

**South Arkansas Community College**

**El Dorado, Arkansas**

**Basic Financial Statements  
and Other Reports**

**June 30, 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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SOUTH ARKANSAS COMMUNITY COLLEGE  
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JUNE 30, 2021

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**Sen. Ronald Caldwell**  
Senate Chair  
**Sen. Gary Stubblefield**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. Nelda Speaks**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## **LEGISLATIVE JOINT AUDITING COMMITTEE** **ARKANSAS LEGISLATIVE AUDIT**

### **INDEPENDENT AUDITOR'S REPORT**

South Arkansas Community College  
Legislative Joint Auditing Committee

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of South Arkansas Community College (College), an institution of higher education of the State of Arkansas, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the South Arkansas Community College Foundation, Inc., which represents 100% of the assets and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the South Arkansas Community College, Inc., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 financial statements are free from material misstatement. The financial statements of the South Arkansas Community College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Prior Year Comparative Information***

We have previously audited the College's 2020 financial statements, and we expressed unmodified opinions on the respective financial statements of the business-type activities and the discretely presented component unit in our report dated July 22, 2021. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, certain information pertaining to postemployment benefits other than pensions, and certain information pertaining to pensions on pages 7-13, 48-50, and 51-54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Schedule of Selected Information for the Last Five Years (Schedule 1) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Selected Information for the Last Five Years has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2022 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
October 31, 2022  
EDHE19321

# Arkansas

**Sen. Ronald Caldwell**  
Senate Chair  
**Sen. Gary Stubblefield**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. Nelda Speaks**  
House Vice Chair

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Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

### INDEPENDENT AUDITOR'S REPORT

South Arkansas Community College  
Legislative Joint Auditing Committee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of South Arkansas Community College (College), an institution of higher education of the State of Arkansas, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 31, 2022. Our report includes a reference to other auditors who audited the financial statements of South Arkansas Community College Foundation, Inc., as described in our report on the College's financial statements. The financial statements of South Arkansas Community College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described below in the Audit Findings section of this report that we consider to be a material weakness.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of the state constitution, state laws and regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that we reported to management of the College in a separate letter dated October 31, 2022.

## AUDIT FINDINGS

### Material Weakness

Financial Statements are the responsibility of the College's management and should be presented fairly in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The College has policies and procedures to properly record and classify transactions in the financial statements; however, the College's internal control did not detect or prevent material misstatements in the financial statements. The financial statements were subsequently corrected by College personnel during audit fieldwork. Key errors in the Comparative Statement of Net Position, Comparative Statement of Revenues, Expenses and Changes in Net Position, Comparative Statement of Cash Flows, and the Notes to the Financial Statements included:

#### Comparative Statement of Net Position

- a) Accounts receivable was understated by \$248,043 and Other receivables was overstated by \$248,043
- b) Allowance for doubtful accounts was understated by \$260,072
- c) Capital assets, net of accumulated depreciation was overstated by \$164,645
- d) Unrestricted net position was understated by \$2,300,010
- e) Restricted net position expendable for debt service was overstated by \$1,978,652
- f) Net position invested in capital assets, net of related debt was overstated by \$518,170

#### Comparative Statement of Revenues, Expenses and Changes in Net Position

- a) Supplies and Services was understated \$437,494

#### Comparative Statement of Cash Flows

- a) Cash flows from student tuition and fees was understated by \$286,671
- b) Cash flows from Loans to Students - Direct Loans & Private (inflows) and (outflows) were both overstated by \$209,130
- c) Cash flows from proceeds from sales and maturities of investments was overstated by \$1,240,552
- d) Cash flows from purchase of investments was overstated by \$1,250,876

#### Notes to the Financial Statements

- a) The total pension expense amount was understated by \$222,952
- b) Construction commitments included a balance of \$114,146 in error

A similar finding was reported in the previous six audits.

We recommend that the College implement internal controls to ensure amounts reported in the financial statements and notes to the financial statements are accurate.

Management Response: South Arkansas Community College experienced a unique circumstance concerning staff and management turnover in the Business Office. During FY21 and FY22, SouthArk turned over its Vice President of Finance and Administration, its Controller, and its Financial Accounting Manager. During the transition period, College Administration contracted with exiting Controller to compile and submit unaudited financials on the College's behalf. We acknowledge the financials were submitted with errors. SouthArk appreciates Legislative Audit assistance during this unusual time in the history of SouthArk. SouthArk has hired full time employees in each of the previously absent positions. SouthArk will continue professional development of staff.


### **College's Response to Findings**

The College's response to the finding identified in our audit is described previously. The College's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in dark ink that reads "Matt Fink". The signature is written in a cursive, slightly stylized font.

