the cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived investments is reflected in the financial statements as depreciation, which amortizes the cost of the capital asset over the expected useful life. Revenues and expenses are reported as either operating or non-operating, with operating revenues primarily coming from tuition. State appropriations and property taxes are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss, although overall net position remains positive.

	2014	Restated 2013	% Change
Operating Revenues:			
Student tuition and fees	\$ 19,189,090	\$ 18,951,762	1.25%
Student financial aid grants	28,357,361	29,282,493	-3.16%
Federal grants and contracts	2,407,971	2,070,948	16.27%
State and local government grants and contracts	3,039,372	3,382,815	-10.15%
Auxiliary enterprises	2,886,688	3,012,341	-4.17%
Total operating revenues	<u>55,880,482</u>	<u>56,700,359</u>	<u>-1.45%</u>
Non-Operating Revenues:			
State community college support	8,812,032	3,902,363	125.81%
Property taxes	13,363,178	12,779,883	4.56%
Investment income	3,050,295	2,327,212	31.07%
Amortization of premium on general obligation and refunding bonds	99,289	99,289	0.00%
Other non-operating revenues	1,219,018	1,137,998	7.12%
Total non-operating revenues	<u>26,543,812</u>	<u>20,246,745</u>	<u>31.10%</u>
Operating and Non-Operating Expenses:			
Instruction	16,944,686	16,959,707	-0.09%
Instructional support services	5,270,080	4,770,501	10.47%
Student services	8,713,370	8,457,690	3.02%
Community services	690,447	637,728	8.27%
College support services	6,540,975	6,522,004	0.29%
Plant operations and maintenance	3,775,239	3,485,631	8.31%
Scholarships and grants	30,818,208	31,995,666	-3.68%
Depreciation	1,249,414	1,232,604	1.36%
Loss on capital assets	14,745	1,040	1317.79%
Interest expense	1,730,889	1,791,596	-3.39%
Amortization of deferred charges	121,865	121,865	0.00%
Total operating and non-operating expenses	<u>75,869,918</u>	<u>75,976,032</u>	<u>-0.14%</u>
Income before contributions	6,554,376	971,072	574.96%
Capital contributions - donated assets	<u>40,500</u>	<u>17,500</u>	<u>131.43%</u>
Change in net position	<u>6,594,876</u>	<u>988,572</u>	<u>567.11%</u>
Net position, beginning of year, restated	<u>30,766,733</u>	<u>29,778,161</u>	<u>3.32%</u>
Net position, end of year	<u>\$ 37,361,609</u>	<u>\$ 30,766,733</u>	<u>21.44%</u>

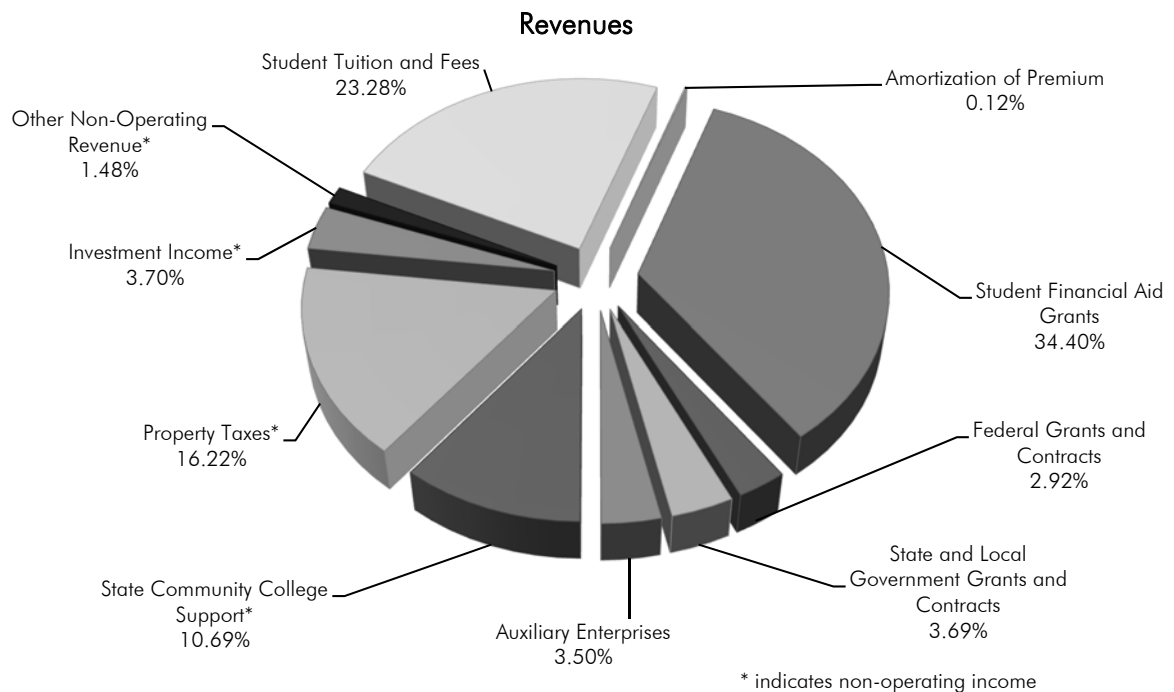
Revenues:

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

Operating revenues decreased by \$819,877 or 1.45% between 2013 and 2014. The most significant sources of operating revenue for the College include student tuition & fees, state and local government grants and contracts and auxiliary enterprises. Tuition and fees increased 1.25% or \$237,328. The net increase was a direct result of the 2.59% decrease in FTE and the increase in tuition rates of \$4 per credit.

The largest operating revenue is student financial aid at \$28.4 million. Student financial aid revenue decreased \$925,132 or 3.16%, primarily due to the amount of individual aid students are qualified to receive.

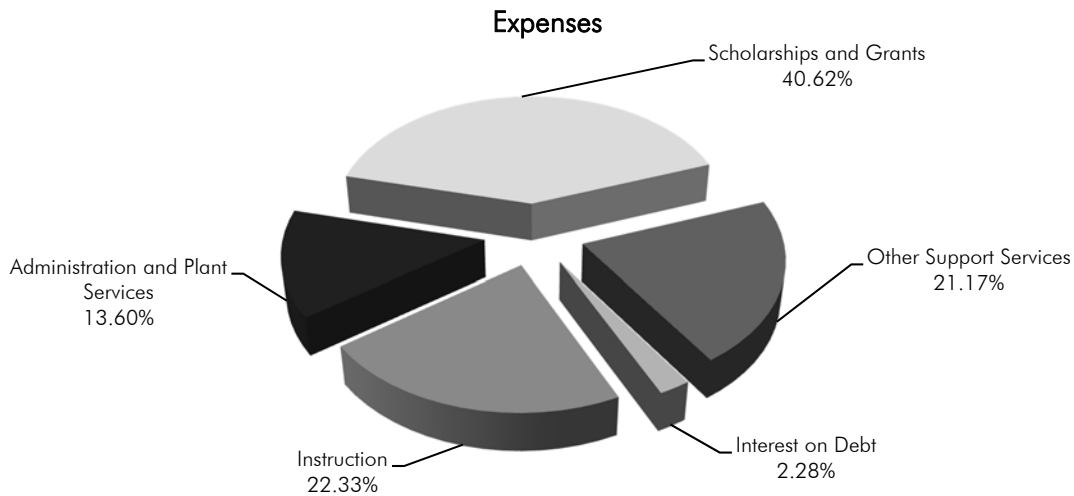
The largest non-operating revenue source is property taxes, followed by state community college support. The College received \$13.3 million from property taxes representing a 4.56% increase from the prior year. The second largest non-operating revenue is FTE reimbursement from the State of Oregon. The State appropriated \$450 million for the Community College Support Fund (CCSF) for the 2013-15 biennium. In October 2013, the Legislature passed what is referred to as the Grand Bargain, allocating an additional \$15 million to the Community College Support Fund (CCSF) in exchange for a freeze in tuition rates from 2013/14 to 2014/15. The total appropriation and Grand Bargain equates to \$4.4 million or 28.34% increase in CCSF funding for the College between the two biennium. The additional \$4.4 million will be released in 2014/15.



Expenses:

Operating expenses totaling \$76 million include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Scholarships and grants decreased \$1.2 million due to a decrease in students qualified to receive aid and their award level. Instruction expenses represent a large percentage of total expenses at \$16.9 million or 22.33% of total expenses. Support services, including auxiliary enterprises, contracted programs, and depreciation, represent \$16.0 million or 21.17% of total expenses. Administration expenses, including plant services, represent \$10.3 million or 13.60% of total expenses. Plant operations and maintenance increased by \$289,608 as a result of the completion of building projects that were funded by Lottery Funds and other facility upgrades on Redwood Campus. Scholarship and grant expenses of \$30.8 million represent 40.62% of total expenses.

The most significant non-operating expense was interest expense of \$1.7 million or 2.28% of total expense.



Capital Assets and Debt Administration

Capital Assets

The College's investment in capital assets as of June 30, 2014, amounts to \$34.3 million, net of accumulated depreciation. Investment in capital assets includes land, buildings, improvements, machinery and equipment, library collections, and infrastructure. Additional information on the College's capital assets can be found in Note 3 of this report.

Long-Term Obligations

At the end of the current fiscal year, the College had total outstanding debt of \$38,658,202. Of this amount, \$20.0 million is General Obligation and Refunding Bonds and \$18.4 million is Limited Tax Pension Obligation Bonds; all of which are backed by the full faith and credit of the College. In addition, \$196,016 is a note with the US Department of Education backed by the property. The College's total debt decreased by \$1.82 million during 2013-14.

State statutes limit the amount of general obligation debt the College may issue to 1.5% of Real Market Value of properties within the College's district. As of June 30, 2014, the College's general obligation debt is 0.09% of Real Market Value. Based upon this, the College's legal debt limit is \$431,562,822, which is significantly higher than the College's outstanding general obligation debt of \$18.9 million. Additional information on the College's long-term debt can be found in Note 5.

Economic Factors and Next Year's Budget

The College adopted a balanced budget on June 17, 2014 for fiscal year 2014-15. The proposed General Fund budget for fiscal year 2014-15 is \$40.5 million. This budget is based upon the Governor's proposed Community College Support Fund (CCSF) appropriation of \$465 million, which includes the additional allocation from the Grand Bargain. The Grand Bargain allocates an additional \$15 million to the CCSF with the expectation that colleges would hold their tuition and fees to zero or minimal increases between 2013-14 and 2014-15. The college has honored its commitment, holding tuition at the 2013-14 rate of \$91 per credit for 2014-15. The budget also projected an increase of property taxes of 1%, or \$112,928. In addition, the General Fund budget also includes a transfer in from the College Services Fund of \$1.3 million. The beginning fund balance for 2014-15 is expected to be approximately \$4.3 million.

Although the College welcomes and appreciates the increase in CCSF for 2014/15, the Grand Bargain has since become an interesting topic among state and community college officials. Community college officials were under the impression that the Grand Bargain investment would increase the CCSF base. However, some state officials are now indicating that it was one-time investment. If the Grand Bargain is treated as a one-time investment, the College will not have sufficient resources to ensure its continued advancement toward the new state educational attainment goals. It is important to note, even with the Grand Bargain increase added to the CCSF base, the CCSF is still short \$15 million when compared with the 2008 CCSF funding level of \$500 million. Regardless of these challenges, the College is committed to student access and success and will continue to identify internal efficiencies and improvements.

Over the past few years the College has experienced a reduction in full-time equivalent enrollments. Since 2010-11's record enrollment of 6,202 FTE the College has experienced a decline of approximately 15.44% through the end of 2013-14. This is slightly higher than the estimated 13% budgeted for by the College. Looking forward, the College anticipates an additional 7% decline in enrollment levels in 2014-15.

Achieving fiscal sustainability will be an ongoing challenge with declining enrollments and increasing costs related to PERS and employer-paid benefits. Recognition of the College's difficult fiscal circumstances by faculty, staff, students and the public is critical. Their willingness to participate in defining, addressing and resolving fiscal issues is acknowledged and greatly appreciated.

Requests for Information

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

Rogue Community College
Budget and Financial Services
3345 Redwood Highway
Grants Pass, OR 97527

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Statement of Net Position
June 30, 2014

	College	Foundation (Component Unit)
ASSETS		
Current Assets:		
Cash	\$ 2,999,128	\$ 286,490
Cash equivalents	17,083,325	0
Receivables:		
Property taxes	993,079	0
Accounts, net	2,382,044	1,514,265
Inventory	794,287	0
Prepaid expenses	101,581	2,467
Total current assets	<u>24,353,444</u>	<u>1,803,222</u>
Non-current Assets:		
Endowment investments	0	7,597,728
Land investments	0	182,977
Postemployment benefit	168,312	0
Pension asset	18,643,731	0
Donated assets held for sale	0	41,365
Capital assets	51,575,614	35,479
Less: accumulated depreciation	<u>(17,270,296)</u>	<u>(29,090)</u>
Capital assets, net	<u>34,305,318</u>	<u>6,389</u>
Total non-current assets	<u>53,117,361</u>	<u>7,828,459</u>
TOTAL ASSETS	<u>77,470,805</u>	<u>9,631,681</u>
DEFERRED OUTFLOW OF RESOURCES		
Deferred charge on refunding	<u>1,291,998</u>	<u>0</u>
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>1,291,998</u>	<u>0</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	592,184	47,559
Accrued interest payable	34,183	0
Payroll liabilities	1,359,715	621
Unearned revenue	219,217	0
Compensated absences	75,163	0
Scholarships payable, net	0	698,660
Current portion of long-term obligations	<u>1,760,170</u>	<u>0</u>
Total current liabilities	<u>4,040,632</u>	<u>746,840</u>
Non-current liabilities - long-term obligations		
Compensated absences	462,530	
Pension bonds payable	18,410,000	0
General obligation and refunding bonds payable (net of unamortized premium)	20,052,186	0
Certificates of participation payable	0	0
Note payable	196,016	0
Obligation under Standard Unitrust	0	132,832
Less: Current portion of long-term obligations	<u>(1,760,170)</u>	<u>0</u>
Total non-current liabilities - long-term obligations	<u>37,360,562</u>	<u>132,832</u>
TOTAL LIABILITIES	<u>41,401,194</u>	<u>879,672</u>

See notes to basic financial statements.

Statement of Net Position
June 30, 2014 (continued)

	College	Foundation (Component Unit)
NET POSITION		
Investment in capital assets	\$ 34,305,320	\$ 0
Less: related debt	(20,248,201)	0
Net investment in capital assets	<u>14,057,119</u>	<u>0</u>
Restricted - non-expendable		
Restricted - permanent endowment	0	3,401,345
Restricted - expendable		
Restricted temporarily - endowment income and scholarships	0	3,956,800
Restricted - debt service	396,876	0
Restricted - contracts and grants	<u>597,116</u>	<u>0</u>
Total restricted net position	<u>993,992</u>	<u>7,358,145</u>
Unrestricted	<u>22,310,498</u>	<u>1,393,864</u>
TOTAL NET POSITION	<u>\$ 37,361,609</u>	<u>\$ 8,752,009</u>

See notes to basic financial statements.

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Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2014

	College	Foundation (Component Unit)
OPERATING REVENUES		
Student tuition and fees	\$ 19,189,090	\$ 0
Federal student financial aid grants	28,357,361	0
Federal grants and contracts	2,407,971	0
State and local grants and contracts	3,039,372	0
Auxiliary enterprises	2,886,688	0
Public support and revenue	0	1,730,660
Total operating revenues	<u>55,880,482</u>	<u>1,730,660</u>
OPERATING EXPENSES		
Instruction	16,944,686	0
Instructional support services	5,270,080	0
Student services	8,713,370	0
Community services	690,447	0
College support services	6,540,975	0
Plant operations and maintenance	3,775,239	0
Scholarships and grants	30,818,208	0
Foundation programs	0	949,396
Depreciation	1,249,414	0
Total operating expenses	<u>74,002,419</u>	<u>949,396</u>
Operating income (loss)	<u>(18,121,937)</u>	<u>781,264</u>
NON-OPERATING REVENUES (EXPENSES)		
State community college support	8,812,032	0
Property taxes	13,363,178	0
Investment income	3,050,295	1,190,535
Interest expense	(1,730,889)	0
Amortization of deferred charges	(121,865)	0
Amortization of premium on general obligation and refunding bonds	99,289	0
Loss on disposal of capital assets	(14,745)	0
Other non-operating revenues	1,219,018	0
Total non-operating revenues (expenses)	<u>24,676,313</u>	<u>1,190,535</u>
Income (loss) before contributions	<u>6,554,376</u>	<u>1,971,799</u>
Capital Contribution - donated assets	40,500	0
Change in net position	<u>6,594,876</u>	<u>1,971,799</u>
NET POSITION		
Net position, beginning of year, restated	<u>30,766,733</u>	<u>6,780,210</u>
Net position, end of year	<u>\$ 37,361,609</u>	<u>\$ 8,752,009</u>

See notes to basic financial statements.

