Annual Comprehensive Financial Report

RCC

Year ending June 30, 2022
Grants Pass, Oregon

www.roguecc.edu/audit

RCC
Rogue Community College

Annual Comprehensive Financial Report

Rogue Community College

Grants Pass, Oregon

For the Year Ended June 30, 2022

Report prepared by Rogue Community College
Business Office

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Year ended June 30, 2022

NOTICE OF NONDISCRIMINATION

Rogue Community College does not discriminate in any programs, activities, or employment practices on the basis of race, color, religion, ethnicity, use of native language, national origin, sex, sexual orientation, gender identity, marital status, veteran status, disability, age, pregnancy, or any other status protected under applicable federal, state, or local laws. For further policy information and for a full list of regulatory specific contact persons visit the following webpage: www.roguecc.edu/nondiscrimination

INTRODUCTORY SECTION

RCC
Rogue Community College

Rogue Community College

3345 Redwood Hwy
Grants Pass, OR 97527-9298

December 12, 2022

The Board of Education
Rogue Community College
Grants Pass, Oregon

We are pleased to submit the Annual Comprehensive Financial Report of Rogue Community College (the College) for the fiscal year ended June 30, 2022, 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 a thorough understanding of the College's financial affairs are included.

The past year has been one of rebuilding and returning to campus. Despite the difficulties experienced in the last couple of years due to the pandemic and other global events, the College's commitment to providing accessible, exemplary educational opportunities for student success and economic development continues. We want to extend a special thank you to faculty, students, staff, and the community for their continued patience and support as we continue to recover from this period, working to stabilize enrollment and strengthen our overall operations.

We also welcome a new president to the College, Randy Weber, Ed.D. President Weber began at Rogue Community College on July 1, 2022, coming to us with a long history and service in the community college arena. Under his leadership, we look forward to meeting the challenges of the day while also building upon our core competencies in providing high-quality educational options in our region.

This report consists of management's representations concerning the finances of the College. To provide a reasonable basis for making these representations, management of the College has established a comprehensive internal control framework. It is designed to protect college assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America. 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. We assert, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

GAAP requires management to 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 Annual Comprehensive Financial Report is organized in four sections: (1) The Introductory Section contains this letter of transmittal and information on the organizational structure of the College; (2) The Financial Section includes the basic financial statements, accompanying notes, required supplemental financial information, and the independent auditor's report; (3) The Statistical Section includes selected financial, demographic, economic and operating information; (4) The State and Federal Compliance Section contains the Schedule of Expenditures of Federal Awards and disclosures and comments required by the Minimum Standards for Audits of Oregon Municipal Corporations and by the Uniform Guidance.

The College's Annual Comprehensive Financial Report 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.

Budgeting Controls

The annual budget is a quantitative expression of the College's mission, providing a foundation for 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 chapters 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 is developed with considerable College-wide participation. Our focus throughout the budget development and planning process is to determine the optimal balance of revenues, expenditures, and program and service levels while considering the economic realities of our community. Along with the College Board of Education (Board), the Budget Advisory Team (BAT) is instrumental in the budget process, with representative membership from all employee groups, College divisions, and Associated Student Government.

The Board Budget Advisory Committee is comprised of fourteen (14) members, seven (7) members from the College's community, and seven (7) elected Board members. It is the duty of this 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 Board Budget Advisory Committee holds public meetings to which citizens of the community are invited to give testimony on the budget before it is approved. This budget committee acts on fiscal matters, not on educational and personnel matters.

Following Board Budget Advisory Committee approval, the Board holds a public budget hearing. The purpose of the hearing is to provide the citizens of the community an opportunity to give testimony on the approved budget prior to its adoption.

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

The level of budgetary control (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 Board.

As demonstrated by the statements and schedules included in the financial section of this report, the 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

The Rogue Community College District, located in the Rogue Valley, covers a 4,453 square-mile area encompassing Josephine and Jackson counties. Total population for the two counties in 2021 is estimated at 312,080 which is an 8.8% increase since 2011.

The College was named for the Rogue River, which starts as a spring bursting from the slopes of the Cascade Mountains on the west side of Crater Lake before flowing 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 was established in Josephine County in November of 1970 by the vote of the electorate. 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.

An elected seven-member Board establishes the policies of the College. Each member of the Board is elected to a four-year term. The Board has statutory charge and control of all activities, operations, and programs of the College, including its property, personnel, and finances. The College President is the Chief Executive Officer of the College, and the administrative staff is responsible for the College's daily operations.

The Oregon State Board of Education establishes state standards for educational programs and facilities, approves courses of study, and adopts regulations for Oregon's community college system. Additionally, the Director of the Department of Community Colleges and Workforce Development serves as the administrative officer of the state of Oregon under the direction of the Higher Education Coordinating Commission (HECC).

Mission, Vision, and Core Values

The College's mission, as adopted by the Board, is to enhance the quality of life in our communities by providing accessible, exemplary educational opportunities for student success and economic development. The College's vision is to be an inclusive and dynamic college that inspires, strengthens, and transforms.

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

Integrity drives us as an institution and individuals to demonstrate clear communication, transparency, ethics, and accountability.

Collaboration promotes a communicative, agile, responsive culture that fosters vibrant, productive partnerships to benefit our students and strengthen our communities.

Diversity, Equity, and Inclusion create an accessible, welcoming, respectful and safe environment which engages all individuals, beliefs, and ideas fairly.

Sustainability guides us to be responsible and thoughtful stewards of our human, economic, environmental, and cultural resources.

Courage frees the institution and individuals to creatively pursue best practices supporting student success.

In addition to core values, the College has developed four (4) Wildly Important Goals (WIGS): Core Themes, to further succeed in carrying out its mission:

1. **Equitable Access** creates a welcoming and inclusive environment for all.

    - Objective 1: Improve community access to our educational opportunities and support systems.
    - Objective 2: Increase participation of under-served populations in our programs.
    - Objective 3: Improve participation in adaptable and responsive training and learning opportunities designed to improve college access.

2. **Student Success** helps all students progress on their learning pathway.

    - Objective 4: Implement holistic student supports to ensure students meet their learning goals.
    - Objective 5: Use effective student engagement strategies to increase student persistence.
    - Objective 6: Decrease student time and number of credits to completion of a credential.

3. **Building Community** strengthens and expands internal and external collaborative partnerships.

- Objective 7: Increase comprehensive outreach with business and industry partners.
- Objective 8: Determine local employer satisfaction with our graduates for program quality improvement.
- Objective 9: Strengthen relationships with community partners for the benefit of students.

4. **Institutional Excellence** builds a campus culture of continuous improvement.

- Objective 10: Apply assessment and evaluation data to improve curriculum course delivery and services to support student success.
- Objective 11: Increase participation in professional development that enhances teaching and learning, student success, and institutional effectiveness.
- Objective 12: Make effective use of new and emerging technologies to improve teaching, learning, communication, and institutional operations.

College Demographics

The College operates three comprehensive campuses and one learning site. Each campus provides lower-division college transfer courses, two-year associate degree programs, and career/technical training programs.

The Redwood Campus (RWC) is the College's founding campus. It is located on 88 wooded acres, five miles west of the city of Grants Pass. It serves 1776 students representing 206 full-time equivalent students (FTE). 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 geared to student learning and success. In August 2019, the College completed the remodel of Deschutes (D), a 6,246 square foot building. This facility contains ergonomically designed studio classroom spaces, a well-equipped computer lab and media center, a lobby and exhibit space, and two faculty offices for the art department. RWC is also home to the College's automotive and massage therapy programs. In January 2022, the Small Business Development Center relocated to RWC. Additionally this year, The Redwood Campus Science Center was completed in June. The building houses a student common space, classrooms, labs, two large greenhouses and faculty office. It opened for use Fall term 2022-23.

The Riverside Campus (RVC) is located in the heart of downtown Medford, spanning a two-block radius, where it plays a key role in the educational and cultural renaissance occurring in Medford. RVC serves 1,924 students representing 258 FTE. RVC is the home of the College's transfer and Human Services programs.

RVC is also home to the RCC/SOU Higher Education Center (HEC). The HEC is a landmark building shared with our partner, Southern Oregon University. Here both institutions work together to create a supportive environment for students pursuing two-year, four-year, and graduate degrees. HEC is 68,700 square feet, housing classrooms, science labs, computer labs, and a Business Center. In addition to being an example of cooperation and collaboration between the two institutions, the HEC 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. It received a Platinum Leadership in Environmental Design (LEED) certification from the U.S. Green Building Council.

The Table Rock Campus (TRC) is located in an industrial park in White City and is a high-tech facility housing professional and technical programs. It currently serves 2022 students who represent 355 FTE. The original 102,000 square foot building is currently home to diesel technology, fire science, emergency medical services (EMS), electronics, apprenticeship, manufacturing, criminal justice, the reserve officer law enforcement academy (ROLEA), and practical nursing. In addition, the physical therapy assistant program offered through Lane Community College is housed in this building. The adjacent High Technology Center (HTC), a 12,000 square foot facility, offers mechatronics, advanced manufacturing, welding, and related programs. The campus is also home to the Health Professions Center (HPC), a 35,648 square foot building which houses the College's dental assistant, allied health, and nursing programs.

The Illinois Valley Learning Center (IVLC), located in Kerby, provides a mix of educational and community services to residents of rural Josephine County. The core educational services provided include computer labs for remote classes, English as a second language, adult basic education, and General Education Diploma (GED) preparation. The IVLC also houses the Boys and Girls Club of the Rogue Valley, the Masonic Lodge No. 18, a commercial kitchen, the Guild, and the Business Entrepreneurial Center.

In response to the COVID-19 pandemic, the College converted to, and continues to operate, online classes. Remote learning currently serves 5,675 students who represent 1,512 FTE.

Economic Outlook

In the near term, Oregon's economy, like much of the nation's, is undergoing inflationary challenges, rising interest rates and slowed economic growth resulting from the impacts of the pandemic, the war in Ukraine, and global supply chain constraints. It is the consensus among national and state forecasters that a mild recession may begin within the next year. Oregon forecasters cite a milder recession given the strong labor market and the strong financial position that households are in. Consumer spending is expected to hold up well in the pending recession largely due to the higher level of savings within households. Should spending remain strong, firms will have less incentive to cut jobs.

According to the State of Oregon Employment Department, in Spring 2020, the pandemic recession brought unparalleled job losses to Oregon. Two years after employment hit bottom, Oregon has seen a remarkable rebound. Oregon employers added 123,500 jobs back by end of 2020, and another 98,500 in calendar year 2021. Strong job gains continued into early 2022. By April 2022, Oregon had regained about nine out of 10 jobs that were lost in the pandemic recession. As of September 2022, the seasonally adjusted unemployment rate is 4.1% for

Jackson County and 5.2% for Josephine County. This is a 1.1% and 0.6% decrease, respectively, from the prior year.

The Rogue Valley's total employment will grow by 17,177 jobs between 2020 and 2030, according to new projections from the Oregon Employment Department. These projections are a historically high job growth rate encompassing the COVID-19 pandemic and the recession. Many job openings are expected due to the need to replace workers who leave their occupations. Whether growing rapidly or showing a net loss of jobs by 2030, all broad industries provide employment opportunities to Oregonians. The demand is clear in some industries. Together health care and social assistance, professional and business services, construction and transportation will account for nearly half of all new jobs in the Rogue Valley. Slower growing sectors and declining industries still offer many job opportunities though, as they need to replace some retiring workers or others leaving the industry.

Despite the inflationary pressures, Oregon's recent revenue growth has been more pronounced than during any other period on record. According to the most recent Oregon Economic and Revenue Forecast, during tax year 2021, personal income tax liability grew at almost double the pace that was seen during the peaks of the housing and technology booms. Collections of personal income taxes, corporate taxes, lottery sales, and new Corporate Activity Tax all surged at the end of the fiscal year, reflecting expected gains for the 2021-23 biennium. These gains will offset slower economic growth and a large kicker credit for taxpayers in 2023-25. Combined resources for the 2021-23 and 2023-25 budget cycles have decreased by $13 million. Long-term revenue growth in Oregon and other states will face considerable downward pressure over the 10-year extended forecast horizon. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past.

The existing Board-approved financial policies provide guidance for the planning of resources, capital needs, and adequate reserve levels for revenue shortfalls or unforeseen expenditure needs. Budgets are built on the basis of maintaining the financial stability of the College. Goals set for financial stability enable the College to manage revenue shortfalls and cash flows, ensuring continued operations and providing for unforeseen contingencies without impairing service quality. Additional detail regarding next year's budget and economic factors is available in the MD&A in the Financial Section of this report.

Long-Term Financial Planning

The College conducts long-range financial planning for five fiscal years forward with the goal of maintaining financial sustainability and flexibility. The forecast is updated and reviewed for changes in any of the primary revenue sources, personnel, and other operating expenses. The most significant issues expected to impact the College include COVID-19, the uncertainty of state funding, the unprecedented drop in enrollment levels, PERS rates, and unfunded mandates.

In May 2016, voters of the district approved a $20 million ballot measure for the College to issue general obligation bonds for the acquisition, construction, renovation, and improvement of facilities. The bond sale provided an additional $3 million in premium proceeds. Passage of the bond levy allows the College to make use of $14 million in matching capital project funds awarded by the State of Oregon, raising the total amount of funds available for capital projects to $37 million. The projects completed, underway, or planned for the near future include:

- High Technology Center remodel of the recently acquired building adjacent to the existing Table Rock Campus. Project completed September 2018.
- Health Professions Center new construction on currently owned property at Table Rock Campus. Project completed September 2020.
- Connection to Grants Pass Municipal Water on the Redwood Campus. Project completed June 2021.
- Nursing Building expansion of the existing Redwood Campus facility. Project was reassigned to the Science Building project. The Nursing program moved to the Health Professions Center (HPC).
- Career and Technical Education expansion and improvements at the Redwood, Riverside, and Table Rock Campuses. The Redwood project was completed August 2019; the Riverside and Table Rock campuses project were reassigned to fund the Health Professions Center.
- Fire Training Classrooms construction at the Medford Fire District #3 location. Project completed February 2019.
- Science Building construction on the Redwood Campus. Project completed June 2022.

Accreditation

Accreditation is a voluntary process that fosters excellence in education through regular assessment and continuous improvement practices. Other advantages include student access to federal financial aid and College access to state and federal grants and funding. Students graduating from an accredited College will also enjoy smoother transfer experiences from the College to other colleges and universities within the state and nationwide.

The College is a regionally accredited, comprehensive, two-year public institution 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. The new 2020 accreditation standards for NWCCU focus on Institutional Effectiveness, Student Success, and Student Learning.

NWCCU last reaffirmed the College's accreditation status following a comprehensive evaluation in May 2020. During this evaluation, the Evaluation Team issued three commendations:

1. The Evaluation Team commends the institution for shaping and promoting a cultural ethos that generates a tangible sense of resiliency and tenacity on the part of faculty, staff, administrators, trustees, and students. This ethos inspires ideation, innovation, and a sense of commitment to mission across the institutional community.

2. The Evaluation Team commends the institution for providing a broad range of services to its community, as evidenced by its business partnerships, community collaborations, and coordinated support of its three geographically dispersed campuses.

3. The Evaluation Team commends the institution for establishing a budget process that is inclusive, transparent, and results in a fiscally strong position.

Three programs at the College have achieved the standards for specialized accreditation: Nursing, Emergency Medical Services, and Massage Therapy. Specialized accrediting agencies accredit individual educational programs such as business, law, engineering, or nursing with regard to program-specific standards. Each of these specialized organizations has its distinct definitions of eligibility, criteria for accreditation, and operating procedures. Educational programs accredited by specialized accrediting agencies may reside within comprehensive institutions or within single-purpose institutions. Please visit www.roguecc.edu/accreditation for more details.

The College is also approved as a veterans training institution by the U.S. Department of Veterans Affairs.

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 Annual Comprehensive Financial Report.

The Single Audit Act and OMB Uniform Guidance require state and local governments which receive directly, or indirectly, certain amounts in federal assistance to have an audit conducted for that year. Included in their 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 the College for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the twentieth year, nineteenth consecutive, 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 Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program 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 Annual Comprehensive 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, faculty, and staff for their continued support and dedication to the financial operations of the College.

Sincerely,

Lisa Stanton, CPA
Chief Financial Officer

Rogue Community College

3345 Redwood Highway
Grants Pass, OR 97527

For the Year Ended June 30, 2022

ZONE	BOARD OF DIRECTORS	TERM EXPIRES
1	Claudia Sullivan	June 30, 2023
2	Pat Fahey	June 30, 2025
3	Jeff Lang	June 30, 2023
4	Patricia (Pat) Ashley	June 30, 2023
5	Kevin Talbert	June 30, 2023
6	Roger Stokes	June 30, 2025
7	Maria Ramos Underwood	June 30, 2025

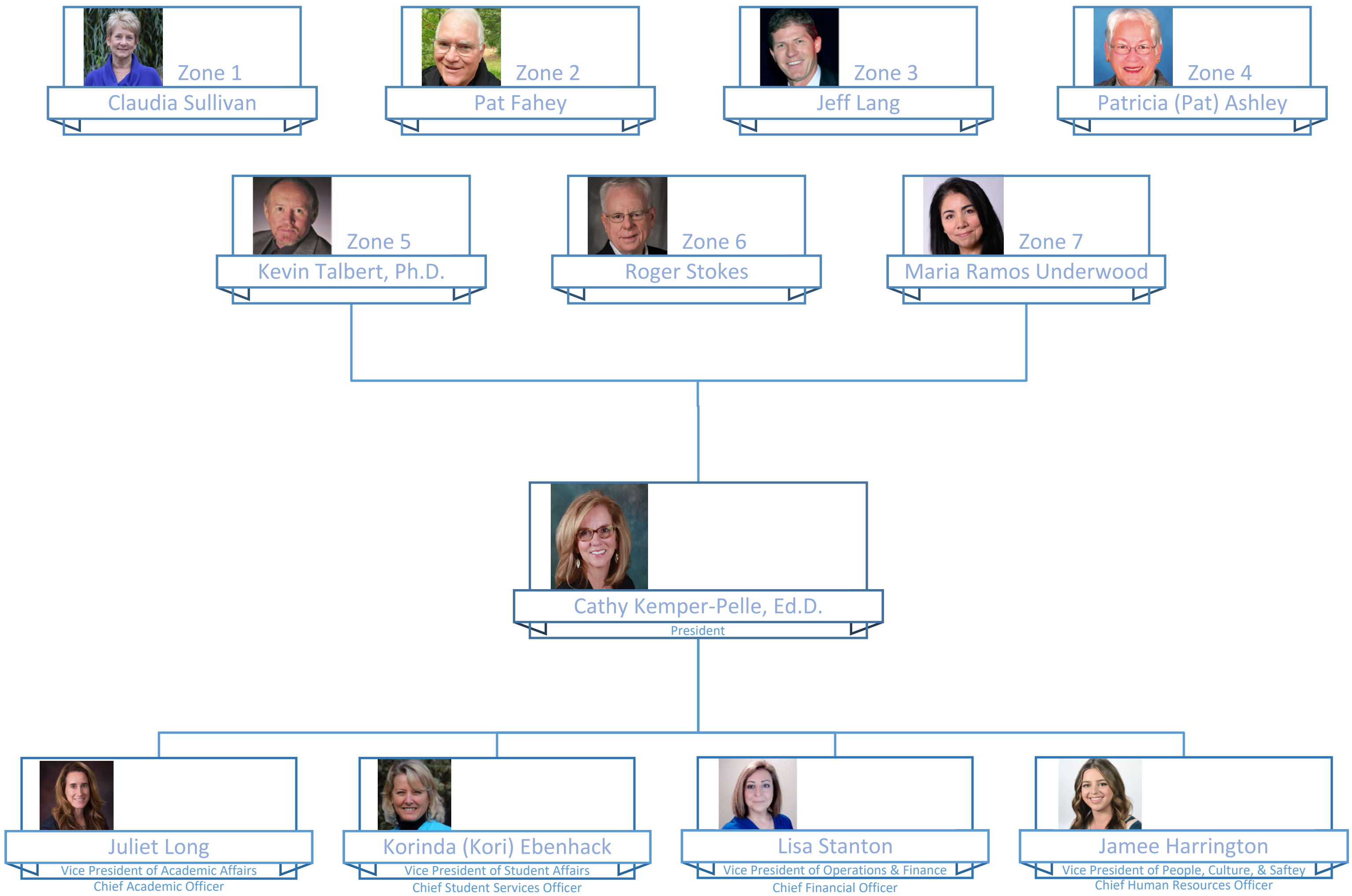
ADMINISTRATION

Cathy Kemper Pelle, Ed.D., College President

Lisa Stanton, CPA, Chief Financial Officer

Organizational Chart

Board of Education



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Rogue Community College
Oregon

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Rogue Community College

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Rogue Community College and the discretely presented component unit (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the College, as of June 30, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the College has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2021. Accordingly, a restatement has been made to the net position as of July 1, 2021, to restate beginning net position. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in total college administered OPEB liability and related ratios, schedule of employer's proportionate share of net RHIA OPEB liability/(asset), schedule of RHIA OPEB employer contributions, schedule of employer's share of net pension liability/(asset) (OPERS), schedule of employer contributions (OPERS), 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 or 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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. In our opinion, the schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the board of directors and administration, introductory section and the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's 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 12, 2022, on our consideration of the College's compliance with certain provisions of laws and regulations, including 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.