Matt Fink, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 31, 2022



**Sen. Ronald Caldwell**  
Senate Chair  
**Sen. Gary Stubblefield**  
Senate Vice Chair



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**LEGISLATIVE JOINT AUDITING COMMITTEE**  
**ARKANSAS LEGISLATIVE AUDIT**

**MANAGEMENT LETTER**

South Arkansas Community College  
Legislative Joint Auditing Committee

**STUDENT ENROLLMENT DATA** – In accordance with Ark. Code Ann. § 6-60-209, we performed tests of the student enrollment data for the year ended June 30, 2021, as reported to the Arkansas Division of Higher Education, to provide reasonable assurance that the data was properly reported. The enrollment data reported was as follows:

	<u>Summer II Term</u>	<u>Fall Term</u>	<u>Spring Term</u>	<u>Summer I Term</u>
	<u>2020</u>	<u>2020</u>	<u>2021</u>	<u>2021</u>
Student Headcount	212	1,201	1,080	449
Student Semester				
Credit Hours	837	10,984	9,475	2,980

During our review, nothing came to our attention that would cause us to believe that the student enrollment data was not substantially correct.

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the governing board, College management, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

Matt Fink, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 31, 2022



**SOUTH ARKANSAS COMMUNITY COLLEGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
JUNE 30, 2021**

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***Overview of the Financial Statements and Financial Analysis***

South Arkansas Community College ("the College") is pleased to present its Annual Financial Report for the fiscal year ended June 30, 2021, with the fiscal year 2019/20 prior year data presented for comparative purposes. The Financial Report of the College is prepared following the financial statement model as developed and required by the Government Accounting Standards Board (GASB). GASB is the governing body over financial statements for public higher education and all state and local governments. The objectives of the reporting format is to enhance the understanding and usefulness of the external financial reports to all users of the statements including creditors, legislative and oversight bodies. In addition to the Management's Discussion and Analysis section, the Financial Report includes a Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, the Statement of Cash Flows, and the Notes to the Financial Statements.

South Arkansas Community College was established by a vote of the citizens of Union County on March 31, 1992. Voters approved forming a community college district for the county, merging Oil Belt Technical College and Southern Arkansas University-El Dorado Branch, and levying a Millage to support the new school. The college is governed by a nine-member Board of Trustees, which has delegated to the President the administrative authority for the College's operations.

***Statement of Net Position***

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the College. The purpose of the statement is to present to the readers of the financial statements a fiscal snapshot of the College as of the end of the fiscal year. Current assets and liabilities are distinguished from non-current assets and liabilities. The statement provides a picture of net position (assets and deferred inflows minus liabilities and deferred outflows) and their availability for expenditure by the College.

Net position divided into four major categories:

*Invested in capital assets, net of debt:* capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net position - non-expendable:* net assets subject to externally-imposed stipulations that they be maintained permanently by the College.

*Restricted net position - expendable:* net assets whose use by the College is subject to externally-imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time.

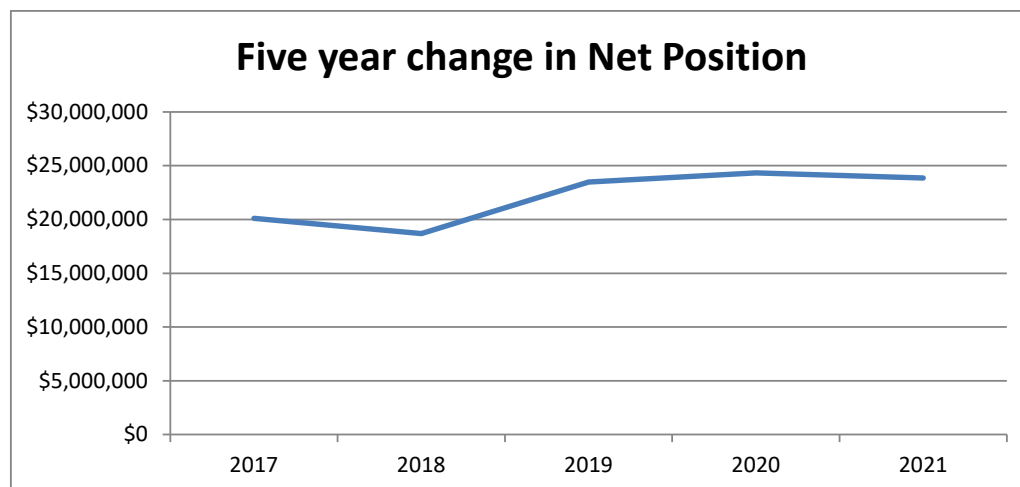
*Unrestricted net position* - net assets that are not subject to externally imposed stipulations but can be used at the discretion of the governing board to meet current expenses for any purpose in not limited by contractual agreements with outside parties.

