



Comprehensive Annual Financial Report

Year ending June 30, 2015
Grants Pass, Oregon

www.roguecc.edu/audit/2015/

Comprehensive Annual Financial Report

Rogue Community College

Grants Pass, Oregon

For the Year Ended June 30, 2015

Report prepared by the Budget and Financial Services Department

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INTRODUCTORY SECTION:

Transmittal Letter	1
Elected/Appointed Officials	7
Organizational Chart	8
Certificate of Achievement for Excellence in Financial Reporting	9

FINANCIAL SECTION:

Independent Auditor's Report	11
Management's Discussion and Analysis	15

Basic Financial Statements:

Statement of Net Position	22
Statement of Revenues, Expenses, and Changes in Net Position	25
Statement of Cash Flows	26
Notes to Basic Financial Statements	31

Required Supplementary Information

Schedule of Funding Progress for Retiree Health Plan	54
Schedule of Employer's Share of Net Pension Liability (OPERS)	55
Schedule of Employer Contributions (OPERS)	56

Other Supplementary Information (Individual Fund Financial Schedules):

Description of Budgeted College Funds	58
General Fund	61
Capital Improvement Fund – COPs and Bonds	62
Capital Improvement Fund – Maintenance.....	63
Capital Improvement Fund – State & Local Funds.....	64
Debt Service Fund – General Obligation Bonds	65
Debt Service Fund – Other	66
College Services Fund	67

Table of Contents (continued)
Year ended June 30, 2014

Contract and Grant Fund	68
Financial Aid Fund	69
Higher Education Center Fund	70
Intra-College Fund	71
PERS Fund	72
Self-Support Fund	73
Stability Reserve Fund	74
Technology and Equipment Fund	75
Unemployment Fund	76
Auxiliary Services Fund	77
Other Auxiliary Services Fund	78
Other Supplementary Information (Schedule of Property Tax Transactions):	
Schedule of Property Tax Transactions – General Fund	80
Schedule of Property Tax Transactions – Debt Service Fund	81
STATISTICAL SECTION (unaudited):	
Statistical Section Information.....	83
Financial Trends	
Net Position by Component	84
Changes in Net Position	86
Revenue Capacity	
Assessed and Estimated Actual Value of Taxable Property, Josephine and Jackson Counties.....	88
Property Tax Rates – All Direct and Overlapping Governments	90
Principal Taxpayers of Jackson County.....	94
Principal Taxpayers of Josephine County.....	95
Property Tax Levies and Collections – General Fund	96

Table of Contents (continued)
Year ended June 30, 2014

Property Tax Levies and Collections – Debt Service Fund	98
Debt Capacity	
Ratios of Outstanding Debt	100
Direct and Overlapping Governmental Activities Debt.....	102
Computations of Legal Debt Margin.....	104
Demographic and Economic Information	
Demographic and Economic Statistics by County.....	105
Principal Employers by Industry	106
Operating Information	
Full-Time Equivalent (FTE) Employees	107
Tuition Rates and Enrollment Statistics	108
Operating Indicators by Function	110
Capital Assets Activity.....	112
AUDIT COMMENTS SECTION:	
Audit Comments – Disclosures and Comments Required by State Regulation	117
Independent Auditor’s Comments Required by State Regulations.....	118
GOVERNMENT AUDITING STANDARDS SECTION:	
Government Auditing Standards Report:	
Independent Auditor’s Report on the 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	124
A-133 (Single Audit) Report:	
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by OMB Circular A-133	128
Schedule of Findings and Questioned Costs	130
Summary Schedule of Prior Year Findings	133
Schedule of Expenditures of Federal Awards.....	134
Notes to Schedule of Expenditures of Federal Awards	136

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3345 Redwood Hwy
Grants Pass, OR 97527-9298

December 1, 2015

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, 2015, 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 2014-15 was 4,882 and the unduplicated headcount for the same period was 16,584.

Mission, Vision and Core Values

The College's mission, as adopted by the Board of Education, is to provide quality education to help learners achieve their goals, and to support the social, civic, cultural, and economic vitality of our diverse community. The College's vision is to build on our strong traditions of serving students and the Southern Oregon region, by (1) excelling a progressive, collegial, and responsive teaching and learning community by providing accessible, affordable, and quality classes; (2) providing a collaborative and inclusive culture by inspiring staff, honoring teaching and learning, using data strategically, and communicating effectively; (3) enhancing student employability by developing career pathways and connecting students to work force opportunities; (4) advancing the region's economic, social, and cultural well-being by building and sustaining partnerships with other educational institutions, employers, community agencies, and students. The College serves its community with outstanding educational opportunities based on a dedication to the following core values; excellence, integrity, respect, innovation, and stewardship.

The following institutional core themes have been established and approved by the Board of Education to help the College focus on achieving its mission:

PROMOTE STUDENT ACCESS AND SUCCESS - As a community college, a central tenet of college work is to promote student access and success in educational opportunities. Marketing messages, tuition rates, course offerings, program location, hours of operation, inviting buildings and grounds, financial aid processes, application and admissions policies, and college responsiveness all contribute to maximizing college access. Promoting students' ability to achieve success involves effectively responding to the academic, career, and socio-emotional, financial, and physical needs of the College's diverse student population.

ADVANCE STUDENT LEARNING – The College's principal purpose is to help students learn and achieve their educational goals. To do so, the College provides pre-collegiate study and support (ABE/GED/ ESL and academic skills); curricula that prepare students for transfer and career and technical education (CTE) leading to both certificates and degrees; workforce training/continuing professional education to meet the needs of incumbent workers and employers; and community education to meet non-credit education need. Services such as testing, tutoring, library, and distance learning support the delivery of these programs. To advance student learning, the College considers instructional program effectiveness balanced with demand and resource allocation. Successful student transfer data and advisory committee validation are reviewed to determine on-going effectiveness. Based on this input, student learning outcomes are identified and assessed. Assessments and necessary corrections ensure that learning is of the quality that meets student needs.

STRENGTHEN OUR DIVERSE COMMUNITIES - To fulfill its role in the communities it serves the College aims to contribute to the personal, professional and educational journeys of students and employees alike. "Communities" refers to the internal and external College stakeholders affected by the Mission. "Diverse" refers to the wide range of people that work and learn and teach at the College—all with different goals, expectations and worldviews. To strengthen our diverse communities is to produce a richer, more viable college, region and state. The College exemplifies excellence, integrity, respect, innovation and stewardship in its plans and purposes.

MODEL STEWARDSHIP - As a community college, the College commits itself to responsible and resourceful guardianship of community resources and adherence to sustainable practices. Model stewardship reflects the importance of caring and conserving those resources through intelligent governance, effective leadership; pursuit of additional resources; efficient use of financial, physical and human resources; and attention to the environment in which the College operates.

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 2015 is estimated at 293,886, which is a 7.2% increase since 2006.

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 provide 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.

The College 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

The Oregon economic growth is considered full throttle with jobs and income increasing as fast, if not faster than during the mid-2000's. Much of this growth is attributable to the state's industrial structure and solid in-migration flow. Oregon's job growth is more than one percentage point faster than the typical state. As of July 2015 the unemployment rate is 7.7% for Jackson County and 8.6% for Josephine County. This is a 1.1% and 1% decrease, respectively, from the prior year.

According to economic forecasters, Oregon is not yet fully recovered from the Great Recession. The lasting concern today is regarding the participation gap. This is the difference between the portion of the population with a job or looking for work and what the rate is when at full strength. However, the improving economy will continue to put workers back into the labor force and support future economic growth.

One of the College's largest non-operating revenue sources is funding from the State of Oregon. The State appropriated the sum of \$465 million for the biennium ended June 2015, an increase of nearly 18% from the 2011-2013 final biennium level. However, funding still lags behind the pre-recessionary level of the \$500 million allocation during the 2007-09 biennium. The College's share of the state support was approximately \$8.8 million for fiscal year 2014 and \$6.4 million for fiscal year 2015.

Another major source of non-operating revenue is property tax revenue. Property taxes are used for general operations and for debt service payments. Property tax revenue is a stable factor in the College's revenue, increasing between 2-4% a year. Property tax revenue increased 3.97% or \$530,132 in 2014-15. The College received \$13.9 million in property taxes for 2015; of the amount received, \$1.88 million or 13.52% is restricted for debt service payment.

Tuition and fee revenue accounts for approximately 23.36% of revenue. For 2014-15 the College collected \$17.2 million in tuition and fees. The College experienced a 9.12% decline in reimbursable FTE for 2014-15 and is anticipating an 8% decline in 2015-16.

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

The College is a regionally accredited, comprehensive, two-year public college in southern Oregon serving both Jackson and Josephine counties through its three campuses. The College's accreditation status has continuously been affirmed since receiving correspondent status in 1971. The Northwest Commission on Colleges and Universities (NWCCU) is the regional accreditation authority operating under the U.S. Department of Education. NWCCU last reaffirmed the College's accreditation status following a comprehensive evaluation in fall 2011. Since that time, the College has completed a successful *Year One Self Evaluation* (fall 2012) and a positive *Mid-Cycle Evaluation* (fall 2014) with NWCCU. The next comprehensive self-study is due in fall 2019.

Three programs at the College have achieved the standards for specialized accreditation: Nursing, Emergency Medical Services and Massage Therapy. The College is also approved as a veterans training institution by the Veterans Administration. Accreditation is a voluntary process that fosters excellence in education through regular assessment and continuous improvement practices. Current accreditation standards are focused on student learning outcomes. Other advantages include access to federal financial aid for students and access to state and federal grants and funding. Students graduating from the College under accreditation will also enjoy smoother transfer experiences from the College to other colleges and universities within the state and nationwide.

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, 2014. This was the twelfth 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 black ink, appearing to read "Peter Angstadt".

Peter Angstadt, Ph.D.
President

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

Lisa Stanton, CPA
Chief Financial Officer

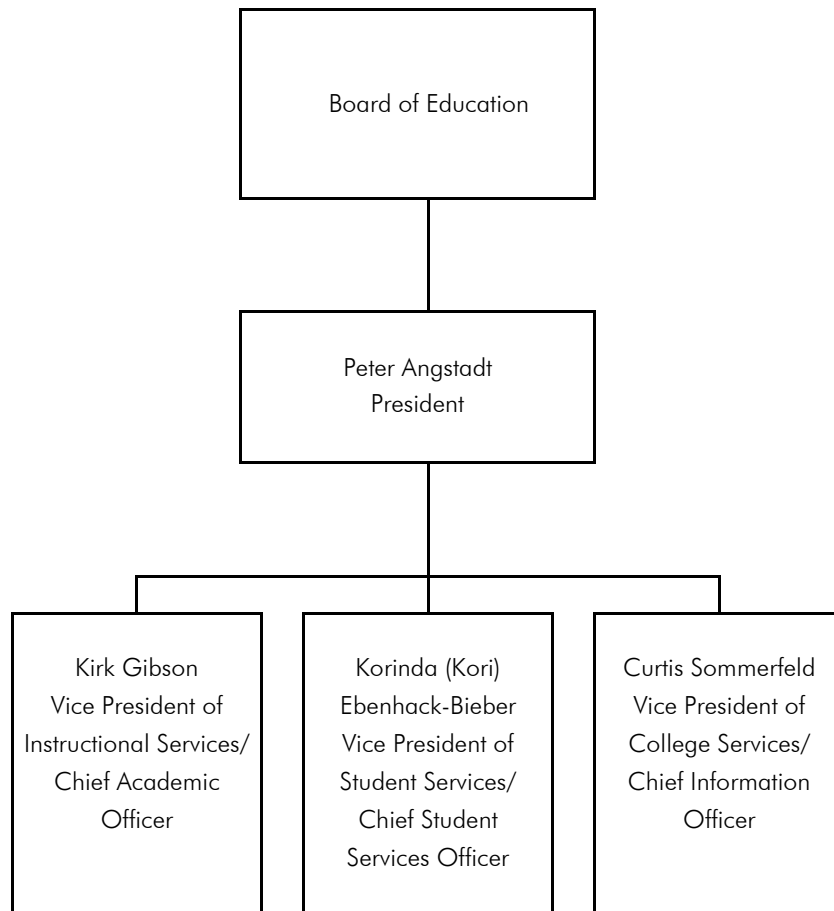
ELECTED/APPOINTED OFFICIALS

Ms. Patricia Ashley 3182 Rogue River Drive Eagle Point, OR 97524	Chairperson
Mr. Kevin Talbert, Ph.D. 1291 N. Valley View Road Ashland, OR 97520	Vice-chairperson
Mr. Dean Wendle P.O. Box 1988 Grants Pass, Oregon 97528	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, 2014

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive style.

Executive Director/CEO

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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, 2015, 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 \$9,942,401 as of June 30, 2015, and total revenues of \$1,314,466 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 and its discretely presented component unit, as of June 30, 2015, 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 discussed in Notes 1 and 11 to the financial statements, the College has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which has resulted in a restatement of the net position as of July 1, 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 Discussion and Analysis, the Schedule of Funding Progress for Retiree Health Plan, The Schedule of Employer's Share of Net Pension Liability and the Schedule of Employer Contributions 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 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 and 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 schedules, 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, 2015, 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 03, 2015, on our consideration of the College's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink, reading "Leelen Miller". The signature is written in a cursive, flowing style.

For Eide Bailly LLP
Boise, Idaho
December 03, 2015

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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, 2015. 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 significant events of fiscal year ended June 30, 2015 that impacted the College are as follows:

- Student tuition and fees revenue experienced a decrease of 10.57% or \$2,028,550 from 2013-14. This decrease is attributable to a 9.12% decrease in student FTE. The per credit tuition rate for 2014-15 remained the same as 2013-14 at \$91 per credit. Additional information regarding enrollments is located in the Statistical Section.
- The College's student financial aid grants decreased \$4,106,966 or 14.48% from the prior year. The decrease in financial aid is related to the decrease in student FTE and 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 decreased 27.15% or \$2.4 million. This decrease is attributable to the Oregon Legislature's deferral of its eighth quarter reimbursement from May 2014 to August 2014. The deferrals were enacted in 2003 and are scheduled to occur on alternate years so that the State can balance its biennial budget. More information about FTE reimbursement is located in the revenue section of this analysis.
- The Colleges overall expenses decreased \$7.4 million or 9.86%. The majority of this decrease, \$4.2 million is attributable to the decrease in student FTE and to the needs of the students the College serves. The remaining decrease of \$3.2 million is attributable to costs increasing \$1.8 million and an adjustment of \$5 million to appropriately reclassify pension expense to deferred outflows of PERS contributions.
- Capital assets, net of depreciation, decreased from \$34.3 million in 2014 to \$33.3 million in 2015 due primarily to depreciation expense.
- The College's net position has decreased from \$37.4 million in 2014 to \$16.8 million in 2015 due to the implementation of GASB statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

One of the College's largest categories in net position (\$14.3 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.

