

# ODESSA COLLEGE



## **FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**Odessa Junior College District  
August 31, 2009 and 2008**

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**ODESSA JUNIOR COLLEGE DISTRICT**

**ORGANIZATIONAL DATA**

**For the Year Ended August 31, 2009**

**BOARD OF TRUSTEES**



**OFFICERS**

Mr. Walter Smith	President
Mr. David R. Turner	Vice President
Ms. Ray Ann Zant	Secretary
Mr. Gary S. Johnson	Assistant Secretary

**MEMBERS**

**TERM EXPIRES MAY,**

Mr. Richard C. Abalos	Odessa, Texas	2010
Mr. Gary S. Johnson	Odessa, Texas	2014
Mr. Ralph M. McCain	Odessa, Texas	2012
Mr. JE "Coach" Pressly	Odessa, Texas	2014
Ms. Sandra Shaw	Odessa, Texas	2010
Mr. Bruce Shearer	Odessa, Texas	2010
Mr. Walter Smith	Odessa, Texas	2012
Mr. David R. Turner	Odessa, Texas	2012
Ms. Ray Ann Zant	Odessa, Texas	2014



**PRINCIPAL ADMINISTRATIVE & FINANCIAL OFFICERS**

Dr. Gregory D. Williams	President
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Dr. David R. Bauske	Vice President for Student Services
Ms. Virginia E. Chisum, CPA	Vice President for Business Affairs
Dr. Tanya Hughes	Exec. Dean of Institutional Effectiveness and Special Projects
Ms. Courtney Wardlaw	Executive Director of Resource Development
Ms. Connie May	Executive Director of Financial Services



# JOHNSON MILLER & CO., CPA's PC

*Certified Public Accountants*

*A Professional Corporation*

*An Independent Member Of BDO Seidman Alliance*

Odessa, Texas  
Midland, Texas  
Hobbs, New Mexico

## **Report of Independent Certified Public Accountants on Basic Financial Statements and Supplemental Information**

The Board of Trustees  
Odessa Junior College District  
Odessa, Texas

We have audited the accompanying financial statements of Odessa Junior College District (the "District") as of and for the years ended August 31, 2009 and 2008 which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the District as of August 31, 2009 and 2008, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 2, 2009 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

The Management's Discussion and Analysis and statistical supplement on pages 4 through 14 and 54 through 71 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules of expenditures of federal awards and state awards are presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and the Provisions of the State of Texas Single Audit Circular*, and are not a required part of the basic financial statements. In addition, the supplementary data presented in schedules A, B, C, D, E and F is presented for additional purposes and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

*Johnson Miller & Co., CPA's PC*

Odessa, Texas  
December 2, 2009

## **Management's Discussion and Analysis For the Period Ending August 31, 2009 (Unaudited)**

The Management's Discussion and Analysis provides an overview of the Odessa Junior College District's ("the District") financial activities for the years ended August 31, 2009 (Fiscal Year 2009), 2008 (Fiscal Year 2008), and 2007 (Fiscal Year 2007). In conformity with Government Accounting Standards Board (GASB) Statement No. 34, the discussion focuses on currently known facts, decisions, and conditions and is intended to assist the reader in the interpretation of the financial statements.

There are three basic financial statements presented: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. These statements should be read in conjunction with the notes to the basic financial statements.

Some of the financial and enrollment highlights of Fiscal Year 2009 are as follows:

- The District's assets exceeded liabilities by \$29.2 million and \$26.5 million for the fiscal years ended August 31, 2009 and 2008 respectively. Of these amounts, unrestricted net assets were \$18.5 million and \$21.2 million for fiscal years 2009 and 2008, respectively.
- Capital Assets, net of depreciation, increased by \$4.2 million during fiscal year 2009 and by \$0.7 million during fiscal year 2008.
- Long-term liabilities decreased from \$22.8 million to \$21.5 million.
- 1998A Series Bonds were refunded, resulting in a net present value savings of \$1.7 million for the District over the life of the bonds.
- At the end of the current fiscal year, total revenues exceeded total expenses by \$2.7 million.
- Student Pell Grant awards increased 42.0% from \$3.1 million to \$4.5 million.
- Unduplicated headcount of students enrolled in credit classes increased by 2.4% from 6,535 to 6,690.
- Total contact hours from both credit and noncredit instruction increased by 1.2% from 2,110,567 to 2,135,942.

### **The Statement of Net Assets**

The Statement of Net Assets reports the assets, liabilities, and net assets of the District as of the end of the fiscal year. It is a "point in time" financial statement; its purpose is to give the readers a snapshot of the financial condition of Odessa College on the last day of each fiscal year.

The Statement of Net Assets includes assets and liabilities, both current and non-current, and net assets. Current assets are those assets that are available to satisfy current liabilities, or liabilities that are due within one year. Non-current assets include capital assets, long-term investments, and other assets not classified as current. Non-current liabilities include bonds payable and other long-term commitments.

The difference between total assets and total liabilities – net assets – is the amount of resources available to finance future activities. Over time, the increases and decreases in net assets is one indicator of whether the overall financial condition has improved or deteriorated during the year when considered with other factors such as enrollment, contact hours of instruction, student retention and other non-financial information.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Net Assets (Continued)**

Net assets are divided into three major categories. The first category, "Invested in Capital Assets, Net of Related Debt," provides the District's equity in property, plant and equipment. The next net asset category is "Restricted Net Assets." These assets have external limitations on the way in which they may be used. The last category is "Unrestricted Net Assets." They are available to use for any lawful purpose of the District.

**Condensed Statement of Net Assets  
(thousands of dollars)**

	August 31,			Increase (Decrease)	
	2009	2008	2007	2008 to 2009	2007 to 2008
Current assets	\$ 21,197	\$ 20,386	\$ 21,979	\$ 811	\$ (1,593)
Capital assets, net of depreciation	26,955	22,744	22,045	4,211	699
Other non-current assets	12,877	13,244	11,435	(367)	1,809
<b>Total assets</b>	<b>61,029</b>	<b>56,374</b>	<b>55,459</b>	<b>4,655</b>	<b>915</b>
Current liabilities	10,307	7,047	7,299	3,260	(252)
Non-current liabilities	21,530	22,798	24,359	(1,268)	(1,561)
<b>Total liabilities</b>	<b>31,837</b>	<b>29,845</b>	<b>31,658</b>	<b>1,992</b>	<b>(1,813)</b>
Net Assets:					
Invested in capital assets, net of related debt	4,955	(976)	(3,148)	5,931	2,172
Restricted: nonexpendable	773	813	838	(40)	(25)
Restricted: expendable	4,953	5,496	6,498	(543)	(156)
Unrestricted	18,511	21,196	19,612	(2,685)	738
<b>Total net assets</b>	<b>\$ 29,192</b>	<b>\$ 26,529</b>	<b>\$ 23,800</b>	<b>\$ 2,663</b>	<b>\$ 2,729</b>

Figure 1

As shown in Figure 1 above, total assets increased by \$4.7 million in fiscal year 2009 and \$0.9 million in 2008. During the same periods, total liabilities increased by \$1.9 million in 2009 and decreased by \$1.8 million in 2008. As a result, the total net assets increased by \$2.7 million in 2009 and \$2.7 million in 2008.

The current ratio, indicating the amount of current assets that could be quickly converted to cash if needed to pay current liabilities, decreased to 2.1 to 1 at August 31, 2009, compared to 2.9 to 1 at August 31, 2008 and 3.0 to 1 ratio at August 31, 2007.

Current assets consist mainly of cash, short-term investments, prepayments, and receivables. During fiscal year 2009, current assets increased by 4.0% from \$20.4 million to \$21.1 million primarily due to a \$2.3 million increase in accounts receivable. The increase was offset by a \$1 million dollar, or 7.1% decrease in cash due to amounts spent on construction projects.

- Tuition receivable increased because of growing enrollment.
- Taxes receivable increased because of increased property appraisal values.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Net Assets (Continued)**

- The Odessa College Foundation conducted a capital campaign to assist Odessa College with construction of the Rudy Acosta Pavilion and Saulsbury Center renovations. The amount receivable from the Foundation at August 31, 2009 was approximately \$600,000.
- The District had several insurance claims in fiscal year 2009 resulting in capital insurance receivables of \$205,000.

Capital assets, net of depreciation, increased by \$4.2 million during fiscal year 2009, by \$699,000 in fiscal year 2008, and by \$613,000 in 2007. In accordance with GASB Statements No. 34 and 35, the District does not record the cost of its capital assets as an expense at the time of acquisition/completion of the asset, but rather shows the expense systematically over the expected life of the asset as depreciation expense. The purchases of land, building improvements, and equipment continue to exceed annual depreciation charges each year.

Current liabilities increased by \$3.3 million in fiscal year 2009. The major contributing factors were increases in compensated absences, accounts payable, deferred tuition, the current portion of the bonds payable.

- The accrual for compensable absences increased by \$176,000. Odessa College adopted a new vacation policy in fiscal year 2009 which allowed employees to accumulate up to 150% of their annual accrued vacation hours. The previous policy allowed accumulation of only 50% of residual time available.
- Accounts payable increased \$1.7 million due to multiple large year end payments for ongoing capital construction projects on campus.
- Deferred tuition increased by \$717,000 due to record enrollment and a tuition increase of \$5 per semester hour for in-district students and \$10 per semester hour of out-of-district students.
- The current portion of bonds payable increased by \$400,000 because of the refunding of the College's 1998A Series bonds. The new bonds carry a lower interest rate so a larger portion of the annual payment will be applied to the principle of the debt.
- During fiscal year 2008, current liabilities declined by \$252,000 due to a payment of an anticipated tax refund to a major taxpayer in Ector County.

Non-current liabilities decreased by \$1.2 million during fiscal year 2009 and \$1.6 million in 2008.

- The decrease for fiscal year 2009 was due to scheduled bond payments and the refunding of the 1998A Series bonds.
- The decrease for fiscal year 2008 was also the result of scheduled payments of outstanding bonds.

Investment in capital assets (net of related debt) increased by \$5.9 million and \$2.2 million in 2009 and 2008, respectively, as a combined result of capital purchases and principal payment on related bond debt.



**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Net Assets (Continued)**

The decrease in unrestricted net assets of \$2.7 million and the decrease of \$1.4 million in expendable restricted net assets was due to capital construction and deferred maintenance expenditures in fiscal year 2009.

- The District experienced casualty losses from two separate hail storms, a wind storm, unplanned asbestos remediation in the Composite Technology building, and federally mandated ADA upgrades.
- Other contributing factors for the decline include a new roof for the Globe Theater, new HVAC equipment for the Learning Resource Center, Composite Technology building, and Student Union Building.
- In fiscal year 2008, unrestricted net assets increased by \$0.7 million as a result of revenues exceeding expenses.

**The Statement of Revenues, Expenses, and Changes in Net Assets**

The Statement of Revenues, Expenses, and Changes in Net Assets focuses on the “bottom line results” of the District’s operations. This approach summarizes and simplifies the user’s analysis of the cost of various District services to its students and the burden to the public. The statement is divided into (a) Operating Revenues and Expenses and (b) Non-Operating Revenues and Expenses.

Generally, operating revenues are received for providing goods and services to the various customers of the District. Operating expenses are those paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the District’s mission. Non-operating revenues are funds received for which goods and services are not directly provided to those providing the revenue, e.g. the state legislature, local ad valorem taxpayers, federal Title IV grant funds, and investment portfolios.

Odessa College, like all other Texas community colleges, is primarily dependent upon three sources of revenue: state appropriations, tuition and fees, and local property taxes. Since state appropriations, property taxes, and Title IV federal grants are classified as Non-operating revenues (per the GASB requirement), Texas community colleges will generally display an operating deficit before taking into account other support. Essentially, this operating deficit represents the net costs of services to students that must be covered by state appropriations, local property taxation, and other sources of revenue. Therefore, total revenues and total expenses should be considered in assessing the change in the District’s financial position.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Revenues, Expenses, and Changes in Net Assets (Continued)**

**Condensed Statement of Revenues, Expenses and Changes in Net Assets  
(thousands of dollars)**

	Year Ended August 31,			Increase (Decrease)	
	2009	2008	2007	2008 to 2009	2007 to 2008
<b>Operating revenues (Graph 1)</b>					
Tuition and fees (net of discounts)	\$ 3,788	\$ 3,595	\$ 3,910	\$ 193	\$ (315)
Grants and contracts	4,196	3,953	3,398	243	555
Other	1,640	1,603	1,340	37	263
Total operating revenue	<u>9,624</u>	<u>9,151</u>	<u>8,648</u>	<u>473</u>	<u>503</u>
<b>Operating expenses (Graph 3)</b>					
Instruction	13,460	12,698	11,937	762	761
Public Service	1,351	1,532	1,439	(181)	93
Academic Support	4,219	3,732	3,592	487	140
Student Services	3,109	3,175	3,084	(66)	91
Institutional Support	5,210	4,606	4,047	604	559
Operations & Maint of Plant	5,015	5,021	4,301	(6)	720
Scholarship & Fellowships	3,622	2,926	3,050	696	(124)
Auxiliary enterprises	1,708	1,597	1,310	111	287
Depreciation	1,084	990	952	94	38
	<u>38,778</u>	<u>36,277</u>	<u>33,712</u>	<u>2,501</u>	<u>2,565</u>
Operating loss	(29,154)	(27,126)	(25,064)	(2,028)	(2,062)
<b>Non-operating revenue/(expense) (Graph 2)</b>					
State appropriation	11,388	11,302	11,265	86	37
Ad valorem taxes	15,399	14,058	12,796	1,341	1,262
Federal Revenue, non operating	4,631	3,313	3,452	1,318	(139)
Interest on debt	(1,461)	(1,257)	(1,347)	(204)	90
Other	1,255	2,229	1,531	(974)	698
Total non-operating income	<u>31,212</u>	<u>29,645</u>	<u>27,697</u>	<u>1,567</u>	<u>1,948</u>
Capital grants and gifts	605	210	124	395	86
<b><u>Increase in net assets</u></b>	<u>2,663</u>	<u>2,729</u>	<u>2,757</u>	<u>(66)</u>	<u>(28)</u>
Net assets, beginning of year	26,529	23,800	21,043	2,729	2,757
Net assets, end of year	<u>\$ 29,192</u>	<u>\$ 26,529</u>	<u>\$ 23,800</u>	<u>\$ 2,663</u>	<u>\$ 2,729</u>

Figure 2

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Revenues, Expenses, and Changes in Net Assets (Continued)**

Key factors impacting revenues shown in Figure 2, and Graphs 1 and 2:

- Tuition revenue increased by \$193,000, or 5.4%, and is attributable to an increase in student enrollment and higher tuition rates for the spring 2009. Tuition revenue decrease by \$315,000, or 8.1% in fiscal year 2008 due to a decline in semester credit hours and the offering of half price tuition for the summer terms. The tuition rate remained constant for fiscal year 2008 and 2007.
- State Grant Revenues increased \$69,202, or 16.4% due to increased funding for TEOG financial aid, the Adult Basic Education Grant, and the Nursing Shortage Reduction Grant.
- Operating Investment income decreased by \$22,731, or 59.4%, due to decreases in interest rates.
- Other Operating Revenue increased by \$53,841, or 11.2%, due to increases in enrollment in summer continuing education programs and Sports Center memberships. Other increases in fee revenue are attributable to increased academic enrollment.
- Auxiliary revenue increased by \$50,000, or 6.9%, over 2008. The increase stems from the full occupancy in the dorms and a new policy requiring all dorm residents to purchase meal plans. Auxiliary revenue increased \$164,000, or 29.1%, in 2008 because of a full year of operations at the Champions Golf facility and because of dorm rate increases.
- Ad valorem tax revenue increased \$1.3 million, or 9.5%, and \$1.3 million, or 10%, during fiscal years 2009 and 2008, respectively. Although the tax rate decreased 10.6% from .1817 cents in 2008 to .1624 cents in 2009, the overall net taxable values increased by 23.2% in 2009 and 13.2% in 2008, respectively. Analyses of the components of taxable values for 2009 are shown in Table 1.