**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**JUNE 30, 2021**

*Statement of Net Position (Continued)*

	June 30, 2021	June 30, 2020
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
Current assets	\$ 9,061,602	\$ 9,292,613
Capital assets, net	24,396,486	25,620,444
Other assets	1,460,084	527,158
Deferred outflows of resources	1,576,234	1,209,286
Total Assets and Deferred Outflows	<u>\$ 36,494,406</u>	<u>\$ 36,649,501</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
Current liabilities	\$ 1,029,651	\$ 998,722
Noncurrent liabilities	10,826,390	10,104,665
Deferred inflows of resources	769,985	1,213,063
Total Liabilities and Deferred Inflows	<u>\$ 12,626,026</u>	<u>\$ 12,316,450</u>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	\$ 19,827,135	\$ 19,415,911
Restricted		
Non-Expendable	427,755	425,013
Expendable	239,168	1,873,808
Unrestricted	3,374,322	2,618,319
Total Net Position	<u>\$ 23,868,380</u>	<u>\$ 24,333,051</u>

The College's total assets decreased \$155,095, total liabilities increased \$309,576, and net position decreased \$464,671. Deferred outflows and liabilities changed in 2020/2021 due the actuarial calculations of GASB 67 and GASB 75 for pension and other post employment benefits.



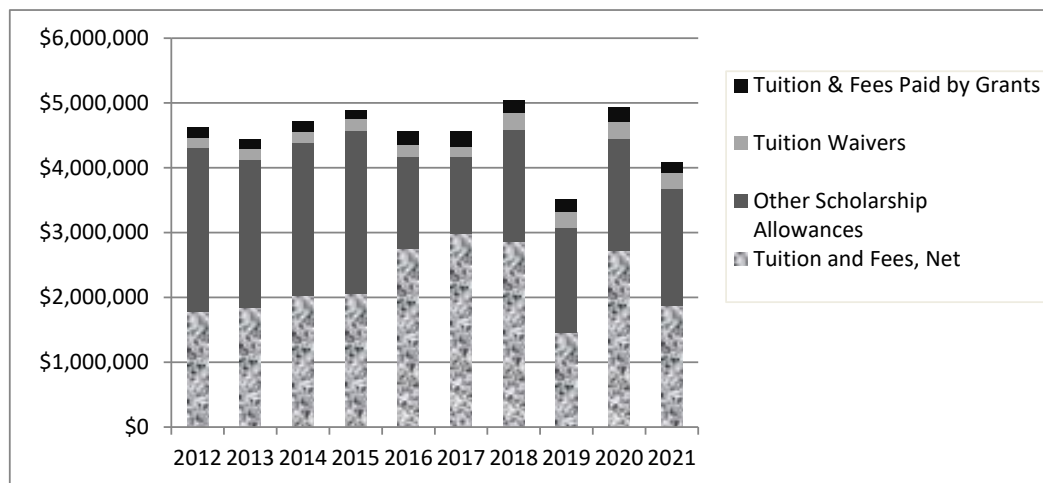
**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**JUNE 30, 2021**

***Statement of Revenues, Expenses and Changes in Net Position***

The purpose of this statement is to present revenues earned and expenses paid by the College, both operating and non-operating, and any other revenues, expenses, gains and losses. The operating income (loss) has limited significance for the College since the GASB requires a significant portion of revenues (state appropriations, gifts, and some grants and contracts) to be reported as non-operating.

	Year Ended	
	June 30, 2021	June 30, 2020
Operating revenues	\$ 5,324,108	\$ 7,425,456
Operating expenses	18,226,327	18,762,863
Operating loss	(12,902,219)	(11,337,407)
Non-operating revenues and expenses	12,443,806	11,529,042
Income before other revenues and expenses	(458,413)	191,635
Other revenues and expenses	-	635,615
Increase in Net Position	(458,413)	827,250
Net Position, beginning of year	24,333,051	23,488,269
Restatement of prior year balance (Note 21)	(6,258)	17,532
Net Position, end of year	<u>\$ 23,868,380</u>	<u>\$ 24,333,051</u>

Gross tuition and fees revenues decreased \$770,640 which is a 17% decrease over the previous year. The following chart shows the history of gross tuition and fees revenues after 2012.

