



SOUTHMOST UNION JUNIOR COLLEGE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2000

TEXAS SOUTHMOST COLLEGE

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

AUGUST 31, 2000

TEXAS SOUTHMOST COLLEGE

ORGANIZATIONAL DATA

FOR THE FISCAL YEAR 1999-2000

BOARD OF TRUSTEES

Officers

Mary Rose Cardenas	Chairperson
Chester Gonzalez	Vice-chairperson
Rosemary Breedlove	Secretary

Members

Mary Rose Cardenas	Brownsville, Texas	May, 2002
Rosemary Breedlove	Brownsville, Texas	May, 2004
David Oliveira	Brownsville, Texas	May, 2006
Chester Gonzalez	Brownsville, Texas	May, 2004
Dolly Zimmerman	Port Isabel, Texas	May, 2002
Dr. Roberto Robles	Brownsville, Texas	May, 2006
Eddie Campirano	Brownsville, Texas	May, 2004

Principal Administrative Officers

Dr. Juliet V. Garcia	President, UTB/TSC
Dr. Wayne J. Moore	Vice-President for Administration and Partnership Affairs, UTB/TSC
George F. Haylock, Jr.	District Office Manager
Pat Celaya	District Comptroller

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TEXAS SOUTHMOST COLLEGE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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FINANCIAL SECTION

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PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON GENERAL
PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTARY
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**

Board of Trustees
Southmost Union Junior College District
Brownsville, Texas

We have audited the accompanying general purpose financial statements of Texas Southmost College, as of and for the year ended August 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of Texas Southmost College's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Texas Southmost College at August 31, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2000, on our consideration of Texas Southmost College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Texas Southmost College, taken as a whole. The accompanying schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, and the combining statements and other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Pattillo, Brown & Hill, L.L.P.

November 7, 2000

FINANCIAL STATEMENTS

TEXAS SOUTHMOST COLLEGE

BALANCE SHEET

AUGUST 31, 2000

(with memorandum totals at August 31, 1999)

	Current Funds				Loan Funds	Endowment & Similar Funds
	Unrestricted	Auxiliary Enterprises	Restricted	Total		
ASSETS						
Cash & cash equivalents	\$ 291,862	\$ 48,078	\$ 61,399	\$ 401,339	\$ 28,285	\$ 3,921
Short-term investments	23,986	218,601	-	242,587	-	97
Accounts receivable (net of allowance for doubtful accounts of \$9,000 for both years)	1,558,422	39,167	2,320	1,599,909	-	-
Taxes receivable (net of allowance for doubtful accounts of \$45,832 & \$40,069 at August 31, 2000 & 1999, respectively)	870,811	-	-	870,811	-	-
Due from other funds	271,039	429,091	35,012	735,142	-	-
Investments	817,899	380,223	-	1,198,122	-	33,206
Accrued interest receivable	14,220	1,438	-	15,658	-	-
Due from other agencies	-	-	100	100	-	1,120
Federal receivables	-	-	250,634	250,634	-	-
Deposits	-	-	-	-	-	-
Notes receivable (net of allowance for doubtful accounts of \$123,969 & \$114,648 at August 31, 2000 & 1999, respectively)	-	-	-	-	158,652	-
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Improvements other than buildings	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Library books	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-
Assets held in trust	-	-	-	-	-	-
Amounts to be provided interest payable on capital appreciation bonds	-	-	-	-	-	-
	<u>\$ 3,848,239</u>	<u>\$ 1,116,598</u>	<u>\$ 349,465</u>	<u>\$ 5,314,302</u>	<u>\$ 186,937</u>	<u>\$ 38,344</u>

See accompanying notes to the financial statements.

