

**CLOUD COUNTY
COMMUNITY COLLEGE**

Concordia, Kansas

Financial Statements and
Independent Auditors' Report with
Supplemental Information and
Federal Compliance Section

For the Year Ended June 30, 2009

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

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Management's Discussion and Analysis

Introduction:

The following discussion and analysis of the financial performance and activity of Cloud County Community College (The College) is to provide an introduction to and an understanding of the basic financial statements of the College for the year ended June 30, 2009 with selected comparative information for the year ended June 30, 2008. This discussion focuses on the current activities, resulting changes, and currently known facts. This discussion should be read in conjunction with the College's basic financial statements and the footnotes to those financial statements. The College is solely responsible for the completeness of this information. A separate audit is issued for the Cloud County Community College Foundation and is available for review at 2221 Campus Drive.

Highlights to the Financial Statements:

Cloud County Community College completed a solid performance for the fiscal year ended June 30, 2009. At year end, the College's assets exceeded its liabilities by \$12,169,791 compared to June 30, 2008 amount of \$11,505,194. Of this amount, \$6,444,428 is classified as unrestricted net assets as compared to \$6,363,384 in 2008. These unrestricted net assets may be used to meet the College's ongoing obligations and increased by \$81,044 in fiscal year 2009. Operating revenues decreased by \$859,701 while operating expenses were up \$1,613,487. Non-operating revenues were up by \$1,643,087. The majority of 2009 decrease in operating revenues and increase in non-operating revenues was caused by a change in where the Federal Pell Grants were included. In 2008 Federal Pell Grants were included in operating revenues and in 2009 they were included in non-operating revenues. The increases in operating revenues were seen in sales and services from auxiliary enterprises, state grants and contracts, activity funds and miscellaneous operating income. A decline of \$501,739 in State Appropriations occurred in 2009. This was the direct result of the State of Kansas higher education appropriations reduction of 11% in 2009. A 48% decrease in interest income occurred due to significant reductions in interest rates. Property taxes were down slightly due to a small decrease in the property tax levy rate. The donation of a decommissioned Zond 750 wind turbine from Westar Energy was a source of gifts shown in non-operating revenues. Operating expenses increased significantly in academic support, student services, auxiliary services and scholarships grants and awards as the college focused on increasing student recruitment efforts and a significant increase in residence life capacity. Operating expenses increased more modestly in instruction and student services and decreased in operation and maintenance. In 2009 net assets increased by \$664,597 compared to an increase of \$1,494,719 in 2008. The reduction in the size of the increase in net assets was

not unexpected because of \$501,739 reduction in state appropriations, increase in recruitment efforts and small enrollment increases for the academic year and a small tuition increase. These items were considered in the budget process and the budget projections were met.

This was the fourth year of a five year capital outlay mill levy. This is a 4 mill capital outlay tax continuing to 2010, allowing the College to make repairs and fund construction projects. The levy will provide the College with about \$270,000 per year.

Combined Statement of Net Assets

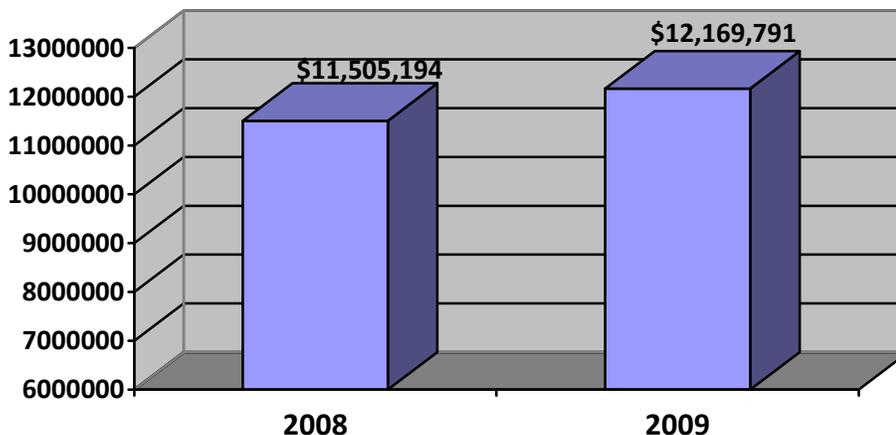
The combined statement of net assets presents the assets, liabilities, and net assets of the College at June 30, 2009. The purpose of the combined statements of net assets is to present the financial condition of the College.

The assets and liabilities are categorized between current and noncurrent. The difference is that current assets and current liabilities become payable within the normal 12 month accounting cycle, whereas noncurrent assets and liabilities become payable after 12 months.

Comparison of Assets – Fiscal Year 2008 to 2009

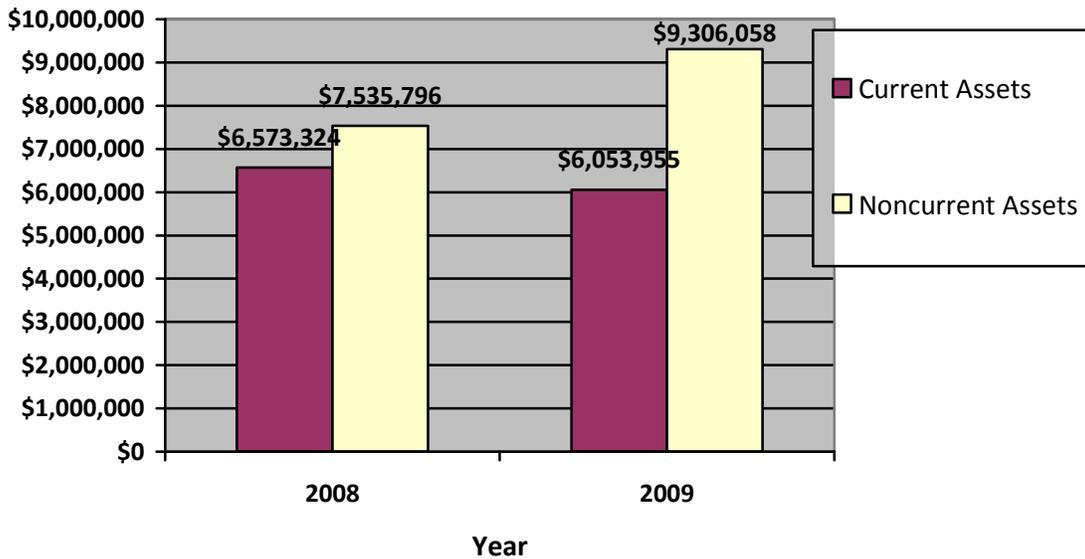
Net assets are presented in three major categories. The first is invested in capital assets, net of related debt, which represents the College's equity in its property, plant, and equipment. The second is restricted and the third is unrestricted. Net assets increased during the current fiscal year from \$11,505,194 to \$12,169,791 for a total increase of \$664,597 or on a percentage basis this is a 5.7 % increase.

Net assets for 2009 compared to 2008:

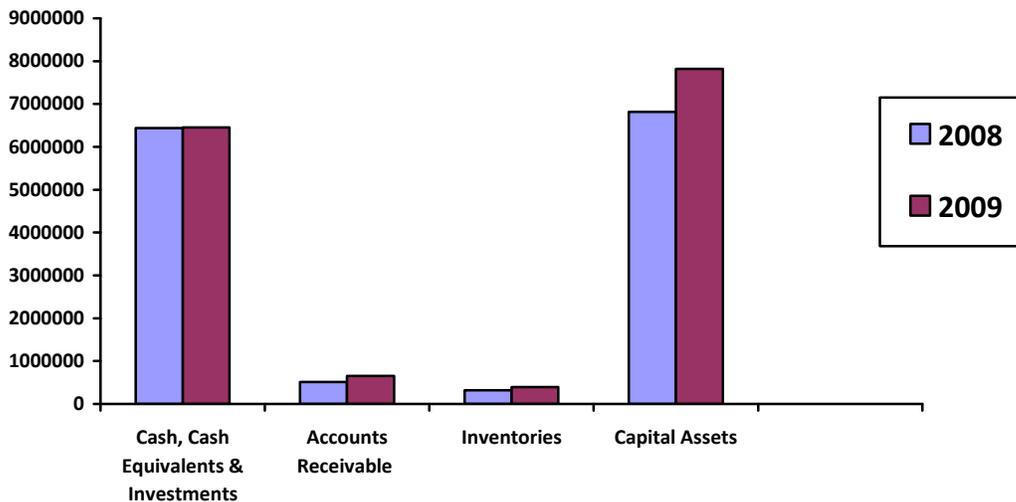


The College's current assets consist primarily of cash, short-term investments and accounts receivables, while noncurrent assets consist mainly of capital assets. The college's current assets in 2009 were \$ 6,053,955 compared to \$6,573,324 in 2008. This reflects a reduction in current assets from 2008 to 2009 of \$519,369 or a 12.66 % decrease. This reduction in current assets was expected due to decline in State of Kansas appropriations. Total breakdown of assets between current and noncurrent classification is as follows:

Total Assets



2008 and 2009 Total Assets by Type



Of the \$15,360,013 in total assets, approximately 42% are in cash and cash equivalents and investments. Capital assets represent 51% of total assets. Total assets increased by \$1,250,893 in 2009 which represents an 8.8% increase from FY 2008.

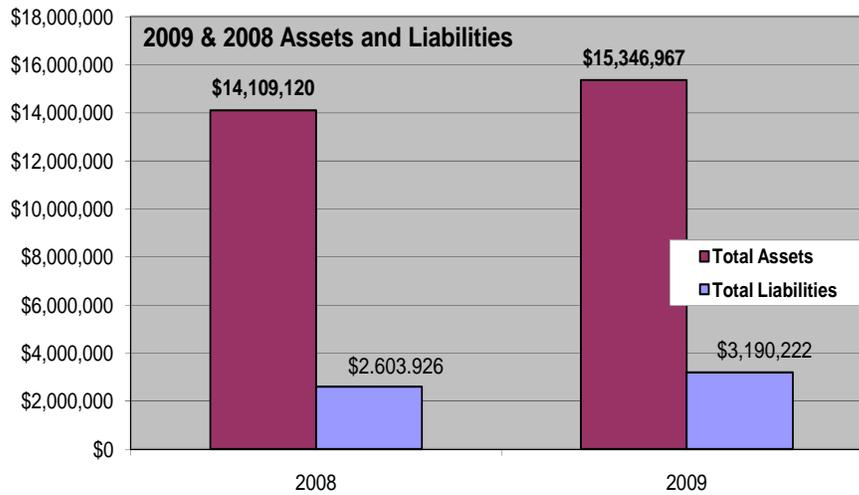
Comparison of Liabilities – Fiscal Year 2008 to 2009

The liabilities are categorized between current and noncurrent. For example, the College's current liabilities consist primarily of accounts payable, accrued liabilities, and deferred revenue. The noncurrent liabilities portion is due to the College's 2003 series Revenue Bonds, notes payable for a 0% interest deferred maintenance loan from State of Kansas, the Capital Lease Purchase of Jenzabar Software and other post employment benefits (OPEB) as required by GASB statement no. 45 . The bond refinancing was completed in July of 2003 and served two primary purposes; 1) to provide adequate funding to complete the Student Center addition and; 2) to take advantage of historically low interest rates. The capital lease for the Jenzabar software is the purchase of a campus wide computer software system. The total current liabilities of the college were increased by \$71,258 or 10.7% for 2009 when compared to 2008. However, the current ratio of current assets to current liabilities still remained high at 8.2 to 1. The breakdown of current liabilities and noncurrent is as follows:

	2008	% Total 2008	2009	% Total 2009
Current Liabilities	666,416	25.59%	737,674	23.12%
Noncurrent Liabilities	1,937,509	74.41%	2,452,548	76.88%
Total Liabilities	2,603,925	100.00%	3,190,222	100.00%

Comparison of Assets to Liabilities

In 2009 total assets increased by \$1,250,893 and while total liabilities increased by \$586,296 in 2009. This represents an 8.8% increase in total assets and a 22.5% increase in total liabilities. The increase in total assets is caused mainly by increases in noncurrent cash and cash equivalents of \$765,574, capital assets of \$1,001,994 and a decrease in current cash and cash equivalents. The increase in liabilities is mainly caused by the new 0% interest deferred maintenance loan from State of Kansas.



Combined Statements of Revenues, Expenses and Changes in Net Assets

The combined statements of revenues, expenses, and changes in net assets present the College's financial results for the fiscal year ending June 30, 2008. The statements include the College's revenue and expenses, both operating and non-operating.

Operating revenues and expenses are those for which the College directly exchanges goods and services. Non-operating revenues and expenses are those that exclude specific goods and services. Examples of non-operating revenues would be County property tax revenue and state aid; whereby local and state taxpayers do not directly receive goods and services from the College.

Results of Operations Fiscal Year 2009

Revenue

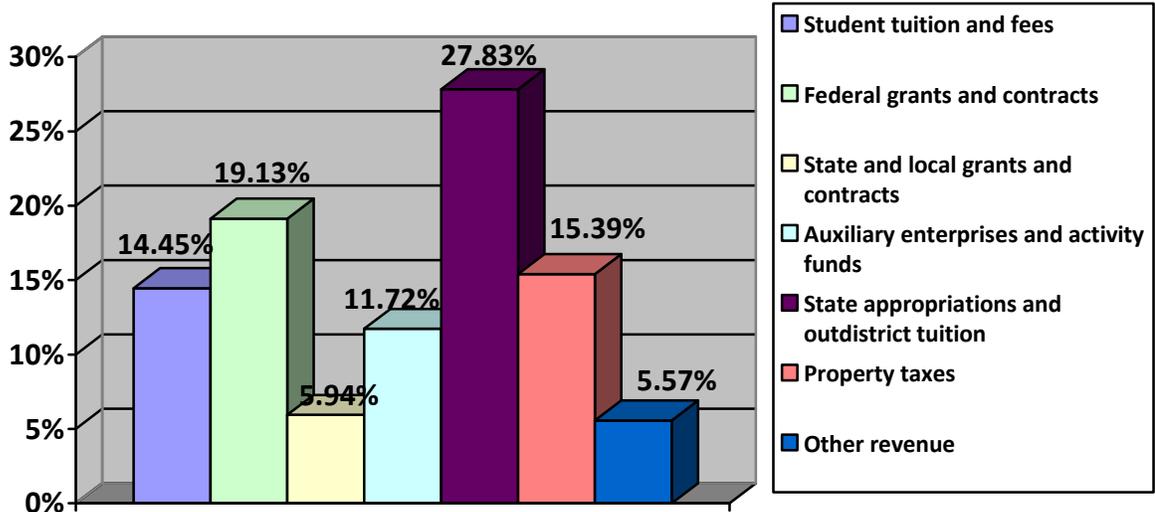
Components and sources of revenue:

Cloud County Community College receives revenue from five major sources. They are: The State of Kansas; Federal Government; students, in the form of tuition and fees; local taxpayers, by way of property taxes; and through business style auxiliary enterprises. These sources are relatively stable year over year as a percentage of the total. The following charts show the comparison of revenue

sources for 2008 and 2009 and the 2009 revenues by percentage. However, the college expects to have to increase its reliance on student tuition and auxiliary revenue due to possible continuing declines in State of Kansas appropriations and minimal increase in property taxes.