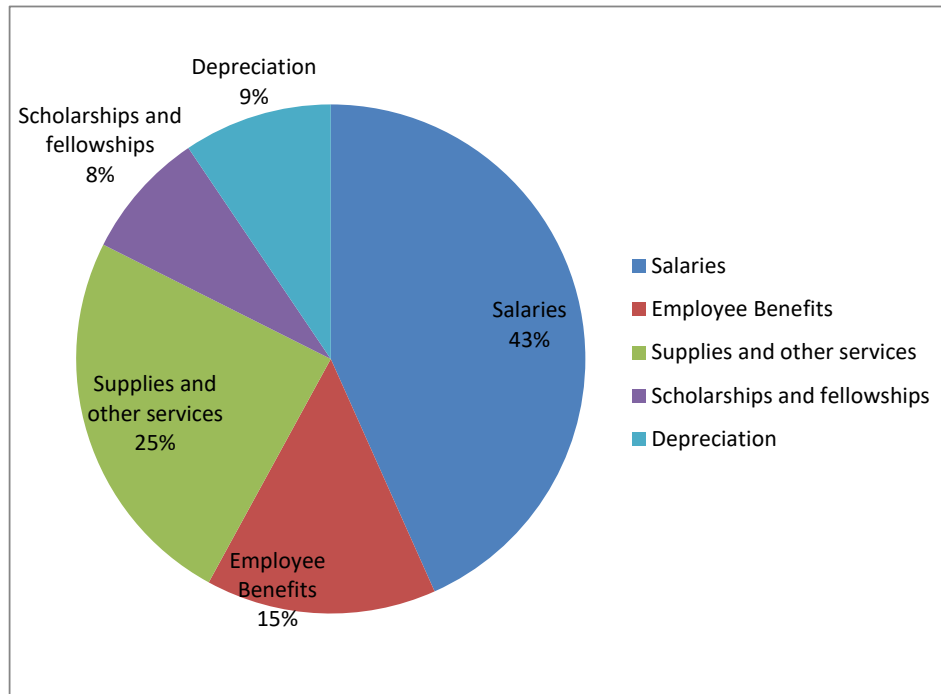


**SOUTH ARKANSAS COMMUNITY COLLEGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
JUNE 30, 2021**

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

The following pie chart details the percentage breakdown in the operating expenses for the fiscal year.



Compensation and benefit costs decreased 1.20% from the previous year, and accounted for 58% of the total operating expense of \$18,226,327. Supplies and other services decreased 3.04% from the previous year. Scholarships expense decreased 23.18% from the previous year due to a decrease in award related to decreases in tuition.

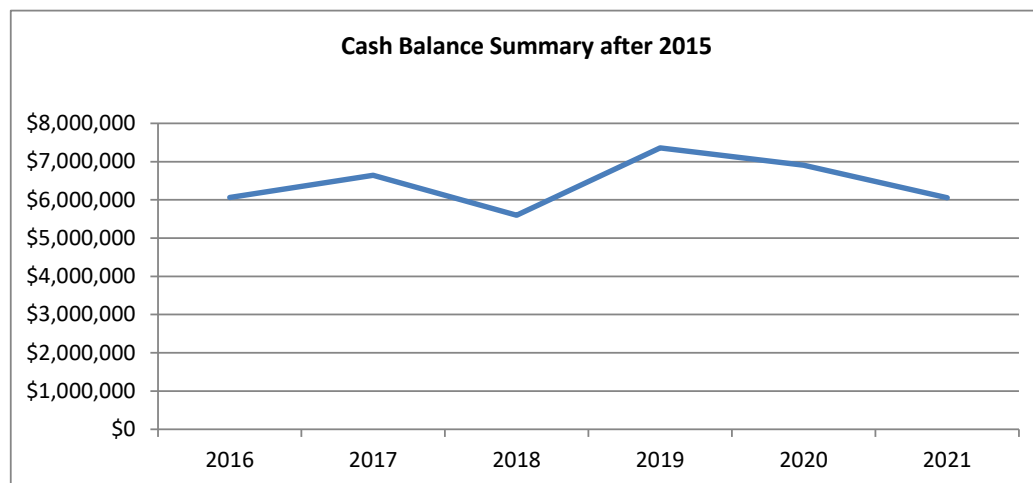
**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**JUNE 30, 2021**

***Statement of Cash Flows***

The purpose of the Statement of Cash Flows is to provide information about the cash receipts and disbursements of the College for the year. This statement may aid in the assessment of the College's ability to meet obligations as they become due, the need for external financing, and the ability to generate future cash flow. This statement is prepared using the "direct method" as required by the GASB.

Similar to operating income (loss) on the Statement of Revenues, Expenses, and Changes in Net Position, net cash provided by operating activities is of little significance to the College because the GASB requires significant sources of cash to be reported as non-operating financing. The net cash provided by the operating activities and non-capital financing activities are important for the College.

	Year Ended	
	June 30, 2021	June 30, 2020
Cash provided (used) by:		
Operating activities	\$ (12,480,927)	\$ (9,311,254)
Noncapital financing activities	12,435,445	12,256,665
Subtotal	(45,482)	2,945,411
Capital and related financing activities	(861,687)	(3,486,150)
Investing activities	55,074	111,351
Net change in cash	(852,095)	(429,388)
Cash, beginning of year	6,905,103	7,334,491
Cash, end of year	<u>\$ 6,053,008</u>	<u>\$ 6,905,103</u>



The decrease in the cash balance between 2020 and 2021 is attributable to the increase in receivables and decrease in pension liability.