Statement of Cash Flows
For the year ended June 30, 2014

	<u>College</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	\$ 17,651,214
Student financial aid grants	28,395,725
Federal, State and local government grants and contracts	6,664,879
Payments to suppliers for goods and services	(6,057,046)
Payments to employees	(32,009,519)
Payments for student financial aid and other scholarships	(30,818,208)
Auxiliary enterprises:	
Cash received from customers	2,994,495
Paid to suppliers for resale materials	(2,369,675)
Cash from other sources	<u>1,219,018</u>
Net cash used in operating activities	<u>(14,329,117)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	13,417,246
Cash received from State community college support	8,812,032
Principal paid on pension bonds	(540,000)
Interest paid on pension bonds	<u>(904,703)</u>
Net cash provided by non-capital financing activities	<u>20,784,575</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Purchase of capital assets	(393,376)
Principal paid on capital-related long-term debt	(1,184,370)
Interest paid on capital-related long-term debt	<u>(829,938)</u>
Net cash used in capital financing activities	<u>(2,407,684)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>200,595</u>
NET INCREASE IN CASH	4,248,369
Cash and cash equivalents, beginning of year	<u>15,834,084</u>
Cash and cash equivalents, end of year	<u><u>\$ 20,082,453</u></u>

See notes to basic financial statements.

Statement of Cash Flows

For the year ended June 30, 2014 (continued)

	<u>College</u>
RECONCILIATION TO AMOUNTS SHOWN ON STATEMENT OF NET POSITION	
Cash	\$ 2,999,128
Cash equivalents	<u>17,083,325</u>
	<u>\$ 20,082,453</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (18,121,937)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	1,249,414
Amortization of pension asset	1,441,793
Other non-operating revenues	1,219,018
Changes in assets and liabilities:	
Increase in accounts receivable	(179,225)
Decrease in inventory	(26,024)
Decrease in prepaid expenses	(38,953)
Increase in accounts payable	71,201
Increase in payroll liabilities and compensated absences	93,666
Increase in deferred revenue	5,055
Increase in post-employment benefit	<u>(43,125)</u>
Net cash used in operating activities	<u>\$ (14,329,117)</u>
NON-CASH CAPITAL FINANCING AND INVESTING ACTIVITIES	
Other assets - deferred charges	\$ 121,865
Amortization of deferred charges	(121,865)
Premium on general obligation and refunding bonds	(99,289)
Amortization of premium on general obligation and refunding bonds	99,289
Book value of capital assets disposed	14,746
Loss on disposal of capital assets	(14,746)
Donation of capital asset	40,500
Capital Assets	(40,500)
Earnings from pension asset	3,050,295
Pension asset	<u>(3,050,295)</u>
Net non-cash capital financing and investing activities	<u>\$ 0</u>

See notes to basic financial statements.

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Rogue Community College
Grants Pass, Oregon

Notes to Basic Financial Statements

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1. Summary of Significant Accounting Policies

The financial statements of Rogue Community College (the College) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board is the accepted standards-setting body for establishing governmental accounting and reporting principles. The most significant accounting policies are described below.

Reporting Entity

Rogue Community College was established in November, 1970 in Josephine County, Oregon. On May 21, 1996, voters in Josephine and Jackson Counties approved the expansion of the College's boundaries to include both counties.

The College is an independent municipal corporation under the Oregon Revised Statutes. The College offers broad, comprehensive programs in academic and vocational-technical subjects to residents of Josephine and Jackson counties. The College is governed by an elected seven-member Board of Education.

As required by GAAP, the College's financial statements include the College and its component unit, the Rogue Community College Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The Foundation Board of Directors is self-perpetuating. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests, are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, including FASB Accounting Standards Codification (ASC) 958-205, *Not-For-Profit Entities – Presentation of Financial Statements*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

During the year ended June 30, 2014, the Foundation provided scholarships and awards of \$434,421 and project grants of \$37,981 for the benefit of the College community. Complete financial statements for the Foundation can be obtained at: 3345 Redwood Highway, Building H, Grants Pass, Oregon 97527.

Measurement Focus and Basis of Accounting

For financial statement reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting periods in which they are earned and expenses are recognized in the periods liabilities are incurred, regardless of the timing of related cash flows. All significant intra-agency transactions have been eliminated.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes, federal, state, and local grants, State appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, State appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, matching requirements, and expenditure requirements. Timing requirements specify the year when the resources are required to be used or the fiscal year when use is first permitted. Matching requirements stipulate that the College provide local resources to be used for a specified purpose. Expenditure requirements stipulate the College will receive resources on a reimbursement basis.

Use of Estimates

The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions affecting amounts reported in the financial statements and related disclosures. Actual results could differ from the estimates.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, cash with fiscal agent, demand deposits, the State of Oregon Treasurer's Local Government Investment Pool (LGIP) and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is stated at cost, which approximates fair value. Fair value of the investment in the LGIP is substantially the same as the College's participant balance.

Investments

Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements and bankers' acceptances. As of June 30, 2014 and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes. Investments are stated at fair value, which is based on the individual investments' quoted market prices at year-end.

Receivables

Student and agency receivables are shown net of an allowance for uncollectible accounts.

Property taxes are levied and become a lien on all taxable property as of July 1. Taxes are payable on November 15, February 15 and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Allowable unreimbursed expenses from grantor agencies are reflected in the financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as unearned revenue.

Inventory

The value of the Bookstores' inventory is calculated using the retail inventory method. This method calculates inventory value by taking the total retail value of the items that were originally in inventory, subtracting the total sales, then

1. Summary of Significant Accounting Policies (continued)

Inventory (continued)

multiplying that dollar amount by the cost-to-retail ratio (the percentage by which goods are marked up from their wholesale purchase price to their retail sales price). Physical inventory is performed periodically to ensure the value of the inventory is calculated accurately.

Capital Assets

Capital assets include land, buildings and building improvements, furniture and equipment, infrastructure (which includes utility systems), library collections, Software and construction in progress. The College's capitalization threshold for library collections is \$0, furniture and equipment is \$5,000, and is \$50,000 for all of the other categories. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of the assets life are not capitalized; instead they are expensed as incurred.

Buildings, furniture and equipment, infrastructure, library collections and Software are depreciated using the straight-line method over the following useful lives:

Building and building improvements	35 - 60 years
Infrastructure	25 - 100 years
Furniture and equipment	5 - 10 years
Library collections	7-10 years
Software	5 years

Under GASB, governments are encouraged, but not required to capitalize and depreciate artwork and historical treasures if it meets all of the following conditions:

1. The collection is held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
2. The collection is protected, kept unencumbered, cared for and preserved.
3. The collection is subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

The College meets all of the above criteria and has chosen not to capitalize and depreciate artwork and historical treasures.

Deferred Outflow of Resources

In additions to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow (expense/expenditure) until then. For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. As of June 30, 2014, deferred outflows of resources consisted of deferred amounts on refunding of debt, net of accumulated amortization, in the amount of \$1,291,998.

1. Summary of Significant Accounting Policies (continued)

Compensated Absences

Employees accumulate vacation and sick leave in accordance with their related bargaining agreement or employee handbook. Accumulated and unused vacation balances are accrued at the end of the year. Used vacation is expensed when incurred. Unused sick balances are not accrued at the end of the year; as they are forfeited when an employee separates from service. Used sick leave is expensed when incurred.

Short-Term Obligations

Oregon Revised Statutes Section 287A.180 authorizes the College to borrow money by issuing notes with a maturity date of no more than thirteen months. In addition the principal amount of the obligations cannot exceed eighty percent (80%) of the amount of taxes and other revenues budgeted to be received in that fiscal year. As of June 30, 2014 there were no outstanding short-term obligations.

Long-Term Obligations

Premiums and discounts related to bonds are deferred and amortized over the life of the obligation using straight-line amortization, which approximates the effective interest method.

Operating Revenues and Expenses

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the College's ongoing operations. The principal operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the College, and sales of goods and services. Operating expenses include the cost of the faculty, staff, administration, support expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Federal Financial Assistance Program

The College participates in federally funded Pell Grants, Federal Work-Study, Supplemental Educational Opportunity Grant and Direct Loans. Federal programs are audited in accordance with the Single Audit Act, the U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and the Compliance Supplement.

Net Position

Net position is classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Expendable restricted net position represents funds restricted for specific purposes.

Budgetary Information

In accordance with Oregon Revised Statutes, the College adopts an annual budget and makes appropriations for each fund. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of budgetary control for appropriations is by function. Transfers of appropriations may be made between legally authorized appropriations when approved by Board resolution. Annual appropriations lapse on June 30.

1. Summary of Significant Accounting Policies (continued)Recently Issued Accounting Pronouncements

In March 2012, the GASB issued Statement 65, Items Previously Reported as Assets and Liabilities. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is effective for periods beginning after December 15, 2012. See Note 11 for the impact to the financial statements as a result of implementation.

2. Cash and Investments

The College's cash and investments are comprised of the following at June 30, 2014:

Cash on hand	\$	5,400
Cash with fiscal agent		142,680
Deposits with Financial Institutions		2,851,048
Investments		17,083,325
Total	\$	<u>20,082,453</u>

Deposits with Financial Institutions

Deposits with financial institutions consist of bank demand deposits. The College's demand deposits at June 30, 2014 included:

Insured (FDIC)	\$	250,000
Collateralized by depository qualified by the Oregon State Treasurer		<u>2,802,978</u>
Total	\$	<u>3,052,978</u>

Effective July 1, 2008 the Oregon State Treasurer became responsible for monitoring public funds held by bank depositories in excess of FDIC insured amounts, and for assuring that public funds on deposit are collateralized to the extent required by Oregon Revised Statutes (ORS) Chapter 295. ORS Chapter 295 requires depository banks to place and maintain on deposit with a third-party custodian bank, securities having a value of 10%, 25% or 110% of public funds depending primarily on the capitalization level of the depository bank. Although the College is in compliance with ORS 295, the College does not have a custodial credit risk policy and its demand deposits are still subject to custodial credit risk. Custodial credit risk is the risk, that in the event of a bank failure, the College's deposits may not be returned to it.

Investments

State statutes authorize the College to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon Municipalities, bank repurchase agreements, bankers' acceptances, commercial paper and the Oregon Local Government Investment Pool, among others. The College does not have an investment policy that would broaden its investment choices beyond the state statute.

2. Cash and Investments (continued)Investments (continued)

At June 30, 2014, the College's investments consisted of:

Oregon Local Government Investment Pool	\$ 17,083,257
Other	68
Total Investments	<u>\$ 17,083,325</u>

The Oregon Local Government Investment Pool (LGIP) is an external investment pool which is part of the Oregon Short-Term Fund. Investment policies of this fund are governed by the Oregon Revised Statutes and the Oregon Investment Council (Council).

LGIP is an open-ended, no-load diversified portfolio pool. The fair value of the College's position in the pool is substantially the same as the value of the College's participant balance. The College's investment in the Oregon Local Government Investment Pool is nearly 100% of total investments. The College does not have a formal policy regarding concentration of credit risk.

The State Treasurer is the investment officer for the Council. Investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The Oregon Short-Term Fund does not receive credit quality ratings from nationally recognized statistical rating organizations. The College does not have a formal policy regarding credit risk.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund manages this risk by limiting the maturity of the investments held by the fund. Weighted average maturities of investments in the Oregon Short-Term Fund at June 30, 2014 were: 61% mature within 93 days, 13% mature from 94 days to one year, and 26% mature from one to three years. The College does not have a formal policy regarding interest rate risk.

Foundation Cash and Investments

Rogue Community College Foundation's cash of \$286,490 at June 30, 2014 is on deposit at a single financial institution. The Federal Deposit Insurance Corporation insures account balances at each institution for amounts up to \$250,000 and the Foundation did have deposits that exceeded the FDIC insured limit by \$8,631.

The Foundation's investments totaling \$7,597,728 at June 30, 2014 are stated at fair value and consist of the following:

Equity Funds	\$ 5,142,981
Fixed income funds	1,247,624
Mutual funds	494,990
Other assets	712,133
Total Investments	<u>\$ 7,597,728</u>

2. Cash and Investments (continued)Foundation Cash and Investments (continued)

The Foundation's investments are reported at fair value using quoted market prices in active markets for identical assets (stock market quotes). This measurement standard is a Level 1 input which is considered to be the most objective standard for fair value measurement.

Rogue Community College Foundation maintains accounts with a stock brokerage firm. The accounts contain cash and securities. The Securities Investor Protection Corporation (SIPC) insures account balances for amounts up to \$500,000 (with a limit of \$100,000 for cash). During the year, the Foundation had cash deposits that exceeded the SIPC insured limit by \$114,244.

3. Capital Assets

The following table presents the changes in the various capital assets categories:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets not being depreciated:				
Land	\$ 3,827,853	\$ -	\$ -	\$ 3,827,853
Construction in progress	49,899	-	-	49,899
Total capital assets not being depreciated	<u>3,877,752</u>	<u>-</u>	<u>-</u>	<u>3,877,752</u>
Capital assets being depreciated:				
Buildings	40,645,537	-	-	40,645,537
Infrastructure	1,797,825	-	-	1,797,825
Furniture and equipment	3,433,122	230,097	72,369	3,590,850
Library collections	626,516	40,981	-	667,497
Software RogueNet	833,355	162,798	-	996,153
Total capital assets being depreciated	<u>47,336,355</u>	<u>433,876</u>	<u>72,369</u>	<u>47,697,862</u>
Less accumulated depreciation for:				
Buildings	11,976,352	936,913	-	12,913,265
Infrastructure	412,073	37,932	-	450,005
Furniture and equipment	2,375,968	230,597	57,623	2,548,942
Library collections	480,757	37,335	-	518,092
Software	833,355	6,637	-	839,992
Total accumulated depreciation	<u>16,078,505</u>	<u>1,249,414</u>	<u>57,623</u>	<u>17,270,296</u>
Total capital assets being depreciated, net	<u>31,257,850</u>	<u>(815,538)</u>	<u>14,746</u>	<u>30,427,566</u>
Total capital assets, net	<u>\$ 35,135,602</u>	<u>\$ (815,538)</u>	<u>\$ 14,746</u>	<u>\$ 34,305,318</u>

4. Accounts Receivable

The College's student and agency receivables are shown net of an allowance for uncollectible accounts. As of June 30, 2014, the allowance for uncollectible accounts totaled \$1,327,287.

In 1999, the Foundation was bequeathed funds for the Helen M. Whitaker Education Fund. For the year ended June 30, 2014, they held a student loan receivable of \$234,966. The Foundation also received pledges from donors in the fiscal year 2013-14 and the remaining receivable at June 30, 2014 consisted of \$598,255.