Plant Funds					Totals (Memorandum only)	
Unexpended	Renewals & Replacements	Retirement of Indebtedness	Investment in Plant	Agency Funds	2000	1999
\$ 117,494	\$ 436,302	\$ 569,398	\$ -	\$ 8,277	\$ 1,565,016	\$ 2,861,630
1,467,309	645,307	-	-	-	2,355,300	3,168,714
-	-	-	-	-	1,599,909	1,575,399
-	-	167,992	-	-	1,038,803	982,082
-	321,360	176,049	-	-	1,232,551	1,433,786
11,857,084	1,267,411	-	-	-	14,355,823	3,542,744
225,296	4,795	-	-	-	245,749	8,904
-	-	-	-	-	1,220	21,442
-	-	-	-	-	250,634	254,836
50,250	-	-	-	-	50,250	50,250
-	-	-	-	-	158,652	92,668
-	-	-	2,995,303	-	2,995,303	2,995,303
-	-	-	27,916,639	-	27,916,639	27,171,372
-	-	-	5,870,705	-	5,870,705	5,870,705
-	-	-	8,111,753	-	8,111,753	7,845,638
-	-	-	8,422,239	-	8,422,239	8,422,239
-	-	-	1,960,058	-	1,960,058	1,419,250
-	-	-	351,064	-	351,064	351,064
-	-	-	623,560	-	623,560	623,560
<u>\$ 13,717,433</u>	<u>\$ 2,675,175</u>	<u>\$ 913,439</u>	<u>\$ 56,251,321</u>	<u>\$ 8,277</u>	<u>\$ 79,105,228</u>	<u>\$ 68,691,586</u>

TEXAS SOUTHMOST COLLEGE

BALANCE SHEET

(Continued)

AUGUST 31, 2000

(with memorandum totals at August 31, 1999)

	Current Funds				Loan Funds	Endowment & Similar Funds
	Unrestricted	Auxiliary Enterprises	Restricted	Total		
LIABILITIES & FUND BALANCES						
Liabilities:						
Accounts payable	\$ 12,508	\$ 148,676	\$ -	\$ 161,184	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-
Due to other funds	582,112	341,765	253,634	1,177,511	-	-
Due to other agencies	1,974,159	2,322	34,559	2,011,040	-	-
Deferred revenues	870,811	83,285	-	954,096	-	-
Accrued compensable absences payable	9,339	2,815	-	12,154	-	-
Bonds payable	-	-	-	-	-	-
Funds held in custody for others	-	-	-	-	-	-
Total liabilities	3,448,929	578,863	288,193	4,315,985	-	-
Fund Balance:						
Unrestricted						
Reserved						
Encumbrances	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Unreserved						
Designated						
Capital projects	-	-	-	-	-	-
College loan funds	-	-	-	-	186,937	-
Undesignated	399,310	537,735	-	937,045	-	-
Restricted						
Institutional matching funds	-	-	-	-	-	38,344
Other	-	-	61,272	61,272	-	-
Net investment in plant	-	-	-	-	-	-
Total fund balance	399,310	537,735	61,272	998,317	186,937	38,344
Total liabilities and fund balance	\$ 3,848,239	\$ 1,116,598	\$ 349,465	\$ 5,314,302	\$ 186,937	\$ 38,344

See accompanying notes to the financial statements.

EXHIBIT A

Plant Funds					Totals (Memorandum only)	
Unexpended	Renewals & Replacements	Retirement of Indebtedness	Investment in Plant	Agency Funds	2000	1999
\$ 7,725	\$ 5,766	\$ -	\$ -	\$ -	\$ 174,675	\$ 405,903
-	-	-	623,560	-	623,560	623,560
55,040	-	-	-	-	1,232,551	1,433,786
172	953	-	-	-	2,012,165	2,402,249
-	-	167,992	-	-	1,122,088	1,055,278
-	-	-	-	-	12,154	15,843
9,025,000	-	-	6,334,999	-	15,359,999	7,274,999
-	-	-	-	8,277	8,277	7,959
<u>9,087,937</u>	<u>6,719</u>	<u>167,992</u>	<u>6,958,559</u>	<u>8,277</u>	<u>20,545,469</u>	<u>13,219,577</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,629,496	2,668,456	-	-	-	7,297,952	7,542,544
-	-	-	-	-	186,937	118,097
-	-	-	-	-	937,045	623,689
-	-	-	-	-	38,344	27,650
-	-	745,447	-	-	806,719	359,457
-	-	-	49,292,762	-	49,292,762	46,800,572
<u>4,629,496</u>	<u>2,668,456</u>	<u>745,447</u>	<u>49,292,762</u>	<u>-</u>	<u>58,559,759</u>	<u>55,472,009</u>
<u>\$ 13,717,433</u>	<u>\$ 2,675,175</u>	<u>\$ 913,439</u>	<u>\$ 56,251,321</u>	<u>\$ 8,277</u>	<u>\$ 79,105,228</u>	<u>\$ 68,691,586</u>

TEXAS SOUTHMOST COLLEGE

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED AUGUST 31, 2000
 (with memorandum totals at August 31, 1999)