**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**JUNE 30, 2021**

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***Capital Assets and Long-Term Debt Activity***

At June 30, 2021, the College had \$24,396,486 of capitalized assets, net of depreciation of \$21,061,832. \$97,265 was added to construction in progress for other improvements. In addition, \$654,130 in improvements is being transferred from construction in progress. During the fiscal year the college made the following additions and improvements in capital assets:

Equipment	\$ 421,111
Library Holdings	4,452
Improvements and Infrastructure	654,130
Construction in Progress	97,265
Total	<u>\$ 1,176,958</u>

More information on capital assets is presented in Note 5.

	Debt Balance 6/30/2020	Debt Balance 6/30/2021
General obligation bonds (2014)	2,880,000	2,765,000
Bank of America	2,022,314	1,893,681
Total	<u>\$ 4,902,314</u>	<u>\$ 4,658,681</u>

More information on the debt is presented in Note 6.

**SOUTH ARKANSAS COMMUNITY COLLEGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
JUNE 30, 2021**

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***Economic Outlook***

The College's financial position remained stable for fiscal year ended June 30, 2021 as evidenced by the small decrease in net position. Enrollment is predicted to go down slightly or remain the same for fiscal year 21/22.

The College is in the tenth year of a ten year lease with the City of El Dorado to operate and manage the El Dorado Conference Center through fiscal year 2021. The center includes space for the College Bookstore, a one-stop Student Services area, food services, and conference facilities. The College operates the El Dorado Conference Center as an Auxiliary unit.

In addition to the state appropriations, the College receives funds from tuition and fees, investment income, grants and contracts, and some support from individuals, foundations and corporations. The College plans to continue its strategy of seeking grants and private gifts to supplement scholarships, capital projects, student support, and academic needs of the institution.



**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2021**  
*(With Comparative Figures as of June 30, 2020)*

Exhibit A

	<b>June 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 5,027,372	\$ 6,817,196
Short-term investments	830,501	827,196
Accounts receivable (less allowances of \$104,571 and \$149,804)	44,813	101,994
Property taxes receivable	405,460	273,532
Other receivables	2,224,426	714,245
Inventories	250,291	263,651
Deposits with trustees	380	370
Prepaid expenses	278,359	294,429
Total Current Assets	<u>9,061,602</u>	<u>9,292,613</u>
Noncurrent Assets		
Cash and cash equivalents	1,025,636	87,907
Endowment investments	434,448	439,251
Capital assets, net of accumulated depreciation of \$21,061,832 and \$19,400,064 (Note 5)	<u>24,396,486</u>	<u>25,620,444</u>
Total Noncurrent Assets	<u>25,856,570</u>	<u>26,147,602</u>
Total Assets	<u>34,918,172</u>	<u>35,440,215</u>
Deferred Outflows of Resources		
Deferred outflows - pensions	1,444,409	1,103,355
Deferred outflows - other post employment benefits	51,132	20,692
Deferred loss on refunding	<u>80,693</u>	<u>85,239</u>
Total Deferred Outflows	<u>1,576,234</u>	<u>1,209,286</u>
 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	 <u>\$ 36,494,406</u>	 <u>\$ 36,649,501</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accrued liabilities	572,045	388,285
Refunds payable	31,526	11,735
Unearned revenue	9,418	213,990
Bonds and leases payable - current portion	245,914	243,146
Compensated absences	72,214	42,914
Other postemployment benefit obligation - current portion	39,137	40,082
Funds held in trust for others	<u>59,397</u>	<u>58,570</u>
Total Current Liabilities	<u>1,029,651</u>	<u>998,722</u>
Noncurrent Liabilities		
Bonds and leases payable	4,404,131	4,650,045
Compensated absences	462,647	523,970
Other postemployment benefit obligation	810,286	693,490
Net pension liability	<u>5,149,326</u>	<u>4,237,160</u>
Total Noncurrent Liabilities	<u>10,826,390</u>	<u>10,104,665</u>
TOTAL LIABILITIES	<u>11,856,041</u>	<u>11,103,387</u>
Deferred Inflows of Resources		
Deferred inflows - pensions	751,490	1,196,260
Deferred inflows - OPEB	<u>18,495</u>	<u>16,803</u>
Total Deferred Inflows	<u>769,985</u>	<u>1,213,063</u>
 TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	 <u>12,626,026</u>	 <u>12,316,450</u>





**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2021**  
*(With Comparative Figures as of June 30, 2020)*

Exhibit A

	June 30,	
	2021	2020
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	\$ 19,827,135	\$ 19,415,911
Restricted for:		
Non-expendable		
Scholarships	427,755	425,013
Expendable		
Scholarships	8,547	14,509
Loans	2,541	2,454
Capital Projects	2,323	2,252
Debt Service	-	1,618,495
Other	225,757	236,098
Unrestricted	3,374,322	2,618,319
<b>TOTAL NET POSITION</b>	<b>\$ 23,868,380</b>	<b>\$ 24,333,051</b>