Notes to Basic Financial Statements
Year ended June 30, 2014

5. Long-Term Obligations

The following is a summary of long-term obligations transactions during the year:

	July 1, 2013	Additions	Deletions	June 30, 2014	Due Within One Year	Interest Matured and Paid
Pension bonds payable	\$ 18,950,000	\$ -	\$ 540,000	\$ 18,410,000	\$ 620,000	\$ 904,702
General obligation and refunding bonds payable	19,995,000	-	1,035,000	18,960,000	1,125,000	815,525
Premium on general obligation and refunding bonds	1,191,474	-	99,288	1,092,186	-	-
Certificates of participation payable (COPs)	135,000	-	135,000	-	-	3,038
Note payable	210,386	-	14,370	196,016	15,170	11,376
Compensated Absences	517,482	537,694	517,482	537,694	75,163	-
Total	<u>\$ 40,999,342</u>	<u>\$ 537,694</u>	<u>\$ 2,341,140</u>	<u>\$ 39,195,896</u>	<u>\$ 1,835,333</u>	<u>\$ 1,734,641</u>

Bonds and Notes Payable

Wells Fargo Bank, Limited Tax Pension Obligation Bonds, Series 2005, original principal of \$21,035,000 is payable in semi-annual interest and annual principal payments, interest at 4.643% to 4.831%, due June 30, 2028. \$ 18,410,000

US Bank, General Obligation and Refunding Bonds, Series 2005, original principal of \$24,000,000 is payable in semi-annual interest and annual principal payments, interest at 3.25% to 5.0%, due June 15, 2025. 9,835,000

US Bank, General Obligation and Refunding Bonds, Series 2012, original principal of \$9,430,000 is payable in semi-annual interest and annual principal payments, interest at 5.0%, due June 15, 2025. 9,125,000

United States Department of Education, original principal of \$376,176 is payable in semi-annual installments of \$12,873, including interest at 5.5%, due May 1, 2024, lien against real property. 196,016

Total Bonds and Notes Payable \$ 37,566,016

Fiscal Year	PENSION BONDS		GENERAL OBLIGATION AND REFUNDING BONDS		NOTE PAYABLE		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014-15	\$ 620,000	\$ 879,630	\$ 1,125,000	\$ 777,275	\$ 15,170	\$10,575	\$ 1,760,170	\$ 1,667,480
2015-16	710,000	850,843	1,230,000	722,625	16,016	9,729	1,956,016	1,583,197
2016-17	805,000	817,878	1,340,000	662,725	16,909	8,837	2,161,909	1,489,440
2017-18	905,000	780,502	1,455,000	597,425	17,852	7,894	2,377,852	1,385,821
2018-19	1,015,000	738,483	1,585,000	526,375	18,847	6,898	2,618,847	1,271,756
2019-24	7,030,000	2,854,195	9,860,000	1,600,800	111,222	17,505	17,001,222	4,472,500
2024-29	7,325,000	839,628	2,365,000	87,650	-	-	9,690,000	927,278
TOTAL:	<u>\$18,410,000</u>	<u>\$7,761,159</u>	<u>\$18,960,000</u>	<u>\$4,974,875</u>	<u>\$196,016</u>	<u>\$61,438</u>	<u>\$37,566,016</u>	<u>\$12,797,472</u>

5. Long-Term Obligations (continued)

In June 2005, the College issued \$21,035,000 of Limited Tax Pension Obligation Bonds. The net proceeds from these bonds were transferred to PERS, to hold in trust. Each month a percent of the asset is used to offset the College's annual required contribution.

In February 2005 the College issued \$24,000,000 of General Obligation and Refunding bonds to provide funds (a) which were used and are continuing to be used for the acquisition and construction of major capital facilities, and (b) which were used to advance refund \$8,560,000 of Certificates of Participation (Series 1998 at 58% and Series 2000 and 2003 at 100%). A portion of the proceeds from the General Obligation and Refunding Bonds were deposited in an irrevocable trust to provide for all future debt service payments on the refunded Certificates of Participation. As a result, the refunded Certificates of Participation are considered defeased and the liability for those COPs has been removed from the College's basic financial statements. As of June 30, 2014, all defeased Certificates of Participation are paid in full.

In April 2012 the College issued \$9,430,000 of General Obligation and Refunding bonds to provide funds which were used to partially defease the existing General Obligation and Refunding Bond, Series 2005. This refunding reduces the College's total debt service payments over 14 years by \$815,939. As a result, the refunded Bonds are considered defeased and the liability for those Bonds has been removed from the College's basic financial statements. The re-acquisition price exceeded the net carrying amount of the old debt by \$905,000. As of June 30, 2014, \$8,525,000 of the defeased bonds is outstanding.

6. Operating Leases

The College leases building and office facilities and other equipment under non-cancelable operating leases. Payments under these leases totaled \$238,360 in 2013-14. The current and future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 212,084
2016	102,055
2017	101,655
Total	<u>\$ 415,794</u>

7. Risk Management

The College is exposed to various risks of loss related to general liability, property loss and workers' compensation. During the year 2013-14, the College purchased property and liability coverage through PACE. PACE is an insurance pool. PACE has a self-insured retention (SIR) of \$50,000 and purchased excess insurance from St. Paul Fire and Marine Insurance Company. The pool member limits for liability coverage have been increased to \$10,000,000 per occurrence, \$20,000,000 aggregate. Currently, there is no pool aggregate cited on the PACE policy. Hart Insurance represents the College as its agent of record.

The College purchased workers' compensation insurance through SAIF Corporation for 2013-14. The coverage limits for workers' compensation under coverage A are statutorily limited and under coverage B is \$2,000,000 per occurrence.

The College is assessed an annual premium for general liability insurance, property loss and workers' compensation insurance coverage. The property and auto policy premiums are based upon annually updated property and auto schedules. The workers' compensation policy is a guaranteed cost plan, which means the College pays the premium

7. Risk Management (continued)

based on an estimated payroll at the beginning of the fiscal year. The College accrues additional, or return, premiums based on the actual payroll which is audited at the end of the fiscal year.

8. Pension Plans

The College contributes to the Oregon Public Employees Retirement Fund (OPERF), a cost-sharing multiple-employer defined-benefit pension plan administered by the Oregon Public Employees Retirement System (PERS). PERS provides retirement and disability benefits, post-employment health care benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

PERS is administered under Oregon Revised Statutes (ORS) Chapter 238 and Chapter 238A. ORS 238.630 establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report, which can be obtained by writing to PERS, PO Box 23700, Tigard, Oregon 97281-3700 or by calling (503) 598-7377.

Members of PERS are required to contribute 6% of their salary covered under the plan. The College is required to contribute at an actuarially determined rate. The current rate at June 30, 2014 for member employees of the State and Local Government Rate Pool is 15.32% of salary covered under the plan. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

PERS reformed legislation in 2003, creating a new retirement plan for employees hired after the effective date of the legislation. These employees became members of the Oregon Public Service Retirement Plan (OPSRP). Members of OPSRP are required to contribute 6% of their salary covered under the plan. The College is required to contribute at an actuarially determined rate. The current rate at June 30, 2014 for member employees of the Oregon Public Service Retirement Plan is 13.42% of salary covered under the plan. The contribution requirements for plan members are established by ORS Chapter 238A and may be amended by an act of the Oregon Legislature.

The College's contributions to PERS, including contributions from the pension asset, for the three years ending June 30, 2014, 2013 and 2012, totaled \$3,087,751, \$3,051,956, and \$3,036,246, respectively, equal to the required contributions.

The pension asset is the result of the transfer of the College's pension bond proceeds to PERS to cover the College's share of the cost sharing plans unfunded actuarial liability. This pension asset is being used to pay a portion of the College's annual required contribution, and in turn reduces the College's contribution rate. During the 2013-14 fiscal year, changes in the pension asset were as follows:

Asset balance – July 1, 2013	\$17,235,824
Investment income	2,849,700
Contributions to cost-sharing pool	(1,441,793)
Asset Balance – June 30, 2014	<u>\$18,643,731</u>

9. Post-Employment Health Care CostsPlan Description

The College administers a single-employer defined-benefit health care plan. The plan provides post-employment health care benefits for eligible retirees and their spouse (until age 65). Benefit provisions are established through College policy. The criteria to determine eligibility include employee age and years of service. The College's post-employment health care plan does not issue a publicly available financial report.

Funding Policy

Contribution requirements are established through College policy. In general, the College pays the premiums for eligible retirees and their eligible spouse up to the employer-paid maximum at the time of retirement with the retirees paying the remainder. Funding is on a pay-as-you-go basis. During 2013-14, the College contributed \$293,393.

Annual OPEB Cost and Net OPEB Obligation

The College's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a 30-year period. The following table shows the components of the College's annual OPEB cost for the year, amounts actually contributed to the plan, and changes in the College's net OPEB obligation:

Annual Required Contribution	\$ 249,915
Interest on net OPEB obligation	(5,007)
Adjustment to annual required contribution	5,360
Annual OPEB cost	250,268
Contributions made	293,393
Increase (decrease) in net OPEB obligation	(43,125)
Net OPEB asset – beginning of year	(125,187)
Net OPEB asset – end of year	<u>\$ (168,312)</u>

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for 2013-14, 2012-13 and 2011-12 were as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2014	\$ 250,268	117.23%	\$ (168,312)
6/30/2013	\$ 242,340	115.77%	\$ (125,187)
6/30/2012	\$ 246,537	116.10%	\$ (86,981)

As of January 1, 2013, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,783,096 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,746,267. The anticipated covered payroll (annual payroll of active employees covered by the plan) was \$17,459,753, and the ratio of the UAAL to the anticipated covered payroll was 15.73%.

9. Post-Employment Health Care Costs (continued)Annual OPEB Cost and Net OPEB Obligation (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of future occurrence of events. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new forecasts are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the College and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Valuation Date	1/1/2013
Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent of Pay
Amortization Period	25 Years (closed)
General Inflation Rate	2.75%
Investment Rate of Return	4.00%
Projected Salary Increases	3.75%
Initial Healthcare Inflation Rates	6.90%
Ultimate Healthcare Inflation Rates	4.50%

10. Contingencies

The College receives grants from third parties, including the Federal Government. These funds are subject to audit and adjustment by these agencies, which may occur after the College's annual audit. Any disallowed costs, including amounts already collected, may constitute a liability of the College. This potential liability is deemed to be immaterial.

11. Restatement

During the year ended June 30, 2014, the College implemented GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities"* to properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. Adopting this statement effectively decreases net position as of July 1, 2013 by \$379,967. The decrease results from no longer deferring and amortizing bond issuance costs.

Rogue Community College
Grants Pass, Oregon

Required Supplementary Information

(Funding Progress for Retiree Health Plan)

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Schedule of Funding Progress for Retiree Health Plan
For the year ended June 30, 2014

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarial Valuation Date	01/01/2013	01/01/2013	01/01/2011	01/01/2011	01/01/2009
Actuarial value of assets (a)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actuarial accrued liability (b)	<u>2,746,267</u>	<u>2,783,096</u>	<u>2,470,280</u>	<u>2,457,155</u>	<u>2,218,612</u>
Unfunded actuarial accrued liability (b-a)	<u>\$ 2,746,267</u>	<u>\$ 2,783,096</u>	<u>\$ 2,470,280</u>	<u>\$ 2,457,155</u>	<u>\$ 2,218,612</u>
Funded ratio (a/b)	0%	0%	0%	0%	0%
Covered payroll (c)	<u>\$ 17,459,753</u>	<u>\$ 16,828,677</u>	<u>\$ 17,305,153</u>	<u>\$ 16,841,998</u>	<u>\$ 14,143,259</u>
Unfunded actuarial accrued liability as a percentage of covered payroll ((b-a)/c)	<u>16%</u>	<u>17%</u>	<u>14%</u>	<u>15%</u>	<u>16%</u>

Note: For the postemployment health care benefits plan, the January 1, 2009 actuarial valuation is the first year this information was available. The College receives an actuarial valuation every two years.

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Rogue Community College
Grants Pass, Oregon

Other Supplementary Information

(Individual Fund Financial Schedules)

Other Supplementary Information
Description of Budgeted College Funds

Other supplementary information consists of schedules required by the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual are presented on a Non-GAAP budgetary basis for each College fund required to be budgeted in accordance with Oregon Local Budget Law. The Non-GAAP budgetary basis reflects a modified accrual basis of accounting where revenues are reported when earned; expenditures are reported when liability is incurred; and taxes are accounted for on a cash basis.

The level of control established by the College's appropriation resolution is by function (i.e., Instruction, Instructional Support Services, Student Services, Community Services, College Support Services, Plant Operations and Maintenance, Financial Aid, Plant Additions and Contingencies and Reserves) for all funds.

Budgeted College funds are as follows:

General Fund – Covers general operations of the College and accounts for all financial resources and expenditures of the College, except for those required to be accounted for in another fund. The principal sources of revenue include tuition, property taxes, and state community college support.

Capital Improvement Funds - Accounts for the receipt and disbursement of resources for buildings and land, buying or maintaining College facilities, and equipment. The principal revenues include transfers from the College Services Fund, bond levy proceeds, certificates of participation and investment earnings.

Debt Service Funds - Accounts for the accumulation of resources for and payment of principal and interest on the College's long-term debt obligations. The principal revenues are transfers from the General Fund, College Services Fund and the PERS Fund and property taxes approved for bond levies.

College Services Fund – Accounts for non-technology fees charged to students. These fees include materials fees, the college services fee, testing fees, collection fees and the installment fee. The principal revenue is generated by fees remitted by students. The principal expenditures include facility lease, transportation costs, and transfers out to other funds.

Contract and Grant Fund - Accounts for grants and contracts for the Small Business Development Center, U. S. Department of Education (which includes TRIO), Perkins Basic, TAACCCT, Rogue Community College Foundation Department Projects and other contracts and grants. Revenues are primarily provided by federal, state and local sources.

Financial Aid Fund – Accounts for student aid in the form of federal grants (Federal Pell Grant, Federal Supplemental Education Opportunity Grant, Iraq and Afghanistan Service Grant), the Oregon Opportunity Grant (OOG), institutional scholarships (RCC Foundation), state scholarships administered by the Oregon Student Access Commission, third-party scholarships, federal work-study student employment, federal direct loans to students (subsidized and unsubsidized) and private student loans.

Higher Education Center Fund – Accounts for the day-to-day expenditures such as security, utilities, custodial services, copiers, maintenance services and technology support necessary to run the Higher Education Center building. Rogue Community College and Southern Oregon University share these costs.

Intra-College Fund - Accounts for activities performed by the College for the benefit of the College. Activities include Associated Students of Rogue Community College, Professional Growth, Staff Development and other departmental charges. The principal revenue for this fund is the college services fee remitted by students and transfers in from other funds.

Rogue Community College

Other Supplementary Information

Description of Budgeted College Funds (continued)

PERS Fund – Accounts for the reserve held by the College for anticipated, future rate increases and the unfunded actuarial liability. The principal revenue is the PERS expense charged in other funds. Funds are transferred from this fund to the Debt Service Fund to pay the Series 2005 Limited Tax Pension Obligation Bonds.

Self-Support Fund - Accounts for the self-support instructional activities of the College. The principal revenue is tuition and fees.

Stability Reserve Fund – This fund accounts for the funds set aside by the RCC Board of Education to be used to stabilize the College's funding. The principal revenue is transfers from the General Fund.

Technology and Equipment Fund - This fund is designated for the replacement of the College's equipment and for distance delivery. The principal revenue is the \$4 per credit and the \$4 per non-credit class technology fee, the distance education fee, host provider service fees and transfers from the General Fund and College Services Fund. The principal expenditure are upgrades/replacements for equipment and distance delivery services.

Unemployment Fund - Accounts for the payments to the Oregon Employment Division for unemployment benefits paid to terminated employees. Principal revenues are the unemployment expense charged to other funds and investment earnings.

Auxiliary Services Fund - Accounts for the operation of the College's bookstore. Principal revenue from this fund is book sales.

Other Auxiliary Services Fund - Accounts for the operation of Art, Auto Artist, Diesel Technology, Disability Services, Early Childhood Education Facility, Facility Rental, Friends of the Library, Gallery Projects, HPER, Illinois Valley Business Entrepreneurial Center Facility, Massage, Math, Music Ensembles, Pay Phones, RogueNet intergovernmental agreements, Science, Testing Center, Theater, and Welding.