Table 1

Category	% Increase (Decrease) in Tax Rates	% Increase in Taxable Values	% Increase (Decrease) in Tax Revenue
Minerals	(10.6)	34.7	20.4
Residential	(10.6)	23.5	6.4
Commercial	(10.6)	13.9	(0.8)
Personal Property	(10.6)	14.8	3.8

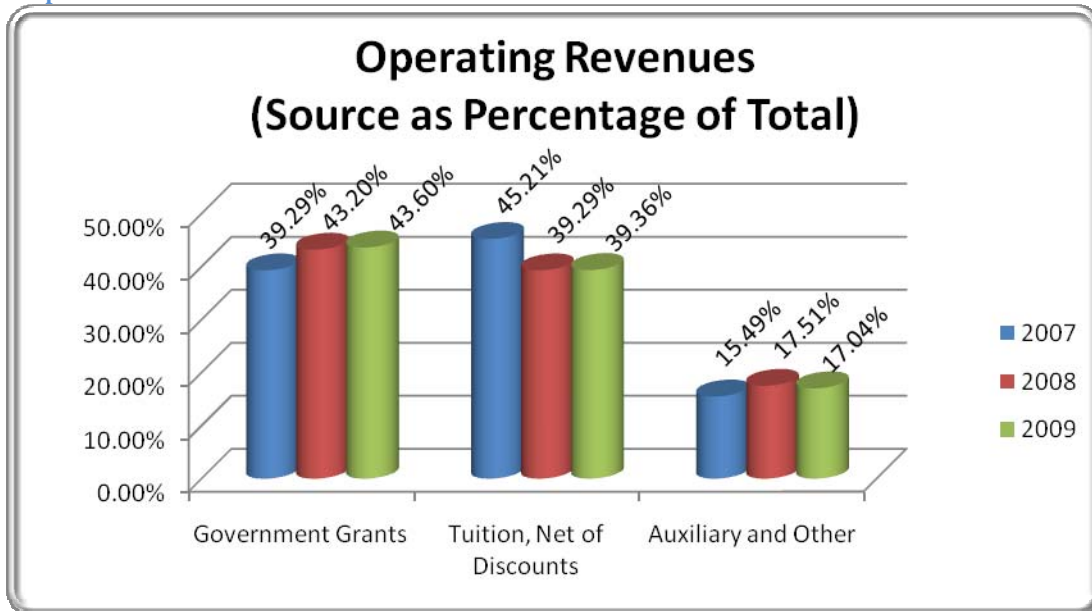
- Non-operating federal revenue increased 40.0% or \$1.3 million over 2008. The increase can be attributed to a 4% increase in Pell eligible students and a 9.8% increase in the maximum Pell award amount.
- The overall increase in operating revenue was offset by a 46.2% decrease in investment income. The investment income decline is attributable to lower interest rates.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

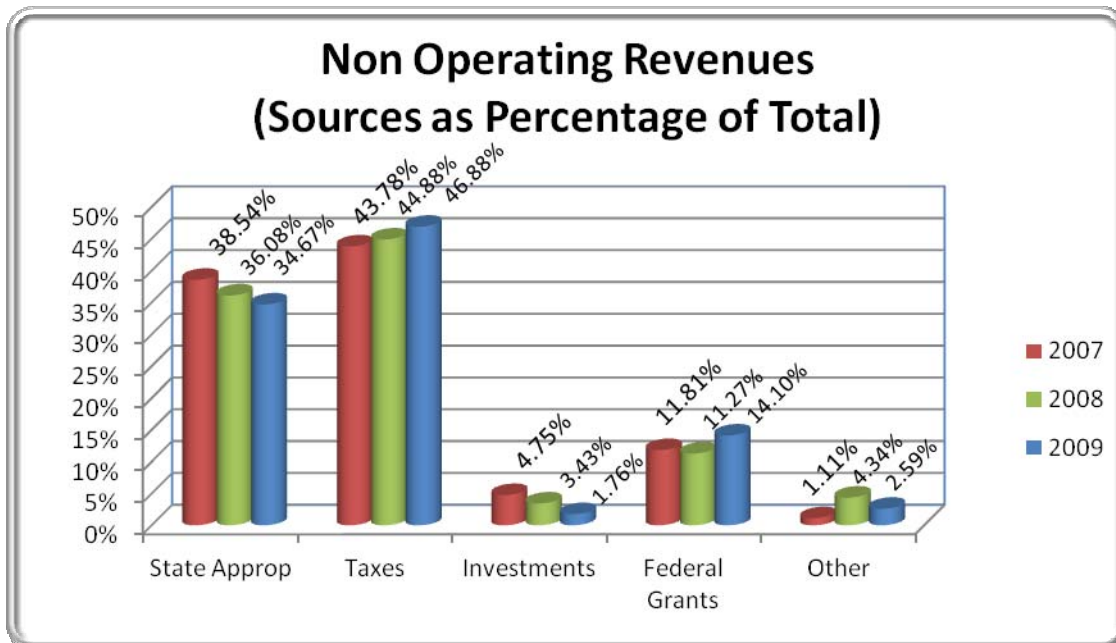
**The Statement of Revenues, Expenses, and Changes in Net Assets (Continued)**

Graphs 1 and 2 illustrate the sources of operating and non-operating revenues for fiscal years 2007 through 2009. The current trend is an increasing percentage of revenue being provided by local property taxes, auxiliary and other, and government grants. Conversely, there is a downward trend in tuition, state appropriations, and investments as a percentage of total revenues.

Graph 1



Graph 2

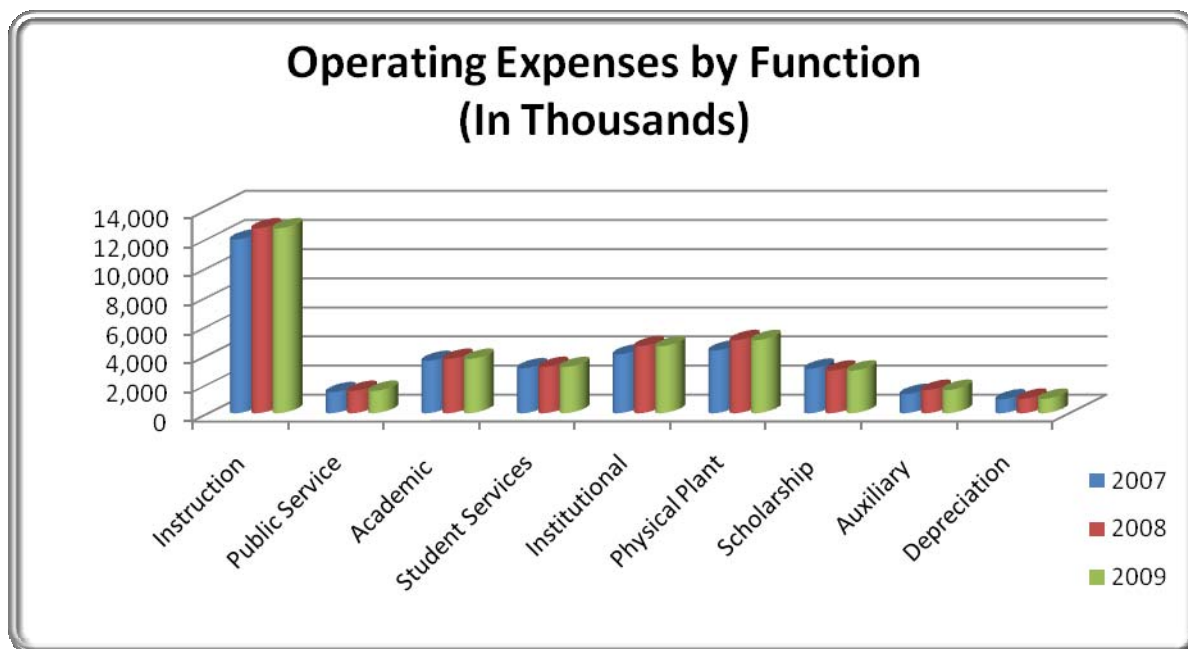


**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Revenues, Expenses, and Changes in Net Assets (Continued)**

Graph 3 compares operating expenses classified by functional category for fiscal years 2009, 2008 and 2007. Operating expenses for fiscal year 2009 increased \$2.5 million or 6.9% from fiscal year 2008. Fiscal year 2008 operating expenses increased by \$2.6, or 7.6%, over the 2007 fiscal year.

Graph 3



Key factors impacting operating expenses by functional expense categories:

- Instruction expenditures increased 6% from \$12,697,579 in 2008 to \$13,460,729 in 2009. The increase can be partially attributed to renovations in the physics and science labs paid for with CCRA Pre-engineering federal grant funds. The remainder of the increase is in salaries. In addition to annual salary increases, overload and adjunct faculty pay increased as the result of a need for additional classes to accommodate increased enrollment.
- Public Service expenditures decreased 11.9% from \$1,532,070 in 2008 to \$1,350,819 in 2009 due to the ending of two federal grants: Educational Opportunity Center Grant and Bilingual Education Grant.
- Academic Support expenditures increased by 13.0% from \$3,732,401 in 2008 to \$4,219,269 in 2009. Odessa College added an OC Global department in fiscal year 2009 and reclassified the Student Success Center expenses to their more appropriate function of academic support. Another contributing factor for the increase was the annual raise given to employees.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**The Statement of Revenues, Expenses, and Changes in Net Assets (Continued)**

- Institutional Support expenditures increased 13.1% from \$4,606,924 in 2008 to \$5,210,177 in 2009. The increase can be attributed to several factors. A change in vacation policy resulted in an increase of compensated absences of \$176,433. Software maintenance agreements increased due to the ending of a Title V grant. A new marketing campaign, including new logo design, contributed to increases in marketing expenditures. Reclassification of transportation expenses to institutional support function and annual salary raises also contributed to the increase.
- Scholarships and Fellowships expenses increased by 23.8% from 2,926,226 in 2008 to 3,621,519 in 2009. The increase can be attributed to an increase in Title IV eligible student enrollment and increase in Pell maximum award.
- Auxiliary Enterprise expenses increased by 6.9% from \$1,596,877 in 2008 to \$1,707,498 in 2009. The increase is due to post-conference travel for softball, golf, women's basketball, and dance teams participating in National competition. Annual salary increases also contributed to the increase in expenditures.
- Depreciation expense increased by 9.5% from \$989,846 in 2008 to \$1,084,259 in 2009 due to increases in capital assets.

**Capital Assets and Long Term Debt Activity**

At August 31, 2009 and 2008, the District had \$26.9 million and \$22.7 million, respectively, invested in capital assets, net of accumulated depreciation. Details of these assets for fiscal year 2009, 2008, and 2007 are shown below in Figure 3.

**Capital Assets, Net of Depreciation  
(thousands of dollars)**

	Year Ended August 31,			Increase (Decrease)	
	2009	2008	2007	2008 to 2009	2007 to 2008
Land	\$ 3,866	\$ 3,004	\$ 2,978	\$ 862	\$ 26
Buildings and improvements	25,821	25,164	24,864	657	300
Other improvements and related construction in progress	8,353	5,477	4,903	2,876	574
Furniture and equipment	6,557	5,677	5,003	880	674
Library materials	2,373	2,358	2,344	15	14
Subtotal	46,970	41,680	40,092	5,290	1,588
Less: Accumulated depreciation	(20,015)	(18,936)	(18,047)	(1,079)	(889)
Net Capital Assets	\$ 26,955	\$ 22,744	\$ 22,045	\$ 4,211	\$ 699

Figure 3

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**Capital Assets and Long Term Debt Activity (Continued)**

Investment in Land increased due to the purchase of a property contiguous to the Odessa College campus for possible future expansion. The increase in Buildings and Improvements consisted entirely of major renovation of the Composite Building. Other improvements included a new roof for the Globe Theater, heating, ventilation, and air conditioning (HVAC) upgrades in the Learning Resource Center (LRC) and Composite Technology Building, and completion of the Rudy Acosta Pavilion. Construction In Progress increased dramatically because of several unfinished projects as of August 31, 2009. These projects included the Saulsbury Room renovations, rebuilding of the Graham Center ranch barn, remodel for Wrangler Express, remodel for Student Success Center, Children's Center Playground renovations, a trucking accident repair, and preparation for demolition of the Parker Downs Dormitory. Furniture and Equipment increased as Perkins and Title V Coop funds were used to purchase instructional equipment in several vocational programs and to strengthen distance learning deliverables. In addition, ten computer labs received complete upgrades.

Odessa College refunded its 1998A Series bonds on July 15, 2009. The refunding will reduce the college's debt service payments over the next 11 years by approximately \$2.3 million, or \$1.7 million net present value. Total long-term indebtedness was \$22.7 million and \$24.3 million at August 31, 2009 and 2008, respectively. Before the refunding occurred, Odessa College made principal and interest payments on the 1998A and 1998B bonds of \$1.6 million and \$1.4 million in 2009 and 2008 fiscal years, respectively. The final payment on the 1998B bonds was made in December 2008. The average debt service payment on the 2009 Series, including interest, is \$2.5 million per year with the final maturity in December 2019. The District's underlying rating for its revenue bonds is "A-" by S & P and "A2" by Moody's. The bonds principle and interest payments are guaranteed by a municipal bond insurance policy issued by Financial Security.

**Economic Factors That Will Affect the Future**

Although the local economy has begun to trend downward with the rest of the nation, Odessa College has experienced record enrollment for fiscal year 2009 and projects the trend will continue into fiscal year 2010. Increased enrollment plus scheduled tuition rate increases for the spring of 2010 should result in higher tuition revenue for the District.

The District relies heavily on ad valorem taxes and state appropriations as its main sources of income. The District has been fortunate to receive the benefits of increased property values in Ector County the last two years but anticipates, at best, level tax revenue or, more likely, a slight decline in tax revenue for fiscal year 2010. State appropriations have failed to keep pace with inflation and as a result state funding, as a percentage of total funding, continues to trend downward. The outlook for increased state appropriations for contract hour funding is not encouraging. In addition, actions taken by state lawmakers could lead to decreased funding of group health insurance benefits for the District. The District is committed to the legislative process and will continue to work with State leaders to enlighten them of the crucial role of community colleges for the State's economic future.

The District continues to add new programs, increase enrollment, and provide quality education and services to the community and surrounding areas in which it serves. While it is not possible to predict the effects of the current or future economic conditions, management believes the District is well positioned due to its current strong financial position, increasing enrollments, and stable and committed Board of Trustees.

**Management's Discussion and Analysis  
For the Period Ending August 31, 2009 (Unaudited)**

**Economic Factors That Will Affect the Future (Continued)**

Other than the above, the District is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the current fiscal year.



## **FINANCIAL STATEMENTS**

**Odessa Junior College District**  
**STATEMENTS OF NET ASSETS**

**Exhibit 1**

**August 31,**

	<u>2009</u>	<u>2008</u>
<b>ASSETS:</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 2 and 4)	\$ 15,320,016	16,498,006
Accounts receivable, net (Note 14)	4,994,707	2,715,950
Inventories (Note 2)	4,377	4,512
Notes receivable – current, net	64,905	68,097
Prepaid items	780,445	1,057,661
Escrow deposits	<u>33,035</u>	<u>41,915</u>
<b>Total Current Assets</b>	<u>21,197,485</u>	<u>20,386,141</u>
<b>Noncurrent Assets:</b>		
Restricted cash and cash equivalents (Notes 2 and 4)	418,138	246,650
Endowment investments (Notes 2, 3 and 4)	773,550	813,199
Other long-term investments (Notes 2, 3 and 4)	10,300,740	11,171,051
Notes receivable – noncurrent, net	58,714	79,268
Unamortized bond issuance costs (Notes 2 and 5)	<u>1,326,456</u> <u>26,955,143</u>	<u>79,268</u> <u>22,743,976</u>
<b>Total Noncurrent Assets</b>	<u>39,832,741</u>	<u>35,988,049</u>
<b>Total Assets</b>	<u>\$ 61,030,226</u>	<u>56,374,190</u>
<b>LIABILITIES:</b>		
<b>Current Liabilities:</b>		
Accounts payable (Note 14)	\$ 3,711,287	1,964,753
Accrued liabilities	88,453	8,837
Accrued compensable absences (Notes 6 and 12)	232,340	55,907
Funds held for others	352,276	312,253
Deferred revenue – tuition and fees (Note 2)	3,635,969	2,918,885
Deferred revenue – other (Note 2)	293,332	217,715
Capital lease payable – current portion (Notes 6 and 7)	73,996	48,713
Bonds payable – current portion (Notes 6, 7 and 8)	<u>1,920,000</u>	<u>1,520,000</u>
<b>Total Current Liabilities</b>	<u>10,307,653</u>	<u>7,047,063</u>
<b>Noncurrent Liabilities:</b>		
Capital lease payable – noncurrent (Notes 6 and 7)	104,658	28,431
Bonds payable – noncurrent (Notes 6, 7 and 8)	20,800,000	22,760,000
Unamortized bond premium	622,941	-
Other noncurrent liabilities (Note 6)	<u>2,114</u>	<u>9,610</u>
<b>Total Noncurrent Liabilities</b>	<u>21,529,713</u>	<u>22,798,041</u>
<b>Total Liabilities</b>	<u>31,837,366</u>	<u>29,845,104</u>

**Odessa Junior College District**  
**STATEMENTS OF NET ASSETS (CONTINUED)**

**Exhibit 1**

**August 31,**

	<u>2009</u>	<u>2008</u>
NET ASSETS:		
Invested in capital assets, net of related debt	\$ 4,954,923	(975,858)
Restricted for:		
Nonexpendable:		
Student aid	773,550	813,199
Expendable:		
Student aid	199,710	140,207
Instructional programs	70,626	139,490
Loans	9,451	9,451
Debt service	4,655,911	5,190,743
Other	17,316	15,845
Unrestricted	<u>18,511,373</u>	<u>21,196,009</u>
Total Net Assets (Schedule D)	<u>29,192,860</u>	<u>26,529,086</u>
Total Liabilities and Net Assets	\$ <u>61,030,226</u>	<u>56,374,190</u>

The notes to the financial statements are an integral part of this statement.