	Current Funds				Loan Funds
	Unrestricted	Auxiliary Enterprises	Restricted	Total	
REVENUES & OTHER ADDITIONS					
Unrestricted current funds revenue	\$ 28,146,590	\$ 2,195,793	\$ 915,382	\$ 31,257,765	\$ -
State appropriations - restricted	-	-	-	-	-
Federal grants & contracts	-	-	1,169,804	1,169,804	-
State grants & contracts	-	-	200,206	200,206	-
Local gifts, grants & contracts	-	-	20,000	20,000	-
Net increase (decrease) in fair value of investments	-	-	-	-	-
Taxes for debt retirement	-	-	-	-	-
Investment/endowment income	-	-	8,442	8,442	2,856
Net decrease in bonds payable	-	-	-	-	-
Bond proceeds on sale of bonds	-	-	-	-	-
Expended for plant facilities (includes \$360,485 charged to current funds expenditures)	-	-	-	-	-
Other additions	-	-	-	-	75,305
Total revenues & other additions	<u>28,146,590</u>	<u>2,195,793</u>	<u>2,313,834</u>	<u>32,656,217</u>	<u>78,161</u>
EXPENDITURES & OTHER DEDUCTIONS					
Expenditures	26,351,020	1,006,041	12,713,821	40,070,882	-
Expended for plant facilities	-	-	-	-	-
Loan cancellations & write-offs	-	-	-	-	9,321
Net increase in bonds payable	-	-	-	-	-
Retirement of indebtedness - bonds	-	-	-	-	-
Interest on indebtedness	-	-	-	-	-
Other deductions	-	-	-	-	-
Other expenditures	-	-	-	-	-
Total expenditures & other deductions	<u>26,351,020</u>	<u>1,006,041</u>	<u>12,713,821</u>	<u>40,070,882</u>	<u>9,321</u>
TRANSFERS-ADDITIONS (DEDUCTIONS)					
Mandatory transfers	(291,414)	-	291,414	-	-
Nonmandatory transfers	(1,223,423)	(1,157,129)	-	(2,380,552)	-
Other	-	-	10,106,788	10,106,788	-
Total transfers - additions (deductions)	<u>(1,514,837)</u>	<u>(1,157,129)</u>	<u>10,398,202</u>	<u>7,726,236</u>	<u>-</u>
NET INCREASE (DECREASE) FOR THE FISCAL YEAR					
	<u>280,733</u>	<u>32,623</u>	<u>(1,785)</u>	<u>311,571</u>	<u>68,840</u>
FUND BALANCES, SEPTEMBER 1, 1999					
	118,577	505,112	63,057	686,746	118,097
PRIOR PERIOD ADJUSTMENTS					
	-	-	-	-	-
FUND BALANCES, AUGUST 31, 2000					
	<u>\$ 399,310</u>	<u>\$ 537,735</u>	<u>\$ 61,272</u>	<u>\$ 998,317</u>	<u>\$ 186,937</u>

See accompanying notes to the financial statements.

EXHIBIT B

Endowment & Similar Funds	Plant Funds				Agency Funds	Totals (Memorandum only)	
	Unexpended	Renewals & Replacements	Retirement of Indebtedness	Investment in Plant		2000	1999
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,257,765	\$ 28,907,816	
-	-	-	-	-	-	-	
-	-	-	-	-	1,169,804	1,389,866	
-	-	-	-	-	200,206	58,146	
-	-	-	-	-	20,000	-	
(11,175)	-	-	-	-	(11,175)	-	
-	-	-	1,157,455	-	1,157,455	-	
2,449	473,074	130,098	15,056	-	631,975	329,358	
-	-	-	-	940,000	940,000	845,000	
-	9,025,000	-	-	-	9,025,000	-	
-	-	-	-	1,552,190	1,552,190	1,419,681	
-	4,431	-	-	-	79,736	1,404,170	
<u>(8,726)</u>	<u>9,502,505</u>	<u>130,098</u>	<u>1,172,511</u>	<u>2,492,190</u>	<u>46,022,956</u>	<u>34,354,037</u>	
-	-	-	-	-	40,070,882	35,795,741	
-	1,198,765	1,282,865	-	-	2,481,630	1,712,479	
-	-	-	-	-	9,321	-	
-	9,025,000	-	-	-	9,025,000	-	
-	-	-	940,000	-	940,000	845,000	
-	-	-	314,150	-	314,150	355,842	
-	-	-	199,411	-	199,411	391	
1,600	-	-	-	-	1,600	-	
<u>1,600</u>	<u>10,223,765</u>	<u>1,282,865</u>	<u>1,453,561</u>	<u>-</u>	<u>53,041,994</u>	<u>38,709,453</u>	
-	-	-	-	-	-	-	
-	648,540	980,895	751,117	-	-	-	
-	-	-	-	-	10,106,788	8,227,049	
-	<u>648,540</u>	<u>980,895</u>	<u>751,117</u>	<u>-</u>	<u>10,106,788</u>	<u>8,227,049</u>	
<u>(10,326)</u>	<u>(72,720)</u>	<u>(171,872)</u>	<u>470,067</u>	<u>2,492,190</u>	<u>3,087,750</u>	<u>3,871,633</u>	
48,670	4,702,216	2,840,328	275,380	46,800,572	55,472,009	51,660,683	
-	-	-	-	-	-	(60,307)	
<u>\$ 38,344</u>	<u>\$ 4,629,496</u>	<u>\$ 2,668,456</u>	<u>\$ 745,447</u>	<u>\$ 49,292,762</u>	<u>\$ 58,559,759</u>	<u>\$ 55,472,009</u>	