	2008	% Total 2008	2009	% Total 2009
Student tuition and fees	2,366,349	15.35%	2,327,306	14.45%
Federal grants and contracts	2,469,681	16.02%	3,081,072	19.13%
State and local grants and contracts	716,447	4.65%	957,592	5.94%
Auxiliary enterprises and activity funds	1,894,899	12.30%	1,886,085	11.71%
State appropriations and outdistrict tuition	4,994,123	32.40%	4,483,384	27.83%
Property taxes	2,487,226	16.14%	2,477,050	15.38%
Other revenue	482,876	3.13%	896,771	5.57%
Total revenue	15,411,601	100.00%	16,109,267	100.00%

2009 Total Revenue Sources by Percentage



Expenditures

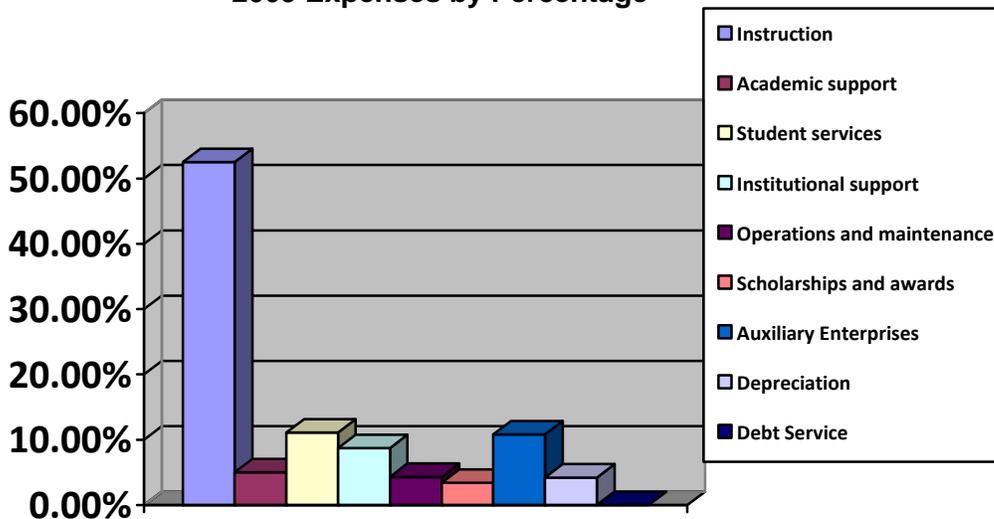
Components of expenses:

Cloud County Community College incurs expenses of nine types. They are: Instruction, Academic Support, Student Services, Institutional Support, Operations and Maintenance, Scholarships and awards, Auxiliary Enterprises, Depreciation and Debt Services. These expenses are relatively stable year over year as a percentage of the total. The following charts show the comparison of expenses by function for 2008 and 2009 and the 2009 expenses by percentage:

Cloud County Community College
 Management's Discussion and Analysis
 Fiscal year ended June 30, 2009

	2008	% Total 2008	2009	% Total 2009
Instruction	7,585,893	54.5%	8,102,931	52.5%
Academic support	645,073	4.6%	776,125	5.0%
Student services	1,402,699	10.1%	1,712,389	11.1%
Institutional support	1,292,080	9.3%	1,346,331	8.7%
Operations and maintenance	674,264	4.8%	664,371	4.3%
Scholarships and awards	362,713	2.6%	519,203	3.4%
Auxiliary Enterprises	1,279,018	9.2%	1,667,483	10.8%
Depreciation	589,436	4.2%	655,830	4.2%
Debt Service	90,159	0.6%	-	0.0%
Total Education and General	13,921,335	100.0%	15,444,663	100.0%

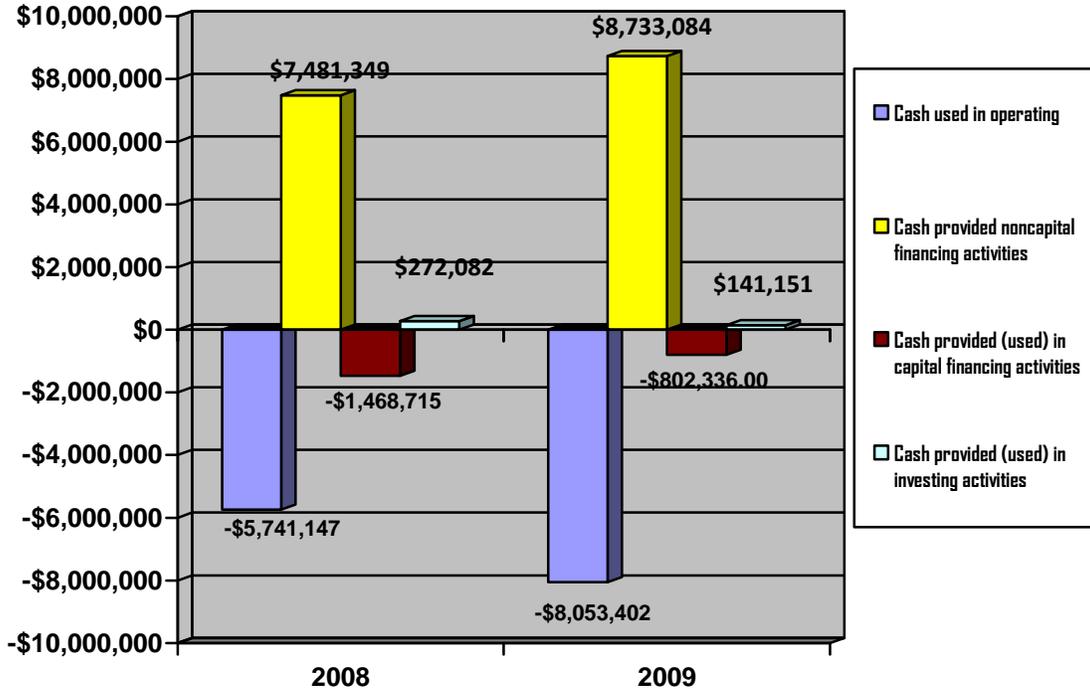
2009 Expenses by Percentage



Statement of Cash Flows

The statement of cash flows presents information about cash receipts and cash payments during the year. It helps assess the College's ability to generate net cash flows and to meet its obligations as they come due. The largest sources of cash from operating activities were student tuition and fees, federal financial aid and sales and services of auxiliary enterprises. Major uses of cash were payments made to employees and vendors. Net cash used in operations in 2009 decreased by \$2,312,255 from 2008 while cash provided from noncapital financing in 2009 increased by \$1,251,734 from 2008. Cash used in capital financing activities in 2009 decreased \$666,379 and cash provided from investing activities in 2009 decreased by \$130,931. The net increase in cash

and cash equivalents for 2009 was \$18,497 as compared to an increase of \$543,569 in 2008.



Summary of Overall Performance

Cloud County Community College's financial condition improved overall this fiscal year despite minimal increase in credit hours and an 11% decline in State of Kansas appropriations. Net assets increased on an accrual basis, in 2009 from 2008 by \$664,597 to \$12,169,791. Total operating and non-operating revenues were \$16,109,261 while operating expenses were \$15,444,664. In 2009 total assets increased by \$1,250,893 and while total liabilities increased by \$586,296 which included \$618,526 0% interest loan for deferred maintenance from the State of Kansas. Cash, cash equivalents and investments decreased by \$519,369 while noncurrent assets increased by \$1,703,210. Current assets exceeded current liabilities \$5,316,281. The next couple of fiscal years will challenge the college due minimal if any increases or possible reductions in state appropriations and minimal if any increase in mill rates due to economic conditions. The college currently is seeing double digit percentage enrollment increases which have almost totally offset the reductions in the State of Kansas appropriations; however those enrollment increases will also create pressure on operational expenses including instructional, student services and institutional support. The college will be making adjustments in expense allocations and

seeking to continue to increase enrollment levels to provide revenue sources to deal with the possible state appropriation reductions and limited property tax levy changes.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Cloud County Community College
Concordia, Kansas

We have audited the accompanying statement of net assets of Cloud County Community College, Concordia, Kansas, as of June 30, 2009, and the related statement of revenues, expenses, and changes in net assets and statement of cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 the guidance in the *Kansas Municipal Audit Guide*. Those standards and guidance require that we plan and perform the audit to obtain reasonable assurance about whether the 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cloud County Community College as of June 30, 2009, and the changes in its net assets and cash flows for the year 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 our report dated December 31, 2009, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Trustees
Cloud County Community College
Concordia, Kansas

The management's discussion and analysis on pages i through ix, 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of funding progress is supplementary information required by accounting principles generally accepted in the United States of America. The supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Cloud County Community College. The supplemental schedules, including the required supplemental information, and the schedule of expenditures of federal awards have 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.



JARRED, GILMORE & PHILLIPS, PA.
Certified Public Accountants

P.O. Box 779
Chanute, Kansas 66720
(620) 431-6342
December 31, 2009

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
Statement of Net Assets
June 30, 2009

	Primary Institution	Component Unit - Foundation
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 5,007,183.66	\$ 863,644.06
Accounts Receivable, Net	654,254.09	4,433.49
Promises to Give	-	806,109.92
Inventories	392,517.16	-
Total Current Assets	6,053,954.91	1,674,187.47
Noncurrent Assets		
Cash and Cash Equivalents	1,447,126.38	-
Investments	-	1,361,261.34
Accounts Receivable, Net	16,139.00	-
Cash Value of Life Insurance	-	2,553.21
Bond Issuance Costs, Net of Accumulated Amortization	20,975.33	-
Capital Assets, Net of Accumulated Depreciation	7,821,817.25	3,037.31
Total Noncurrent Assets	9,306,057.96	1,366,851.86
TOTAL ASSETS	\$ 15,360,012.87	\$ 3,041,039.33
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 300,828.15	\$ 131,077.24
Accrued Wages	75,277.06	-
Accrued Interest	32,044.38	-
Deferred Revenue	80,397.00	-
Compensated Absences	221,345.02	-
Deposits Held in Custody for Others	27,782.47	-
Total Current Liabilities	737,674.08	131,077.24
Noncurrent Liabilities		
Revenue Bonds Payable	1,610,000.00	-
Notes Payable	618,526.26	-
Capital Lease Payable	126,424.64	-
OPEB Obligations	97,597.00	-
Total Noncurrent Liabilities	2,452,547.90	-
TOTAL LIABILITIES	3,190,221.98	131,077.24
NET ASSETS		
Investment in Capital Assets, Net of Related Debt	5,466,866.35	3,037.31
Restricted- Expendable:		
Bond and Interest	112,044.38	-
Bond Reserve	146,451.88	-
Other Temporarily Restricted	-	1,064,907.31
Restricted- Nonexpendable	-	1,707,643.94
Unrestricted	6,444,428.28	134,373.53
TOTAL NET ASSETS	12,169,790.89	2,909,962.09
TOTAL LIABILITIES AND NET ASSETS	\$ 15,360,012.87	\$ 3,041,039.33

The accompanying notes are an integral part
of the financial statements.

CLOUD COUNTY COMMUNITY COLLEGE
 Concordia, Kansas
 Statement of Revenues, Expenses, and Changes in Net Assets
 For the Year Ended June 30, 2009

	Primary Institution	Component Unit - Foundation
REVENUES		
Operating Revenues		
Student Tuition and Fees, (net of scholarship discounts and allowances of \$884,249.91)	\$ 2,327,306.10	\$ -
Federal Grants and Contracts	1,308,421.95	-
State Grants and Contracts	957,592.10	-
Sales and Services of Auxiliary Enterprises (net of scholarship discounts and allowances of \$1,477,766.43)	778,829.08	-
Activity Fund Revenues	1,107,255.82	-
Miscellaneous Operating Income	319,063.64	204.23
Total Operating Revenues	<u>6,798,468.69</u>	<u>204.23</u>
EXPENSES		
Operating Expenses		
Educational and General		
Instruction	8,102,931.10	-
Academic Support	776,124.84	-
Student Services	1,712,389.46	-
Institutional Support	1,346,331.28	38,404.27
Operation and Maintenance	664,371.39	-
Scholarships, Grants and Awards	519,202.54	117,353.00
Fundraising	-	36,068.46
Auxiliary Enterprises	1,667,482.96	-
Activity Fund Expenses	-	75,871.68
Depreciation Expense	655,830.28	-
Total Operating Expenses	<u>15,444,663.85</u>	<u>267,697.41</u>
Operating Income (Loss)	<u>(8,646,195.16)</u>	<u>(267,493.18)</u>
Nonoperating Revenues (Expenses)		
State Appropriations	4,126,669.00	-
County Out District Aid	356,715.00	-
County Appropriations	2,477,049.50	-
Federal Pell Grants	1,772,650.00	-
Gifts and Contributions	513,052.00	556,372.91
Investment Income	141,150.88	(208,957.27)
Debt Service	(76,494.62)	-
Net Operating Revenues (Expenses)	9,310,791.76	347,415.64
Increase (Decrease) in Net Assets	664,596.60	79,922.46
Net Assets - Beginning of Year, As Previously Reported	11,505,194.29	3,079,537.93
Prior Period Adjustment	-	(249,498.30)
Net Assets - Beginning of Year, Restated	<u>11,505,194.29</u>	<u>2,830,039.63</u>
Net Assets - End of Year	<u>\$ 12,169,790.89</u>	<u>\$ 2,909,962.09</u>

The accompanying notes are an integral part
of the financial statements.

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Statement of Cash Flows

For the Year Ended June 30, 2009

	Primary Institution	Component Unit - Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Tuition and Fees	\$ 2,161,062.84	\$ -
Federal Grants and Contracts	1,308,421.95	-
State Grants and Contracts	957,592.10	-
Sales and Services of Auxiliary Enterprises	778,829.08	-
Activity Fund Revenues	1,107,255.82	-
Miscellaneous Income	319,063.64	204.23
Payments on Behalf of Employees	(8,754,039.38)	-
Payments for Supplies and Materials	(1,868,594.80)	-
Payments for Other Expenses	(4,062,992.87)	(239,623.16)
Net cash provided by (used in) operating activities	<u>(8,053,401.62)</u>	<u>(239,418.93)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	4,126,669.00	-
County Out District Aid	356,715.00	-
County Appropriations	2,477,049.50	-
Federal Pell Grant	1,772,650.00	-
Gifts and Contributions	-	750,316.89
Net cash provided by (used in) noncapital financing activities	<u>8,733,083.50</u>	<u>750,316.89</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Payments for Purchase of Capital Assets	(1,144,771.98)	-
Interest Paid on Long Term Debt	(75,005.24)	-
Proceeds from the Issuance of Debt	618,526.26	-
Principal Payments on Revenue Bonds	(201,084.77)	-
Net cash provided by (used in) capital financing activities	<u>(802,335.73)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned on Investments	141,150.88	71,669.15
Proceeds from the Sales and Maturities of Investments	-	739,574.19
Purchase of Investments	-	(902,084.09)
Net cash provided by (used in) investing activities	<u>141,150.88</u>	<u>(90,840.75)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	18,497.03	420,057.21
Cash and Cash Equivalents, Beginning of Year	<u>6,435,813.01</u>	<u>443,586.85</u>
Cash and Cash Equivalents, End of Year	<u>\$ 6,454,310.04</u>	<u>\$ 863,644.06</u>

The accompanying notes are an integral part
of the financial statements.

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Statement of Cash Flows

For the Year Ended June 30, 2009

	Primary Institution	Component Unit - Foundation
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (8,646,195.16)	\$ (267,493.18)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities:		
Depreciation Expense	655,830.28	754.78
(Increase) Decrease in Receivables	(160,690.26)	-
(Increase) Decrease in Inventory	(71,201.33)	27,319.47
Increase (Decrease) in Accounts Payable	(46,538.83)	-
Increase (Decrease) in Accrued Wages	17,842.26	-
Increase (Decrease) in Accrued Interest	(1,000.00)	-
Increase (Decrease) in Deferred Revenue	(5,553.00)	-
Increase (Decrease) in Compensated Absences	112,919.08	-
Increase (Decrease) in Deposits Held for Others	(6,411.66)	-
OPEB Obligations	97,597.00	-
Net cash provided by (used in) operating activities	<u>\$ (8,053,401.62)</u>	<u>\$ (239,418.93)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS		
Cash and Cash Equivalents classified as current assets	\$ 5,007,183.66	\$ 863,644.06
Cash and Cash Equivalents classified as non-current assets	1,447,126.38	-
Total Cash and Cash Equivalents	<u>\$ 6,454,310.04</u>	<u>\$ 863,644.06</u>
Supplemental Information		
Non-Cash Contributions - Donation of Equipment	<u>\$ 513,052.00</u>	<u>\$ -</u>
Cash Paid During the Period for:		
Interest Expense	<u>\$ 75,005.24</u>	<u>\$ -</u>

The accompanying notes are an integral part
of the financial statements.