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

**SOUTH ARKANSAS COMMUNITY  
COLLEGE FOUNDATION, INC.**

Exhibit A-1

**Statement of Financial Position**  
***June 30, 2021***

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**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 130,298
Investments	3,879,578
Prepaid expenses	<u>4,774</u>

**Total Current Assets** 4,014,650

**Fixed Assets, at cost**

Property and equipment	<u>6,490</u>
	6,490
Less: accumulated depreciation and amortization	<u>(6,490)</u>

**Total Fixed Assets** 0

**Total Assets** \$ 4,014,650

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Refundable advances	\$ <u>30,021</u>
---------------------	------------------

**Total Current Liabilities** 30,021

**Net Assets**

Unrestricted	2,951,397
Temporarily restricted	<u>1,033,232</u>

**Total Net Assets** 3,984,629

**Total Liabilities and Net Assets** \$ 4,014,650



**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
*(With Comparative Figures for the year ended June 30, 2020)*

Exhibit B

	2021	2020
<b>OPERATING REVENUES</b>		
Student tuition and fees (net of scholarship allowances of \$1,802,375 and \$1,728,969)	\$ 1,872,117	\$ 2,716,163
Federal grants and contracts	1,284,449	1,780,107
State and local grants and contracts	1,465,832	1,906,388
Sales and services of educational departments	165,914	165,679
Auxiliary enterprises:		
Vending	4,862	8,323
Bookstore (net of scholarship allowances of \$296,893 and \$449,022)	301,567	321,918
Convention Center	180,357	424,886
Athletics		6,229
Other operating revenues	49,010	95,763
<b>TOTAL OPERATING REVENUES</b>	<b>5,324,108</b>	<b>7,425,456</b>
<b>OPERATING EXPENSES</b>		
Salaries	7,894,562	7,955,693
Employee benefits	2,668,750	2,736,072
Supplies and other services	4,457,615	4,597,440
Scholarships and fellowships	1,483,220	1,930,650
Depreciation	1,722,180	1,543,008
<b>TOTAL OPERATING EXPENSES</b>	<b>18,226,327</b>	<b>18,762,863</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(12,902,219)</b>	<b>(11,337,407)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
State and Federal appropriations	7,113,622	7,310,943
Federal Grants and Contracts	4,767,971	3,772,071
County millage	609,093	352,434
Gifts	83,970	122,550
Interest income	44,368	126,785
Interest and other cost (on capital asset related debt)	(150,875)	(156,096)
Disposal of capital assets (net of accumulated depreciation of \$60,412 and \$25,263)	(24,343)	355
<b>NET NON-OPERATING REVENUES (EXPENSES)</b>	<b>12,443,806</b>	<b>11,529,042</b>
<b>INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS OR LOSSES</b>	<b>(458,413)</b>	<b>191,635</b>
<b>EXTRAORDINARY REVENUES (EXPENSES)</b>		
Other Costs Associated with Building Fire		(526,721)
Administration building insurance proceeds		1,162,336
<b>TOTAL EXTRAORDINARY REVENUES (EXPENSES)</b>		<b>635,615</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>(458,413)</b>	<b>827,250</b>
<b>NET POSITION - BEGINNING OF YEAR</b>	<b>24,333,051</b>	<b>23,488,269</b>
Net position adjustments FY20	(6,258)	17,532
<b>NET POSITION - END OF YEAR</b>	<b>\$ 23,868,380</b>	<b>\$ 24,333,051</b>

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

**SOUTH ARKANSAS COMMUNITY  
COLLEGE FOUNDATION, INC.**

Exhibit B-1

**Statement of Activities**  
**June 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Gains and Other Support</b>			
General contributions			
Cash and other financial assets	\$ 80,668	\$ 24,126	\$ 104,794
In-kind	8,100		8,100
Endowed contributions	126,440		126,440
Special Events	13,050	11	13,061
Investment income (loss)	536,958	145,972	682,930
Net assets released due to satisfaction of program restrictions	31,951	(31,951)	
<b>Total revenues, gains and other support</b>	<u>797,167</u>	<u>138,158</u>	<u>935,325</u>
<b>Expenses</b>			
Program services			
Scholarships	72,794		72,794
Grants and awards	46,982		46,982
In-kind contribution	8,100		8,100
<b>Total program services</b>	<u>127,876</u>		<u>127,876</u>
Supporting services			
Management and general	66,878		66,878
Fund raising	1,530		1,530
<b>Total supporting services</b>	<u>68,408</u>		<u>68,408</u>
<b>Total expenses</b>	<u>196,284</u>		<u>196,284</u>
<b>Change in Net Assets</b>	600,883	138,158	739,041
<b>Net Assets - Beginning of Year</b>	<u>2,350,514</u>	<u>895,074</u>	<u>3,245,588</u>
<b>Net Assets - End of Year</b>	<u>\$ 2,951,397</u>	<u>\$ 1,033,232</u>	<u>\$ 3,984,629</u>