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TEXAS SOUTHMOST COLLEGE

EXHIBIT C

STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES
AND OTHER CHANGES

FOR THE YEAR ENDED AUGUST 31, 2000
(with memorandum totals for the year ended August 31, 1999)

	Unrestricted	Auxiliary Enterprises	Restricted	Totals (Memorandum only)	
				2000	1999
REVENUES					
State appropriations - general revenue	\$ 11,710,494	\$ -	\$ 915,382	\$ 12,625,876	\$ 11,936,490
Tuition & fees	9,926,604	1,421,848	-	11,348,452	9,682,486
Taxes for current operations	4,188,325	-	-	4,188,325	3,792,223
Federal grants & contracts	-	-	1,169,804	1,169,804	1,389,866
State grants & contracts	1,471,997	-	200,206	1,672,203	2,353,509
Local grants & contracts	473,701	-	20,000	493,701	330,170
Investment/endowment income	99,330	-	-	99,330	103,023
Sales & service of auxiliary enterprises	-	735,519	-	735,519	496,184
Other sources:					
Interest income	-	33,865	8,442	42,307	30,083
Gains/losses on investments	-	-	-	-	-
Miscellaneous income	276,139	4,561	-	280,700	248,083
Total current funds revenues	<u>28,146,590</u>	<u>2,195,793</u>	<u>2,313,834</u>	<u>32,656,217</u>	<u>30,362,117</u>
EXPENDITURES & MANDATORY TRANSFERS					
Educational & general:					
Instruction	-	-	844,447	844,447	-
Institutional support	335,793	-	-	335,793	1,166,925
Scholarships & fellowships	-	-	-	-	-
Transfers to UTB	26,015,227	-	11,869,374	37,884,601	32,643,154
Total educational & general expenditures	<u>26,351,020</u>	<u>-</u>	<u>12,713,821</u>	<u>39,064,841</u>	<u>33,810,079</u>
Auxiliary enterprise expenditures:					
Expenditures	-	837,089	-	837,089	639,041
Transfers to UTB	-	168,952	-	168,952	1,345,021
Total auxiliary enterprise expenditures	<u>-</u>	<u>1,006,041</u>	<u>-</u>	<u>1,006,041</u>	<u>1,984,062</u>
Mandatory transfers to:					
TPEG to restricted & loan funds	(291,414)	-	291,414	-	-
Total expenditures & mandatory transfers	<u>26,642,434</u>	<u>1,006,041</u>	<u>12,422,407</u>	<u>40,070,882</u>	<u>35,794,141</u>
OTHER TRANSFERS & ADDITIONS (DEDUCTIONS)					
Nonmandatory transfers	(1,223,423)	(1,157,129)	-	(2,380,552)	(2,911,607)
Excess of TPEG transfer over grant awarded	-	-	-	-	-
Federal scholarships/grants by UTB	-	-	10,106,788	10,106,788	8,227,049
Total other transfers & additions (deductions)	<u>(1,223,423)</u>	<u>(1,157,129)</u>	<u>10,106,788</u>	<u>7,726,236</u>	<u>5,315,442</u>
NET INCREASE (DECREASE) IN FUND BALANCES					
	<u>\$ 280,733</u>	<u>\$ 32,623</u>	<u>\$ (1,785)</u>	<u>\$ 311,571</u>	<u>\$ (116,582)</u>

See accompanying notes to the financial statements.