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Rogue Community College

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
State sources	\$ 6,943,447	\$ 6,943,447	\$ 7,434,500	\$ 491,053
Local sources	11,235,966	11,235,966	11,555,337	319,371
Tuition and fees	14,155,070	14,155,070	14,530,694	375,624
Other revenue sources	250,000	250,000	302,254	52,254
Total revenues	<u>32,584,483</u>	<u>32,584,483</u>	<u>33,822,785</u>	<u>1,238,302</u>
Expenditures:				
Instruction	15,446,755	15,377,559	15,643,830	(266,271)
Instructional support services	3,277,532	3,315,544	3,236,578	78,966
Student services	5,296,571	5,325,068	4,940,812	384,256
Community services	181,848	199,830	195,412	4,418
College support services	6,629,658	6,613,663	5,793,007	820,656
Plant operations and maintenance	2,944,296	2,945,646	2,620,439	325,207
Contingency	1,850,783	1,786,228	0	1,786,228
Total expenditures	<u>35,627,443</u>	<u>35,563,538</u>	<u>32,430,078</u>	<u>3,133,460</u>
Revenues over (under) expenditures	<u>(3,042,960)</u>	<u>(2,979,055)</u>	<u>1,392,707</u>	<u>4,371,762</u>
Other financing sources (uses):				
Transfers in	1,108,011	1,108,011	1,023,891	(84,120)
Transfers out	(1,162,008)	(1,225,913)	(1,225,913)	0
Total other financing sources (uses)	<u>(53,997)</u>	<u>(117,902)</u>	<u>(202,022)</u>	<u>(84,120)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(3,096,957)</u>	<u>(3,096,957)</u>	<u>1,190,685</u>	<u>4,287,642</u>
Fund balance, beginning of year	<u>3,096,957</u>	<u>3,096,957</u>	<u>3,096,278</u>	<u>(679)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,286,963</u>	<u>\$ 4,286,963</u>

Rogue Community College

Capital Improvement Fund - COPs & Bonds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 200,000	\$ 200,000	\$ 0	\$ (200,000)
Expenditures:				
Plant additions	257,221	257,221	4,786	252,435
College support services	0	0	0	0
Total expenditures	257,221	257,221	4,786	252,435
Revenues over (under) expenditures	(57,221)	(57,221)	(4,786)	52,435
Fund balance, beginning of year	57,221	57,221	4,786	(52,435)
Fund balance, end of year	\$ 0	\$ 0	\$ 0	\$ 0

Rogue Community College

Capital Improvement Fund - Maintenance
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 11,894	\$ 11,894
Expenditures:				
Plant operations and maintenance	1,172,019	1,172,257	559,929	612,328
Plant additions	800,000	800,000	0	800,000
Contingency	716,267	716,029	0	716,029
Total expenditures	2,688,286	2,688,286	559,929	2,128,357
Revenues over (under) expenditures	(2,688,286)	(2,688,286)	(548,035)	2,140,251
Other financing sources (uses):				
Transfers in	1,110,000	1,110,000	1,108,583	(1,417)
Revenues and other sources over (under) expenditures and other uses	(1,578,286)	(1,578,286)	560,548	2,138,834
Fund balance, beginning of year	1,578,286	1,578,286	1,622,239	43,953
Fund balance, end of year	\$ 0	\$ 0	\$ 2,182,787	\$ 2,182,787

Rogue Community College

Capital Improvement Fund - State Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 500,000	\$ 577,700	\$ 77,700	\$ (500,000)
Local sources	2,525,000	2,525,000	0	(2,525,000)
Total revenues	3,025,000	3,102,700	77,700	(3,025,000)
Expenditures:				
Plant operations and maintenance	0	77,700	77,700	0
Plant Additions	3,025,000	3,025,000	0	3,025,000
Total expenditures	3,025,000	3,102,700	77,700	3,025,000
Revenues over (under) expenditures	0	0	0	0
Fund balance, beginning of year	0	0	0	0
Fund balance, end of year	\$ 0	\$ 0	\$ 0	\$ 0

Rogue Community College

Debt Service Fund - General Obligation Bonds
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 (Non-GAAP Budgetary Basis) - Budget and Actual
 For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Local sources	\$ 1,815,278	\$ 1,815,278	\$ 1,893,411	\$ 78,133
Other revenue sources	15,916	15,916	21,748	5,832
Total revenues	<u>1,831,194</u>	<u>1,831,194</u>	<u>1,915,159</u>	<u>83,965</u>
Expenditures:				
Debt service	1,850,525	1,850,525	1,850,525	0
Unappropriated ending fund balance	154,210	154,210	0	154,210
Total expenditures	<u>2,004,735</u>	<u>2,004,735</u>	<u>1,850,525</u>	<u>154,210</u>
Revenues over (under) expenditures	(173,541)	(173,541)	64,634	238,175
Fund balance, beginning of year	173,541	173,541	207,067	33,526
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 271,701</u>	<u>\$ 271,701</u>
Summary of expenditures by appropriation:				
College support services	\$ 1,850,525	\$ 1,850,525	\$ 1,850,525	\$ 0
Unappropriated ending fund balance	<u>154,210</u>	<u>154,210</u>	<u>0</u>	<u>154,210</u>
Total expenditures	<u>\$ 2,004,735</u>	<u>\$ 2,004,735</u>	<u>\$ 1,850,525</u>	<u>\$ 154,210</u>

Rogue Community College

Debt Service Fund - Other
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 18	\$ 18
Expenditures:				
Debt service	1,608,486	1,608,486	1,608,484	2
Contingency	34,240	34,240	0	34,240
Total expenditures	1,642,726	1,642,726	1,608,484	34,242
Revenues over (under) expenditures	(1,642,726)	(1,642,726)	(1,608,466)	34,260
Other financing sources (uses):				
Transfers in	1,608,486	1,608,487	1,608,463	(24)
Revenues and other sources over (under) expenditures and other uses	(34,240)	(34,239)	(3)	34,236
Fund balance, beginning of year	34,240	34,239	34,248	9
Fund balance, end of year	\$ 0	\$ 0	\$ 34,245	\$ 34,245
Summary of expenditures by appropriation:				
College support services	\$ 1,608,486	\$ 1,608,486	\$ 1,608,484	\$ 2
Contingency	34,240	34,240	0	34,240
Total expenditures	\$ 1,642,726	\$ 1,642,726	\$ 1,608,484	\$ 34,242

Rogue Community College

College Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 1,995,773	\$ 1,995,773	\$ 2,037,382	\$ 41,609
Expenditures:				
College support services	308,000	308,000	227,579	80,421
Plant operations and maintenance	148,830	173,830	149,046	24,784
Contingency	281,207	256,207	0	256,207
Reserved for future expenditures	1,846,605	1,846,605	0	1,846,605
Total expenditures	2,584,642	2,584,642	376,625	2,208,017
Revenues over (under) expenditures	(588,869)	(588,869)	1,660,757	2,249,626
Other financing sources (uses):				
Transfers out	(1,886,795)	(1,886,795)	(1,886,795)	0
Total other financing sources (uses)	(1,886,795)	(1,886,795)	(1,886,795)	0
Revenues and other sources over (under) expenditures and other uses	(2,475,664)	(2,475,664)	(226,038)	2,249,626
Fund balance, beginning of year	2,475,664	2,475,664	3,016,989	541,325
Fund balance, end of year	\$ 0	\$ 0	\$ 2,790,951	\$ 2,790,951

Rogue Community College

Contract and Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Federal sources	\$ 3,829,468	\$ 3,789,708	\$ 2,407,971	\$ (1,381,737)
State sources	565,321	393,500	349,154	(44,346)
Local sources	43,000	47,500	47,500	0
Tuition and fees	105,000	105,000	122,961	17,961
Other revenue sources	149,942	236,524	254,534	18,010
Total revenues	<u>4,692,731</u>	<u>4,572,232</u>	<u>3,182,120</u>	<u>(1,390,112)</u>
Expenditures:				
Instruction	1,924,846	1,911,476	954,340	957,136
Instructional support services	1,679,325	1,678,265	1,110,466	567,799
Student services	948,233	969,732	790,163	179,569
Community services	50,000	50,315	314	50,001
College support services	50,000	50,000	0	50,000
Plant operations and maintenance	50,000	50,000	0	50,000
Plant additions	10,000	10,000	0	10,000
Contingency	130,111	122,727	0	122,727
Total expenditures	<u>4,842,515</u>	<u>4,842,515</u>	<u>2,855,283</u>	<u>1,987,232</u>
Revenues over (under) expenditures	<u>(149,784)</u>	<u>(270,283)</u>	<u>326,837</u>	<u>597,120</u>
Other financing sources (uses):				
Transfers in	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Revenues and other sources over (under) expenditures and other uses	<u>(149,784)</u>	<u>(250,283)</u>	<u>346,837</u>	<u>597,120</u>
Fund balance, beginning of year	<u>149,784</u>	<u>250,283</u>	<u>250,279</u>	<u>(4)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 597,116</u>	<u>\$ 597,116</u>

Rogue Community College

Financial Aid Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal sources	\$ 32,756,075	\$ 32,756,075	\$ 28,357,361	\$ (4,398,714)
State sources	2,350,000	2,350,000	2,134,028	(215,972)
Local sources	700,000	700,000	309,457	(390,543)
Other revenue sources	2,035,000	2,035,000	39,520	(1,995,480)
Total revenues	<u>37,841,075</u>	<u>37,841,075</u>	<u>30,840,366</u>	<u>(7,000,709)</u>
Expenditures:				
Student financial aid	<u>37,806,075</u>	<u>37,806,075</u>	<u>30,826,176</u>	<u>6,979,899</u>
Total expenditures	<u>37,806,075</u>	<u>37,806,075</u>	<u>30,826,176</u>	<u>6,979,899</u>
Revenues over (under) expenditures	35,000	35,000	14,190	(20,810)
Other financing sources (uses):				
Transfers out	<u>(35,000)</u>	<u>(35,000)</u>	<u>(14,190)</u>	<u>20,810</u>
Revenues and other sources over (under) expenditures and other uses	0	0	0	0
Fund balance, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Rogue Community College

Higher Education Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 460,030	\$ 460,030	\$ 302,886	\$ (157,144)
Expenditures:				
Instructional support	20,316	20,316	14,402	5,914
College support services	174,180	190,809	163,942	26,867
Plant operations and maintenance	539,600	522,971	342,111	180,860
Plant additions	1,000	1,000	0	1,000
Contingency	104,039	104,039	0	104,039
Total expenditures	839,135	839,135	520,455	318,680
Revenues over (under) expenditures	(379,105)	(379,105)	(217,569)	161,536
Other financing sources (uses):				
Transfers in	379,105	379,105	217,223	(161,882)
Revenues and other sources over (under) expenditures and other uses	0	0	(346)	(346)
Fund balance, beginning of year	0	0	401	401
Fund balance, end of year	\$ 0	\$ 0	\$ 55	\$ 55

Rogue Community College

Intra-College Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 164,831	\$ 164,831	\$ 127,924	\$ (36,907)
Other revenue sources	65,200	50,940	16,129	(34,811)
Total revenues	<u>230,031</u>	<u>215,771</u>	<u>144,053</u>	<u>(71,718)</u>
Expenditures:				
Instructional support	128,466	131,375	63,384	67,991
Student services	223,500	214,240	161,354	52,886
College support services	145,337	132,428	62,350	70,078
Contingency	1,700	1,700	0	1,700
Total expenditures	<u>499,003</u>	<u>479,743</u>	<u>287,088</u>	<u>192,655</u>
Revenues over (under) expenditures	<u>(268,972)</u>	<u>(263,972)</u>	<u>(143,035)</u>	<u>120,937</u>
Other financing sources (uses):				
Transfers in	145,490	158,655	178,904	20,249
Transfers out	(10,892)	(30,152)	(20,000)	10,152
Total other financing sources (uses)	<u>134,598</u>	<u>128,503</u>	<u>158,904</u>	<u>30,401</u>
Revenues and other sources over (under) expenditures and other uses	<u>(134,374)</u>	<u>(135,469)</u>	<u>15,869</u>	<u>151,338</u>
Fund balance, beginning of year	<u>134,374</u>	<u>135,469</u>	<u>177,007</u>	<u>41,538</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 192,876</u>	<u>\$ 192,876</u>

Rogue Community College

PERS Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 1,569,839	\$ 1,569,839	\$ 2,550,745	\$ 980,906
Expenditures:				
College support services	75,000	74,999	25,869	49,130
Reserved for future expenditures	3,973,763	3,973,763	0	3,973,763
Total expenditures	4,048,763	4,048,762	25,869	4,022,893
Revenues over (under) expenditures	(2,478,924)	(2,478,923)	2,524,876	5,003,799
Other financing sources (uses):				
Transfers out	(1,444,702)	(1,444,703)	(1,444,702)	1
Total other financing sources (uses)	(1,444,702)	(1,444,703)	(1,444,702)	1
Revenues and other sources over (under) expenditures and other uses	(3,923,626)	(3,923,626)	1,080,174	5,003,800
Fund balance, beginning of year	3,923,626	3,923,626	3,956,179	32,553
Fund balance, end of year	\$ 0	\$ 0	\$ 5,036,353	\$ 5,036,353

Rogue Community College

Self-Support Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 84,000	\$ 84,000	\$ 90,030	\$ 6,030
Tuition and fees	1,480,498	1,463,190	1,273,941	(189,249)
Other revenue sources	800,163	750,163	11,360	(738,803)
Total revenues	<u>2,364,661</u>	<u>2,297,353</u>	<u>1,375,331</u>	<u>(922,022)</u>
Expenditures:				
Instruction	1,582,708	1,582,903	894,045	688,858
Instructional support services	813,751	813,556	726,991	86,565
Student services	17,000	17,000	5,975	11,025
Total expenditures	<u>2,413,459</u>	<u>2,413,459</u>	<u>1,627,011</u>	<u>786,448</u>
Revenues over (under) expenditures	(48,798)	(116,106)	(251,680)	(135,574)
Other financing sources (uses):				
Transfers in	<u>3,500</u>	<u>53,500</u>	<u>174,731</u>	<u>121,231</u>
Revenues and other sources over (under) expenditures and other uses	(45,298)	(62,606)	(76,949)	(14,343)
Fund balance, beginning of year	<u>45,298</u>	<u>62,606</u>	<u>242,181</u>	<u>179,575</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 165,232</u>	<u>\$ 165,232</u>

Rogue Community College

Stability Reserve Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Reserved for future expenditures	2,161,052	2,161,052	0	2,161,052
Total expenditures	2,161,052	2,161,052	0	2,161,052
Revenues over (under) expenditures	(2,161,052)	(2,161,052)	0	2,161,052
Other financing sources (uses):				
Transfers in	540,000	540,000	540,000	0
Total other financing sources (uses)	540,000	540,000	540,000	0
Revenues and other sources over (under) expenditures and other uses	(1,621,052)	(1,621,052)	540,000	2,161,052
Fund balance, beginning of year	1,621,052	1,621,052	1,621,052	0
Fund balance, end of year	\$ 0	\$ 0	\$ 2,161,052	\$ 2,161,052

Rogue Community College

Technology and Equipment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 200	\$ 200	\$ 0	\$ (200)
Tuition and fees	1,210,998	1,202,205	1,096,189	(106,016)
Total revenues	1,211,198	1,202,405	1,096,189	(106,216)
Expenditures:				
Instruction	59,661	258,376	185,630	72,746
Instructional support services	763,178	669,768	472,861	196,907
Student Services	124,500	25,065	65	25,000
College support services	607,518	807,885	587,754	220,131
Plant operations and maintenance	31,213	31,213	4,995	26,218
Contingency	585,048	378,811	0	378,811
Total expenditures	2,171,118	2,171,118	1,251,305	919,813
Revenues over (under) expenditures	(959,920)	(968,713)	(155,116)	813,597
Other financing sources (uses):				
Transfers in	47,850	47,850	47,850	0
Transfers Out	0	0	0	0
Total other financing sources (uses)	47,850	47,850	47,850	0
Revenues and other sources over (under) expenditures and other uses	(912,070)	(920,863)	(107,266)	813,597
Fund balance, beginning of year	912,070	920,863	926,706	5,843
Fund balance, end of year	\$ 0	\$ 0	\$ 819,440	\$ 819,440