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Notes to the Financial Statements
For the Year Ended June 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Cloud County Community College, Concordia, Kansas, have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the College's accounting policies follow.

Reporting Entity

The financial reporting entity, as defined by Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, consist of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete.

Component Unit

The component unit section of the financial statements includes the financial data of the discretely presented component unit, the Cloud County Community College Foundation. The component unit is reported separately to emphasize that it is legally separate from the College. The economic resources received or held by the component unit are held almost entirely for the direct benefit of the College. The Cloud County Community College Foundation was formed to promote and foster the educational purposes of the College, and to create a fund to be used for any program, project or enterprise undertaken in the interest of the College. The Foundation acts largely as a fundraising organization, soliciting, receiving, managing and disbursing contributions on behalf of the College. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation board of directors. The Foundation can sue and be sued, and can buy, sell, or lease real property. The Foundation's financial statements should be included with the College's financial statements. Separate audited financial statements are prepared and are available at the Foundation, and can be requested from the College's controller. The Foundation is considered a component unit.

The College's component unit is a private not-for-profit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the component unit's financial information in the College's financial report for these differences. The component unit's financial data has, however, been aggregated into like categories for presentation purposes.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Financial Statement Presentation

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. This was followed in November 1999 by GASB No. 35, *Basic Financial Statements and Management Discussion and Analysis for Public Colleges and Universities*. The financial statement presentation required by GASB No. 34 and No. 35 provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net assets, revenues, expenses, changes in net assets, and cash flows and replaces the fund-group perspective previously required.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The College has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The College has elected to not apply FASB pronouncements issued after the applicable date.

New Accounting Pronouncements

The College has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition and display of other postemployment benefits expenses and related liabilities of assets, note disclosures, and of applicable required supplementary information in the financial reports. The College provides post employment health care benefits (OPEB) for retired employees. The College had an actuarial valuation performed for the OPEB plan as of July 1, 2008 to determine the funding requirements. The actuarial accrued liability (AAL), which is the portion of the actuarial present value of benefits allocated to all prior years, was determined to be \$668,023.00. This Statement required the College to record a net OPEB liability of \$97,597.00 and to add disclosures to the notes of the financial statements and required supplementary information.

New Accounting Pronouncements – Component Unit

The Foundation has adopted, for the year ended June 30, 2009, FSP 117-1 "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for all Endowment Funds", which was adopted by the state of Kansas in 2008. The Foundation is governed subject to the Cloud County Community College Foundation's governing documents and most contributions are subject to its terms.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

New Accounting Pronouncements – Component Unit (Continued)

In 2009 the Foundation adopted the Statement of Financial Accounting Standards No. 157 (“FAS 157”), Fair Value Measurements. FAS 157 requires classification of assets and liabilities into three levels based on the method used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect the Endowment Association’s determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk of liquidity associated with the underlying investment. For example, U.S. government securities are generally high quality and liquid; however, they are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents.

Investments

The College accounts for its investments at fair value in accordance with GASB Statements No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses, and changes in net assets.

Accounts Receivable and Allowance for Doubtful Accounts

The College regularly extends unsecured credit to various students. The College uses the allowance method to account for uncollectible accounts receivable.

Inventories

Inventories consist of books and supplies held for resale in the bookstore and are valued at cost, using the first-in, first-out method (FIFO).

Capital Assets

Capital assets are stated at cost at the date of acquisition, or fair value at the date of donation in the case of gifts. For equipment, the College’s capitalization policy includes all items with a unit cost of \$1,000.00 or more, and an estimated useful life of greater than one year. Renovations to building, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is provided on straight-line method over the estimated useful lives of the respective classes of property. Estimated useful lives are as follows:

Buildings	35 Years
Building Improvements	20 Years
Furniture	10 Years
Vehicles	5-7 Years
Equipment, including computers	3-7 Years

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Noncurrent Cash, Investments, and Noncurrent Accounts Receivable

Cash, investments, and accounts receivable that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the statement of net assets.

Bond Issuance Cost

Costs relating to obtaining bond financing are capitalized and amortized over the term of the related debt using the straight-line method.

Accounts Receivable and Deferred Revenue

Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of Kansas. Accounts receivable also includes amounts due from the Federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grant and contracts. Accounts receivable also include taxes in process of collection for property taxes assessed and collected for the calendar year ending December 31, 2009.

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. Property taxes levied in November 2007 are recorded as taxes receivable. Approximately 2% to 6% of these taxes are normally distributed after June 30, 2009, and are presented as accounts receivable-taxes in process and deferred revenue to indicate that they are not appropriable. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; or (3) other liabilities that although payable within one year, are to be paid from funds that are classified as noncurrent assets.

Net Assets

The College's net assets are classified as follows:

Investment in capital assets, net of related debt: This represents the College's total investment in capital assets, net of accumulated depreciation, and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of investment in capital assets, net of related debt.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Assets (Continued)

Restricted net assets – expendable: Restricted expendable net assets include resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Restricted net assets – nonexpendable: Nonexpendable restricted net assets consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted net assets: Unrestricted net assets represent resources derived from student tuition and fees, state appropriations and sales and services of educational departments and auxiliary enterprises. These resources are used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Compensated Absences

Employee vacation pay is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued vacation payable in the statement of net assets, and a component of compensation and benefit expense in the statement of revenues, expenses, and changes in net assets.

Income Taxes

The College, as a political subdivision of the State of Kansas, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended. The Foundation is exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code.

Classification of Revenues

The College has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales of services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most Federal, state and local grants and contracts, and Federal appropriations.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities that use Proprietary Fund Accounting*, and GASB No. 34, such as state appropriations and investment income.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses, and changes in net assets. Scholarship discounts and allowances are the difference between the stated charge and the goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pension Plan

Substantially all full-time College employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The College's policy is to fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

2. **STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for current funds - unrestricted and plant funds (unless specifically exempted by statute). The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

Annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenue is recognized when cash is received. Expenditures include cash disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for Current Funds – Restricted, Deferred Maintenance, and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Compliance with Bond Covenants

The bond resolution to issue the Student Union and Dormitory System Refunding and Improvement Revenue Bonds contains the following requirements:

1. All income from operation of the Revenue Fund are to be placed in the Revenue Fund.
2. Disbursements from the Revenue Fund are required as follows:
 - (a) Monthly transfers to the Debt Service Account not less than 1/6th of the next revenue bond interest.
 - (b) Monthly transfers to the Debt Service Account not less than 1/12th of the next revenue bond principal.
 - (c) A balance in an amount equal to the lesser of 10% of the original principal amounts of the bonds or one times the maximum future debt service requirements of the bonds or 125% of the average annual debt service requirements of the bonds is to be maintained in the Debt Service Reserve Fund
 - (d) On June 30th each year, after meeting all requirements of (a) through (c) above, all remaining money in the Dormitory and Student Union Account shall be paid to the Replacement and Reserve Account. This fund may pay costs of operation, maintenance, repair, improvements or redeem the revenue bonds prior to their normal maturity.
 - (f) The College agrees to maintain rental rates, fees and charges for the use of buildings and facilities, which will be sufficient to have each fiscal year a net operating revenue of at least 125% of the annual requirement for principal and interest requirements of the current fiscal year of the Dormitory Revenue Bonds.

For the fiscal year ended June 30, 2009, the College met the gross operating income covenant, as follows:

Increase (Decrease) in Net Assets (Page 34)	\$ 285,087.24
Net Transfers	85,713.71
Capital Outlay	<u>33,082.33</u>
Net Income as defined by Bond Agreements	<u>\$ 403,883.28</u>
Required 125% of current year principle and interest	<u>\$ 181,360.95</u>

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Compliance with Bond Covenants (Continued)

During the fiscal year ended June 30, 2009, all of the transfers required by #2 above, were made. At June 30, 2009, the bond reserves had the following balances:

	<u>REQUIRED</u>	<u>ACTUAL</u>
Debt Service Account	\$ 112,044.38	\$112,044.38
Dormitory Bond Reserve Account	146,451.88	166,206.00

Compliance with Kansas Statutes

Supplemental Schedules 3 to 10 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Schedules 3 to 10, the College was in apparent compliance with Kansas cash basis and budget laws.

Management is aware of no other statutory violations for the period covered by the audit.

3. DEPOSITS AND INVESTMENTS

Deposits and Investments - Primary Institution

K.S.A 9-1401 establishes the depositories which may be used by the College. The statute requires banks eligible to hold the College's funds have a main branch or branch bank in the county in which the College is located and the bank provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The College has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the College's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The College has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. State statutes require the College's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2009.

3. DEPOSITS AND INVESTMENTS (Continued)

Deposits: At year-end, the College's carrying amount of deposits including certificates of deposit listed as investments was \$6,454,310.04 and the bank balance was \$6,649,775.84. The bank balance was held by three banks and the State of Kansas Fiscal Office resulting in a concentration of credit risk. Of the bank balance \$750,000.00, was covered by FDIC insurance, \$6,002,775.84 was collateralized with pledged securities held by the pledging financial institutions' agents in the College's name, and \$112,044.38 was held in escrow by the State of Kansas Fiscal Office.

Deposits and Investments – Component Unit

At year-end the carrying amount of the Foundation's deposits, including certificates of deposit and money market accounts held with brokers, was \$863,644.06. The bank balance was held by two bank resulting in a concentration of credit risk. The bank balance was \$774,374.26. Of the bank balance \$18,090.91 was covered by FDIC insurance and the remaining \$774,374.26 was covered with SPIC insurance.

The Primary objective of the Foundation's investment policy is to provide for long-term growth, a modest rate of return, and an average risk. The investment objective requires a disciplined and consistent management philosophy. The objectives do not call for a philosophy which represents extreme positions or opportunistic styles. The portfolio shall be diversified with cash, fixed income, and equity holdings.

The purpose of such diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact of the total portfolio.

Equity investments and other investments are recorded at fair values subject to comments on Investments under the summary of accounting practices. Investments at June 30, are comprised of the following:

Investments at June 30, 2009, are comprised of the following:

	<u>COST</u>	<u>FAIR VALUE</u>
Fixed Income Securities	\$ 410,526.77	\$ 425,170.41
Public Traded Equities	1,185,403.71	936,090.93
	<u>\$ 1,595,930.48</u>	<u>\$ 1,361,261.34</u>

The Foundation uses fair value measurement to record fair value adjustment to certain assets and liabilities. The following table sets forth carrying amounts and estimated fair value for financial instruments at June 30:

	June 30, 2009			
	Level 1	Level 2	Level 3	Total
Public Traded Equities	\$ 936,090.93	\$ --	\$ --	\$ 936,090.93
Fixed Income	--	425,170.41	--	425,170.41
Total	<u>\$ 936,090.93</u>	<u>\$ 425,170.41</u>	<u>\$ --</u>	<u>\$ 1,361,261.34</u>

4. RESTRICTED CASH

At year-end, the College has made payment toward the 2003 Series Student Union Dormitory System Refunding and Improvements Bond, which are not due until July 1, 2009. These monies are held in trust, by the Office of the State Treasurer of the State of Kansas, until the time the bonds are redeemed.

The College is required by certain revenue bond ordinances to maintain certain restricted accounts as discussed in Note 2.

5. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2009, consisted of the following:

Current		
Taxes in Process	\$	64,258.00
Federal Grants		110,069.26
Student Accounts		<u>479,926.83</u>
Total Current Accounts Receivable		<u>654,254.09</u>
Non Current		
Taxes in Process		<u>16,139.00</u>
Total Accounts Receivable	\$	<u>670,393.09</u>

The College uses the allowance method to account for uncollectible accounts receivable. Accounts receivable are presented net of an allowance for uncollectible accounts of \$715,727.07 at June 30, 2009.

6. UNCONDITIONAL PROMISES TO GIVE

Component Unit

Unconditional promises to give at June 30, 2009 consist of the following:

		<u>2009</u>
Endowed funds:	Less than one year	\$ 40,303.21
	One to five years	214,295.17
	More than five years	<u>2,082,432.46</u>
	Total unconditional promises to give	2,337,030.84
	Less unamortized discounts	<u>(1,530,920.92)</u>
		<u>\$ 806,109.92</u>

Uncollectible amounts for unconditional promises to give are expected to be insignificant. Accordingly, no provision is made for uncollectible amounts. Long-term promises to give are recognized at fair value, using present value techniques and a discount rate of 4.4% in 2009.

7. INVENTORIES

Inventories consisted of the following at June 30, 2009:

Book Store Inventory		
Textbooks	\$	358,781.32
Soft Goods and Supplies		<u>33,735.84</u>
Total Bookstore Inventory	\$	<u>392,517.16</u>

8. CAPITAL ASSETS

Primary Institution:

Following are the changes in capital assets for the year ended June 30, 2009:

	Balance 06/30/2008	Additions/ Transfers	Retirements/ Transfers	Balance 06/30/2009
Capital assets not being depreciated				
Land	\$ 429,388.00	\$ -	\$ -	\$ 429,388.00
Construction in progress	182,460.40	158,647.50	(182,460.40)	158,647.50
Total Capital Assets not being depreciated	<u>\$ 611,848.40</u>	<u>\$ 158,647.50</u>	<u>\$ (182,460.40)</u>	<u>\$ 588,035.50</u>
Other Capital Assets				
Buildings	\$ 8,659,313.11	\$ 597,928.29	\$ -	\$ 9,257,241.40
Equipment	1,645,741.25	987,025.14	(144,721.16)	2,488,045.23
Equipment Under Capital Lease	547,552.00	-	-	547,552.00
Furniture	35,928.33	64,893.45	-	100,821.78
Vehicles	503,584.65	31,790.00	-	535,374.65
Total Other Capital Assets	<u>\$ 11,392,119.34</u>	<u>\$ 1,681,636.88</u>	<u>\$ (144,721.16)</u>	<u>\$ 12,929,035.06</u>
Accumulated Depreciation				
Buildings	\$ 3,367,867.69	\$ 226,142.90	\$ -	\$ 3,594,010.59
Equipment	1,241,595.92	244,723.56	(144,721.16)	1,341,598.32
Equipment Under Capital Lease	219,020.80	109,510.40	-	328,531.20
Furniture	23,806.61	10,795.86	-	34,602.47
Vehicles	331,853.17	64,657.56	-	396,510.73
Total Accumulated Depreciation	<u>\$ 5,184,144.19</u>	<u>\$ 655,830.28</u>	<u>\$ (144,721.16)</u>	<u>\$ 5,695,253.31</u>
Total Net Capital Assets	<u>\$ 6,819,823.55</u>	<u>\$ 1,184,454.10</u>	<u>\$ (182,460.40)</u>	<u>\$ 7,821,817.25</u>

Component Unit:

Following are the changes in capital assets for the year ended June 30, 2009:

	Balance 06/30/2008	Additions	Retirements	Balance 06/30/2009
Property and Equipment				
Land	\$ 31,400.00	\$ -	\$ 28,990.00	\$ 2,410.00
Equipment	13,947.86	-	-	13,947.86
Total Other Capital Assets	<u>\$ 45,347.86</u>	<u>\$ -</u>	<u>\$ 28,990.00</u>	<u>\$ 16,357.86</u>
Accumulated Depreciation				
Equipment	\$ 12,565.77	\$ 754.78	\$ -	\$ 13,320.55
Total Accumulated Depreciation	<u>\$ 12,565.77</u>	<u>\$ 754.78</u>	<u>\$ -</u>	<u>\$ 13,320.55</u>
Total Net Capital Assets	<u>\$ 32,782.09</u>	<u>\$ (754.78)</u>	<u>\$ 28,990.00</u>	<u>\$ 3,037.31</u>

9. BOND ISSUANCE COST

Cost related to obtaining bond financing are capitalized and amortized over the term of the related debt using the straight-line method. Accumulated amortization at June 30, 2009 was \$8,812.17. When the loan is paid in full, any unamortized financing charges are removed from the related accounts and charged to operations.