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TEXAS SOUTHMOST COLLEGE

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2000

1. REPORTING ENTITY

Texas Southmost College (TSC) was established in 1926, in accordance with the laws of the State of Texas, to serve the educational needs of Brownsville and the surrounding communities. The Southmost Union Junior College District was established in 1949 and is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While the College receives funding from local, state and federal sources, and must comply with the spending, reporting and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Report Guidelines

The significant accounting policies followed by Texas Southmost College in preparing these financial statements are in accordance with the Texas Higher Education Coordinating Board's *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. These requirements are in substantial conformity with the AICPA Industry Audit Guide, *Audits of Colleges and Universities*, as amended by AICPA Statement of Position (SOP) 74-8, *Financial Accounting and Reporting by Colleges and Universities*, and as modified by applicable FASB pronouncements issued through November 30, 1989, and as modified by all applicable GASB pronouncements cited in Codification Section Co5, "Colleges and Universities."

Basis of Accounting

The general purpose financial statements of Texas Southmost College have been prepared on the accrual basis of accounting except for depreciation expense related to plant fund assets which is not recorded. The Statement of Current Funds Revenues, Expenditures and Other Changes is a statement of financial activities of current funds related to the reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Current Funds. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding at year end that were provided for in the subsequent year's budget are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Inventories, consisting of consumable office supplies, are valued at cost under the "first-in, first-out" method.

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

Basis of Accounting (Continued)

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of equipment, library holdings and livestock; (2) mandatory transfers in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and (3) transfers of a non-mandatory nature for all other cases.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the College, accounts are maintained in accordance with the principles of "fund accounting." Resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives. Separate accounts are maintained for each fund; however, in the accompanying general purpose financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded by fund group.

Within each fund group, fund balances restricted by outside sources are distinguished from unrestricted funds allocated to specific purposes by action of the governing board. Externally restricted funds may only be utilized in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the governing board retains full control to use in achieving any of its institutional purposes.

Endowment and Similar Funds are subject to the restrictions of gift instruments requiring in perpetuity that the principal be invested and only the income be utilized. Term endowment funds are similar to other endowment funds, except that all or part of the principal may be utilized after a stated period of time or upon the occurrence of a certain event. Funds functioning as endowments are funds that the governing board has approved to be used as endowments.

All gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets are accounted for in the fund that owned the assets. Ordinary income derived from investments, receivables and other sources is accounted for in the fund owning such assets, except for income derived from investment of Endowment and Similar Funds. That income is accounted for in the fund to which it is restricted or, if unrestricted, as revenue in unrestricted current funds.

All other unrestricted revenue is accounted for in the appropriate unrestricted fund. Restricted gifts, grants, appropriation, endowment income and other restricted resources are accounted for in the appropriate restricted funds. Restricted current funds are reported as revenue and expenditures when expended for current operating purposes. Contract and grant awards for the current reporting period is shown as additions to fund balances in Restricted Current Funds.

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

Fund Accounting (Continued)

The different fund groups used at Texas Southmost College are as follows:

Current Funds:

Funds available for current operating and maintenance purposes, as well as those restricted by donors and other outside agencies for specific operating purposes. Current funds are segregated into separate balanced funds groups.

Unrestricted Current Funds - Funds received by an institution that have no limitations or stipulations placed on them by external agencies or donors. The funds are used for carrying out the primary purpose of an institution, i.e. educational, research, extension and administration.

Auxiliary Enterprises - Funds for activities that serve students, faculty, or staff for charges that are directly related to, although no necessarily equal to, the cost of the service. Examples are residence halls, food services and bookstores.

Restricted Current Funds - Funds available for current purposes, but with restrictions from outside agencies or persons. Revenue is reported only to the extent of expenditures for the current year.

Loan Funds:

Funds available for loans to students, faculty and staff.

Endowment and Similar Funds:

Funds subject to restrictions of endowment and trust instruments requiring that principal be maintained and that only the income be spent.

Annuity and Life Income Funds:

The Annuity Funds group consists of funds donated to an institution on the condition that the institution pay a stipulated amount of the funds to the donor or designated individual for a specified time or until the time of death of the annuitant. The Life Income Funds Group consists of funds contributed to an institution subject to the requirement that the institution periodically pay the income earned on the assets (less management expenses) to designated beneficiaries.

Plant Funds:

Plant funds are divided into these separate balanced fund groups:

Unexpended - Funds for the construction, rehabilitation and acquisition of physical properties for institutional purposes.

Renewals and Replacements - Funds accumulated for the renewal and replacement of physical plant properties.

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