For Eide Bailly, LLP
Boise, Idaho
December 12, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Rogue Community College (the College) Annual Comprehensive Financial Report (AFCR) presents an analysis of the financial activities of the College for the fiscal year ended June 30, 2022. 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 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 the fiscal year ended June 30, 2022 that impacted the College are as follows:

- FTE reimbursement from the State of Oregon increased 62.2% or $5.2 million. This increase is attributable the Oregon Legislature's deferral of its eighth quarter reimbursement from May 2022 to August 2022. The deferrals were enacted in 2003 and are scheduled to occur on alternate years so the State can balance its biennial budget. More information about FTE reimbursement is located in the revenue section of this analysis.

- The College's federal grants and contracts revenue increased $7.1 million or 76.8%. The increase is attributable to the Higher Education Emergency Relief Fund grants awarded and spent during 2021-22. More information about Federal grants and contracts is located in the revenue section of this analysis.

- Other non-operating income increased $4.7 million or 158.9% from the prior year. The increase is primarily attributable to the anticipated Employee Retention Tax Credit (ERTC) refund recorded in FY 2021-22, the sale of property owned in downtown Medford and other vendor refunds received during the year. More information about other non-operating income is located in the revenue, capital assets and pension sections of this analysis.

- In August 2021, the College issued a Federally Taxable Pension Obligation Bond of $31.5 million. The proceeds from this issuance were transferred to the State of Oregon Public Employees Retirement System (PERS) to cover the College's portion of the system wide unfunded actuarial liability and are reflected in deferred outflow of resources. The resulting asset is used to offset a portion of the College's annual required contribution on an annual basis. More information about other non-operating income is located in the pension note of this report.

- Capital assets net of depreciation increased by 9.2% to $6.2 million due to the completion of the Redwood Campus Science Center in June 2022. The construction was completed from bonds issued in 2016 and a state matching grant. The new Science Center houses a student common space, classrooms, labs, two large greenhouses and faculty offices. It opens in the Fall term 2022-23. More information regarding capital assets is located in the capital asset section of this analysis.

- Loss on the disposal of capital assets increased by $1.8 million or 264.4% due to the sale of property owned in downtown Medford. More information about the disposal of capital assets is located in the capital asset section of this analysis.

- The College implemented GASB 87, Leases, recording $1.7 million in assets and $1.3 million in liabilities and deferred inflows of resources related to College leasing activities. More information about leases can be found in the leases section of this analysis.

One of the College's largest categories in net position, Net investment in capital assets of $47.3 million, reflects the investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related, outstanding debt used to acquire those assets, lease receivables, and the right to use (RTU) leased assets, less accumulated depreciation. 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 the resources needed to repay this debt must be provided from other sources. The capital assets themselves cannot be used to liquidate these liabilities. Net position was restated in 2021 due to the implementation of GASB 87 and is reflected in Note 1 under the section Leases.

Overview of the Financial Statements

This discussion and analysis are 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 the State and Federal Compliance 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, 2022

The *Statement of Net Position* presents information on all of the College's assets, deferred outflow of resources, liabilities and deferred inflow of resources. Net position is the difference between assets plus deferred outflows, less liabilities and deferred inflows, and is one measure of the financial condition of the College. 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 factors 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.

	2022	Restated 2021	% Change
Assets			
Current assets	$ 56,885,733	$ 46,210,283	23.10%
Capital assets, net of depreciation	62,064,565	56,837,872	9.20%
Right to use asset, net of amortization	575,559	672,597	100.00%
Other non-current assets	1,598,161	106,193	1404.96%
Total Assets	121,124,018	103,826,945	16.66%
Deferred Outflow of Resources			
Deferred outflows	40,838,198	12,625,460	223.46%
Total Deferred Outflow of Resources	40,838,198	12,625,460	223.46%
Total Assets and Deferred Outflow of Resources	$ 161,962,216	$ 116,452,405	39.08%
Liabilities			
Current liabilities	$ 10,015,365	$ 10,169,831	-1.52%
Long-term debt, non-current portion	87,594,137	79,706,191	9.90%
Total Liabilities	97,609,502	89,876,022	8.60%
Deferred Inflows of Resources			
Deferred inflows	19,134,986	3,348,621	471.43%
Total Deferred Inflow of Resources	19,134,986	3,348,621	471.43%
Net Position			
Net investment in capital assets	47,318,132	42,368,456	11.68%
Restricted	13,449,969	7,869,862	70.90%
Unrestricted	(15,550,373)	(27,010,556)	-42.43%
Total Net Position	45,217,728	23,227,762	94.67%
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 161,962,216	$ 116,452,405	39.08%

On June 30, 2022, the College's assets were approximately $121.1 million. The College's current assets of $56.9 million were sufficient to cover current liabilities of $10.0 million. This represents a current ratio of 5.7. Net investment in capital assets is $47.3 million, representing an increase of $4.9 million from the prior year. The College uses capital assets to provide services to students; consequently, these assets are not available for future spending. The College's receivables consist of taxes, student accounts, interest, and various operating receivables. Additional information regarding capital assets can be found in Note 5 of the Notes to Financial Statements.

Deferred outflows represent the consumption of net position attributable to a future period and are primarily associated with the College's obligations for the pension and other post-employment benefits, as well as the deferred charge on refunding of debt. Deferred outflows increased $28.2 million, or 223.5%, from the previous year, primarily due to the issuance of the 2021 pension bonds in the current year. Additional information regarding changes in long-term obligations can be found in Note 6.

Current liabilities consist primarily of accounts payables, accrued compensation, unearned revenue, and the current portion of long-term obligations. Current liabilities decreased $154,500 or 1.5% over prior year.

Net position is reported in three components with an overall increase of approximately 94.7% in fiscal year 2022. The largest portion of the College's net position is the $47.3 million net investment in capital assets. The restricted component of net position consists of amounts set aside for debt service, student financial aid, federal financial aid, unspent bond proceeds, lease commitments, other post-employment benefit assets, and grants and contracts. The remaining component is categorized as unrestricted.

Unrestricted assets, as defined by GAAP, are funds that are not subject to externally imposed restrictions on their use. Unrestricted funds are allocated for academic programs, capital projects, reserves, and other purposes from year to year. With the implementation of GASB 68, 71 and 75, unrestricted net position will have the potential to fluctuate materially from year to year. The fluctuation is dependent on college-wide investment returns and changes related to the actuarial unfunded liability for pensions and OPEB. The large fluctuation in the recent valuation contributes to the College reporting a negative unrestricted net position of $15.6 million at June 30, 2022.

Analysis of the Statement of Revenues, Expenses and Changes in Net Position For the Year Ended June 30, 2022

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 generated from tuition and student financial aid grants. 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. The prior year was not restated for the implementation of GASB 87 to the following Statement of Revenues, Expenses and Changes to Net Position.

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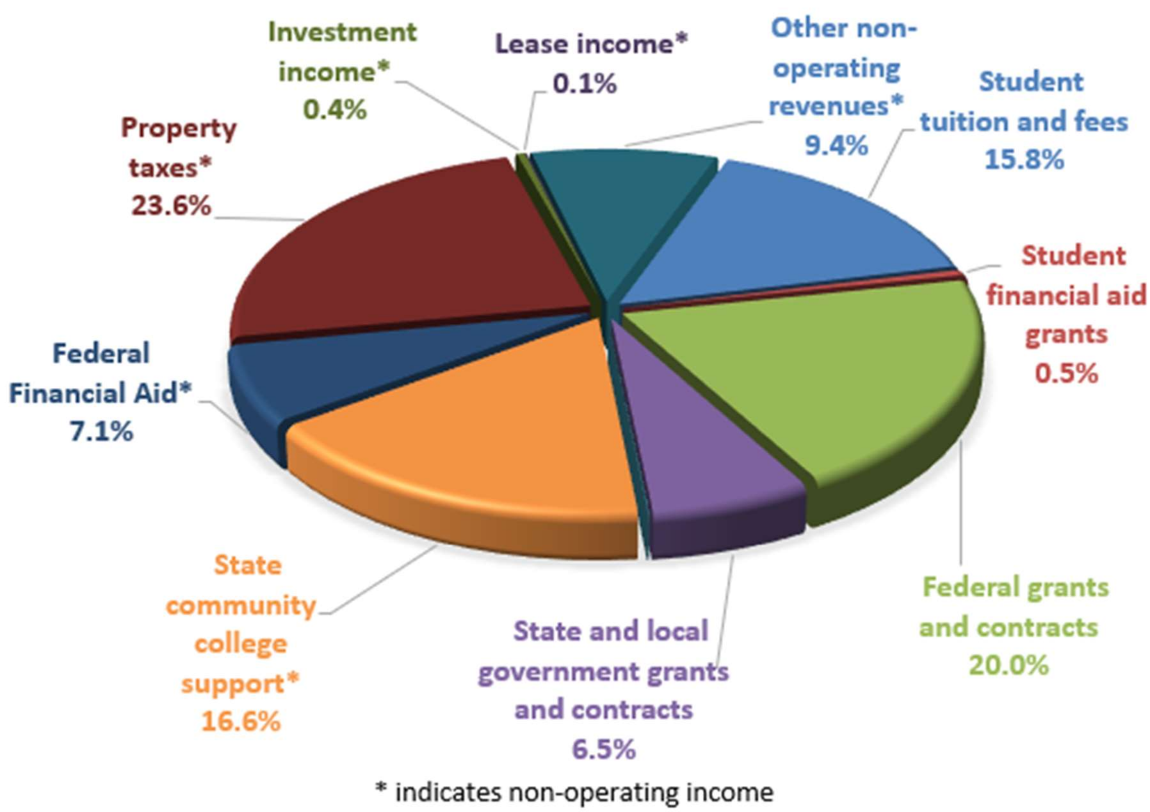
	2022	2021	% Change
Operating Revenues:			
Student tuition and fees	$ 12,936,426	$ 13,406,470	-3.51%
Student financial aid grants	414,830	405,216	2.37%
Federal grants and contracts	16,436,957	9,296,159	76.81%
State and local government grants and contracts	5,362,776	4,178,407	28.34%
Auxiliary enterprises	21,260	12,085	75.92%
Total operating revenues	35,172,249	27,298,337	28.84%
Non-Operating Revenues:			
State community college support	13,662,860	8,423,651	62.20%
Federal Financial Aid	5,811,498	5,724,505	1.52%
Property taxes	19,381,161	19,047,884	1.75%
Investment income	318,033	395,155	-19.52%
Lease income	69,745	-	100.00%
Other non-operating revenues	7,684,223	2,968,384	158.87%
Total non-operating revenues	46,927,520	36,559,579	28.36%
Operating and Non-Operating Expenses:			
Instruction	14,403,007	18,525,228	-22.25%
Instructional support services	5,098,780	5,500,268	-7.30%
Student services	7,773,686	10,336,546	-24.79%
Community services	230,738	237,879	-3.00%
College support services	10,602,010	13,936,290	-23.93%
Plant operations and maintenance	3,853,063	4,077,133	-5.50%
Scholarships and grants	16,651,043	10,084,790	65.11%
Loss/(gain) on capital assets	1,088,415	(662,182)	-264.37%
Depreciation and amortization	1,975,436	1,587,729	24.42%
Interest expense	1,772,689	1,386,187	27.88%
Amortization of deferred charges	110,712	110,712	0.00%
Total operating and non-operating expenses	63,559,579	65,120,580	-2.40%
Income before contributions	18,540,190	(1,262,664)	-1568.34%
Capital contributions	3,449,776	3,969,327	100.00%
Change in net position	21,989,966	2,706,663	712.44%
Net position, beginning of year	23,227,762	20,521,099	13.19%
Net position, end of year	$ 45,217,728	$ 23,227,762	94.67%

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. While budgeted for operations, annual state reimbursements and property taxes are considered non-operating revenues according to GAAP.

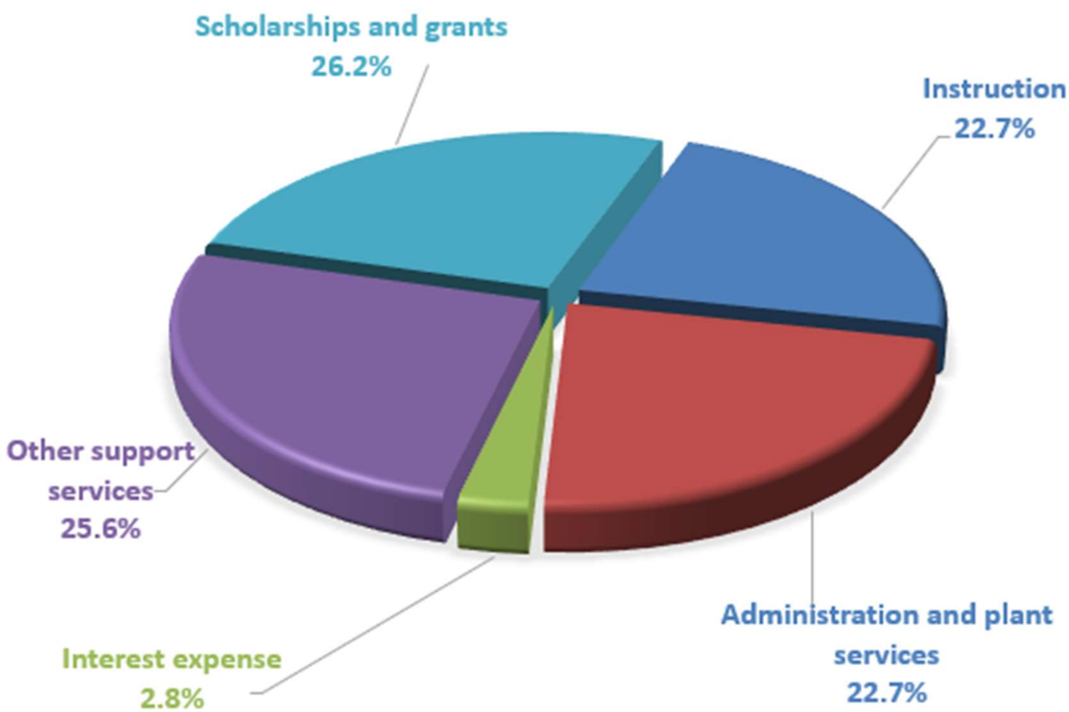
Operating revenues increased by $7.9 million or 28.8% between 2021 and 2022. The most significant sources of operating revenue for the College include student tuition and fees and federal, state and local grants. Tuition and fees decreased 3.5% or $470,000, while grants increased by 61.8% or $8.3 million. The increase in grants is due primarily due to the Higher Education Emergency Relief Fund (HEERF) grants awarded and earned during the year.

Non-operating revenues increased $10.4 million or 28.4% between 2021 and 2022. The largest non-operating revenue source is property taxes. The College received $19.4 million from property taxes representing a 1.8% increase from the prior year. This increase is directly related to the overall assessed value of property located in Jackson and Josephine counties increasing by approximately 3.5%. The second largest non-operating revenue is State appropriations. The State appropriated $703 million for the Community College Support Fund (CCSF) for the 2021-23 biennium. This is a $62.1 million increase over the prior biennium. The College is projected to receive a decrease of $1.3 million for the biennium due to the decline in enrollment. The $5.2 million increase from the prior year is due to the payment structure. Oregon Community Colleges report five support payments in the first year of a biennium and three payments in the second year. For the year ended June 30, 2022, the College reported five payments. Other non-operating income increased year-over-year by $4.7 million or 158.9%, primarily due to the ERTC refund of $5.6 million that we will receive in fiscal year 22-23 and accrued into the current year.



Expenses:

Operating and non-operating expenses totaling $63.6 million include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Instruction expenses represent a large percentage of total expenses at $14.4 million or 22.7%. Support services, including auxiliary enterprises, contracted programs, and depreciation and amortization, represent $16.3 million, or 25.6%, of total expenses. Scholarship and grant expenses of $16.7 million, representing 26.2% of total expenses, increased $6.6 million year over year primarily due to the HEERF grants awarded during the year. Administration expenses, including plant and college support services, represents $14.5 million, or 22.7%, of total expenses. Interest expense, the College's most significant non-operating expense, represents $1.8 million, or 2.8%, of total expense.



Analysis of Cash Flows
For the Year Ended June 30, 2022

The primary purpose of the *Statement of Cash Flows* is to provide relevant information about cash receipts and cash payments, which is a basis to assess the financial health of the College. The *Statement of Cash Flows* presents information on cash flows from operating activities, non-capital financing activities, capital financing activities, and investing activities. It provides the net increase, or decrease, in cash between the beginning and end of the fiscal year, assisting in the evaluation of financial viability, the College's ability to meet financial obligations as they become due, and the need for external financing.

		2022		2021	% Change		$ Change
Cash Provided By (Used In):							
Operating activities	$	(55,362,398)	$	(29,320,236)	88.82%	$	(26,042,162)
Non-capital financing activities		69,164,584		34,622,857	99.77%		34,541,727
Capital financing activities		(7,277,426)		(4,470,491)	62.79%		(2,806,935)
Investing activities		318,033		395,155	-19.52%		(77,122)
Net increase (decrease) in cash		6,842,793		1,227,285	457.56%		5,615,508
Cash, beginning of year		42,025,475		40,798,189	3.01%		1,227,285
Cash, end of year	$	48,868,268	$	42,025,475	16.28%	$	6,842,793

The major sources of cash included in operating activities include student tuition and fees, student financial aid and contracts and grants. Major uses include payments to employees, suppliers, and students for financial aid and scholarships. The primary change is due to an increase in pension expense due to the PERS bond issued during the fiscal year.

The primary sources of non-capital financing activities include federal financial aid, property taxes, state support and the bonding of pension obligations. Accounting standards require these sources of revenue be reported as non-operating even though the College depends on these revenues for normal operations. The majority of the increase is due to the College recording five State support payments in 2022, compared to three in 2021, and the bonding of the College's pension obligations.

The primary major uses in capital financing activities include the payment of long-term debt. Cash used by capital financing activities increased by $2.8 million compared to the prior year. The increase is related to the capital construction activity from the completion of the Redwood Campus Science Center in 2022.

The primary source of investing activities is interest income. The cash provided by investing income decreased $77,000, due to a reduction of unspent proceeds from the General Obligation and Refunding Bond, Series 2016B.

Leases, Capital Assets and Debt Administration

Leases

The College implemented GASB 87, Leases, during the year, which required the recording $1.7 million in assets and $1.3 million in liabilities and deferred inflows of resources related to College leasing activities. Additional information about these leases can be found in Note 4 in the Notes to the Basic Financial Statements.

Capital Assets

The College's capital assets as of June 30, 2022, amounts to $62.1 million, net of accumulated depreciation. 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 5.

Long-Term Obligations

At the end of the current fiscal year, the College's total outstanding debt was $66.1 million. Of this amount, $24.8 million is General Obligation and Refunding Bonds, and their related premium; $41.3 million are Pension Obligation Bonds, all of which are backed by the full faith and credit of the College. The College's total debt increased by $26.2 million during 2022. The College also has a compensated absences liability of $761,000.

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, 2022, the College's general obligation debt is 0.05% of Real Market Value. Based upon this, the College's legal debt limit is $788.4 million, which is significantly higher than the College's outstanding general obligation debt of $24.8 million. Additional information on the College's long-term debt can be found in Note 6.

Pension and OPEB Obligations

At the end of the current fiscal year, the Pension and OPEB liabilities totaled $26.7 million. Of this amount, $19.3 million is the pension liability and $1.6 million is the Pre-SLGRP liability. In addition, $5.8 million is the College administered OPEB plan, while the Retirement Health Insurance Account administered by PERS has an asset of $547,000. More information on the pension and OPEB obligations can be found in Note 8 and 9, respectively.

Economic Factors and Next Year's Budget

The College budget is 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.

Over the last 10 years RCC has continually seen year-over-year enrollment declines, losing over 37% of enrollment during 2020/21. In fiscal year 2021-22, we experienced a 73.4% increase in student attendance in courses that are held in person. In addition, the current year FTE decline is only 1.3% compared to the prior year. This is a substantial improvement from the year-to-year declines experienced in the past 10 years.

The college continues to strategically invest our one-time grant funds from the Higher Educational Emergency Relief Funds Act (HEERF) in strategies that will help to stabilize enrollment. This includes: 1) providing additional training for faculty to improve students' online learning experience; 2) investing in new technology needed for virtual and hybrid classrooms, and 3) helping students financially return to college.

With the arrival of our new College President, Randy Weber, Ed.D, in July 2022, the college has revitalized its commitment to stabilizing enrollment and increasing student persistence from term to term. This renewed focus is proving successful with fall term 2022 enrollment increasing 5.5%.

Although we still have a long road to fully recovering from the losses we experienced during the pandemic, we are taking it one step at a time and finding our approach to be successful.

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, 2022

	College	Foundation (Component Unit)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 48,868,268	$ 163,292
Receivables:		
Property taxes	725,772	-
Accounts, net	1,346,968	1,393
Employee Retention Tax Credit	5,612,192	-
Leases - current	71,111	-
Prepaid expenses	261,422	44,906
Total current assets	56,885,733	209,591
Non-current Assets:		
Receivables, leases	1,051,045	-
Receivables, scholarships and promises to give	-	92,518
Endowment investments	-	13,330,300
Land investments	-	59,577
RHIA OPEB asset	547,116	-
Right to use leased asset, net of accumulated amortization	575,559	-
Capital assets	88,003,881	-
Less: accumulated depreciation	(25,939,316)	-
Capital assets, net	62,064,565	-
Total non-current assets	64,238,285	13,482,395
TOTAL ASSETS	121,124,018	13,691,986
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	332,136	-
Deferred outflow on pension obligation	39,340,282	-
Deferred outflow on college administered OPEB obligation	1,117,604	-
Deferred outflow on RHIA OPEB asset	48,176	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	40,838,198	-
LIABILITIES		
Current Liabilities:		
Accounts payable	1,322,301	20,924
Retainage payable	500,854	-
Accrued interest payable	35,385	-
Payroll liabilities	1,750,538	10,415
Unearned revenue	240,429	-
Current portion of compensated absences	209,074	-
Current portion of lease liability	65,591	-
Current portion of long-term obligations	5,565,000	-
Current portion of Pre-SLGRP liability	326,193	-
Total current liabilities	10,015,365	31,339

See notes to basic financial statements.