Condensed Financial Statements

The following tables on pages 14 through 16 presented for the year ended June 30, 2014 has not been restated for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

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, 2015

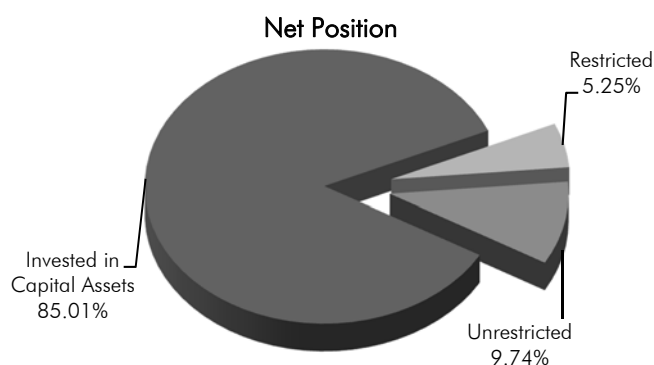
The *Statement of Net Position* presents information on all of the College's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position are indicators of the improvement or erosion of the College's financial health when considered 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.

	2015	2014	% Change
Assets			
Current assets	\$ 23,648,396	\$ 24,353,444	-2.90%
Capital assets, net of depreciation	33,292,712	34,305,318	-2.95%
Other non-current assets	3,967,743	18,812,043	-78.91%
Total Current Assets	60,908,851	77,470,805	-21.38%
Deferred Outflow of Resources			
Deferred charge on refunding and PERS Contribution	2,711,422	1,291,998	109.86%
Total Deferred Outflow of Resources	2,711,422	1,291,998	109.86%
Total Assets and Deferred Outflow of Resources	\$ 63,620,273	\$ 78,762,803	-19.23%
Liabilities			
Current liabilities	\$ 4,082,730	\$ 4,040,632	1.04%
Long-term debt, non-current portion	35,405,990	37,360,562	-5.23%
Total Liabilities	39,488,720	41,401,194	-4.62%
Deferred Inflows of Resources			
Deferred Pension Amount	7,358,177	0	100.00%
Total Deferred Inflow of Resources	7,358,177	0	100.00%
Net Position			
Net Invested in capital assets, net of related debt	14,283,970	14,057,119	1.61%
Restricted	881,954	993,992	-11.27%
Unrestricted	1,607,452	22,310,498	-92.80%
Total Net Position	16,773,376	37,361,609	-55.11%
Total Liabilities, Deferred inflow of Resources and Net Position	\$ 63,620,273	\$ 78,762,803	-19.23%

On June 30, 2015, the College's assets were approximately \$60.9 million. The College's current assets of \$23.6 million were sufficient to cover current liabilities of \$4.1 million. This represents a current ratio of 5.79. Investment in capital assets, net of related debt is \$14.3 million, and represents an increase of \$226,851 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, 2015***

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.

Rogue Community College
Fiscal Year Ended June 30, 2015

	2015	2014	% Change
Operating Revenues:			
Student tuition and fees	\$ 17,160,540	\$ 19,189,090	-10.57%
Student financial aid grants	24,250,395	28,357,361	-14.48%
Federal grants and contracts	2,370,058	2,407,971	-1.57%
State and local government grants and contracts	3,283,212	3,039,372	8.02%
Auxiliary enterprises	2,600,729	2,886,688	-9.91%
Total operating revenues	49,664,934	55,880,482	-11.12%
Non-Operating Revenues:			
State community college support	6,419,845	8,812,032	-27.15%
Property taxes	13,893,310	13,363,178	3.97%
Investment income	196,146	3,050,295	-93.57%
Amortization of premium on general obligation and refunding bonds	99,289	99,289	0.00%
Other non-operating revenues	3,186,377	1,219,018	161.39%
Total non-operating revenues	23,794,967	26,543,812	-10.36%
Operating and Non-Operating Expenses:			
Instruction	14,706,052	16,944,686	-13.21%
Instructional support services	5,232,455	5,270,080	-0.71%
Student services	7,802,365	8,713,370	-10.46%
Community services	655,848	690,447	-5.01%
College support services	6,643,253	6,540,975	1.56%
Plant operations and maintenance	3,531,257	3,775,239	-6.46%
Scholarships and grants	26,639,338	30,818,208	-13.56%
Depreciation	1,383,795	1,249,414	10.76%
Loss on capital assets	5,602	14,745	-62.01%
Interest expense	1,665,064	1,730,889	-3.80%
Amortization of deferred charges	120,602	121,865	-1.04%
Total operating and non-operating expenses	68,385,631	75,869,918	-9.86%
Income before contributions	5,074,270	6,554,376	-22.58%
Capital contributions - donated assets	20,700	40,500	-48.89%
Change in net position	5,094,970	6,594,876	-22.74%
Net position, beginning of year, as restated	11,678,406	30,766,733	-62.04%
Net position, end of year	\$ 16,773,376	\$ 37,361,609	-55.11%

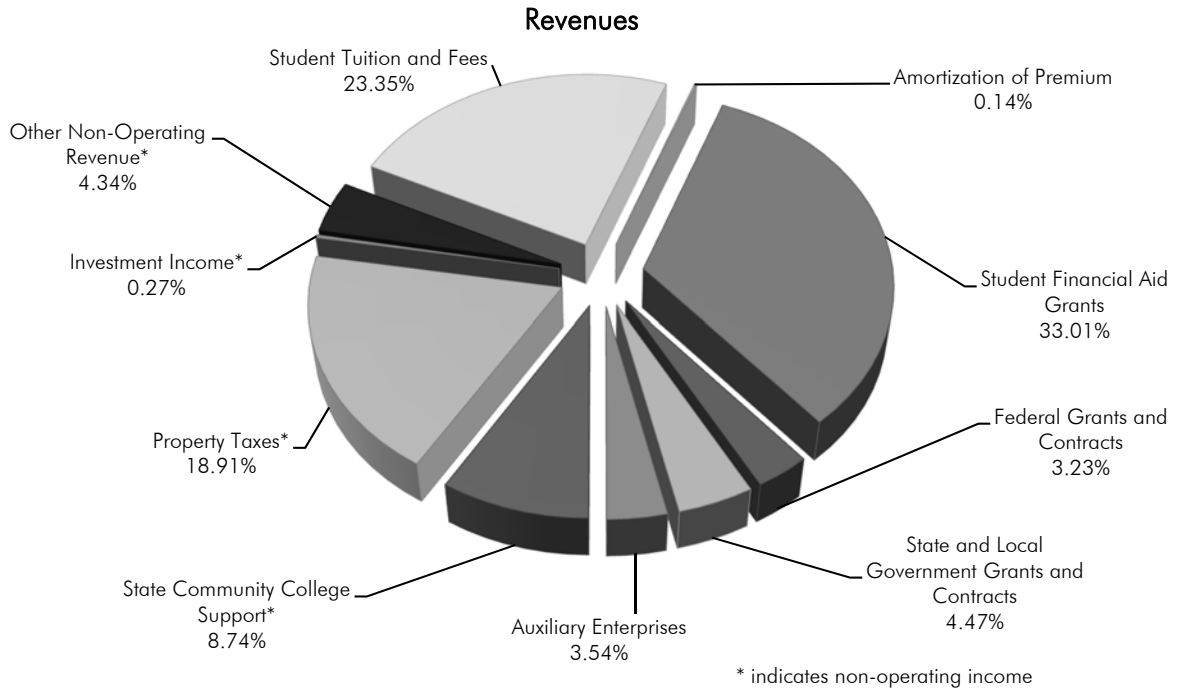
Revenues:

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 \$6.2 million or 11.12% between 2014 and 2015. The most significant sources of operating revenue for the College include student tuition & fees, state and local government grants and contracts. Tuition and fees decreased 10.57% or \$2 million due to a decrease in student FTE. Student financial aid grants decreased \$4.1 million or 14.48%. The decrease in financial aid grants is related to the decrease in student FTE and due to the needs of the students the College serves.

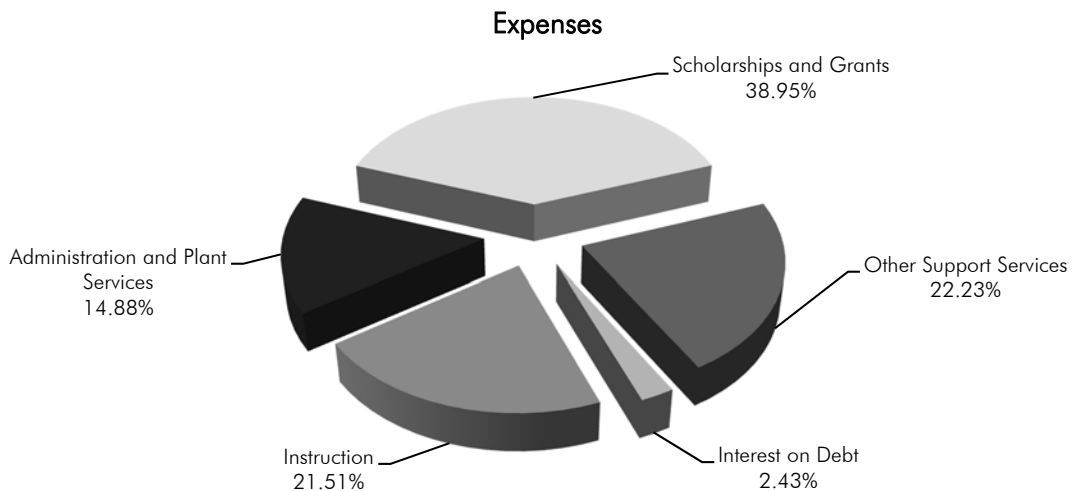
The largest non-operating revenue source is property taxes, followed by state community college support. The College received \$13.9 million from property taxes representing a 3.97% increase from the prior year. This increase is directly related to the overall assessed value of property located in Jackson and Josephine Counties increasing approximately 4.7%.

The second largest non-operating revenue is FTE reimbursement from the State of Oregon. The State appropriated \$465 million for the Community College Support Fund (CCSF) for the 2013-15 biennium. The decrease in the FTE reimbursement is a timing difference due to the deferral of the eighth quarter FTE payment to fiscal year 2016.



Expenses:

Operating and non-operating expenses totaling \$68.4 million include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Instruction expenses represent a large percentage of total expenses at \$14.7 million or 21.51% of total expenses. Support services, including auxiliary enterprises, contracted programs, and depreciation, represent \$15.2 million or 22.23% of total expenses. Scholarship and grant expenses of \$26.6 million represent 38.95% of total expenses. Administration expenses, including plant services, represent \$10.2 million or 14.88% of total expenses. Interest expense, the College's most significant non-operating expense, represent \$1.7 million or 2.43% of total expense.



Capital Assets and Debt Administration

Capital Assets

The College's investment in capital assets as of June 30, 2015, amounts to \$33.3 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 \$36.8 million. Of this amount, \$18.8 million is General Obligation and Refunding Bonds and \$17.8 million is Limited Tax Pension Obligation Bonds; all of which are backed by the full faith and credit of the College. In addition, \$180,846 is a note with the US Department of Education backed by the property. The College's total debt decreased by \$1.76 million during 2014-15.

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, 2015, the College's general obligation debt is 0.05% of Real Market Value. Based upon this, the College's legal debt limit is \$352,692,040, which is significantly higher than the College's outstanding general obligation debt of \$17.8 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 16, 2015 for fiscal year 2015-16. The proposed General Fund budget for fiscal year 2015-16 is \$40.6 million. This budget is based upon the Co-Chairs requested CCSF appropriation of \$535 million. Property taxes are projected to increase 3%, or \$353,000, over 2014-15 actuals. Tuition is expected to decrease 8% in accordance with the expected enrollment decrease. The College's Board voted to increase tuition by \$4 and the technology fee by \$1 for 2015-16. The General Fund budget also includes a transfer from the College Services Fund of \$1.19 million. The beginning fund balance for 2015-16 is expected to be approximately \$4.7 million.

The community colleges submitted a CCSF budget request of \$650 million for the 2015-17 session, the minimum amount necessary to allow modest progress toward the State's 40/40/20 goal. Based upon the community college's request, the HECC requested \$519 million and the Governor's budget allots \$500 million. Thankfully the Co-Chairs understand the need for a significant increase in the CCSF and submitted a budget of \$535 million, with an increase of \$15 million should additional revenue become available. As evident, even the highest funding level will not provide community colleges sufficient resources to ensure continued advancement toward the new state educational attainment goals. Regardless of this challenge, the College is committed to student access and success and will continue to identify internal efficiencies and improvements.

In spite of recruitment efforts, the College has experienced a 21% enrollment decline since fiscal year 2011. This decline has negatively impacted two of the College's three main operating revenues, state reimbursement and tuition and fees. Looking forward, the College is expecting an additional 17% decline in enrollment over the next two years.

Achieving fiscal sustainability has been and will continue to 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

Statement of Net Position
June 30, 2015

	College	Foundation (Component Unit)
ASSETS		
Current Assets:		
Cash	\$ 2,865,476	\$ 248,838
Cash equivalents	17,174,368	0
Receivables:		
Property taxes	1,088,032	0
Accounts, net	1,705,613	1,568,016
Inventory	806,652	0
Prepaid expenses	8,255	11,251
Total current assets	<u>23,648,396</u>	<u>1,828,105</u>
Non-current Assets:		
Endowment investments	0	7,899,736
Land investments	0	182,977
Postemployment benefit	169,292	0
Pension asset	3,798,451	0
Donated assets held for sale	0	26,720
Capital assets	51,855,486	38,627
Less: accumulated depreciation	<u>(18,562,774)</u>	<u>(33,764)</u>
Capital assets, net	<u>33,292,712</u>	<u>4,863</u>
Total non-current assets	<u>37,260,455</u>	<u>8,114,296</u>
TOTAL ASSETS	<u>60,908,851</u>	<u>9,942,401</u>
DEFERRED OUTFLOW OF RESOURCES		
Deferred charge on refunding	1,171,396	0
Deferred outflows on PERS contributions	<u>1,540,026</u>	<u>0</u>
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>2,711,422</u>	<u>0</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	519,890	178,481
Accrued interest payable	31,767	0
Payroll liabilities	1,298,393	8,079
Unearned revenue	202,951	0
Compensated absences	73,713	0
Scholarships payable, net	0	332,021
Current portion of long-term obligations	<u>1,956,016</u>	<u>0</u>
Total current liabilities	<u>4,082,730</u>	<u>518,581</u>
Non-current liabilities - long-term obligations		
Compensated absences	563,263	0
Pension bonds payable	17,790,000	0
General obligation and refunding bonds payable (net of unamortized premium)	18,827,897	0
Note payable	180,846	0
Obligation under Standard Unitrust	0	125,826
Less: current portion of long-term obligations	<u>(1,956,016)</u>	<u>0</u>
Total non-current liabilities - long-term obligations	<u>35,405,990</u>	<u>125,826</u>
TOTAL LIABILITIES	<u>39,488,720</u>	<u>644,407</u>

See notes to basic financial statements.