10. LONG-TERM DEBT

Long-term debt of the College consists of the following as of June 30, 2009:

Revenue Bonds:

1.0 to 4.50% Student Union and Dormitory System Refunding and Improvement revenue bonds issued 2003, maturing serially through July 1, 2023, Secured by dormitory gross revenues. \$ 1,610,000.00

Notes Payable:

Kansas Board of Regents – PEI Infrastructure – One eight of the Institution’s total loan amount shall be repaid on or before December 1 in each year of the eight year amortization period of the Kansas Development Finance Authority revenue bonds Series 2008A. 618,526.26

\$ 2,238,526.26

The following is a summary of changes in long-term debt for the year ended June 30, 2009:

<u>OBILGATIONS</u>	<u>PRINCIPAL JUNE 30, 2009</u>	<u>PRINCIPAL RECEIVED (PAID)</u>	<u>PRINCIPAL JUNE 30, 2009</u>	<u>INTEREST PAID</u>
Revenue Bonds --				
Series 2003	\$ 1,690,000.00	\$ (80,000.00)	\$ 1,610,000.00	\$ 65,088.76
Notes Payable				
Series 2008A	--	<u>618,526.26</u>	<u>618,526.26</u>	--
	<u>\$ 1,690,000.00</u>	<u>\$ 538,526.26</u>	<u>\$ 2,238,526.26</u>	<u>\$ 65,088.76</u>

The bond principal and interest requirements for the next five years and thereafter are as follows:

<u>FISCAL YEAR JUNE 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2010	\$ 80,000.00	\$ 62,968.76	\$ 142,968.76
2011	85,000.00	60,510.01	145,510.01
2012	85,000.00	57,747.51	142,747.51
2013	90,000.00	54,748.76	144,748.76
2014	95,000.00	51,451.88	146,451.88
2015-2019	525,000.00	198,982.50	723,982.50
2020-2024	<u>650,000.00</u>	<u>74,412.50</u>	<u>724,412.50</u>
	<u>\$1,610,000.00</u>	<u>\$ 560,821.92</u>	<u>\$2,170,821.92</u>

10. LONG-TERM DEBT (Continued)

Loan Agreement:

The college entered into a Loan Agreement with The Kansas Board of Regents on March 24, 2009 for the purpose of infrastructure improvement. The total amount borrowed was \$981,104.00. As of June 30, 2009, \$618,526.26 had been received, with the remainder to be received in the following year. The loan is a noninterest bearing note, with eight annual payments of \$122,638.00, maturing December 1, 2016.

The principal requirements for the next five years and thereafter are as follows:

<u>Loan Agreement – Infrastructure Improvement</u>	
Debt requirements are as follows:	
<u>December 1,</u>	
2009	\$ 122,638.00
2010	122,638.00
2011	122,638.00
2012	122,638.00
2013	122,638.00
2014-2016	<u>367,914.00</u>
Total Net Minimum Loan Payments	981,104.00
Less: Proceeds not yet received	<u>(362,577.74)</u>
Long-Term Loan Obligations	<u>\$ 618,526.26</u>

11. CAPITAL LEASES

The College entered into a capital lease agreement dated September 15, 2005, with California First National Bank for the purchase of Jenzabar software system. The total cost was \$547,552.00. The lease calls for annual payments of \$132,000.00, including interest at 4.41% per annum, maturing September 30, 2009.

<u>Capital Lease – Janzabar Software</u>	
Debt requirements are as follows:	
<u>June 30,</u>	
2010	\$ 132,000.00
Total Net Minimum Lease Payments	132,000.00
Less: Imputed Interest	<u>(5,575.36)</u>
Net Present Value of Capital Lease	<u>126,424.64</u>
Less: Current Maturities	<u>(126,424.64)</u>
Long-Term Capital Lease Obligations	<u>\$ 0.00</u>

12. LEASE AGREEMENTS

The College has entered into a lease agreement with Geary County to lease buildings for outreach classes. The agreement calls for rental payments that shall include a base rent of the amount equal to \$3,500.00 per month and variable rents, determined by enrollment, of \$3.00 for all credit hours in excess of the preceding school year total enrollment. The lease payments are due monthly. This lease is subject to change or termination at any time by the Kansas legislature. In the event of a change in the Kansas statutory or case law which makes this lease agreement illegal, this lease shall be terminated with no recourse by either party. As of June 30, 2009, the lease was a month to month lease.

The total payments made under these lease agreements during the year ended June 30, 2009, was \$42,000.00.

12. LEASE AGREEMENTS (Continued)

The College has entered into a lease agreement with AFK Properties, LLC to lease buildings located at 1530 Lincoln Street, Concordia, Kansas. The agreement is for 36 months, commencing August 1, 2008, and continuing through the last day of July 2011. The agreement calls for rental payments in the amount of \$1,667.00 per month.

The total payments made under these lease agreements during the year ended June 30, 2009, was \$18,337.00. Future minimum rental payments are as follows:

06/30/2010	\$	20,400.00
06/30/2011		20,400.00
06/30/2012		1,667.00

The College has entered into various other rental agreements for the rental of office equipment. Total rent payments made under these agreements during the year ended June 30, 2009, was \$4,656.00. Future minimum rental payments are as follows:

06/30/2010	\$	3,972.00
06/30/2011		2,972.00

13. DEFINED BENEFIT PENSION PLAN

Plan Description: The College participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. State law sets a limitation on annual increases in the contribution rates. The State of Kansas contributed 7.97% of covered payroll. These contributions requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for school municipality employees for the years ending June 30, 2009, 2008, and 2007 were \$242,277,363, \$220,815,154, and \$192,425,626, respectively, equal to the statutory required contributions for each year. During the year ended June 30, 2009, payments made by the State of Kansas to KPERS on behalf of the College totaled \$470,545.09.

14. OTHER POST EMPLOYMENT BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

During fiscal year 2009, the College implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes the following measurement and recognition disclosures:

Plan description: The College sponsors a single-employer other post-employment benefit plan that provides medical, dental, and prescription drug benefits to qualifying retirees and their dependents. Employees, who qualify for pension benefits under the Kansas Public Employee Retirement System (KPERs) and are enrolled in the College's insurance benefits during the benefit plan year prior to retirement, are eligible for benefits. Under KPERs, a participant must be at least age 55 with at least 10 years of service or meet Rule of 85 (age + service >= 85) at any age to be eligible. Also, a retiring employee who waives continuing participation in the College's health plan at the time of retirement is not eligible to participate at a later date. Employees who qualify for a total disability benefit under the KPERs Disability Benefits Program are eligible for benefits until they qualify for Medicare. Spouses may continue coverage upon retiree death or attainment of Medicare eligibility age under Cobra for up to 36 months not to exceed the spouse's own age 65.

Funding policy: The College establishes and amends contribution requirements. The current funding policy of the College is to fund benefits on a pay-as-you-go basis. This arrangement does not qualify as other post employment benefits (OPEB) plan assets under Governmental Accounting Standards Board (GASB) Statement No. 45 for current GASB reporting. Retirees, who either meet the Rule of 85 or are age 55 with 15 years of service upon retirement, pay no premiums for medical coverage.

Annual OPEB cost and net OPEB obligation: The College's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities or funding excess) over a period not to exceed thirty years. The following table shows the components of the College's annual OPEB obligation.

Annual Required Contribution	\$ 89,808.00
Interest on Net OPEB Obligation	--
Adjustment to Annual Required Contribution	--
Annual OPEB Cost	<u>89,808.00</u>
Net Contributions Made	<u>7,789.00</u>
Increase in net OPEB Obligation	\$ <u>97,597.00</u>
Net OPEB Obligation – July 1, 2008	--
Net OPEB Obligation – June 30, 2009	\$ <u>97,597.00</u>

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 follows. This is the transition year of GASB Statement No. 45.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$89,808.00	(8.67%)	\$97,597.00

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress: As of July 1, 2008, the most recent actuarial valuation, the plan was zero percent funded. The College's actuarial accrued liability for benefits was \$668,023 and the actuarial value of assets is zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$668,023. The results of the July 1, 2008 valuation were rolled forward to June 30, 2009. The actuarial accrued liability for benefits was \$668,023, and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$669,023 as of June 30, 2009. The covered payroll (annual payroll of active employees covered by the plan) was \$7,020,152 and the ratio of the UAAL to the covered payroll was 9.52%.

Actuarial Methods and Assumptions: Actuarial valuations for an ongoing Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the College's actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated. The required schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projection of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the initial actuarial valuation for the Plan as of July 1, 2008, the projected unit credit actuarial cost method was used. The actuarial assumptions included an 3.85% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on Plan assets and on the College's own investments calculated based on the funded level of the Plan at the valuation date, and an annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after eighteen years. The actuarial value of assets will be determined using fair value. The UAAL will be amortized over a 30 year open period in level dollar amounts.

15. COMPENSATED ABSENCES

Full-time administrators earn vacation time according to the following schedule:

12-month contracts: 20 workdays per year

11-month contracts: 10 workdays per year

Less than 11-month contracts: no vacation time is earned

15. COMPENSATED ABSENCES (Continued)

Vacation time can be accumulated until it reaches 1.5 times the scheduled time. In no case shall accumulated vacation exceed 30 workdays in one contract year.

Less than full-time administrators shall earn vacation on the schedule but prorated to the percentage the contract is of a full-time contract.

Full-time support staff personnel earn vacation hours based upon the following schedule:

- 0 to 6 years of service – 80 hours annually
- 7 to 14 years of service – 120 hours annually
- 15 and over years of service – 160 hours annually

Less than full-time support staff shall earn vacation on the schedule but prorated to the percentage of hours worked to 2,088 hours.

The provision for and accumulation of sick leave is based upon employment classification and years of service. Employees are not paid for accumulated sick leave upon termination.

The College accrues a liability for compensated absences which meet the following criteria:

1. The College's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the College has accrued a liability for vacation and not recorded a liability for sick leave which has been earned, but not taken, inasmuch as the amount cannot be reasonably estimated because the rights do not vest.

16. CONTINGENT LIABILITIES

In the normal course of operations, the College receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

17. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employee; employees' health and life; and natural disasters. The College manages these risks of loss through the purchase of insurance policies.

18. CONCENTRATION OF RISK

41.82% of the Foundation's monies are invested in equities in the stock market. The effect in the future on the Foundation's equity portfolio is unknown and is subject to market economic conditions.

19. RELATED PARTY TRANSACTIONS

The Foundation was formed to promote and foster the educational purposes of the Cloud County Community College, and to create a fund to be used for any program, project, or enterprise undertaken in the interest of the College. The Foundation acts largely as a fund raising organization, soliciting, receiving, managing and disbursing contributions on behalf of the College. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation's board of directors. The Foundation disbursed to the College for the year ended June 30, 2009, \$101,121.00. The Foundation disbursed on behalf of the College through its activity funds for the year ended June 30, 2009, \$56,155.68. The College disbursed on behalf of the Foundation donated services and facilities for the year ended June 30, 2009, \$116,895.65.

20. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Reason</u>	<u>Amount</u>
Bookstore	Revenue Bonds	Debt Service	\$ 72,044.38
Campus Housing	Revenue Bonds	Debt Service	72,044.38
Bookstore	General	Operating Expenses	13,699.33
Housing	General	Operating Expenses	13,699.33
Food	General	Operating Expenses	13,699.33
Trustee			
Discretionary Fund	Vocational Ed	Operating Expenses	70,000.00
Capital Outlay	Deferred Maintenance	Capital Outlay	148,364.11

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

21. REVENUE BOND DISCLOSURES

Insurance is carried on property constituting the system covered by the Series 2003 Student Union and Dormitory System Refunding and Improvement Revenue Bonds in the amount of \$27,973,560 blanket property coverage through EMC Insurance Company for the period June 30, 2008, through July 1, 2009, renewable annually. The premiums paid were \$24,573.00.

Total system users for the fall 2008 and the spring of 2009 were as follows:

	<u>Fall 2008</u>	<u>Spring 2009</u>
Unduplicated Head Count	3,001	2,828

22. SEGMENT INFORMATION

A segment is an identifiable activity reported as a stand alone entity for which one or more revenue bonds are outstanding. A segment has a specific identifiable revenue stream pledged in support of revenue bonds and has related expenses, gains, losses, assets, and liabilities that are required by an external party to be accounted for separately. The Auxiliary Enterprise Housing Fund qualifies as a segment and is as follows:

Condensed Statement of Net Assets

Assets:	
Current assets	\$ <u>390,883.97</u>
Liabilities	
Current liabilities	\$ 25,912.17
Net assets	
Unrestricted	<u>364,971.80</u>
Total Assets and Liabilities	<u>\$ 390,883.97</u>

Condensed Statement of Revenues, Expenses and

Changes in Net Assets	
Operating revenues	\$ 1,192,082.04
Other operating expenses	<u>(822,495.26)</u>
Operating income	<u>369,586.78</u>
Investment income -	
Interest Income	1,214.17
Transfers In (Out)	(85,713.71)
Change in net assets	(285,087.24)
Beginning net assets	79,884.56
Ending net assets	<u>\$ 364,971.80</u>

Condensed statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 389,672.21
Capital and related financing activities	<u>(105,126.71)</u>
Net increase (decrease) in cash	284,545.50
Beginning cash and cash equivalents	106,338.47
Ending cash and cash equivalents	<u>\$ 390,883.97</u>

**REQUIRED
SUPPLEMENTAL INFORMATION**

CLOUD COUNTY COMMUNITY COLLEGE
 Concordia, Kansas

Schedule of Funding Progress

For the Year Ended June 30, 2009

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 follows. This is the transition year of GASP Statement No. 45.