Statement of Net Position
June 30, 2022 (continued)

	College	Foundation (Component Unit)
Non-current liabilities - long-term obligations		
Compensated absences	761,290	-
Less: current portion compensated absences	(209,074)	-
Lease liability	199,069	-
Less: current portion lease liability	(65,591)	-
College administered OPEB liability	5,801,792	-
Pension liability	19,325,076	-
Pension Pre-SLGRP liability	1,552,530	-
Less: current portion Pre-SLGRP liability	(326,193)	-
Pension bonds payable	41,295,000	-
General obligation and refunding bonds payable, net of unamortized premium	24,825,238	-
Liability under trust agreement	-	1,140,865
Less: current portion of long-term obligations	(5,565,000)	-
Total non-current liabilities - long-term obligations	87,594,137	1,140,865
TOTAL LIABILITIES	97,609,502	1,172,204
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow on pension obligation	17,386,930	-
Deferred inflow on college administered OPEB obligation	472,515	-
Deferred inflow on RHIA OPEB asset	153,385	-
Deferred inflow on leases	1,122,156	-
TOTAL DEFERRED INFLOWS OF RESOURCES	19,134,986	-
NET POSITION		
Investment in capital assets	62,064,565	-
Less: related debt	(16,776,284)	-
Plus: deferred outflows attributable to capital assets	332,136	-
Plus: lease assets	1,697,715	-
Net investment in capital assets	47,318,132	-
Restricted - non-expendable		
Restricted - with donor restrictions	-	6,180,602
Restricted - expendable		
Restricted - with donor restrictions	-	3,922,107
Restricted - debt service	358,978	-
Restricted - contracts and grants	10,020,808	-
Restricted - RHIA OPEB plan asset	441,907	-
Restricted - pension	2,628,276	-
Total restricted net position	13,449,969	10,102,709
Unrestricted	(15,550,373)	2,417,073
TOTAL NET POSITION	$ 45,217,728	$ 12,519,782

See notes to basic financial statements.

Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2022

	College	Foundation (component unit) as restated
OPERATING REVENUES		
Student tuition and fees, net	$ 12,936,426	$ -
Federal student financial aid grants	414,830	-
Federal grants and contracts	16,436,957	-
State and local grants and contracts	5,362,776	-
Auxiliary enterprises	21,260	-
Public support and revenue	-	1,202,265
Total operating revenues	35,172,249	1,202,265
OPERATING EXPENSES		
Instruction	14,403,007	-
Instructional support services	5,098,780	-
Student services	7,773,686	-
Community services	230,738	-
College support services	10,602,010	-
Plant operations and maintenance	3,853,063	-
Scholarships and grants	16,651,043	-
Foundation programs	-	1,189,203
Total operating expenses	58,612,327	1,189,203
Depreciation and amortization	1,975,436	-
Operating income (loss)	(25,415,514)	13,062
NON-OPERATING REVENUES (EXPENSES)		
State community college support	13,662,860	-
Federal financial aid	5,811,498	-
Property taxes	19,381,161	-
Lease income	69,745	-
Investment income (loss)	318,033	(1,323,613)
Interest expense	(1,772,689)	-
Amortization of deferred charges	(110,712)	-
Gain/(loss) on disposal of capital assets	(1,088,415)	-
Other non-operating revenue	7,684,223	-
Total non-operating revenues	43,955,704	(1,323,613)
Income (loss) before contributions	18,540,190	(1,310,551)
CAPITAL CONTRIBUTIONS	3,449,776	-
Change in net position	21,989,966	(1,310,551)
NET POSITION		
Net position, beginning of year	23,227,762	13,830,333
Net position, end of year	$ 45,217,728	$ 12,519,782

See notes to basic financial statements.

Statement of Cash Flows
For the year ended June 30, 2022

	College
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	$ 13,583,417
Student financial aid grants	477,157
Federal, state and local government grants and contracts	20,292,123
Payments to suppliers for goods and services	(6,150,484)
Payments to employees	(66,913,369)
Payments for student financial aid and other scholarships	(16,651,043)
Auxiliary enterprises:	
Cash received from customers	21,260
Paid to suppliers for resale materials	(21,459)
Net cash used in operating activities	(55,362,398)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	19,366,235
Cash received from state community college support fund	13,662,860
Federal financial aid	5,811,498
Proceeds from pension bond	31,545,000
Principal paid on pension bonds	(2,210,000)
Interest paid on pension bonds	(1,125,653)
Cash from other non operating sources	2,114,644
Net cash provided by non-capital financing activities	69,164,584
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Lease receipts	69,745
Purchase of capital assets	(9,497,075)
Capital contributions	4,129,014
Proceeds from sale of capital assets	1,784,378
Principal paid on capital-related long-term debt	(2,745,000)
Principal paid on lease liability	(63,331)
Interest paid on capital-related long-term debt and leases	(955,157)
Net cash used in capital financing activities	(7,277,426)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income (loss)	318,033
NET INCREASE IN CASH	6,842,793
Cash and cash equivalents, beginning of year	42,025,475
Cash and cash equivalents, end of year	$ 48,868,268

See notes to basic financial statements.

Statement of Cash Flows
For the year ended June 30, 2022 (continued)

	College
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	$ (25,415,514)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	1,975,436
GASB 68 actuarial pension (revenue) expense	(30,808,394)
GASB 75 actuarial OPEB (revenue) expense	(49,071)
Changes in assets and liabilities:	
Increase in accounts receivable	1,360,397
Increase in prepaid expenses	(174,062)
Decrease in accounts payable	(510,078)
Increase in payroll liabilities and compensated absences	4,869
Decrease in advanced revenue	(1,745,981)
Net cash used in operating activities	$ (55,362,398)
NON-CASH CAPITAL FINANCING AND INVESTING ACTIVITIES	
Premium on general obligation and refunding bonds	$ 303,821
Amortization of premium on general obligation and refunding bonds	(303,821)
Lease receivable recognized on lessor lease transaction	125,544

See notes to basic financial statements.

Rogue Community College
Grants Pass, Oregon

Notes to Basic Financial Statements

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) 958-205-45, *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, 2022, the Foundation provided scholarships and awards of $517,326 and project grants and facility donations of $127,713 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

The College is considered a special-purpose government engaged only in business-type activities for financial statement reporting purposes. 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

1. Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

are recognized in the periods which liabilities are incurred, regardless of the timing of related cash flows. All significant intra-agency transactions have been eliminated.

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 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 not registered with the U.S. Securities and Exchange Commission as an investment company. The LGIP is stated at amortized cost, which approximates fair value. Fair value of the investment in the LGIP is substantially the same as the College’s participant balance.

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. The College has an investment policy that is more restrictive than the Oregon Revised Statutes. As of June 30, 2022, and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes and its own internal investment policies.

Receivables

Accounts receivable include student and agency receivables 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.

1. Summary of Significant Accounting Policies (continued)

Receivables (continued)

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.

Capital Assets

Capital assets include land, buildings and building improvements, furniture and equipment, infrastructure (which includes utility systems), library collections, software, construction in progress. The College's capitalization policy is to capitalize all assets when they have a life of more than one year and meet the capitalization thresholds. The College's capitalization threshold for library collections is $0, furniture and equipment are $10,000 (in previous years, $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. Per GASB 72, donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of an asset's life is 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 Outflows/Inflows 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.

1. Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources (continued)

The College has three items that qualify for reporting in this category: pension obligation, other post-employment benefit obligation (OPEB), deferred charge on debt refunding. The pension obligation results from changes in assumptions, differences between expected and actual experience, and changes in proportion, reported in the actuarial calculation of the College's net pension liability. The College has two OPEB obligations; the first plan is a single employer plan, administered by the College. The second plan is a multi-employer Retirement Health Insurance Account (RHIA) administered by Oregon Public Employees Retirement System (PERS). The deferred outflows of resources for the College administered OPEB plan relates to changes in assumptions and the difference between expected and actual experience. The Deferred outflows of resources for the RHIA OPEB obligation administered by PERS is related to the changes in proportion. The 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 three items that qualify for reporting in this category: the employer deferred pension obligation, the deferred OPEB obligation and leases. The deferred pension obligation results from the differences between projected and actual earnings on investments, the changes in proportion, and differences between employer contributions and proportionate share of contributions derived from the actuarial calculation of the College's net pension liability. The deferred inflow of resources for the College administered OPEB obligation relates to changes in assumptions. The deferred inflow of resources from the RHIA OPEB obligation administered by PERS results from changes in the differences between expected and actual experience, changes of assumptions, net difference between projected and actual earnings on investments, and changes in proportion. Leases are recognized as an inflow of resources (revenue) on a straight-line basis over the term of the lease.

Compensated Absences

Employees accumulate vacation and sick leave in accordance with their related bargaining agreement, employee handbook, or under Oregon Revised Statutes Sections 653.601 – 653.661. 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, 2022, there were no outstanding short-term obligations.

1. Summary of Significant Accounting Policies (continued)

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, deferred outflow of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Other Postemployment Benefits Other Than Pensions

The College administers a single employer OPEB plan. This OPEB plan utilizes employee census data and benefits provided by the College for purposes of measuring the total OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis. For the RHIA plan, the net OPEB asset, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by PERS. Therefore, 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.

Pension Pre-SLGRP Liability

The Pension Pre-SLGRP Liability is an actuarially determined liability recorded in the statement of net position based on the College's entry into the Oregon Public Employees Retirement System (PERS) State and Local Government Rate Pool. The Pre-SLGRP liability is reduced each year by contributions to PERS and increased for interest charged by PERS.

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.

The College participates in various federally funded programs including Pell Grants, Federal Work Study, Federal Supplemental Educational Opportunity Grants (SEOG), and Federal Direct Loans. Federal programs are audited in accordance with the Single Audit Act, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

1. Summary of Significant Accounting Policies (continued)

Federal Direct Student Loan Program

The College receives proceeds from the Federal Direct Student Loan Program. The College passes the awards directly to the students, without having administrative or direct financial involvement in the program. Federal student loans of $2.2 million were received by the College's students during the fiscal year, but they were not reported in operations.

Leases

Right to use leased assets are recognized at the lease commencement date and represent the Colleges right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3-5 years.

Lease receivables are recorded by the College as the present value future lease payments expected to be received from the lessee during the lease term. Lease receivables are subsequently reduced over the life of the lease as cash Is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the rates charged to college on bonds.

Lease liabilities present the College's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of the lease payments are discounted based on a borrowing rate determined by the College.

Net Position

Net position is the difference between the College's total assets and deferred outflows and total liabilities and deferred inflows. Net position is subdivided into three categories: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets represents capital assets and right to use (RTU) assets, less accumulated depreciation and amortization, lease receivables and outstanding principal and premiums of capital asset related debt, plus cash held for construction, deferred inflow of resources related to leases and debt related to leased equipment. Net position subject to restrictions by external parties is categorized as restricted. This category represents debt service, contracts and grants, bond proceeds, the Retirement Health Insurance Account (RHIA), and Oregon Educators Benefit (OEB). 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.

1. Summary of Significant Accounting Policies (continued)

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.

Implementation of New Standard

The following accounting pronouncements were implemented effective July 1, 2021:

GASB Statement No. 87, Leases. This standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

Net position at June 30,2021, as previously reported	$	23,227,762
Add Lease Receivable under GASB Statement No. 87 at June 30, 2021		1,191,901.00
Right to Use Asset under GASB Statement No. 87 at June 30, 2021		263,907.00
Lease Liability under GASB Statement No. 87 at June 30, 2021		(263,907.00)
Less Deferred Outflows of Resources under GASB Statement No. 87 at June 30, 2021		(1,191,901.00)
Net position at June 30, 2021, as restated	$	23,227,762

2. Cash and Investments

The primary objectives of the College's investment activity include preservation of capital, liquidity, diversification and yield. The schedule on the following page comprises the combined value of the College's cash and investment portfolio at June 30th:

Cash and Cash Equivalents:		
Cash on hand	$	7,350
Cash with fiscal agent		149,961
Deposits with Financial Institutions		4,199,818
Oregon LGIP		44,511,139
Total Cash and Cash Equivalent	$	48,868,268

2. Cash and Investments (continued)

The Oregon Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Short Term Fund Board and the Oregon Short-Term Investment Council and does not receive credit quality ratings from nationally recognized statistical rating organizations. The State of Oregon Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the state that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. Participants' account balances in the pool are determined by the amount of participants' deposits, adjusted for withdraws and distributed interest. Interest is calculated and accrued daily on each participants' account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund.

Credit Risk

In accordance with ORS Chapter 297 and the College's investment guidelines, investment in commercial paper must be rated by A1 or better by Moody's, P1 or better by Standard and Poor's, F1 or better by Fitch, or an equivalent rating by any nationally recognized rating agency. Corporate securities, bonds and debentures must be rated at settlement date AAA or better by Moody's, AA or better by Standard and Poor's, AA or better by Finch, or equivalent rating by any nationally recognized rating agency.

Concentration of Credit Risk

It is the policy of the College to diversify its investments. Where appropriate, exposures will be limited by security type, maturity, issuance and issuer. In accordance with GASB 40, the College is required to report all non-federal investments in any one issuer that exceed 5% of total invested funds. There are no investments that exceed this threshold as of June 30, 2022.

Interest Rate Risk

In accordance with the objectives of the College's investment guidelines, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. The College's investment portfolio contains investments with the LGIP. The weighted average maturities of investments in the LGIP at June 30, 2022 were: 61.5% mature within 93 days, 19.5% mature over one year, and 0% mature in over three years from settlement date. As of June 30, 2022, the College is in compliance with this requirement.

Custodial Credit Risk - Deposits

In the 2008 legislative session, new regulations were enacted for collateralizing public funds under ORS 295.004. The statute established a shared liability concept to protect public entities and eliminate personal liability of public officials for balance in excess of the collateral certificates. It also reduced over collateralization and defined qualified depository institutions and addressed collateralization of public funds over $250,000. Finally, it specified the types of instruments that are allowed as collateral and require qualified bank depositories to sign a pledge agreement approved by the board of directors or loan committee. Under ORS 295.004, governmental entities can maintain balance with such bank depositories in accordance with their investment policies. On June 30, 2022, the College's bank

2. Cash and Investments (continued)

Custodial Credit Risk - Deposits (continued)

balances were $4.1 million, which includes all bank accounts. Of these deposits, FDIC covered $250,215 on deposit with two banks and the remaining balance was covered by the procedures for collateralizing public funds.

Custodial Credit Risk – Investments

The College has a Board approved investment policy, which states that the President shall appoint an Investment Officer who will perform specific investment functions for the College. Should a counter-party fail, there is a risk that the College would not be able to recover the value of its investments that are held by an outside party. To minimize this risk, securities purchased through any of the authorized, non-bank broker-dealers are held by an independent third-party safekeeping institution.

As of June 30, 2022, the College had $0 invested in various investment instruments including time deposits. The College has no custodial credit risk at this time.

Foundation Cash and Investments

The Rogue Community College Foundation reported cash and cash equivalents of $163,292 as of June 30, 2022. The Foundation maintains cash balances at a single financial institution. The Federal Deposit

Insurance Corporation insures account balances at each institution for amounts up to $250,000. At June 30, 2022, the bank balance of cash totaled $227,533, leaving $0 not covered by the FDIC.

The Foundation's investments totaling $13.1 million at June 30, 2022 are stated at fair value and consist of the following:

	Level 1	Level 2	Level 3	Total
Fair Value - June 30, 2022				
Assets:				
Investments:				
Cash and cash equivalents	$ 319,913	$ -	$ -	$ 319,913
Treasury and corporate bonds	-	2,313,528	-	2,313,528
Equities	7,609,714	-	-	7,609,714
Mutual funds	2,153,979	-	-	2,153,979
Exchange traded funds	471,103	-	-	471,103
REIT	153,290	-	-	153,290
Alternative investments (a)	-	-	-	86,459
Total	$ 10,707,999	$ 2,313,528	$ -	$ 13,107,986
Charitable remainder trust:				
Cash and cash equivalents	$ 1,348	$ -	$ -	$ 1,348
Mutual funds	47,614	-	-	47,614
Exchange traded funds	173,352	-	-	173,352
Total	$ 222,314	$ -	$ -	$ 222,314

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended for reconciliation of the fair value hierarchy to the amounts presented on the statement of financial position.

2. Cash and Investments (continued)

Foundation Cash and Investments (continued)

The Foundation's investments are reported at fair value using quoted market prices in active markets for identical assets (stock market quotes). Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to the unobservable inputs (level 3 measurements). This measurement standard is based on three levels. Level 1 consists of financial instruments whose value is based on quoted market prices for identical financial instruments in an active market. Level 2 consists of financial instruments that are valued using models or other valuation methodologies. These models use inputs that are observable either directly or indirectly. Level 2 inputs include (i) quoted prices for similar assets or liabilities in active markets, (ii) quoted prices for similar assets or liabilities in markets that are not active, (iii) pricing models whose inputs are observable for substantially the full term of the financial instrument and (iv) pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the financial instrument. Level 3 – consists of financial

instruments whose values are determined using pricing models that utilize significant inputs that are primarily unobservable, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

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. SIPC insurance coverage does not protect accounts against market fluctuations. At June 30, 2021, the investment cash balance totaled $292,770, leaving $42,770 not covered by SIPC.

3. Accounts Receivable

The College's accounts receivable include student and agency receivables , shown net of an allowance for uncollectible accounts. As of June 30, 2022, the allowance for uncollectible accounts totaled $0.67 million.

In 1999, the Foundation was bequeathed funds for the Helen M. Whitaker Education Fund. For the year ended June 30, 2022, they held a student loan receivable of $92,518. The Foundation also received pledges from donors in the fiscal year 2021-22 and the total remaining receivable at June 30, 2022 consisted of $1,393.

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4. Leases

The College has several leasing arrangements, summarize below:

Lessee

The College entered an agreement to lease emergency services training facilities for 15 years, beginning May 1, 2019. The lease terminates June 2034. The College contributed to the cost of construction for the Fire District 3-Fire Science Center and under the terms of the lease has been provided rights to use the facilities over the life of the agreement. Due to the prepaid nature of the agreement, no lease liability was recorded. A right to use asset of $408,690 has been recognized and during the fiscal year has recorded $31,438 in amortization expense.

The College entered an agreement to lease printers and copier machines for 60 months, beginning July 1, 2020. The lease terminates June 2025. Under the terms of the lease, the College pays $5,629 per month over the life of the agreement. At June 30, 2022, the College has recognized a right to use asset of $263,907 and a lease liability of $263,907 related to this agreement. During the fiscal year, the College recorded $65,600 in amortization expense and $2,707 in interest expense for the right to use the printer and copier equipment. The College used an incremental discount rate of 1.16%, based on the true interest cost for its most recent debt issuance for the same time periods.

Right to use assets	Restated Balance June 30, 2021	Additions	Deletions	Balance at June 30, 2022
Fire District No. 3	$ 408,690	$ -	$ -	$ 408,690
Printers & Copiers	263,907	-	-	263,907
Totals, right to use assets	$ 672,597	$ -	$ -	$ 672,597
Less Accumulated Amortization	**Beginning Balance**	**Additions**	**Deletions**	**Balance at June 30, 2022**
Fire District No. 3	$ -	$ 31,438	$ -	$ 31,438
Printers & Copiers	-	65,600	-	65,600
Total accumulated amortization	-	97,038	-	97,038
Total Right to use assets, net	$ 672,597	$ 97,038	$ -	$ 575,559

The College's schedule of future payments included in the measurement of the lease liability is as follows:

Fiscal Year Ended June 30,2022	Principal	Interest
2023	$ 65,591	$ 1,954
2024	66,353	1,192
2025	67,124	421
Total	$ 199,069	$ 3,567

Lessor

The College leases a portion of its land for cellular tower antenna sites. These sites are non-cancelable for a period of 13-29 years, with renewal periods every 5 years. The College believes the sites will exercise the renewal option with reasonable certainty. The agreements allow for 3.0% annual CPI increases to the site payments. At termination, lessees must remove all equipment and restore the

4. Leases (continued)

Lessor (continued)

site to its original state. During the fiscal year, the College recognized $25,129 in lease revenue and $21,101 in interest income related to these agreements. At June 30, 2022, the College recorded $1.01 million in lease receivables and deferred inflows of resources for these arrangements. The College used an interest rate of 2%, based on the rates charged to college on bonds.

The College has accrued a receivable for an Early Childhood Education facility lease. The remaining receivable for this lease is $104,350 of June 30, 2022. Deferred inflows related to this lease $102,029 as of June 30, 2022. Interest revenue recognized on this lease was $2,321 for year ended June 30, 2022. Principal receipt of $21,194 was recognized in year ended June 30, 2022. Final receipt is expected in fiscal year 2026.