Rogue Community College

Unemployment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
Other revenue sources	\$ 149,994	\$ 149,994	\$ 96,001	\$ (53,993)
Expenditures:				
College support services	249,994	249,994	93,613	156,381
Reserved for future expenditures	400,000	400,000	0	400,000
Total expenditures	649,994	649,994	93,613	556,381
Revenues over (under) expenditures	(500,000)	(500,000)	2,388	502,388
Fund balance, beginning of year	500,000	500,000	524,039	24,039
Fund balance, end of year	\$ 0	\$ 0	\$ 526,427	\$ 526,427

Rogue Community College

Auxiliary Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Sales	\$ 3,237,561	\$ 3,237,561	\$ 2,945,058	\$ (292,503)
Other income	8,450	8,450	13,497	5,047
Total revenues	<u>3,246,011</u>	<u>3,246,011</u>	<u>2,958,555</u>	<u>(287,456)</u>
Expenditures:				
Personnel services	341,173	341,173	327,816	13,357
Other payroll expense	186,824	186,824	182,868	3,956
Materials and services	154,836	345,219	245,469	99,750
Materials for resale	2,413,171	2,413,062	2,259,691	153,371
Capital equipment	30,000	48,834	0	48,834
Contingency	887,807	678,699	0	678,699
Total expenditures	<u>4,013,811</u>	<u>4,013,811</u>	<u>3,015,844</u>	<u>997,967</u>
Revenues over (under) expenditures	(767,800)	(767,800)	(57,289)	710,511
Other financing sources (uses):				
Transfers out	<u>(485,000)</u>	<u>(485,000)</u>	<u>(410,000)</u>	<u>75,000</u>
Revenues and other sources over (under) expenditures and other uses	(1,252,800)	(1,252,800)	(467,289)	785,511
Fund balance, beginning of year	<u>1,252,800</u>	<u>1,252,800</u>	<u>1,378,143</u>	<u>125,343</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 910,854</u>	<u>\$ 910,854</u>
Summary of expenditures by appropriation:				
Student Services	\$ 3,126,004	\$ 3,335,112	\$ 3,015,844	\$ 319,268
Contingency	<u>887,807</u>	<u>678,699</u>	<u>0</u>	<u>678,699</u>
Total Expenditures	4,013,811	4,013,811	3,015,844	997,967
Transfers out	<u>485,000</u>	<u>485,000</u>	<u>410,000</u>	<u>75,000</u>
	<u>\$ 4,498,811</u>	<u>\$ 4,498,811</u>	<u>\$ 3,425,844</u>	<u>\$ 1,072,967</u>

Rogue Community College

Other Auxiliary Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other income	\$ 603,845	\$ 587,820	\$ 561,256	\$ (26,564)
Expenditures:				
Personnel services	274,485	274,485	294,821	(20,336)
Other payroll expense	159,973	159,973	160,853	(880)
Materials and services	372,022	403,773	151,647	252,126
Materials for resale	8,270	12,119	9,193	2,926
Capital equipment	856	856	35	821
Contingency	489,564	453,964	0	453,964
Total expenditures	1,305,170	1,305,170	616,549	688,621
Revenues over (under) expenditures	(701,325)	(717,350)	(55,293)	662,057
Other financing sources (uses):				
Transfers in	81,955	81,955	81,955	0
Revenues and other sources over (under) expenditures and other uses	(619,370)	(635,395)	26,662	662,057
Fund balance, beginning of year	619,370	635,395	648,839	13,444
Fund balance, end of year	\$ 0	\$ 0	\$ 675,501	\$ 675,501
Summary of expenditures by appropriation:				
Student services	\$ 43,837	\$ 43,837	\$ 22,122	\$ 21,715
Community services	659,672	659,672	515,030	144,642
College support services	47,789	38,789	4,615	34,174
Plant operations and maintenance	64,308	108,908	74,782	34,126
Contingency	489,564	453,964	0	453,964
Total expenditures	\$ 1,305,170	\$ 1,305,170	\$ 616,549	\$ 688,621

Rogue Community College
Grants Pass, Oregon

Other Supplementary Information
(Schedule of Property Tax Transactions)

Schedule of Property Tax Transactions - General Fund
For the year ended June 30, 2014

Fiscal Year Ended	Uncollected Balances July 1, 2013	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2014
2014	\$	\$ 11,685,242	\$ (316,620)	\$ 10,963,892	\$ 404,730
2013	430,634		118,271	336,975	211,930
2012	236,190		(2,196)	98,552	135,442
2011	133,430		(1,223)	72,956	59,251
2010	61,457		(1,564)	32,420	27,473
2009	16,542		(987)	5,515	10,040
2008	10,193		(98)	3,329	6,766
Prior Years	21,412		(5,741)	3,336	12,335
Total	<u>\$ 909,858</u>	<u>\$ 11,685,242</u>	<u>\$ (210,158)</u>	<u>\$ 11,516,975</u>	<u>\$ 867,967</u>

Schedule of Property Tax Transactions - Debt Service Fund
For the year ended June 30, 2014

Fiscal Year Ended	Uncollected Balances July 1, 2013	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2014
2014	\$	\$ 1,910,095	\$ (63,388)	\$ 1,784,301	\$ 62,406
2013	66,073		19,009	54,344	30,738
2012	35,027		(342)	16,458	18,227
2011	20,212		(224)	12,887	7,101
2010	8,563		(309)	5,682	2,572
2009	3,083		(270)	1,004	1,809
2008	2,275		(57)	693	1,525
Prior Years	2,056	0	(1,090)	232	734
Total	<u>\$ 137,289</u>	<u>\$ 1,910,095</u>	<u>\$ (46,671)</u>	<u>\$ 1,875,601</u>	<u>\$ 125,112</u>

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FINANCIAL TRENDS:	70
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

REVENUE CAPACITY:.....	74
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These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

DEBT CAPACITY:.....	86
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION:	91
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

OPERATING INFORMATION:	93
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the published comprehensive annual financial reports for the relevant year. The College implemented GASB Statement No. 65 in fiscal 2014; schedules containing information for years prior to fiscal year 2014 have not been restated in accordance with GASB No. 65, unless otherwise stated.

Net Position by Component
Last Ten Fiscal Years - (unaudited)

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>
Net investment in capital assets	\$ 14,057,119	\$ 13,608,528	\$ 13,153,067	\$ 13,752,101
Restricted - expendable	993,992	592,876	607,081	747,302
Unrestricted	<u>22,310,498</u>	<u>16,945,296</u>	<u>16,428,065</u>	<u>12,038,388</u>
Total net position	<u>\$ 37,361,609</u>	<u>\$ 31,146,700</u>	<u>\$ 30,188,213</u>	<u>\$ 26,537,791</u>

Source: Rogue Community College Budget and Financial Services.

<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
\$ 13,176,167	\$ 13,285,344	\$ 13,337,179	\$ 9,269,103	\$ 8,246,031	\$ 6,089,802
746,133	628,693	2,563,399	4,299,121	2,427,171	1,140,596
10,149,312	2,718,379	6,576,208	3,214,987	4,539,508	2,463,479
<u>\$ 24,071,612</u>	<u>\$ 16,632,416</u>	<u>\$ 22,476,786</u>	<u>\$ 16,783,211</u>	<u>\$ 15,212,710</u>	<u>\$ 9,693,877</u>

Changes in Net Position
Last Ten Fiscal Years - (unaudited)

	2013-14	2012-13	2011-12	2010-11
Operating Revenues				
Student tuition and fees	\$ 19,189,090	\$ 18,951,762	\$ 19,980,687	\$ 17,396,805
Federal student financial aid grants	28,357,361	29,282,493	31,128,994	29,517,520
Federal grants and contracts	2,407,971	2,070,948	2,306,020	2,627,174
State and local grants and contracts	3,039,372	3,382,815	3,315,112	3,832,881
Auxiliary enterprises	2,886,688	3,012,341	3,263,140	3,446,288
Other operating revenues	0	0	0	0
Total operating revenues	\$ 55,880,482	\$ 56,700,359	\$ 59,993,953	\$ 56,820,668
Expenses:				
Instruction	\$ 16,944,686	\$ 16,959,707	\$ 17,602,427	\$ 17,036,563
Community services	690,447	4,770,501	696,173	635,513
Instructional support services	5,270,080	8,457,690	4,763,229	4,621,373
Student services	8,713,370	637,728	8,757,710	8,821,596
College support services	6,540,975	6,522,004	6,578,074	5,917,232
Plant operations and maintenance	3,775,239	3,485,631	3,864,283	4,915,125
Scholarships and grants	30,818,208	31,995,666	33,719,682	30,816,983
Depreciation	1,249,414	1,232,604	1,177,785	1,137,160
Total Expenses	\$ 74,002,419	\$ 74,061,531	\$ 77,159,363	\$ 73,901,545
Operating Income(loss)	\$ (18,121,937)	\$ (17,361,172)	\$ (17,165,410)	\$ (17,080,877)
Non-operating Revenues and Expenses:				
State community college support	\$ 8,812,032	\$ 3,902,363	\$ 7,690,282	\$ 4,099,976
Property taxes	13,363,178	12,779,883	12,708,580	12,816,782
Investment income	3,050,295	2,327,212	674,452	3,637,636
Other non-operating revenue	1,318,307	1,237,287	1,715,246	1,080,360
Gain (Loss) on disposal of capital assets	(14,745)	(1,040)	(5,323)	(3,688)
Gain (Loss) on pension asset	0	0	0	0
Interest expense	(1,730,889)	(1,791,596)	(1,818,453)	(2,036,715)
Amortization of deferred charges	(121,865)	(151,950)	(148,952)	(47,295)
Total non-operating revenue and expenses	\$ 24,676,313	\$ 18,302,159	\$ 20,815,832	\$ 19,547,056
Income (loss) before contributions	6,554,376	940,987	3,650,422	2,466,179
Capital contribution - donated assets	40,500	17,500	0	0
Change in net position	\$ 6,594,876	\$ 958,487	\$ 3,650,422	\$ 2,466,179

Source: Rogue Community College Budget and Financial Services

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
\$ 15,611,574	\$ 11,848,151	\$ 10,010,734	\$ 9,810,790	\$ 9,783,177	\$ 9,846,121
12,812,538	6,581,276	4,748,199	4,662,528	4,920,645	5,638,000
2,586,851	2,560,624	2,197,465	2,142,110	2,105,626	2,635,301
6,977,045	5,461,820	6,666,795	2,691,544	2,523,472	2,720,192
3,227,307	2,726,353	2,148,596	2,142,221	2,275,656	2,302,389
0	0	0	58,296	83,745	55,825
\$ 41,215,315	\$ 29,178,224	\$ 25,771,789	\$ 21,507,489	\$ 21,692,321	\$ 23,197,828
\$ 14,699,340	\$ 14,152,736	\$ 13,191,336	\$ 12,204,951	\$ 12,633,646	\$ 11,300,840
521,995	619,193	420,116	409,272	445,083	435,517
4,646,151	4,908,709	4,689,741	3,418,615	3,568,539	3,126,831
8,100,885	7,292,340	4,191,697	4,562,729	4,564,064	4,178,159
5,866,887	5,648,526	7,453,270	10,590,384	11,002,128	10,630,067
4,825,340	4,820,046	3,113,041	1,868,474	2,620,063	1,673,169
16,945,400	9,265,555	6,612,883	6,421,174	6,646,918	6,830,239
1,152,375	1,087,950	883,083	909,319	833,359	833,881
\$ 56,758,373	\$ 47,795,055	\$ 40,555,167	\$ 40,384,918	\$ 42,313,800	\$ 39,008,703
\$ (15,543,058)	\$ (18,616,831)	\$ (14,783,378)	\$ (18,877,429)	\$ (20,621,479)	\$ (15,810,875)
\$ 8,803,430	\$ 6,229,361	\$ 10,700,936	\$ 5,919,914	\$ 11,282,157	\$ 7,078,497
12,500,363	11,816,153	11,287,714	10,689,177	10,093,371	8,033,238
2,788,708	350,437	72,451	4,123,253	4,628,356	334,262
1,050,136	961,662	686,860	838,942	647,498	400,324
0	0	2,382	184,580	(340,649)	(150)
0	(5,003,419)	0	0	0	0
(2,113,088)	(2,166,204)	(2,236,097)	(2,280,643)	(2,273,793)	(702,002)
(47,295)	(47,293)	(47,293)	(47,293)	(47,296)	(23,725)
\$ 22,982,254	\$ 12,140,697	\$ 20,466,953	\$ 19,427,930	\$ 23,989,644	\$ 15,120,444
7,439,196	(6,476,134)	5,683,575	550,501	3,368,165	(690,431)
0	0	10,000	1,020,000	2,150,668	329,000
\$ 7,439,196	\$ (6,476,134)	\$ 5,693,575	\$ 1,570,501	\$ 5,518,833	\$ (361,431)

Assessed and Estimated Actual Value of Taxable Property,
Josephine and Jackson Counties - Last Ten Fiscal Years - (unaudited)

Fiscal Year	Total Direct Tax Rate (2)	Assessed Value (1) (3)						Real Market Value	Assessed Value as a Percent of Actual Value
		Real Property	Manufactured Structures	Personal Property	Utilities	Other	Total		
Jackson County:									
2013-14	0.6252	\$ 15,564,230	\$ 144,879	\$ 428,371	\$ 572,796	\$ 221,874	\$ 16,932,150	\$ 21,365,297	79.3%
2012-13	0.6231	15,018,426	148,002	423,276	575,197	208,255	16,373,156	20,963,860	78.1%
2011-12	0.6193	15,253,569	170,153	439,403	586,330		16,449,455	22,526,553	73.0%
2010-11	0.6319	15,059,656	161,634	459,830	569,936		16,251,056	24,611,610	66.0%
2009-10	0.6278	14,732,599	180,529	463,067	534,132		15,910,327	28,365,972	56.1%
2008-09	0.6256	14,204,195	200,989	500,594	500,517		15,406,295	31,152,479	49.5%
2007-08	0.6323	13,546,749	199,723	484,839	469,797		14,701,108	31,687,849	46.4%
2006-07	0.6365	12,699,118	223,533	452,600	464,471		13,839,722	28,839,149	48.0%
2005-06	0.6378	11,931,306	225,477	429,785	439,977		13,026,545	23,570,941	55.3%
2004-05	0.5128	11,203,265	223,305	421,004	475,066		12,322,639	20,018,504	61.6%
Josephine County:									
2013-14	0.5128	\$ 6,110,168	\$ 54,858	\$ 108,816	\$ 171,861	\$ 0	\$ 6,445,703	\$ 7,405,558	87.0%
2012-13	0.5128	5,934,113	55,862	112,494	164,801		6,267,270	7,275,734	86.1%
2011-12	0.5128	5,811,113	88,261	114,715	168,844		6,182,933	7,574,999	81.6%
2010-11	0.5128	5,682,170	117,201	122,550	165,070		6,086,991	8,446,480	72.1%
2009-10	0.5128	5,509,036	128,920	116,701	153,834		5,908,491	9,182,834	64.3%
2008-09	0.5128	5,267,002	137,774	119,351	131,097		5,655,224	10,271,803	55.1%
2007-08	0.5128	5,015,175	139,087	110,375	119,151		5,383,788	10,626,563	50.7%
2006-07	0.5128	4,717,457	135,530	103,837	120,485		5,077,309	9,900,996	51.3%
2005-06	0.5128	4,415,331	133,238	94,689	119,516		4,762,774	8,017,638	59.4%
2004-05	0.5128	4,129,479	130,267	92,167	129,163		4,481,076	6,502,754	68.9%

(1) Beginning in 1997-98 the assessed value of property in Oregon is determined by statute under Measure 50.

(2) Tax rates are per \$1,000 of assessed valuation.

(3) Assessed \$ values are presented to the nearest \$1,000.