Statement of Net Position
June 30, 2015 (continued)

	College	Foundation (Component Unit)
DEFERRED INFLOWS OF RESOURCES		
Deferred pension amount	7,358,177	0
TOTAL DEFERRED INFLOWS OF RESOURCES	7,358,177	0
NET POSITION		
Investment in capital assets	\$ 33,292,712	\$ 0
Less: related debt	(19,008,742)	0
Net investment in capital assets	14,283,970	0
Restricted - non-expendable		
Restricted - permanent endowment	0	3,780,271
Restricted - expendable		
Restricted temporarily - endowment income and scholarships	0	4,320,554
Restricted - debt service	295,061	0
Restricted - contracts and grants	586,893	0
Total restricted net position	881,954	8,100,825
Unrestricted	1,607,452	1,197,169
TOTAL NET POSITION	\$ 16,773,376	\$ 9,297,994

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, 2015

	College	Foundation (Component Unit)
OPERATING REVENUES		
Student tuition and fees	\$ 17,160,540	\$ 0
Federal student financial aid grants	24,250,395	0
Federal grants and contracts	2,370,058	0
State and local grants and contracts	3,283,212	0
Auxiliary enterprises	2,600,729	0
Public support and revenue	0	1,129,997
Total operating revenues	49,664,934	1,129,997
OPERATING EXPENSES		
Instruction	14,706,052	0
Instructional support services	5,232,455	0
Student services	7,802,365	0
Community services	655,848	0
College support services	6,643,253	0
Plant operations and maintenance	3,531,257	0
Scholarships and grants	26,639,338	0
Foundation programs	0	768,481
Depreciation	1,383,795	0
Total operating expenses	66,594,363	768,481
Operating income (loss)	(16,929,429)	361,516
NON-OPERATING REVENUES (EXPENSES)		
State community college support	6,419,845	0
Property taxes	13,893,310	0
Investment income	196,146	184,469
Interest expense	(1,665,064)	0
Amortization of deferred charges	(120,602)	0
Amortization of premium on general obligation and refunding bonds	99,289	0
Loss on disposal of capital assets	(5,602)	0
Other non-operating revenues	3,186,377	0
Total non-operating revenues (expenses)	22,003,699	184,469
Income (loss) before contributions	5,074,270	545,985
Capital Contribution - donated assets	20,700	0
Change in net position	5,094,970	545,985
NET POSITION		
Net position, beginning of year, as restated	11,678,406	8,752,009
Net position, end of year	\$ 16,773,376	\$ 9,297,994

See notes to basic financial statements.

Statement of Cash Flows
For the year ended June 30, 2015

	<u>College</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	\$ 17,568,849
Student financial aid grants	24,306,851
Federal, State and local government grants and contracts	5,747,818
Payments to suppliers for goods and services	(2,532,915)
Payments to employees	(38,901,962)
Payments for student financial aid and other scholarships	(26,639,338)
Auxiliary enterprises:	
Cash received from customers	2,701,582
Paid to suppliers for resale materials	(2,110,476)
Cash from other sources	<u>3,186,377</u>
Net cash used in operating activities	<u>(16,673,214)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	13,798,357
Cash received from State community college support	6,419,845
Principal paid on pension bonds	(620,000)
Interest paid on pension bonds	<u>(879,630)</u>
Net cash provided by non-capital financing activities	<u>18,718,572</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Purchase of capital assets	(356,091)
Principal paid on capital-related long-term debt	(1,140,170)
Interest paid on capital-related long-term debt	<u>(787,852)</u>
Net cash used in capital financing activities	<u>(2,284,113)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income (loss)	<u>196,146</u>
NET INCREASE IN CASH	(42,609)
Cash and cash equivalents, beginning of year	<u>20,082,453</u>
Cash and cash equivalents, end of year	<u><u>\$ 20,039,844</u></u>

See notes to basic financial statements.

Statement of Cash Flows

For the year ended June 30, 2015 (continued)

	<u>College</u>
RECONCILIATION TO AMOUNTS SHOWN ON STATEMENT OF NET POSITION	
Cash	\$ 2,865,476
Cash equivalents	<u>17,174,368</u>
	<u>\$ 20,039,844</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (16,929,429)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	1,383,795
GASB 68 actuarial pension revenue	(5,019,770)
Other non-operating revenues	3,186,377
Changes in assets and liabilities:	
Decrease in accounts receivable	676,431
Increase in inventory	(12,365)
Decrease in prepaid expenses	93,326
Decrease in accounts payable	(72,294)
Increase in payroll liabilities and compensated absences	37,961
Decrease in deferred revenue	(16,266)
Decrease in post-employment benefit	(980)
Net cash used in operating activities	<u>\$ (16,673,214)</u>
NON-CASH CAPITAL FINANCING AND INVESTING ACTIVITIES	
Other assets - deferred charges	\$ 120,602
Amortization of deferred charges	(120,602)
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	5,602
Loss on disposal of capital assets	(5,602)
Donation of capital asset	20,700
Capital assets	<u>(20,700)</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, 2015, the Foundation provided scholarships and awards of \$313,707 and project grants of \$17,644 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 resource 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 expense 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. Expense 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, 2015 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.

1. Summary of Significant Accounting Policies (continued)

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 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 for all of the other categories is \$50,000. 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/Inflow of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The College has two items that qualifies for reporting in this category: the pension obligation and deferred charge on refunding, both are reported on the statement of net

1. Summary of Significant Accounting Policies (continued)

Deferred Outflow/Inflow of Resources (continued)

position. The pension obligation results from changes in assumptions or other inputs in the actuarial calculation of the College's net pension asset. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow or resources (revenue) until that time. The College has one item that qualifies for reporting in this category: the employer pension assumption. The employer pension assumption results from the differences between the expected and actual experience and the net difference between projected and actual earnings on pension plan investments derived from the actuarial calculation of the College's net pension asset.

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, 2015 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.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1. Summary of Significant Accounting Policies (continued)

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. When both restricted and unrestricted resources are available for use, it is the college's practice to use restricted resources first, then unrestricted resources as they are needed.

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 expenses 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.

Recently Issued Accounting Pronouncements

As of July 1, 2014, the College adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The effect of the implementation of these standards on beginning net position is disclosed in Note 8 and the additional disclosures required by these standards are included in Note 11.

2. Cash and Investments

The College's cash and investments are comprised of the following at June 30, 2015:

Cash on hand	\$	5,300
Cash with fiscal agent		122,161
Deposits with Financial Institutions		2,738,015
Investments		17,174,368
Total	\$	<u>20,039,844</u>

Deposits with Financial Institutions

Deposits with financial institutions consist of bank demand deposits. The College's demand deposits at June 30, 2015 included:

Insured (FDIC)	\$	250,000
Collateralized by depository qualified by the Oregon State Treasurer		<u>2,852,104</u>
Total	\$	<u>3,102,104</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.

At June 30, 2015, the College's investments consisted of:

Oregon Local Government Investment Pool	\$	17,174,297
Other		<u>71</u>
Total Investments	\$	<u>17,174,368</u>

2. Cash and Investments (continued)

Investments (continued)

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, 2015 were: 74% mature within 93 days, 6% mature from 94 days to one year, and 20% 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 \$248,838 at June 30, 2015 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 not have deposits that exceeded the FDIC insured limit.

The Foundation's investments totaling \$7,899,736 at June 30, 2015 are stated at fair value and consist of the following:

Equity funds	\$ 4,747,620
Fixed income funds	1,668,362
Mutual funds	715,224
Other assets	768,530
Total Investments	<u>\$ 7,899,736</u>

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 based on three levels. Level 1 valuations are based on quoted prices obtained in actively traded markets for identical assets and are considered to be the most objective standard for fair value measurement. Level 2 valuations are based on quoted prices for similar active markets, quoted prices for identical or similar markets that are not active and model-based valuation techniques for which all significant

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

assumptions are observable in the market. Level 3 valuations are based on model-based techniques for which some or all of the assumptions are obtained from indirect market information that is significant to the overall fair value measurement and which require a significant degree of management judgment.

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).

3. Capital Assets

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

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Construction in progress	49,899	0	0	49,899
Total capital assets not being depreciated	<u>3,877,752</u>	<u>0</u>	<u>0</u>	<u>3,877,752</u>
Capital assets being depreciated:				
Buildings	40,645,537	0	0	40,645,537
Infrastructure	1,797,825	0	0	1,797,825
Furniture and equipment	3,590,850	333,106	103,418	3,820,538
Library collections	667,497	50,184	0	717,681
Software RogueNet	996,153	0	0	996,153
Total capital assets being depreciated	<u>47,697,862</u>	<u>383,290</u>	<u>103,418</u>	<u>47,977,734</u>
Less accumulated depreciation for:				
Buildings	12,913,265	936,911	0	13,850,176
Infrastructure	450,005	37,933	0	487,938
Furniture and equipment	2,548,942	343,704	91,317	2,801,329
Library collections	518,092	41,990	0	560,082
Software	839,992	23,257	0	863,249
Total accumulated depreciation	<u>17,270,296</u>	<u>1,383,795</u>	<u>91,317</u>	<u>18,562,774</u>
Total capital assets being depreciated, net	<u>30,427,566</u>	<u>(1,000,505)</u>	<u>12,101</u>	<u>29,414,960</u>
Total capital assets, net	<u>\$ 34,305,318</u>	<u>\$ (1,000,505)</u>	<u>\$ 12,101</u>	<u>\$ 33,292,712</u>

4. Accounts Receivable

The College's student and agency receivables are shown net of an allowance for uncollectible accounts. As of June 30, 2015, the allowance for uncollectible accounts totaled \$1,838,349.

In 1999, the Foundation was bequeathed funds for the Helen M. Whitaker Education Fund. For the year ended June 30, 2015, they held a student loan receivable of \$188,014. The Foundation also received pledges from donors in the fiscal year 2014-15 and the total remaining receivable at June 30, 2015 consisted of \$1,359,404.

Notes to Basic Financial Statements
Year ended June 30, 2015

5. Long-Term Obligations

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

	July 1, 2014	Additions	Deletions	June 30, 2015	Due Within One Year	Interest Matured and Paid
Pension bonds payable	\$ 18,410,000	\$ 0	\$ 620,000	\$ 17,790,000	\$ 710,000	\$ 879,630
General obligation and refunding bonds payable	18,960,000	0	1,125,000	17,835,000	1,230,000	777,275
Premium on general obligation and refunding bonds	1,092,186	0	99,289	992,897	0	0
Note payable	196,016	0	15,170	180,846	16,016	10,575
Compensated Absences	537,694	636,976	537,694	636,976	73,713	0
Total	<u>\$ 39,195,896</u>	<u>\$ 636,976</u>	<u>\$ 2,397,153</u>	<u>\$ 37,435,719</u>	<u>\$ 2,029,729</u>	<u>\$ 1,667,480</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. \$ 17,790,000

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. 8,790,000

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. 9,045,000

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. 180,846

Total Bonds and Notes Payable \$ 35,805,846

Fiscal Year	PENSION BONDS		GENERAL OBLIGATION AND REFUNDING BONDS		NOTE PAYABLE		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
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	8,836	2,161,909	1,489,439
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
2019-20	1,135,000	691,356	1,695,000	462,600	19,898	5,847	2,849,898	1,159,803
2020-25	7,760,000	2,516,709	10,530,000	1,225,850	91,324	11,659	18,381,324	3,754,218
2025-30	5,460,000	485,757	0	0	0	0	5,460,000	485,757
TOTAL:	<u>\$ 17,790,000</u>	<u>\$ 6,881,528</u>	<u>\$ 17,835,000</u>	<u>\$ 4,197,600</u>	<u>\$ 180,846</u>	<u>\$ 50,863</u>	<u>\$ 35,805,846</u>	<u>\$ 11,129,991</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%). The measure for authorizing the \$24,000,000 of general obligation bonds was on the November 2, 2004 ballot in Jackson County and was approved by a favorable vote of the District's Jackson County residents. The Bond measure was not on the ballot in Josephine County because the Project, defined herein, to be financed with Bond proceeds is located solely within Jackson County. Residents in the Josephine County portion of the District will not be assessed *ad valorem* taxes for payment of principal and interest on the Bonds. 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, 2015, all defeased Certificate of Participations 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, 2015, \$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 \$224,640 in 2014-15. The current and future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 187,367
2017	187,711
2018	189,775
2019	185,988
2020	170,502
2021-2025	361,917
Total	<u>\$ 1,283,260</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 2014-15, the College purchased property and liability coverage through PACE. PACE is an insurance

7. Risk Management (continued)

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 2014-15. 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 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

General Information about the Pension Plans

Plan descriptions: Employees of the College are provided with pensions through the Oregon Public Employees Retirement System, (OPERS), which is a cost-sharing multiple-employer defined benefit plan. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. The ORS Chapter 238 Defined Benefit Pension Plan, known as Tier 1. Tier 2 is closed to new members hired on or after August 29, 2003. A second program, the Chapter 238A-OPERS Pension Program (OPSRP-DB), is described in the second portion of this note. Membership in the programs is delineated based on date of hire.

OPERS issues a publically available financial report which can be obtained at:
http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

8. Pension Plans (continued)

General Information about the Pension Plans (continued)

Benefits Provided Under the Programs

	Chapter 238-Tier One and Tier Two	Chapter 238A-OPERS Pension Program (OPSRP-DB)
<i>Pension Benefits</i>	<p>The OPERS retirement allowance is payable monthly for life. The allowance may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under a formula plus an annuity (for members who were contributing before August 21, 1981,) or a money match computation if a greater benefit results.</p>	<p>The ORS 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:</p> <p>General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is 65, or age 58 with 30 years of retirement credit.</p> <p>A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.</p>
<i>Death Benefits</i>	<p>Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:</p> <ol style="list-style-type: none"> 1. The member was employed by an OPERS employer at the time of death, 2. The member died within 120 days after termination or OPERS-covered employment, 3. The member died as a result of injury sustained while employed in a OPERS-covered job, or 4. The member was on an official leave of absence from an OPERS-covered job at the time of death. 	<p>Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension which would otherwise have been paid to the deceased member.</p>

8. Pension Plans (continued)General Information about the Pension Plans (continued)

	Chapter 238-Tier One and Tier Two	Chapter 238A-OPERS Pension Program (OPSRP-DB)
<i>Disability Benefits</i>	A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.	A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as the last full month of employment before the disability occurred.
<i>Benefit Changes after Retirement</i>	Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.	No ability to change.
<i>Cost of Living Adjustments</i>	Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit.	Under ORS 238Z.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit.

Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Ultimate authority for setting and changing the laws governing contributions rests with the Oregon legislature.

Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation, which became effective July 1, 2013. The state of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments, and their rates have been reduced. Employer contributions for the year ended June 30, 2015 were \$3,150,888, of which \$1,540,026 are direct contributions from the college and the remainder is drawn from the College's Side Account held by OPERS. The rates, presented as a percentage of covered payroll, for the College in effect for the fiscal year ended June 30, 2015 were:

	Chapter 238-Tier One and Tier Two	Chapter 238A-OPERS Pension Program (OPSRP-DB)
General Service	9.32%	7.42%

8. Pension Plans (continued)

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

At June 30, 2015, the College reported an asset of \$3,798,451 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 and rolled forward to June 30, 2014. The College's proportion of the net pension liability was based on the College's projected long-term contribution effort as compared to the total projected long-term contribution effort of all employers.