**Odessa College Foundation, Incorporated**

**STATEMENTS OF FINANCIAL POSITION**

**December 31,**

**ASSETS**

	<u>2008</u>	<u>2007</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 883,109	552,342
Pledges receivable	<u>114,040</u>	<u>43,575</u>
Total current assets	997,149	595,917
<b>MARKETABLE SECURITIES AT FAIR VALUE</b>	3,279,019	4,554,498
<b>PLEDGES RECEIVABLE – NONCURRENT</b>	<u>233,000</u>	<u>55,000</u>
Total assets	\$ <u>4,509,168</u>	<u>5,205,415</u>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts payable	\$ -	13,909
Deferred revenue	<u>2,808</u>	<u>2,758</u>
Total current liabilities	<u>2,808</u>	<u>16,667</u>
<b>NET ASSETS</b>		
Unrestricted:		
Undesignated	(1,276,461)	689,851
Designated for Half-Century scholarships	205,155	205,155
Designed for Health Science scholarships	105,872	105,872
Temporarily restricted	2,465,230	1,431,666
Permanently restricted	<u>3,006,564</u>	<u>2,756,204</u>
Total net assets	<u>4,506,360</u>	<u>5,188,748</u>
Total current liabilities and net assets	\$ <u>4,509,168</u>	<u>5,205,415</u>

The notes to the financial statements are an integral part of this statement.

**Odessa Junior College District**

**Exhibit 2**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**

**Years ended August 31,**

	<u>2009</u>	<u>2008</u>
<b>OPERATING REVENUES:</b>		
Tuition and fees (net of discounts of \$3,061,341 and \$2,444,752, respectively)	\$ 3,787,742	3,595,275
Federal grants and contracts	3,705,881	3,532,119
State grants and contracts	490,193	420,991
Non-governmental grants and contracts	64,371	72,805
Sales and services of educational activities	251,966	287,032
Investment income (program restricted)	15,510	38,241
Auxiliary enterprises	774,992	724,989
Other operating revenue	<u>533,319</u>	<u>479,478</u>
Total operating revenues (Schedule A)	<u>9,623,974</u>	<u>9,150,930</u>
<b>OPERATING EXPENSES:</b>		
Instruction	13,460,114	12,697,579
Public service	1,350,819	1,532,070
Academic support	4,219,269	3,732,401
Student services	3,108,745	3,174,839
Institutional support	5,210,177	4,606,924
Operation and maintenance of plant	5,015,340	5,020,643
Scholarships and fellowships	3,621,519	2,926,226
Auxiliary enterprises	1,707,498	1,596,877
Depreciation	<u>1,084,259</u>	<u>989,846</u>
Total operating expenses (Schedule B)	<u>38,777,740</u>	<u>36,277,405</u>
<b>OPERATING LOSS</b>	<u>(29,153,766)</u>	<u>(27,126,475)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
State appropriations	11,387,832	11,302,166
Property taxes for maintenance and operations	15,399,232	14,058,141
Federal grants, non-operating	4,631,261	3,313,401
Gifts – noncapital	184,870	459,604
Investment income – not restricted to programs	577,832	1,074,785
Interest on capital – related debt	(1,460,945)	(1,257,115)
Loss on disposal of capital assets	(94,877)	(125,626)
Other non-operating revenues	667,388	899,877
Other non-operating expenses	<u>(80,280)</u>	<u>(79,481)</u>
Net non-operating revenues (Schedule C)	<u>31,212,313</u>	<u>29,645,752</u>
Income (loss) before other revenues	<u>2,058,547</u>	<u>2,519,277</u>

**Odessa Junior College District****Exhibit 2****STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
(CONTINUED)****Years ended August 31,**

	<u>2009</u>	<u>2008</u>
<b>OTHER REVENUES (EXPENSES):</b>		
Private capital gifts and grants	\$ 604,878	208,460
Additions to permanent endowment	<u>350</u>	<u>1,050</u>
Total other revenues	<u>605,228</u>	<u>209,510</u>
Increase in Net Assets	2,663,774	2,728,787
Net assets – beginning of year	<u>26,529,086</u>	<u>23,800,299</u>
Net assets – end of year	\$ <u>29,192,860</u>	<u>26,529,086</u>

The notes to the financial statements are an integral part of this statement.

# Odessa College Foundation, Incorporated

## STATEMENTS OF ACTIVITIES

Years ended December 31, 2008 and 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2008</u>	<u>Total 2007</u>
Revenues, gains and other support:					
Contributions (including pledges)	\$ -	769,814	222,205	992,019	605,715
Earnings (loss) on investments	12,138	102,867	28,155	143,160	305,134
Net unrealized gains (losses) on marketable securities	(1,616,501)	-	-	(1,616,501)	107,979
Reclass of net assets due to review of scholarship funding policy					
Net assets released from restrictions through satisfaction of program restrictions	(353,551)	353,551	-	-	-
	<u>192,668</u>	<u>(192,668)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues, gains and other support	<u>(1,765,246)</u>	<u>1,033,564</u>	<u>250,360</u>	<u>(481,322)</u>	<u>1,018,828</u>
Expenses:					
Scholarships	178,835	-	-	178,835	135,409
General and administrative	<u>22,231</u>	<u>-</u>	<u>-</u>	<u>22,231</u>	<u>23,688</u>
Total expenses	<u>201,066</u>	<u>-</u>	<u>-</u>	<u>201,066</u>	<u>159,097</u>
CHANGES IN NET ASSETS	(1,966,312)	1,033,564	250,360	(682,388)	859,731
Net assets at beginning of year	<u>1,000,878</u>	<u>1,431,666</u>	<u>2,756,204</u>	<u>5,188,748</u>	<u>4,329,017</u>
Net assets at end of year	\$ <u>(965,434)</u>	<u>2,465,230</u>	<u>3,006,564</u>	<u>4,506,360</u>	<u>5,188,748</u>

The notes to the financial statements are an integral part of this statement.

**Odessa Junior College District**  
**STATEMENTS OF CASH FLOWS**

**Exhibit 3**

**Years ended August 31,**

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from students and other customers	\$ 5,113,966	4,177,145
Receipts from grants and contracts	3,737,267	1,060,995
Receipts from loan collections from students and employees	195,281	728,933
Other receipts	548,829	517,718
Payments to or on behalf of employees	(22,846,693)	(19,157,769)
Payments to suppliers for goods or services	(10,430,549)	(10,794,057)
Payments of scholarships	(3,089,027)	(3,001,567)
Loans issued to student and employees	(159,641)	(194,671)
Other cash payments	277,216	(226,129)
Net cash used by operating activities	(26,653,351)	(26,889,402)
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Receipts from state allocations	11,387,832	11,302,166
Receipts from ad valorem taxes	14,832,177	14,055,763
Receipts from non-operating federal revenue	4,631,261	3,313,401
Receipts from gifts and grants other than for capital purposes	206,595	441,821
Other cash receipts	-	-
Receipts from student organizations and other agencies	1,325,581	1,294,088
Payments to student organizations and other agencies	(1,285,558)	(1,301,668)
Deposit with escrow agents	8,880	452
Net cash provided by non-capital and related financing activities	31,106,768	29,106,023
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from issuance of capital financing	23,530,661	-
Proceeds from capital grants and gifts	-	62,500
Proceeds from sale of capital assets	-	47,521
Proceeds from insurance recoveries	461,602	899,879
Purchases of capital assets	(4,738,359)	(1,644,795)
Payments on capital debt and leases	(26,299,987)	(2,745,140)
Net cash used by capital and related financing activities	(7,046,083)	(3,380,035)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Receipts from sale and maturity of investments	11,000,000	16,810,008
Receipts from investment earnings	579,164	1,020,489
Purchases of investments	(9,993,000)	(17,710,274)
Net cash provided by investing activities	1,586,164	120,223
Decrease in cash and cash equivalents	(1,006,502)	(1,043,191)
Cash and cash equivalents – September 1	16,744,656	17,787,847
Cash and cash equivalents – August 31	\$ 15,738,154	16,744,656



**Odessa Junior College District****Exhibit 3****STATEMENTS OF CASH FLOWS (CONTINUED)**

Years ended August 31,

	<u>2009</u>	<u>2008</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss	\$ (29,153,766)	(27,126,475)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	1,084,259	989,846
Changes in assets and liabilities:		
Receivable, net:		
Tuition and fees receivable, net	(338,329)	(437,089)
State and federal operating grants receivable	(661,873)	121,104
Private grants receivable	47,518	(340,756)
Employee receivable	(9,172)	(8,987)
Sales and services receivable, net	(30,794)	(28,239)
Auxiliary receivable, net	(33,135)	49,283
Inventories	135	93
Other assets	277,216	(226,222)
Accounts payable	1,099,590	(187,428)
Accrued payroll liabilities	79,616	(241,809)
Deferred revenue:		
Deferred tuition and fees revenue	717,084	70,542
Other deferred revenue	75,617	(39,487)
Compensated absences	176,433	6,091
Accrued workers comp	(7,496)	3,057
Loans to students and employees	<u>23,746</u>	<u>507,074</u>
Total adjustments	<u>2,500,415</u>	<u>237,073</u>
Net cash used by operating activities	\$ <u>(26,653,351)</u>	<u>(26,889,402)</u>

The notes to the financial statements are an integral part of this statement.

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS

August 31, 2009 and 2008

#### NOTE 1 – REPORTING ENTITY

Odessa Junior College District (the “District”) was established in 1946, in accordance with the laws of the State of Texas, to serve the educational needs of Ector County and the surrounding communities. The District is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (“GASB”) Statement 14, *The Financial Reporting Entity*. While the District receives funding from local, state, and federal sources, and must comply with the spending, reporting, and recordkeeping requirements of these entities, it is not a component unit of any other governmental entity.

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 1. *Reporting Guidelines*

The significant accounting policies followed by the District in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The District applies all applicable GASB pronouncements and all applicable Financial Accounting Standard Board (“FASB”) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. The District has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB. The District is reported as a special-purpose government engaged in business-type activities.

##### 2. *Tuition Discounting*

###### Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (“TPEG”), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award for tuition is used by the student, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

###### Title IV, HEA Program Funds

Certain Title IV HEA Program funds are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, the amounts are recorded as revenue and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

###### Other Tuition Discounts

The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

##### 3. *Basis of Accounting*

The financial statements of the District have been prepared on the accrual basis whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. *Budgetary Data*

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for current operating funds for the fiscal year beginning September 1. The budget, which is prepared on the accrual basis of accounting, is adopted by the District's Board of Trustees. A copy of the approved budget must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and the Governor's Office of Budget and Planning by December 1.

5. *Cash and Cash Equivalents*

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Because of their highly liquid nature, funds held in public funds investment pools are also considered to be cash equivalents.

6. *Investments*

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at the time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

7. *Inventories*

Inventories consist of consumable physical plant and food service supplies. Inventories are stated at the lower of cost, determined using the first-in, first-out method, or market. They are charged to expense as consumed.

8. *Capital Assets*

Capital assets are stated at cost. Donated capital assets are valued at their estimated fair market value on the date received. The District's policy calls for capitalization of equipment, infrastructure and land improvements with a unit cost of \$5,000 or more and an estimated useful life in excess of two years. Buildings and building renovations in excess of \$100,000 that significantly increase the value or extend the useful life of the structure are also capitalized. The District reports depreciation under a single-line as a business-type unit. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Buildings and Building Improvements	50 years
Other Real Estate Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles and Other Equipment	10 years
Telecommunications and Peripheral Equipment	5 years

9. *Deferred Revenue*

Deferred revenue relates to student tuition, fees and other revenues received during the current fiscal period for classes or activities to be held in the following period.

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. *Estimates*

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

11. *Operating and Non-Operating Revenue and Expense Policy*

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations Title IV grant revenue, and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets.

12. *New Accounting Pronouncements*

*GASBS No. 45*

In addition to pensions, many state and local governmental employers provide other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. OPEB includes *postemployment healthcare*, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

The approach followed in this Statement generally is consistent with the approach adopted in Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, with modifications to reflect differences between pension benefits and OPEB. Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses financial statement and disclosure requirements for reporting by administrators or trustees of OPEB plan assets or by employers or sponsors that include OPEB plan assets as trust or agency funds in their financial reports.

This Statement generally provides for prospective implementation—that is, that employers set the beginning net OPEB obligation at zero as of the beginning of the initial year. Implementation is required in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999.

The definitions and cutoff points for that purpose are the same as those in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This Statement is effective for periods beginning after December 15, 2006, for *phase 1 governments* (those with total annual revenues of \$100 million or more); after December 15, 2007, for *phase 2 governments* (those with total annual revenues of \$10 million or more but less than \$100 million); and after December 15, 2008, for *phase 3 governments* (those with total annual revenues of less than \$10 million). Earlier implementation is encouraged.

*GASBS No. 50*

GASB Statement 50, *Pension Disclosures*, became effective for periods beginning after June 15, 2007 and amends certain portions of GASB Statement 25 and Statement 27. This statement more closely aligns the financial reporting requirements for pensions with those for OPEB.

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

13. *Reclassifications*

Certain reclassifications have been made to the 2008 presentation to conform to the 2009 presentation.

14. *Characterization of Title IV Grant Revenue*

In response to guidance provided by the GASB as question/answer 7.72.10 in the Implementation Guide, revenue received for federal Title IV grant programs (i.e. Pell grants) are now characterized as non-operating revenue as opposed to operating revenue.

#### NOTE 3 – AUTHORIZED INVESTMENTS

The Board of Trustees of the District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256.001, Texas Government Code). The investments of the District are in compliance with Trustees' investment policies. Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

In accordance with Sec. 2256.005 (n) of the Public Funds Investment Act, the community college, "...shall arrange for a compliance audit of management controls on investments and adherence to the District's established investment policies. The compliance audit shall be performed by the District's internal auditor or by a private auditor...Not later than January 1 of each even numbered year, the community college shall report the results of the most recent audit performed to the state auditor."

The State Auditor has determined that the District and their independent auditors should indicate compliance with the Act by completing the following:

- the categorization of investments by risk which is required by GASB 3 in the footnote "Deposits and Investments," and
- placing a statement in the scope paragraph of the Report on Compliance and on Internal Controls over Financial Reporting which indicate the audit work covered in the Act, or
- writing a separate letter to the State Auditor's Office stating that the District is in compliance with all requirements of the Act.

#### NOTE 4 – DEPOSITS AND INVESTMENTS

**Deposits:** At August 31, 2009 and 2008, the carrying amount of the District's deposits was \$2,377,923 and \$2,411,701, respectively; and bank balances equaled \$2,657,904 and \$3,281,967. Bank balances of \$255,924 and \$147,398 are covered by federal depository insurance and \$2,401,981 and \$3,134,568 were covered by collateral pledged in the District's name. The collateral was held by the District or by its Agent (Category 1). There were no uncollateralized bank balances (Category 3) at either year end. (This would have included any bank balance that was collateralized with securities held by the pledging financial institution's department or agent but not in the Districts' name). The District held \$13,345,981 and \$14,318,705 in state approved public investment pools at August 31, 2009 and 2008, respectively.

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)**

Cash and Deposits included on Exhibit 1, Statement of Net Assets, consist of the items reported below at August 31:

<b>Cash and Deposits</b>			
		<u>2009</u>	<u>2008</u>
Bank Deposits			
Demand Deposits	\$	617,374	683,971
Transit Items		(279,981)	(870,265)
Time Deposits		<u>2,040,530</u>	<u>2,597,995</u>
		<u>2,377,923</u>	<u>2,411,701</u>
Cash and Cash Equivalents			
Public Funds Investment Pools		13,345,981	14,318,705
Petty Cash on Hand		<u>14,250</u>	<u>14,250</u>
Total Cash and Deposits	\$	<u>15,738,154</u>	<u>16,744,656</u>

**Reconciliation of Deposits and Investments to Exhibit 1**

<u>Type of Security</u>	<u>Market Value</u> <u>August 31, 2009</u>	<u>Market Value</u> <u>August 31, 2008</u>
Total Cash and Deposits	\$ 15,738,154	16,744,656
Total Investments	<u>11,074,290</u>	<u>11,984,250</u>
Total Deposits and Investments	\$ <u>26,812,444</u>	<u>28,728,906</u>
Current Cash and Temporary Investments (Exh. 1)	\$ 15,320,016	16,498,006
Restricted Cash and Temporary Investments (Exh. 1)	418,138	246,650
Agency Cash and Temporary Investments (Exh. 1)	-	-
Endowment Investments (Exh. 1)	773,550	813,199
Other Long-Term Investments (Exh. 1)	<u>10,300,740</u>	<u>11,171,051</u>
Total Deposits and Investments (Exh. 1)	\$ <u>26,812,444</u>	<u>28,728,906</u>

As of August 31, 2009, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities in Years</u>		
		<u>Less than 1</u>	<u>1 to 2</u>	<u>2 to 5</u>
U.S. Government Securities	\$ 8,050,110	-	3,045,960	5,004,150
Certificate of Deposit	<u>3,024,180</u>	<u>1,007,357</u>	<u>2,016,823</u>	-
Total Fair Value	\$ <u>11,074,290</u>	<u>1,007,357</u>	<u>5,062,783</u>	<u>5,004,150</u>

As of August 31, 2008, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities in Years</u>		
		<u>Less than 1</u>	<u>1 to 2</u>	<u>2 to 5</u>
U.S. Government Securities	\$ <u>11,984,250</u>	-	-	<u>11,984,250</u>
Total Fair Value	\$ <u>11,984,250</u>	-	-	<u>11,984,250</u>

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

**Interest Rate Risk:** In accordance with state law and District policy, the District has established maturity limitations on investments purchased. Investments of the operating and renewal and replacement funds do not have maturities in excess of 5 years. Investments of debt service funds do not have maturities in excess of the debt service dates. Additionally, maturities of commercial paper and banker's acceptances shall not exceed 270 days, repurchase agreements shall not exceed 2 years, and reverse repurchase agreements shall not exceed 90 days.