Source: County Assessor's Office

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Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years (Dollars per \$1,000) - (unaudited)

	2013-14	2012-13	2011-12	2010-11
Jackson County:				
Jackson County	2.1988	2.2040	2.2056	2.3276
Jackson ESD	0.3524	0.3524	0.0352	0.3524
Rogue Community College	0.6252	0.6231	0.6193	0.6319
Rogue Valley Transit District	0.1772	0.1772	0.1772	0.1772
Vector Control	0.0429	0.0429	0.0429	0.0429
White City Enhanced LED	2.0211	2.0211	2.0211	2.0211
White City Lighting District	0.4000	0.4700	0.4700	0.4700
White City Soil and Water Conservation	0.0500	0.0500	0.0500	0.0500
Cities and Towns:				
Ashland	4.4254	4.4331	4.5147	4.4115
Butte Falls	7.2494	7.2494	7.2494	7.2494
Central Point	4.4700	4.4700	4.4700	4.4700
Eagle Point	2.7063	2.7076	2.7123	2.7168
Gold Hill	2.3348	2.4378	2.4169	2.3744
Jacksonville	2.4625	2.4673	2.4447	2.4653
Medford	5.3733	5.3760	5.3753	5.3814
Phoenix	3.6463	3.6463	3.6463	3.6463
Rogue River	3.8477	3.5216	3.6422	3.6425
Shady Cove	0.8989	0.9224	0.9044	0.9145
Talent	3.4310	3.4270	3.4346	3.4056
Fire Districts:				
Applegate #9	1.6787	1.6787	1.6787	1.6787
Central Point #3	3.1194	3.1194	3.1194	3.1194
Colestine RFPD	1.9455	1.9455	1.9455	1.9455
Evans Valley #6	1.2905	1.2905	1.2905	1.2905
Lake Creek RFPD	1.4740	1.4740	1.4740	1.4740
Medford #2	2.4938	2.4938	2.4938	2.4938
Prospect	0.9902	0.9902	0.9902	0.9902
Rogue River #1	2.1901	2.1887	2.1849	2.2261
Shady Cove/Trail #4	2.0181	2.0181	2.0181	2.0181
Talent #5	3.1976	3.1976	3.1976	3.1976
School Districts:				
Applegate #40	4.2838	4.2861	4.2460	4.2919
Ashland #5	6.0676	6.1370	6.1272	6.1608
Butte Falls #91	4.5749	4.5749	4.5749	4.5749
Central Point #6	5.5921	5.6479	5.6745	5.5963
Eagle Point #9	6.3143	6.2575	6.2443	6.3475
Medford #549C	6.3651	6.3127	6.4663	6.4746
Phoenix #4	5.1095	5.0473	5.0777	5.1057
Pinehurst #94	4.8235	4.8235	4.8235	4.8235
Prospect #59	4.3628	4.3628	4.3628	4.3628
Rogue River #35	4.9170	4.6933	5.0023	5.0290
Special Levies:				

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
2.3674	2.3433	2.2534	2.2426	2.2692	2.4725
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
0.6278	0.6256	0.6323	0.6365	0.6378	0.5128
0.1772	0.1772	0.1772	0.1772	0.1772	0.1772
0.0429	0.0429	0.0429	0.0429	0.0429	0.0429
2.0211	2.0211	2.0211	2.0211	2.0211	2.0211
0.4700	0.4700	0.4700	0.4700	0.4700	0.0000
0.0500	0.0500	0.0500	0.0000	0.0000	0.0000
4.3964	4.2886	4.1425	4.1826	3.8691	3.8768
7.2494	7.2494	7.2494	7.2494	7.2494	7.2494
4.4700	4.4700	4.4470	4.4699	4.4699	4.4699
2.7172	2.7328	2.7509	2.7854	2.8283	2.8949
2.4179	2.4637	2.4174	2.4745	2.4879	2.4983
2.5487	2.5745	2.6478	2.6852	2.7591	2.8297
5.3695	5.3709	5.3751	5.3713	5.2953	5.2953
3.6463	3.6463	3.6463	3.6463	3.6463	3.6463
3.6302	3.6477	3.5900	3.6302	3.6658	3.6906
0.9202	0.9283	0.9488	0.9493	0.9290	1.0558
3.4205	3.4185	3.4654	3.2316	3.2316	3.2316
1.6787	1.6787	1.6787	1.6787	1.6787	1.6787
3.1194	3.1194	3.1194	3.1194	3.1194	3.1194
1.9455	1.9455	1.9455	1.9455	1.9455	1.9455
1.2905	1.2905	1.2905	1.2905	1.2905	1.2905
1.4740	1.4740	1.4740	1.4740	1.4740	1.4740
2.4938	2.4938	2.4920	2.4680	2.4884	2.2967
0.9902	0.9902	0.9902	0.9902	0.9902	0.9902
2.2159	2.2116	2.2018	2.2478	2.2509	2.2609
2.0181	2.0181	2.0181	2.0181	2.0181	2.0181
3.1976	3.1976	3.1976	3.1976	3.1976	3.1976
4.2764	4.2875	4.3035	4.3373	4.3634	4.4285
6.1627	6.0470	5.9395	5.4059	5.3125	5.4425
4.5749	4.5749	4.5749	4.5749	4.5749	4.5749
5.5661	5.7278	5.7252	5.7592	5.7436	5.8144
6.3233	6.5937	6.6287	6.5861	6.6800	7.1679
6.4882	6.5550	6.2424	5.0551	5.0043	5.0060
5.1358	5.0918	5.0617	5.6875	5.9467	6.1590
4.8235	4.8235	4.8235	4.8235	4.8235	4.8235
4.3628	4.3628	4.3628	4.3628	4.3628	4.3628
5.0304	4.9901	5.0307	5.0383	5.0723	5.0926

Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years (Dollars per \$1,000) - (unaudited) (continued)

	2013-14	2012-13	2011-12	2010-11
Jackson Cty Urban Renewal	0.0000	0.0000	0.0000	0.0000
Medford Urban Renewal	0.4400	0.4070	0.3806	0.3828
Talent Urban Renewal	1.3183	1.2504	1.2298	1.2231
Local Option Levies:				
Applegate Fire District #9	0.8500	0.8500	0.8500	0.8500
Ashland School Dist #5	1.2900	1.2900	1.2900	1.2900
City of Ashland	0.1921	0.1921	0.1921	0.1921
City of Gold Hill	0.0000	0.0000	0.0000	0.0000
City of Jacksonville	0.0000	0.0000	0.0000	0.0000
City of Phoenix	0.0000	0.0000	0.0000	0.0000
Evans Valley Fire District #6	0.3600	0.3600	0.3600	0.0000
Rogue River Fire District #1	0.5000	0.5000	0.5000	0.5000
Josephine County:				
4-H Extension	0.0459	0.0459	0.0459	0.0459
Southern Oregon ESD	0.3524	0.3524	0.3524	0.3524
Josephine County	0.7464	0.7542	0.7532	0.7583
Rogue Community College	0.5128	0.5128	0.5128	0.5128
Kerby Water District	3.0247	2.9764	3.1356	3.4055
Cities:				
Grants Pass	4.5192	4.5350	4.5388	4.5401
Cave Junction	1.8959	1.8959	1.8959	1.8959
Fire Districts:				
Applegate RFPD #9	1.6787	1.6787	1.6787	1.6787
Illinois Valley RFPD #1	2.1998	2.1772	2.1685	2.2220
Williams RFPD	1.0552	1.0552	1.0552	1.0552
Wolf Creek RFPD	2.1865	2.1865	2.1865	2.1865
School Districts:				
Grants Pass #7	4.5248	5.8968	5.9661	5.9206
Three Rivers	4.2838	4.2861	4.2460	4.2919
Local Option Levy:				
Applegate RFPD #9	0.8500	0.8500	0.8500	0.8500
City of Grants Pass	1.7900	1.7900	1.7900	1.7900
Williams RFPD	0.5300	0.5300	0.5300	0.5300
Wolf Creek RFPD	0.5900	0.6900	0.6900	0.6900
Illinois Valley RFPD #1	0.2500	0.2500	0.0000	0.0000

Note: Ballot Measure 50, approved by the voters in May 1997, recalculated taxing districts' levies into "permanent" tax rates and imposed reductions in assessed value. Districts may levy local option levies or bond repayment levies in addition to their permanent rates if approved by the voters. In addition to the College's permanent rate of 0.5128, voters in Jackson County approved a bond levy in 2004/05 which amounted to a bonded debt service rate of 0.1250 in 2005/06.

Source: County Tax Assessor's Office

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
0.0000	0.0000	0.2726	0.2456	0.2469	0.2509
0.3855	0.4131	0.3938	0.4129	0.4439	0.4835
1.2189	1.2392	1.2556	1.1241	1.0770	0.8767
0.8500	0.8500	0.8500	0.8500	0.8500	0.8500
1.2900	1.2900	0.0000	0.0000	0.0000	0.0000
0.1900	0.1300	1.5800	1.3800	1.3800	1.3800
0.0000	0.0000	0.0000	0.9642	1.0156	1.0414
0.0000	0.0000	0.0000	1.0600	1.0600	0.0000
0.0000	0.0000	2.8500	2.8500	2.8500	2.8500
0.3600	0.3600	0.3600	0.3600	0.3600	0.0000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.0459	0.0459	0.0459	0.0459	0.0459	0.0459
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
0.7728	0.7873	0.8039	0.8104	0.8281	0.8478
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
3.3493	1.9045	0.0000	0.0000	0.0000	0.0000
4.5325	4.6338	4.6432	4.1335	4.1335	4.1335
1.8959	1.8959	1.8959	1.8959	1.8959	2.0374
1.6787	1.6787	1.6787	1.6787	1.6787	1.6787
2.2319	2.2615	2.3074	2.3462	2.3759	2.4093
1.0552	1.0552	1.0552	1.0552	1.0552	1.0552
2.1865	2.1865	2.1865	2.1865	2.1865	2.1865
6.4285	6.2061	6.4129	6.4794	6.6664	6.7555
4.2764	4.2875	4.3035	4.3373	4.3634	4.4285
0.8500	0.8500	0.8500	0.8500	0.8500	0.8500
1.7900	1.4900	1.4900	1.4900	1.4900	0.8900
0.5300	0.5300	0.5300	0.0000	0.0000	0.0000
0.6900	0.7900	0.7900	0.7900	0.7900	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Principal Taxpayers of Jackson County
Current Year and Nine Years Ago

Taxpayer	June 30, 2014			June 30, 2005		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Jackson County:						
Pacificorp (PP&L)	\$ 247,906,000	1	1.46%	\$ 162,457,000	1	1.32%
Rogue Valley Manor	86,405,760	2	0.51%	52,774,530	5	0.43%
Avista Corp. DBA Avista Utilities	82,699,000	3	0.49%	47,432,200	6	0.38%
Charter Communications	73,825,600	4	0.44%			
Carestream Health	63,339,900	5	0.37%			
Boise Cascade Corp	60,468,693	6	0.36%	37,535,832	9	0.3%
Rogue Valley Mall LLC	51,762,330	7	0.31%	43,963,210	7	0.36%
Centurylink	55,428,400	8	0.33%			
Harry & David Operations Inc	68,625,631	9	0.41%			
Wal-Mart Real Estate Business	34,828,680	10	0.21%			
Eastman Kodak Company				124,119,160	2	1.01%
Biomass One Ltd Partnership						
Qwest Corporation				116,079,900	3	0.94%
Bear Creek Operations, Inc.				67,930,960	4	0.55%
Certainteed Corporation				38,221,530	8	0.31%
BOC Group, Inc				27,315,330	10	0.22%
Total - principal tax payers	825,289,994		4.86%	717,829,652		5.82%
Other	\$ 16,106,859,745		95.13%	\$ 11,615,103,022		94.18%
Total - all taxpayers	\$ 16,932,149,739		100.00%	\$ 12,332,932,674		100.00%

Source: Jackson County Assessor's Office

Principal Taxpayers of Josephine County
Current Year and Nine Years Ago

Taxpayer	June 30, 2014			June 30, 2005		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Josephine County:						
Pacificorp (PP&L)	\$ 82,324,570	1	1.28%	\$ 44,307,900	1	0.99%
Charter Communications	20,744,200	2	0.32%			
Nunn, Ronald C & Marcia K	20,364,340	3	0.32%	14,753,670	3	0.33%
Masterbrand Cabinets, Inc.	20,264,240	4	0.31%			
Auerbach Grants Pass LLC & Freeman Grants Pass LLC	18,181,620	5	0.28%	11,477,780	6	0.26%
Avista Corp	16,233,000	6	0.25%	9,125,000	8	0.2%
Grants Pass FMS LLC	13,781,210	7	0.21%			
Lynn-Ann Development LLC	13,546,860	8	0.21%			
Johnson Trust	13,487,680	9	0.21%			
Home Depot USA Inc.	12,683,195	10	0.2%			
Qwest Corporation				42,953,500	2	0.96%
Wal-Mart Stores, Inc				13,234,825	4	0.3%
Albertson's Inc.				12,567,975	5	0.28%
SPM - Grants LLC				10,765,340	7	0.24%
Jensen, Robert A & Shirley Y				7,747,631	9	0.17%
Hillebrand Children Riverwood Apts.				7,733,270	10	0.17%
Total - principal taxpayers	231,610,915		3.59%	174,666,891		3.89%
Other	\$ 6,214,091,952		96.42%	\$ 4,306,409,432		96.11%
Total - all taxpayers	\$ 6,445,702,867		100.00%	\$ 4,481,076,323		100.00%

Source: Josephine County Assessor's Office

Property Tax Levies and Collections - General Fund
Last Ten Fiscal Years - (unaudited)

	2013-14	2012-13	2011-12	2010-11
General Fund				
Levy extended by assessor	\$ 11,685,242	\$ 11,308,025	\$ 11,355,208	\$ 11,267,815
Reduction of taxes receivable:				
Current year	10,963,892	10,538,024	10,559,245	10,468,814
Percentage of levy	93.83%	93.19%	93.00%	92.91%
Tax roll adjustments and discounts	(316,620)	(339,368)	(336,588)	(311,637)
Beginning taxes receivable:				
Prior year	909,858	921,323	903,928	826,255
Reduction of taxes receivable:				
Prior year	553,083	505,122	433,201	386,759
Tax roll adjustments and discounts	106,463	63,024	(8,779)	(22,932)
Interest	99,755	97,330	91,119	72,938
Total taxes receivable end of year	867,967	909,858	921,323	903,928
Land sales severance tax and other revenues	0.00	0.00	0.00	0.00
Total received by College	<u>\$ 11,616,731</u>	<u>\$ 11,140,475</u>	<u>\$ 11,083,565</u>	<u>\$ 10,928,512</u>
Tax levy rate (per \$1,000 assessed value)	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128
 Total tax collections in subsequent years	 \$ N/A	 \$ 132,204	 \$ 660,521	 \$ 739,750
Total collections to date	\$ 10,963,892	\$ 11,096,096	\$ 11,219,766	\$ 11,208,564
Percentage of levy collected	93.83%	98.13%	98.81%	99.47%

Source: Rogue Community College Budget and Financial Services

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
\$ 11,034,251	\$ 10,419,011	\$ 9,879,788	\$ 9,358,508	\$ 8,770,235	\$ 8,277,703
10,194,500	9,675,014	9,210,075	8,734,514	8,290,870	7,727,728
92.39%	92.86%	93.22%	93.33%	94.53%	93.36%
11,040	(292,053)	300,622	(224,913)	187,032	(263,684)
729,457	574,037	493,004	414,255	506,751	502,616
440,494	297,111	285,952	212,408	301,404	288,375
22,813	581	(2,106)	(25,970)	(26,878)	6,219
66,005	52,366	54,088	55,264	69,497	17,923
826,255	729,457	574,037	493,004	414,255	506,751
4,166	345	2,706	5,222	3,486	13,000
<u>\$ 10,705,164</u>	<u>\$ 10,024,836</u>	<u>\$ 9,552,821</u>	<u>\$ 9,007,408</u>	<u>\$ 8,665,257</u>	<u>\$ 8,047,026</u>
\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128
\$ 812,278	\$ 733,957	\$ 662,947	\$ 611,659	\$ 479,365	\$ 549,975
\$ 11,006,778	\$ 10,408,971	\$ 9,873,022	\$ 9,346,173	\$ 8,770,235	\$ 8,277,703
99.75%	99.90%	99.93%	99.87%	100.00%	100.00%

Property Tax Levies and Collections - Debt Service Fund
Last Eight Fiscal Years - (unaudited)

	2013-14	2012-13	2011-12	2010-11
Debt Service Fund				
Levy extended by assessor	\$ 1,910,095	\$ 1,807,962	\$ 1,753,567	\$ 1,938,022
Reduction of taxes receivable:				
Current year	1,784,301	1,685,217	1,631,852	1,800,335
Percentage of levy	93.4%	93.21%	93.06%	92.90%
Tax roll adjustments and discounts	(63,387)	(56,672)	(53,529)	(58,716)
Beginning taxes receivable:				
Prior year	137,289	139,254	143,509	130,706
Reduction of taxes receivable:				
Prior year	91,300	64,951	79,034	62,508
Tax roll adjustments and discounts	16,717	(3,087)	(1,299)	(3,661)
Interest	16,990	14,975	15,608	11,688
Total taxes receivable end of year	125,112	137,289	139,254	143,509
Land sales severance tax and other revenues	0	0	0	0
Total received by College	<u>\$ 1,892,591</u>	<u>\$ 1,765,143</u>	<u>\$ 1,726,494</u>	<u>\$ 1,874,531</u>
Tax levy rate (per \$1,000 assessed value)	\$ 0.1124	\$.1103	\$.1065	\$ 0.1191
Total collections in subsequent years	\$ N/A	\$ (7,077)	\$ 103,487	\$ 130,586
Total collections to date	\$ 1,784,301	\$ 1,777,224	\$ 1,735,339	\$ 1,930,921
Percentage of levy collected	93.41%	98.30%	98.96%	99.63%

Note: Bond began in 2005-06, no prior history available.