Rates of every employer have at least two major components:

1. Normal Cost Rate: The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in OPERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.
2. UAL Rate: If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumptions. The UAL Rate is the upcoming year's fixed component of the cumulative amortization schedules, stated as a percent of payroll.

The employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

Since many governments in Oregon have sold pension obligation bonds and deposited the proceeds with OPERS (referred to as side accounts or transitional liability or surplus), adjustments are required. After each employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's side account, transitional liability/surplus, and the pre-SLGRP liability/surplus (if any). This is done as those balances increase/decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

Looking at both rate components, the projected long-term contribution effort is the sum of the PVFNC and UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

8. Pension Plans (continued)Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2015, the College's proportion was 0.16757515 percent, which is the same as its proportion measured as of June 30, 2014.

For the year ended June 30, 2015, the College recognized a negative pension expense of \$3,479,744. At June 30, 2015, the College reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources as shown below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	7,329,471
Changes in proportion and differences between College contributions and proportionate share of contributions	0	28,706
College contributions subsequent to the measurement date	1,540,026	0
Total	<u>\$ 1,540,026</u>	<u>\$ 7,358,177</u>

\$1,540,026 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

The net amount of the College's deferred outflows of resources and deferred inflows of resources that will be recognized in the College's pension expense in the subsequent five years in the aggregate are shown in the table below.

RCC Subsequent Fiscal Years	Deferred Outflow/ (Inflow) of Resources
2015-16	\$ (1,838,608)
2016-17	(1,838,608)
2017-18	(1,838,608)
2018-19	(1,838,608)
2019-20	(3,745)
Thereafter	0
Total	<u>\$ (7,358,177.00)</u>

8. Pension Plans (continued)Actuarial Assumptions:

The employer contribution rates effective July 1, 2013, through June 30, 2015, were set using the entry age normal actuarial cost method. For the Tier One / Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for the normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarially accrued liabilities, which are being amortized over a fixed period with new unfunded actuarially accrued liabilities being amortized over 16 years.

A summary of the economic assumptions used for the December 31, 2011 actuarial valuation and those approved for the December 31, 2012 and 2013 actuarial valuations are shown below:

Assumption	December 31, 2011 Valuation	December 31, 2012 and 2013 Valuations
Inflation (other than healthcare)	2.75%	2.75%
Real wage growth	1.00%	1.00%
Payroll growth	3.75%	3.75%
Regular investment return	8.00%	7.75%
Variable account investment return	8.25%	7.75%
OPSRP administrative expenses	\$ 6,600,000	\$ 5,500,000
Healthcare inflation rates		
2013 rate	6.90%	8.00%
Ultimate inflation rate	4.50%	4.70%
Year reaching ultimate rate	2029	2083

Actuarial valuations of an on-going plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31st of even numbered years. The experience study used to develop assumptions and estimates for the December 2012 actuarial valuation upon which the GASB 68 reporting data is based was adopted on September 18, 2013.

8. Pension Plans (continued)Actuarial Assumptions (continued):

Mortality assumptions are shown in the table below.

Assumption	December 31, 2011 Valuation	Approved for December 31, 2012 and 2013 Valuations
Healthy Annuitant Mortality School District male Other General Service male (and male beneficiary) School District female Other female (and female beneficiary)	RP2000 Generational, Combined Active/Healthy Annuitant, Sex Distinct White collar, set back 18 months Blended 25% blue collar, set back 12 months White collar, set back 24 months White collar, no set back	No change No collar, set back 24 months No change No change No change
Disabled Retiree Mortality Male Female	RP 2000 Static, Combined Active/Healthy Annuitant, No Collar, Sex distinct Set forward 60 months, minimum of 2.25% Set forward 48 months, minimum of 2.25%	RP 2000 Static, Disabled, No Collar, Sex distinct 65% of Disabled table 90% of Disabled table
Non-Annuitant Mortality School District male Other General Service male School District female Other female	Fixed Percentage of Healthy Annuitant Mortality 75% 85% 60% 50%	No change 70% No change No change 55%

8. Pension Plans (continued)Actuarial Assumptions (continued)

The long-term expected rate of return on plan investments was developed based on the forward looking capital market economic model. The table below presents the assumptions related to asset allocation and expected rates of return by major asset class using the 50th percentile. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Compound Annual Return	Annual Arithmetic Return	Standard Deviation
Core Fixed Income	7.20%	4.50%	4.70%	6.60%
Short-Term Bonds	8.00%	3.70%	3.76%	3.45%
Intermediate-Term Bonds	3.00%	4.10%	4.23%	5.15%
High Yield Bonds	1.80%	6.66%	7.21%	11.10%
Large Cap US Equities	11.65%	7.20%	8.60%	17.90%
Mid Cap US Equities	3.88%	7.30%	9.38%	22.00%
Small Cap US Equities	2.27%	7.45%	10.38%	26.40%
Developed Foreign Equities	14.21%	6.90%	8.73%	20.55%
Emerging Market Equities	5.49%	7.40%	11.51%	31.70%
Private Equity	20.00%	8.26%	11.95%	30.00%
Hedge Funds/Absolute Return	5.00%	6.01%	6.46%	10.00%
Real Estate (Property)	13.75%	6.51%	7.27%	13.00%
Real Estate (REITS)	2.50%	6.76%	8.41%	19.45%
Commodities	1.25%	6.07%	7.71%	19.70%
Portfolio – Gross of Expenses	100.00%	7.62%	8.39%	13.01%
Portfolio – Net of Expenses	100.00%	7.57%	8.34%	13.01%

Discount Rate

The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's Proportionate share of the Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75 percent) or 1-percentage point higher (8.75 percent) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Proportionate share of Net Pension Liability (Asset)	\$ 8,043,749	\$ (3,798,451)	\$ 13,814,174

8. Pension Plans (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report that can be found at <http://www.oregon.gov/pers>.

Changes in Pension Plan Subsequent to Measurement Date

The Oregon Supreme Court delivered its decision on April 30, 2015 in the case of *Moro v. State of Oregon*. The Court overturned the vast majority of the PERS reform cost saving provisions in SB 822 and SB 861 from the 2013 Legislature.

The reductions to COLA in Oregon SB 822 and SB 861 were found to be unconstitutional by the Supreme Court for benefits earned prior to the effective dates of these changes. As a result, benefits earned prior to these dates will continue to receive an annual COLA adjustment tied to the Consumer Price Index, normally resulting in a 2% increase. PERS will make restoration payments to those benefit recipients impacted by the passage of this legislation.

The Supreme Court did affirm the reduction of COLA for benefits that members earned on or after the effective dates of SB 822 and SB 861. Therefore active Tier 1 and Tier 2 members will have an annual COLA rate adjustment that is blended based upon the date the benefit was earned.

They also affirmed the removal of the income tax offset for current and future retirees residing outside the State of Oregon. However, there is a possibility that out of state retirees have the right to re-open the Stovall/Chess class action, as the Supreme Court did not have jurisdiction to prohibit its reopening.

The final decision in *Moro v. State of Oregon* occurred subsequent to the measurement date of June 30, 2014, therefore, it will be reflected in next year's actuarial valuations. The impact of the decision on the College's portion of the pension liability and the employer's net pension liability/(asset) has not been determined.

9. Post-Employment Health Care Costs

Plan 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 2014-15, the College contributed \$270,904.

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.

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

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	\$ 269,159
Interest on net OPEB obligation	(6,732)
Adjustment to annual required contribution	7,497
Annual OPEB cost	269,924
Contributions made	270,904
Increase (decrease) in net OPEB obligation	(980)
Net OPEB asset – beginning of year	(168,312)
Net OPEB asset – end of year	<u>\$ (169,292)</u>

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for 2014-15, 2013-14 and 2012-13 were as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2015	\$ 269,924	100.36%	\$ (169,292)
6/30/2014	\$ 250,268	117.23%	\$ (168,312)
6/30/2013	\$ 242,340	115.77%	\$ (125,187)

As of January 1, 2015, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$3,101,707 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,101,707. The anticipated covered payroll (annual payroll of active employees covered by the plan) was \$16,321,107, and the ratio of the UAAL to the anticipated covered payroll was 19%.

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

9. Post-Employment Health Care Costs (continued)Actuarial Methods and Assumptions (continued)

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	1/1/2015
Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent of Pay
Amortization Period	23 Years (closed)
General Inflation Rate	2.75%
Investment Rate of Return	4.00%
Projected Salary Increases	3.75%
Initial Healthcare Inflation Rates	5.90%
Ultimate Healthcare Inflation Rates	4.8% to 6.9%

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.

The College has made an offer on an existing 11,600 square foot building located in White City, Oregon. The offer is currently in the due diligence process with close of escrow scheduled for mid-December. The building will be incorporated into the Table Rock Campus, housing welding, manufacturing, and associated technologies. The State of Oregon in the 2012 House Bill 5202, Capital Construction Project Manufacturing and Fabrication Flex Lab, provides the College \$500,000 for this project. Although the final cost of the building will be in excess of \$500,000, the College does not intend to issue debt for the purchase of the building.

11. Adoption of New Standard

As of July 1, 2014, the College adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the cost and obligations associated with pensions in their financial statements, including additional note disclosures and required supplementary information. Beginning net position was restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date as follows:

Net position at June 30, 2014, as previously reported	\$ 37,361,609
Net pension liability at June 30, 2014	(8,551,605)
Net pension asset at June 30, 2014	(18,643,731)
Deferred outflows of resources related to contributions made during the year ended June 30, 2014	1,512,133
Net position at July 1, 2014, as restated	<u><u>\$ 11,678,406</u></u>

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Rogue Community College
Grants Pass, Oregon

Required Supplementary Information

Schedule of Funding Progress for Retiree Health Plan
For the year ended June 30, 2015

	2015	2014	2013	2012	2011
Actuarial Valuation Date	01/01/2015	01/01/2013	01/01/2013	01/01/2011	01/01/2011
Actuarial value of assets (a)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actuarial accrued liability (b)	<u>3,101,707</u>	<u>2,746,267</u>	<u>2,783,096</u>	<u>2,470,280</u>	<u>2,457,155</u>
Unfunded actuarial accrued liability (b-a)	<u>\$ 3,101,707</u>	<u>\$ 2,746,267</u>	<u>\$ 2,783,096</u>	<u>\$ 2,470,280</u>	<u>\$ 2,457,155</u>
Funded ratio (a/b)	0%	0%	0%	0%	0%
Covered payroll (c)	<u>\$ 16,321,107</u>	<u>\$ 17,459,753</u>	<u>\$ 16,828,677</u>	<u>\$ 17,305,153</u>	<u>\$ 16,841,998</u>
Unfunded actuarial accrued liability as a percentage of covered payroll ((b-a)/c)	<u>19%</u>	<u>16%</u>	<u>17%</u>	<u>14%</u>	<u>15%</u>

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress. The College receives an actuarial valuation every two years.

Schedule of Employer's Share of Net Pension Liability
Oregon Public Employees Retirement System (OPERS)
Last Ten Fiscal Years*

	<u>2015</u>
Employer's proportionate share of the net pension liability (asset)	0.16757515%
Employer's proportion share of the net pension liability (asset)	\$ (3,798,451)
Employer's covered-employee payroll	\$ 19,405,052
Employer's proportional share of the net pension liability (asset) as a percentage of its covered-employee payroll	(19.57%)
Plan fiduciary net position as a percentage of the total pension liability	103.59%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPERS cost, net OPERS obligation, funded status and funding progress. The College receives an actuarial valuation every two years.

* GASB Statement No. 68 requires ten years of information to be presented in this table, However, until a full ten year trend is compiled, the College will present information for those years for which information is available

Data reported is measured as of June 30, 2014

Schedule of Employer Contributions
Oregon Public Employees Retirement System (OPERS)
Last Ten Fiscal Years*

	<u>2015</u>
Statutorily required contributions	\$ 1,540,025
Contributions in relation to the statutorily required contribution	\$ (1,540,025)
Contribution (deficiency) excess	0
Employer's covered-employee payroll	\$ 18,622,319
Contributions as a percentage of the covered-employee payroll	8.27%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPERS cost, net OPERS obligation, funded status and funding progress. The College receives an actuarial valuation every two years.

* GASB Statement No. 68 requires ten years of information to be presented in this table, However, until a full ten year trend is compiled, the College will present information for those years for which information is available

Data reported is measured as of June 30, 2015

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 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 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 Student Government 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 – Other to pay the Limited Tax Pension Obligation Series 2005.

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 College 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, Illinois Valley Business Entrepreneurial Center Facility, Massage, Math, Music Ensembles, 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, 2015

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
State sources	\$ 8,356,163	\$ 8,356,163	\$ 8,430,455	\$ 74,292
Local sources	11,591,892	11,591,892	11,966,979	375,087
Tuition and fees	14,041,634	14,041,634	12,752,677	(1,288,957)
Other revenue sources	250,000	250,000	359,117	109,117
Total revenues	<u>34,239,689</u>	<u>34,239,689</u>	<u>33,509,228</u>	<u>(730,461)</u>
Expenditures:				
Instruction	15,754,270	15,699,673	15,273,005	426,668
Instructional support services	3,309,305	3,490,981	3,465,318	25,663
Student services	5,521,549	5,541,016	4,958,476	582,540
Community services	251,938	252,070	209,378	42,692
College support services	6,992,638	6,719,788	6,444,747	275,041
Plant operations and maintenance	2,981,744	2,981,556	2,598,690	382,866
Contingency	1,795,398	1,537,058	0	1,537,058
Reserved for future expenditures	2,741,945	2,741,945	0	2,741,945
Total expenditures	<u>39,348,787</u>	<u>38,964,087</u>	<u>32,949,614</u>	<u>3,272,528</u>
Revenues over (under) expenditures	<u>(5,109,098)</u>	<u>(4,724,398)</u>	<u>559,614</u>	<u>2,542,067</u>
Other financing sources (uses):				
Transfers in	1,844,290	1,844,290	1,196,204	(648,086)
Transfers out	(1,141,311)	(1,526,011)	(1,336,414)	189,597
Total other financing sources (uses)	<u>702,979</u>	<u>318,279</u>	<u>(140,210)</u>	<u>(458,489)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(4,406,119)</u>	<u>(4,406,119)</u>	<u>419,404</u>	<u>4,825,523</u>
Fund balance, beginning of year	<u>4,406,119</u>	<u>4,406,119</u>	<u>4,286,963</u>	<u>(119,156)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,706,367</u>	<u>\$ 4,706,367</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, 2015

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
Other revenue sources	\$ 150,000	\$ 150,000	\$ 0	\$ (150,000)
Expenditures:				
Plant additions	150,000	150,000	0	150,000
College support services	0	0	0	0
Total expenditures	150,000	150,000	0	150,000
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