**Credit Risk:** In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations of states, agencies, counties, cities, and other political subdivisions must be rated at least A. Applicable credit ratings of investments at August 31, 2009 and 2008 are reported below:

<u>Investment Type</u>	<u>Credit Rating</u>
U.S. Government Agencies – FHLB	S&P: AAAe; Moody's:Aaa
U.S. Government Agencies – FHLMC	S&P: AAAe; Moody's:Aaa; FI: AAAe
U.S. Government Agencies – FNMA	S&P: AAAe; Moody's:Aaa;FI: AAAe
Tex Pool Prime	S&P: AAAm
TexPool	S&P: AAAm
LOGIC	S&P: AAAm
Lone Star Liquidity Plus	S&P: AAAm
Lone Star Liquidity Corporate	S&P: AAAf/S1+

**Concentration of Credit Risk:** The District does not place a limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are in FHLB securities (11.4%), FHLMC securities (11.2%), and FNMA securities (11.3%).

**Custodial Credit Risk:** The District's investments have no custodial credit risk.

#### NOTE 5 – CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2009, was as follows:

	<u>Balance</u> <u>September 1,</u> <u>2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>August 31,</u> <u>2009</u>
<b><u>Not Depreciated:</u></b>				
Land	\$ 3,003,777	861,789	-	3,865,566
Construction in progress	<u>573,849</u>	<u>2,402,643</u>	<u>428,067</u>	<u>2,548,425</u>
Total Capital Assets – Non-Depreciated	<u>3,577,626</u>	<u>3,264,432</u>	<u>428,067</u>	<u>6,413,991</u>
<b><u>Other Capital Assets:</u></b>				
Buildings and building improvements	25,163,942	657,346	-	25,821,288
Other real estate improvements	<u>4,903,032</u>	<u>902,336</u>	-	<u>5,805,368</u>
Total Buildings and Other Improvements	30,066,974	1,559,682	-	31,626,656
Library books	2,358,509	109,673	94,877	2,373,305
Furniture, machinery and equipment	<u>5,677,323</u>	<u>884,583</u>	<u>5,243</u>	<u>6,556,663</u>
Total Capital Assets – Depreciable	<u>38,102,806</u>	<u>2,553,938</u>	<u>100,120</u>	<u>40,556,624</u>
<b><u>Accumulated Depreciation:</u></b>				
Buildings and building improvements	12,876,179	416,220	-	13,292,399
Other real estate improvements	<u>2,395,009</u>	<u>133,720</u>	-	<u>2,528,729</u>
Total Buildings and Other Improvements	15,271,188	549,940	-	15,821,128
Library books	55,085	31,340	-	86,425
Furniture, machinery and equipment	<u>3,610,183</u>	<u>502,979</u>	<u>5,243</u>	<u>4,107,919</u>
Total Accumulated Depreciation	<u>18,936,456</u>	<u>1,084,259</u>	<u>5,243</u>	<u>20,015,472</u>
Net Capital Assets	\$ <u>22,743,976</u>	<u>4,734,111</u>	<u>522,944</u>	<u>26,955,143</u>

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 5 – CAPITAL ASSETS (CONTINUED)

Capital assets activity for the year ended August 31, 2008, was as follows:

	<u>Balance</u> <u>September 1,</u> <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>August 31,</u> <u>2008</u>
<b><u>Not Depreciated:</u></b>				
Land	\$ 2,978,059	25,718	-	3,003,777
Construction in progress	-	<u>573,849</u>	-	<u>573,849</u>
Total Capital Assets – Non-Depreciated	<u>2,978,059</u>	<u>599,567</u>	-	<u>3,577,626</u>
<b><u>Other Capital Assets:</u></b>				
Buildings and building improvements	24,863,901	351,557	51,516	25,163,942
Other real estate improvements	<u>4,903,032</u>	-	-	<u>4,903,032</u>
Total Buildings and Other Improvements	29,766,933	351,557	51,516	30,066,974
Library books	2,344,647	113,733	99,871	2,358,509
Furniture, machinery and equipment	<u>5,002,685</u>	<u>817,473</u>	<u>142,835</u>	<u>5,677,323</u>
Total Capital Assets – Depreciable	<u>37,114,265</u>	<u>1,282,763</u>	<u>294,222</u>	<u>38,102,806</u>
<b><u>Accumulated Depreciation:</u></b>				
Buildings and building improvements	12,473,170	412,157	9,148	12,876,179
Other real estate improvements	<u>2,265,048</u>	<u>129,961</u>	-	<u>2,395,009</u>
Total Buildings and Other Improvements	14,738,218	542,118	9,148	15,271,188
Library books	31,305	23,780	-	55,085
Furniture, machinery and equipment	<u>3,277,954</u>	<u>423,948</u>	<u>91,719</u>	<u>3,610,183</u>
Total Accumulated Depreciation	<u>18,047,477</u>	<u>989,846</u>	<u>100,867</u>	<u>18,936,456</u>
Net Capital Assets	\$ <u>22,044,847</u>	<u>892,484</u>	<u>193,355</u>	<u>22,743,976</u>

#### NOTE 6 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended August 31, 2009, was as follows:

	<u>Balance</u> <u>September 1,</u> <u>2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>August 31,</u> <u>2009</u>	<u>Due Within</u> <u>One Year</u>
<b><u>Bonds</u></b>					
1998 Revenue bonds and notes	\$ 24,280,000	-	24,280,000	-	-
2009 Revenue bonds	-	<u>22,720,000</u>	-	<u>22,720,000</u>	<u>1,920,000</u>
Total Bonds	<u>24,280,000</u>	<u>22,720,000</u>	<u>24,280,000</u>	<u>22,720,000</u>	<u>1,920,000</u>
<b><u>Leases</u></b>					
Capital Leases	<u>77,144</u>	<u>187,720</u>	<u>86,210</u>	<u>178,654</u>	<u>73,996</u>
Total Capital Leases	<u>77,144</u>	<u>187,720</u>	<u>86,210</u>	<u>178,654</u>	<u>73,996</u>
<b><u>Other Liabilities</u></b>					
Accrued compensable absences	55,907	176,433	-	232,340	232,340
Accrued workers compensation	<u>9,610</u>	-	<u>7,496</u>	<u>2,114</u>	-
Total Other Liabilities	<u>65,517</u>	<u>176,433</u>	<u>7,496</u>	<u>234,454</u>	<u>232,340</u>
Total Long-Term Liabilities	\$ <u>24,422,661</u>	<u>23,084,153</u>	<u>24,373,706</u>	<u>23,133,108</u>	<u>2,226,336</u>



**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)**

Long-term liability activity for the year ended August 31, 2008, was as follows:

	Balance September 1, <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	Balance August 31, <u>2008</u>	Due Within <u>One Year</u>
<b><u>Bonds</u></b>					
Revenue bonds and notes	\$ 25,705,000	-	1,425,000	24,280,000	1,520,000
General obligation bonds	-	-	-	-	-
<b>Total Bonds</b>	<b><u>25,705,000</u></b>	<b><u>-</u></b>	<b><u>1,425,000</u></b>	<b><u>24,280,000</u></b>	<b><u>1,520,000</u></b>
<b><u>Leases</u></b>					
Capital Leases	<u>140,169</u>	-	<u>63,025</u>	<u>77,144</u>	<u>48,713</u>
<b>Total Capital Leases</b>	<b><u>140,169</u></b>	<b><u>-</u></b>	<b><u>63,025</u></b>	<b><u>77,144</u></b>	<b><u>48,713</u></b>
<b><u>Other Liabilities</u></b>					
Accrued compensable absences	49,816	6,091	-	55,907	55,907
Early retirement benefits	-	-	-	-	-
Accrued workers compensation	<u>6,553</u>	<u>3,057</u>	-	<u>9,610</u>	-
<b>Total Other Liabilities</b>	<b><u>56,369</u></b>	<b><u>9,148</u></b>	<b><u>-</u></b>	<b><u>65,517</u></b>	<b><u>55,907</u></b>
<b>Total Long-Term Liabilities</b>	<b>\$ <u>25,901,538</u></b>	<b><u>9,148</u></b>	<b><u>1,488,025</u></b>	<b><u>24,422,661</u></b>	<b><u>1,624,620</u></b>

**NOTE 7 – DEBT AND LEASE OBLIGATIONS**

Debt service obligations at August 31, 2009, were as follows:

For the Year Ended <u>August 31,</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	1,920,000	650,029	2,570,029
2011	1,795,000	688,825	2,483,825
2012	1,850,000	634,150	2,484,150
2013	1,905,000	577,825	2,482,825
2014	1,965,000	519,775	2,484,775
2015-2019	10,855,000	1,561,900	12,416,900
2020	<u>2,430,000</u>	<u>48,600</u>	<u>2,478,600</u>
<b>Total</b>	<b>\$ <u>22,720,000</u></b>	<b><u>4,681,104</u></b>	<b><u>27,401,104</u></b>

The following schedule shows the future minimum payments required for capital leases having initial or remaining noncancellable lease terms in excess of one year.

For the Year Ended <u>August 31,</u>	<u>Capital Leases</u>
2010	\$ 73,996
2011	41,531
2012	41,531
2013	<u>21,596</u>
<b>Total minimal lease payments</b>	<b>178,654</b>
<b>Less: Applicable interest</b>	<b><u>(13,092)</u></b>
<b>Total</b>	<b>\$ <u>165,562</u></b>

## **Odessa Junior College District**

### **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

#### **NOTE 8 – BONDS PAYABLE**

General information related to bonds payable is summarized below:

❖ **Revenue Refunding and Improvement Bonds, Tax Exempt Series 1998A**

- To retire bonded debt outstanding in the amount of \$19,650,000 (Series 1995), as of May 31, 1998, to pay for related bond issuance costs, and to deposit \$140,061 in a debt service reserve fund in accordance with the bond agreement.
- Issued on May 31, 1998.
- \$24,230,000 original amount of issue; all authorized bonds have been issued.
- The Bonds are special limited tax-exempt obligations of the Board, payable from and equally and ratably secured by a first lien pledge of certain revenues of the District (the gross revenues) which include: the general use fee, the tuition pledge, the District bookstore revenues, the dormitory system revenues, the operating fees, gifts, grants, or donations from any public or private source that are not restricted or dedicated with respect to their use or purpose, and the earnings on all investments of the District lawfully available for such purpose.
- The Bonds are due in annual installments of principal and interest varying from \$1,214,765 to \$2,690,625, with interest rates from 4.0% to 5.0%, and with the final installment due on December 2019. Optional redemption may begin in December 2007.
- The Bonds were fully refunded by the Series 2009 Bonds. No bonds remain outstanding.

❖ **Revenue Refunding Bonds, Taxable Series 1998B**

- To retire bonded debt outstanding in the amount of \$9,620,000 (Series 1995), as of May 31, 1998, and to pay for related bond issuance costs.
- Issued on May 31, 1998.
- \$10,685,000 original amount of issue; all authorized bonds have been issued.
- The Bonds are special limited taxable obligations of the Board, payable from and equally and ratably secured by a first lien pledge of certain revenues of the District (the gross revenues) which include: the general use fee, the tuition pledge, the District bookstore revenues, the dormitory system revenues, the operating fees, gifts, grants, or donations from any public or private source that are not restricted or dedicated with respect to their use or purpose, and the earnings on all investments of the District lawfully available for such purpose.
- The Bonds are due in annual installments of principal and interest varying from \$283,938 to \$1,465,744, with interest rates from 5.76% to 6.50%, and with the final installment due in December 2008. Optional redemption may begin in June 2005.
- The final payment was made in December 2008. No bonds remain outstanding.

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 8 – BONDS PAYABLE**

❖ **Consolidated Fund Revenue Refunding Bonds, Series 2009**

- To refund the outstanding obligations of the Series 1998-A Bonds, to pay for related bond issuance costs and to deposit \$2,491,009 in a debt service reserve fund in accordance with the bond agreement.
- Issued on July 15, 2009.
- \$22,720,000 original amount of issue; all authorized bonds have been issued.
- The Bonds are special limited tax-exempt obligations of the District, payable from and equally and ratably secured by a first lien pledge of certain revenues of the District (the gross revenues) which include: the general use fee, the tuition pledge, the District bookstore revenues, the tuition pledge, the college cafeteria revenues, the dormitory system revenues, the operating fees, gifts, grants, or donations from any public or private source that are not restricted or dedicated with respect to their use or purpose, and the earnings on all investments of the District lawfully available for such purpose.
- The Bonds are due in annual installments of principal and interest varying from \$2,478,600 to \$2,570,029, with interest rates from 3.00% to 4.00%, and with the final installment due in December 1, 2019. The Bonds are not subject to redemption prior to stated maturity.

**Summary of Current Refunding**

- Consolidated Fund Revenue Refunding Bonds, Series 2009.
- Current refunded \$22,760,000 of Revenue Refunding and Improvement Bonds, Tax Exempt Series 1998A.
- Issued refunding bonds on July 15, 2009.
- \$22,720,000 – all authorized bonds have been issued.
- Average interest rate of refunded Series 1998A Bonds – 4.981%.
- Average interest rate of Series 2009 Refunding Bonds – 3.504%.
- The Series 1998A Bonds are considered fully defeased and the liability for those bonds has been removed.
- Advance refunding of the Series 1998A Bonds reduced the District’s debt service payment over the next 11 years by approximately \$2,261,952.
- Economic Gain of \$1,708,434 – difference between the net present value of the old and new debt service payments.

A summary of bond principal is as follows:

	Balance <u>Sept. 1, 2008</u>	<u>Issued</u>	Refunded or <u>Retired</u>	Balance <u>Aug. 31, 2009</u>
Series 1998A Bonds	\$ 24,005,000	-	24,005,000	-
Series 1998B Bonds	275,000	-	275,000	-
Series 2009 Bonds	-	<u>22,720,000</u>	-	<u>22,720,000</u>
<b>Total Bonds</b>	<b>\$ <u>24,280,000</u></b>	<b><u>22,720,000</u></b>	<b><u>24,280,000</u></b>	<b><u>22,720,000</u></b>

As of August 31, 2009, there were no defeased bonds outstanding.

## Odessa Junior College District

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

August 31, 2009 and 2008

#### NOTE 9 – OPERATING LEASE COMMITMENTS

The District leases various equipment and facilities by means of Operating Lease Agreements. These agreements have clauses which allow the District to terminate the agreement if funding becomes unavailable or the Board of Trustees does not approve funding. Operating lease payments during the fiscal years ended August 31, 2009 and 2008 were \$193,794 and \$429,102, respectively.

Future minimum rental payments are as follows:

For the Year Ended August 31,	Operating Leases
2010	\$ 125,833
2011	56,080
2012	36,704
2013	29,705
2014	<u>14,564</u>
Total	\$ <u>262,886</u>

#### NOTE 10 – EMPLOYEES' RETIREMENT PLAN

The State of Texas has joint contributory retirement plans for almost all its employees. One of the primary plans in which the District participates is administered by the Teacher Retirement System of Texas.

##### **Teacher Retirement System of Texas**

*Plan Description.* The Odessa Junior College District contributes to the Teacher Retirement System of Texas ("TRS"), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a publicly available financial report with required supplementary information which can be obtained from [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4% for fiscal years 2009 and a state contribution rate of 6.58% for fiscal year 2008. In certain instances the reporting district is required to make all or a portion of the state's 6.4% contribution for fiscal year 2009 and 6.58% for fiscal year 2008.

##### **Optional Retirement Plan**

*Plan Description.* The state has also established an optional retirement program for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The Optional Retirement Program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 10 – EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**Optional Retirement Plan (Continued)**

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. State law provides for a member contribution rate of 6.65% and a state contribution rate of 6.58% for fiscal years 2009 and 2008. The District contributes 1.31% for employees who were participating in the Optional Retirement Program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the State for the District was \$842,201 and \$819,111 for the fiscal years ended August 31, 2009 and 2008, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the District.

The total payroll for all District employees was \$18,028,363 and \$16,951,214 for fiscal years 2009 and 2008, respectively. The total payroll of employees covered by the Teacher Retirement System was \$10,417,641 and \$9,563,537 and the total payroll of employees covered by the Optional Retirement Program was \$4,852,637 and \$5,181,313 for fiscal years 2009 and 2008, respectively.

**NOTE 11 – DEFERRED COMPENSATION PROGRAM**

The District's employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. As of August 31, 2009 and 2008, the District had no employees participating in the program.

**NOTE 12 – COMPENSABLE ABSENCES**

Full-time employees in 12-month positions earn vacation leave from 6.67 to 13.33 hours per month depending on the number of years employed with the District. The District's policy allows a full-time employee to accumulate a balance equal to one hundred fifty percent (150%) of his or her annual accrual rate. Prior to September 1, 2008, the District's policy required unused vacation to be reduced by fifty percent (50%) on August 31<sup>st</sup> with a maximum accumulation of two hundred forty (240) hours. Employees with at least six months of service who terminate their employment are entitled to payment for all accumulated vacation leave. The District has recognized the accrued liability for the unpaid annual leave for the periods ending August 31, 2009 and 2008 in the amounts of \$232,340 and \$55,907 respectively.