Remaining amounts to be received associated with these leases are as follows:

Fiscal Year Ended June 30,2022	Lease Receipts
2022-23	$ 71,111
2023-24	72,266
2024-25	73,467
2025-26	74,695
2026-27	48,539
2028-32	249,936
2033-37	167,788
2038-42	134,859
2043-47	141,601
2048-53	87,896
Total:	$ 1,122,156

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5. Capital Assets

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

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated:				
Land	$ 3,930,933	$ -	$ 573,438	$ 3,357,495
Construction in progress	5,435,936	9,673,200	-	15,109,136
Total capital assets not being depreciated	9,366,869	9,673,200	573,438	18,466,631
Capital assets being depreciated:				
Buildings	62,289,834	-	3,125,859	59,163,975
Infrastructure	1,421,014	-	-	1,421,014
Furniture and equipment	7,055,983	304,412	261,276	7,099,119
Library collections	988,077	31,710	-	1,019,787
Software	833,355	-	-	833,355
Total capital assets being depreciated	72,588,263	336,122	3,387,135	69,537,250
Less accumulated depreciation for:				
Buildings	19,135,747	1,312,481	846,132	19,602,096
Infrastructure	476,939	20,643	-	497,582
Furniture and equipment	3,890,473	538,065	241,648	4,186,890
Library collections	780,746	38,647	-	819,393
Software	833,355	-	-	833,355
Total accumulated depreciation	25,117,260	1,909,836	1,087,780	25,939,316
Total capital assets being depreciated, net	47,471,003	(1,573,714)	2,299,355	43,597,934
Total capital assets, net	$ 56,837,872	$ 8,099,486	$ 2,872,793	$ 62,064,565

6. Changes in Long-Term Obligations

Transactions for the fiscal year ended June 30, 2022 are as follows:

	Original Amount	Restated June 30, 2021	Additions	Deletions	June 30, 2022	Due Within One Year
2005 Limited tax pension bonds, interest 4.643% to 4.831%, Maturity June 30, 2028	$ 21,035,000	$ 11,960,000	$ -	$ 1,395,000	$ 10,565,000	$ 1,540,000
2021 Limited tax pension bonds, interest 0.199% to 2.945%, Maturity June 30, 2040	31,545,000	-	31,545,000	815,000	30,730,000	1,030,000
2012 General obligation refunding bonds, interest 3.0% to 4.0%, Maturity June 15, 2025	9,430,000	5,700,000	-	1,355,000	4,345,000	1,365,000
2016A General obligation refunding bonds, interest 3.0% to 4.0%, Maturity June 15, 2025	7,040,000	2,595,000	-	605,000	1,990,000	615,000
2016B General obligation refunding bonds, interest 3.0% to 5.0%, Maturity June 15, 2034	20,000,000	16,515,000	-	785,000	15,730,000	1,015,000
Premium on general obligation and refunding bonds	6,563,654	3,064,060	-	303,821	2,760,239	-
Lease Liability	-	263,907	-	64,838	199,069	65,591
Compensated Absences	-	823,596	923,353	985,659	761,290	209,074
Total Long Term Obligations	$ 95,613,654	$ 40,921,563	$ 32,468,353	$ 6,309,318	$ 67,080,598	$ 5,839,665

6. Changes in Long-Term Obligations (continued)

Debt service requirements on long-term debt at June 30, 2022, are as follows:

	Business-Type Activities			
	Bonds			
FISCAL	Pension Bonds		General Obligation and Refunding Bonds	
YEAR	Principal	Interest	Principal	Interest
2022-23	$ 2,570,000	$ 1,166,211	$ 2,995,000	$ 848,350
2023-24	2,770,000	1,088,837	3,215,000	732,050
2024-25	3,000,000	1,000,472	3,445,000	606,900
2025-26	3,250,000	900,329	1,145,000	472,400
2026-27	3,515,000	787,738	1,245,000	415,150
2027-32	8,920,000	2,841,375	7,395,000	1,423,450
2032-37	10,585,000	1,859,209	2,625,000	140,200
2037-42	6,685,000	360,321	-	-
	$ 41,295,000	$ 10,004,493	$22,065,000	$ 4,638,500

Bonds

In 2005 the College issued $21.03 million in Limited tax pension obligation bonds, which are direct obligations that pledge the full faith and credit of the College. The proceeds from this issuance were transferred to the State of Oregon Public Employees Retirement System to cover the College's portion of the system wide unfunded actuarial liability. The resulting asset is used to offset a portion of the College's annual required contribution on an annual basis through June 30, 2028.

In 2021 the College issued $31.54 million in Federally taxable pension obligation bonds, which are direct obligations that pledge the full faith and credit of the College. The proceeds from this issuance were transferred to the State of Oregon Public Employees Retirement System to cover the College's portion of the system wide unfunded actuarial liability. The resulting asset is used to offset a portion of the College's annual required contribution on an annual basis through June 30, 2040.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the College.

In April 2012, the College issued $9.43 million of General Obligation and Refunding bonds 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, 2022, $4.35 million of the defeased bonds are outstanding.

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6. Changes in Long-Term Obligations (continued)

Bonds (continuation)

The Tax Reform Act of 1986 requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. Entities are required to remit arbitrage rebate payments for non-purpose interest to the federal government at least once every five-year period that the debt is outstanding and at maturity. Arbitrage liabilities are recorded as a reduction in investment earnings in the General Fund. For the period July 25, 2016 to July 25, 2021, after the computation date credit, calculations indicate the arbitrage rebate amount to be a positive $14,170. A payment of 90 percent of the Aggregate Rebate Amount, $12,753, has been paid to the United States as required by Section 148(f) of the Code of Regulations.

7. Risk Management

Rogue Community College is exposed to various risks of loss related to general liability, auto liability, property, crime, and workers' compensation. The College is a member of the OSBA Property and Casualty Coverage for Education (PACE) and pays an annual premium for property and casualty coverage. Workers' compensation insurance coverage is provided by SAIF Corporation. The property and auto policy premiums are based upon annually updated property and auto schedules.

Occasionally, though rare, coverage for exposures not covered through the PACE program (i.e. Volunteer Accident, Builders’ Risk) must be purchased in the open commercial market.

PACE Liability Limits

Liability insurers continue to be hit hard with sexual abuse and molestation (SAM) claims. In response, PACE has raised their claims reserves on most of their current SAM claims, as well as substantially increasing loss estimates for future unknown claims. As with the previous year, estimated liability reinsurance costs increased 20% to 25%.

PACE Educators Liability Coverage Document Update

PACE’s reinsurer for liability, Genesis, has added two exclusions to the PACE Educators Liability Coverage Document. These language changes do not significantly change coverage. Rather, they are updates to current language to conform to language provided by Genesis.

1.) A new cyber exclusion will replace the existing language which has no considerable effect on the AIG Cyber coverage available to Rogue Community College.

2.) Addition of a separate exclusion for the chemicals PFAS (perfluoroalkyl or polyfluoroalkyl substances).

7. **Risk Management (continued)**

PACE Educators Liability Coverage Document Update (continued)

NARCAN/Naloxone:

Currently, PACE underwriting believes the PACE Educators Liability Coverage Document provides coverage for the administration of NARCAN/Naloxone, but only when administered by a volunteer providing first aid or by a school nurse or someone in a similar position. This coverage is provided by the definition of Incidental Medical Practice for which is the exception to the Medical Care exclusion. PACE is currently working with a coverage attorney and Genesis to develop language that specifically addresses the use of NARCAN/Naloxone and who can administer it in an emergency.

PACE Property Values

Property values, across the board, were automatically increased four percent (4%) this year. This increase is in response to the unprecedented inflation in construction costs (labor and materials). Overall, property values and premiums in the general commercial space are trending in excess of 10-15%. PACE has been able to keep the trend as low as 4% because of their appraisal process. The goal, historically, is and has been to appraise each property valued over $100,000 every 5 years. This helps to ‘catch up’ property values on a 5-year rotation for large structures.

Property Reinsurance

The property reinsurance market is stabilizing but is still driven by catastrophic losses occurring every year. We expect a smaller premium increase to PACE this year than in the past.

Cyber Claims and Premium

Public entities continue to be a favored target among cyber criminals. AIG has offered to remain the insurer for PACE members for the 22/23 renewal, but at a heavily increased premium. PACE unveiled new underwriting guidelines earlier this year. Please see the Cyber Coverage memo and cyber application attached to the renewal packet for more details. Since pool limits for members, individually and in the aggregate, have been capped, it is unclear how viable and stable the marketplace will be long-term. If possible, it has been recommended the college seek outside quotes for this line of business in order to secure their own exclusive limits and pricing.

Due to a variety of factors such as recent claims and increased reinsurance costs, the PACE 22-23 renewal rates increased by an average of 7%. Overall RCC experienced a 5.93% increase over the 21-22 policy year, slightly below the average.

Workers' Compensation

The College continues to significantly outperform the industry in safety awareness, preparedness, and preventing on-the-job injuries. As a result, workers' compensation costs continue to decline. RCC's experience modification rate for the 22-23 policy year dropped, again, to a historically low .48, indicating premiums are less than half what the average business would pay in Oregon.

8. Pension Plans

General Information About the Pension Plans

The College contributes to two pension plans administered by PERS. The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003 and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: 1) The Pension Program, the defined benefit portion of the plan, which applies to the qualifying College employees, hired after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. 2) The Individual Account Program (IAP), the defined contribution portion of the plan. Beginning January 1, 2004, all PERS member contributions go into the IAP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx

Benefits Provided

A. Tier One/Tier Two Retirement Benefit - ORS Chapter 238

Pension Benefits - The PERS retirement allowance is payable monthly for life. The allowance may be selected from 13 retirement benefit options that are actuarially equivalent to the base option. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary.

A percentage, equal to 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.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer.

General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

8. Pension Plans (continued)

Benefits Provided (continued)

Death Benefits - 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:

- The member was employed by a PERS employer at the time of death,
- The member died within 120 days after termination or PERS-covered employment,
- The member died as a result of injury sustained while employed in a PERS-covered job, or
- The member was on an official leave of absence from a PERS-covered job at the time of death.

Disability Benefits - 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 for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or a duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes After Retirement - Members may choose to continue participation in their variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of the underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

B. PERS Pension Program (OPSRP-DB) – ORS Chapter 238A

Pension Benefits – 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:

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.

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.

8. Pension Plans (continued)

Benefits Provided (continued)

Death Benefits - 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 that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability Benefits - 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 of the last full month of employment before the disability occurred.

C. Individual Account Program (IAP) – ORS Chapter 238A

Pension Benefits – A member of the IAP becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member 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, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15- or 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Death Benefits – Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping **–** PERS contracts with Voya Financial to maintain IAP participant records.

Contributions

PERS 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 PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021.

8. Pension Plans (continued)

Contributions (continued)

Employer contributions for the year ended June 30, 2022 were $32.6 million, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2022 were 13.84% for Tier One/Tier Two General Service Members and 13.84% for OPSRP Pension Program General Service Members, net of 10.18% of side account rate relief.

Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pensions

At June 30, 2022, the College reported a liability of $19.3 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 and rolled forward to June 30, 2021. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the College's proportion was 0.161%, which was a decrease from its proportion of 0.166% measured as of June 30, 2021.

Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pensions (continued)

For the year ended June 30, 2022, the College recognized a pension expense of $0.4 million. At June 30, 2022, the College reports deferred outflow of resources and deferred inflow of resources related to pensions from the following sources as shown:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 1,808,952	$ 0
Changes of assumptions	4,837,648	50,859
Net difference between projected and actual earnings on investments	0	14,306,203
Changes in proportion	127,968	1,309,021
Differences between employer contributions and proportionate share of contributions	0	1,720,847
Total (prior to post-measurement date contributions)	6,774,568	17,386,930
Contributions subsequent to the measurement date	32,565,714	-
Total	$ 39,340,282	$ 17,386,930

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8. Pension Plans (continued)

Contributions (continued)

There is $32.6 million reported as deferred outflow of resources related to the pensions resulting from College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense as indicated in the following:

Fiscal Year	Recognized Net Deferred Outflow (Inflow) of Resources	
2021-22	$	(2,160,625)
2022-23		(2,334,145)
2023-24		(2,639,771)
2024-25		(3,806,146)
2025-26		328,325
Total	$	(10,612,362)

Actuarial Assumptions

The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS 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), and (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. Senate Bill 1049 was signed into law in June 2019 and requires a one-time re-amortization of Tier1/Tier 2 UAL over a closed 22 year period at the December 31, 2019 rate setting actuarial valuation, which will set actuarially determined contribution rates for the 2021-2023 biennium.

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 from the valuation in which they are first recognized.

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8. Pension Plans (continued)

Actuarial Assumptions (continued)

Actuarial methods and assumptions used to determine the Total Pension Liability are detailed as follows:

Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.4 percent
Long-term expected rate of return	6.9 percent
Discount rate	6.9 percent
Projected salary increase	3.4 percent
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision; blend based on service
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Active members:** Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study, which reviewed experience for the four-year period ended on December 31, 2018.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

8. Pension Plans (continued)

Long-Term Expected Rate of Return (continued)

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fnd - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
Total	**100.00%**	
Assumed Inflation - Mean		2.40%

Discount Rate

The discount rate used to measure the total pension liability was 6.9% 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 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 Plan investments for the Defined Benefit 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 chart below presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.9%, 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 one percentage point lower (5.9%) or one percentage point higher (7.9%) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of Net Pension Liability	$ 37,949,825	$ 19,325,075	$ 3,742,920

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 which may be found at: http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx.

Pre-SLGRP Liability

The College reports a separate liability to the plan with a balance of $1.6 million at June 30, 2022. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.42% of covered payroll for the payment of this Pre-SLGRP liability.

	Original Amount	July 1, 2021	Additions	Deletions	June 30, 2022	Due Within One Year
Pre-SLGRP Liability	$ 3,426,185	$ 1,878,724	$ -	$ 326,193	$ 1,552,530	$ 326,193

9. Post-Employment Health Care Costs

College Administered OPEB (CA OPEB)

Oregon Revised Statutes (ORS) 243.303 requires local governments, including community colleges to provide retirees with group health care coverage comparable and within the same group as active employees. The governing body may prescribe reasonable terms and conditions of eligibility and coverage and set the maximum college paid premium contribution by collective bargaining agreement or other agreement.

Plan Description (CA OPEB)

The College operates a single-employer retiree benefit plan OPEB (the Plan) that provides postemployment health, dental, and vision coverage benefits to eligible employees and their eligible dependents. The Plan's health care coverage is provided through the Oregon Educators Benefit Board (OEBB). The Plan is not a stand-alone plan and therefore does not issue its own financial statements.

The "Plan" has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits and eligibility for faculty, academic professionals, and classified staff are established and amended through collective bargaining with the recognized barging unit for each classification. Benefits and eligibility for exempt staff are established and amended by the Rogue Community College Board of Education. The maximum monthly employer paid premium contribution at June 30, 2022 is $2,643 and is based upon the active employee's coverage level in effect at the time of retirement.

9. Post-Employment Health Care Costs (continued)

Plan Description (CA OPEB) (continued)

College contributions toward retiree healthcare are as shown below, subject to the additional requirements summarized on the following page.

Group	Hire Date	Years of Benefit Service	Age	The College Contribution for Retiree Health	Subsidized Coverage Level
Classified	Prior to 7/1/2006	10	58	100% of premiums, not to exceed the maximum College payment for active employees (by coverage level) in effect at the time of retirement. The retiree pays for all subsequent increases in excess of the maximums in effect at the time of his or her retirement.	Retiree and covered spouse or child(ren), if any
		30	Any		
	On or after 7/1/2006	15	58		Retiree only
Faculty	Prior to 6/30/2000	10	55		Retiree plus covered spouse and/or other dependents, if any
	On or after 6/30/2000, but before 10/1/2007	15	55		
	On or after 10/1/2007	15	55		Retiree only
Management/ Administrative/ Exempt	Prior to 9/1/2003	15	55		Retiree only, except spouse benefits are provided for 2 years
	On or after 9/1/2003	15	62		Retiree only

The following details and/or additional requirements apply to the College's contributions:

- Any subsidy paid by the College toward healthcare premiums ends when access to this coverage ends, i.e., at the earlier of age 65 or upon the retiree's eligibility for Medicare, except in certain very rare situations where coverage may extend to retirees eligible for Medicare prior to age 65.
- Retirees who do not meet the minimum age and service requirements described on the above table are ineligible to participate in the College's healthcare plans.
- Employees retiring on disability are subject to the same age and service eligibility requirements described above.
- Coverage and premiums are provided through the Oregon Educators Benefit Board (OEBB), and include medical, dental, and vision benefits.
- Service requirements are based on years of College service while eligible for benefits. In general, part-time employees are not eligible for benefits. For part-time employees who later attain full-time faculty status, each two years of part-time (adjunct) faculty experience counts as an additional one year of benefit service.
- Retirees may choose (at the time of retirement only) to add dependents at their own cost if not already subsidized by the College as outlined in the above table.
- Benefit subsidies are not extended to dependents after the retiree's death, although a surviving spouse may continue coverage at their own expense after the retiree's death.

9. Post-Employment Health Care Costs (continued)

Plan Description (CA OPEB) (continued)

- Similarly, if the retiree reaches age 65 or becomes eligible for Medicare prior to his or her spouse, the College's subsidy, if any, ends. However, the spouse may continue coverage at his or her own expense until also attaining age 65 or becoming eligible for Medicare.
- There is one retiree not subject to the maximum subsidy.

Employees Covered by Benefit Terms (CA OPEB)

Benefits under this plan vary by employee group and date employed. The chart below summarizes the information:

Inactive employees or beneficiaries currently receiving benefit payments	24
Active Employees	265
Total	289

Funding Policy (CA OPEB)

The benefits from this program are fully paid by the College. Employee and retiree contributions may be required, depending on retirement date and employee group. There is no obligation on the part of the College to fund the benefits in advance. The College covers this obligation through annual appropriations on a pay-as-you-go basis. For the year, ended June 30, 2022, benefit payments under the plan were $393,584.

Total OPEB Liability (CA OPEB)

The College's total OPEB liability was measured as of June 30, 2021 and the total liability of $5.8 million was determined by an actuarial valuation dated June 30, 2021. This actuarial valuation covered a measurement period of June 30, 2020 to June 30, 2021.

Actuarial Assumptions (CA OPEB)

The total OPEB liability as of June 30, 2022 actuarial valuation date, reported on October 9, 2022 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary Increases	3.00%, average, including inflation
Discount Rates	2.45% as of 6/30/2020 1.92% as of 6/30/2021
Healthcare Cost Trend Rates	3.40% for 2021 and fluctuates to an ultimate increase rate of 4.10% for years 2095 and thereafter.

9. Post-Employment Health Care Costs (continued)

Actuarial Assumptions (CA OPEB) (continued)

When the financing of OPEB liabilities is on a pay-as-you-go basis, as the College does, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was based on the Fidelity High Grade 20 Year General Obligation Municipal Bond Index.

The demographic actuarial assumptions used in this valuation are based on the December 31, 2019 report of the Oregon Public Employees Retirement System except for a different basis used to project future mortality improvements.	
Pre-Retirement Mortality	Pub-2010 General Employee (separate tables for males and females (multipled by 115% for males and 125% for females, male rates set back 1 year
Post-Retirement Mortality	Pub-2010 General Healthy Retiree Table (separate tables for males and females), male rates set back 1 year
Mortality Improvement	MacLeod Watts Scale 2020 applied generationally from 2010 (see Addendum 3)

The increase in employer cost sharing is an assumed increase at the rate of 6% annual until the date of each employee's retirement. Any cost increases occurring after the date of retirement are paid by the retiree.

	Increase/(Decrease) OPEB Liability
Balance at Fiscal Year ending 6/30/2021	$ 5,561,998
Changes for the Year	
Service cost	$ 289,987
Interest	138,518
Differences between expected and actual experience	-
Changes of assumptions	207,646
Benefit Payments	(396,357)
Net change	$ 239,794
Balance at Fiscal Year Ending 6/30/2022	$ 5,801,792

9. Post-Employment Health Care Costs (continued)

Sensitivity of the Total OPEB Liabilities to Changes in the Discount Rate and Healthcare Cost Inflation (CA OPEB)

The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92%) or 1-percentage-point higher (2.92%) than the current discount rate:

	Discount Rate		
	1% Decrease (.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB Liability	$ 6,210,101	$ 5,801,792	$ 5,414,953

The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a health-care cost trend rate that is 1-percentage-point lower (2.40%) or 1-percentage-point higher (4.40%) than the current discount rate:

	Healthcare Cost Inflation		
	1% Decrease (2.40%)	Healthcare Trend (3.40%)	1% Increase (4.40%)
Total OPEB Liability	$ 5,291,049	$ 5,801,792	$ 6,391,862

Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (CA OPEB)

For the year ended June 30, 2022 the College recognized OPEB expense of $32,068. At June 30, 2022, the College reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	$ 396,158	$ 472,515
Differences Between Expected and Actual Experience	327,862	0
Total (prior to post-measurement date contributions)	724,020	472,515
Contributions made subsequent to the measurement date	393,584	0
Total	$ 1,117,604	$ 472,515

9. Post-Employment Health Care Costs (continued)

Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (CA OPEB) (continued)

There is $393,584 reported as deferred outflow of resources related to the OPEB resulting from College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred inflow of resources and deferred outflow of resources related to pensions will be recognized in pension expense as indicated in the following:

Fiscal Year		Recognized Net Deferred Outflow (Inflow) of Resources
2023	$	(2,853)
2024		(2,853)
2025		(2,853)
2026		(2,282)
2027		25,760
Thereafter		236,586
Total	$	251,505

Retirement Health Insurance Account (RHIA)

Oregon Public Employees Retirement System (PERS or the System) administers the Retirement Health Insurance Account (RHIA) cost-sharing, multiple-employer defined benefit Other Post Employment Benefit (OPEB) plan (the Plan) for units of state government, political subdivisions, community colleges, and school colleges, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan. Contributions are mandatory for each employer that is a member of PERS. As of June 30, 2021 there were 811 participating employers. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Oregon Public Employees Retirement System, Financial and Administrative Services Division Administrator at PO Box 23700, Tigard, OR 97281-3700.