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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 43,457	\$ 43,457
Expenditures:				
Plant operations and maintenance	1,783,279	1,783,279	377,772	1,405,507
Plant additions	779,053	779,053	0	779,053
Contingency	251,906	251,906	0	251,906
Reserve for future expenditure	231,070	231,070	0	231,070
Total expenditures	3,045,308	3,045,308	377,772	2,667,536
Revenues over (under) expenditures	(3,045,308)	(3,045,308)	(334,315)	2,710,993
Other financing sources (uses):				
Transfers in	660,000	660,000	698,812	38,812
Revenues and other sources over (under) expenditures and other uses	(2,385,308)	(2,385,308)	364,497	2,749,805
Fund balance, beginning of year	2,385,308	2,385,308	2,182,787	(202,521)
Fund balance, end of year	\$ 0	\$ 0	\$ 2,547,284	\$ 2,547,284

Rogue Community College

Capital Improvement Fund - State & Local Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 500,000	\$ 500,000	\$ 0	\$ (500,000)
Local sources	2,525,000	2,525,000	0	(2,525,000)
Total revenues	3,025,000	3,025,000	0	(3,025,000)
Expenditures:				
Plant Additions	3,025,000	3,025,000	0	3,025,000
Total expenditures	3,025,000	3,025,000	0	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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Local sources	\$ 1,852,181	\$ 1,852,181	\$ 1,878,771	\$ 26,590
Other revenue sources	16,130	16,130	19,102	2,972
Total revenues	<u>1,868,311</u>	<u>1,868,311</u>	<u>1,897,873</u>	<u>29,562</u>
Expenditures:				
Debt service	1,902,275	1,902,275	1,902,275	0
Unappropriated ending fund balance	236,959	236,959	0	236,959
Total expenditures	<u>2,139,234</u>	<u>2,139,234</u>	<u>1,902,275</u>	<u>236,959</u>
Revenues over (under) expenditures	(270,923)	(270,923)	(4,402)	266,521
Fund balance, beginning of year	270,923	270,923	271,701	778
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 267,299</u>	<u>\$ 267,299</u>
Summary of expenditures by appropriation:				
College support services	\$ 1,902,275	\$ 1,902,275	\$ 1,902,275	\$ 0
Unappropriated ending fund balance	236,959	236,959	0	236,959
Total expenditures	<u>\$ 2,139,234</u>	<u>\$ 2,139,234</u>	<u>\$ 1,902,275</u>	<u>\$ 236,959</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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 17	\$ 17
Expenditures:				
Debt service	1,525,376	1,525,376	1,525,375	1
Contingency	34,240	34,240	0	34,240
Total expenditures	1,559,616	1,559,616	1,525,375	34,241
Revenues over (under) expenditures	(1,559,616)	(1,559,616)	(1,525,358)	34,258
Other financing sources (uses):				
Transfers in	1,525,376	1,525,376	1,525,358	(18)
Revenues and other sources over (under) expenditures and other uses	(34,240)	(34,240)	0	34,240
Fund balance, beginning of year	34,240	34,240	34,245	5
Fund balance, end of year	\$ 0	\$ 0	\$ 34,245	\$ 34,245
Summary of expenditures by appropriation:				
College support services	\$ 1,525,376	\$ 1,525,376	\$ 1,525,374	\$ 2
Contingency	34,240	34,240	0	34,240
Total expenditures	\$ 1,559,616	\$ 1,559,616	\$ 1,525,374	\$ 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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 1,935,232	\$ 1,935,232	\$ 1,749,637	\$ (185,595)
Expenditures:				
College support services	308,000	308,000	54,240	253,760
Plant operations and maintenance	173,620	173,620	152,660	20,960
Contingency	100,000	100,000	0	100,000
Reserved for future expenditures	1,958,866	1,958,866	0	1,958,866
Total expenditures	2,540,486	2,540,486	206,900	2,333,586
Revenues over (under) expenditures	(605,254)	(605,254)	1,542,737	2,147,991
Other financing sources (uses):				
Transfers out	(2,073,814)	(2,073,814)	(1,565,445)	508,369
Total other financing sources (uses)	(2,073,814)	(2,073,814)	(1,565,445)	508,369
Revenues and other sources over (under) expenditures and other uses	(2,679,068)	(2,679,068)	(22,708)	2,656,360
Fund balance, beginning of year	2,679,068	2,679,068	2,790,951	111,883
Fund balance, end of year	\$ 0	\$ 0	\$ 2,768,243	\$ 2,768,243

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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal sources	\$ 3,574,177	\$ 3,573,713	\$ 2,370,058	\$ (1,203,655)
State sources	255,397	232,384	412,360	179,976
Local sources	45,000	164,250	156,270	(7,980)
Tuition and fees	98,000	132,356	143,548	11,192
Other revenue sources	507,202	(2,634)	270,427	273,061
Total revenues	<u>4,479,776</u>	<u>4,100,069</u>	<u>3,352,663</u>	<u>(747,406)</u>
Expenditures:				
Instruction	1,947,027	1,612,859	1,112,385	500,474
Instructional support services	1,817,882	2,022,388	1,418,862	603,526
Student services	785,217	928,916	829,629	99,287
Community services	5,000	1,000	0	1,000
College support services	5,000	841	0	841
Plant operations and maintenance	5,000	2,011	2,010	1
Plant additions	5,000	1,000	0	1,000
Contingency	127,069	128,180	0	128,180
Total expenditures	<u>4,697,195</u>	<u>4,697,195</u>	<u>3,362,886</u>	<u>1,334,309</u>
Revenues over (under) expenditures	<u>(217,419)</u>	<u>(597,126)</u>	<u>(10,223)</u>	<u>586,903</u>
Fund balance, beginning of year	<u>217,419</u>	<u>597,126</u>	<u>597,116</u>	<u>(10)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 586,893</u>	<u>\$ 586,893</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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal sources	\$ 32,588,224	\$ 32,588,224	\$ 24,250,395	\$ (8,337,829)
State sources	2,600,000	2,600,000	2,277,493	(322,507)
Local sources	700,000	700,000	276,206	(423,794)
Other revenue sources	48,000	48,000	41,063	(6,937)
Total revenues	<u>35,936,224</u>	<u>35,936,224</u>	<u>26,845,157</u>	<u>(9,091,067)</u>
Expenditures:				
Student financial aid	<u>35,888,224</u>	<u>35,888,224</u>	<u>26,845,157</u>	<u>9,043,067</u>
Total expenditures	<u>35,888,224</u>	<u>35,888,224</u>	<u>26,845,157</u>	<u>9,043,067</u>
Revenues over (under) expenditures	48,000	48,000	0	(48,000)
Other financing sources (uses):				
Transfers out	<u>(48,000)</u>	<u>(48,000)</u>	<u>0</u>	<u>48,000</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><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 362,061	\$ 362,061	\$ 200,595	\$ (161,466)
Expenditures:				
Instructional support	21,388	35,488	27,922	7,566
College support services	101,086	122,044	92,266	29,778
Plant operations and maintenance	501,940	539,916	385,125	154,791
Plant additions	1,000	2	0	2
Contingency	119,626	47,590	0	47,590
Total expenditures	745,040	745,040	505,313	239,727
Revenues over (under) expenditures	(382,979)	(382,979)	(304,718)	78,261
Other financing sources (uses):				
Transfers in	382,979	382,979	304,663	(78,316)
Revenues and other sources over (under) expenditures and other uses	0	0	(55)	(55)
Fund balance, beginning of year	0	0	55	55
Fund balance, end of year	\$ 0	\$ 0	\$ 0	\$ 0

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, 2015

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Tuition and fees	\$ 158,011	\$ 158,011	\$ 143,353	\$ (14,658)
Other revenue sources	31,808	11,032	29,392	18,360
Total revenues	<u>189,819</u>	<u>169,043</u>	<u>172,745</u>	<u>3,702</u>
Expenditures:				
Instructional support	140,717	130,717	63,414	67,303
Student services	209,114	219,114	163,214	55,900
College support services	145,922	145,922	66,288	79,634
Contingency	1,700	1,700	0	1,700
Total expenditures	<u>497,453</u>	<u>497,453</u>	<u>292,916</u>	<u>204,537</u>
Revenues over (under) expenditures	<u>(307,634)</u>	<u>(328,410)</u>	<u>(120,171)</u>	<u>208,239</u>
Other financing sources (uses):				
Transfers in	157,231	157,231	167,102	9,871
Transfers out	(10,892)	(10,892)	0	10,892
Total other financing sources (uses)	<u>146,339</u>	<u>146,339</u>	<u>167,102</u>	<u>20,763</u>
Revenues and other sources over (under) expenditures and other uses	<u>(161,295)</u>	<u>(182,071)</u>	<u>46,931</u>	<u>229,002</u>
Fund balance, beginning of year	<u>161,295</u>	<u>182,071</u>	<u>192,876</u>	<u>10,805</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 239,807</u>	<u>\$ 239,807</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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 2,297,776	\$ 2,297,776	\$ 1,977,059	\$ (320,717)
Expenditures:				
College support services	25,000	75,000	30,387	44,613
Contingencies	100,000	50,000	0	50,000
Reserved for future expenditures	5,387,251	5,387,251	0	5,387,251
Total expenditures	5,512,251	5,512,251	30,387	5,481,864
Revenues over (under) expenditures	(3,214,475)	(3,214,475)	1,946,672	5,161,147
Other financing sources (uses):				
Transfers out	(1,499,630)	(1,499,630)	(1,499,630)	0
Total other financing sources (uses)	(1,499,630)	(1,499,630)	(1,499,630)	0
Revenues and other sources over (under) expenditures and other uses	(4,714,105)	(4,714,105)	447,042	5,161,147
Fund balance, beginning of year	4,714,105	4,714,105	5,036,353	322,248
Fund balance, end of year	\$ 0	\$ 0	\$ 5,483,395	\$ 5,483,395

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, 2015

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
State sources	\$ 84,000	\$ 84,000	\$ 113,490	\$ 29,490
Tuition and fees	1,374,599	1,374,599	1,386,505	11,906
Other revenue sources	248,195	48,195	14,173	(34,022)
Total revenues	<u>1,706,794</u>	<u>1,506,794</u>	<u>1,514,168</u>	<u>7,374</u>
Expenditures:				
Instruction	1,168,284	1,167,799	905,476	262,323
Instructional support services	739,107	739,592	705,570	34,022
Student services	15,000	15,000	8,750	6,250
Total expenditures	<u>1,922,391</u>	<u>1,922,391</u>	<u>1,619,796</u>	<u>302,595</u>
Revenues over (under) expenditures	<u>(215,597)</u>	<u>(415,597)</u>	<u>(105,628)</u>	<u>309,969</u>
Other financing sources (uses):				
Transfers in	3,500	203,500	83,379	(120,121)
Transfers out	(15,089)	(15,089)	(12,803)	2,286
Total other financing sources (uses)	<u>(11,589)</u>	<u>188,411</u>	<u>70,576</u>	<u>(117,835)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(227,186)</u>	<u>(227,186)</u>	<u>(35,052)</u>	<u>192,134</u>
Fund balance, beginning of year	<u>227,186</u>	<u>227,186</u>	<u>165,232</u>	<u>(61,954)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 130,180</u>	<u>\$ 130,180</u>

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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Reserved for future expenditures	2,661,052	2,661,052	0	2,661,052
Total expenditures	2,661,052	2,661,052	0	2,661,052
Revenues over (under) expenditures	(2,661,052)	(2,661,052)	0	2,661,052
Other financing sources (uses):				
Transfers in	500,000	500,000	500,000	0
Total other financing sources (uses)	500,000	500,000	500,000	0
Revenues and other sources over (under) expenditures and other uses	(2,161,052)	(2,161,052)	500,000	2,661,052
Fund balance, beginning of year	2,161,052	2,161,052	2,161,052	0
Fund balance, end of year	\$ 0	\$ 0	\$ 2,661,052	\$ 2,661,052

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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 0	\$ 0	\$ 0	\$ 0
Tuition and fees	1,129,011	1,079,011	984,821	(94,190)
Total revenues	1,129,011	1,079,011	984,821	(94,190)
Expenditures:				
Instruction	222,827	228,812	183,167	45,645
Instructional support services	622,895	634,860	523,603	111,257
Student services	30,000	30,000	25,927	4,073
College support services	800,911	883,343	606,073	277,270
Plant operations and maintenance	36,218	36,218	0	36,218
Contingency	306,609	206,227	0	206,227
Total expenditures	2,019,460	2,019,460	1,338,770	680,690
Revenues over (under) expenditures	(890,449)	(940,449)	(353,949)	586,500
Other financing sources (uses):				
Transfers in	47,850	232,550	232,550	0
Total other financing sources (uses)	47,850	232,550	232,550	0
Revenues and other sources over (under) expenditures and other uses	(842,599)	(707,899)	(121,399)	586,500
Fund balance, beginning of year	842,599	707,899	819,440	111,541
Fund balance, end of year	\$ 0	\$ 0	\$ 698,041	\$ 698,041

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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 95,749	\$ 95,749	\$ 95,842	\$ 93
Expenditures:				
College support services	95,749	100,023	63,872	36,151
Contingencies	80,000	75,726	0	75,726
Total expenditures	175,749	175,749	63,872	111,877
Revenues over (under) expenditures	(80,000)	(80,000)	31,970	111,970
Other financing sources (uses):				
Transfers out	(372,222)	(372,222)	(372,222)	0
Total other financing sources (uses)	(372,222)	(372,222)	(372,222)	0
Revenues and other sources over (under) expenditures and other uses	(452,222)	(452,222)	(340,252)	111,970
Fund balance, beginning of year	452,222	452,222	526,427	74,205
Fund balance, end of year	\$ 0	\$ 0	\$ 186,175	\$ 186,175

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, 2015

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Sales	\$ 3,237,561	\$ 3,237,561	\$ 2,685,377	\$ (552,184)
Other income	8,450	8,450	5,561	(2,889)
Total revenues	<u>3,246,011</u>	<u>3,246,011</u>	<u>2,690,938</u>	<u>(555,073)</u>
Expenditures:				
Personnel services	343,586	343,586	331,898	11,688
Other payroll expense	186,241	186,241	179,974	6,267
Materials and services	155,020	196,979	101,804	95,175
Materials for resale	2,413,171	2,395,452	2,065,219	330,233
Capital equipment	30,000	5,760	0	5,760
Contingency	310,793	310,793	0	310,793
Total expenditures	<u>3,438,811</u>	<u>3,438,811</u>	<u>2,678,895</u>	<u>759,916</u>
Revenues over (under) expenditures	(192,800)	(192,800)	12,043	204,843
Other financing sources (uses):				
Transfers out	(60,000)	(60,000)	(20,000)	40,000
Revenues and other sources over (under) expenditures and other uses	(252,800)	(252,800)	(7,957)	244,843
Fund balance, beginning of year	252,800	252,800	910,854	658,054
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 902,897</u>	<u>\$ 902,897</u>
Summary of expenditures by appropriation:				
Student services	\$ 3,128,018	\$ 3,128,018	\$ 2,678,895	\$ 449,123
Contingency	310,793	310,793	0	310,793
Total expenditures	<u>3,438,811</u>	<u>3,438,811</u>	<u>2,678,895</u>	<u>759,916</u>
Transfers out	60,000	60,000	20,000	40,000
	<u>\$ 3,498,811</u>	<u>\$ 3,498,811</u>	<u>\$ 2,698,895</u>	<u>\$ 799,916</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, 2015