Sick leave, which can be accumulated to a maximum of seven hundred twenty (720) hours, is earned at a rate of eight (8) hours per month. The District's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

**NOTE 13 – PENDING LAWSUITS AND CLAIMS**

On August 31, 2009, a lawsuit brought by a former employee of the District was pending. While the ultimate liability with respect to litigation and other claims asserted against the District cannot be reasonably estimated at this time, this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the District.

The District receives federal, state and local grants that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. The District's management believes such disallowances, if any, will not have a material effect on the basic financial statements.

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 14 – DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES**

Receivables at August 31, 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Tuition and fees receivable	\$ 1,144,617	792,160
Taxes receivable	1,579,703	1,334,786
Federal receivable	1,301,550	737,126
State receivable	139,245	41,796
Interest receivable	21,060	119,432
Other receivables	<u>1,949,480</u>	<u>1,123,090</u>
Subtotal	6,135,655	4,148,390
Allowance for doubtful accounts	<u>(1,140,948)</u>	<u>(1,432,440)</u>
Total	\$ <u>4,994,707</u>	<u>2,715,950</u>

Payables at August 31, 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Vendors payable – operations	\$ 1,550,251	983,487
Vendors payable – capital	773,589	126,645
Students payable	1,366,933	834,440
Payroll deductions payable	<u>20,514</u>	<u>20,181</u>
Total	\$ <u>3,711,287</u>	<u>1,964,753</u>

**NOTE 15 – CONTRACT AND GRANT AWARDS**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2 and Schedule A and Schedule C. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during fiscal years 2009 and 2008 for which monies have not been received nor funds expended totaled \$4,896,428 and \$7,110,654, respectively. Of these amounts, \$4,509,847 and \$6,363,921 were from federal contract and grant awards; \$310,974 and \$568,047 were from state contract and grant awards; and \$75,967 and \$178,686 were from private contract and grant awards for the fiscal years ended August 31, 2009 and 2008, respectively.

**NOTE 16 – POST RETIREMENT, HEALTH CARE AND LIFE INSURANCE BENEFITS**

In addition to the pension benefits described, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they have reached the minimum age for retirement, have the required years of service, and meet applicable qualifications of TRS, Optional Retirement Program (“ORP”) and Employees Retirement System of Texas (“ERS”).

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 16 – POST RETIREMENT, HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)**

Those and similar benefits for active employees are provided through the state's Group Benefits Program. Certain categories of employees, such as physical plant and auxiliary staff, are not eligible for state funding of health care benefits. Premiums are based on benefits paid during the previous year. The state's contribution per full-time employee was \$361 per month for HealthSelect coverage and \$403 per month for HMO FirstCare coverage for the year ended August 31, 2009 (\$361 and \$381 per month, respectively, for fiscal year 2008).

The cost of providing health care benefits to retirees and active employees is as follows for the years ending August 31:

	<u>2009</u>	<u>2008</u>
Number of retirees receiving benefits	<u>149</u>	<u>151</u>
Cost of state's contribution	\$ <u>688,791</u>	<u>685,653</u>
Cost of local contribution	<u>43,264</u>	<u>47,591</u>
<b>Total cost of benefits for retirees</b>	\$ <u><u>732,055</u></u>	<u><u>733,244</u></u>
Number of active employees receiving benefits	<u>330</u>	<u>337</u>
Cost of state's contribution	\$ <u>1,304,450</u>	<u>1,285,664</u>
Cost of federal grant contribution	<u>158,471</u>	<u>152,465</u>
Cost of local contribution	<u>302,140</u>	<u>348,891</u>
<b>Total cost of benefits for active employees</b>	\$ <u><u>1,765,061</u></u>	<u><u>1,787,020</u></u>

**NOTE 17 – AD VALOREM TAX**

The District's ad valorem property tax is levied each October 1<sup>st</sup> on the assessed value listed as of the prior January 1<sup>st</sup> for all real and business personal property located in the District.

At August 31:

	<u>2009</u>	<u>2008</u>
Assessed valuation of the District (at January 1, 2008 and 2007)	\$ <u>11,945,387,824</u>	<u>9,694,085,284</u>
Less: exemptions	<u>(2,046,136,131)</u>	<u>(1,648,824,601)</u>
Less: abatements	<u>(498,571,092)</u>	<u>(414,693,143)</u>
<b>Net assessed valuation of the District</b>	\$ <u><u>9,400,680,601</u></u>	<u><u>7,630,567,540</u></u>

At August 31:

	<u>2009</u>			<u>2008</u>		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Authorized tax rate per \$100 valuation (Maximum per enabling legislation)	\$ 0.20	0.50	0.70	0.20	0.50	0.70
Assessed tax rate per \$100 valuation	\$ 0.1624	-	0.1624	.1817	-	.1817

Taxes levied (including adjustments to the certified levies) for the years ended August 31, 2009 and 2008 were \$15,211,938 and \$13,808,576, respectively. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 17 – AD VALOREM TAX (CONTINUED)**

At August 31:	2009			2008		
	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 14,634,950	-	14,634,950	13,453,097	-	13,453,097
Delinquent taxes collected	282,915	12,743	295,658	315,078	14,192	329,270
Penalties and interest collected	<u>194,552</u>	<u>8,763</u>	<u>203,315</u>	<u>230,491</u>	<u>10,382</u>	<u>240,873</u>
Total collections	\$ <u>15,112,417</u>	<u>21,506</u>	<u>15,133,923</u>	<u>13,998,666</u>	<u>24,574</u>	<u>14,023,240</u>

Tax collections for the years ended August 31, 2009 and 2008 were 96.21% and 97.43%, respectively, of the current year adjusted tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to maintenance and operations.

**NOTE 18 – INCOME TAXES**

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. The District has no unrelated business income tax liability for the years ended August 31, 2009 and 2008.

**NOTE 19 – COMPONENT UNITS**

Odessa College Foundation, Incorporated (the “Foundation”) was established as a separate nonprofit organization in 1996, to raise funds to provide student scholarships and assistance in the development and growth of the District. Under Governmental Standards Board Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

Accordingly, the Foundation financial statements are included in the District’s annual report as a discrete component unit (see table of contents). Complete financial statements of the Odessa College Foundation, Incorporated can be obtained from the administrative offices of the Foundation/Odessa Junior College District.

**NOTE 20 POST EMPLOYMENT BENEFITS OTHER THAN PENSION**

(In accordance with GASB Statement 45)

**Plan Description.** The District contributes to the State Retiree Health Plan (“SRHP”), a cost sharing, multiple-employer, defined benefit post employment healthcare plan administered by the ERS. SRHP provides medical benefits to retired employees of participating universities, community colleges, and state agencies in accordance with Chapter 1551, Texas Insurance Code. Benefit and contribution provisions of the SRHP are authorized by State law and may be amended by the Texas Legislature.



**Odessa Junior College District**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**August 31, 2009 and 2008**

**NOTE 20 POST EMPLOYMENT BENEFITS OTHER THAN PENSION (CONTINUED)**

ERS issues a publically available financial report that includes financial statements and required supplementary information for SRHP. The report may be obtained from ERS via their website at <http://www.ers.state.tx.us/>.

**Funding Policy.** Section 1551.055 of Chapter 1551, Texas Insurance Code provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS board of trustees. Plan members or beneficiaries receiving benefits pay any premium over and above the employer contribution.

The employer's share of the cost of retiree healthcare coverage to the current year is known as the implicit rate subsidy. It is the difference between the claims costs for the retirees and the amounts contributed by the retiree. The ERS board of trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB statement 45.

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

The college's contribution to SRHP for the years ended August 31, 2009, 2008, and 2007 were \$43,264, \$47,591, and \$51,918, respectively, which equaled the required contributions each year.

**REQUIRED SUPPLEMENTAL INFORMATION**

**Odessa Junior College District**

**Schedule A**

**SCHEDULE OF OPERATING REVENUES**

**Year Ended August 31, 2009  
With Memorandum Totals for the Year Ended August 31, 2008**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2009 Total</u>	<u>2008 Total</u>
<b>Tuition:</b>						
State-funded credit courses						
In-district resident tuition	\$ 2,378,529	-	2,378,529	-	2,378,529	2,156,907
Out-of-district resident tuition	1,432,369	-	1,432,369	-	1,432,369	1,266,993
Non-resident tuition	355,782	-	355,782	-	355,782	290,793
TPEG credit set aside *	222,386	-	222,386	-	222,386	199,437
State-funded continuing education	570,566	-	570,566	-	570,566	498,540
TPEG non-credit set aside *	36,178	-	36,178	-	36,178	31,823
Non-state funded educational programs	<u>261,540</u>	-	<u>261,540</u>	-	<u>261,540</u>	<u>209,015</u>
Total tuition	<u>5,257,350</u>	<u>-</u>	<u>5,257,350</u>	<u>-</u>	<u>5,257,350</u>	<u>4,653,508</u>
<b>Fees:</b>						
Student use fees	819,527	-	819,527	-	819,527	757,787
Institutional/course fees	453,587	-	453,587	-	453,587	360,173
Student service fees	-	-	-	81,844	81,844	80,882
Laboratory fees	135,777	-	135,777	-	135,777	135,259
Other fees	<u>87,253</u>	<u>13,745</u>	<u>100,998</u>	-	<u>100,998</u>	<u>52,418</u>
Total fees	<u>1,496,144</u>	<u>13,745</u>	<u>1,509,889</u>	<u>81,844</u>	<u>1,591,733</u>	<u>1,386,519</u>
<b>Scholarship allowances and discounts:</b>						
Scholarship allowances	(488,745)	(68,852)	(557,597)	-	(557,597)	(579,262)
Local remissions and exemptions	(3,953)	-	(3,953)	-	(3,953)	(6,874)
State remissions and exemptions	(123,416)	-	(123,416)	(694)	(124,110)	(110,382)
TPEG allowances	(90,222)	-	(90,222)	-	(90,222)	(140,259)
Federal grants to students	-	(2,122,902)	(2,122,902)	-	(2,122,902)	(1,498,592)
State grants to students	-	<u>(162,557)</u>	<u>(162,557)</u>	-	<u>(162,557)</u>	<u>(109,383)</u>
Total scholarship allowances	<u>(706,336)</u>	<u>(2,354,311)</u>	<u>(3,060,647)</u>	<u>(694)</u>	<u>(3,061,341)</u>	<u>(2,444,752)</u>
<b>Total net tuition and fees</b>	<u>6,047,158</u>	<u>(2,340,566)</u>	<u>3,706,592</u>	<u>81,150</u>	<u>3,787,742</u>	<u>3,595,275</u>
<b>Other operating revenues:</b>						
Federal grants and contracts	66,141	3,639,740	3,705,881	-	3,705,881	3,532,119
State grants and contracts	-	490,193	490,193	-	490,193	420,991
Nongovernmental grants and contracts	-	64,371	64,371	-	64,371	72,805
Sales and services of educational activities	251,966	-	251,966	-	251,966	287,032
Investment income (program restricted)	-	15,012	15,012	498	15,510	38,241
General operating revenues	<u>505,551</u>	<u>27,768</u>	<u>533,319</u>	-	<u>533,319</u>	<u>479,478</u>
Total other operating revenues	<u>823,658</u>	<u>4,237,084</u>	<u>5,060,742</u>	<u>498</u>	<u>5,061,240</u>	<u>4,830,666</u>

**Odessa Junior College District**

**Schedule A**

**SCHEDULE OF OPERATING REVENUES (CONTINUED)**

**Year Ended August 31, 2009  
With Memorandum Totals for the Year Ended August 31, 2008**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2009 Total</u>	<u>2008 Total</u>
Auxiliary enterprises:						
Bookstore	\$ -	-	-	195,398	195,398	176,980
Food service	-	-	-	411,570	411,570	386,810
Student housing	-	-	-	11,712	11,712	10,196
Other auxiliaries	-	-	-	<u>156,312</u>	<u>156,312</u>	<u>151,003</u>
Total net auxiliary enterprises	-	-	-	<u>774,992</u>	<u>774,992</u>	<u>724,989</u>
Total Operating Revenues	\$ <u>6,870,816</u>	<u>1,896,518</u>	<u>8,767,334</u>	<u>856,640</u>	<u>9,623,974</u> (Exhibit 2)	<u>9,150,930</u> (Exhibit 2)

\* In accordance with Education Code 56.033, \$258,564 and \$231,261 for years ending August 31, 2009 and 2008, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

**Odessa Junior College District**

**Schedule B**

**SCHEDULE OF OPERATING EXPENSES  
BY OBJECT**

**Year Ended August 31, 2009  
With Memorandum Totals for the Year Ended August 31, 2008**

	<u>Salaries &amp; Wages</u>	<u>Staff Benefits</u>		<u>Other Expenses</u>	<u>2009 Total</u>	<u>2008 Total</u>
		<u>State</u>	<u>Local</u>			
Unrestricted - Educational Activities						
Instruction	\$ 8,375,224	-	595,748	1,163,852	10,134,824	9,815,606
Public service	604,093	-	22,331	212,815	839,239	988,446
Academic support	1,978,272	-	119,148	672,075	2,769,495	2,388,703
Student services	1,786,907	-	117,441	433,649	2,337,997	2,096,796
Institutional support	2,253,946	-	825,979	1,624,899	4,704,824	4,034,473
Operation and maintenance of plant	963,822	-	201,943	3,533,770	4,699,535	4,631,173
Scholarship and fellowships	-	-	-	595,276	595,276	566,045
Total Unrestricted Educational Activities	<u>15,962,264</u>	<u>-</u>	<u>1,882,590</u>	<u>8,236,336</u>	<u>26,081,190</u>	<u>24,521,242</u>
Restricted - Educational Activities						
Instruction	845,051	1,441,723	99,840	938,676	3,325,290	2,881,973
Public service	221,381	70,197	42,482	177,520	511,580	543,624
Academic support	373,293	434,012	83,341	559,128	1,449,774	1,343,697
Student services	159,745	406,682	35,395	168,926	770,748	1,078,043
Institutional support	26,474	482,828	-	(3,949)	505,353	572,443
Operation and maintenance of plant	-	-	-	315,805	315,805	389,470
Scholarship and fellowships	-	-	-	3,026,243	3,026,243	2,360,191
Total Restricted Educational Activities	<u>1,625,944</u>	<u>2,835,442</u>	<u>261,058</u>	<u>5,182,349</u>	<u>9,904,793</u>	<u>9,169,441</u>
Total Educational Activities	17,588,208	2,835,442	2,143,648	13,418,685	35,985,983	33,690,683
Auxiliary Enterprises	440,155	-	78,621	1,188,722	1,707,498	1,596,876
Depreciation Expense – Buildings and other real estate improvements	-	-	-	549,940	549,940	542,118
Depreciation Expense – Equipment and furniture	-	-	-	534,319	534,319	447,728
Total Operating Expenses	\$ <u>18,028,363</u>	<u>2,835,442</u>	<u>2,222,269</u>	<u>15,691,666</u>	<u>38,777,740</u> (Exhibit 2)	<u>36,277,405</u> (Exhibit 2)

**Odessa Junior College District**

**Schedule C**

**SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES**

**Year Ended August 31, 2009  
With Memorandum Totals for the Year Ended August 31, 2008**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2009 Total</u>	<u>2008 Total</u>
<b>NON-OPERATING REVENUES:</b>					
State appropriations:					
Education and general support	\$ 8,473,765	-	-	8,473,765	8,473,764
State group insurance	-	1,993,241	-	1,993,241	1,971,317
State retirement matching	-	842,201	-	842,201	819,111
Nursing shortage reduction grant	<u>-</u>	<u>78,625</u>	<u>-</u>	<u>78,625</u>	<u>37,974</u>
Total state appropriations	<u>8,473,765</u>	<u>2,914,067</u>	<u>-</u>	<u>11,387,832</u>	<u>11,302,166</u>
Property taxes for maintenance and operations	15,399,232	-	-	15,399,232	14,058,141
Federal revenue, non-operating	-	4,631,261	-	4,631,261	3,313,401
Gifts – noncapital	40,585	129,808	14,477	184,870	459,604
Investment income – not restricted to programs	577,832	-	-	577,832	1,074,785
Other non-operating revenues	<u>5,048</u>	<u>662,340</u>	<u>-</u>	<u>667,388</u>	<u>899,877</u>
Total Non-Operating Revenues	<u>24,496,462</u>	<u>8,337,476</u>	<u>14,477</u>	<u>32,848,415</u>	<u>31,107,974</u>
<b>NON-OPERATING EXPENSES:</b>					
Interest on capital-related debt	1,460,945	-	-	1,460,945	1,257,115
Loss on disposal of capital assets	94,877	-	-	94,877	125,626
Other non-operating expenses	<u>80,280</u>	<u>-</u>	<u>-</u>	<u>80,280</u>	<u>79,481</u>
Total Non-Operating Expenses	<u>1,636,102</u>	<u>-</u>	<u>-</u>	<u>1,636,102</u>	<u>1,462,222</u>
Net Non-Operating Revenues	\$ <u>22,860,360</u>	<u>8,337,476</u>	<u>14,477</u>	<u>31,212,313</u> (Exhibit 2)	<u>29,645,752</u> (Exhibit 2)