Fiscal Year <u>Ended</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
June 30, 2009	\$89,808	(8.67%)	\$97,597

SUPPLEMENTAL INFORMATION

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	GENERAL	VOCATIONAL EDUCATION	ADULT EDUCATION	ADULT SUPPLEMENTAL EDUCATION	EMPLOYEE BENEFITS	AUXILIARY ENTERPRISE BOOKSTORE
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 2,349,084.88	\$ 3,967.27	\$ 4,004.87	\$ 74,967.40	\$ 412.95	\$ 696,857.15
Receivables - Taxes in Process	64,258.00	-	-	-	-	-
Receivables - Federal	-	-	-	-	-	-
Receivables - Other Receivables	377,508.91	-	-	-	-	47,615.27
Inventories	-	-	-	-	-	392,517.16
Total Current Assets	<u>2,790,851.79</u>	<u>3,967.27</u>	<u>4,004.87</u>	<u>74,967.40</u>	<u>412.95</u>	<u>1,136,989.58</u>
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Receivables - Taxes in Process	-	-	-	-	-	-
Bond Issuance Costs, Net of Amortization	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 2,790,851.79	\$ 3,967.27	\$ 4,004.87	\$ 74,967.40	\$ 412.95	\$ 1,136,989.58

LIABILITIES AND NET ASSETS

LIABILITIES						
Current Liabilities						
Accounts Payable	\$ 20,089.95	\$ 39,548.25	\$ 3,692.03	\$ -	\$ -	\$ -
Accrued Wages	47,805.97	2,215.10	-	-	-	2,184.68
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	64,258.00	-	-	-	-	-
Compensated Absences	190,359.82	8,509.83	-	4,968.46	-	184.69
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	<u>322,513.74</u>	<u>50,273.18</u>	<u>3,692.03</u>	<u>4,968.46</u>	<u>-</u>	<u>2,369.37</u>
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
OPEB Obligations	97,597.00	-	-	-	-	-
Total Noncurrent Liabilities	<u>97,597.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	420,110.74	50,273.18	3,692.03	4,968.46	-	2,369.37
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	2,370,741.05	(46,305.91)	312.84	69,998.94	412.95	1,134,620.21
Total Net Assets	<u>2,370,741.05</u>	<u>(46,305.91)</u>	<u>312.84</u>	<u>69,998.94</u>	<u>412.95</u>	<u>1,134,620.21</u>
TOTAL LIABILITIES AND NET ASSETS	\$ 2,790,851.79	\$ 3,967.27	\$ 4,004.87	\$ 74,967.40	\$ 412.95	\$ 1,136,989.58

Schedule 2 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	AUXILIARY ENTERPRISE HOUSING	AUXILIARY ENTERPRISE FOOD SERVICE	AUXILIARY ENTERPRISE WELLNESS CENTER	AUXILIARY ENTERPRISE SCHOLARSHIPS	AUXILIARY ENTERPRISE CHILDREN'S CENTER	AUXILIARY ENTERPRISE BUILDING DEVELOPMENT
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 390,883.97	\$ 47,112.19	\$ -	\$ 22,869.30	\$ 33,710.96	\$ 392,249.61
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	-	-	-	-	-	-
Receivables - Other Receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total Current Assets	390,883.97	47,112.19	-	22,869.30	33,710.96	392,249.61
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Receivables - Taxes in Process	-	-	-	-	-	-
Bond Issuance Costs, Net of Amortization	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 390,883.97	\$ 47,112.19	\$ -	\$ 22,869.30	\$ 33,710.96	\$ 392,249.61

LIABILITIES AND NET ASSETS

LIABILITIES						
Current Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,677.50
Accrued Wages	5,966.21	-	-	-	2,490.97	-
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	7,144.71	-	-	-	2,761.04	-
Deposits Held in Custody for Others	12,801.25	-	-	-	-	-
Total Current Liabilities	25,912.17	-	-	-	5,252.01	101,677.50
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
OPEB Obligations	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	25,912.17	-	-	-	5,252.01	101,677.50
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	364,971.80	47,112.19	-	22,869.30	28,458.95	290,572.11
TOTAL NET ASSETS	364,971.80	47,112.19	-	22,869.30	28,458.95	290,572.11
TOTAL LIABILITIES AND NET ASSETS	\$ 390,883.97	\$ 47,112.19	\$ -	\$ 22,869.30	\$ 33,710.96	\$ 392,249.61

Schedule 2 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	AUXILIARY ENTERPRISE CAMPUS PATROL	AUXILIARY ENTERPRISE LAUNDRY	AUXILIARY ENTERPRISE CONTINGENCY	AUXILIARY ENTERPRISE TRUSTEE DISCRETIONARY	FEDERAL PELL GRANTS	FEDERAL DIRECT LOANS
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 26,582.55	\$ 26,690.53	\$ 25,000.00	\$ 157,717.61	\$ -	\$ -
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	-	-	-	-	68,350.00	-
Receivables - Other Receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total Current Assets	26,582.55	26,690.53	25,000.00	157,717.61	68,350.00	-
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Receivables - Taxes in Process	-	-	-	-	-	-
Bond Issuance Costs, Net of Amortization	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 26,582.55	\$ 26,690.53	\$ 25,000.00	\$ 157,717.61	\$ 68,350.00	\$ -
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 68,350.00	\$ -
Accrued Wages	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	68,350.00	-
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
OPEB Obligations	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	68,350.00	-
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	26,582.55	26,690.53	25,000.00	157,717.61	-	-
TOTAL NET ASSETS	26,582.55	26,690.53	25,000.00	157,717.61	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 26,582.55	\$ 26,690.53	\$ 25,000.00	\$ 157,717.61	\$ 68,350.00	\$ -

Schedule 2 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	FEDERAL SEOG GRANTS	FEDERAL ACG GRANTS	FEDERAL WORK STUDY	WORK FORCE SOLUTIONS	STATE TECH GRANT	KAN-ED GRANT
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	(56,044.04)	\$ -	\$ -
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	5,100.00	-	-	-	-	-
Receivables - Other Receivables	-	-	-	54,802.65	-	-
Inventories	-	-	-	-	-	-
Total Current Assets	5,100.00	-	-	(1,241.39)	-	-
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Receivables - Taxes in Process	-	-	-	-	-	-
Bond Issuance Costs, Net of Amortization	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 5,100.00	\$ -	\$ -	(1,241.39)	\$ -	\$ -
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ 5,100.00	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	5,100.00	-	-	-	-	-
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
OPEB Obligations	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	5,100.00	-	-	-	-	-
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	-	-	-	(1,241.39)	-	-
TOTAL NET ASSETS	-	-	-	(1,241.39)	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 5,100.00	\$ -	\$ -	(1,241.39)	\$ -	\$ -

Schedule 2 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	CARL PERKINS PROGRAM IMPROVEMENT GRANT	TITLE III GRANT	CHILD CARE RESOURCE AND REFERRAL GRANT	TRIO- STUDENT SUPPORT SERVICES GRANT	INNOVATIVE TECHNOLOGY GRANT	MARION ELLET BEQUEST
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 5,400.42	\$ -	\$ 29,489.68	\$ 0.03	\$ 179,460.96	\$ 16,859.19
Receivables - Taxes in Process	-	-	-	-	-	-
Receivables - Federal	-	29,209.41	-	7,409.85	-	-
Receivables - Other Receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total Current Assets	5,400.42	29,209.41	29,489.68	7,409.88	179,460.96	16,859.19
Noncurrent Assets						
Cash and Cash Equivalents	-	-	-	-	-	-
Receivables - Taxes in Process	-	-	-	-	-	-
Bond Issuance Costs, Net of Amortization	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Total Noncurrent Assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 5,400.42	\$ 29,209.41	\$ 29,489.68	\$ 7,409.88	\$ 179,460.96	\$ 16,859.19
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current Liabilities						
Accounts Payable	\$ 5,400.42	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	12,095.18	2,214.45	-	-
Accrued Interest	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Compensated Absences	-	-	5,925.64	-	-	-
Deposits Held in Custody for Others	-	-	-	-	-	-
Total Current Liabilities	5,400.42	-	18,020.82	2,214.45	-	-
Noncurrent Liabilities						
Revenue Bonds Payable	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Capital Lease Payable	-	-	-	-	-	-
OPEB Obligations	-	-	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES	5,400.42	-	18,020.82	2,214.45	-	-
NET ASSETS						
Investment in capital assets, net of related debt	-	-	-	-	-	-
Restricted for:						
Bond and Interest	-	-	-	-	-	-
Bond Reserve	-	-	-	-	-	-
Unrestricted	-	29,209.41	11,468.86	5,195.43	179,460.96	16,859.19
TOTAL NET ASSETS	-	29,209.41	11,468.86	5,195.43	179,460.96	16,859.19
TOTAL LIABILITIES AND NET ASSETS	\$ 5,400.42	\$ 29,209.41	\$ 29,489.68	\$ 7,409.88	\$ 179,460.96	\$ 16,859.19

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Combining Statement of Net Assets - Primary Institution
 June 30, 2009

	CLOUD COUNTY COMMUNITY COLLEGE ACTIVITY	CAPITAL OUTLAY	DEFERRED MAINTENANCE	REVENUE BONDS	INVESTMENT IN PLANT	AGENCY FUNDS	TOTALS - PRIMARY INSTITUTION
ASSETS							
Current Assets							
Cash and Cash Equivalents	\$ 564,924.96	\$ -	\$ -	\$ -	\$ -	\$ 14,981.22	\$ 5,007,183.66
Receivables - Taxes in Process	-	-	-	-	-	-	64,258.00
Receivables - Federal	-	-	-	-	-	-	110,069.26
Receivables - Other Receivables	-	-	-	-	-	-	479,926.83
Inventories	-	-	-	-	-	-	392,517.16
Total Current Assets	564,924.96	-	-	-	-	14,981.22	6,053,954.91
Noncurrent Assets							
Cash and Cash Equivalents	-	867,115.60	301,760.40	278,250.38	-	-	1,447,126.38
Receivables - Taxes in Process	-	16,139.00	-	-	-	-	16,139.00
Bond Issuance Costs, Net of Amortization	-	-	-	20,975.33	-	-	20,975.33
Capital Assets	-	-	-	-	13,517,070.56	-	13,517,070.56
Accumulated Depreciation	-	-	-	-	(5,695,253.31)	-	(5,695,253.31)
Total Noncurrent Assets	-	883,254.60	301,760.40	299,225.71	7,821,817.25	-	9,306,057.96
TOTAL ASSETS	\$ 564,924.96	\$ 883,254.60	\$ 301,760.40	\$ 299,225.71	\$ 7,821,817.25	\$ 14,981.22	\$ 15,360,012.87
LIABILITIES AND NET ASSETS							
LIABILITIES							
Current Liabilities							
Accounts Payable	\$ -	\$ -	\$ 56,970.00	\$ -	\$ -	\$ -	\$ 300,828.15
Accrued Wages	304.50	-	-	-	-	-	75,277.06
Accrued Interest	-	-	-	-	-	-	32,044.38
Deferred Revenue	-	16,139.00	-	32,044.38	-	-	80,397.00
Compensated Absences	1,490.83	-	-	-	-	-	221,345.02
Deposits Held in Custody for Others	-	-	-	-	-	14,981.22	27,782.47
Total Current Liabilities	1,795.33	16,139.00	56,970.00	32,044.38	-	14,981.22	737,674.08
Noncurrent Liabilities							
Revenue Bonds Payable	-	-	-	-	1,610,000.00	-	1,610,000.00
Notes Payable	-	-	-	-	618,526.26	-	618,526.26
Capital Lease Payable	-	-	-	-	126,424.64	-	126,424.64
OPEB Obligations	-	-	-	-	-	-	97,597.00
Total Noncurrent Liabilities	-	-	-	-	2,354,950.90	-	2,452,547.90
TOTAL LIABILITIES	1,795.33	16,139.00	56,970.00	32,044.38	2,354,950.90	14,981.22	3,190,221.98
NET ASSETS							
Investment in capital assets, net of related debt	-	-	-	-	5,466,866.35	-	5,466,866.35
Restricted for:							
Bond and Interest	-	-	-	112,044.38	-	-	112,044.38
Bond Reserve	-	-	-	146,451.88	-	-	146,451.88
Unrestricted	563,129.63	867,115.60	244,790.40	8,685.07	-	-	6,444,428.28
TOTAL NET ASSETS	563,129.63	867,115.60	244,790.40	267,181.33	5,466,866.35	-	12,169,790.89
TOTAL LIABILITIES AND NET ASSETS	\$ 564,924.96	\$ 883,254.60	\$ 301,760.40	\$ 299,225.71	\$ 7,821,817.25	\$ 14,981.22	\$ 15,360,012.87

Schedule 3

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	GENERAL	VOCATIONAL EDUCATION	ADULT EDUCATION	ADULT EDUCATION	ADULT SUPPLEMENTAL EDUCATION	EMPLOYEE BENEFITS	AUXILIARY ENTERPRISE BOOKSTORE
REVENUES							
Operating Revenues							
Student Tuition and Fees	\$ 2,597,104.13	\$ -	\$ -	\$ 45,383.39	\$ -	\$ -	\$ -
Federal Grants and Contracts	-	-	83,279.00	-	-	-	-
State Grants and Contracts	491,931.84	-	55,961.63	-	-	-	-
Sales and Services of							
Auxiliary Enterprises	-	-	-	-	-	-	937,764.50
Activity Fund Revenues	-	-	-	-	-	-	-
Miscellaneous Income	199,763.64	-	-	-	-	-	-
Total Operating Revenues	3,288,799.61	-	139,240.63	45,383.39	-	-	937,764.50
EXPENSES							
Operating Expenses							
Educational and General							
Instruction	5,339,745.24	881,178.68	139,237.21	78,845.17	-	-	-
Academic Support	348,688.23	83,732.28	-	-	-	-	-
Student Services	1,706,926.77	23,503.20	-	-	-	-	-
Institutional Support	1,348,769.80	48,420.99	-	-	-	-	-
Operation and Maintenance	648,378.61	-	-	-	-	-	-
Scholarships and Awards	-	3,882.67	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-	-	-
Total Operating Expenses	9,392,508.65	1,040,717.82	139,237.21	78,845.17	-	-	730,192.13
Operating Income (Loss)	(6,103,709.04)	(1,040,717.82)	3.42	(33,461.78)	-	-	207,572.37
Nonoperating Revenues (Expenses)							
State Appropriations	3,196,669.00	930,000.00	-	-	-	-	-
County Out District Aid	356,715.00	-	-	-	-	-	-
County Appropriations	2,165,958.48	1.01	-	-	1.00	-	-
Federal Pell Grants	-	-	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-	-	-
Interest Income	134,126.22	-	-	-	-	-	1,214.17
Debt Service	(132,000.00)	-	-	-	-	-	-
Operating Transfers	41,007.99	70,000.00	-	-	-	-	(85,713.71)
Increase (Decrease) in Net Assets	(341,232.35)	(40,716.81)	3.42	(33,461.78)	1.00	1.00	123,072.83
Net Assets - Beginning of Year	2,711,973.40	(5,589.10)	309.42	103,460.72	411.95	411.95	1,011,547.38
Net Assets - End of Year	2,370,741.05	(46,305.91)	312.84	69,998.94	412.95	412.95	1,134,620.21

Schedule 3 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	AUXILIARY ENTERPRISE HOUSING	AUXILIARY ENTERPRISE FOOD SERVICE	AUXILIARY ENTERPRISE WELLNESS CENTER	AUXILIARY ENTERPRISE SCHOLARSHIPS	AUXILIARY ENTERPRISE CHILDREN'S CENTER	AUXILIARY ENTERPRISE BUILDING DEVELOPMENT
REVENUES						
Operating Revenues						
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ 459,984.69	\$ -	\$ 109,083.80
Federal Grants and Contracts	-	-	-	-	5,687.25	-
State Grants and Contracts	-	-	-	-	1,694.34	-
Sales and Services of						
Auxiliary Enterprises	1,192,082.04	37,217.94	-	-	78,317.03	-
Activity Fund Revenues	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Total Operating Revenues	1,192,082.04	37,217.94	-	459,984.69	85,698.62	109,083.80
EXPENSES						
Operating Expenses						
Educational and General						
Instruction	-	-	-	-	-	-
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Institutional Support	-	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-	-
Scholarships and Awards	-	-	-	502,894.00	-	-
Depreciation Expense	-	-	-	-	-	-
Auxiliary Enterprises	822,495.26	18,424.73	3,014.68	-	95,604.99	200,895.53
Total Operating Expenses	822,495.26	18,424.73	3,014.68	502,894.00	95,604.99	200,895.53
Operating Income (Loss)	369,586.78	18,793.21	(3,014.68)	(42,909.31)	(9,906.37)	(91,811.73)
Nonoperating Revenues (Expenses)						
State Appropriations	-	-	-	-	-	-
County Out District Aid	-	-	-	-	-	-
County Appropriations	-	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-	-
Interest Income	1,214.17	-	-	-	235.05	-
Debt Service	-	-	-	-	-	-
Operating Transfers	(85,713.71)	(13,669.33)	-	-	-	-
Increase (Decrease) in Net Assets	285,087.24	5,123.88	(3,014.68)	(42,909.31)	(9,671.32)	(91,811.73)
Net Assets - Beginning of Year	79,884.56	41,988.31	3,014.68	65,778.61	38,130.27	382,383.84
Net Assets - End of Year	\$ 364,971.80	\$ 47,112.19	\$ -	\$ 22,869.30	\$ 28,458.95	\$ 290,572.11