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other income	\$ 588,367	\$ 588,367	\$ 610,227	\$ 21,860
Expenditures:				
Personnel services	341,386	341,386	339,078	2,308
Other payroll expense	191,734	191,734	175,200	16,534
Materials and services	662,544	639,628	134,994	504,634
Materials for resale	27,724	27,724	10,996	16,728
Capital equipment	4,138	27,054	23,020	4,034
Contingency	167,771	167,771	0	167,771
Total expenditures	1,395,297	1,395,297	683,288	712,009
Revenues over (under) expenditures	(806,930)	(806,930)	(73,061)	733,869
Other financing sources (uses):				
Transfers in	99,732	99,732	98,446	(1,286)
Revenues and other sources over (under) expenditures and other uses	(707,198)	(707,198)	25,385	732,583
Fund balance, beginning of year	707,198	707,198	675,501	(31,697)
Fund balance, end of year	\$ 0	\$ 0	\$ 700,886	\$ 700,886
Summary of expenditures by appropriation:				
Student services	\$ 44,057	\$ 44,057	\$ 14,918	\$ 29,139
Community services	862,172	862,172	540,495	321,677
College support services	66,453	66,453	17,442	49,011
Plant operations and maintenance	254,844	254,844	110,433	144,411
Contingency	167,771	167,771	0	167,771
Total expenditures	\$ 1,395,297	\$ 1,395,297	\$ 683,288	\$ 712,009

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, 2015

Fiscal Year Ended	Uncollected Balances July 1, 2014	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2015
2015	\$ 0	\$ 12,288,116	\$ (294,827)	\$ 11,556,905	\$ 436,384
2014	404,730	0	(4,614)	185,055	215,061
2013	211,930	0	2,396	79,019	135,307
2012	135,442	0	6,829	58,907	83,364
2011	59,251	0	(891)	30,225	28,135
2010	27,473	0	(1,377)	3,481	22,615
2009	10,040	0	(321)	1,840	7,879
Prior Years	19,101	0	2,685	1,832	19,954
Total	<u>\$ 867,967</u>	<u>\$ 12,288,116</u>	<u>\$ (290,120)</u>	<u>\$ 11,917,264</u>	<u>\$ 948,699</u>

Schedule of Property Tax Transactions - Debt Service Fund
For the year ended June 30, 2015

Fiscal Year Ended	Uncollected Balances July 1, 2014	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2015
2015	\$ 0	\$ 1,935,996	\$ (53,490)	\$ 1,815,528	\$ 66,978
2014	62,406	0	7,862	38,176	32,092
2013	30,738	0	635	11,891	19,482
2012	18,227	0	1,554	7,738	12,043
2011	7,101	0	(144)	4,226	2,731
2010	2,572	0	(285)	506	1,781
2009	1,809	0	(67)	315	1,427
Prior Years	2,259	0	931	391	2,799
Total	<u>\$ 125,112</u>	<u>\$ 1,935,996</u>	<u>\$ (43,004)</u>	<u>\$ 1,878,771</u>	<u>\$ 139,333</u>

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FINANCIAL TRENDS:	84
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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:.....	88
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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:.....	100
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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:	105
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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:	107
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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. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015; schedules containing information for years prior to fiscal year 2015 have not been restated in accordance with GASB No. 68 and No 71, unless otherwise stated.

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

	2014-15	2013-14	2012-13	2011-12
Net investment in capital assets	\$ 14,283,970	\$ 14,057,119	\$ 13,608,528	\$ 13,153,067
Restricted - expendable	881,954	993,992	592,876	607,081
Unrestricted	1,607,452	22,310,498	16,945,296	16,428,065
Total net position	<u>\$ 16,773,376</u>	<u>\$ 37,361,609</u>	<u>\$ 31,146,700</u>	<u>\$ 30,188,213</u>

Source: Rogue Community College Budget and Financial Services.

<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>
\$ 13,752,101	\$ 13,176,167	\$ 13,285,344	\$ 13,337,179	\$ 9,269,103	\$ 8,246,031
747,302	746,133	628,693	2,563,399	4,299,121	2,427,171
<u>12,038,388</u>	<u>10,149,312</u>	<u>2,718,379</u>	<u>6,576,208</u>	<u>3,214,987</u>	<u>4,539,508</u>
<u><u>\$ 26,537,791</u></u>	<u><u>\$ 24,071,612</u></u>	<u><u>\$ 16,632,416</u></u>	<u><u>\$ 22,476,786</u></u>	<u><u>\$ 16,783,211</u></u>	<u><u>\$ 15,212,710</u></u>

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

	2014-15	2013-14	2012-13	2011-12
Operating Revenues				
Student tuition and fees	\$ 17,160,540	\$ 19,189,090	\$ 18,951,762	\$ 19,980,687
Federal student financial aid grants	24,250,395	28,357,361	29,282,493	31,128,994
Federal grants and contracts	2,370,058	2,407,971	2,070,948	2,306,020
State and local grants and contracts	3,283,212	3,039,372	3,382,815	3,315,112
Auxiliary enterprises	2,600,729	2,886,688	3,012,341	3,263,140
Other operating revenues	0	0	0	0
Total operating revenues	\$ 49,664,934	\$ 55,880,482	\$ 56,700,359	\$ 59,993,953
Expenses:				
Instruction	\$ 14,706,052	\$ 16,944,686	\$ 16,959,707	\$ 17,602,427
Community services	655,848	690,447	4,770,501	696,173
Instructional support services	5,232,455	5,270,080	8,457,690	4,763,229
Student services	7,802,365	8,713,370	637,728	8,757,710
College support services	6,643,253	6,540,975	6,522,004	6,578,074
Plant operations and maintenance	3,531,257	3,775,239	3,485,631	3,864,283
Scholarships and grants	26,639,338	30,818,208	31,995,666	33,719,682
Depreciation	1,383,795	1,249,414	1,232,604	1,177,785
Total Expenses	\$ 66,594,363	\$ 74,002,419	\$ 74,061,531	\$ 77,159,363
Operating Income(loss)	\$ (16,929,429)	\$ (18,121,937)	\$ (17,361,172)	\$ (17,165,410)
Non-operating Revenues and Expenses:				
State community college support	\$ 6,419,845	\$ 8,812,032	\$ 3,902,363	\$ 7,690,282
Property taxes	13,893,310	13,363,178	12,779,883	12,708,580
Investment income	196,146	3,050,295	2,327,212	674,452
Other non-operating revenue	3,186,377	1,318,307	1,237,287	1,715,246
Gain (Loss) on disposal of capital assets	(5,602)	(14,745)	(1,040)	(5,323)
Gain (Loss) on pension asset	0	0	0	0
Interest expense	(1,665,064)	(1,730,889)	(1,791,596)	(1,818,453)
Amortization of deferred charges	(21,313)	(121,865)	(151,950)	(148,952)
Total non-operating revenue and expenses	\$ 22,003,699	\$ 24,676,313	\$ 18,302,159	\$ 20,815,832
Income (loss) before contributions	5,074,270	6,554,376	940,987	3,650,422
Capital contribution - donated assets	20,700	40,500	17,500	0
Change in net position	\$ 5,094,970	\$ 6,594,876	\$ 958,487	\$ 3,650,422

Source: Rogue Community College Budget and Financial Services

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 17,396,805	\$ 15,611,574	\$ 11,848,151	\$ 10,010,734	\$ 9,810,790	\$ 9,783,177
29,517,520	12,812,538	6,581,276	4,748,199	4,662,528	4,920,645
2,627,174	2,586,851	2,560,624	2,197,465	2,142,110	2,105,626
3,832,881	6,977,045	5,461,820	6,666,795	2,691,544	2,523,472
3,446,288	3,227,307	2,726,353	2,148,596	2,142,221	2,275,656
0	0	0	0	58,296	83,745
\$ 56,820,668	\$ 41,215,315	\$ 29,178,224	\$ 25,771,789	\$ 21,507,489	\$ 21,692,321
\$ 17,036,563	\$ 14,699,340	\$ 14,152,736	\$ 13,191,336	\$ 12,204,951	\$ 12,633,646
635,513	521,995	619,193	420,116	409,272	445,083
4,621,373	4,646,151	4,908,709	4,689,741	3,418,615	3,568,539
8,821,596	8,100,885	7,292,340	4,191,697	4,562,729	4,564,064
5,917,232	5,866,887	5,648,526	7,453,270	10,590,384	11,002,128
4,915,125	4,825,340	4,820,046	3,113,041	1,868,474	2,620,063
30,816,983	16,945,400	9,265,555	6,612,883	6,421,174	6,646,918
1,137,160	1,152,375	1,087,950	883,083	909,319	833,359
\$ 73,901,545	\$ 56,758,373	\$ 47,795,055	\$ 40,555,167	\$ 40,384,918	\$ 42,313,800
\$ (17,080,877)	\$ (15,543,058)	\$ (18,616,831)	\$ (14,783,378)	\$ (18,877,429)	\$ (20,621,479)
\$ 4,099,976	\$ 8,803,430	\$ 6,229,361	\$ 10,700,936	\$ 5,919,914	\$ 11,282,157
12,816,782	12,500,363	11,816,153	11,287,714	10,689,177	10,093,371
3,637,636	2,788,708	350,437	72,451	4,123,253	4,628,356
1,080,360	1,050,136	961,662	686,860	838,942	647,498
(3,688)	0	0	2,382	184,580	(340,649)
0	0	(5,003,419)	0	0	0
(2,036,715)	(2,113,088)	(2,166,204)	(2,236,097)	(2,280,643)	(2,273,793)
(47,295)	(47,295)	(47,293)	(47,293)	(47,293)	(47,296)
\$ 19,547,056	\$ 22,982,254	\$ 12,140,697	\$ 20,466,953	\$ 19,427,930	\$ 23,989,644
2,466,179	7,439,196	(6,476,134)	5,683,575	550,501	3,368,165
0	0	0	10,000	1,020,000	2,150,668
\$ 2,466,179	\$ 7,439,196	\$ (6,476,134)	\$ 5,693,575	\$ 1,570,501	\$ 5,518,833

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:									
2014-15	0.6216	\$ 16,336,982	\$ 149,974	\$ 438,182	\$ 636,656	\$ 221,296	\$ 17,783,090	\$ 23,512,803	75.6%
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	0	16,449,455	22,526,553	73.0%
2010-11	0.6319	15,059,656	161,634	459,830	569,936	0	16,251,056	24,611,610	66.0%
2009-10	0.6278	14,732,599	180,529	463,067	534,132	0	15,910,327	28,365,972	56.1%
2008-09	0.6256	14,204,195	200,989	500,594	500,517	0	15,406,295	31,152,479	49.5%
2007-08	0.6323	13,546,749	199,723	484,839	469,797	0	14,701,108	31,687,849	46.4%
2006-07	0.6365	12,699,118	223,533	452,600	464,471	0	13,839,722	28,839,149	48.0%
2005-06	0.6378	11,931,306	225,477	429,785	439,977	0	13,026,545	23,570,941	55.3%
Josephine County:									
2014-15	0.5128	\$ 6,355,768	\$ 54,208	\$ 109,899	\$ 186,685	\$ 0	\$ 6,706,560	\$ 8,063,237	83.2%
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	0	6,267,270	7,275,734	86.1%
2011-12	0.5128	5,811,113	88,261	114,715	168,844	0	6,182,933	7,574,999	81.6%
2010-11	0.5128	5,682,170	117,201	122,550	165,070	0	6,086,991	8,446,480	72.1%
2009-10	0.5128	5,509,036	128,920	116,701	153,834	0	5,908,491	9,182,834	64.3%
2008-09	0.5128	5,267,002	137,774	119,351	131,097	0	5,655,224	10,271,803	55.1%
2007-08	0.5128	5,015,175	139,087	110,375	119,151	0	5,383,788	10,626,563	50.7%
2006-07	0.5128	4,717,457	135,530	103,837	120,485	0	5,077,309	9,900,996	51.3%
2005-06	0.5128	4,415,331	133,238	94,689	119,516	0	4,762,774	8,017,638	59.4%

(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)

	2014-15	2013-14	2012-13	2011-12
Jackson County:				
Jackson County	2.1883	2.1988	2.2040	2.2056
4-H Ag Extension District	0.0500	0.0000	0.0000	0.0000
Jackson ESD	0.3524	0.3524	0.3524	0.0352
Jackson County Library District	0.5200	0.0000	0.0000	0.0000
Rogue Community College	0.6216	0.6252	0.6231	0.6193
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	0.4000	0.4700	0.4700
White City Soil and Water Conservation	0.0500	0.0500	0.0500	0.0500
Cities and Towns:				
Ashland	4.4169	4.4254	4.4331	4.5147
Butte Falls	7.2494	7.2494	7.2494	7.2494
Central Point	4.4700	4.4700	4.4700	4.4700
Eagle Point	2.6991	2.7063	2.7076	2.7123
Gold Hill	2.3032	2.3348	2.4378	2.4169
Jacksonville	2.4474	2.4625	2.4673	2.4447
Medford	5.3688	5.3733	5.3760	5.3753
Phoenix	3.6463	3.6463	3.6463	3.6463
Rogue River	3.7994	3.8477	3.5216	3.6422
Shady Cove	0.8598	0.8989	0.9224	0.9044
Talent	3.4429	3.4310	3.4270	3.4346
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	1.9313	2.1901	2.1887	2.1849
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	4.2739	4.2838	4.2861	4.2460
Ashland #5	6.0643	6.0676	6.1370	6.1272
Butte Falls #91	4.5749	4.5749	4.5749	4.5749
Central Point #6	5.5491	5.5921	5.6479	5.6745
Eagle Point #9	6.2823	6.3143	6.2575	6.2443
Medford #549C	6.2713	6.3651	6.3127	6.4663
Phoenix #4	5.0440	5.1095	5.0473	5.0777
Pinehurst #94	4.8235	4.8235	4.8235	4.8235
Prospect #59	4.3628	4.3628	4.3628	4.3628