**Odessa Junior College District**

**Schedule D**

**SCHEDULE OF NET ASSETS BY SOURCE AND AVAILABILITY**

**Year Ended August 31, 2009  
With Memorandum Totals for the Year Ended August 31, 2008**

	Details by Source						Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Total		Available for Current Operations	
		Expendable	Non- Expendable				Yes	No
<b>Current:</b>								
Unrestricted, undesignated	\$ 16,918,990	-	-	-	16,918,990	16,918,990	-	
Unrestricted, board designated	91,480	-	-	-	91,480	-	91,480	
Restricted	-	287,652	-	-	287,652	-	287,652	
Auxiliary enterprises	5,138	-	-	-	5,138	5,138	-	
<b>Loans</b>	180,524	9,451	-	-	189,975	-	189,975	
<b>Endowment</b>	-	-	773,550	-	773,550	-	773,550	
<b>Plant:</b>								
Renewal, board designated	1,315,241	-	-	-	1,315,241	-	1,315,241	
Debt service	-	4,655,911	-	-	4,655,911	-	4,655,911	
Investment in plant	-	-	-	4,954,923	4,954,923	-	4,954,923	
<b>Total Net Assets, August 31, 2009</b>	<b>18,511,373</b>	<b>4,953,014</b>	<b>773,550</b>	<b>4,954,923</b>	<b>29,192,860</b> (Exhibit 1)	<b>16,924,128</b>	<b>12,268,732</b>	
<b>Total Net Assets, August 31, 2008</b>	<b><u>21,196,009</u></b>	<b><u>5,495,736</u></b>	<b><u>813,199</u></b>	<b><u>(975,858)</u></b>	<b><u>26,529,086</u></b> (Exhibit 1)	<b><u>15,364,393</u></b>	<b><u>11,164,693</u></b>	
<b>Net Increase (Decrease) in Net Assets</b>	<b>\$ <u>(2,684,636)</u></b>	<b><u>(542,722)</u></b>	<b><u>(39,649)</u></b>	<b><u>5,930,781</u></b>	<b><u>2,663,774</u></b> (Exhibit 2)	<b><u>1,559,735</u></b>	<b><u>1,104,039</u></b>	

**Odessa Junior College District**

**Schedule E**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year Ended August 31, 2009**

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Document/ Pass Through Grantor's Number	Pass Through Disbursement and Expenditures
<b>U.S. Department of Education</b>			
Direct Programs:			
Federal Supplemental Educational Opportunity Grant	84.007A	P008A074089	\$ 154,000
Higher Education – Institutional Aid Title V CO-Op	84.031S	P031S040013	772,730
Federal College Work Study	84.033A	P033A084089	123,785
Trio Student Support Services	84.042A	P042A050150	284,143
Trio Upward Bound	84.047A	P047A070034	260,678
Federal Pell Grant	84.063P	P063P082294	4,477,261
CCRA HIS Pre-Engineering	84.031C	P031C080147	645,737
Academic Competitiveness Grant	84.375A	P375A082294	<u>92,894</u>
Subtotal Direct Programs			<u>6,811,228</u>
Pass-through from:			
Texas Education Agency Adult Basic Education	84.002A	41000701	<u>374,763</u>
Subtotal Adult Basic Education			<u>374,763</u>
Pass-through from:			
Texas Higher Education Coordinating Board Carl Perkins Vocational Education - Basic	84.048	94235	288,554
Carl Perkins Vocational Education - Basic	84.048	94606	30,000
Carl Perkins Tech Prep Passed through from Midland College	84.243	91714	<u>65,606</u>
Subtotal Carl Perkins			<u>384,160</u>
Pass-through from:			
Texas Higher Education Coordinating Board College Connection 2+2+2	84.378	P378A080023	<u>28,737</u>
Total U.S. Department of Education			<u>7,598,888</u>
<b>U.S. Department of Agriculture</b>			
Pass-through from:			
Texas Health & Human Services Commission Child and Adult Care Food Program	10.558	165-0013	<u>46,707</u>
Dept of Agriculture (passed-through from Sul Ross University)	10.223	2008-38422-19544	<u>18,259</u>
Total U.S. Department of Agriculture			<u>64,966</u>
<b>U.S. Department of Labor</b>			
Employment and Training Administration Community Based Job Training Grant – Welding Training Center	17.269	CB-15975-07-60-A-48	<u>357,679</u>
Total U.S. Department of Labor			<u>357,679</u>
<b>U.S. Department of Health and Human Services</b>			
Pass-through from:			
National Science Foundation – UTEP LSAMP	47.076	HRD-0703584	7,928
Pass-through from:			
West Texas Opportunities Designated Vendor Program	93.596		38,982
Pass-through from:			
Greater Opportunities of Permian Basin Head Start Program	93.600	O6CH5616	<u>203,699</u>
Total U.S. Department of Health and Human Services			<u>250,609</u>
Total Federal Financial Assistance			\$ <u>8,272,142</u>

Notes to Schedule on following page.



**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**

**Year Ended August 31, 2009**

**Note 1: FEDERAL ASSISTANCE RECONCILIATION**

Federal revenues per Schedule A:

Federal grants and contracts revenue, Operating Sch A	\$ 3,705,881
Federal grants and contracts revenue, Non-Operating Sch C	4,631,261
Less: Expenditures Not Subject to A-133 Audit (Note 3)	<u>(65,000)</u>

Total Federal Revenues Per Schedule of Expenditures of Federal Awards	\$ <u>8,272,142</u>
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**Note 2: SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE**

The expenditures included in the schedule are reported for the District’s fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended to the District for the purposes of the award. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

**NOTE 3: EXPENDITURES NOT SUBJECT TO FEDERAL SINGLE AUDIT:**

KOCV-FM, public radio station licensed by the District,  
received federal funds passed through to the following entities:

Corporation for Public Broadcasting (CPB)	\$ <u>65,000</u>
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**NOTE 4: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED –  
Not included in Schedule**

Federal Grantor <u>CFDA Number/Program Name</u>	<u>New Loans Processed</u>	<u>Administrative Costs Recovered</u>	<u>Total Loans Processed &amp; Admin. Costs Recovered</u>
<u>Department of Education</u>			
84.000 PLUS Parent Loan Program	\$ 13,148	-	13,148
84.032 Federal Family Education Loan Program	<u>1,084,050</u>	-	<u>1,084,050</u>
	\$ <u>1,097,198</u>	-	<u>1,097,198</u>

**NOTE 5: AMOUNTS PASSED THROUGH BY THE DISTRICT**

The following amounts were passed through to the listed subrecipients by the District. These amounts were from the Title V Coop Program CFDA No. 84.031S from the Department of Education.

College of the Southwest	84.031S	\$ <u>369,825</u>
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**Odessa Junior College District**

**Schedule E**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**

**Year Ended August 31, 2009**

**NOTE 5: AMOUNTS PASSED THROUGH BY THE DISTRICT (CONTINUED)**

The following amounts were passed through to the listed subrecipients by the Odessa College. These amounts were from the Tech Prep CFDA No. 84.243 passed through from Midland College and the Department of Education.

Tech Prep			
Andrews ISD	84.243	\$	13,165
Seminole ISD	84.243		5,708
Crane ISD	84.243		3,563
Monahans/Wickett/Pyote ISD	84.243		3,907
Ector County ISD	84.243		4,215
McCamey ISD	84.243		8,093
Kermit ISD	84.243		<u>2,015</u>
Total passed-through to ISD's		\$	<u>40,666</u>

**Odessa Junior College District**

**Schedule F**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS**

**Year Ended August 31, 2009**

<u>Grantor Agency / Program Title</u>	<u>Grant Contract Number</u>	<u>Disbursements and Expenditures</u>
Texas Education Agency State Adult Education	01000701	\$ 81,994
Texas Higher Education Coordinating Board		
Texas College Work Study	-	7,306
Texas Grant I	-	300,290
TEOG	-	63,495
College Connection	-	25,961
P-16 Advisory Grant	-	10,397
Nursing Shortage Reduction Grant	-	78,625
Texas Law Enforcement Officer Standards in Education Agency LEOSE Training Grant	-	<u>750</u>
<b>Total Expenditures of State Awards</b>		<b>\$ <u>568,818</u></b>

**NOTE 1: STATE ASSISTANCE RECONCILIATION**

State revenues per Exhibit A:		
Operating Revenues:		
State grants and contracts		\$ <u>490,193</u>
State revenues per Schedule C:		
Non-Operating Revenues:		
Nursing shortage reduction grant		<u>78,625</u>
<b>Total Expenditures Per Schedule of Expenditures of State Awards</b>		<b>\$ <u>568,818</u></b>

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE**

The expenditures included in the schedule are reported for the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended to the District for the purposes of the award. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

## **SINGLE AUDIT REPORTS**



**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**

The Board of Trustees  
Odessa Junior College District  
Odessa, Texas

We have audited the financial statements of Odessa Junior College District (the "District") as of and for the year ended August 31, 2009, and have issued our report thereon dated December 2, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have

**Compliance and Other Matters (Continued)**

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

We have performed tests designed to verify the District's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2009, no instances of noncompliance were found.

This report is intended for the information and use of the District's management trustees, and audit committee, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Johnson Miller & Co., CPA's PC*

Odessa, Texas  
December 2, 2009



# JOHNSON, MILLER & CO.

Certified Public Accountants

A Professional Corporation

An Independent Member Of BDO Seidman Alliance

Odessa, Texas  
Midland, Texas  
Hobbs, New Mexico

**Report of Independent Certified Public Accountants on  
Compliance with Requirements Applicable to Each  
Major Program and on Internal Control Over Compliance in  
Accordance with OMB Circular A-133 and the Provisions of the State of Texas  
Single Audit Circular**

The Board of Trustees  
Odessa Junior College District  
Odessa, Texas

## **Compliance**

We have audited the compliance of Odessa Junior College District (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the Provisions of the State of Texas Single Audit Circular* that are applicable to each of its major federal and state programs for the year ended August 31, 2009. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and the Provisions of the State of Texas Single Audit Circular*. Those standards and OMB Circular A-133 and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended August 31, 2009.

### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance is for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of the District's management, trustees, and audit committee and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Johnson Miller & Co., CPAs PC". The signature is written in a cursive, flowing style.

Odessa, Texas  
December 2, 2009



**Odessa Junior College District**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**August 31, 2009**

The Board of Trustees  
Odessa Junior College District  
Odessa, Texas

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No
<u>Federal and State Awards</u>	
Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133/or the State of Texas Single Audit Circular?	No

**Odessa Junior College District**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**August 31, 2009**

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.600	Greater Opportunities of Permian Basin Head Start Program
84.042A 84.047A	Trio Cluster: Student Support Services Upward Bound
84.031C	CCRA HIS – Pre-Engineering
84.002A	Adult Basic Education
84.048 84.243	Carl Perkins: Vocational Education – Basic Tech Prep

Identification of Major Programs:

<u>Grant Contract Numbers</u>	<u>Name of State Program or Cluster</u>
-	Texas Higher Education Coordinating Board: Texas Grant I TEOG

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

Section II - FINANCIAL STATEMENT FINDINGS No matters were reported.

Section III – FEDERAL or STATE AWARD FINDINGS AND QUESTIONED COSTS

August 31, 2009 No matters were reported.

August 31, 2008 No matters were reported.

## **STATISTICAL SUPPLEMENT**

**Odessa Junior College District**  
**Statistical Supplement 1**  
**Net Assets by Component**  
**Fiscal Years 2002 to 2009**  
(unaudited)  
(amounts expressed in thousands)

For the Fiscal Year Ended August 31,

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Invested in capital assets, net of related debt	4,955	(976)	(3,148)	(5,114)	(7,115)	(8,978)	(8,501)	(10,440)
Restricted - expendable	4,953	5,496	6,498	6,599	6,662	8,743	8,912	8,549
Restricted - nonexpendable	773	813	838	707	672	670	657	640
Unrestricted	18,511	21,196	19,612	18,851	18,325	17,338	17,993	18,896
<b>Total primary government net assets</b>	<b>\$ 29,192</b>	<b>\$ 26,529</b>	<b>\$ 23,800</b>	<b>\$ 21,043</b>	<b>\$ 18,544</b>	<b>\$ 17,773</b>	<b>\$ 19,061</b>	<b>\$ 17,645</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available. Amounts prior to FY2008 have been restated to reclassify Capital Renewal Funds from Restricted-expendable to Unrestricted.

**Odessa Junior College District**  
**Statistical Supplement 2**  
**Revenues by Source**  
**Fiscal Years 2002 to 2009**  
(unaudited)

For the Year Ended August 31,  
(amounts expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	\$3,788	\$3,595	\$3,910	\$3,734	\$2,978	\$2,644	\$2,468	\$2,634
Governmental Grants and Contracts								
Federal Grants and Contracts	3,706	3,533	3,022	4,225	4,073	3,452	3,942	2,856
State Grants and Contracts	490	421	375	332	562	1,200	849	456
Non-Governmental Grants and Contracts	64	73	25	120	29	111	88	98
Sales and services of educational activities	252	287	275	262	262	273	288	290
Investment Income	16	38	45	37	20	14	48	62
Auxiliary enterprises	775	725	562	502	516	466	540	1,290
Other Operating Revenues	533	479	433	479	429	463	504	617
<b>Total Operating Revenues</b>	<b>9,624</b>	<b>9,151</b>	<b>8,647</b>	<b>9,691</b>	<b>8,869</b>	<b>8,623</b>	<b>8,727</b>	<b>8,303</b>
State Appropriations	11,388	11,302	11,265	11,003	10,564	10,486	11,134	11,455
Ad Valorem Taxes	15,399	14,058	12,796	11,656	10,346	9,407	9,055	8,874
Federal Grants, non-operating	4,631	3,313	3,453	4,287	4,897	4,167	3,806	3,385
Gifts	185	460	323	221	199	261	310	433
Investment income	578	1,075	1,387	1,033	496	495	419	776
Other non-operating revenues	667	900	1	25	14	13	27	-
<b>Total Non-Operating Revenues</b>	<b>32,848</b>	<b>31,108</b>	<b>29,225</b>	<b>28,225</b>	<b>26,516</b>	<b>24,829</b>	<b>24,751</b>	<b>24,923</b>
<b>Total Revenue</b>	<b>\$ 42,472</b>	<b>\$ 40,259</b>	<b>\$ 37,872</b>	<b>\$ 37,916</b>	<b>\$ 35,385</b>	<b>\$ 33,452</b>	<b>\$ 33,478</b>	<b>\$ 33,226</b>

For the Year Ended August 31,  
(amounts expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and fees (net of discounts)	8.96%	9.02%	10.44%	9.85%	8.42%	7.90%	7.37%	7.93%
Governmental grants and contracts								
Federal grants and contracts	8.73%	8.78%	7.98%	11.24%	11.57%	10.36%	11.91%	8.79%
State grants and contracts	1.15%	1.05%	0.99%	0.88%	1.59%	3.59%	2.54%	1.37%
Non-governmental grants and contracts	0.15%	0.18%	0.07%	0.32%	0.08%	0.33%	0.26%	0.29%
Sales and services of educational activities	0.59%	0.71%	0.73%	0.69%	0.74%	0.82%	0.86%	0.87%
Auxiliary enterprises	1.82%	1.80%	1.48%	1.32%	1.46%	1.39%	1.61%	3.88%
Other operating revenues	1.25%	1.19%	1.14%	1.26%	1.21%	1.38%	1.51%	1.86%
<b>Total Operating Revenues</b>	<b>22.66%</b>	<b>22.73%</b>	<b>22.83%</b>	<b>25.56%</b>	<b>25.07%</b>	<b>25.78%</b>	<b>26.06%</b>	<b>24.99%</b>
State appropriations	26.81%	28.07%	29.74%	29.02%	29.85%	31.35%	33.26%	34.48%
Ad valorem taxes	36.26%	34.92%	33.79%	30.74%	29.24%	28.12%	27.05%	26.71%
Federal Grants, non-operating	10.90%	8.23%	9.12%	11.31%	13.84%	12.46%	11.37%	10.19%
Gifts	0.44%	1.14%	0.85%	0.58%	0.56%	0.78%	0.93%	1.30%
Investment income	1.36%	2.67%	3.66%	2.72%	1.40%	1.48%	1.25%	2.34%
Other non-operating revenues	1.57%	2.24%	0.00%	0.07%	0.04%	0.04%	0.08%	0.00%
<b>Total Non-Operating Revenues</b>	<b>77.34%</b>	<b>77.27%</b>	<b>77.17%</b>	<b>74.44%</b>	<b>74.94%</b>	<b>74.22%</b>	<b>73.93%</b>	<b>75.01%</b>
<b>Total Revenue</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

**Odessa Junior College District  
Statistical Supplement 3  
Program Expenses by Function  
Fiscal Years 2002 to 2009**  
(unaudited)