Schedule 3 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	AUXILIARY ENTERPRISE CAMPUS PATROL	AUXILIARY ENTERPRISE LAUNDRY	AUXILIARY ENTERPRISE CONTINGENCY	AUXILIARY ENTERPRISE TRUSTEE DISCRETIONARY	FEDERAL PELL GRANTS	FEDERAL DIRECT LOANS
REVENUES						
Operating Revenues						
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	-	-	-	-	-	2,201,799.00
State Grants and Contracts	-	-	-	-	-	-
Sales and Services of						
Auxiliary Enterprises	2,605.00	8,609.00	-	-	-	-
Activity Fund Revenues	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Total Operating Revenues	2,605.00	8,609.00	-	-	-	2,201,799.00
EXPENSES						
Operating Expenses						
Educational and General						
Instruction	-	-	-	-	-	-
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Institutional Support	-	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-	-
Scholarships and Awards	-	-	-	-	1,772,650.00	2,201,799.00
Depreciation Expense	-	-	-	-	-	-
Auxiliary Enterprises	4,415.97	6,788.19	-	120,843.57	-	-
Total Operating Expenses	4,415.97	6,788.19	-	120,843.57	1,772,650.00	2,201,799.00
Operating Income (Loss)	(1,810.97)	1,820.81	-	(120,843.57)	(1,772,650.00)	-
Nonoperating Revenues (Expenses)						
State Appropriations	-	-	-	-	-	-
County Out District Aid	-	-	-	-	-	-
County Appropriations	-	-	-	-	-	-
Federal Pell Grants	-	-	-	-	1,772,650.00	-
Gifts and Contributions	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Operating Transfers	-	-	-	(70,000.00)	-	-
Increase (Decrease) in Net Assets	(1,810.97)	1,820.81	-	(190,843.57)	-	-
Net Assets - Beginning of Year	28,393.52	24,869.72	25,000.00	348,561.18	-	-
Net Assets - End of Year	\$ 26,582.55	\$ 26,690.53	\$ 25,000.00	\$ 157,717.61	\$ -	\$ -

Schedule 3 (Continued)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	FEDERAL SEOG GRANTS	FEDERAL ACG GRANTS	FEDERAL WORK STUDY	WORK FORCE SOLUTIONS GRANT	BOARD OF REGENTS NURSING GRANT	KAN-ED GRANT
REVENUES						
Operating Revenues						
Student Tuition and Fees	\$ -	\$ -	\$ -	-	-	\$ -
Federal Grants and Contracts	37,811.00	17,625.00	89,148.06	-	-	-
State Grants and Contracts	-	-	-	58,284.98	56,803.00	-
Sales and Services of						
Auxiliary Enterprises	-	-	-	-	-	-
Activity Fund Revenues	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Total Operating Revenues	37,811.00	17,625.00	89,148.06	58,284.98	56,803.00	-
EXPENSES						
Operating Expenses						
Educational and General						
Instruction	-	-	-	59,526.37	71,033.50	18,621.23
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Institutional Support	-	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-	-
Scholarships and Awards	37,811.00	17,625.00	89,148.06	-	-	-
Depreciation Expense	-	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-	-
Total Operating Expenses	37,811.00	17,625.00	89,148.06	59,526.37	71,033.50	18,621.23
Operating Income (Loss)	-	-	-	(1,241.39)	(14,230.50)	(18,621.23)
Nonoperating Revenues (Expenses)						
State Appropriations	-	-	-	-	-	-
County Out District Aid	-	-	-	-	-	-
County Appropriations	-	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-
Increase (Decrease) in Net Assets	-	-	-	(1,241.39)	(14,230.50)	(18,621.23)
Net Assets - Beginning of Year	-	-	-	-	14,230.50	18,621.23
Net Assets - End of Year	\$ -	\$ -	\$ -	\$ (1,241.39)	\$ -	\$ -

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	CARL PERKINS PROGRAM IMPROVEMENT GRANT	TITLE III GRANT	RESOURCE AND REFERRAL GRANT	CHILD CARE	TRIO- STUDENT SUPPORT SERVICES GRANT	INNOVATIVE TECHNOLOGY GRANT	MARION ELLET BEQUEST
REVENUES							
Operating Revenues							
Student Tuition and Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	110,150.00	278,409.37	-	-	229,104.12	-	-
State Grants and Contracts	-	-	292,916.31	-	-	-	-
Sales and Services of							
Auxiliary Enterprises	-	-	-	-	-	-	-
Activity Fund Revenues	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-
Total Operating Revenues	110,150.00	278,409.37	292,916.31	-	229,104.12	-	-
EXPENSES							
Operating Expenses							
Educational and General							
Instruction	-	-	329,136.68	-	224,405.81	120,044.04	-
Academic Support	110,150.00	249,199.96	-	-	-	495.00	-
Student Services	-	-	-	-	-	-	-
Institutional Support	-	-	-	-	-	-	-
Operation and Maintenance	-	-	-	-	-	-	-
Scholarships and Awards	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-	-	-
Total Operating Expenses	110,150.00	249,199.96	329,136.68	-	224,405.81	120,539.04	-
Operating Income (Loss)	-	29,209.41	(36,220.37)	-	4,698.31	(120,539.04)	-
Nonoperating Revenues (Expenses)							
State Appropriations	-	-	-	-	-	-	-
County Out District Aid	-	-	-	-	-	-	-
County Appropriations	-	-	-	-	-	-	-
Federal Pell Grants	-	-	-	-	-	-	-
Gifts and Contributions	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-	-
Increase (Decrease) in Net Assets	-	29,209.41	(36,220.37)	-	4,698.31	(120,539.04)	-
Net Assets - Beginning of Year	-	-	47,689.23	-	497.12	300,000.00	16,859.19
Net Assets - End of Year	\$ -	\$ 29,209.41	\$ 11,468.86	\$ -	\$ 5,195.43	\$ 179,460.96	\$ 16,859.19

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	CLOUD COUNTY COMMUNITY COLLEGE ACTIVITY	CAPITAL OUTLAY	DEFERRED MAINTENANCE	REVENUE BONDS	INVESTMENT IN PLANT
REVENUES					
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Student Tuition and Fees	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-
State Grants and Contracts	-	-	-	-	-
Sales and Services of	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-
Activity Fund Revenues	1,107,255.82	-	-	-	-
Miscellaneous Income	-	-	119,300.00	-	-
Total Operating Revenues	1,107,255.82	-	119,300.00	-	-
EXPENSES					
Operating Expenses					
Educational and General					
Instruction	1,237,017.44	-	-	-	(395,860.27)
Academic Support	-	-	-	-	(16,140.63)
Student Services	-	-	-	-	(18,040.51)
Institutional Support	-	-	-	-	(50,859.51)
Operation and Maintenance	-	513,052.00	344,671.75	-	(841,730.97)
Scholarships and Awards	-	-	-	-	-
Depreciation Expense	-	-	-	-	655,830.28
Auxiliary Enterprises	-	-	-	-	(335,192.09)
Total Operating Expenses	1,237,017.44	513,052.00	344,671.75	-	(1,001,993.70)
Operating Income (Loss)	(129,761.62)	(513,052.00)	(225,371.75)	-	1,001,993.70
Nonoperating Revenues (Expenses)					
State Appropriations	-	-	-	-	-
County Out District Aid	-	-	-	-	-
County Appropriations	-	311,089.01	-	-	-
Federal Pell Grants	-	-	-	-	-
Gifts and Contributions	-	513,052.00	-	-	-
Interest Income	-	-	-	4,361.27	-
Debt Service	-	-	618,526.26	(145,579.39)	(417,441.49)
Operating Transfers	-	148,364.11	(148,364.11)	144,088.76	-
Increase (Decrease) in Net Assets	(129,761.62)	459,453.12	244,790.40	2,870.64	584,552.21
Net Assets - Beginning of Year	692,891.25	407,662.48	-	264,310.69	4,882,314.14
Net Assets - End of Year	\$ 563,129.63	\$ 867,115.60	\$ 244,790.40	\$ 267,181.33	\$ 5,466,866.35

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Combining Statement of Revenues, Expenses, and Changes in Net Assets - Primary Institution
For the Year Ended June 30, 2009

	SUB-TOTAL PRIMARY INSTITUTION	ELIMINATING INTER-COMPANY SCHOLARSHIPS	TOTALS - PRIMARY INSTITUTION
REVENUES			
Operating Revenues			
Student Tuition and Fees	\$ 3,211,556.01	\$ (884,249.91)	\$ 2,327,306.10
Federal Grants and Contracts	3,053,012.80	(1,744,590.85)	1,308,421.95
State Grants and Contracts	957,592.10	-	957,592.10
Sales and Services of			
Auxiliary Enterprises	2,256,595.51	(1,477,766.43)	778,829.08
Activity Fund Revenues	1,107,255.82	-	1,107,255.82
Miscellaneous Income	319,063.64	-	319,063.64
Total Operating Revenues	<u>10,905,075.88</u>	<u>(4,106,607.19)</u>	<u>6,798,468.69</u>
EXPENSES			
Operating Expenses			
Educational and General			
Instruction	8,102,931.10	-	8,102,931.10
Academic Support	776,124.84	-	776,124.84
Student Services	1,712,389.46	-	1,712,389.46
Institutional Support	1,346,331.28	-	1,346,331.28
Operation and Maintenance	664,371.39	-	664,371.39
Scholarships and Awards	4,625,809.73	(4,106,607.19)	519,202.54
Depreciation Expense	655,830.28	-	655,830.28
Auxiliary Enterprises	1,667,482.96	-	1,667,482.96
Total Operating Expenses	<u>19,551,271.04</u>	<u>(4,106,607.19)</u>	<u>15,444,663.85</u>
Operating Income (Loss)	<u>(8,646,195.16)</u>	<u>-</u>	<u>(8,646,195.16)</u>
Nonoperating Revenues (Expenses)			
State Appropriations	4,126,669.00	-	4,126,669.00
County Out District Aid	356,715.00	-	356,715.00
County Appropriations	2,477,049.50	-	2,477,049.50
Federal Pell Grants	1,772,650.00	-	1,772,650.00
Gifts and Contributions	513,052.00	-	513,052.00
Interest Income	141,150.88	-	141,150.88
Debt Service	(76,494.62)	-	(76,494.62)
Operating Transfers	-	-	-
Increase (Decrease) in Net Assets	664,596.60	-	664,596.60
Net Assets - Beginning of Year	11,505,194.29	-	11,505,194.29
Net Assets - End of Year	<u>\$ 12,169,790.89</u>	<u>\$ -</u>	<u>\$ 12,169,790.89</u>

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Statements of Revenues, Expenditures, and
Changes in Unencumbered Cash – Budget and Actual

For the Year Ended June 30, 2009

Schedules 4 to 12 are prepared in accordance with Kansas cash basis and budget laws (Budget Basis), which differs from generally accepted accounting principles (GAAP Basis). Cash receipts are recognized when the cash balance of a fund is increased. For an interfund transaction, a cash receipt is recorded in the fund receiving the cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund in which the cash is transferred. Expenditures include cash disbursements, transfers, accounts payable and encumbrances – that is, commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

General Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year			Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	
REVENUES					
Student Tuition and Fees					
In State	\$ 2,251,865.18	\$ 2,303,296.55	\$ (68,558.14)	\$ 2,234,738.41	\$ (371,425.59)
Out-of-State	173,680.50	230,304.05	-	230,304.05	230,304.05
Other Student Fees	53,547.73	63,503.53	-	63,503.53	13,503.53
Total Student Tuition and Fees	2,479,093.41	2,597,104.13	(68,558.14)	2,528,545.99	(127,618.01)
Federal Sources					
Federal Grants	18,621.00	-	-	-	-
State Sources					
State Operating Grant	3,342,559.00	3,196,669.00	-	3,196,669.00	(464,048.00)
Other State Sources	4,303.58	491,931.84	(470,346.41)	21,585.43	21,585.43
Total State Sources	3,346,862.58	3,688,600.84	(470,346.41)	3,218,254.43	(442,462.57)
County Sources					
Out-of-District Aid	356,715.00	356,715.00	-	356,715.00	356,715.00
Local Sources					
Ad Valorem Tax	1,856,904.94	1,857,248.57	-	1,857,248.57	(164,798.43)
Motor Vehicle Tax	267,080.59	266,057.42	-	266,057.42	(30,687.58)
Recreational Vehicle	-	3,512.16	-	3,512.16	142.16
Delinquent Tax	52,706.21	35,374.82	-	35,374.82	14,889.82
In Lieu of Tax	-	3,765.51	-	3,765.51	3,765.51
Total Local Sources	2,176,691.74	2,165,958.48	-	2,165,958.48	(176,688.52)
Other Sources					
Interest Income	259,682.76	134,126.22	-	134,126.22	(165,873.78)
Miscellaneous	164,166.80	199,763.64	-	199,763.64	(255,755.36)
Total Other Sources	423,849.56	333,889.86	-	333,889.86	(421,629.14)
Operating Transfers from:					
Bookstore Fund	-	13,669.33	-	13,669.33	13,669.33
Housing Fund	-	13,669.33	-	13,669.33	13,669.33
Food Service Fund	-	13,669.33	-	13,669.33	13,669.33
Total Operating Transfers	-	41,007.99	-	41,007.99	41,007.99
TOTAL REVENUES	8,801,833.29	9,183,276.30	(538,904.55)	8,644,371.75	(770,675.25)

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted
General Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
EXPENDITURES						
Education and General						
Instruction	\$ 4,802,564.02	\$ 5,339,745.24	\$ (592,657.67)	\$ 4,747,087.57	\$ 3,200,000.00	\$ 1,547,087.57
Academic Support	310,857.17	348,688.23	(8,074.45)	340,613.78	800,000.00	(459,386.22)
Student Services	1,377,529.15	1,706,926.77	(33,563.26)	1,673,363.51	3,000,000.00	(1,326,636.49)
Institutional Support	1,674,765.20	1,348,769.80	(33,272.90)	1,315,496.90	3,250,000.00	(1,934,503.10)
Operation and Maintenance	556,144.68	648,378.61	-	648,378.61	1,000,000.00	(351,621.39)
Scholarships and Awards	-	-	-	-	100,000.00	(100,000.00)
Debt Service	132,000.00	132,000.00	-	132,000.00	-	132,000.00
TOTAL EXPENDITURES	8,853,860.22	9,524,508.65	(667,568.28)	8,856,940.37	11,350,000.00	(2,493,059.63)
Excess of Revenues Over (Under) Expenditures	(52,026.93)	(341,232.35)	128,663.73	(212,568.62)	(1,934,953.00)	1,722,384.38
Unencumbered Cash Beginning of Year	2,545,784.51	2,711,973.40	(218,215.82)	2,493,757.58	3,806,963.00	(1,313,205.42)
End of Year	\$ 2,493,757.58	\$ 2,370,741.05	\$ (89,552.09)	\$ 2,281,188.96	\$ 1,872,010.00	\$ 409,178.96

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas
 Schedule of Revenues, Expenditures, and Changes
 in Unencumbered Cash - Budget and Actual
 Current Funds - Unrestricted

Vocational Education Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
State Sources						
State Operating Grant	\$ 850,000.00	\$ 930,000.00	\$ -	\$ 930,000.00	\$ 915,179.00	\$ 14,821.00
Total State Sources	850,000.00	930,000.00	-	930,000.00	915,179.00	14,821.00
Local Sources						
Delinquent Tax	-	1.01	-	1.01	-	1.01
Total Local Sources	-	1.01	-	1.01	-	1.01
Operating Transfers from: Trustee Discretionary Fund	-	70,000.00	70,000.00	-	-	-
TOTAL REVENUES	850,000.00	930,001.01	-	930,001.01	915,179.00	14,822.01
EXPENDITURES						
Education and General						
Instruction	705,717.54	881,178.68	(3,009.34)	878,169.34	850,000.00	28,169.34
Academic Support	72,558.24	83,732.28	-	83,732.28	110,000.00	(26,267.72)
Student Services	20,072.75	23,503.20	-	23,503.20	50,000.00	(26,496.80)
Institutional Support	50,585.46	48,420.99	-	48,420.99	55,000.00	(6,579.01)
Scholarships and Awards	-	3,882.67	-	3,882.67	-	3,882.67
TOTAL EXPENDITURES	848,933.99	1,040,717.82	(3,009.34)	1,037,708.48	1,065,000.00	(27,291.52)
Excess of Revenues Over (Under) Expenditures	1,066.01	(110,716.81)	3,009.34	(107,707.47)	(149,821.00)	42,113.53
Unencumbered Cash Beginning of Year	(1,154.62)	(5,589.10)	5,500.49	(88.61)	502.00	(590.61)
End of Year	(88.61)	(46,305.91)	8,509.83	(37,796.08)	(149,319.00)	41,522.92