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
2.3276	2.3674	2.3433	2.2534	2.2426	2.2692
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.6319	0.6278	0.6256	0.6323	0.6365	0.6378
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	0.4700
0.0500	0.0500	0.0500	0.0500	0.0000	0.0000
4.4115	4.3964	4.2886	4.1425	4.1826	3.8691
7.2494	7.2494	7.2494	7.2494	7.2494	7.2494
4.4700	4.4700	4.4700	4.4470	4.4699	4.4699
2.7168	2.7172	2.7328	2.7509	2.7854	2.8283
2.3744	2.4179	2.4637	2.4174	2.4745	2.4879
2.4653	2.5487	2.5745	2.6478	2.6852	2.7591
5.3814	5.3695	5.3709	5.3751	5.3713	5.2953
3.6463	3.6463	3.6463	3.6463	3.6463	3.6463
3.6425	3.6302	3.6477	3.5900	3.6302	3.6658
0.9145	0.9202	0.9283	0.9488	0.9493	0.9290
3.4056	3.4205	3.4185	3.4654	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	2.4938	2.4920	2.4680	2.4884
0.9902	0.9902	0.9902	0.9902	0.9902	0.9902
2.2261	2.2159	2.2116	2.2018	2.2478	2.2509
2.0181	2.0181	2.0181	2.0181	2.0181	2.0181
3.1976	3.1976	3.1976	3.1976	3.1976	3.1976
4.2919	4.2764	4.2875	4.3035	4.3373	4.3634
6.1608	6.1627	6.0470	5.9395	5.4059	5.3125
4.5749	4.5749	4.5749	4.5749	4.5749	4.5749
5.5963	5.5661	5.7278	5.7252	5.7592	5.7436
6.3475	6.3233	6.5937	6.6287	6.5861	6.6800
6.4746	6.4882	6.5550	6.2424	5.0551	5.0043
5.1057	5.1358	5.0918	5.0617	5.6875	5.9467
4.8235	4.8235	4.8235	4.8235	4.8235	4.8235
4.3628	4.3628	4.3628	4.3628	4.3628	4.3628

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

	2014-15	2013-14	2012-13	2011-12
Rogue River #35	4.7523	4.9170	4.6933	5.0023
Special Levies:				
Jackson Cty Urban Renewal	0.0000	0.0000	0.0000	0.0000
Medford Urban Renewal	0.4291	0.4400	0.4070	0.3806
Talent Urban Renewal	1.2845	1.3183	1.2504	1.2298
Local Option Levies:				
Applegate Fire District #9	0.9200	0.8500	0.8500	0.8500
Ashland School Dist #5	1.2900	1.2900	1.2900	1.2900
City of Ashland	0.0000	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	0.3600
Rogue River Fire District #1	0.7500	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	0.7447	0.7464	0.7542	0.7532
Rogue Community College	0.5128	0.5128	0.5128	0.5128
Kerby Water District	2.8605	3.0247	2.9764	3.1356
Cities:				
Grants Pass	4.5332	4.5192	4.5350	4.5388
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	2.2852	2.1998	2.1772	2.1685
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	4.5248	5.8968	5.9661
Three Rivers	4.2739	4.2838	4.2861	4.2460
Local Option Levy:				
Applegate RFPD #9	0.9200	0.8500	0.8500	0.8500
City of Grants Pass	1.7900	1.7900	1.7900	1.7900
Josephine County	0.0800	0.0000	0.0000	0.0000
Illinois Valley RFPD #1	0.2500	0.2500	0.2500	0.0000
Williams RFPD	0.5300	0.5300	0.5300	0.5300
Wolf Creek RFPD	0.5900	0.5900	0.6900	0.6900

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

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
5.0290	5.0304	4.9901	5.0307	5.0383	5.0723
0.0000	0.0000	0.0000	0.2726	0.2456	0.2469
0.3828	0.3855	0.4131	0.3938	0.4129	0.4439
1.2231	1.2189	1.2392	1.2556	1.1241	1.0770
0.8500	0.8500	0.8500	0.8500	0.8500	0.8500
1.2900	1.2900	1.2900	0.0000	0.0000	0.0000
0.1921	0.1900	0.1300	1.5800	1.3800	1.3800
0.0000	0.0000	0.0000	0.0000	0.9642	1.0156
0.0000	0.0000	0.0000	0.0000	1.0600	1.0600
0.0000	0.0000	0.0000	2.8500	2.8500	2.8500
0.0000	0.3600	0.3600	0.3600	0.3600	0.3600
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
0.7583	0.7728	0.7873	0.8039	0.8104	0.8281
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
3.4055	3.3493	1.9045	0.0000	0.0000	0.0000
4.5401	4.5325	4.6338	4.6432	4.1335	4.1335
1.8959	1.8959	1.8959	1.8959	1.8959	1.8959
1.6787	1.6787	1.6787	1.6787	1.6787	1.6787
2.2220	2.2319	2.2615	2.3074	2.3462	2.3759
1.0552	1.0552	1.0552	1.0552	1.0552	1.0552
2.1865	2.1865	2.1865	2.1865	2.1865	2.1865
5.9206	6.4285	6.2061	6.4129	6.4794	6.6664
4.2919	4.2764	4.2875	4.3035	4.3373	4.3634
0.8500	0.8500	0.8500	0.8500	0.8500	0.8500
1.7900	1.7900	1.4900	1.4900	1.4900	1.4900
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.5300	0.5300	0.5300	0.5300	0.0000	0.0000
0.6900	0.6900	0.7900	0.7900	0.7900	0.7900

Principal Taxpayers of Jackson County
Current Year and Nine Years Ago

Taxpayer	June 30, 2015			June 30, 2006		
	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)	\$ 256,027,000	1	1.44%	\$ 162,457,000	1	1.25%
Avista Corp. DBA Avista Utilities	90,873,000	2	0.51%	50,271,900	7	0.39%
Rogue Valley Manor	89,146,900	3	0.5%	54,163,760	5	0.42%
Charter Communications	84,588,500	4	0.48%			
Harry & David Operations Inc	62,776,842	5	0.35%			
Boise Cascade Corp	60,783,003	6	0.34%	51,737,844	6	0.4%
Carestream Health	60,345,380	7	0.34%			
Centurylink	54,366,800	8	0.31%			
Rogue Valley Mall LLC	52,460,130	9	0.3%	45,282,090	8	0.35%
Wal-Mart Real Estate Business	42,471,770	10	0.24%			
Eastman Kodak Company				125,936,550	2	0.97%
Biomass One Ltd Partnership						
Qwest Corporation				70,854,400	3	0.54%
Bear Creek Operations, Inc.				67,109,812	4	0.52%
Certainteed Corporation				38,988,070	9	0.3%
BOC Group, Inc				27,668,570	10	0.21%
Total - principal tax payers	853,839,325		4.79%	694,469,996		5.33%
Other	\$ 16,929,250,526		95.2%	\$ 12,332,075,470		94.67%
Total - all taxpayers	\$ 17,783,089,851		100.00%	\$ 13,026,545,466		100.00%

Source: Jackson County Assessor's Office

Principal Taxpayers of Josephine County
Current Year and Nine Years Ago

Taxpayer	June 30, 2015			June 30, 2006		
	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)	\$ 83,910,820	1	1.25%	\$ 49,055,000	1	0.97%
Charter Communications	25,387,700	2	0.38%			
S-H Forty-Nine Properties	24,543,070	3	0.37%			
Masterbrand Cabinets, Inc.	23,026,160	4	0.34%	8,538,210	10	0.17%
Nunn, Ronald C & Marcia K	22,153,710	5	0.33%	17,832,730	3	0.35%
Auerbach Grants Pass LLC &						
Freeman Grants Pass LLC	18,713,470	6	0.28%	11,846,370	5	0.23%
Avista Corp	17,835,000	7	0.27%	11,763,400	9	0.23%
Johnson Trust	15,303,440	8	0.23%			
Grants Pass FMS LLC	13,769,300	9	0.21%			
Lynn-Ann Development LLC	13,554,108	10	0.2%	11,950,810	4	0.24%
Qwest Corporation				24,235,180	2	0.48%
Wal-Mart Stores, Inc				10,930,042	6	0.22%
Albertson's Inc.				10,880,578	8	0.21%
SPM - Grants LLC				10,916,500	7	0.22%
Total - principal taxpayers	258,196,778		3.86%	167,948,820		3.3%
Other	\$ 6,448,363,506		96.16%	\$ 4,909,359,950		96.7%
Total - all taxpayers	<u>\$ 6,706,560,284</u>		<u>100.00%</u>	<u>\$ 5,077,308,770</u>		<u>100.00%</u>

Source: Josephine County Assessor's Office

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

	2014-15	2013-14	2012-13	2011-12
General Fund				
Levy extended by assessor	\$ 12,288,116	\$ 11,685,242	\$ 11,308,025	\$ 11,355,208
Reduction of taxes receivable:				
Current year	11,556,905	10,963,892	10,538,024	10,559,245
Percentage of levy	94.05%	93.83%	93.19%	93.00%
Tax roll adjustments and discounts	(294,827)	(316,620)	(339,368)	(336,588)
Beginning taxes receivable:				
Prior year	867,967	909,858	921,323	903,928
Reduction of taxes receivable:				
Prior year	360,359	553,083	505,122	433,201
Tax roll adjustments and discounts	4,707	106,463	63,024	(8,779)
Interest	91,638	99,755	97,330	91,119
Total taxes receivable end of year	948,699	867,967	909,858	921,323
Land sales severance tax and other revenues	0.00	0.00	0.00	0.00
Total received by College	<u>\$ 12,008,902</u>	<u>\$ 11,616,731</u>	<u>\$ 11,140,475</u>	<u>\$ 11,083,565</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	 \$ 506,289	 \$ 634,694	 \$ 712,599
Total collections to date	\$ 11,556,905	\$ 11,470,181	\$ 11,172,718	\$ 11,271,844
Percentage of levy collected	94.05%	98.16%	98.80%	99.27%

Source: Rogue Community College Budget and Financial Services Office.

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 11,267,815	\$ 11,034,251	\$ 10,419,011	\$ 9,879,788	\$ 9,358,508	\$ 8,770,235
10,468,814	10,194,500	9,675,014	9,210,075	8,734,514	8,290,870
92.91%	92.39%	92.86%	93.22%	93.33%	94.53%
(311,637)	11,040	(292,053)	300,622	(224,913)	187,032
826,255	729,457	574,037	493,004	414,255	506,751
386,759	440,494	297,111	285,952	212,408	301,404
(22,932)	22,813	581	(2,106)	(25,970)	(26,878)
72,938	66,005	52,366	54,088	55,264	69,497
903,928	826,255	729,457	574,037	493,004	414,255
0.00	4,166	345	2,706	5,222	3,486
\$ 10,928,512	\$ 10,705,164	\$ 10,024,836	\$ 9,552,821	\$ 9,007,408	\$ 8,665,257
\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128
\$ 770,866	\$ 817,136	\$ 736,118	\$ 649,759	\$ 623,994	\$ 479,365
\$ 11,239,680	\$ 11,011,636	\$ 10,411,132	\$ 9,859,834	\$ 9,358,508	\$ 8,770,235
99.75%	99.80%	99.92%	99.80%	100.00%	100.00%

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

	2014-15	2013-14	2012-13	2011-12
Debt Service Fund				
Levy extended by assessor	\$ 1,935,996	\$ 1,910,095	\$ 1,807,962	\$ 1,753,567
Reduction of taxes receivable:				
Current year	1,815,528	1,784,301	1,685,217	1,631,852
Percentage of levy	93.78%	93.4%	93.21%	93.06%
Tax roll adjustments and discounts	(53,490)	(63,387)	(56,672)	(53,529)
Beginning taxes receivable:				
Prior year	125,112	137,289	139,254	143,509
Reduction of taxes receivable:				
Prior year	63,243	91,300	64,951	79,034
Tax roll adjustments and discounts	10,486	16,717	(3,087)	(1,299)
Interest	14,261	16,990	14,975	15,608
Total taxes receivable end of year	139,333	125,112	137,289	139,254
Land sales severance tax and other revenues	0	0	0	0
Total received by College	<u>\$ 1,893,031</u>	<u>\$ 1,892,591</u>	<u>\$ 1,765,143</u>	<u>\$ 1,726,494</u>
Tax levy rate (per \$1,000 assessed value)	\$ 0.1088	\$ 0.1124	\$.1103	\$.1065
Total collections in subsequent years	\$ N/A	\$ 93,702	\$ 103,263	\$ 109,672
Total collections to date	\$ 1,815,528	\$ 1,878,003	\$ 1,788,480	\$ 1,741,524
Percentage of levy collected	93.78%	98.32%	98.92%	99.31%

Source: Rogue Community College Budget and Financial Services Office.

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 1,938,022	\$ 1,833,643	\$ 1,742,972	\$ 1,764,076	\$ 1,722,600	\$ 1,634,536
1,800,335	1,690,821	1,613,969	1,639,308	1,601,632	1,545,507
92.90%	92.21%	92.60%	92.93%	92.98%	94.55%
(58,716)	(66,436)	(53,153)	(57,194)	(61,885)	(44,428)
130,706	122,544	99,485	77,066	44,601	0
62,508	65,423	51,235	46,221	25,374	0
(3,661)	(2,856)	(1,556)	1,066	(1,244)	0
11,688	11,316	8,073	7,006	5,880	2,698
143,509	130,706	122,544	99,485	77,066	44,601
0	0	0	0	0	0
\$ 1,874,531	\$ 1,767,560	\$ 1,673,277	\$ 1,692,535	\$ 1,632,886	\$ 1,548,205
\$ 0.1191	\$ 0.1150	\$ 0.1128	\$ 0.1195	\$ 0.1237	\$ 0.1251
\$ 134,956	\$ 141,041	\$ 127,575	\$ 121,969	\$ 120,968	\$ 89,029
\$ 1,935,291	\$ 1,831,862	\$ 1,741,544	\$ 1,761,277	\$ 1,722,600	\$ 1,634,536
99.86%	99.90%	99.92%	99.84%	100.00%	100.00%

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

	2014-15	2013-14	2012-13	2011-12
General obligation and refunding bonds, net (1)	\$ 18,827,897	\$ 20,052,184	\$ 21,186,474	\$ 23,025,763
General bonded debt	18,827,897	20,052,184	21,186,474	23,025,763
Limited tax pension obligation bonds	\$ 17,790,000	\$ 18,410,000	\$ 18,950,000	\$ 19,410,000
Certificates of participation	0	0	135,000	265,000
Note payable	180,846	196,016	210,385	223,996
Other debt to be repaid by general government resources	17,970,846	18,606,016	19,295,385	19,898,996
Total outstanding debt	<u>\$ 36,798,743</u>	<u>\$ 38,658,200</u>	<u>\$ 40,481,859</u>	<u>\$ 42,924,759</u>
General Bonded Debt Ratios				
Per capita	\$ 64.07	\$ 69.35	\$ 73.72	\$ 80.29
Per FTE	\$ 3,857	\$ 3,790	\$ 3,881	\$ 4,027
As a percentage of taxable assessed value	0.08%	0.09%	0.09%	0.10%
Total Outstanding Debt Ratios				
Per capita	\$ 125.21	\$ 133.71	\$ 140.85	\$ 149.68
Per FTE	\$ 7,538	\$ 7,307	\$ 7,415	\$ 7,508
As a percentage of taxable assessed value	0.15%	0.17%	0.18%	0.19%

(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.