For the Year Ended August 31,  
(amounts expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$13,461	\$12,698	\$11,937	\$11,520	\$11,769	\$11,895	\$11,938	\$11,550
Research	-	-	-	-	-	-	-	-
Public service	1,350	1,532	1,439	1,519	1,297	1,806	2,146	2,111
Academic support	4,219	3,732	3,592	4,329	3,598	2,837	2,943	2,814
Student services	3,109	3,175	3,084	2,894	3,246	2,829	2,613	2,283
Institutional support	5,211	4,606	4,048	3,742	3,984	3,697	3,308	3,388
Operation and maintenance of plant	5,015	5,021	4,301	3,862	3,521	3,614	3,404	3,543
Scholarships and fellowships	3,622	2,926	3,050	3,971	3,503	2,956	2,618	2,412
Auxiliary enterprises	1,707	1,597	1,309	1,178	1,223	1,241	1,394	2,475
Depreciation	1,084	990	952	844	750	780	829	771
<b>Total Operating Expenses</b>	<b>38,778</b>	<b>36,277</b>	<b>33,712</b>	<b>33,859</b>	<b>32,891</b>	<b>31,655</b>	<b>31,193</b>	<b>31,347</b>
Interest on capital related debt	1,461	1,257	1,347	1,424	1,501	1,573	1,639	1,702
Loss on disposal of fixed assets	95	126	101	112	147	135	182	93
Other non-operating	80	79	80	79	79	79	53	10
<b>Total Non-Operating Expenses</b>	<b>1,636</b>	<b>1,462</b>	<b>1,528</b>	<b>1,615</b>	<b>1,727</b>	<b>1,787</b>	<b>1,874</b>	<b>1,805</b>
<b>Total Expenses</b>	<b>\$ 40,414</b>	<b>\$ 37,739</b>	<b>\$ 35,240</b>	<b>\$ 35,474</b>	<b>\$ 34,618</b>	<b>\$ 33,442</b>	<b>\$ 33,067</b>	<b>\$ 33,152</b>

For the Year Ended August 31,  
(amounts expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	33.31%	33.65%	33.87%	32.47%	34.00%	35.57%	36.10%	34.84%
Research	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public service	3.34%	4.06%	4.08%	4.28%	3.75%	5.40%	6.49%	6.37%
Academic support	10.44%	9.89%	10.19%	12.20%	10.39%	8.48%	8.90%	8.49%
Student services	7.69%	8.41%	8.75%	8.16%	9.38%	8.46%	7.90%	6.89%
Institutional support	12.89%	12.20%	11.49%	10.55%	11.51%	11.05%	10.00%	10.22%
Operation and maintenance of plant	12.41%	13.30%	12.20%	10.89%	10.17%	10.81%	10.29%	10.69%
Scholarships and fellowships	8.96%	7.75%	8.65%	11.19%	10.12%	8.84%	7.92%	7.28%
Auxiliary enterprises	4.22%	4.23%	3.71%	3.32%	3.53%	3.71%	4.22%	7.47%
Depreciation	2.68%	2.62%	2.70%	2.38%	2.17%	2.33%	2.51%	2.33%
<b>Total Operating Expenses</b>	<b>95.95%</b>	<b>96.13%</b>	<b>95.66%</b>	<b>95.45%</b>	<b>95.01%</b>	<b>94.66%</b>	<b>94.33%</b>	<b>94.56%</b>
Interest on capital related debt	3.62%	3.33%	3.82%	4.01%	4.34%	4.70%	4.96%	5.13%
Loss on disposal of fixed assets	0.24%	0.33%	0.29%	0.32%	0.42%	0.40%	0.55%	0.28%
Other non-operating	0.20%	0.21%	0.23%	0.22%	0.23%	0.24%	0.16%	0.03%
<b>Total Non-Operating Expenses</b>	<b>4.05%</b>	<b>3.87%</b>	<b>4.34%</b>	<b>4.55%</b>	<b>4.99%</b>	<b>5.34%</b>	<b>5.67%</b>	<b>5.44%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

**Odessa Junior College District**  
**Statistical Supplement 4**  
**Tuition and Fees**  
**Last Ten Academic Years**  
(unaudited)

**Resident**  
**Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Registration Fee (per student)	In-District Tuition	Out-of-District Tuition	Building Use Fee	General Services Fee	Student Activity Fee	Computer Fee	Out of District Fee	ID Card Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2008	\$ -	\$ 42	\$ 57	\$ -	\$ 10	\$ 1	\$ -	\$ -	\$ -	\$ 636	\$ 816	0.00%	0.00%
2007	-	42	57	-	10	1	-	-	-	636	816	0.00%	0.00%
2006	-	42	57	-	10	1	-	-	-	636	816	10.42%	17.24%
2005	-	37	47	-	10	1	-	-	-	576	696	0.00%	0.00%
2004	-	37	47	-	10	1	-	-	-	576	696	17.07%	13.73%
2003	-	30	30	-	10	1	-	10	-	492	612	16.59%	12.92%
2002	20	22	22	10	-	16	-	10	2	422	542	0.00%	0.00%
2001	20	22	22	10	-	16	-	10	2	422	542	0.00%	8.40%
2000	15	16	16	12	-	16	3	8	1	404	500	0.00%	0.00%
1999	15	16	16	12	-	16	3	8	1	404	500	13.48%	20.19%

**Non-Resident**  
**Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Registration Fee (per student)	Non-Res Tuition Out of State	Non-Resident Tuition Internat'l	Building Use Fee	General Services Fee	Student Activity Fees	Computer Fee	Out of District Fee	ID Card Fee	Cost for 12 SCH Out of State	Cost for 12 SCH Internat'l	Increase from Prior Yr Out of State	Increase from Prior Year Internat'l
2008	\$ 150	\$ 72	\$ 72	\$ -	\$ 10	\$ 1	\$ -	\$ -	\$ -	\$ 1,146	\$ 1,146	0.00%	0.00%
2007	150	72	72	-	10	1	-	-	-	1,146	1,146	0.00%	0.00%
2006	150	72	72	-	10	1	-	-	-	1,146	1,146	26.49%	26.49%
2005	150	52	52	-	10	1	-	-	-	906	906	0.00%	0.00%
2004	150	52	52	-	10	1	-	-	-	906	906	18.90%	20.64%
2003	150	40	40	-	10	1	-	-	-	762	751	7.63%	6.07%
2002	20	46	46	10	-	16	-	-	2	708	708	0.00%	0.00%
2001	20	46	46	10	-	16	-	-	2	708	708	8.92%	8.92%
2000	15	37	37	12	-	16	3	-	1	650	650	0.00%	0.00%
1999	15	37	37	12	-	16	3	-	1	650	650	14.84%	14.84%

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

**Odessa Junior College District**  
**Statistical Supplement 5**  
**Assessed Value and Taxable Assessed Value of Property**  
**Last Ten Fiscal Years**  
(unaudited)

Fiscal Year	(amounts expressed in thousands)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total (a)
2008-09	11,945,388	2,544,708	9,400,680	78.70%	\$ 0.162400	\$ -	\$ 0.162400
2007-08	9,694,085	2,063,518	7,630,567	78.71%	0.181700	-	0.181700
2006-07	8,367,049	1,624,822	6,742,227	80.58%	0.190000	-	0.190000
2005-06	7,174,228	1,354,242	5,819,986	81.12%	0.200000	-	0.200000
2004-05	6,370,122	1,324,654	5,045,468	79.21%	0.200000	-	0.200000
2003-04	5,775,949	1,145,302	4,630,647	80.17%	0.200000	-	0.200000
2002-03	5,747,875	1,257,014	4,490,861	78.13%	0.200000	-	0.200000
2001-02	5,669,924	1,183,960	4,485,964	79.12%	0.198400	-	0.198400
2000-01	4,908,098	870,239	4,037,859	82.27%	0.198400	-	0.198400
1999-00	4,650,469	778,793	3,871,676	83.25%	0.198400	-	0.198400

**Source:**

Ector County Appraisal District

**Notes:**

Property is assessed at full market value.  
(a) per \$100 Taxable Assessed Valuation



**Odessa Junior College District  
Statistical Supplement 6  
State Appropriation per FTSE and Contact Hour  
Last Ten Fiscal Years**  
(unaudited)

(amounts expressed in thousands)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour					State Appropriation per Contact Hour
	State Appropriation	FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Non-Credit Vocational	Total Contact Hours		
2008-09	\$ 11,388	3,260	\$ 3,493	1,228	650	257	2,135	\$ 5.33	
2007-08	11,302	3,206	3,525	1,188	628	294	2,110	5.36	
2006-07	11,265	3,391	3,322	1,185	676	256	2,117	5.32	
2005-06	11,003	3,452	3,187	1,286	713	383	2,382	4.62	
2004-05	10,454	4,062	2,574	1,299	750	780	2,829	3.70	
2003-04	10,486	3,604	2,910	1,253	784	384	2,421	4.33	
2002-03	11,134	3,777	2,948	1,319	853	397	2,569	4.33	
2001-02	11,455	3,440	3,330	1,202	768	356	2,326	4.92	
2000-01	11,307	3,291	3,436	1,167	745	310	2,222	5.09	
1999-00	10,730	3,309	3,243	1,211	802	255	2,268	4.73	

Notes:

FTSE is defined as the number of full time students plus total hours taken by part-time students divided by 12.

- (a) Source CBM001
- (b) Source CBM00A

**Odessa Junior College District  
Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Occidental Permian LTD	Oil & Gas	\$ 665,706	\$ 845,024	\$ 610,832	\$ 514,882	\$ 449,259	\$ 342,424	\$ 324,562	\$ 338,998	\$ 380,089	\$ -
Conocophillips	Oil & Gas	350,225	372,529	231,750	212,867	172,712	127,058	80,308	-	-	-
XTO Energy	Oil & Gas	278,509	313,628	223,288	147,857	82,277	-	-	-	-	-
Oxy USA WTP LP	Oil & Gas	232,478	296,757	212,925	188,176	119,146	89,841	62,490	56,016	58,424	-
Odessa-Ector Power Partners	Utility	191,713	-	-	-	-	-	-	-	-	-
Apache Corporation	Oil & Gas	160,352	286,547	-	-	-	-	-	-	-	-
Oxy USA Inc.	Oil & Gas	97,017	129,370	-	-	-	-	-	-	-	-
Oncore Electric Delivery	Utility	80,011	84,067	-	-	72,286	-	73,009	75,393	-	-
Four Star Oil and Gas	Oil & Gas	78,454	116,096	132,860	167,372	123,514	109,559	62,758	80,607	94,530	68,050
Energen Resources	Oil & Gas	77,649	100,632	66,137	-	-	-	-	-	-	-
Flint Hills/Huntsman Polmers Corp.	Chemicals	-	180,234	184,317	282,588	229,892	242,777	353,970	358,838	383,379	438,085
Anadarko Petroleum Corp.	Oil & Gas	-	-	248,127	229,934	193,987	113,847	78,661	88,417	113,239	81,656
TXU Electric Delivery Co.	Utility	-	-	82,686	81,073	77,387	-	-	-	73,629	-
BP American Production Co.	Oil & Gas	-	-	51,858	52,168	43,699	36,772	34,498	-	-	-
Southwestern Bell	Utility	-	-	-	-	-	36,475	-	44,225	44,232	43,627
Texas Utilities Electric Co.	Utility	-	-	-	-	-	-	-	-	-	69,202
Encore Operating LP	Oil & Gas	-	-	-	59,604	60,009	-	-	-	-	-
Chevron USA Inc.	Oil & Gas	-	-	-	-	-	72,084	73,065	49,753	53,667	-
Duke Energy Field Sevices	Oil & Gas	-	-	-	-	-	-	37,303	-	-	-
Phillips Petroleum CO.	Oil & Gas	-	-	-	-	-	-	-	71,433	55,011	45,086
Texaco E & P Inc	Oil & Gas	-	-	-	-	-	-	-	51,761	56,715	44,294
Altura Energy, LTD	Oil & Gas	-	-	-	-	-	-	-	-	-	244,566
GPM Gas Corporation	Oil & Gas	-	-	-	-	-	-	-	-	-	54,820
Ameripol Synpol Corp.	Manufact.	-	-	-	-	-	-	-	-	-	43,631
<b>Totals</b>		<b>\$ 2,211,814</b>	<b>\$ 2,724,884</b>	<b>\$ 2,044,780</b>	<b>\$ 1,936,521</b>	<b>\$ 1,551,882</b>	<b>\$ 1,243,123</b>	<b>\$ 1,180,624</b>	<b>\$ 1,215,441</b>	<b>\$ 1,312,935</b>	<b>\$ 1,133,017</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 9,400,680</b>	<b>\$ 7,630,567</b>	<b>\$ 6,742,227</b>	<b>\$ 5,819,986</b>	<b>\$ 5,045,468</b>	<b>\$ 4,630,647</b>	<b>\$ 4,490,861</b>	<b>\$ 4,485,964</b>	<b>\$ 4,033,859</b>	<b>\$ 3,871,676</b>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Occidental Permian LTD	Oil & Gas	8.72%	11.07%	9.06%	8.85%	8.90%	7.39%	7.23%	7.56%	94.11%	-
Conocophillips	Oil & Gas	4.59%	4.88%	3.44%	3.66%	3.42%	2.74%	1.79%	-	-	-
XTO Energy	Oil & Gas	3.65%	4.11%	3.31%	2.54%	1.63%	-	-	-	-	-
Oxy USA WTP LP	Oil & Gas	3.05%	3.89%	3.16%	3.23%	2.36%	1.94%	1.39%	1.25%	14.47%	-
Odessa-Ector Power Partners	Utility	2.51%	-	-	-	-	-	-	-	-	-
Apache Corporation	Oil & Gas	2.10%	3.76%	-	-	-	-	-	-	-	-
Oxy USA Inc.	Oil & Gas	1.27%	1.70%	-	-	-	-	-	-	-	-
Oncore Electric Delivery	Utility	1.05%	1.10%	-	-	-	1.56%	1.63%	1.68%	-	-
Four Star Oil and Gas	Oil & Gas	1.02%	1.52%	1.97%	2.88%	2.45%	2.37%	1.40%	1.80%	23.41%	1.76%
Energen Resources	Oil & Gas	1.02%	1.32%	0.98%	-	-	-	-	-	-	-
Flint Hills/Huntsman Polmers Corp.	Chemicals	-	2.36%	2.73%	4.86%	4.56%	5.24%	7.88%	8.00%	94.93%	11.32%
Anadarko Petroleum Corp.	Oil & Gas	-	-	3.68%	3.95%	3.84%	2.46%	1.75%	1.97%	28.04%	2.11%
TXU Electric Delivery Co.	Utility	-	-	1.23%	1.39%	1.53%	-	-	-	18.23%	-
BP American Production Co.	Oil & Gas	-	-	0.77%	0.90%	0.87%	0.79%	0.77%	-	-	-
Southwestern Bell	Utility	-	-	-	-	-	0.79%	-	0.99%	10.95%	1.13%
Texas Utilities Electric Co.	Utility	-	-	-	-	-	-	-	-	-	1.79%
Encore Operating LP	Oil & Gas	-	-	-	1.02%	1.19%	-	-	-	-	-
Chevron USA Inc.	Oil & Gas	-	-	-	-	-	1.56%	1.63%	1.11%	13.29%	-
Duke Energy Field Sevices	Oil & Gas	-	-	-	-	-	-	0.83%	-	-	-
Phillips Petroleum CO.	Oil & Gas	-	-	-	-	-	-	-	1.59%	13.62%	1.16%
Texaco E & P Inc	Oil & Gas	-	-	-	-	-	-	-	1.15%	14.04%	1.14%
Altura Energy, LTD	Oil & Gas	-	-	-	-	-	-	-	-	-	6.32%
GPM Gas Corporation	Oil & Gas	-	-	-	-	-	-	-	-	-	1.42%
Ameripol Synpol Corp.	Manufact.	-	-	-	-	-	-	-	-	-	1.13%
<b>Totals</b>		<b>28.99%</b>	<b>35.71%</b>	<b>30.33%</b>	<b>33.27%</b>	<b>30.76%</b>	<b>26.85%</b>	<b>26.29%</b>	<b>27.09%</b>	<b>325.10%</b>	<b>29.26%</b>

**Odessa Junior College District**  
**Statistical Supplement 8**  
**Property Tax Levies and Collections**  
**Last Ten Tax Years**  
(unaudited)  
(amounts expressed in thousands)

Fiscal Year Ended August 31	Total Current Tax Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage	Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (c + d + e)	Percentage of Current Levy
2009	\$ 15,267	\$ (55)	\$ 15,212	\$ 14,635	96.21%	\$ -	\$ -	\$ 14,635	96.21%
2008	13,864	(89)	13,775	13,453	97.66%	-	121	13,574	98.54%
2007	12,810	(153)	12,657	12,486	98.65%	-	43	12,529	98.99%
2006	11,640	(140)	11,500	11,260	97.91%	108	29	11,397	99.10%
2005	10,091	(74)	10,017	9,740	97.23%	168	22	9,930	99.13%
2004	9,261	74	9,335	9,005	96.47%	242	14	9,261	99.21%
2003	8,982	(33)	8,949	8,584	95.92%	291	9	8,884	99.27%
2002	8,900	(61)	8,839	8,567	96.93%	206	6	8,779	99.33%
2001	8,011	65	8,076	7,761	96.10%	262	4	8,027	99.39%
2000	7,681	(7)	7,674	7,424	96.75%	204	2	7,630	99.44%

Source: Ector County Appraisal District and District records.

(a) As reported in notes to the financial statements for the year of the levy.

(b) As of August 31st of the current reporting year.

(c) Property tax only - does not include penalties and interest

(d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.

(e) Represents current year collections of prior years' levies.