Source: Rogue Community College Budget and Financial Services

2009-10	2008-09	2007-08	2006-07	2005-06
\$ 1,833,643	\$ 1,742,972	\$ 1,764,076	\$ 1,722,600	\$ 1,634,536
1,690,821	1,613,969	1,639,308	1,601,632	1,545,507
92.21%	92.60%	92.93%	92.98%	94.55%
(66,436)	(53,153)	(57,194)	(61,885)	(44,428)
122,544	99,485	77,066	44,601	0
65,423	51,235	46,221	25,374	0
(2,856)	(1,556)	1,066	(1,244)	0
11,316	8,073	7,006	5,880	2,698
130,706	122,544	99,485	77,066	44,601
0	0	0	0	0
\$ 1,767,560	\$ 1,673,277	\$ 1,692,535	\$ 1,632,886	\$ 1,548,205
\$ 0.1150	\$ 0.1128	\$ 0.1195	\$ 0.1237	\$ 0.1251
\$ 140,251	\$ 127,194	\$ 123,243	\$ 120,234	\$ 89,029
\$ 1,831,072	\$ 1,741,163	\$ 1,762,551	\$ 1,721,866	\$ 1,634,536
99.86%	99.90%	99.91%	99.96%	100.00%

Ratios of Outstanding Debt Last Ten Fiscal Years - (unaudited)

	2013-14	2012-13	2011-12	2010-11
General obligation and refunding bonds, net (1)	\$ 20,052,184	\$ 21,186,474	\$ 23,025,763	\$ 22,893,181
General bonded debt	20,052,184	21,186,474	23,025,763	22,893,181
Limited tax pension obligation bonds	\$ 18,410,000	\$ 18,950,000	\$ 19,410,000	\$ 19,800,000
Certificates of participation	0	135,000	265,000	390,000
Note payable	196,016	210,385	223,996	236,887
Capital leases	0	0	0	0
Other debt to be repaid by general government resources	18,606,016	19,295,385	19,898,996	20,426,887
Total outstanding debt	\$ 38,658,200	\$ 40,481,859	\$ 42,924,759	\$ 43,320,068
General Bonded Debt Ratios				
Per capita	\$ 69.35	\$ 73.72	\$ 80.29	\$ 78.58
Per FTE	\$ 3,790	\$ 3,881	\$ 4,027	\$ 3,691
As a percentage of taxable assessed value	0.09%	0.09%	0.10%	0.10%
Total Outstanding Debt Ratios				
Per capita	\$ 133.71	\$ 140.85	\$ 149.68	\$ 148.69
Per FTE	\$ 7,307	\$ 7,415	\$ 7,508	\$ 6,985
As a percentage of taxable assessed value	0.17%	0.18%	0.19%	0.20%

(1) Presented net of original issuance discounts and premiums

Note: Detail regarding the College's outstanding debt can be found in the notes to the financial statements.

Source: County Tax Assessor's Office and Rogue Community College Budget and Financial Services Office.

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
\$ 23,058,429	\$ 23,840,859	\$ 24,543,289	\$ 25,155,720	\$ 25,713,150	\$ 25,810,580
23,058,429	23,840,859	24,543,289	25,155,720	25,713,150	25,810,580
\$ 20,125,000	\$ 20,385,000	\$ 20,590,000	\$ 20,740,000	\$ 20,950,000	\$ 21,035,000
510,000	620,000	730,000	835,000	935,000	1,030,000
249,098	260,664	271,619	281,996	291,824	301,133
0	0	0	0	0	0
20,884,098	21,265,664	21,591,619	21,856,996	22,176,824	22,366,133
\$ 43,942,527	\$ 45,106,523	\$ 46,134,908	\$ 47,012,716	\$ 47,889,974	\$ 48,176,713

\$ 79.33	\$ 82.61	\$ 86.21	\$ 89.93	\$ 93.79	\$ 95.67
\$ 3,938	\$ 4,792	\$ 5,738	\$ 5,694	\$ 6,421	\$ 6,520
0.11%	0.11%	0.12%	0.13%	0.14%	0.15%

\$ 151.17	\$ 156.30	\$ 162.05	\$ 168.06	\$ 174.68	\$ 178.56
\$ 7,504	\$ 9,066	\$ 10,786	\$ 10,642	\$ 11,960	\$ 12,169
0.20%	0.21%	0.23%	0.25%	0.27%	0.29%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2014 - (unaudited)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Direct Debt			
Rogue Community College	\$ 37,370,000	\$ 18,960,000	
Total Direct Debt	<u>\$ 37,370,000</u>	<u>\$ 18,960,000</u>	
Overlapping Debt			
Jackson County	22,470,305	22,470,305	100.0%
Cities:			
Ashland	34,295,413	3,970,000	100.0%
Butte Falls	49,716	49,716	100.0%
Central Point	2,554,478	655,000	100.0%
Eagle Point	544,918	544,918	100.0%
Gold Hill	262,568	262,568	100.0%
Jacksonville	2,350,000	0.00	100.0%
Medford	104,110,000	40,670,000	100.0%
Rogue River	1,589,000	1,589,000	100.0%
Shady Cove	847,765	429,425	100.0%
Talent	4,230,000	705,000	100.0%
Fire Districts and other:			
Rogue River #1	125,000	125,000	100.0%
Jackson County RFPD 3	1,908,510	1,908,510	100.0%
Jackson County RFPD 5	1,740,000	1,740,000	100.0%
Jackson County Housing Authority	3,537,522	0.00	100.0%
School Districts:			
Ashland #5	25,615,000	25,615,000	100.0%
Central Point #6	17,080,000	17,080,000	100.0%
Eagle Point #9	19,455,000	19,455,000	100.0%
Medford #549C	206,170,000	206,170,000	100.0%
Phoenix #4	23,223,000	23,223,000	100.0%
Rogue River #35	1,535,000	1,535,000	100.0%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2014 - (unaudited) (continued)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Overlapping Debt (continued)			
Josephine County	13,270,169	12,005,000	100.0%
Cities:			
Grants Pass	13,395,000	4,670,000	100.0%
Fire Districts and other:			
Illinois Valley RFPD #1	1,651,000	1,375,000	100.0%
Williams RFPD	155,000	155,000	100.0%
School Districts:			
Grants Pass #7	0.00	0.00	100.0%
Three Rivers	38,670,000	38,670,000	100.0%
Total Overlapping Debt	\$ 559,794,364	\$ 425,072,442	
Total Direct and Overlapping Debt	\$ 578,204,364	\$ 444,032,442	

Source: Oregon State Treasury

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the counties that the College does business in. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the College. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the College's boundaries and dividing it by the County's total taxable assessed value.

Computations of Legal Debt Margin
Last Ten Fiscal Years - (unaudited)

Fiscal Year	True Cash Value of Taxable Property	Legal Debt Limitation (1)	Bonded Indebtedness	Bonded Debt Margin	Bonded Indebtedness As a Percentage of Legal Debt Limit
2013-14					
Jackson County	\$ 21,365,297,099	\$ 320,479,456	\$ 18,960,000	\$ 301,519,456	5.92%
Josephine County	7,405,557,726	111,083,366	0	111,083,366	0
2012-13					
Jackson County	20,963,859,574	314,457,893	19,995,000	294,462,893	6.36%
Josephine County	7,275,733,739	109,136,006	0	109,136,006	0
2011-12					
Jackson County	22,526,552,961	337,898,294	20,950,000	316,948,294	6.20%
Josephine County	7,574,999,491	113,624,992	0	113,624,992	0
2010-11					
Jackson County	24,611,610,456	369,174,156	21,000,000	348,174,156	5.69%
Josephine County	8,446,479,564	126,697,193	0	126,697,193	0
2009-10					
Jackson County	28,365,971,987	425,489,579	21,735,000	403,754,579	5.11%
Josephine County	9,182,833,828	137,742,507	0	137,742,507	0
2008-09					
Jackson County	31,152,790,422	467,291,856	22,420,000	444,871,856	4.80%
Josephine County	10,271,803,111	154,077,047	0	154,077,047	0
2007-08					
Jackson County	31,687,848,811	475,317,732	23,025,000	452,292,732	4.84%
Josephine County	10,626,563,720	159,398,456	0	159,398,456	0
2006-07					
Jackson County	28,839,149,411	432,587,241	23,540,000	409,047,241	5.44%
Josephine County	9,900,996,388	148,514,945	0	148,514,945	0
2005-06					
Jackson County	23,570,940,813	353,564,112	24,000,000	329,564,112	6.79%
Josephine County	8,017,637,670	120,264,565	0	120,264,565	0
2004-05					
Jackson County	20,018,503,911	300,277,559	24,000,000	276,277,559	7.99%
Josephine County	6,502,753,771	97,541,307	0	97,541,307	0

(1) The legal debt limitation is calculated at 1.5% of true cash value of the property in the College according to ORS 341.613(2).

Note: Bonded indebtedness may be incurred for a specific service area only and not for the general benefit of the College.

Source: Rogue Community College Budget and Financial Services.

Demographic and Economic Statistics by County
Last Ten Fiscal Years - (unaudited)

Year Ended	Estimated Population	Total Personal Income	Per Capita Income	Median Age (1)	Percent of Population With A Bachelors Degree or Higher (1)	Unemployment Rate
2013-14						
Jackson County	206,412	\$ N/A	\$ 24,449	42.0	14.8	8.5
Josephine County	82,930	N/A	21,028	47.0	10.0	9.6
2012-13						
Jackson	203,206	7,490,481	24,263	42.0	14.9	9.5
Josephine	82,713	2,600,748	21,535	47.0	10.6	11.2
2011-12						
Jackson	203,950	7,087,194	24,410	42.1	18.4	10.8
Josephine	82,820	2,498,196	21,539	47.3	17.1	11.7
2010-11						
Jackson	207,745	6,951,654	24,182	42.1	21.5	11.4
Josephine	83,600	2,450,499	21,256	47.3	12.2	12.5
2009-10						
Jackson	207,010	6,907,021	23,933	42.0	21.5	12.7
Josephine	83,665	2,429,273	19,644	47.2	16.0	14.3
2008-09						
Jackson	205,305	6,911,440	24,001	40.7	24.5	13.1
Josephine	83,290	2,377,327	20,257	44.6	13.4	14.7
2007-08						
Jackson	202,310	6,669,870	23,460	40.6	22.8	7.4
Josephine	82,390	2,247,384	22,389	44.6	17.3	8.4
2006-07						
Jackson	198,615	6,255,659	22,546	40.4	25.1	5.5
Josephine	81,125	2,119,741	20,495	43.8	15.6	6.9
2005-06						
Jackson	194,515	5,901,191	22,412	39.7	23.7	5.7
Josephine	79,645	2,032,614	20,003	43.4	16.1	6.6
2004-05						
Jackson	191,200	5,599,137	28,531			6.2
Josephine	78,600	1,929,716	23,367			7.3

(1) Information only available in these years.

Source: Rogue Community College Budget and Financial Services.

Principal Employers by Industry
Current Year and Nine Years Ago - (unaudited)

Industry	June 30, 2014			June 30, 2005		
	Rank	Total Employees	Percentage of Total Regional Employment	Rank	Total Employees	Percentage of Total Regional Employment
Rogue Valley:						
Nonfarm employment	1	102,740	27.0%	1	108,400	28.0%
Private Non-Classified	2	87,060	22.9%	2	91,730	23.7%
Natural Resources & Mining	12	600	0.2%	13	380	0.1%
Construction	10	4,170	1.1%	8	7,160	1.9%
Manufacturing	7	10,630	2.8%	10	4,040	1.0%
Trade, Transportation, & Utilities	4	45,260	11.9%	3	49,120	12.7%
Information	11	1,630	0.4%	12	2,110	0.5%
Financial Activities	9	4,820	1.3%	9	5,920	1.5%
Professional & Business Services	8	8,580	2.3%	7	9,010	2.3%
Education & Health Services	3	50,280	13.2%	5	42,260	10.9%
Leisure & Hospitality	6	21,980	5.8%	6	20,350	5.3%
Other Services	10	3,550	0.9%	11	3,860	1.0%
Government	5	39,640	10.4%	4	42,540	11.0%
Total		<u>380,940</u>	<u>100.0%</u>		<u>386,880</u>	<u>100.0%</u>

Source: Oregon Employment Department

Full-Time Equivalent (FTE) Employees
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Management	Classified	Part-Time Classified	Faculty	Part-Time Faculty	Students	Total
2013-14	52	148	13	97	158	106	574
2012-13	52	152	13	102	162	114	595
2011-12	54	159	14	109	166	130	632
2010-11	50	161	14	117	167	120	629
2009-10	45	158	15	106	161	120	605
2008-09	43	148	12	91	141	123	558
2007-08	41	147	9	84	130	142	553
2006-07	44	151	12	88	130	141	566
2005-06	47	165	13	95	140	166	626
2004-05	48	161	17	92	120	176	614

Source: Rogue Community College Budget and Financial Services

Note: This report is reflective of the FTE-generated based on actual hours worked, not existing positions.
Position vacancies will cause fluctuations above and beyond the addition and/or elimination of actual positions.

Tuition Rates and Enrollment Statistics
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Tuition Rate Per Credit Hour		Total FTE	Total Reimbursable FTE	Unduplicated Headcount
	In-District	Out-Of-State			
2013-14	\$ 91	\$ 111 *	5,289.20	5,224.34	17,092
2012-13	87	107	5,459.40	5,363.14	16,643
2011-12	85	104	5,717.34	5,653.78	16,956
2010-11	75	91	6,201.91	6,097.74	18,647
2009-10	73	89	5,855.87	5,762.64	19,596
2008-09	68	83	4,975.21	5,012.23	19,061
2007-08	66	80	4,277.13	4,297.69	17,782
2006-07	64	77	4,417.78	4,144.85	19,737
2005-06	59	71	4,115.82	4,105.18	16,560
2004-05	59	71	4,088.41	4,053.10	14,591

* Residents of Washington, Idaho, California, and Nevada pay an in-state tuition rate of \$91.
International students tuition is \$304.

Note: Headcounts are much higher in 2006-07 than in all other years due to a large number of 2+2 students from prior years registered into Fall Term 06-07. Also, for the years 2007, 2008 and 2009, the State froze FTE so the Total FTE will be less than the Total Reimbursable FTE rates.

Source: Rogue Community College Budget and Financial Services.