**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
*(With Comparative Figures for the year ended June 30, 2020)*

Exhibit C

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 1,974,825	\$ 2,834,191
Grants and contracts	1,067,809	3,693,759
Sales and services of educational activities	62,098	82,527
Auxiliary enterprise revenues		
Vending	4,862	8,323
Bookstore	283,995	337,921
Convention Center	182,666	437,450
Athletics		6,229
Other receipts	86,403	95,763
Payments to employees	(7,909,562)	(7,959,320)
Payments of employee benefits	(2,442,437)	(2,388,816)
Payments to suppliers	(4,308,366)	(4,528,631)
Scholarships	(1,483,220)	(1,930,650)
Net cash provided (used) by operating activities	<u>(12,480,927)</u>	<u>(9,311,254)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
State appropriations	7,113,622	7,310,943
Federal grants and gifts received	4,767,971	3,772,071
Loans to Students - Direct Loans & Private (Inflows)	1,565,501	1,774,631
County millage	477,165	426,364
Gifts	75,870	122,550
Agency funds - net	817	(10,878)
Loans to Students - Direct Loans & Private (Outflows)	(1,565,501)	(1,774,631)
Cash receipts from insurance provider - Extraordinary (Fire)	-	1,162,336
Extraordinary expense (Fire)	-	(526,721)
Net cash provided (used) by non-capital financing activities	<u>12,435,445</u>	<u>12,256,665</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of capital assets	260	355
Purchase of capital assets	(471,768)	(3,092,759)
Principal Paid on Capital Lease	(128,633)	(132,079)
Interest and Fees Paid on Capital Lease	(40,155)	(42,823)
Principal paid on capital debt	(115,000)	(110,000)
Interest and service fees paid on capital debt	(106,391)	(108,844)
Net cash provided (used) by capital and related financing activities	<u>(861,687)</u>	<u>(3,486,150)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	44,750	111,351
Proceeds from sales and maturities of investments	10,324	1,250,876
Purchase of investments		(1,250,876)
Net cash provided by investing activities	<u>55,074</u>	<u>111,351</u>
Net increase (decrease) in cash and cash equivalents	(852,095)	(429,388)
Cash and cash equivalents-beginning of year	<u>6,905,103</u>	<u>7,334,491</u>
Cash and cash equivalents-end of year	<u>\$ 6,053,008</u>	<u>\$ 6,905,103</u>

(Continued on next page)



**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**COMPARATIVE STATEMENT OF CASH FLOWS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
*(With Comparative Figures for the year ended June 30, 2020)*

Exhibit C

	2021	2020
<b>Reconciliation of net operating revenues (expenses)</b>		
<b>to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (12,902,219)	\$ (11,337,407)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation	1,722,180	1,543,008
Changes in assets and liabilities:		
(Increase) Decrease in Accounts receivables, net	202,160	82,797
(Increase) Decrease in Employee and Student loans receivable, net	(150)	(1,255)
(Increase) Decrease in Other receivables	(1,654,216)	25,201
(Increase) Decrease in Inventories	13,360	20,535
(Increase) Decrease in Prepaid expenses	16,070	2,633
(Increase) Decrease in Deferred Outflows	(371,494)	502,525
Increase (Decrease) in Accounts payable and accrued liabilities net of payables for capital assets (\$42,959 and 0)	131,505	10,409
Increase (Decrease) in Refunds payable	26,489	(7,253)
Increase (Decrease) in Deferred revenue	(217,528)	51,330
Increase (Decrease) in Compensated absences	(32,023)	14,643
Increase (Decrease) in Deferred Inflows	(443,078)	(88,966)
Increase (Decrease) in OPEB/Pension obligation	1,028,017	(129,454)
Net cash provided (used) by operating activities	\$ <u>(12,480,927)</u>	\$ <u>(9,311,254)</u>
 <b>Non-cash transactions:</b>		
Noncash transactions		
Donated assets	\$ 8,100	
Amortization of 2014 revenue bond discount	486	\$ 486
Amortization of 2014 revenue bond deferred loss	4,546	4,546
	\$ <u>13,132</u>	\$ <u>5,032</u>

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

**SOUTH ARKANSAS COMMUNITY  
COLLEGE FOUNDATION, INC.**

Exhibit C-1

**Statement of Cash Flows**  
**June 30, 2021**

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**Cash Flows from Operating Activities**

Change in net assets	\$	739,041
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gain) loss on investments		(487,418)
(Increase) decrease in current assets:		
Pledge receivable		50,000
Prepaid expenses		1,415
Increase (decrease) in current liabilities:		
Accounts payable		(2,396)
Refundable advances		19,221
<b>Net cash provided by operating activities</b>		<u>319,863</u>