Total Collections = C + D + E

**Statistical Supplement 9**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**  
(unaudited)

For the Year Ended August 31 (amounts expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>General Bonded Debt</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Debt</b>										
Revenue bonds	\$ 22,720	\$ 24,280	\$ 25,705	\$ 27,040	\$ 28,295	\$ 29,475	\$ 30,585	\$ 31,630	\$ 32,615	\$ 33,540
Notes	-	-	-	-	-	-	-	-	-	-
Capital lease obligations	179	77	140	-	-	-	-	-	-	-
Total Outstanding Debt	\$ 22,899	\$ 24,357	\$ 25,845	\$ 27,040	\$ 28,295	\$ 29,475	\$ 30,585	\$ 31,630	\$ 32,615	\$ 33,540
<b>General Bonded Debt Ratios</b>										
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-	-	-	-	-	-
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total Outstanding Debt Ratios</b>										
Per Capita	\$ 173.55	\$ 187.98	\$ 204.07	\$ 217.15	\$ 229.11	\$ 241.21	\$ 250.94	\$ 262.20	\$ 270.14	\$ 273.91
Per FTSE	\$ 7,024	\$ 7,597	\$ 7,884	\$ 7,833	\$ 6,966	\$ 8,178	\$ 8,098	\$ 9,195	\$ 9,910	\$ 10,136
As a percentage of Taxable Assessed Value	0.24%	0.32%	0.38%	0.46%	0.56%	0.64%	0.68%	0.71%	0.81%	0.87%

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-equivalent enrollment.

**Odessa Junior College District  
Statistical Supplement 10  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(unaudited)**

For the Year Ended August 31 (amount expressed in thousands)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Taxable Assessed Value</b>	\$ 9,400,680	\$ 7,630,567	\$ 6,742,227	\$ 5,819,986	\$ 5,045,468	\$ 4,630,647	\$ 4,490,861	\$ 4,485,963	\$ 4,037,858	\$ 3,871,675
<b>General Obligation Bonds</b>										
Statutory Tax Levy Limit for Debt Service	47,003	38,153	33,711	29,100	25,227	23,153	22,454	22,430	20,189	19,358
Less: Funds Restricted for Repayment of G.O.Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	47,003	38,153	33,711	29,100	25,227	23,153	22,454	22,430	20,189	19,358
Current Year Debt Service Requirements Excess of Statutory Limit for Debt Service over Current Requirements	\$ 47,003	\$ 38,153	\$ 33,711	\$ 29,100	\$ 25,227	\$ 23,153	\$ 22,454	\$ 22,430	\$ 20,189	\$ 19,358
<b>Net Current Requirements as a % of Statutory Limit</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars taxable assessed valuation.

**Odessa Junior College District**  
**Statistical Supplement 11**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
(unaudited)

**Revenue Bonds**

Fiscal Year	Pledged Revenues (\$000 omitted)								Debt Service Requirements (\$000 omitted)			Coverage Ratio
	Tuition	General Use Fee	Bookstore Revenues	Room & Board Revenues	Operating Fees	Gifts & Grants	Interest Earned	Total	Principal	Interest	Total	
2009	\$ 1,097	\$ 820	\$ 195	\$ 423	\$ 3,369	\$ 230	\$ 594	\$ 6,728	\$ 1,595	\$ 1,093	\$ 2,688	2.50
2008	979	758	177	397	3,185	152	1,114	6,762	1,520	1,257	2,777	2.44
2007	1,041	826	176	282	2,177	148	1,432	6,082	1,425	1,342	2,767	2.20
2006	983	916	182	275	1,972	161	1,071	5,560	1,255	1,424	2,679	2.08
2005	964	909	173	356	2,139	61	517	5,119	1,180	1,501	2,681	1.91
2004	789	906	166	461	1,931	359	510	5,122	1,110	1,573	2,683	1.91
2003	650	908	173	527	2,063	310	467	5,098	1,045	1,640	2,685	1.90
2002	581	838	965	489	2,594	-	839	6,306	985	1,702	2,687	2.35
2001	368	931	1,537	434	2,563	319	1,229	7,381	925	1,760	2,685	2.75
2000	364	981	1,557	490	2,818	209	1,234	7,653	875	1,813	2,688	2.85

**Odessa Junior College District  
Statistical Supplement 12  
Demographic and Economic Statistics - Taxing District  
Last Ten Fiscal Years  
(unaudited)**

Calendar Year	District Population	District Personal Income (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2009	(a)	(a)	(a)	(a)
2008	131,941	(a)	(a)	3.4%
2007	129,570	\$ 4,113,518	\$ 31,787	3.4%
2006	126,649	3,671,385	28,989	4.2%
2005	124,522	3,251,858	26,115	5.0%
2004	123,497	2,916,387	23,615	6.0%
2003	122,195	2,791,096	22,841	6.7%
2002	121,881	2,698,998	22,145	6.8%
2001	120,633	2,651,350	21,979	5.0%
2000	120,733	2,546,460	21,093	6.4%
1999	122,450	2,340,632	19,115	9.7%

**Sources:**

Population from U.S. Census Bureau

Personal income and Population from U.S. Bureau of Economic Analysis.

Unemployment rate from Odessa Chamber of Commerce

**Notes:**

a. Information not yet available

**Odessa Junior College District  
Statistical Supplement 13  
Principal Employers  
(unaudited)**

**Current Fiscal Year (2009)**

#	Employer	Number of Employees	Percentage of Total Employment (1)
1	Ector County ISD	3,539	4.67%
2	Medical Center Hospital	1,699	2.24%
3	Wal-Mart Supercenter	923	1.22%
4	City of Odessa	905	1.19%
5	Saulsbury Companies	868	1.14%
6	Odessa Regional Medical Center	752	0.99%
7	Ector County	637	0.84%
8	Odessa College	606	0.80%
9	Nurses Unlimited	596	0.79%
10	Bobby Cox Companies, Inc.	534	0.70%
	<b>Total Principal Employers</b>	<b>11,059</b>	<b>14.58%</b>
	<b>Total Ector County Workforce</b>	<b>75,848</b>	<b>100.00%</b>

**Source:**

Odessa Chamber of Commerce  
Information as of August 2009

**Note:**

Percentages are calculated using the midpoints of the ranges.

**Nine Years Prior**

#	Employer	Number of Employees	Percentage of Total Employment (1)
1	Ector County ISD	3,857	6.73%
2	Medical Center Hospital	1,600	2.79%
3	Wal-Mart Supercenter	910	1.59%
4	Odessa College	882	1.54%
5	City of Odessa	800	1.40%
6	Huntsman Corporation	666	1.16%
7	Ector County	616	1.07%
8	Odessa Regional Hospital	430	0.75%
9	West Teleservices	400	0.70%
10	Southwestern Bell	379	0.66%
	<b>Total Principal Employers</b>	<b>10,540</b>	<b>18.39%</b>
	<b>Total Ector County Workforce</b>	<b>57,323</b>	<b>100.00%</b>

**Source:**

Odessa Chamber of Commerce  
Information as of August 2000



**Odessa Junior College District  
Statistical Supplement 14  
Faculty, Staff, and Administrators Statistics  
Last Ten Fiscal Years  
(unaudited)**

	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Faculty</b>										
Full-Time	114	118	120	119	119	120	122	118	119	118
Part-Time	126	127	117	117	146	141	165	163	162	161
Total	240	245	237	236	265	261	287	281	281	279
<b>Percent</b>										
Full-Time	47.5%	48.2%	50.6%	50.4%	44.9%	46.0%	42.5%	42.0%	42.3%	42.3%
Part-Time	52.5%	51.8%	49.4%	49.6%	55.1%	54.0%	57.5%	58.0%	57.7%	57.7%
<b>Staff and Administrators</b>										
Full-Time	224	224	227	228	230	245	257	261	264	237
Part-Time	68	63	91	80	97	103	106	125	135	153
Total	292	287	318	308	327	348	363	386	399	390
<b>Percent</b>										
Full-Time	76.7%	78.0%	71.4%	74.0%	70.3%	70.4%	70.8%	67.6%	66.2%	60.8%
Part-Time	23.3%	22.0%	28.6%	26.0%	29.7%	29.6%	29.2%	32.4%	33.8%	39.2%
FTSE per Full-time Faculty	28.6	27.2	28.3	29.0	34.1	30.0	31.0	29.2	27.7	28.0
FTSE per Full-Time Staff	14.6	14.3	14.9	15.1	17.7	14.7	14.7	13.2	12.5	14.0
Average Annual Faculty Salary	\$51,425	\$48,520	\$46,802	\$43,338	\$43,806	\$42,720	\$42,985	\$42,658	\$39,509	\$37,383

**Source:**

IPEDS Human Resources Survey as of November 1 of each fiscal year.

**Odessa Junior College District  
Statistical Supplement 15  
Enrollment Details  
Last Five Fiscal Years  
(unaudited)**

Student Classification	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-30 hours	5,969	90.15%	5,330	88.23%	5,203	83.34%	5,780	84.32%	6,646	95.27%
31-60 hours	601	9.08%	671	11.11%	1,002	16.05%	1,036	15.11%	309	4.43%
> 60 hours	51	0.77%	40	0.66%	38	0.61%	39	0.57%	21	0.30%
<b>Total</b>	<b>6,621</b>	<b>100.00%</b>	<b>6,041</b>	<b>100.00%</b>	<b>6,243</b>	<b>100.00%</b>	<b>6,855</b>	<b>100.00%</b>	<b>6,976</b>	<b>100.00%</b>

Semester Hour Load	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2 or less semester hours	1,095	16.54%	746	12.35%	956	15.31%	1,203	17.55%	1,618	23.60%
3-5 semester hours	1,661	25.09%	1,754	29.03%	1,624	26.01%	1,715	25.02%	1,519	22.16%
6-8 semester hours	1,629	24.60%	1,455	24.09%	1,420	22.75%	1,283	18.72%	1,253	18.28%
9-11 semester hours	834	12.60%	719	11.90%	665	10.65%	819	11.95%	789	11.51%
12-14 semester hours	1,037	15.66%	1,023	16.93%	1,186	19.00%	1,408	20.54%	1,328	19.37%
15-17 semester hours	245	3.70%	293	4.85%	299	4.79%	338	4.93%	353	5.15%
18 or more semester hours	120	1.81%	51	0.84%	93	1.49%	89	1.30%	116	1.69%
<b>Total</b>	<b>6,621</b>	<b>100.00%</b>	<b>6,041</b>	<b>100.00%</b>	<b>6,243</b>	<b>100.00%</b>	<b>6,855</b>	<b>100.00%</b>	<b>6,976</b>	<b>101.77%</b>

Average course load	8.1	8.3	8.4	8.4	8.1
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Tuition Status	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	4,328	65.37%	3,923	64.94%	4,157	66.59%	4,582	66.84%	4,686	68.36%
Texas Resident (out-of-District)	2,041	30.83%	1,869	30.94%	1,934	30.98%	2,114	30.84%	2,132	31.10%
Non-Resident Tuition	197	2.98%	194	3.21%	146	2.34%	145	2.12%	130	1.90%
Tuition Exempt	55	0.83%	55	0.91%	6	0.10%	13	0.19%	28	0.41%
Visiting Student	-	0.00%	-	0.00%	-	0.00%	1	0.01%	-	0.00%
<b>Total</b>	<b>6,621</b>	<b>100.00%</b>	<b>6,041</b>	<b>100.00%</b>	<b>6,243</b>	<b>100.00%</b>	<b>6,855</b>	<b>100.00%</b>	<b>6,976</b>	<b>101.77%</b>

**Odessa Junior College District**  
**Statistical Supplement 16**  
**Student Profile**  
**Last Five Fiscal Years**  
(unaudited)

	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender										
Female	3,711	56.05%	3,379	55.93%	3,371	54.00%	3,921	57.20%	4,180	59.92%
Male	2,910	43.95%	2,662	44.07%	2,872	46.00%	2,934	42.80%	2,796	40.08%
Total	6,621	100.00%	6,041	100.00%	6,243	100.00%	6,855	100.00%	6,976	100.00%

	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Ethnic Origin										
White	2,915	44.03%	2,748	45.49%	2,915	46.69%	3,153	46.00%	3,389	48.58%
Hispanic	3,311	50.01%	2,965	49.08%	3,015	48.29%	3,282	47.88%	3,136	44.95%
African American	289	4.36%	211	3.49%	214	3.43%	275	4.01%	309	4.43%
Asian	51	0.77%	57	0.94%	52	0.83%	85	1.24%	90	1.29%
Foreign	14	0.21%	20	0.33%	12	0.19%	13	0.19%	10	0.14%
Native American	39	0.59%	40	0.66%	34	0.54%	46	0.67%	39	0.56%
Unknown	2	0.03%	-	0.00%	1	0.02%	1	0.01%	3	0.04%
Total	6,621	100.00%	6,041	100.00%	6,243	100.00%	6,855	100.00%	6,976	100.00%

	Fall 2008		Fall 2007		Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age										
Under 18	962	14.53%	810	13.41%	744	11.92%	682	9.95%	675	9.68%
18 -21	1,925	29.07%	1,897	31.40%	1,949	31.22%	2,222	32.41%	2,166	31.05%
22 - 24	749	11.31%	689	11.41%	704	11.28%	773	11.28%	724	10.38%
25 - 35	1,501	22.67%	1,393	23.06%	1,459	23.37%	1,626	23.72%	1,651	23.67%
36 - 50	1,106	16.70%	926	15.33%	1,056	16.91%	1,138	16.60%	1,308	18.75%
51 & over	378	5.71%	326	5.40%	331	5.30%	414	6.04%	452	6.48%
Total	6,621	100.00%	6,041	100.00%	6,243	100.00%	6,855	100.00%	6,976	100.00%

Average Age Credit	24.0	23.8	24.0	24.4	24.2
Average Age CE	38.0	38.0	37.5	36.1	37.0

**Odessa Junior College District  
Statistical Supplement 17  
Transfers to Senior Institutions  
2007 Fall Students as of Fall 2008  
(Includes only public senior colleges in Texas)  
(unaudited)**

		Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of Odessa College Transfer Students	% of Odessa College Transfer Students
1	The University of Texas at Permian Basin	304	26	16	346	47.86%
2	Texas Tech University	88	2	0	90	12.45%
3	Angelo State University	53	1	1	55	7.61%
4	Sul Ross State University	31	3	2	36	4.98%
5	Texas A & M University	36	0	0	36	4.98%
6	The University of Texas at Austin	24	0	0	24	3.32%
7	Texas State University	19	2	0	21	2.90%
8	University of North Texas	20	0	1	21	2.90%
9	Texas Tech University Health Science Center	12	4	1	17	2.35%
10	West Texas A & M University	15	0	0	15	2.07%
11	The University of Texas at Arlington	9	1	0	10	1.38%
12	Midwestern State University	7	1	0	8	1.11%
13	The University of Texas at San Antonio	7	1	0	8	1.11%
14	Sam Houston State University	4	1	0	5	0.69%
15	Tarleton State University	5	0	0	5	0.69%
16	The University of Texas at Dallas	4	0	0	4	0.55%
17	Stephen F. Austin State University	3	0	0	3	0.41%
18	Texas A & M University at Galveston	3	0	0	3	0.41%
19	The University of Texas at Tyler	3	0	0	3	0.41%
20	Texas A & M University at Corpus Christi	1	1	0	2	0.28%
21	Texas A & M University Commerce	0	2	0	2	0.28%
22	The University of Texas at El Paso	2	0	0	2	0.28%
23	University of Houston	2	0	0	2	0.28%
24	Texas A & M International University	0	1	0	1	0.14%
25	Texas A & M University at Kingsville	1	0	0	1	0.14%
26	Texas Southern University	1	0	0	1	0.14%
27	Texas Women's University	1	0	0	1	0.14%
28	University of Houston at Victoria	1	0	0	1	0.14%
<b>Totals</b>		<b>656</b>	<b>46</b>	<b>21</b>	<b>723</b>	<b>100.00%</b>

**Odessa Junior College District  
Statistical Supplement 18  
Schedule of Capital Asset Information  
Fiscal Years 2003 to 2009  
(unaudited)**

	<b>Fiscal Year</b>						
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Academic buildings	14	14	14	14	14	15	15
Square footage (in thousands)	418	418	418	418	418	460	527
Libraries	1	1	1	1	1	1	1
Learning Resources area (in thousands)	28	28	28	28	28	28	28
Student Study area (in thousands)	8	8	8	8	8	8	8
Shelving (in linear feet, in thousands)	11	11	11	11	11	11	11
Number of Volumes (in thousands)	112	112	112	112	112	112	111
Administrative and support buildings	6	6	6	6	5	4	4
Square footage (in thousands)	119	119	119	119	98	91	91
Dormitories	1	1	-	-	2	2	2
Square footage (in thousands)	3	3	-	-	21	28	28
Number of Beds	24	24	-	-	134	134	134
Apartments	1	1	1	1	1	1	1
Square footage (in thousands)	75	75	75	75	75	75	75
Number of beds	213	213	213	213	213	213	213
Dining Facilities	1	1	1	1	1	1	1
Square footage (in thousands)	8	8	8	8	8	8	8
Average daily customers	300	300	225	225	225	300	350
Athletic Facilities	7	7	7	7	7	7	7
Square footage (in thousands)	692	692	692	692	692	692	653
Stadiums	1	1	1	1	1	1	1
Gymnasiums	2	2	2	2	2	2	2
Fitness Centers	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1
Ranch	1	1	1	1	1	1	1
Ball Field	2	2	2	2	2	2	2
Theater	1	1	1	1	1	1	1
Globe Theater	14	14	14	14	14	14	14
Plant facilities	4	4	4	4	4	4	4
Square footage (in thousands)	46	46	46	46	46	46	46
Transportation							
Cars	19	19	16	16	16	15	15
Light Trucks/Vans	30	30	29	29	26	26	25
Buses	2	2	2	2	-	-	-