Oregon Revised Statute 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to $60 from RHIA toward the monthly cost of health insurance for eligible PERS members. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

9. Post-Employment Health Care Costs (continued)

Funding Policy (RHIA)

Contributions of employers are recognized on the accrual basis of accounting. Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. These are amounts normally included in the employer statements cut off as of the fifth of the following month.

For the year ended June 30, 2021, PERS employers contributed 0.07 percent of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. PERS employers contributed 0.43 percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. These rates were based on the December 31, 2019 actuarial valuation.

Actuarial Methods and Assumptions Related to RHIA

The actuarial valuation calculations are based on the benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members as of the December 31, 2018 valuation rolled forward to June 30, 2020.

The methods and assumptions shown below are based on the 2018 Experience Study, which reviewed experience for the four-year period ended on December 31, 2018. Experience studies are performed as of December 31 of even numbered years. Key actuarial methods and assumptions used to measure the total OPEB asset are illustrated in the table on the following page.

Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience study	2018, published July 24, 2019
Acturial assumptions:	
Acturial cost method	Entry age normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	***Healthy retirees and beneficiaries*:** Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Active members*:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Disabled retirees:*** Pub-2010 Disable Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

9. Post-Employment Health Care Costs (continued)

Discount Rate (RHIA)

The discount rate used to measure the total OPEB asset at June 30, 2022 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB asset.

Long-Term Expected Rate of Return (RHIA)

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of turn for each major asset based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of turn for each major asset class, calculated using both arithmetic and geometric means; see PERS' audited financial statements at https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf.

Depletion Rate Projection (RHIA)

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Asset (the Actuarial Accrued Asset calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumption.

9. Post-Employment Health Care Costs (continued)

Depletion Rate Projection (RHIA) (continued)

- GASB 75 specifies that the projections regarding future solvency assume plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means the projections would not reflect any adverse future experience, which might impact the plan's funded position.

Based on these circumstances, it is our third-party actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Proportionate Share Allocation Methodology (RHIA)

The basis for the employer's proportion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers.

If the employer did not make contributions during the fiscal year, their proportionate share will be set to zero and the employer will be allocated no proportionate share of OPEB amounts.

Use of Estimates in the Preparation of the Schedules (RHIA)

The preparation of the Schedules in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.

OPEB Asset, OPEB Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (RHIA)

At June 30, 2022, the College reported an asset of $547,116 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. The College's proportion of the net OPEB asset was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the College's proportion was 0.159%, which was a decrease of 0.022% from its proportion measured as of June 30, 2020.

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9. Post-Employment Health Care Costs (continued)

OPEB Asset, OPEB Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (RHIA) (continued)

At June 30, 2022, the College reported deferred outflow of resources and deferred inflow of resources related to pensions from the sources identified in the following table:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 0	$ 15,222
Changes of assumptions	10,765	8,139
Net difference between projected and actual earnings on investments	0	130,024
Changes in proportion	34,151	0
Total (prior to post-measurement date contributions)	44,916	153,385
Contributions subsequent to the measurement date	3,260	0
Total	$ 48,176	$ 153,385

Deferred outflow of resources related to OPEB resulting from the College's contributions subsequent to the measurement date of $3,260 will be recognized as an addition to the net OPEB asset in the year ended June 30, 2023.

The amounts reported as deferred outflow of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
2022-23	$ (22,751)
2023-24	(14,960)
2024-25	(29,685)
2025-26	(41,073)
Total	$ (108,469)

Sensitivity of RHIA Assets to Changes in the Discount Rate (RHIA)

The discount rate used for the fiscal year end 2022 is 6.90%. The impact of a 1% increase or decrease in these assumptions is shown in the chart below. The following table presents the College's proportionate share of the net OPEB asset of the RHIA OPEB asset calculated using the current healthcare trend rate, as well as what the net OPEB asset would be if calculated using one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of net RHIA Liability/(Asset)	$ (483,844)	$ (547,116)	$ (601,166)

10. Commitments

Federal Issues

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 immaterial.

Purchasing Commitments

In June 2020, the College entered into a contract with Adroit Construction for CMGC Services for the construction of the new Redwood Campus Science Center. A GMP Amendment for Construction of the Science Center was negotiated in April 2021 for $8,469,028 with a remaining commitment as of June 30, 2022 of $308,193.

In December 2022, the College entered into an agreement to implement and license an Enterprise Resource Planning (ERP) solution college-wide for approximately $3.6 million over a 5 year term.

Rogue Community College
Grants Pass, Oregon

Required Supplementary Information

Schedule of Changes in Total College Administered OPEB Liability and Related Ratios
Last Ten Fiscal Years *

	2021-22	2020-21	2019-20
Total College administered OPEB liability			
Service cost	$ 289,987	$ 253,821	$ 228,358
Interest	138,518	159,464	177,816
Differences between expected and actual experience	0	342,685	0
Changes of assumptions	207,646	143,599	141,375
Benefit payments	(396,357)	(356,891)	(423,839)
Net change in total OPEB liability	239,794	542,678	123,710
Total OPEB liability - beginning	5,561,998	5,019,320	4,895,610
Total OPEB liability - ending	$ 5,801,792	$ 5,561,998	$ 5,019,320
Covered payroll	$ 19,090,820	$ 16,040,976	$ 16,891,964
Total OPEB liability as a percentage of covered payroll	30.39%	34.67%	29.71%
Discount rate	1.92%	2.45%	3.13%

Notes to Schedule:
* GASB Statement No. 75 requires presentation of information for 10 years. However, until a full 10-year trend is compiled, only those years in which information is available will be presented.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. See above for the discount rates used in each period. Detail regarding the College's OPEB Liability can be found in Note 9 to the finanical statements.

No assets were accumulated in a trust.

Valuation date as of June 30, 2021 and rolled forward to June 30, 2022.

	2018-19	2017-18
	$ 266,693	$ 287,458
	193,806	165,059
	96,755	0
	(639,914)	(256,946)
	(398,068)	(368,991)
	(480,728)	(173,420)
	5,376,338	5,549,758
	$ 4,895,610	$ 5,376,338
	$ 17,664,744	$ 17,559,003
	27.71%	30.62%
	3.62%	3.56%

Schedule of Employer's Proportionate Share of Net RHIA OPEB Liability/(Asset)
Oregon Public Employees Retirement System (OPERS)
Last Ten Fiscal Years*

Reported as of measurement date of June 30,	(a) College's proportion of the net OPEB liability (asset)	(b) College's proportionate share of the net OPEB liability (asset)	(c) College's covered payroll**	(b/c) College's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2021	0.15932307%	$ (547,116)	$ 21,227,130	-2.49%	183.90%
2020	0.18163522%	$ (370,100)	$ 21,530,929	-1.72%	150.10%
2019	0.19546529%	$ (377,709)	$ 21,436,407	-1.77%	144.40%
2018	0.19966668%	$ (222,882)	$ 20,525,876	-1.04%	123.99%
2017	0.20598489%	$ (85,966)	$ 19,296,046	-0.42%	108.88%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual RHIA cost, net RHIA asset, funded status and funding progress. The Plan receives an actuarial valuation every year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

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

Reported as of measurement date of June30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2022	$ 3,260	$ (3,260)	$ 0	$ 20,899,531	-0.01%
2021	$ 4,263	$ (4,263)	$ 0	$ 21,227,130	-0.02%
2020	$ 12,971	$ (12,971)	$ 0	$ 21,530,929	-0.06%
2019	$ 96,877	$ (96,877)	$ 0	$ 21,436,407	-0.45%
2018	$ 96,679	$ (96,679)	$ 0	$ 20,525,876	-0.47%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual RHIA cost, net RHIA asset, funded status and funding progress. The Plan receives an actuarial valuation every year.

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

Fiscal year 2018 statutorily required contribution and contributions in relation to the statutorily required contribution amounts were restated from prior year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

Rogue Community College

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

Reported as of measurement date of June 30,	(a) College's proportion of the net pension liability (asset)	(b) College's proportionate share of the net pension liability (asset)	(c) College's covered payroll**	(b/c) College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability/(asset)
2021	0.16149340%	$ 19,325,075	$ 21,227,130	88.06%	87.6%
2020	0.16609298%	$ 36,247,201	$ 21,530,929	168.35%	75.8%
2019	0.16743082%	$ 28,961,522	$ 21,436,407	135.10%	80.2%
2018	0.17836182%	$ 27,019,466	$ 20,525,876	131.64%	82.1%
2017	0.17414350%	$ 23,474,670	$ 19,296,046	121.66%	83.1%
2016	0.16813948%	$ 25,241,640	$ 19,521,681	129.30%	80.5%
2015	0.16520408%	$ 9,485,128	$ 18,622,319	50.93%	91.9%
2014	0.16757515%	$ (3,798,451)	$ 19,502,761	-19.48%	103.6%

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 Plan receives an actuarial valuation every year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

** This amount is equal to the covered payroll applicable to the proceeding year presented.

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

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2022	$ 32,565,714	$ (32,565,714)	$ 0	$ 20,899,531	155.82%
2021	$ 2,993,588	$ (2,993,588)	$ 0	$ 21,227,130	12.78%
2020	$ 2,911,141	$ (2,911,141)	$ 0	$ 21,530,929	13.52%
2019	$ 2,258,589	$ (2,258,589)	$ 0	$ 21,436,407	10.54%
2018	$ 2,254,184	$ (2,254,184)	$ 0	$ 20,525,876	10.98%
2017	$ 1,627,953	$ (1,627,953)	$ 0	$ 19,296,046	8.44%
2016	$ 1,600,743	$ (1,600,743)	$ 0	$ 19,521,681	8.20%
2015	$ 1,540,025	$ (1,540,025)	$ 0	$ 18,622,319	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 year.

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

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Rogue Community College
Grants Pass, Oregon

Other Supplementary Information

(Individual Fund Financial Schedules)

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 property taxes are accounted for on a cash basis.

The level of control established by the College's appropriation resolution is by function: Instruction; Instructional Support; Student Services; Community Services; College Support Services; Plant Operations and Maintenance; Financial Aid; Facilities Acquisition & Construction; Transfers Out; and Contingency.

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, fees, property taxes, and state community college support.

Capital Improvement Fund Type - account for the receipt and disbursement of resources for buildings and land. The principal revenues include proceeds from the sale of buildings, bond levy proceeds and transfers in from other funds.

- *Capital Projects Fund (formerly Capital Improvement Fund – COPS & Bonds)* accounts for the purchase or remodel of buildings and land. The principal revenue is from the sale of voter approved general obligation bonds, COPs, state funding, such as the Article XI-G Higher Education Facilities and Community College Bonds, financed by the state and local resources.
- *Capital Improvement Fund - Maintenance* accounts for maintaining College facilities and equipment will be incorporated into the Intra-College Fund and the Renewal and Replacement Fund. The Capital Improvement Fund - Maintenance was retired in FY 2021/22, after the transfer of all activity was complete.
- *Capital Improvement Fund – State & Local* accounts for the purchase or remodel of buildings and land will be incorporated into the Capital Projects Fund. The Capital Improvement Fund – State & Local Funds was retired in FY 2021/22, after the transfer of all activity was complete.

Debt Service Fund Type - accounts for the accumulation of resources for and payment of principal and interest on the College's long-term debt obligations.

- *Debt Service Fund (formerly Debt Service Fund – General Obligation Bonds)* accounts for the accumulation of resources for and payment of principal and interest on the College's long-term debt obligations including the General Obligation Bonds and Limited Tax Pension Obligation. The principal revenue is property taxes approved for bond levies and the PERS Bond expense charged to other funds.

Special Revenue Fund Type - account for revenues and expenditures for specific projects that are legally and/or administratively restricted for a specific purpose.

- *College Services Fund* activity for non-technology fees charged to students was incorporated into the General Fund. The College Services Fund was retired in FY 2021/22, after the transfer of all activity was complete.
- *Community and Workforce Development Fund (formerly Self-Support Fund)* accounts for the community education and workforce training instructional activities of the College. The principal revenue is tuition and fees.
- *Contract and Grant Fund* accounts for grants and contracts awarded to and for the College from federal, state, and local sources.
- *Entrepreneurial Fund* accounts for the development and growth of innovative activities of the College. The principal revenue is transfers from the General Fund and the STEP contract with the state.
- *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, Athletics, and other departmental charges. The principal revenue for this fund is transfers in from other funds.
- *PERS Fund* activity for the reserve held by the College for anticipated, future rate increases, and the unfunded actuarial liability was incorporated into the Reserve Fund. The PERS Fund was retired in FY 2021/22, after the transfer of all activity was complete.
- *Renewal and Replacement Fund (formerly Technology and Equipment Fund)* is designated for the replacement of the College's equipment and costs of maintaining College facilities. The principal revenues are the $7 per credit and the $7 per non-credit course technology fee, and transfers in from other funds. The principal expenditures are upgrades/replacements for equipment and maintenance of College facilities.
- *Reserve Fund (formerly Stability Reserve Fund)* accounts for the funds set aside for the following: College Services reserve to be used in the next biennium to smooth changes in support from the State; PERS reserve held by the College for anticipated, future rate increases, and the unfunded actuarial liability; SOHOPE reserve for the institutionalization of activity from the grant after it expires; Stability reserve established by the RCC Board of Education to be used to stabilize the College's funding; Unemployment reserve to mitigate fluctuations in the unemployment benefits paid to terminated employees. The principal revenue is transfers from the other funds and investment earnings.
- *Student Financial Aid Fund (formerly Financial Aid Fund)* accounts for student aid in the form of federal grants (Federal Pell Grant, Federal Supplemental Education Opportunity Grant), the Oregon Opportunity Grant (OOG), the Oregon Promise Grant (OPG), 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), Higher Education Emergency Relief Funds, and private student loans.
- *Unemployment Fund* activity for payments to the Oregon Employment Division for unemployment benefits paid to terminated employees was accounted for as a balance sheet transaction. The Unemployment Fund reserve was incorporated into the Reserve Fund. The Unemployment Fund was retired in FY 2021/22, after the transfer of all activity was complete.

Proprietary Fund Type - used to account for operations that are financed and operated in a manner similar to those of private business enterprises. The intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

- *Auxiliary Services Fund (formerly Other Auxiliary Services Fund)* accounts for the operation of ancillary activities for Art, Auto Artist, College Store, Diesel Technology, Disability Services, Early Childhood Education Facility, Facility Rental, Friends of the Library, Gallery Projects, Illinois Valley Business Entrepreneurial Center Facility, Manufacturing Engineering Technology, Massage, Math, Music Ensembles, RogueNet intergovernmental agreements, Testing Center, Theater, and Welding.
- *Auxiliary Services Fund – Bookstore (formerly Auxiliary Services Fund)* activity for the College's Bookstore was incorporated into the Auxiliary Services Fund. The Auxiliary Services Fund - Bookstore was retired in FY 2021/22, after the transfer of all activity was complete.

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, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
State sources	$ 10,558,973	$ 10,558,973	$ 11,152,995	$ 594,022
Local sources	16,082,032	16,082,032	15,779,211	(302,821)
Tuition and fees	12,468,980	12,468,980	11,465,722	(1,003,258)
Other revenue sources	598,500	598,500	6,254,071	5,655,571
Total revenues	39,708,485	39,708,485	44,651,999	4,943,514
Expenditures:				
Instruction	16,572,874	16,533,320	14,386,375	2,146,945
Instructional support services	4,701,176	4,648,126	4,338,890	309,236
Student services	6,846,107	6,846,107	6,104,553	741,554
Community services	89,324	181,928	145,725	36,203
College support services	11,209,522	11,335,273	9,529,972	1,805,301
Plant operations and maintenance	3,704,912	3,862,555	3,590,361	272,194
Contingency	5,231,432	4,909,054	0	4,909,054
Total expenditures	48,355,347	48,316,363	38,095,876	10,220,487
Revenues over (under) expenditures	(8,646,862)	(8,607,878)	6,556,123	15,164,001
Other financing sources (uses):				
Transfers in	4,920,162	4,920,162	1,162,760	(3,757,402)
Transfers out	(1,611,820)	(1,650,804)	(1,565,555)	85,249
Total other financing sources (uses)	3,308,342	3,269,358	(402,794)	(3,672,152)
Revenues and other sources over (under) expenditures and other uses	(5,338,520)	(5,338,520)	6,153,328	11,491,848
Fund balance, beginning of year	5,338,520	5,338,520	5,819,913	481,393
Fund balance, end of year	$ 0	$ 0	$ 11,973,241	$ 11,973,241

Rogue Community College

Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2022

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
State sources	$ 3,856,557	$ 3,856,557	$ 3,193,930	$ (662,627)
Local sources	0	0	0	0
Other revenue sources	12,000,000	12,000,000	1,798,007	(10,201,993)
Total revenues	15,856,557	15,856,557	4,991,937	(10,864,620)
Expenditures:				
Facilities acquisition & construction	25,493,949	25,493,949	9,663,307	15,830,642
Contingency	0	0	0	0
Total expenditures	25,493,949	25,493,949	9,663,307	15,830,642
Revenues over (under) expenditures	(9,637,392)	(9,637,392)	(4,671,370)	4,966,022
Other financing sources (uses):				
Transfers in	295,354	295,354	295,354	0
Transfers out	0	0	0	0
Total other financing sources (uses)	295,354	295,354	295,354	0
Revenues and other sources over (under) expenditures and other uses	(9,342,038)	(9,342,038)	(4,376,016)	4,966,022
Fund balance, beginning of year	9,342,038	9,342,038	11,083,364	1,741,326
Fund balance, end of year	$ 0	$ 0	$ 6,707,348	$ 6,707,348

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, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Local sources	$ 3,506,082	$ 3,506,082	$ 3,587,023	$ 80,941
Other revenue sources	4,053,072	4,053,072	35,181,809	31,128,737
Total revenues	7,559,154	7,559,154	38,768,832	31,209,678
Expenditures:				
Debt service	7,670,238	7,670,238	38,574,517	(30,904,279)
Contingency	226,026	226,026	0	226,026
Unappropriated ending fund balance	416,380	416,380	0	416,380
Total expenditures	8,312,644	8,312,644	38,574,517	(30,261,873)
Revenues over (under) expenditures	(753,490)	(753,490)	194,315	947,805
Fund balance, beginning of year	753,490	753,490	741,296	(12,194)
Fund balance, end of year	$ 0	$ 0	$ 935,611	$ 935,611

Summary of expenditures by appropriation:				
College support services	$ 7,670,238	$ 7,670,238	$ 38,574,516	$ (30,904,278)
Contingency	226,026	226,026	0	226,026
Unappropriated ending fund balance	416,380	416,380	0	416,380
Total expenditures	$ 8,312,644	$ 8,312,644	$ 38,574,516	$ (30,261,872)

Rogue Community College

Community and Workforce Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2022

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	$ 60,060	$ 60,060	$ 71,956	$ 11,896
Tuition and fees	416,349	416,349	550,594	134,245
Other revenue sources	200,000	200,000	49,017	(150,983)
Total revenues	676,409	676,409	671,567	(4,842)
Expenditures:				
Instruction	523,213	523,213	354,961	168,252
Instructional support services	271,154	271,154	248,817	22,337
Contingency	18,688	18,688	0	18,688
Total expenditures	813,055	813,055	603,778	209,277
Revenues over (under) expenditures	(136,646)	(136,646)	67,789	204,435
Other financing sources (uses):			0	
Transfers in	76,911	76,911	76,911	0
Transfers out	(35,000)	(35,000)	(29,814)	5,186
Total other financing sources (uses)	41,911	41,911	47,097	5,186
Revenues and other sources over (under) expenditures and other uses	(94,735)	(94,735)	114,886	209,621
Fund balance, beginning of year	94,735	94,735	126,429	31,694
Fund balance, end of year	$ 0	$ 0	$ 241,315	$ 241,315

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, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Federal sources	$ 10,659,929	$ 10,659,929	$ 11,841,669	$ 1,181,740
State sources	796,412	796,412	530,103	(266,309)
Local sources	175,019	175,019	80,738	(94,281)
Tuition and fees	315,000	315,000	216,215	(98,785)
Other revenue sources	3,926,161	3,926,161	661,055	(3,265,106)
Total revenues	15,872,521	15,872,521	13,329,780	(2,542,741)
Expenditures:				
Instruction	1,905,564	1,901,968	1,421,133	480,835
Instructional support services	1,621,817	1,639,537	1,177,837	461,700
Student services	3,969,072	3,987,416	1,781,336	2,206,080
Community services	25,000	25,000	0	25,000
College support services	8,195,226	8,233,242	5,405,704	2,827,538
Plant operations and maintenance	272,918	273,578	100,684	172,894
Facilities acquisition & construction	25,000	25,000	0	25,000
Contingency	3,755,390	3,684,246	0	3,684,246
Total expenditures	19,769,987	19,769,987	9,886,694	9,883,293
Revenues over (under) expenditures	(3,897,466)	(3,897,466)	3,443,086	7,340,552
Other financing sources (uses)				
Transfers in	395,240	395,240	395,240	0
Transfers out	(3,000,000)	(3,000,000)	(943,832)	2,056,168
Total other financing sources (uses)	(2,604,760)	(2,604,760)	(548,592)	2,056,168
Revenues and other sources over (under) expenditures and other uses	(6,502,226)	(6,499,012)	2,894,494	9,393,506
Fund balance, beginning of year	6,502,226	6,499,012	7,126,314	627,302
Fund balance, end of year	$ 0	$ 0	$ 10,020,808	$ 10,020,808