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 22,893,181	\$ 23,058,429	\$ 23,840,859	\$ 24,543,289	\$ 25,155,720	\$ 25,713,150
22,893,181	23,058,429	23,840,859	24,543,289	25,155,720	25,713,150
\$ 19,800,000	\$ 20,125,000	\$ 20,385,000	\$ 20,590,000	\$ 20,740,000	\$ 20,950,000
390,000	510,000	620,000	730,000	835,000	935,000
236,887	249,098	260,664	271,619	281,996	291,824
20,426,887	20,884,098	21,265,664	21,591,619	21,856,996	22,176,824
\$ 43,320,068	\$ 43,942,527	\$ 45,106,523	\$ 46,134,908	\$ 47,012,716	\$ 47,889,974
\$ 78.58	\$ 79.33	\$ 82.61	\$ 86.21	\$ 89.93	\$ 93.79
\$ 3,691	\$ 3,938	\$ 4,792	\$ 5,738	\$ 5,694	\$ 6,421
0.10%	0.11%	0.11%	0.12%	0.13%	0.14%
\$ 148.69	\$ 151.17	\$ 156.30	\$ 162.05	\$ 168.06	\$ 174.68
\$ 6,985	\$ 7,504	\$ 9,066	\$ 10,786	\$ 10,642	\$ 11,960
0.20%	0.20%	0.21%	0.23%	0.25%	0.27%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2015 - (unaudited)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Direct Debt			
Rogue Community College	\$ 35,625,000	\$ 17,835,000	
Premium on general obligation and refunding bonds	992,897	992,897	
Total Direct Debt	\$ 36,617,897	\$ 18,827,897	
Overlapping Debt			
Jackson County	18,468,154	18,468,154	100.0%
Cities:			
Ashland	31,215,971	3,645,000	100.0%
Butte Falls	39,408	39,408	100.0%
Central Point	2,640,261	2,640,261	100.0%
Eagle Point	382,661	382,661	100.0%
Gold Hill	234,870	234,870	100.0%
Jacksonville	3,070,000	855,000	100.0%
Medford	100,439,000	40,175,000	100.0%
Phoenix	1,815,000	0	100.0%
Rogue River	1,489,990	1,489,990	100.0%
Shady Cove	725,069	368,077	100.0%
Talent	4,045,000	635,000	100.0%
Fire Districts and other:			
Jackson County RFPD 3	1,565,516	1,565,516	100.0%
Jackson County RFPD 5	1,610,000	1,610,000	100.0%
Jackson County Housing Authority	3,434,474	0	100.0%
School Districts:			
Ashland #5	21,280,000	21,280,000	100.0%
Central Point #6	14,467,255	14,467,255	100.0%
Eagle Point #9	17,375,000	17,375,000	100.0%
Medford #549C	191,940,000	191,940,000	100.0%
Phoenix #4	21,655,000	21,655,000	100.0%
Rogue River #35	1,055,000	1,055,000	100.0%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2015 - (unaudited) (continued)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Overlapping Debt (continued)			
Josephine County	11,979,265	11,050,000	100.0%
Cities:			
Grants Pass	11,380,000	3,805,000	100.0%
Fire Districts and other:			
Illinois Valley RFPD #1	1,421,000	1,235,000	100.0%
Williams RFPD	105,000	105,000	100.0%
School Districts:			
Grants Pass #7	4,000,000	0	100.0%
Three Rivers	36,510,000	36,510,000	100.0%
Total Overlapping Debt	\$ 522,177,894	\$ 414,421,191	
Total Direct and Overlapping Debt	\$ 540,960,790	\$ 433,204,087	

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
2014-15					
Jackson County	\$ 23,512,802,671	\$ 352,692,040	\$ 17,835,000	\$ 334,857,040	5.06%
Josephine County	8,063,236,663	120,948,550	0	120,948,550	0
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

(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 Office.

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

Year Ended	Estimated Population	Total Personal Income	Per Capita Income	Median Age	Percent of Population With A Bachelors Degree or Higher	Unemployment Rate
2014-15						
Jackson County	210,287	\$ N/A	\$ 24,378	42.0	8.6	7.0
Josephine County	83,599	N/A	21,791	47.0	8.9	7.9
2013-14						
Jackson County	206,412	7,687,191	24,449	42.0	14.8	8.5
Josephine County	82,930	2,654,901	21,028	47.0	10.0	9.6
2012-13						
Jackson County	203,206	7,490,481	24,263	42.0	14.9	9.5
Josephine County	82,713	2,600,748	21,535	47.0	10.6	11.2
2011-12						
Jackson County	203,950	7,087,194	24,410	42.1	18.4	10.8
Josephine County	82,820	2,498,196	21,539	47.3	17.1	11.7
2010-11						
Jackson County	207,745	6,951,654	24,182	42.1	21.5	11.4
Josephine County	83,600	2,450,499	21,256	47.3	12.2	12.5
2009-10						
Jackson County	207,010	6,907,021	23,933	42.0	21.5	12.7
Josephine County	83,665	2,429,273	19,644	47.2	16.0	14.3
2008-09						
Jackson County	205,305	6,911,440	24,001	40.7	24.5	13.1
Josephine County	83,290	2,377,327	20,257	44.6	13.4	14.7
2007-08						
Jackson County	202,310	6,669,870	23,460	40.6	22.8	7.4
Josephine County	82,390	2,247,384	22,389	44.6	17.3	8.4
2006-07						
Jackson County	198,615	6,255,659	22,546	40.4	25.1	5.5
Josephine County	81,125	2,119,741	20,495	43.8	15.6	6.9
2005-06						
Jackson County	194,515	5,901,191	22,412	39.7	23.7	5.7
Josephine County	79,645	2,032,614	20,003	43.4	16.1	6.6

Source: Rogue Community College Budget and Financial Services Office.

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

Industry	June 30, 2015			June 30, 2006		
	Rank	Total Employees	Percentage of Total Regional Employment	Rank	Total Employees	Percentage of Total Regional Employment
Rogue Valley:						
Nonfarm employment	1	107,010	27.5%	1	110,630	27.9%
Private Non-Classified	2	90,500	23.3%	2	94,030	23.8%
Natural Resources & Mining	13	560	0.1%	13	1,000	0.3%
Construction	10	4,250	1.1%	9	7,750	2.0%
Manufacturing	7	10,950	2.8%	7	11,810	3.0%
Trade, Transportation, & Utilities	3	46,000	11.8%	3	48,760	12.3%
Information	12	1,600	0.4%	12	1,980	0.5%
Financial Activities	9	4,950	1.3%	10	6,230	1.6%
Professional & Business Services	8	9,450	2.4%	8	9,230	2.3%
Education & Health Services	4	44,580	11.5%	5	37,230	9.4%
Leisure & Hospitality	6	23,130	6.0%	6	21,050	5.3%
Other Services	11	3,650	0.9%	11	3,810	1.0%
Government	5	41,860	10.8%	4	42,400	10.7%
Total		<u>388,490</u>	<u>100.0%</u>		<u>395,910</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
2014-15	54	150	10	99	155	114	582
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

Source: Rogue Community College Budget and Financial Services Office.

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			
2014-15	\$ 91	\$ 111 *	4,881.60	4,747.72	16,584
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

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

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

	2014-15	2013-14	2012-13	2011-12
Lower Division Transfer Courses	2,634.49	2,890.48	2,965.64	3,094.96
Professional Technical Preparatory	946.29	1,005.03	942.69	1,009.56
Stand Alone CTE Prep	18.81	19.92	20.59	0.00
Professional Technical Supplemental	72.68	45.62	58.58	76.47
Professional Technical Apprentice	49.03	41.46	33.20	33.75
English as a Second Language	82.52	90.30	103.95	115.35
Adult Basic Education	188.05	206.27	272.90	249.72
General Equivalency Diploma	124.09	98.20	104.19	104.40
Post Secondary Remedial	77.98	113.29	143.09	900.49
Post Secondary Remedial Math	362.69	442.26	471.75	0.00
Post Secondary Remedial Electives	187.8	226.96	218.13	0.00
Self Improvement	28.3	44.55	56.93	69.08
Total Reimbursable FTE *	4,772.73	5,224.34	5,391.64	5,653.78
Non-reimbursable	108.87	64.86	67.76	63.56
Total FTE	4,881.60	5,289.20	5,459.40	5,717.34
State Appropriation	\$ 8,428,906	\$ 7,433,388	\$ 5,278,969	\$ 5,967,177
State Appropriation per Reimbursable FTE	\$ 1,766.0555	\$ 1,422.8377	\$ 979.1027	\$ 1,055.4315

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

Source: Rogue Community College Budget and Financial Services Office.

2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
3,154.68	2,895.78	2,301.77	1,958.10	1,922.45	1,882.18
1,050.32	1,022.92	919.29	782.20	757.88	677.40
0.00	0.00	0.00	0.00	0.00	0.00
124.42	158.69	122.74	92.64	105.43	115.36
36.40	40.93	59.51	71.06	68.58	68.89
167.74	171.50	169.88	183.14	175.71	163.44
313.41	284.21	293.93	246.53	210.83	177.36
130.86	116.86	85.47	99.71	75.89	76.50
1,058.62	953.85	828.56	585.78	563.20	657.36
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
101.23	141.10	118.50	184.53	170.49	185.80
6,137.68	5,785.84	4,899.65	4,203.69	4,050.46	4,004.29
64.23	70.03	75.56	73.44	367.32	111.53
6,201.91	5,855.87	4,975.21	4,277.13	4,417.78	4,115.82
\$ 5,821,722	\$ 7,175,209	\$ 7,857,286	\$ 9,227,167	\$ 7,393,684	\$ 9,513,750
\$ 948.5216	\$ 1,240.1326	\$ 1,603.5423	\$ 2,195.0160	\$ 1,825.3937	\$ 2,375.8894

Capital Assets Activity
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2014-15				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,590,850	333,106	103,418	3,820,538
Construction in progress	49,899	0	0	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library collections	667,497	50,184	0	717,681
Software	996,153	0	0	996,153
Total capital and other assets	51,575,614	383,290	103,418	51,855,486
Less accumulated depreciation	17,270,296	1,383,795	91,317	18,562,774
Total	<u>\$ 34,305,318</u>	<u>\$ (1,000,505)</u>	<u>\$ 12,101</u>	<u>\$ 33,292,712</u>
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>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
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>
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>

Capital Assets Activity
Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
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>
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>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
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	\$ 19,000,845	\$ 13,712,957	\$ 6,681,426	\$ 26,032,376

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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 Report Required by Oregon State Regulations

We have audited the basic financial statements of Rogue Community College (the College) as of and for the year ended June 30, 2015, and have issued our report thereon dated December 03, 2015. 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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control 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, 2015

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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, 2015, 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, 2015. 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 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.

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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Boise, Idaho
December 03, 2015

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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, 2015. 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, 2015.

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, material weaknesses may exist that have not been identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001 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 "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
December 03, 2015

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:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
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

2015-001

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 2015, there were six instances out of 60 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's existing control procedures for reporting student withdrawal dates to National Student Clearinghouse (NSC) timely and accurately were not strong enough to identify all inaccuracies.

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 the findings of the audit. The majority of the incidences appear to be due to limitations with the NSC system/processes, specifically related to the timing of their reporting and their inability to reflect interim status change reporting to NSLDS. Although the College has procedures in place to manually review and correct any incorrect information submitted to NSC, a few of the manual corrections were input incorrectly.

Corrective Action Plan (CAP)

Actions Planned in Response to Finding:

Regarding the delay in reporting from NSC to NSLDS, the NSC is aware of the issue and addressed it in an email to colleges on Nov 6, 2015. Within their email, they address several ways how they are going to expedite the process, which includes an increase in staff and the development of the "Automated SSCR roster functionality." If delays in timely reporting appear to persist, RCC's Director of Enrollment Services will contact NSC directly.

As to missing/incorrect enrollment data in NSLDS, RCC is submitting accurate and timely batch reporting to the NSC. The issue has everything to do with the timing of the NSC's reporting to NSLDS and the fact that they can pick up only the most current status (versus interim status changes). When RCC made inquiry to the NSC, they explained that their contract with USDE changed from a previous reporting cycle of approximately every 7 days to what is now an approximate 30-day cycle, which they explained USDE considers adequate. Therefore, there is no known "fix" at this time.

The Director of Enrollment Services has adopted a procedure to discover and mitigate manual entry errors through review by two staff members of NSC edit reports, who will correct as necessary.

Explanation of Disagreement:

No disagreement with the finding.

Official Responsible for Ensuring Corrective Action:

The Director of Enrollment Services is responsible for ensuring corrective action is taken.

Planned Completion for Corrective Action:

The corrective action has been implemented for all future NSC batch submissions for minimizing data input errors. Regarding concerns with the timing delay by the NSC, planned action is to be corrected by January 2016.

Plan to Monitor Completion of Corrective Action:

The Director of Enrollment Services will ensure that each NSC edit report is reviewed by two staff prior to submission.

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

Finding: 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.

Status: In the current year, the same finding was present; however the findings were primarily due to limitations within the National Student Clearinghouse (NSC) system/process, more specifically related to the timing of their reporting and their inability to reflect interim status change reporting to NSLDS. While the College had a procedure in place to manually review and correct any incorrect information submitted to the NSC system, a few of the manual corrections were input incorrectly, leading to the current year finding presented as Finding 2015-001.

Schedule of Expenditures of Federal Awards
Year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
Direct Grants:			
Financial Aid Cluster:			
Pell Grant Program	84.063 (*)		\$ 12,256,845
Federal Work-Study Program	84.033 (*)		151,724
Direct Loan Program	84.268 (*)		11,730,009
Supplemental Educational Opportunity Grants Program	84.007 (*)		152,880
TRIO Cluster:			
TRIO - Student Support Services	84.042A		244,033
TRIO - Educational Opportunity Center	84.066A		230,465
TRIO - Talent Search	84.044A		239,325
Passed through Oregon Department of Education:			
Perkins Vocational Education	84.048	27382	151,057
Passed through Oregon Department of Community Colleges and Workforce Development:			
Adult Basic Education Program	84.002A	EE9131518	323,680
Community College Assistance Grant	84.048	34265/0771	16,312
2014-15 Learning Standards Project	84.002	12503/12560	5,692
Passed through Southern Oregon Education Service District:			
Perkins Vocational Education	84.048	N/A	58,676
Total U.S. Department of Education			\$ 25,560,698
National Endowment for the Humanities			
Passed through RCC Foundation:			
The Gift: LD/ADHD Reframed	45.129	618	3,488
Total National Endowment for the Humanities			\$ 3,488
U.S. Small Business Administration			
Passed through Oregon Small Business Development Center Network:			
Small Business Assistance	59.037	14-153	15,775
Small Business Assistance	59.037	15-153	15,123
Total U.S. Small Business Administration			\$ 30,898

Schedule of Expenditures of Federal Awards
Year ended June 30, 2015 (continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Labor			
Direct Grant:			
TAACCCT PATH - Trade Adjustment Assistance Community College and Career Training Pathways to Allied Health Professions	17.282		908,556
Passed through Clackamas Community College:			
CASE - The Oregon Credentials, Acceleration and Support for Employment	17.282	TC-22511-11	22,902
Total U.S. Department of Labor			\$ 931,458
National Science Foundation			
Direct Grant:			
Contextualizing CTE in Math	47.076		92,523
Total National Science Foundation			\$ 92,523
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	33,762
Total U.S. Department of Housing and Urban Development			\$ 33,762
			<u>\$ 26,652,827</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 sub recipient is treated as an expenditure when it is paid to the sub recipient.

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, 2015, was \$226,045.