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Operating Indicators by Function
Last Ten Fiscal Years - (unaudited)

	2013-14	2012-13	2011-12	2010-11
Lower Division Transfer Courses	2,890.48	2,965.64	3,094.96	3,154.68
Professional Technical Preparatory	1,005.03	942.69	1,009.56	1,050.32
Stand Alone CTE Prep	19.92	20.59	0.00	0.00
Professional Technical Supplemental	45.62	58.58	76.47	124.42
Professional Technical Apprentice	41.46	33.20	33.75	36.40
English as a Second Language	90.30	103.95	115.35	167.74
Adult Basic Education	206.27	272.90	249.72	313.41
General Equivalency Diploma	98.20	104.19	104.40	130.86
Post Secondary Remedial	113.29	143.09	900.49	1,058.62
Post Secondary Remedial Math	442.26	471.75	0.00	0.00
Post Secondary Remedial Electives	226.96	218.13	0.00	0.00
Self Improvement	44.55	56.93	69.08	101.23
Total Reimbursable FTE *	5,224.34	5,391.64	5,653.78	6,137.68
Non-reimbursable	64.86	67.76	63.56	64.23
Total FTE	5,289.20	5,459.40	5,717.34	6,201.91
State Appropriation	\$ 7,433,388	\$ 5,278,969	\$ 5,967,177	\$ 5,821,722
State Appropriation per Reimbursable FTE	\$ 1,422.8377	\$ 979.1027	\$ 1,055.4315	\$ 948.5216

* Prior to 11-week Hold Harmless calculation done at the State level.

Source: Rogue Community College Budget and Financial Services

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
2,895.78	2,301.77	1,958.10	1,922.45	1,882.18	1,839.96
1,022.92	919.29	782.20	757.88	677.40	717.56
0.00	0.00	0.00	0.00	0.00	0.00
158.69	122.74	92.64	105.43	115.36	106.47
40.93	59.51	71.06	68.58	68.89	57.82
171.50	169.88	183.14	175.71	163.44	168.11
284.21	293.93	246.53	210.83	177.36	162.48
116.86	85.47	99.71	75.89	76.50	68.20
953.85	828.56	585.78	563.20	657.36	632.67
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
141.10	118.50	184.53	170.49	185.80	205.63
5,785.84	4,899.65	4,203.69	4,050.46	4,004.29	3,958.90
70.03	75.56	73.44	367.32	111.53	129.51
5,855.87	4,975.21	4,277.13	4,417.78	4,115.82	4,088.81
\$ 7,175,209	\$ 7,857,286	\$ 9,227,167	\$ 7,393,684	\$ 9,513,750	\$ 8,847,878
\$ 1,240.1326	\$ 1,603.5423	\$ 2,195.0160	\$ 1,825.3937	\$ 2,375.8894	\$ 2,234.9334

Capital Assets Activity
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2013-14				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,433,122	230,097	72,369	3,590,850
Construction in progress	49,899	0	0	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	626,516	40,981	0	667,497
Software	833,355	162,798	0	996,153
Total capital and other assets	51,214,107	433,876	72,369	51,575,614
Less accumulated depreciation	16,078,505	1,249,414	57,623	17,270,296
Total	<u>\$ 35,135,602</u>	<u>\$ (815,538)</u>	<u>\$ 14,746</u>	<u>\$ 34,305,318</u>
2012-13				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,366,219	279,318	0	40,645,537
Equipment	3,273,523	180,435	20,836	3,433,122
Construction in progress	6,206	323,011	279,318	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	586,424	40,092	0	626,516
Software	833,355	0	0	833,355
Total capital and other assets	50,691,405	822,856	300,154	51,214,107
Less accumulated depreciation	14,865,697	1,232,604	19,796	16,078,505
Total	<u>\$ 35,825,708</u>	<u>\$ (409,748)</u>	<u>\$ 280,358</u>	<u>\$ 35,135,602</u>
2011-12				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	37,855,019	2,511,200	0	40,366,219
Equipment	2,964,863	333,366	24,706	3,273,523
Construction in progress	1,722,567	916,138	2,632,499	6,206
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	556,364	30,060	0	586,424
Software	833,355	0	0	833,355
Total capital and other assets	49,557,846	3,790,764	2,657,205	50,691,405
Less accumulated depreciation	13,701,293	1,177,785	13,381	14,865,697
Total	<u>\$ 35,856,553</u>	<u>\$ 2,612,979</u>	<u>\$ 2,643,824</u>	<u>\$ 35,825,708</u>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2010-11				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	37,503,316	351,703	0	37,855,019
Equipment	2,760,326	244,339	39,802	2,964,863
Construction in progress	1,088,929	985,340	351,702	1,722,567
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	525,080	31,284	0	556,364
Software	833,355	0	0	833,355
Total capital and other assets	48,336,684	1,612,666	391,504	49,557,846
Less accumulated depreciation	12,600,247	1,137,160	36,114	13,701,293
Total	<u>\$ 35,736,437</u>	<u>\$ 475,506</u>	<u>\$ 355,390</u>	<u>\$ 35,856,553</u>
2009-10				
Land	\$ 3,448,912	\$ 378,941	\$ 0	\$ 3,827,853
Buildings	37,503,316	0	0	37,503,316
Equipment	2,500,125	275,197	14,996	2,760,326
Construction in progress	0	1,088,929	0	1,088,929
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	496,491	28,589	0	525,080
Software	833,355	0	0	833,355
Total capital and other assets	46,580,024	1,771,656	14,996	48,336,684
Less accumulated depreciation	11,462,867	1,152,376	14,996	12,600,247
Total	<u>\$ 35,117,157</u>	<u>\$ 619,280</u>	<u>\$ 0</u>	<u>\$ 35,736,437</u>
2008-09				
Land	\$ 2,908,177	\$ 540,735	\$ 0	\$ 3,448,912
Buildings	28,138,753	9,955,992	591,429	37,503,316
Equipment	2,103,437	396,688	0	2,500,125
Construction in progress	9,135,091	850,467	9,985,558	0
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	444,977	51,514	0	496,491
Software	833,355	0	0	833,355
Total capital and other assets	45,361,615	11,795,396	10,576,987	46,580,024
Less accumulated depreciation	10,425,612	1,087,950	50,694	11,462,868
Total	<u>\$ 34,936,003</u>	<u>\$ 10,707,446</u>	<u>\$ 10,526,293</u>	<u>\$ 35,117,156</u>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2007-08				
Land	\$ 2,908,177	\$ 0	\$ 0	\$ 2,908,177
Buildings	28,052,018	86,735	0	28,138,753
Equipment	1,994,432	131,292	22,287	2,103,437
Construction in progress	2,266,834	6,868,257	0	9,135,091
Infrastructure	1,797,825	0	0	1,797,825
Library Collections	386,865	58,112	0	444,977
Software	833,355	0	0	833,355
Total capital and other assets	38,239,506	7,144,396	22,287	45,361,615
Less accumulated depreciation	9,560,523	883,083	17,994	10,425,612
Total	<u>\$ 28,678,983</u>	<u>\$ 6,261,313</u>	<u>\$ 4,293</u>	<u>\$ 34,936,003</u>
2006-07				
Land	\$ 2,908,177	\$ 0	\$ 0	\$ 2,908,177
Buildings	26,889,816	1,389,969	227,767	28,052,018
Equipment	1,818,907	182,415	6,890	1,994,432
Construction in progress	470,320	2,426,117	629,603	2,266,834
Infrastructure	1,538,191	259,634	0	1,797,825
Library collections	369,051	17,814	0	386,865
Software	833,355	0	0	833,355
Total capital and other assets	34,827,817	4,275,949	864,260	38,239,506
Less accumulated depreciation	8,795,441	909,319	144,237	9,560,523
Total	<u>\$ 26,032,376</u>	<u>\$ 3,366,630</u>	<u>\$ 720,023</u>	<u>\$ 28,678,983</u>
2005-06				
Land	\$ 1,928,642	\$ 994,535	\$ 15,000	\$ 2,908,177
Buildings	15,550,054	11,339,762	0	26,889,816
Equipment	1,452,779	366,128	0	1,818,907
Construction in progress	5,162,799	1,627,232	6,319,711	470,320
Leasehold improvements	2,000,597	0	2,000,597	0
Infrastructure	1,336,918	201,273	0	1,538,191
Library collections	351,665	17,386	0	369,051
Software	833,355	0	0	833,355
Total capital and other assets	28,616,809	14,546,316	8,335,308	34,827,817
Less accumulated depreciation	9,615,964	833,359	1,653,882	8,795,441
Total	<u>\$ 19,000,845</u>	<u>\$ 13,712,957</u>	<u>\$ 6,681,426</u>	<u>\$ 26,032,376</u>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2004-05				
Land	\$ 1,928,642	\$ 0	\$ 0	\$ 1,928,642
Buildings	15,550,054	0	0	15,550,054
Equipment	942,037	521,942	11,200	1,452,779
Construction in progress	0	5,162,799	0	5,162,799
Leasehold improvements	2,000,597	0	0	2,000,597
Infrastructure	1,336,918	0	0	1,336,918
Library collections	334,232	17,433	0	351,665
Software	833,355	0	0	833,355
Total capital and other assets	22,925,835	5,702,174	11,200	28,616,809
Less accumulated depreciation	8,793,133	833,881	11,050	9,615,964
Total	\$ 14,132,702	\$ 4,868,293	\$ 150	\$ 19,000,845

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Audit Comments - Disclosures and Comments Required by State Regulations

Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.



Independent Auditor's Comments Required by Oregon State Regulations

We have audited the basic financial statements of the Rogue Community College (the College) as of and for the year ended June 30, 2014, and have issued our report thereon dated December 03, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

- The College's expenditures exceeded appropriations for the one of the eight appropriations in the College's General Fund.

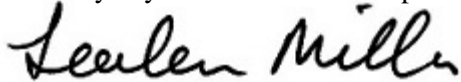
OAR 162-10-0230 Internal Control

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

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

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

This report is intended solely for the information and use of the board of education and management of Rogue Community College and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



For Eide Bailly LLP
Boise, Idaho
December 03, 2014

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Rogue Community College
Grants Pass, Oregon

Government Audit Standards and A-133 Reports

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Rogue Community College
Grants Pass, Oregon

Government Audit Standards Report



**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 Education
Rogue Community College
Grants Pass, Oregon

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 Rogue Community College (the College) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 03, 2014. Our report includes a reference to other auditors who audited the financial statements of Rogue Community College Foundation, as described in our report on the College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College'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.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
December 03, 2014

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Rogue Community College
Grants Pass, Oregon

A-133 (Single Audit) Report



Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

To the Board of Education
Rogue Community College
Grants Pass, Oregon

Report on Compliance for Each Major Federal Program

We have audited Rogue Community College's (the College) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2014. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect of each of its major Federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-001 that we consider to be a significant deficiency.

The College's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
December 03, 2014

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	Yes

Identification of major programs:

Name of Federal Program	CFDA Number
U. S. Department of Education Direct Programs	
Pell Grant Program	84.063
Federal Work-Study Program	84.033
Direct Loan Program	84.268
Supplemental Educational Opportunity Grants Program	84.007
Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

2014-001

Direct Programs – Department of Education

CFDA# 84.063, 84.007, 84.268, 84.033

Student Financial Aid Cluster

Special Tests and Provisions: Student Status Change

Significant Deficiency in Control Over Compliance

Criteria:

34 CFR Section 685.309 states that an Institution shall ensure that all information reported to the Secretary is within the required time frame. The NSLDS Enrollment Reporting Guide further states that the information that is reported to the Secretary is accurate in addition to timely.

Condition:

During our testing of students that were disbursed financial aid in fiscal year 2014, there were several instances in which the student withdrawal date per the R2T4 calculation worksheets did not match the dates reported to NSLDS.

Questioned Costs:

None noted.

Cause:

The College does not have a control process in place to verify that the information provided to NSLDS is complete and accurate.

Effect:

The withdraw date reported to the NSLDS was incorrect.

Recommendation:

The College should implement a control process in which the information provided to the NSLDS is complete and accurate. The College should also periodically monitor this process to ensure that it is working effectively.

Management should also review the withdraw date on all students that withdrew during the current year and verify that the information provided was accurate and if not, correct any incorrect information noted during the review.

Management's Response:

We agree with these findings, in that we recognize a change to our grading policy in 13/14 for "F" grades caused a segment of records to be reported incorrectly. We want to affirm that outside of the unintended consequences of this grading change, our enrollment reporting has been accurate and timely.

Corrective Action Plan (CAP)

Actions Planned in Response to Finding:

This finding is the result of a change made to our grading policy in 2013/14. Specifically, attendance is no longer assumed for F grades; instructors must now report a Last Date of Attendance with every "F" grade assigned.

Unfortunately, it was an oversight that this grade change was not reflected in the programming for National Student Clearinghouse (NSC) reporting. Therefore, a number of unofficial withdraw dates were not accurately reported to NSLDS (National Student Loan Data System) via our scheduled reporting to NSC.

Explanation of Disagreement:

No disagreement with the finding.

Official Responsible for Ensuring Corrective Action:

The Enrollment Services Director, Financial Aid Director and the IT Programming Director are responsible for ensuring corrective action is taken.

Planned Completion for Corrective Action:

The corrective action has been completed. Reporting to NSC has been tested and is accurately reflecting student statuses.

Plan to Monitor Completion of Corrective Action:

Policies and Procedures have been revised to identify the necessary reports and processes that require updating when a change in our grading policy is made. In addition, work procedures now include the periodic steps that must be taken to test and monitor the accuracy of the data reported to NSLDS.

Schedule of Expenditures of Federal Awards
Year ended June 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
Direct Grants:			
Financial Aid Cluster:			
Pell Grant Program	84.063 (*)		\$ 13,908,727
Federal Work-Study Program	84.033 (*)		160,754
Direct Loan Program	84.268 (*)		14,201,264
Supplemental Educational Opportunity Grants Program	84.007 (*)		143,558
TRIO Cluster:			
TRIO - Student Support Services	84.042A		229,591
TRIO - Educational Opportunity Center	84.066A		221,410
TRIO - Talent Search	84.044A		214,284
Passed through Oregon Department of Education:			
Perkins Vocational Education	84.048	27382	288,357
Perkins Non-Traditional	84.048	29417	9,125
Perkins Peer Review	84.048	24851	561
Passed through Oregon Department of Community Colleges and Workforce Development:			
Adult Basic Education Program	84.002A	EE9131418	325,773
Passed through Southern Oregon Education Service District:			
Perkins Vocational Education	84.048	N/A	93,719
Total U.S. Department of Education			\$ 29,797,123
National Endowment for the Humanities			
Passed through RCC Foundation:			
Speak Up: A Day for Change Conference	45.129	568	4,500
Total National Endowment for the Humanities			\$ 4,500

Schedule of Expenditures of Federal Awards
Year ended June 30, 2014 (continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
U.S. Small Business Administration			
Passed through Oregon Small Business Development Center Network:			
Small Business Assistance	59.037	153	46,925
Total U.S. Small Business Administration			\$ 46,925
U.S. Department of Labor			
Direct Grant:			
TAACCCT PATH - Trade Adjustment Assistance Community College and Career Training Pathways to Allied Health Professions	17.282		825,418
Passed through Clackamas Community College:			
CASE - The Oregon Credentials, Acceleration and Support for Employment	17.282	TC-22511-11	137,165
Total U.S. Department of Labor			\$ 962,583
National Science Foundation			
Direct Grant:			
Contextualizing CTE in Math	47.076		2,205
Total National Science Foundation			\$ 2,205
U.S. Department of Housing and Urban Development			
Passed through City of Grants Pass:			
Community Development Block Grant - Josephine County Microenterprise Assistance Program	14.218	M13009	8,938
Total U.S. Department of Housing and Urban Development			\$ 8,938
			<u>\$ 30,822,274</u>

(*) Denotes a major program cluster.

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the College, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. The College received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

2. Significant Accounting Policies

Governmental fund types account for the College's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The College's summary of significant accounting policies is presented in Note 1 in the College's basic financial statements.

3. Career and Technical Education Grant

The Career and Technical Education Grant received by the College was passed through to the College by various agencies. The total expended by the College under CFDA 84.048 for the year ended June 30, 2014, was \$391,762.