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Adult Education Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year			Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	
REVENUES					
Federal Sources					
Federal Grants					
State Sources	\$ 85,957.00	\$ 83,279.00	\$ -	\$ 83,279.00	\$ (16,721.00)
State Grants	55,973.00	55,961.63	-	55,961.63	5,961.63
TOTAL REVENUES	141,930.00	139,240.63	-	139,240.63	(10,759.37)
EXPENDITURES					
Education and General					
Instruction	141,620.58	139,237.21	-	139,237.21	(10,762.79)
TOTAL EXPENDITURES	141,620.58	139,237.21	-	139,237.21	(10,762.79)
Excess of Revenues Over (Under) Expenditures	309.42	3.42	-	3.42	3.42
Unencumbered Cash Beginning of Year	-	309.42	-	309.42	309.42
End of Year	\$ 309.42	\$ 312.84	\$ -	\$ 312.84	\$ 312.84

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Adult Supplemental Education Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year			Variance Over (Under)	
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis		
REVENUES						
Student Tuition and Fees In State	\$ 52,615.50	\$ 45,383.39	\$ -	\$ 45,383.39	\$ 10,000.00	\$ 35,383.39
TOTAL REVENUES	52,615.50	45,383.39	-	45,383.39	10,000.00	35,383.39
EXPENDITURES						
Education and General Instruction	66,813.93	78,845.17	(3,333.84)	75,511.33	100,000.00	(24,488.67)
Operations and Maintenance	-	-	-	-	60,000.00	(60,000.00)
TOTAL EXPENDITURES	66,813.93	78,845.17	(3,333.84)	75,511.33	160,000.00	(84,488.67)
Excess of Revenues Over (Under) Expenditures	(14,198.43)	(33,461.78)	3,333.84	(30,127.94)	(150,000.00)	119,872.06
Unencumbered Cash Beginning of Year	119,293.77	103,460.72	1,634.62	105,095.34	106,554.00	(1,458.66)
End of Year	\$ 105,095.34	\$ 69,998.94	\$ 4,968.46	\$ 74,967.40	\$ (43,446.00)	\$ 118,413.40

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Current Funds - Unrestricted

Employee Benefits Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Local Sources						
Delinquent Tax	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00
Total Local Sources	-	1.00	-	1.00	-	1.00
TOTAL REVENUES						
Education and General						
Institutional Support	-	-	-	-	412.00	(412.00)
Excess of Revenues Over (Under) Expenditures	-	1.00	-	1.00	(412.00)	413.00
Unencumbered Cash Beginning of Year	411.95	411.95	-	411.95	412.00	(0.05)
End of Year	\$ 411.95	\$ 412.95	\$ -	\$ 412.95	\$ -	\$ 412.95

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted

Auxiliary Enterprise Funds (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Total Auxiliary Enterprise Funds Budget Basis	CURRENT YEAR											
		Booksore GAAP	Campus Housing GAAP	Food Service GAAP	Wellness Center GAAP	Activity Fee Scholarship GAAP	Children's Center GAAP	Building Development GAAP	Campus Patrol GAAP				
REVENUES													
Sales and Services of													
Auxiliary Enterprises	\$ 1,851,612.70	\$ 937,764.50	\$ 1,192,082.04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Sources													
Other Student Fees	640,626.74	-	-	37,217.94	-	-	-	459,984.69	-	78,317.03	109,083.80	-	2,605.00
Federal Sources													
Federal Grants	6,893.90	-	-	-	-	-	-	-	-	5,687.25	-	-	-
Other Revenues													
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	4,812.64	1,214.17	1,214.17	-	-	-	-	-	-	235.05	-	-	-
	2,503,945.98	938,978.67	1,193,296.21	37,217.94	-	459,984.69	84,239.33	109,083.80	2,605.00				
TOTAL REVENUES													
EXPENDITURES													
Auxiliary Enterprise													
Salaries and Benefits	258,845.70	73,164.05	183,746.31	-	-	-	-	-	-	72,399.80	-	-	-
General Operating Expense	148,520.75	19,216.68	217,091.57	14,795.07	-	-	-	-	-	948.90	5,884.56	-	4,415.97
Supplies	9,566.15	-	3,882.17	-	-	-	-	-	-	8,703.32	-	-	-
Capital Outlay	511,126.18	2,158.18	33,082.33	3,629.66	3,014.68	-	-	-	-	13,552.97	195,010.97	-	-
Scholarships	532,017.00	-	-	-	-	502,894.00	-	-	-	-	-	-	-
Food Service	316,366.75	-	384,692.88	-	-	-	-	-	-	-	-	-	-
Books and Merchandise	668,612.68	635,653.22	-	-	-	-	-	-	-	-	-	-	-
Operating Transfer to:													
General Fund	-	13,669.33	13,669.33	-	-	-	-	-	-	-	-	-	-
Revenue Bonds Fund	146,088.76	72,044.38	72,044.38	-	-	-	-	-	-	-	-	-	-
	2,591,143.97	815,905.84	908,208.97	32,094.06	3,014.68	502,894.00	95,604.99	200,895.53	4,415.97				
TOTAL EXPENDITURES													
Excess of Revenues Over (Under)	(87,197.99)	123,072.83	285,087.24	5,123.88	(3,014.68)	(42,909.31)	(11,365.66)	(91,811.73)	(1,810.97)				
Expenditures													
Unencumbered Cash	1,684,568.81	1,011,547.38	79,884.56	41,988.31	3,014.68	65,778.61	38,130.27	382,383.84	28,393.52				
Beginning of Year													
End of Year	\$ 1,597,370.82	\$ 1,134,620.21	\$ 364,971.80	\$ 47,112.19	\$ -	\$ 22,869.30	\$ 26,764.61	\$ 290,572.11	\$ 26,582.55				

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted

Auxiliary Enterprise Funds (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Current Year							Variance Over (Under)
	Laundry Service GAAP	Contingency GAAP	Trustee Discretionary GAAP	Total Auxiliary Enterprise Funds GAAP	Adjustments to Budget Basis	Total Auxiliary Enterprise Funds Budget Basis	Final Budget	
REVENUES								
Sales and Services of Auxiliary Enterprises	\$ 8,609.00	\$ -	\$ -	\$ 2,138,455.54	\$ 32,111.07	\$ 2,170,566.61	\$ 2,150,000.00	\$ 20,566.61
Student Sources	-	-	-	687,208.46	-	687,208.46	1,195,000.00	(507,791.54)
Other Student Fees	-	-	-	5,687.25	-	5,687.25	-	5,687.25
Federal Sources	-	-	-	-	-	-	1,000,000.00	(1,000,000.00)
Federal Grants	-	-	-	-	-	-	-	2,663.39
Other Revenues	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	2,663.39	-	2,663.39	-	-
Interest	-	-	-	-	-	-	-	-
TOTAL REVENUES	8,609.00	-	-	32,111.07	32,111.07	2,866,125.71	4,345,000.00	(1,478,874.29)
EXPENDITURES								
Auxiliary Enterprise	-	-	-	329,310.16	(2,969.25)	326,340.91	445,000.00	(118,659.09)
Salaries and Benefits	-	-	-	262,352.75	-	262,352.75	1,150,000.00	(887,647.25)
General Operating Expense	-	-	-	12,585.49	-	12,585.49	470,000.00	(457,414.51)
Supplies	-	-	-	257,236.98	(6,644.34)	250,592.64	1,200,000.00	(949,407.36)
Capital Outlay	6,788.19	-	-	502,894.00	-	502,894.00	500,000.00	2,894.00
Scholarships	-	-	-	384,692.88	-	384,692.88	-	384,692.88
Food Service	-	-	-	635,653.22	71,201.33	706,854.55	700,000.00	6,854.55
Books and Merchandise	-	-	-	-	-	-	-	-
Operating Transfer to:	-	-	70,000.00	111,007.99	(41,007.99)	70,000.00	147,000.00	(77,000.00)
General Fund	-	-	-	144,088.76	27,338.66	171,427.42	-	171,427.42
Revenue Bonds Fund	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,788.19	-	70,000.00	47,918.41	47,918.41	2,687,740.64	4,612,000.00	(1,924,259.36)
Excess of Revenues Over (Under) Expenditures	1,820.81	-	(70,000.00)	(15,807.34)	(15,807.34)	178,385.07	(267,000.00)	445,385.07
Unencumbered Cash Beginning of Year	24,869.72	25,000.00	348,561.18	2,049,552.07	(393,920.98)	1,655,631.09	1,521,253.00	134,378.09
End of Year	\$ 26,690.53	\$ 25,000.00	\$ 278,561.18	\$ 2,033,744.73	\$ (227,067.23)	\$ 1,806,677.50	\$ 1,254,253.00	\$ 579,763.16

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual

Plant Funds

Revenue Bonds Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Other Sources						
Interest Income	\$ 7,586.41	\$ 4,361.27	\$ -	\$ 4,361.27	\$ 8,000.00	\$ (3,638.73)
Operating Transfers from:						
Bookstore Fund	73,044.38	72,044.38	-	72,044.38	73,500.00	(1,455.62)
Campus Housing Fund	73,044.38	72,044.38	-	72,044.38	73,500.00	(1,455.62)
TOTAL REVENUES	153,675.17	148,450.03	-	148,450.03	155,000.00	(6,549.97)
EXPENDITURES						
Plant, Equipment and Facility						
Capital Outlay	-	-	-	-	15,000.00	(15,000.00)
Debt Service						
Bond Principal	75,000.00	80,000.00	-	80,000.00	80,000.00	-
Bond Interest	66,913.76	64,088.76	1,000.00	65,088.76	65,089.00	(0.24)
Debt Service Expense	1.25	1,490.63	(1,489.38)	1.25	-	1.25
TOTAL EXPENDITURES	141,915.01	145,579.39	(489.38)	145,090.01	160,089.00	(14,998.99)
Excess of Revenues and Transfers Over (Under) Expenditures	11,760.16	2,870.64	489.38	3,360.02	(5,089.00)	8,449.02
Unencumbered Cash Beginning of Year	263,130.20	264,310.69	10,579.67	274,890.36	270,715.00	4,175.36
End of Year	\$ 274,890.36	\$ 267,181.33	\$ 11,069.05	\$ 278,250.38	\$ 265,626.00	\$ 12,624.38

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Plant Funds

Unexpended (Capital Outlay) Fund (Budget Basis)

For the Year Ended June 30, 2009

With Comparative Actual Amounts for the Year Ended June 30, 2008

	Prior Year Budget Basis	Current Year				Variance Over (Under)
		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	
REVENUES						
Local Sources						
Ad Valorem Tax	\$ 267,698.76	\$ 267,293.10	\$ -	\$ 267,293.10	\$ 288,230.00	\$ (20,936.90)
Motor Vehicle Tax	38,061.18	38,408.91	-	38,408.91	34,000.00	4,408.91
Recreational Vehicle Tax	-	442.24	-	442.24	470.00	(27.76)
Delinquent Tax	4,774.21	4,402.59	-	4,402.59	2,619.00	1,783.59
In-Lieu of Tax	-	542.17	-	542.17	1,096.00	(553.83)
Donations	-	513,052.00	(513,052.00)	-	-	-
Operating Transfers from:						
Deferred Maintenance Fund	-	148,364.11	-	148,364.11	-	148,364.11
TOTAL REVENUES	310,534.15	972,505.12	(513,052.00)	459,453.12	326,415.00	133,038.12
EXPENDITURES						
Plant, Equipment and Facility						
Capital Outlay	157,764.11	513,052.00	(513,052.00)	-	502,113.00	(502,113.00)
TOTAL EXPENDITURES	157,764.11	513,052.00	(513,052.00)	-	502,113.00	(502,113.00)
Excess of Revenues and Transfers Over (Under) Expenditures	152,770.04	459,453.12	-	459,453.12	(175,698.00)	635,151.12
Unencumbered Cash Beginning of Year	254,892.44	407,662.48	-	407,662.48	407,662.00	0.48
End of Year	\$ 407,662.48	\$ 867,115.60	\$ -	\$ 867,115.60	\$ 231,964.00	\$ 635,151.60

CLOUD COUNTY COMMUNITY COLLEGE
 Concordia, Kansas
 Schedule of Changes in Assets and Liabilities
 All Agency Funds - Primary Institution
 For the Year Ended June 30, 2009

ACCOUNT NAME	Primary Institution			BALANCE JUNE 30, 2009
	BALANCE JUNE 30, 2008	ADDITIONS	DEDUCTIONS	
AGENCY FUND				
School Projects Accounts				
Sales Tax	\$ 1,251.61	\$ 69,480.14	\$ 68,764.27	\$ 1,967.48
Scholarships	1,462.00	173,479.00	174,701.00	240.00
Total School Projects	\$ 2,713.61	\$ 242,959.14	\$ 243,465.27	\$ 2,207.48
Student Organization Accounts				
Block & Bridle	\$ 731.38	\$ -	\$ -	\$ 731.38
Child Care Club	6,648.63	2,820.00	1,901.02	7,567.61
J.C. PHI THETA KAPPA	2,082.23	1,958.00	1,050.00	2,990.23
J.C. Student Senate	411.62	-	54.00	357.62
PHI THETA KAPPA	264.00	2,050.00	1,295.73	1,018.27
Geary Co. SIFE	1,686.04	-	1,686.04	-
Radio Club	108.63	-	-	108.63
Total Student Organizations	\$ 11,932.53	\$ 6,828.00	\$ 5,986.79	\$ 12,773.74
TOTAL AGENCY FUNDS	\$ 14,646.14	\$ 249,787.14	\$ 249,452.06	\$ 14,981.22
Assets				
Cash and Investments	\$ 14,646.14	\$ 249,787.14	\$ 249,452.06	\$ 14,981.22
TOTAL ASSETS	\$ 14,646.14	\$ 249,787.14	\$ 249,452.06	\$ 14,981.22
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits Held For Others	14,646.14	249,787.14	249,452.06	14,981.22
TOTAL LIABILITIES	\$ 14,646.14	\$ 249,787.14	\$ 249,452.06	\$ 14,981.22

**CLOUD COUNTY COMMUNITY COLLEGE
CONCORDIA, KANSAS**

FEDERAL COMPLIANCE SECTION

For the Year Ended June 30, 2009

AUDITOR INFORMATION SHEET

CLOUD COUNTY COMMUNITY COLLEGE

2221 Campus Drive
CONCORDIA, KANSAS 66901

EIN NUMBER: 48-0732624
OPE ID NUMBER: 00190900
DUNS NUMBER: 193521770

TELEPHONE : (785) 243-1435
FAX: (785) 243-1043

PRESIDENT: Dr. Richard Underbakke
CONTACT PERSON & TITLE: Mary LaBarge, Director of Accounting Services

LEAD AUDITOR: Meta E. Titel, CPA
EMAIL ADDRESS: nphillips@jgppa.com
LICENSE NUMBER & HOME STATE: KS 962
FIRM'S NAME & ADDRESS: JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants
1815 S. Santa Fe
P.O. Box 779
Chanute, Kansas 66720
FIRM'S FEDERAL ID NUMBER : 20-3906022
TELEPHONE: (620) 431-6342
FAX: (620) 431-0724

PROGRAMS EXAMINED:	PELL	84.063
	FSEOG	84.007
	FWS	84.033
	FDL	84.268
	ACG	84.375

For the Award Year that ended during the institution's fiscal year, the percentage of:

Correspondence or telecommunication courses to total courses	NONE
Regular students enrolled in correspondence courses	NONE
Regular students that are incarcerated	NONE
Regular students enrolled based on ability to benefit	NONE
For short term programs—	
Completion	N/A
Placement	N/A

The campuses/locations considered as part of this entity and covered or excluded by this examination are:

ALL LOCATIONS	> 50% OF PROGRAM OFFERED @ SITE	LOCATION ON ELIGIBILITY LETTER	NOTICE TO ED PRIOR TO OFFERING INSTRUCTION	DATE OPENED	DATE CLOSED	DATE OF CPA'S LAST VISIT	EXCLUSION REASON
Concordia	Yes	Yes	Yes	1965	N/A	2009	N/A
Abilene	Yes	Yes	Yes	1990	N/A	2009	N/A
Clay Center	Yes	Yes	Yes	1978	N/A	2009	N/A
Junction City	Yes	Yes	Yes	1991	N/A	2009	N/A

Institution's Primary Accrediting Organization: North Central Association of Colleges and Schools

The College does not use a servicer.