Rogue Community College

Entrepreneurial Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2022

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
State sources	$ 233,311	$ 233,311	$ 156,066	$ (77,245)
Tuition and fees	162,000	162,000	76,182	(85,818)
Other revenue sources	100,000	122,048	0	(122,048)
Total revenues	495,311	517,359	232,248	(285,111)
Expenditures:				0
Instruction	157,837	157,837	128,125	29,711
Instructional support	100,000	100,000	0	100,000
Student services	255,483	255,483	126,341	129,142
Community services	50,000	50,000	0	50,000
College support services	50,000	50,000	8,000	42,000
Facilities acquisition & construction	0	0	0	0
Contingency	377,568	377,568	0	377,568
Total expenditures	990,888	990,888	262,466	728,421
Revenues over (under) expenditures	(495,577)	(473,529)	(30,218)	443,311
Other financing sources (uses):				
Transfers in	104,025	104,025	104,025	0
Transfers out	0	0	0	0
Total other financing sourcs (uses):	104,025	104,025	104,025	0
Revenues and other sources over (under) expenditures and other uses	(391,552)	(369,504)	73,807	443,311
Fund balance, beginning of year	391,552	369,504	347,521	(21,983)
Fund balance, end of year	$ 0	$ 0	$ 421,328	$ 421,328

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, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Tuition and fees	$ 750	$ 750	$ 430	$ (320)
Other revenue sources	60,580	49,818	8,762	(41,056)
Total revenues	61,330	50,568	9,192	(41,376)
Expenditures:				
Instructional support	175,250	175,250	60,683	114,567
Student services	788,948	814,984	409,217	405,767
College support services	101,987	101,987	39,607	62,380
Contingency	0	0	0	0
Total expenditures	1,066,185	1,092,221	509,507	582,714
Revenues over (under) expenditures	(1,004,855)	(1,041,653)	(500,315)	541,338
Other financing sources (uses):				
Transfers in	457,034	496,018	443,993	(52,025)
Transfers out	(178,750)	(178,750)	(178,750)	0
Total other financing sources (uses)	278,284	317,268	265,243	(52,025)
Revenues and other sources over (under) expenditures and other uses	(726,571)	(724,385)	(235,071)	489,314
Fund balance, beginning of year	726,571	724,385	825,280	100,895
Fund balance, end of year	$ 0	$ 0	$ 590,208	$ 590,209

Rogue Community College

Renewal & Replacement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Tuition and fees	$ 662,913	$ 661,293	$ 599,757	$ (61,536)
Other revenue sources	192,000	205,791	34,210	(171,581)
Total revenues	854,913	867,084	633,967	(233,117)
Expenditures:				
Instruction	535,575	535,575	19,195	516,380
Instructional support services	20,000	20,000	0	20,000
Student services	0	0	0	0
College support services	567,839	566,221	25,570	540,651
Plant operations and maintenance	2,454,880	2,456,498	286,687	2,169,811
Contingency	225,000	225,000	0	225,000
Total expenditures	3,803,294	3,803,294	331,452	3,471,842
Revenues over (under) expenditures	(2,948,381)	(2,936,210)	302,515	3,238,725
Other financing sources (uses):				
Transfers in	616,372	616,372	571,572	(44,800)
Transfers out	(1,065,934)	(1,065,934)	(315,934)	(750,000)
Total other financing sources (uses)	(449,562)	(449,562)	255,638	(794,800)
Revenues and other sources over (under) expenditures and other uses	(3,397,943)	(3,385,772)	558,153	3,943,925
Fund balance, beginning of year	3,397,943	3,385,772	3,131,804	(253,968)
Fund balance, end of year	$ 0	$ 0	$ 3,689,957	$ 3,689,957

Rogue Community College

Reserve Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2022

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
Other revenue sources	$ 54,000	$ 54,000	$ 2,072,380	$ 2,018,380
Expenditures:				
Reserved for future expenditures	13,435,589	13,435,589	0	13,435,589
Total expenditures	13,435,589	13,435,589	0	13,435,589
Revenues over (under) expenditures	(13,381,589)	(13,381,589)	2,072,380	15,453,969
Other financing sources (uses):				
Transfers in	500,000	500,000	500,000	0
Transfers out	(1,339,072)	(1,339,072)	(395,240)	943,832
Total other financing sources (uses)	(839,072)	(839,072)	104,760	943,832
Revenues and other sources over (under) expenditures and other uses	(14,220,661)	(14,220,661)	2,177,140	16,397,801
Fund balance, beginning of year	14,220,661	14,220,661	14,212,779	(7,882)
Fund balance, end of year	$ 0	$ 0	$ 16,389,919	$ 16,389,919

Rogue Community College

Student 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, 2022

	Budgeted Amounts			Variance -
	Original	Final	Actual	Positive (Negative)
Revenues:				
Federal sources	$ 26,931,471	$ 26,931,471	$ 15,136,500	$ (11,794,971)
State sources	4,625,000	4,625,000	3,235,779	(1,389,221)
Local sources	500,000	500,000	517,326	17,326
Total revenues	32,056,471	32,056,471	18,889,605	(13,166,866)
Expenditures:				
Student financial aid	32,021,471	32,021,471	18,883,549	13,137,922
Total expenditures	32,021,471	32,021,471	18,883,549	13,137,922
Revenues over (under) expenditures	35,000	35,000	6,056	(28,944)
Other financing sources (uses):				
Transfers in	0	0	0	0
Transfers out	(35,000)	(35,000)	(27,598)	7,402
Total other financing sources (uses)	(35,000)	(35,000)	(27,598)	7,402
Revenues and other sources over (under) expenditures and other uses	0	0	(21,542)	(21,542)
Fund balance, beginning of year	0	0	21,397	21,397
Fund balance, end of year	$ 0	$ 0	$ (145)	$ (145)

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, 2022

	Budgeted Amounts			Variance - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Other income	$ 392,338	$ 392,338	$ 299,381	$ (92,957)
Expenditures:				
Personnel services	137,064	137,064	113,198	23,866
Other payroll expense	89,195	89,195	74,473	14,722
Materials and services	415,724	415,427	123,287	292,140
Materials for resale	74,500	74,797	27,926	46,871
Capital equipment	81,705	81,705	0	81,705
Contingency	272,933	272,933	0	272,933
Total expenditures	1,071,121	1,071,121	338,884	732,237
Revenues over (under) expenditures	(678,783)	(678,783)	(39,503)	639,280
Other financing sources (uses):				
Transfers in	36,000	36,000	7,776	(28,224)
Transfers out	(135,522)	(135,522)	(100,908)	34,614
Total other financing sources (uses)	(99,522)	(99,522)	(93,132)	6,390
Revenues and other sources over (under) expenditures and other uses	(778,305)	(778,305)	(132,635)	645,670
Fund balance, beginning of year	778,305	778,305	725,565	(52,740)
Fund balance, end of year	$ 0	$ 0	$ 592,930	$ 592,930

	Original	Final	Actual	Variance
Summary of expenditures by appropriation:				
Instruction	$ 17,000	$ 17,000	$ 6,198	$ 11,000
Student services	269,736	269,736	148,927	120,809
College services	0	0	0	0
Community services	232,918	232,918	104,374	128,544
Plant operations and maintenance	278,534	278,534	79,385	199,149
Contingency	272,933	272,933	0	272,933
Total expenditures	$ 1,071,121	$ 1,071,121	$ 338,884	$ 732,237

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, 2022

Fiscal Year Ended	Uncollected Balances July 1, 2021	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2022
2022	$ 0	$ 16,242,234	$ (456,748)	$ 15,473,017	$ 312,469
2021	299,787	0	(3,849)	160,967	134,971
2020	138,663	0	(1,848)	60,153	76,662
2019	75,061	0	(2,118)	41,873	31,070
2018	27,674	0	(752)	16,693	10,229
2017	9,927	0	(869)	2,559	6,499
Prior Years	31,881	0	(3,230)	3,445	25,206
Total	$ 582,993	$ 16,242,234	$ (469,414)	$ 15,758,707	$ 597,106

Schedule of Property Tax Transactions - Debt Service Fund
For the year ended June 30, 2022

Fiscal Year Ended	Uncollected Balances July 1, 2020	Current Year's Levy	Adjustments and Discounts	Collections	Uncollected Balances June 30, 2021
2022	$ 0	$ 3,688,553	$ (104,289)	$ 3,516,693	$ 67,571
2021	65,809	0	(643)	36,061	29,105
2020	31,657	0	(422)	14,038	17,197
2019	16,060	0	(444)	8,835	6,781
2018	6,757	0	(200)	3,968	2,589
2017	2,339	0	(253)	707	1,379
Prior Years	5,232	0	(555)	633	4,044
Total	$ 127,854	$ 3,688,553	$ (106,806)	$ 3,580,935	$ 128,666

STATISTICAL SECTION

RCC
Rogue Community College®

Sources: Unless otherwise noted, the information in these schedules is derived from the published annual comprehensive financial reports for the relevant year. The College implemented GASB Statement No. 87 in fiscal 2022; schedules containing information for years prior to fiscal year 2022 have not been restated in accordance with GASB No. 87, unless otherwise stated. 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. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated. The College implemented GASB Statement No. 87 in fiscal 2022; schedules containing information for years prior to fiscal year 2022 have not been restated in accordance with GASB No. 87, unless otherwise stated.

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

	2021-22	2020-21	2019-20	2018-19
Net investment in capital assets	$ 47,318,132	$ 42,368,456	$ 37,645,212	$ 28,786,256
Restricted - expendable	13,449,969	7,869,862	1,760,972	1,687,454
Unrestricted	(15,550,373)	(27,010,556)	(18,885,085)	(18,590,158)
Total net position	$ 45,217,728	$ 23,227,762	$ 20,521,099	$ 11,883,552

Note: The College implemented GASB Statement No. 87 in fiscal 2022; years prior to 2022 have not been restated, unless otherwise stated. The College implemented GASB Statement No. 54 in fiscal 2014; years prior to 2014 have not been restated, unless otherwise stated. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015, with an adjustment in 2017; schedules containing information for years prior to the referenced fiscal years have not been restated in accordance with GASB No. 68 and No. 71, unless otherwise stated. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated.

Source: Rogue Community College Business Office

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
$ 24,023,561	$ 17,721,477	$ 16,913,135	$ 14,283,970	$ 14,057,119	$ 13,608,528
1,510,835	4,727,814	927,191	881,954	993,992	592,876
(14,631,612)	(11,593,652)	(3,060,806)	1,607,452	22,310,498	16,945,296
$ 10,902,784	$ 10,855,639	$ 14,779,520	$ 16,773,376	$ 37,361,609	$ 31,146,700

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

	2021-22	2020-21	2019-20	2018-19
Operating revenues:				
Student tuition and fees	$ 12,936,426	$ 13,406,470	$ 16,972,303	$ 17,612,777
Federal student financial aid grants	414,830	405,216	402,238	5,872,314
Federal grants and contracts	16,436,957	9,296,159	5,106,634	4,684,656
State and local grants and contracts	5,362,776	4,178,407	4,894,475	6,576,108
Auxiliary enterprises	21,260	12,085	1,299,636	1,712,679
Total operating revenues	$ 35,172,249	$ 27,298,337	$ 28,675,286	$ 36,458,534
Operating Expenses:				
Instruction	$ 14,403,007	$ 18,525,228	$ 19,638,394	$ 19,133,302
Instructional support services	5,098,780	5,500,268	5,933,504	5,901,060
Student services	7,773,686	10,336,546	11,776,484	11,290,980
Community services	230,738	237,879	556,751	506,225
College support services	10,602,010	13,936,290	9,528,604	10,439,614
Plant operations and maintenance	3,853,063	4,077,133	4,315,768	4,046,412
Scholarships and grants	16,651,043	10,084,790	15,491,959	19,588,329
Depreciation	1,975,436	1,587,729	1,491,475	1,421,948
Total operating expenses	$ 60,587,763	$ 64,285,863	$ 68,732,939	$ 72,327,870
Operating income (loss)	$ (25,415,514)	$ (36,987,526)	$ (40,057,653)	$ (35,869,336)
Non-operating revenues (expenses):				
State community college support fund	$ 13,662,860	$ 8,423,651	$ 13,630,772	$ 6,981,355
Federal financial aid	5,811,498	5,724,505	9,508,403	9,775,906
Property taxes	19,381,161	19,047,884	18,030,782	17,278,369
Lease income	69,745	0	0	0
Investment income	318,033	395,155	1,026,532	1,258,797
Interest expense	(1,772,689)	(1,386,187)	(1,512,185)	(1,632,506)
Amortization of deferred charges	(110,712)	(110,712)	(110,712)	(110,712)
Gain (Loss) on disposal of capital assets	(1,088,415)	662,182	13,751	(1,200)
Other non-operating revenue	7,684,223	2,968,384	1,283,104	3,287,595
Total non-operating revenue (expenses)	$ 43,955,704	$ 35,724,862	$ 41,870,447	$ 36,837,604
Income (loss) before contributions	18,540,190	(1,262,664)	1,812,794	968,268
Capital contribution	3,449,776	3,969,327	6,824,753	12,500
Change in net position	$ 21,989,966	$ 2,706,663	$ 8,637,547	$ 980,768

Note: Though the College implemented GASB 87 in fiscal 2022, it is not reflected here. The College implemented GASB Statement No. 54 in fiscal 2014; years prior to 2014 have not been restated, unless otherwise stated. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015, with an adjustment in 2017; schedules containing information for years prior to the referenced fiscal years have not been restated in accordance with GASB No. 68 and No. 71, unless otherwise stated. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated.

Source: Rogue Community College Business Office

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
$ 17,043,113	$ 17,346,411	$ 16,962,306	$ 17,160,540	$ 19,189,090	$ 18,951,762
5,958,859	7,796,047	20,626,247	24,250,395	28,357,361	29,282,493
5,051,871	3,948,966	3,028,295	2,370,058	2,407,971	2,070,948
4,141,439	5,023,057	3,929,186	3,283,212	3,039,372	3,382,815
1,942,526	2,292,794	2,290,647	2,600,729	2,886,688	3,012,341
$ 34,137,808	$ 36,407,275	$ 46,836,681	$ 49,664,934	$ 55,880,482	$ 56,700,359
$ 18,350,270	$ 18,643,414	$ 21,071,960	$ 14,706,052	$ 16,944,686	$ 16,959,707
11,062,661	6,612,951	7,096,620	5,232,455	5,270,080	8,457,690
6,062,044	10,963,620	10,312,279	7,802,365	8,713,370	637,728
8,250,664	918,368	802,943	655,848	690,447	4,770,501
559,362	8,163,765	8,273,480	6,643,253	6,540,975	6,522,004
19,260,733	3,978,409	4,197,801	3,531,257	3,775,239	3,485,631
3,752,575	21,331,237	23,478,895	26,639,338	30,818,208	31,995,666
1,324,245	1,356,198	1,318,294	1,383,795	1,249,414	1,232,604
$ 68,622,554	$ 71,967,962	$ 76,552,272	$ 66,594,363	$ 74,002,419	$ 74,061,531
$ (34,484,746)	$ (35,560,687)	$(29,715,591)	$ (16,929,429)	$ (18,121,937)	$ (17,361,172)
$ 11,956,146	$ 7,125,402	$ 11,792,670	$ 6,419,845	$ 8,812,032	$ 3,902,363
9,420,754	9,743,242	0	0	0	0
16,867,187	16,255,532	14,273,517	13,893,310	13,363,178	12,779,883
0	0	0	0	0	0
898,649	330,789	230,823	196,146	3,050,295	2,327,212
(1,731,019)	(1,453,237)	(1,481,265)	(1,665,064)	(1,730,889)	(1,791,596)
(110,712)	(166,864)	(118,835)	(21,313)	(121,865)	(151,950)
(260,642)	(50,008)	(20,080)	(5,602)	(14,745)	(1,040)
2,659,829	3,094,731	3,033,080	3,186,377	1,318,307	1,237,287
$ 39,700,192	$ 34,879,587	$ 27,709,910	$ 22,003,699	$ 24,676,313	$ 18,302,159
5,215,446	(681,100)	(2,005,681)	5,074,270	6,554,376	940,987
0	35,613	11,825	20,700	40,500	17,500
$ 5,215,446	$ (645,487)	$ (1,993,856)	$ 5,094,970	$ 6,594,876	$ 958,487

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

Fiscal Year	Total Direct Tax Rate (2)	Assessed Value (1) (3) Real Property	Manufactured Structures	Personal Property	Utilities	Other	Total	Real Market Value (3)	Assessed Value as a Percent of Real Market Value
Jackson County:									
2021-22	0.6522	$ 21,647,549	$ 162,796	$ 450,482	$ 1,010,521	$ 237,043	$ 23,508,391	$ 38,844,193	60.5%
2020-21	0.6562	20,850,088	203,610	498,605	994,912	239,000	22,786,215	34,601,251	65.9%
2019-20	0.6619	19,996,862	182,620	536,577	906,425	236,954	21,859,438	33,335,844	65.6%
2018-19	0.6521	19,218,154	167,104	533,650	893,771	244,799	21,057,478	31,672,792	66.5%
2017-18	0.6652	18,390,158	155,710	495,702	764,059	244,970	20,050,599	28,643,175	70.0%
2016-17	0.6691	17,643,475	152,415	478,044	714,156	251,515	19,239,605	26,608,474	72.3%
2015-16	0.6197	17,011,213	148,818	452,579	675,537	227,750	18,515,897	25,101,286	73.8%
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%
Josephine County:									
2021-22	0.5590	$ 8,196,188	$ 89,260	$ 138,259	$ 306,022	$ 96,458	$ 8,826,187	$ 13,718,466	64.3%
2020-21	0.5629	7,862,925	82,177	131,142	293,440	96,848	8,466,532	13,299,484	63.7%
2019-20	0.5652	7,585,579	75,368	127,161	245,936	74,927	8,108,971	12,570,839	64.5%
2018-19	0.5603	7,310,856	75,158	123,487	244,976	78,751	7,833,228	12,362,642	63.4%
2017-18	0.5683	7,113,052	66,849	120,441	226,932	0	7,527,274	10,052,724	74.9%
2016-17	0.5695	6,810,298	61,778	116,091	217,304	0	7,205,471	8,983,551	80.2%
2015-16	0.5128	6,557,658	58,753	117,364	212,676	0	6,946,451	8,209,105	84.6%
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%

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

Source: Jackson and Josephine County Assessor's Offices

Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years (Rate per $1,000 of Assessed Value) - (unaudited)

	2021-22	2020-21	2019-20	2018-19
Jackson County:				
Rogue Community College Permanent Rate	0.5128	0.5128	0.5128	0.5128
Rogue Community College Bond Rate	0.1394	0.1434	0.1491	0.1393
Total Rogue Community College Rate - Jackson County	0.6522	0.6562	0.6619	0.6521
Josephine County:				
Rogue Community College Permanent Rate	0.5128	0.5128	0.5128	0.5128
Rogue Community College Bond Rate	0.0462	0.0501	0.0524	0.0475
Total Rogue Community College Rate - Josephine County	0.5590	0.5629	0.5652	0.5603
Jackson County:				
Jackson County	2.0892	2.0964	2.1276	2.1364
4-H Ag Extension District	0.0426	0.0426	0.0410	0.0410
Southern Oregon ESD	0.3524	0.3524	0.3524	0.3524
Jackson County Library District	0.5200	0.5200	0.5200	0.5200
Jackson County Soil & Water Conservation	0.0500	0.0500	0.0500	0.0500
Rogue Valley Transit District	0.3072	0.3072	0.3072	0.3072
Vector Control	0.0429	0.0429	0.0429	0.0429
White City Enhanced Law Enforcement	2.0211	2.0211	2.0211	2.0211
White City Lighting District	0.3000	0.3000	0.3000	0.3000
Cities and Towns:				
Ashland	4.3588	4.3610	4.4676	4.4301
Butte Falls	7.2494	7.2494	7.2494	7.2494
Central Point	4.4700	4.4700	4.4700	4.4700
Eagle Point	2.4584	2.4584	2.4584	2.5391
Gold Hill	1.6792	1.6792	2.1926	2.0223
Jacksonville	2.3498	2.3565	2.3651	2.3699
Medford	5.2953	5.3470	5.3513	5.3536
Phoenix	3.6463	3.6463	3.6463	3.6463
Rogue River	3.6192	3.6250	3.6594	3.6746
Shady Cove	0.5474	0.5474	0.5474	0.7984
Talent	3.4698	3.4805	3.4797	3.4718
Fire Districts:				
Applegate RFPD #9	2.7287	2.7287	2.7287	2.5987
Colestine RFPD	1.9455	1.9455	1.9455	1.9455
Evans Valley #6	1.6505	1.6505	1.6505	1.6505
Jackson County RFPD #3 (Central Point)	3.1194	3.1194	3.1194	3.1194
Jackson County RFPD #5 (Talent)	3.1976	3.1976	3.1976	3.1976
Lake Creek RFPD	1.4740	1.4740	1.4740	1.4740
Medford #2	2.4938	2.4938	2.4938	2.4938
Prospect	0.9902	0.9902	0.9902	0.9902
Rogue River #1	2.6813	2.6813	2.6813	2.6813
Shady Cove/Trail #4	3.0081	3.0081	3.0081	3.0081

School Districts:

Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years (Rate per $1,000 of Assessed Value) - (unaudited) (continued)

	2021-22	2020-21	2019-20	2018-19
Ashland #5	7.3678	7.3713	7.4464	7.0522
Butte Falls #91	4.5749	4.5749	4.5749	4.5749
Central Point #6	5.5356	5.5234	5.5669	5.5435
Eagle Point #9	4.7170	6.0278	6.2116	6.2932
Medford #549C	5.6854	5.7458	5.7919	5.8451
Phoenix/Talent #4	5.7103	5.6586	5.6655	5.6631
Pinehurst #94	4.8235	4.8235	4.8235	4.8235
Prospect #59	4.3628	4.3628	4.3628	4.3628
Rogue River #35	4.7047	4.7404	4.7460	4.7767
Three Rivers #40	3.7262	4.1968	4.1107	4.1985
Special Levies:				
Medford Urban Renewal	0.0000	0.0000	0.0000	0.0000
Talent Urban Renewal	0.0000	0.0000	0.0000	1.3978
Josephine County:				
Josephine County	1.5967	1.5967	1.5967	1.5967
4-H Extension	0.0459	0.0459	0.0459	0.0459
Josephine Community Library	0.3900	0.3900	0.3900	0.3900
Southern Oregon ESD	0.3524	0.3524	0.3524	0.3524
Kerby Water District	2.0494	1.6473	1.6788	1.7522
Cities:				
Grants Pass	5.9235	5.9235	5.9235	6.1518
Cave Junction	1.8959	1.8959	1.8959	1.8959
Fire Districts:				
Applegate RFPD #9	2.7287	2.7287	2.7287	2.5987
Illinois Valley RFPD #1	2.5628	2.5739	2.6554	2.6532
Williams RFPD	1.7052	1.7052	1.7052	1.7052
Wolf Creek RFPD	2.1865	2.7765	2.7765	2.7765
School Districts:				
Grants Pass #7	4.5248	4.5248	4.5248	4.5248
Three Rivers	3.7262	4.1968	4.1107	4.1985

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. Voters in both counties approved an additional bond levy in 2016/17.