Records for the accounting and administration of the SFA Programs are located at:

CLOUD COUNTY COMMUNITY COLLEGE
 2221 CAMPUS DRIVE
 CONCORDIA, KANSAS 67337

For Close-Out Examination only: N/A

Open bank accounts or unexercised securities that may contain Federal Funds:

<u>BANK</u>	<u>ACCOUNTS</u>
The Citizens National Bank	7419421
115 West 6 th St.	7419432
Concordia, Ks 66901	7419410

CLOUD COUNTY COMMUNITY COLLEGE
 Concordia, Kansas

Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2009

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	Pass-Through Entity Identifying Number	Federal CFDA Number	Disbursements/ Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Direct Programs:			
Student Financial Assistance Programs Cluster			
Federal Supplemental Education Opportunity	N/A	84.007 (M)	\$ 38,011.00
Federal College Workstudy	N/A	84.033 (M)	89,148.06
Federal College Workstudy - Administration	N/A	84.033 (M)	4,457.00
		Total 84.033	93,605.06
Federal Pell Grant	N/A	84.063 (M)	1,772,650.00
Federal Pell Grant Administration	N/A	84.063 (M)	3,560.00
		Total 84.063	1,776,210.00
Federal Direct Loan (1)	N/A	84.268 (M)	2,201,799.00
Academic Competitiveness Grant	N/A	84.375 (M)	17,625.00
Total Student Financial Assistance Programs Cluster			4,127,250.06
Strengthening Institutions	N/A	84.031A	278,409.37
TRIO - Student Support Services	N/A	84.042A	229,104.12
Passed through the State of Kansas Department of Education:			
Adult Basic Education Program	FY07- ABE	84.002	83,279.00
Carl Perkins Vocational Education Grants: Program Improvement	LEA#JO803	84.048	110,150.00
Total U.S. Department of Education			4,828,192.55
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through the Clay County Head Start			
Child Care Development Block Grant	07-CCDBG	93.575	9,998.81
Total U.S. Department of Health and Human Services			9,998.81
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed through the State Department of Education			
Child and Adult Care Food Program	LEA#JO803	10.558	5,687.25
Total U.S. Department of Agriculture			5,687.25
FEDERAL ASSISTANCE TOTALS			\$ 4,843,878.61

This schedule has been prepared in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned. Expenditures are recorded when goods or services are received.

(1) These are loans to students and parents at the College and are not included in the College's revenues and expenditures.

(M) Major Programs

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**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**

Board of Trustees
Cloud County Community College
Concordia, Kansas

We have audited the financial statements of Cloud County Community College as of and for the year ended June 30, 2009, and have issued our report thereon dated December 31, 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 Cloud County Community College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College'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 College'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 College's financial statements that is more than inconsequential will not be prevented or detected by the College'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 College'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 Cloud County Community College'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 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 noted certain matters that we reported to management of Cloud County Community College in a separate letter dated December 31, 2009.

This report is intended solely for the information and use of management, the Board of Trustees, others within the College, and 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.



JARRED, GILMORE & PHILLIPS, PA.
Certified Public Accountants

December 31, 2009
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
Cloud County Community College
Concordia, Kansas

Compliance

We have audited the compliance of Cloud County Community College with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. Cloud County Community College's major federal 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 programs is the responsibility of Cloud County Community College's management. Our responsibility is to express an opinion on Cloud County Community College'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. Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Cloud County Community College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Cloud County Community College's compliance with those requirements.

As described in item 2009-1 and 2009-2 in the accompanying schedule of findings and questioned costs, Cloud County Community College did not comply with requirements regarding Eligibility and Special Tests and Provisions that are applicable to its Student Financial Aid Cluster. Compliance with such requirements is necessary, in our opinion, for Cloud County Community College to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Cloud County Community College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Cloud County Community College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Cloud County Community College's internal control over compliance with the requirements that could have a direct and material effect on a major federal 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 Cloud County Community College's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and others that we consider to be material weaknesses.

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 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 program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2009-1 and 2009-2 to be significant deficiencies.

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 program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items 2009-1 and 2009-2 to be material weaknesses.

Cloud County Community College's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Cloud County Community College's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Trustees, others within the College, and 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.



JARRED, GILMORE & PHILLIPS, PA.
Certified Public Accountants

December 31, 2009
Chanute, Kansas

CLOUD COUNTY COMMUNITY COLLEGE
 Concordia, Kansas

Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2009

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

The auditors' report expresses an unqualified opinion on the basic financial statements of Cloud County Community College.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	_____	X	_____	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	_____	X	_____	No
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	_____	X	_____	No

Federal Awards:

Internal control over major programs:						
Material weakness(es) identified?	_____	X	_____	_____	_____	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	_____	X	_____	No

The auditors' report on compliance for the major federal award programs for Cloud County Community College expresses an qualified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____	X	_____	_____	_____	No
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Identification of major programs:

U.S. DEPARTMENT OF EDUCATION

- Student Financial Aid Cluster
 - Federal Pell Grant Program – CFDA No. 84.063
 - Federal Direct Student Loans – CFDA No. 84.268
 - Federal Supplemental Educational Opportunity Grant – CFDA No. 84.007
 - Federal Work-Study Program – CFDA No. 84.033
 - Academic Competitiveness Grant – CFDA No. 84.375

The threshold for distinguishing Types A and B programs was \$300,000.00.

Auditee qualified as a low risk auditee?	_____	Yes	_____	X	_____	No
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II. FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

Schedule of Findings and Questioned Costs
(Continued)
For the Year Ended June 30, 2009

III. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

	Questioned Costs
U.S. DEPARTMENT OF EDUCATION	
Student Financial Aid Cluster	
Federal Pell Grant Program – CFDA No. 84.063	None
Federal Direct Student Loans – CFDA No. 84.268	None
Federal Supplemental Educational Opportunity Grant – CFDA No. 84.007	None
Federal Work-Study Program – CFDA No. 84.033	None
Academic Competitiveness Grant – CFDA No. 84.375	None

Finding: 2009-01 – Eligibility

- Student Financial Aid Cluster
 - Federal Pell Grant Program – CFDA No. 84.063
 - Federal Direct Student Loans – CFDA No. 84.268
 - Federal Supplemental Educational Opportunity Grant – CFDA No. 84.007
 - Federal Work-Study Program – CFDA No. 84.033
 - Academic Competitiveness Grant – CFDA No. 84.375

Criteria:

Proper awarding of student financial aid requires the College to have controls in place for properly determining eligibility. Determining the annual award is based on the cost of attendance, the EFC, and from the Payment or Disbursement Schedule for the student's enrollment status (i.e., full-time, three-quarter-time, half-time, or less than half-time).

Condition:

During the testing of student financial aid files it was noted 10 of 72 tested students were missing documentation in the student's file. These documents related to exceptions such as probation, suspension, and approval of classes for students with more than sixty-four hours.

Effect:

The possibility of financial aid being incorrectly paid exists.

Cause:

The College lacked proper internal controls over documentation and the error was not detected.

Recommendation:

Policies and procedures should be written to provide internal control over awarding of financial aid. We recommend the College establish a review process, including a checklist, to ensure all files are complete.

Views of responsible officials and planned corrective action:

See the Corrective Action Plan on page 63 of the current year audit.

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

Schedule of Findings and Questioned Costs
(Continued)
For the Year Ended June 30, 2009

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding: 2009-02 – Special Tests and Provisions

Student Financial Aid Cluster

Federal Pell Grant Program – CFDA No. 84.063

Federal Direct Student Loans – CFDA No. 84.268

Federal Supplemental Educational Opportunity Grant – CFDA No. 84.007

Federal Work-Study Program – CFDA No. 84.033

Academic Competitiveness Grant – CFDA No. 84.375

Criteria:

When a recipient of Title IV grant or loan assistance does not begin attendance at an institution during a payment period or period of enrollment, all disbursed Title IV grant and loan funds must be returned. The institution must determine which Title IV funds it must return or if it has to notify the lender or the Secretary to issue a final demand letter (34 CFR section 668.21).

Condition:

During the testing of the return of Title IV funds, it was noted 3 of 6 tested refunds were not returned in the required time limit.

Effect:

The institution kept Federal funds longer than allowed by Title IV regulations.

Cause:

The College did not have proper procedures in place that allowed for the timely notification to the fiscal department that the return of funds was due.

Recommendation:

Policies and procedures should be written to provide internal control over the return of Federal funds. We recommend the College establish a communication process that allows for the notification of the refund due and a control in place that allows the financial aid department to know the refund was returned timely.

Views of responsible officials and planned corrective action:

See the Corrective Action Plan on page 63 of the current year audit.

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Cloud County Community College is accredited by the Kansas State Department of Education and the North Central Association of Colleges and Secondary Schools. The audit fieldwork was conducted at the College's administrative building in Concordia, Kansas at various dates from September 14, 2009 to September 18, 2009. The following is a schedule of statistics for the year ended June 30, 2009:

TOTAL POPULATION:

	PELL	FDL	FSEOG	ACG	FWS
Universe					
Dollars	\$ 1,772,650	\$ 2,201,799	\$ 37,811	\$ 17,625	\$ 89,148
Students	727	824	163	19	67
Sample					
Dollars	\$ 135,076	\$ 158,835	\$ 2,750	\$ 750	\$ 2,001
Students	50	60	12	1	2

ENROLLED, GRADUATED OR STUDENTS ON AN APPROVED LEAVE OF ABSENCE:

	PELL	FDL	FSEOG	ACG	FWS
Universe					
Dollars	\$ 1,326,263	\$ 1,755,465	\$ 29,310	\$ 16,875	\$ 82,369
Students	501	634	125	18	60
Sample					
Dollars	\$ 86,003	\$ 113,964	\$ 1,750	\$ - 0 -	\$ 2,001
Students	26	34	8	0	2

WITHDREW, DROPPED OR TERMINATED STUDENTS:

	PELL	FDL	FSEOG	ACG	FWS
Universe					
Dollars	\$ 446,387	\$ 446,334	\$ 8,501	\$ 750	\$ 6,779
Students	226	190	38	1	7
Sample					
Dollars	\$ 49,073	\$ 44,871	\$ 1,000	\$ 750	\$ 0
Students	24	26	4	1	0

WITHDREW, DROPPED OR TERMINATED STUDENTS:

	PELL	FDL	FSEOG	ACG	FWS
Universe					
Dollars Refunded	\$ 7,649	\$ 13,627	\$ 99.00	\$ - 0 -	\$ - 0 -
Students	15	16	1	0	0
Sample					
Dollars Refunded	\$ 386	\$ 2,589	\$ - 0 -	\$ - 0 -	\$ - 0 -
Students	2	2	0	0	0

CLOUD COUNTY COMMUNITY COLLEGE
Concordia, Kansas

Schedule of Resolution of Prior Year's Audit Findings and Questioned Costs
For the Year Ended June 30, 2009

2008-01

Condition:

During the testing of Federal Pell Grant Program it was noted 3 of 60 tested students were under awarded the Federal Pell Grant.

Recommendation:

Policies and procedures should be written to provide internal control over awarding of financial aid. We recommend the College establish a review process, such as sampling a portion of each awarded student population to ensure purchased computer software is properly awarding student financial aid.

Current Status:

The Financial Aid office has implemented procedures to ensure that reports are generated to check on ISIR's that have come in and are not posted. Copies of all new ISIR's that are imported are verified to make sure that the correct one is being used that was awarded upon. A report has also been built that shows students who are Pell eligible, their EFC, and the amounts to be disbursed. This report is checked prior to disbursement, thus eliminating the chance of under or over-awarding.

2008-02

Condition:

During the testing of the return of Title IV funds, it was noted 7 of 11 tested refunds were not returned in the required time limit.

Recommendation:

Policies and procedures should be written to provide internal control over the return of Federal funds. We recommend the College establish a communication process that allows for the notification of the refund due and a control in place that allows the financial aid department to know the refund was returned timely.

Current Status:

Repeat Finding – See 2009-2

Corrective Action Plan

December 31, 2009

Cognizant or Oversight Agency for Audit

Cloud County Community College respectfully submits the following corrective action plan for the year ended June 30, 2009.

Name and address of independent public accounting firm: Jarred, Gilmore & Phillips, PA, P.O. Box 779, 1815 S Santa Fe, Chanute, Kansas 66720.

Audit period: Year ended June 30, 2009.

The findings from the December 31, 2009 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule of findings and questioned costs.

Finding 2009-01 – Eligibility

Recommendation:

Policies and procedures should be written to provide internal control over awarding of financial aid. We recommend the College establish a review process, including a checklist, to ensure all files are complete.

Action Taken: The Financial Aid office has implemented a procedure that identifies probation, suspension and over 64 students. This checklist is located on the student's accounts in the financial aid software package. Before financial aid is disbursed, a report will be generated from this checklist to identify those students who have not completed the proper documentation.

Finding 2009-02 – Special Tests and Provisions

Recommendation:

Policies and procedures should be written to provide internal control over the return of Federal funds. We recommend the College establish a communication process that allows for the notification of the refund due and a control in place that allows the financial aid department to know the refund was returned timely.

Action Taken: Procedures are in place to tighten up the communication between the Student Records office and Financial Aid department as to when a student officially withdraws from school. Reports are now established that identify all withdrawn students during the semester. This will give the Financial Aid office control over which students have withdrawn and if a refund of Title IV funds is due. Internal controls are in place to determine the official date of withdrawal. After the Financial Aid office has determined what the refund is, the Business Office will then continue to notify them as to when the funds have been returned.

If the Oversight Agency for Audit has questions regarding this plan, please call Sherry Campbell, Financial Aid Director, at (785) 243-1435 ext 284.

Sincerely,

Cloud County Community College

Cloud County Community College



Management Letter

(Communication required under SAS No. 112)

Board of Trustees
Cloud County Community College
Concordia, Kansas

In planning and performing our audit of the financial statements of Cloud County Community College as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered Cloud County Community College's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

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 a combination of control deficiencies, that adversely affects the college'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 college's financial statements that is more than inconsequential will not be prevented or detected by the college's internal control. We consider the deficiencies described below to be significant deficiencies in internal control.

A material weakness is a significant deficiency, or a 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 entity's internal control. We believe that the following deficiencies constitute material weaknesses:

Special Tests and Provisions – Title IV Refunds

When a recipient of Title IV grant or loan assistance does not begin attendance at an institution during a payment period or period of enrollment, all disbursed Title IV grant and loan funds must be returned. The institution must determine which Title IV funds it must return or if it has to notify the lender or the Secretary to issue a final demand letter (34 CFR section 668.21). During the testing of the return of Title IV funds, it was noted 3 of 6 tested refunds were not returned in the required time limit. The College did not have proper procedures in place that allowed for the timely notification to the fiscal department that the return of funds was due. Policies and procedures should be written to provide internal control over the return of Federal funds. We recommend the College establish a communication process that allows for the notification of the refund due and a control in place that allows the financial aid department to know the refund was returned timely.

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Financial Aid Eligibility

During our financial aid testing of student files, it was noted the files were missing documentation. Three students tested had accumulated more than 64 hours, but the file lacked documentation that the additional hours were approved. Six students lacked documentation of financial aid probation. Two students, who appeared to be on suspension, lacked documentation for qualification for continued aid.

This report is intended solely for the information and use of management, the Board of Trustees, others within the College, and 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.

Respectfully submitted,



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

December 31, 2009
Chanute, Kansas