Source: Jackson and Josephine County Assessor's Offices

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
0.1524	0.1563	0.1069	0.1088	0.1124	0.1103
0.6652	0.6691	0.6197	0.6216	0.6252	0.6231
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
0.0555	0.0567	0.0000	0.0000	0.0000	0.0000
0.5683	0.5695	0.5128	0.5128	0.5128	0.5128
2.1579	2.1755	2.1805	2.1883	2.1988	2.2040
0.0410	0.0410	0.0388	0.0500	0.0000	0.0000
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
0.5200	0.5200	0.5200	0.5200	0.0000	0.0000
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.3072	0.3072	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
0.3000	0.3500	0.3500	0.4000	0.4000	0.4700
4.4378	4.4002	4.4070	4.4169	4.6175	4.6252
7.2494	7.2494	7.2494	7.2494	7.2494	7.2494
4.4700	4.4700	4.4700	4.4700	4.4700	4.4700
2.5489	2.6667	2.6854	2.6991	2.7063	2.7076
2.2496	2.2469	2.3053	2.3032	2.3348	2.4378
2.3783	2.4413	2.4450	2.4474	2.4625	2.4673
5.3566	5.3525	5.3658	5.3688	5.3733	5.3760
3.6463	3.6463	3.6463	3.6463	3.6463	3.6463
3.7180	3.7444	3.7916	3.7994	3.8477	3.5216
0.8036	0.8081	0.8706	0.8598	0.8989	0.9224
3.4639	3.4502	3.4548	3.4429	3.4310	3.4270
2.5987	2.5987	2.5987	2.5987	2.5287	2.5287
1.9455	1.9455	1.9455	1.9455	1.9455	1.9455
1.6505	1.6505	1.6505	1.6505	1.6505	1.6505
3.1194	3.1194	3.1194	3.1194	3.1194	3.1194
3.1976	3.1976	3.1976	3.1976	3.1976	3.1976
1.4740	1.4740	1.4740	1.4740	1.4740	1.4740
2.4938	2.4938	2.4938	2.4938	2.4938	2.4938
0.9902	0.9902	0.9902	0.9902	0.9902	0.9902
2.6813	2.6813	2.6813	2.6813	2.6901	2.6887
3.0081	2.0181	2.0181	2.0181	2.0181	2.0181
7.3603	7.4266	7.4383	7.3543	7.3576	7.4270

Continues

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
4.5749	4.5749	4.5749	4.5749	4.5749	4.5749
5.5595	5.5567	5.5043	5.5491	5.5921	5.6479
6.3221	6.3405	6.3080	6.2823	6.3143	6.2575
5.9814	6.0981	6.0959	6.2713	6.3651	6.3127
5.1822	5.1950	5.2051	5.0440	5.1095	5.0473
4.8235	4.8235	4.8235	4.8235	4.8235	4.8235
4.3628	4.3628	4.3628	4.3628	4.3628	4.3628
4.7969	4.8113	4.8275	4.7523	4.9170	4.6933
4.2514	4.2618	4.2677	4.2739	4.2838	4.2861
0.0000	0.4350	0.4396	0.4291	0.4400	0.4070
1.3975	1.3495	1.3190	1.2845	1.3183	1.2504
1.7372	0.8054	0.8135	0.8247	0.7464	0.7542
0.0459	0.0459	0.0459	0.0459	0.0459	0.0459
0.3900	0.0000	0.0000	0.0000	0.0000	0.0000
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
1.8281	1.9284	2.7439	2.8605	3.0247	2.9764
6.3062	6.3101	6.3135	6.3232	6.3092	6.3250
1.8959	1.8959	1.8959	1.8959	1.8959	1.8959
2.5987	2.5987	2.5987	2.5987	2.5287	2.5287
2.5957	2.4172	2.4705	2.5352	2.4498	2.4272
1.7052	1.5852	1.5852	1.5852	1.5852	1.5852
2.7765	2.7765	2.7765	2.7765	2.7765	2.8765
4.5248	4.5248	4.5248	4.5248	4.5248	5.8968
4.2514	4.2618	4.2677	4.2739	4.2838	4.2861

Principal Taxpayers of Jackson County
Current Year and Nine Years Ago

	June 30, 2022			June 30, 2013		
Taxpayer	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Pacificorp (PP&L)	$ 398,477,000	1	1.70%	$ 241,966,000	1	1.48%
Avista Corp. DBA Avista Utilities	191,668,000	2	0.82%	78,990,000	3	0.48%
Rogue Valley Manor	125,333,164	3	0.53%	83,993,890	2	0.51%
Charter Communications	112,197,000	4	0.48%	63,031,400	6	0.38%
Lumen Technologies Inc.	87,341,310	5	0.37%			
Deluca, Ronald L Trustee et al	74,450,850	6	0.32%			
Boise Cascade Wood Products LLC	68,907,452	7	0.29%	39,319,442	9	0.24%
Harry & David Operations Inc	65,810,225	8	0.28%	75,772,906	4	0.46%
Linde LLC	52,588,220	9	0.22%			
Amy's Kitchen	50,527,950	10	0.21%			
Carestream Health				67,695,350	5	0.41%
Centurylink				58,266,400	7	0.36%
Rogue Valley Mall LLC				54,265,920	8	0.33%
Kogap Enterprises Inc				34,777,314	10	0.21%
Total - principal taxpayers	1,227,301,171		5.22%	798,078,622		4.86%
Other taxpayers	22,281,088,760		94.78%	15,575,077,235		95.14%
Total - all taxpayers	$ 23,508,389,931		100.00%	$ 16,373,155,857		100.00%

Source: Jackson County Assessor's Office

Principal Taxpayers of Josephine County
Current Year and Nine Years Ago

Taxpayer	June 30, 2022 Taxable Assessed Value	June 30, 2022 Rank	June 30, 2022 Percent of District's Total Taxable Value	June 30, 2013 Taxable Assessed Value	June 30, 2013 Rank	June 30, 2013 Percent of District's Total Taxable Value
Pacificorp (PP&L)	$ 139,450,120	1	1.58%	$ 81,256,330	1	1.30%
Masterbrand Cabinets, Inc.	34,805,170	2	0.39%	19,265,420	2	0.31%
Charter Communications	33,894,000	3	0.38%	17,935,000	4	0.29%
Avista Corp dba Avista Utilities	37,791,000	4	0.43%	15,513,000	6	0.25%
S-H Forty-Nine Properties	25,381,960	5	0.29%			
Comm 2007-C9 NE D St LLC	23,209,590	6	0.26%			
Johnson Trust, Carl D	21,932,410	7	0.25%	13,096,050	8	0.21%
Lynn-Ann Development LLC	17,338,090	8	0.2%	11,432,607	9	0.18%
Asante	16,994,560	9	0.19%			
Lumen Technologies Inc.	18,341,000	10	0.21%			
Nunn, Ronald C & Marcia K				18,026,510	3	0.29%
Auerbach Grants Pass LLC & Freeman Grants Pass LLC				17,357,120	5	0.28%
Grants Pass FMS LLC				13,781,210	7	0.22%
Home Depot USA Inc				11,114,070	10	0.18%
Total - principal taxpayers	369,137,900		4.18%	218,777,317		3.51%
Other taxpayers	8,457,048,730		95.82%	6,048,492,115		96.49%
Total - all taxpayers	$ 8,826,186,630		100.00%	$ 6,267,269,432		100.00%

Source: Josephine County Assessor's Office

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

	2021-22	2020-21	2019-20	2018-19
General Fund				
Levy extended by assessor	$ 16,242,234	$ 15,844,357	$ 15,034,008	$ 14,497,619
Property taxes receivable:			0	
Current year collections	15,473,017	15,026,124	14,162,755	13,680,575
Percentage of levy	95.26%	94.84%	94.20%	94.36%
Tax roll adjustments and discounts	(456,748)	(518,446)	(534,918)	(478,748)
Tax receivable - initial year of levy	312,469	299,787	336,335	338,296
Total taxes receivable beginning of year	582,991	920,612	943,234	923,952
Changes in taxes receivable:				
Prior year receivable collections	(285,666)	(615,107)	(338,642)	(311,535)
Tax roll adjustments and discounts	(12,666)	(22,301)	(20,315)	(7,479)
Total taxes receivable end of year	597,128	582,991	920,612	943,234
Interest	56,896	70,584	80,405	74,700
Other payments received in lieu of taxes	26,291	26,821	1,276	61,329
Total received by College	$ 15,841,870	$ 15,738,636	$ 14,583,078	$ 14,128,139
Tax levy rate (per $1,000 assessed value)	$ 0.5128	$ 0.5128	$ 0.5128	$ 0.5128
Total tax collections in subsequent years	$ 0	$ 164,793	$ 259,673	$ 307,225
Total collections to date	$ 15,473,017	$ 15,190,917	$ 14,422,428	$ 13,987,800
Percentage of levy collected	95.26%	95.88%	95.93%	96.48%

Source: Rogue Community College Business Office

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
$ 13,932,571	$ 13,283,281	$ 12,773,306	$ 12,288,116	$ 11,685,242	$ 11,308,025
13,166,418	12,564,911	12,052,892	11,556,905	10,963,892	10,538,024
94.50%	94.59%	94.36%	94.05%	93.83%	93.19%
(434,204)	(358,045)	(350,113)	(294,827)	(316,620)	(339,368)
331,949	360,325	370,301	436,384	404,730	430,633
907,811	888,574	948,699	867,967	909,858	921,323
(304,694)	(335,201)	(358,262)	(360,359)	(553,084)	(505,121)
(11,114)	(5,887)	(72,164)	4,707	106,463	63,023
923,952	907,811	888,574	948,699	867,967	909,858
68,606	79,407	85,891	91,638	99,755	97,330
7,035	8,818	1,472	0	0	0
$ 13,546,753	$ 12,988,337	$ 12,498,517	$ 12,008,902	$ 11,616,731	$ 11,140,475
$ 0.5128	$ 0.5128	$ 0.5128	$ 0.5128	$ 0.5128	$ 0.5128
$ 321,721	$ 353,826	$ 363,893	$ 433,227	$ 406,933	$ 427,874
$ 13,488,139	$ 12,918,737	$ 12,416,785	$ 11,990,132	$ 11,370,825	$ 10,965,898
96.81%	97.26%	97.21%	97.58%	97.31%	96.97%

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

	2021-22	2020-21	2019-20	2018-19
Debt Service Fund				
Levy extended by assessor	$ 3,688,553	$ 3,702,538	$ 3,687,558	$ 3,309,433
Property taxes receivable:				
Current year collections	3,516,693	3,511,852	3,475,415	3,124,398
Percentage of levy	95.34%	94.85%	94.25%	94.41%
Tax roll adjustments and discounts	(104,289)	(124,877)	(133,225)	(110,923)
Tax receivable - initial year of levy	67,571	65,809	78,918	74,112
Total taxes receivable beginning of year	127,854	192,351	189,397	184,820
Changes in taxes receivable:				
Prior year receivable collections	(64,242)	(125,515)	(72,360)	(67,544)
Tax roll adjustments and discounts	(2,518)	(4,791)	(3,603)	(1,991)
Total taxes receivable end of year	128,665	127,854	192,352	189,397
Interest	13,038	16,547	17,822	14,896
Other payments received in lieu of taxes	6,762	0	0	9,129
Total received by College	$ 3,718,035	$ 3,653,914	$ 3,565,597	$ 3,215,967
Tax levy rate (per $1,000 assessed value)	$ 0.1394	$ 0.1434	$ 0.1491	$ 0.1393
Total collections in subsequent years	$ 0	$ 36,704	$ 61,722	$ 67,331
Total collections to date	$ 3,516,693	$ 3,548,556	$ 3,537,137	$ 3,191,729
Percentage of levy collected	95.34%	95.84%	95.92%	96.44%

Source: Rogue Community College Business Office

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
$ 3,477,816	$ 3,418,548	$ 1,981,762	$ 1,935,996	$ 1,910,095	$ 1,807,962
	0				
3,295,110	3,236,665	1,875,062	1,815,528	1,784,301	1,685,217
94.75%	94.68%	94.62%	93.78%	93.41%	93.21%
(103,750)	(92,637)	(54,103)	(53,490)	(63,387)	(56,672)
78,956	89,246	52,597	66,978	62,407	66,073
167,975	126,691	139,333	125,112	137,289	139,254
(60,790)	(47,129)	(48,991)	(63,243)	(91,300)	(64,951)
(1,321)	(833)	(16,248)	10,486	16,716	(3,087)
184,820	167,975	126,691	139,333	125,112	137,289
12,648	10,734	12,207	14,260	16,990	14,975
155	2,126	0	0	0	0
$ 3,368,703	$ 3,296,654	$ 1,936,260	$ 1,893,031	$ 1,892,591	$ 1,765,143
$ 0.1524	$ 0.1563	$ 0.1069	$ 0.1088	$ 0.1124	$ 0.1103
$ 76,367	$ 88,557	$ 52,597	$ 62,246	$ 62,407	$ 66,073
$ 3,371,477	$ 3,325,222	$ 1,927,659	$ 1,877,774	$ 1,846,708	$ 1,751,290
96.94%	97.27%	97.27%	96.99%	96.68%	96.87%

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

	2021-22	2020-21	2019-20	2018-19
General obligation and refunding bonds, net (1)	$ 25,670,239	$ 28,719,059	$ 30,757,881	$ 33,461,703
General bonded debt	25,670,239	28,719,059	30,757,881	33,461,703
Limited tax pension obligation bonds	$ 41,295,000	$ 11,960,000	$ 13,220,000	$ 14,355,000
Certificates of participation	0	0	0	0
Note payable	0	0	0	0
Other debt to be repaid by general government resources	41,295,000	11,960,000	13,220,000	14,355,000
Total outstanding debt	$ 66,965,239	$ 40,679,059	$ 43,977,881	$ 47,816,703
General Bonded Debt Ratios				
Per capita	$ 82.26	$ 89.53	$ 99.72	$ 109.01
Per full-time student equivalent (FTSE)	$ 9,229	$ 9,843	$ 7,871	$ 7,664
As a percentage of taxable assessed value	0.08%	0.09%	0.10%	0.12%
Total Outstanding Debt Ratios				
Per capita	$ 214.58	$ 127.94	$ 142.59	$ 155.78
Per full-time student equivalent (FTSE)	$ 24,075	$ 14,066	$ 11,254	$ 10,952
As a percentage of taxable assessed value	0.21%	0.13%	0.15%	0.17%

(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 finanical statements.

Source: Jackson and Josephine County Assessor's Offices and Rogue Community College Business Office.

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
$ 35,975,524	$ 38,309,347	$ 17,498,606	$ 18,827,897	$ 20,052,184	$ 21,186,474
35,975,524	38,309,347	17,498,606	18,827,897	20,052,184	21,186,474
$ 15,370,000	$ 16,275,000	$ 17,080,000	$ 17,790,000	$ 18,410,000	$ 18,950,000
0	0	0	0	0	135,000
130,069	147,921	164,830	180,846	196,016	210,385
15,500,069	16,422,921	17,244,830	17,970,846	18,606,016	19,295,385
$ 51,475,593	$ 54,732,268	$ 34,743,436	$ 36,798,743	$ 38,658,200	$ 40,481,859
$ 118.41	$ 126.67	$ 58.86	$ 64.07	$ 69.35	$ 73.72
$ 8,087	$ 8,290	$ 3,759	$ 3,768	$ 3,714	$ 3,808
0.13%	0.14%	0.07%	0.08%	0.09%	0.09%
$ 169.42	$ 180.97	$ 116.86	$ 125.21	$ 133.71	$ 140.85
$ 11,571	$ 11,844	$ 7,464	$ 7,365	$ 7,160	$ 7,276
0.19%	0.21%	0.14%	0.15%	0.17%	0.18%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2022 - (unaudited)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Direct Debt			
Rogue Community College	$ 64,205,000	$ 22,910,000	
Premium on general obligation and refunding bonds	2,760,239	2,760,239	
Total Direct Debt	$ 66,965,239	$ 25,670,239	
Overlapping Debt			
Jackson County	22,330,000	22,330,000	100.0%
Cities:			
Ashland	11,001,229	3,114,908	100.0%
Central Point	19,757,405	19,757,405	100.0%
Gold Hill	108,240	108,240	100.0%
Jacksonville	1,560,000	600,000	100.0%
Medford	22,888,002	5,483,002	100.0%
Phoenix	7,231,000	3,736,000	100.0%
Rogue River	2,607,269	1,117,519	100.0%
Shady Cove	1,690,000	0	100.0%
Talent	6,840,070	4,305,070	100.0%
Fire Districts and other:			
Jackson County RFPD 3	3,096,000	3,096,000	100.0%
Jackson County RFPD 5	2,101,463	2,101,463	100.0%
Jackson County Housing Authority	7,401,117	3,119,659	100.0%
Rogue Valley Transit District	213,378	213,378	100.0%
School Districts:			
Ashland #5	101,645,000	101,645,000	100.0%
Central Point #6	82,347,144	82,347,144	100.0%
Medford #549C	147,085,000	147,085,000	100.0%
Phoenix #4	71,667,483	71,667,483	100.0%
Rogue River #35	627,220	627,220	100.0%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2022 - (unaudited) (continued)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Overlapping Debt (continued)			
Josephine County	2,965,000	2,965,000	100.0%
Cities:			
Grants Pass	6,695,000	5,265,000	100.0%
Fire Districts and other:			
Illinois Valley RFPD #1	195,759	195,759	100.0%
School Districts:			
Grants Pass #7	19,804,714	19,804,714	100.0%
Three Rivers	17,387,267	17,387,267	100.0%
Total Overlapping Debt	$ 559,244,760	$ 518,072,231	
Total Direct and Overlapping Debt	$ 626,209,999	$ 543,742,470	

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 taxpayers of the counties. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the taxpayers should be taken into account. However, this does not imply that every resident is a taxpayer, and therefore responsible for repaying the debt, of each overlapping government. The percentage of overlapping debt applicable is estimated using real market property values. Applicable percentages were estimated by determining the portion of the Counties' real market value that is within the College's boundaries and dividing it by the Counties' total property real market value.

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

Fiscal Year	Real Market Value of Taxable Property	Legal Debt Limitation (1)	Bonded Indebtedness	Bonded Debt Margin	Bonded Indebtedness As a Percentage of Legal Debt Limit
2021-22					
Jackson County	$ 38,844,192,957	$ 582,662,894	$ 18,384,634	$ 564,278,260	3.16%
Josephine County	13,718,465,776	205,776,987	4,525,366	201,251,621	2.20%
2020-21					
Jackson County	34,601,251,454	519,018,772	20,335,094	498,683,678	3.92%
Josephine County	13,299,483,633	199,492,254	4,474,906	195,017,348	2.24%
2019-20					
Jackson County	33,335,844,153	500,037,662	22,691,696	477,345,966	4.54%
Josephine County	12,570,839,101	188,562,587	4,698,304	183,864,283	2.49%
2018-19					
Jackson County	31,672,792,068	475,091,881	24,873,342	450,218,539	5.24%
Josephine County	12,362,641,812	185,439,627	4,916,658	180,522,969	2.65%
2017-18					
Jackson County	28,643,175,645	429,647,634	26,868,595	402,779,040	6.25%
Josephine County	10,052,724,360	150,790,865	5,131,405	145,659,460	3.40%
2016-17					
Jackson County	26,608,473,944	399,127,109	28,599,400	370,527,709	7.17%
Josephine County	8,983,550,869	134,753,263	5,430,600	129,322,663	4.03%
2015-16					
Jackson County	25,101,285,743	376,519,286	16,605,000	359,914,286	4.41%
Josephine County	8,209,104,762	123,136,571	0	123,136,571	0.00%
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	0.00%
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	0.00%
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	0.00%

(1) The legal debt limitation is calculated at 1.5% of real market value of the property in the College taxing district 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 Business Office and the Jackson and Josephine County Assessor's Offices.

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
2021-22						
Jackson County	223,734	N/A	N/A	42.1	33.1	3.8
Josephine County	88,346	N/A	N/A	48.5	21.0	4.7
2020-21						
Jackson County	223,259	$ 11,496,858	$ 51,824	42.6	28.8	5.7
Josephine County	88,090	4,130,836	46,913	47.5	18.1	6.5
2019-20						
Jackson County	220,944	10,669,698	28,728	42.6	27.4	10.5
Josephine County	87,487	3,810,451	24,763	47.7	17.2	9.9
2018-19						
Jackson County	219,564	10,232,320	27,081	42.0	24.7	4.3
Josephine County	87,393	3,581,121	24,349	47.0	17.2	4.9
2017-18						
Jackson County	217,479	9,647,267	25,612	42.0	26.8	4.4
Josephine County	86,352	3,358,766	23,004	47.0	17.6	5.2
2016-17						
Jackson County	216,527	9,062,145	24,605	42.0	26.1	4.6
Josephine County	85,904	3,187,774	22,470	47.0	17.3	5.2
2015-16						
Jackson County	212,567	8,650,946	24,460	42.0	25.6	5.8
Josephine County	84,745	3,051,963	22,412	47.0	16.7	6.6
2014-15						
Jackson County	210,287	7,914,576	24,378	42.0	25.1	6.7
Josephine County	83,599	2,806,979	21,791	47.0	17.3	7.6
2013-14						
Jackson County	206,412	7,687,191	24,449	42.0	24.8	8.2
Josephine County	82,930	2,654,901	21,028	47.0	17.0	9.2
2012-13						
Jackson County	203,206	7,490,481	24,263	42.0	24.4	9.6
Josephine County	82,713	2,600,748	21,535	47.0	16.4	10.9

N/A - Not available

Source: U. S. Census Bureau, U. S. Bureau of Economic Analysis, Suburban Stats, and State of Oregon Employment Department

Principal Employers by Industry in the Rogue Valley
Current Year and Nine Years Ago - (unaudited)

	June 30, 2022			June 30, 2013		
Industry	Rank	Total Employees	Percentage of Total Regional Employment	Rank	Total Employees	Percentage of Total Regional Employment
Education & Health Services	1	31,210	26.47%	1	26,350	25.71%
Trade, Transportation, & Utilities	2	24,980	21.19%	2	22,210	21.67%
Leisure & Hospitality	3	14,830	12.58%	3	13,130	12.81%
Manufacturing	4	10,710	9.08%	4	9,530	9.30%
Professional & Business Services	5	9,900	8.40%	5	8,610	8.40%
Mining, logging & construction	6	7,610	6.45%	8	4,610	4.50%
Government	7	7,530	6.39%	6	7,860	7.67%
Financial Activities	8	6,280	5.33%	7	4,910	4.79%
Other Services	9	3,550	3.01%	9	3,520	3.44%
Information	10	1,300	1.10%	10	1,750	1.71%
Total		117,900	100.00%		102,480	100.00%

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
2021-22	44	136	6	79	113	75	453
2020-21	46	141	7	87	115	58	454
2019-20	47	158	7	86	136	133	567
2018-19	45	158	8	102	155	148	616
2017-18	43	153	9	93	151	128	577
2016-17	43	161	8	101	159	111	583
2015-16	45	155	9	104	153	108	574
2014-15	54	150	10	99	158	114	585
2013-14	52	148	13	97	163	106	579
2012-13	52	152	13	102	167	114	600

Source: Rogue Community College Business 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 In-District	Tuition Rate Per Credit Hour Out-Of-State	Total FTE	Total Reimbursable FTE	Unduplicated Headcount
2021-22	$ 120	$ 148	2,781.54	2,732.95	7,709
2020-21	116	142	2,831.94	2,798.91	6,872
2019-20	112	137	3,907.76	3,831.40	11,439
2018-19	107	131	4,366.15	4,236.25	14,221
2017-18	104	127	4,448.67	4,338.64	15,040
2016-17	99	121	4,621.25	4,502.42	16,372
2015-16	95	116	4,655.11	4,546.52	16,417
2014-15	91	111	4,996.67	4,884.00	16,584
2013-14	91	111	5,399.56	5,333.17	17,092
2012-13	87	106	5,563.99	5,495.17	16,643

* Residents of Washington, Idaho, California and Nevada pay the in-district tuition rate. International student tuition is $400

Source: Rogue Community College Business Office

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

	2021-22	2020-21	2019-20	2018-19
Adult basic education	72.81	71.81	60.61	83.89
Self improvement	9.02	6.31	21.06	66.30
Career and technical education - preparatory	747.82	849.15	788.15	843.04
Career and technical education - apprenticeship	77.49	76.85	82.08	79.26
Career and technical education - stand alone preparatory	36.02	17.00	1.23	6.10
Career and technical education - supplemental	25.50	15.58	46.53	68.33
English as a second language	66.95	35.94	65.44	67.30
General educational development	31.72	19.38	61.84	71.05
Lower division collegiate	1,475.00	1,538.74	2,326.78	2,466.51
Post secondary remedial	28.03	22.89	33.06	52.01
Post secondary remedial - math	141.88	137.57	207.78	268.76
Post secondary remedial - electives	20.71	7.69	136.84	163.70
Total reimbursable FTSE *	2,732.95	2,798.91	3,831.40	4,236.25
Non-reimbursable	48.59	33.03	76.36	129.90
Total FTSE	2,781.54	2,831.94	3,907.76	4,366.15
State appropriation	$ 11,151,345	$ 11,149,592	$ 11,349,551	$ 9,258,542
State appropriation per reimbursable FTSE	$ 4,009.05	$ 3,983.55	$ 2,962.25	$ 2,185.55

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

Source: Rogue Community College Institutional Research and Effectiveness Department, verified by the Higher Education Coordinating Commission.

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
84.65	121.12	181.77	196.86	210.41	278.60
42.83	40.29	34.53	28.57	45.57	58.11
866.53	911.35	867.44	965.29	1,021.62	954.69
75.32	63.42	56.96	50.69	42.79	34.29
9.43	4.68	14.38	19.14	19.97	20.64
57.49	48.16	55.91	74.46	46.57	59.53
60.95	81.62	90.21	84.68	92.71	106.38
77.93	88.86	102.70	129.88	101.46	106.48
2,466.73	2,549.02	2,551.25	2,688.64	2,948.83	3,024.24
65.72	76.80	67.51	80.64	117.25	146.40
305.94	324.77	338.57	371.43	453.95	482.05
225.12	192.33	185.29	193.72	232.04	223.76
4,338.64	4,502.42	4,546.52	4,884.00	5,333.17	5,495.17
110.03	118.83	108.59	112.67	66.39	68.82
4,448.67	4,621.25	4,655.11	4,996.67	5,399.56	5,563.99
$ 9,622,996	$ 9,457,105	$ 9,780,930	$ 8,428,906	$ 7,433,388	$ 5,278,969
$ 2,217.98	$ 2,100.45	$ 2,151.30	$ 1,725.82	$ 1,393.80	$ 960.66

Capital Assets Activity
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2021-22				
Land	$ 3,930,933	$ 0	$ 573,438	$ 3,357,495
Buildings	62,289,834	0	3,125,859	59,163,975
Equipment	7,055,983	304,412	261,276	7,099,119
Construction in progress	5,435,936	9,673,200	0	15,109,136
Infrastructure	1,421,014	0	0	1,421,014
Library collections	988,077	31,710	0	1,019,787
Software	833,355	0	0	833,355
Total capital and other assets	81,955,132	10,009,322	3,960,573	88,003,881
Less accumumlated depreciation	25,117,260	1,909,836	1,087,780	25,939,316
Total	$ 56,837,872	$ 8,099,486	$ 2,872,793	$ 62,064,565
2020-21				
Land	$ 4,226,583	$ 0	$ 295,650	3,930,933
Buildings	46,162,906	16,743,764	616,836	62,289,834
Equipment	6,627,567	466,183	37,767	7,055,983
Construction in progress	15,644,016	6,978,165	17,186,245	5,435,936
Infrastructure	1,421,014	0	0	1,421,014
Library Collections	951,117	36,960	0	988,077
Software	833,355	0	0	833,355
Total capital and other assets	75,866,558	24,225,072	18,136,498	81,955,132
Less accumulated depreciation	24,082,410	1,587,729	552,879	25,117,260
Total	$ 51,784,148	$ 22,637,343	$ 17,583,619	$ 56,837,872
2019-20				
Land	$ 4,226,583	$ 0	$ 0	$ 4,226,583
Buildings	44,402,178	1,760,728	0	46,162,906
Equipment	5,972,234	714,447	59,114	6,627,567
Construction in progress	5,034,805	12,592,120	1,982,909	15,644,016
Infrastructure	1,421,014	0	0	1,421,014
Library Collections	909,141	41,976	0	951,117
Software	833,355	0	0	833,355
Total capital and others assets	62,799,310	15,109,271	2,042,023	75,866,558
Less accumulated depreciation	22,647,134	1,491,475	56,199	24,082,410
Total	$ 40,152,176	$ 13,617,796	$ 1,985,824	$ 51,784,148

Source: Rogue Community College Business Office

Continues

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

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2018-19				
Land	$ 3,827,853	$ 398,730	$ 0	$ 4,226,583
Buildings	40,645,537	3,756,641	0	44,402,178
Equipment	4,842,821	1,275,261	145,848	5,972,234
Construction in progress	3,529,116	6,129,993	4,624,304	5,034,805
Infrastructure	1,421,014	0	0	1,421,014
Library collections	857,189	51,952	0	909,141
Software	833,355	0	0	833,355
Total capital and other assets	55,956,885	11,612,577	4,770,152	62,799,310
Less accumulated depreciation	21,333,347	1,421,948	108,161	22,647,134
Total	$ 34,623,538	$ 10,190,629	$ 4,661,991	$ 40,152,176
2017-18				
Land	$ 3,827,853	$ 0	$ 0	$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	4,239,470	666,879	63,528	4,842,821
Construction in progress	1,132,072	2,397,044	0	3,529,116
Infrastructure	1,797,825	0	376,811	1,421,014
Library collections	810,731	46,458	0	857,189
Software	946,812	0	113,457	833,355
Total capital and other assets	53,400,300	3,110,381	553,796	55,956,885
Less accumulated depreciation	20,292,208	1,324,245	283,106	21,333,347
Total	$ 33,108,092	$ 1,786,136	$ 270,690	$ 34,623,538
2016-17				
Land	$ 3,827,853	$ 0	$ 0	$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	4,192,944	614,412	567,886	4,239,470
Construction in progress	802,775	364,854	35,557	1,132,072
Infrastructure	1,797,825	0	0	1,797,825
Library collections	764,152	46,579	0	810,731
Software	996,153	0	49,341	946,812
Total capital and other assets	53,027,239	1,025,845	652,784	53,400,300
Less accumulated depreciation	19,503,229	1,356,198	567,219	20,292,208
Total	$ 33,524,010	$ (330,353)	$ 85,565	$ 33,108,092

Continues

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

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2015-16				
Land	$ 3,827,853	$ 0	$ 0	$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,820,538	772,024	399,618	4,192,944
Construction in progress	49,899	752,876	0	802,775
Infrastructure	1,797,825	0	0	1,797,825
Library collections	717,681	46,471	0	764,152
Software	996,153	0	0	996,153
Total capital and other assets	51,855,486	1,571,371	399,618	53,027,239
Less accumulated depreciation	18,562,774	1,318,294	377,839	19,503,229
Total	$ 33,292,712	$ 253,077	$ 21,779	$ 33,524,010
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	$ 34,305,318	$ (1,000,505)	$ 12,101	$ 33,292,712
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	$ 35,135,602	$ (815,538)	$ 14,746	$ 34,305,318

Continues

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

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
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	$ 35,825,708	$ (409,748)	$ 280,358	$ 35,135,602

STATE AND FEDERAL COMPLIANCE SECTION

RCC
Rogue Community College

Audit Comments - Disclosures and Comments Required by Oregon 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, 2022, and have issued our report thereon dated December 12, 2022. 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 and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

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 Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements, 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 our 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's 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been 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.

Purpose of this Report

This report is intended solely for the information and use of the Board of Directors, management, 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 12, 2022

Rogue Community College
Grants Pass, Oregon

Government Audit Standards Report

CPAs & BUSINESS ADVISORS

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 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, 2022, and the related notes to the financial statements, which collectively comprise Rogue Community College's basic financial statements and have issued our report thereon dated December 12, 2022. Our report includes a reference to other auditors who audited the financial statements of Rogue Community College Foundation (the Foundation), as described in our report on the College's financial statements. The audit of the financial statements of the Foundation were not performed in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance that are reported on separately by those auditors of Rogue Community College Foundation.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

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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 have not been 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.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Eide Bailly LLP

Boise, Idaho
December 12, 2022

Rogue Community College
Grants Pass, Oregon

Uniform Guidance (Single Audit) Report

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rogue Community College's (the College) compliance with the types of compliance requirements described in the *OMB 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, 2022. 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.

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 on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-003 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be significant deficiencies.

Government Auditing Standards requires the auditor to perform limited procedures the College's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. the College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Eide Bailly LLP

Boise, Idaho
December 12, 2022

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?	Yes
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 Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing Number
U. S. Department of Education Direct Programs	
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grants Program	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Loan Program	84.268
COVID-19 - Education Stabilization Fund - GEER - Distance Learning	84.425C
COVID-19 - Education Stabilization Fund - GEER - Student Support	84.425C
COVID-19 - Education Stabilization Fund - HEERF - Student	84.425E
COVID-19 - Education Stabilization Fund - HEERF - Institution	84.425F
COVID-19 - Education Stabilization Fund - SIP	84.425M
TRIO Cluster	
TRIO - Student Support Services	84.042A
TRIO - Educational Opportunity Center	84.066A
TRIO - Talent Search	84.044A

Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

No findings reported.

Section III – Federal Award Findings and Questioned Costs
2022-001
Direct Program – U.S. Department of Health and Human Services
Federal Financial Assistance Listing # 93.093
Southern Oregon Health Occupations Poverty Elimination Project (SOHOPE)
Allowable Costs
Significant Deficiency in Internal Control over Compliance

Criteria:
The College is required to have a process in place to ensure that all expenditures are reviewed for allowability.

Condition:
During our testing over the allowable costs under the grant, we noted 5 instances out of 60, in which there was no review over the SOHOPE Director's timecard.

Cause:
Due to turnover at the Dean level during the previous program year and transition to new Dean in the current program year, there was no review of the SOHOPE Program Director's timecard.

Effect:
There were 5 instances in which the Director over SOHOPE's timecard was not reviewed.

Questioned Costs:
None noted.

Context/Sampling:
A non-statistical sample of 60 expenditures were tested out of a total of 364 total expenditures, which accounted for $35,597 of $316,351 of federal program expenditures.

Repeat Finding from Prior Year:
Yes. See Finding 2021-008 in prior year.

Recommendation:
Management should have a process in place to ensure that all expenditures are reviewed under the grant.

Views of Responsible Officials:
Management agrees with the finding.

2022-002
Direct Program – U.S. Department of Education
Federal Financial Assistance Listing # 84.063, 84.007, 84.268, 84.033
Student Financial Assistance Cluster
Special Tests and Provisions: Enrollment Reporting
Significant Deficiency in Internal Control over Compliance

Criteria:
34 CFR Section 690.83(b)(2), 34 CFR 682.610, and 34 CFR 685.309 states that institutions are responsible for the timely and accurate review, updates, and verification of student enrollment statuses, program information, and effective dates.

Condition:
During our testing of compliance over enrollment reporting, there were 4 students out of the 60 tested where the enrollment information submitted to the central processor did not agree with the College's enrollment records.

Cause:
The College's existing control procedures for reporting the information to the central processor was not sufficiently designed to detect inaccurate information submitted to the central processor.

Effect:
The College reported incorrect information to the central processor.

Questioned Costs:
None noted.

Context/Sampling:
A non-statistical sample of 60 students were tested out of a total of 1,502 students that had student status changes during the year.

Repeat Finding from Prior Year:
Yes. See finding 2021-004 in prior year.

Recommendation:
Management should review the current control process over enrollment reporting to ensure that accurate information is submitted to the central processor.

Views of Responsible Officials:
Management agrees with the finding.

2022-003
Direct Program – U.S. Department of Education
Federal Financial Assistance Listing # 84.063, 84.007, 84.268, 84.033
Student Financial Assistance Cluster
Special Tests and Provisions: Return of Title IV Funds
Material Weakness in Internal Control over Compliance

Criteria:
There should be a process in place to have an independent review of all Title IV calculations to ensure there are no errors in the calculation.

Condition:
There was no independent review over the return of Title IV calculations.

Cause:
Due to the changeover in software in the current year, the College did not have an internal control process in place to provide for an independent review over the return of Title IV calculations.

Effect:
Return of Title IV calculations may contain errors that are not corrected due to no independent review over the calculations.

Questioned Costs:
None noted.

Context/Sampling:
A non-statistical sample of 60 students were tested out of a total of 392 students that return of Title IV calculations performed during the year.

Repeat Finding from Prior Year:
Yes. See finding 2021-003 in prior year.

Recommendation:
Management should ensure that there is an independent review process in place over return of Title IV calculations.

Views of Responsible Officials:
Management agrees with the finding.

Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-Through Grantor's Number	Expenditures
Student Financial Assistance Cluster:			
Pell Grant Program	84.063	none available	$ 5,811,498
Federal Work-Study Program	84.033	none available	164,763
Direct Loan Program	84.268	none available	2,205,552
Supplemental Educational Opportunity Grants Program	84.007	none available	222,469
Total Student Financial Assistance Cluster			8,404,282
Direct Higher Education Emergency Relief Fund:			
COVID-19 Higher Ed. Emergency Relief Fund (HEERF) - Student	84.425E	none available	6,704,620
COVID-19 Higher Ed. Emergency Relief Fund (HEERF) - Institution	84.425F	none available	4,635,596
COVID-19 Higher Ed. Emergency Relief Fund (HEERF) - Strengthening Institutions Program	84.425M	none available	516,279
Total Direct Higher Education Emergency Relief Fund			11,856,495
Passed through Oregon Higher Education Coordinating Commission:			
COVID-19 GEER - Distance Learning	84.425C	20-075T	84,738
COVID-19 GEER - Student Support	84.425C	20-074T	627
Total Passed Through Oregon Higher Education Coordinating Commission			85,365
Total Education Stabilization Fund			11,941,860
TRIO Cluster:			
TRIO - Student Support Services	84.042A	none available	531,288
TRIO - Educational Opportunity Center	84.066A	none available	259,822
TRIO - Talent Search	84.044A	none available	316,050
Total TRIO			1,107,160
Passed through Oregon Department of Education:			
Perkins Vocational Education	84.048	57604	41,162
Perkins Vocational Education	84.048	66158	307,750
Passed through Southern Oregon Education Service District:			
Perkins Vocational Education	84.048	none available	5,514
Total Perkins			354,426

See notes to schedule of expenditures of federal awards.

Schedule of Expenditures of Federal Awards
Year ended June 30, 2022 (continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-Through Grantor's Number		Expenditures
Passed through Oregon Higher Education Coordinating Commission:				
Adult Basic Education Program - Title II	84.002A	21-006M		508,910
Learning Standards Trainers	84.002	20-081D		7,605
Total Title II				516,515
Total U.S. Department of Education			$	22,324,245
U.S. Department of Health and Human Services				
Direct Grants:				
Southern Oregon Health Occupations Poverty Elimination Project (SOHOPE)	93.093	none available		316,351
Total U.S. Department of Health and Human Services			$	316,351
U.S. Small Business Administration				
Passed through Oregon Small Business Development Center Network:				
Small Business Assistance	59.037	SBA-2022-153		17,500
Small Business Assistance	59.037	SBA-2021-153		16,500
COVID-19 SBA CARES Act	59.037	SBAHQ-20-C-007		10,000
Total U.S. Small Business Administration			$	44,000
U.S. Department of Labor				
Passed Through Mt. Hood Community College				
Strengthening Community College's Training	17.261	None available		45,988
Total U.S. Department of Labor			$	45,988
Institute of Museum and Library Services				
Passed through State LIbrary of Oregon				
State Library Program	45.310	LS-250233-OLS-2		44,276
Total Institute of Museum and Library Services			$	44,276
Total Federal funds			$	22,774,860

The College does not provide funds to any subrecipients, therefore, we chose to not present the Amounts Passed-Through to Subrecipients column.

See notes to schedule of expenditures of federal awards.

1. Basis of Presentation

   The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of the College under programs of the federal government for the year ending June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to, and does not present the financial position, changes in net position, or cash flows of the College.

   The College received federal awards both directly from federal agencies and indirectly through pass-through entities.

2. Significant Accounting Policies

   Expenditures in the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable, or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient. For more information see the Summary of Significant Accounting Policies presented in Note 1 in the College’s basic financial statements.

   The College has not elected to use the 10% de minimis cost rate.

3. Federal Student Loan Programs

   The College does not directly administer any of the Federal Direct Loans that the students utilize at the College. Therefore, only the value of the loans made during the year are represented on the schedule of expenditures of federal awards.