**Cash Flows from Investing Activities**

Proceeds from sale of investments		244,367
Purchases in investments		(588,527)
<b>Net cash used in investing activities</b>		<u>(344,160)</u>

**Net Increase in Cash** (24,297)

**Cash and Cash Equivalents at  
Beginning of Year** 154,595

**Cash and Cash Equivalents at  
End of Year** \$ 130,298

**Supplemental disclosures of cash flow information:**

**Noncash transactions**

Contributed ambulance	\$	8,100
Contributed stock		100,178

**Note 1: Summary of Significant Accounting Policies**

**Reporting Entity**

South Arkansas Community College was established July 1, 1992, under the authority of Act 1244 of 1991. The College operates under the policies and supervision of the Board of Trustees of South Arkansas Community College, a nine member group. Members of the Board of Trustees are appointed by the Governor of the State and have decision making authority, the power to designate management, and the responsibility to significantly influence operations. The Board has governing responsibility over all activities related to higher education at South Arkansas Community College. The College receives funding from local, state and federal government sources and must comply with requirements of these funding source entities.

**Component Unit**

The South Arkansas Community College Foundation, Inc. ("the Foundation") is a legally separate, tax-exempt component unit of South Arkansas Community College ("the College"). The Foundation acts primarily as a fund-raising and asset management organization to develop and supplement the resources that are available to the College in support of its mission and programs. The 22 member board is self-perpetuating. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds and invests are restricted to the activities of the College by donors. Because these restricted resources held by the Foundation may only be used by, or for the benefit of the College, the Foundation is considered a component unit of the College under guidelines established by Governmental Accounting Standards Board (GASB) Statement Number 39, *Determining Whether Certain Organizations are Component Units*. Accordingly, the financial statements of the Foundation are discretely presented in the College's financial statements in accordance with the provisions of GASB Statement Number 39.

During the year ended June 30, 2021, the Foundation transferred the following amounts to the College:

For scholarships	\$ 72,794
For reimbursement of expenses	<u>21,716</u>
Total	<u>\$ 94,510</u>

The College had a receivable from the Foundation on June 30, 2021, in the amount of \$5,473 for operations. Complete financial statements for the Foundation may be obtained from the Foundation office at P. O. Box 7010, El Dorado, AR 71731-7010 or viewed online at <http://www.southark.edu/financial-reports>.

The Foundation reports under Financial Accounting Standards Board (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 Foundation's financial statements presented within the College's financial statements.



**Note 1: Summary of Significant Accounting Policies (Continued)**

**Financial Statement Presentation**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, followed this in November 1999. The financial statement presentation required by GASB No. 34 and No. 35 provides a comprehensive, entity-wide perspective of South Arkansas Community College's assets, deferred outflows liabilities, deferred inflows net position, revenues, expenses, changes in net position, cash flows, and replaces the fund-group perspective previously required.

**Basis of Accounting**

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

**Capital Assets and Depreciation**

Land, buildings, improvements and infrastructure, equipment, library holdings, intangibles, (software), and construction in progress are reported at cost or estimated historical cost if actual data is not available. Donated capital assets are reported at acquisition value when received. The College follows the State guidelines for equipment capitalization.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 20 to 40 years for buildings, 15 to 20 years for infrastructure and land improvements, 10 years for library holdings, 5 years for vehicles, 3 to 10 years for equipment, and 7 years for intangibles, (software).

**Operating and Non-operating Revenues**

The Institution has classified its revenue as either operating or non-operating revenue according to the following criteria:

- 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 and services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most federal, state, and local grants and contracts.
- Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources. These are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state appropriations and investment income.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Cash Equivalents**

For purposes of the statement of cash flows, South Arkansas Community College considers all highly liquid investments with an original maturity of ninety days or less to be cash equivalents (such as certificates of deposit).

**Accounts Receivable**

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprises provided to students, faculty and staff. 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. Unconditional promises to give due in subsequent years are reported at the present value rate of 5% of their net realizable value using the risk-free interest rate applicable to the year in which the promises are to be received.

**Investments**

Investments are stated at cost under the provisions of Statement No. 31 of the GASB. Investments consist of certificates of deposit classified as nonparticipating contracts.

**Inventories**

Inventories are valued at lower cost or market with cost being generally determined on a first-in, first-out basis.

**Non-current Cash and Investments**

Cash and investments that are externally restricted for debt service payments, sinking funds, endowment funds, or reserve funds, or to purchase or construct capital or other nonrecurring assets, are classified as non-current assets in the statement of net position. Investments consist of certificates of deposit with an original maturity date of greater than ninety days.

**Restricted/Unrestricted Resources**

The College does not have a formal policy addressing which resources to use when both restricted and unrestricted net assets are available for the same purpose. College personnel decide which resources to use at the time expenses are incurred.

**Unearned Revenues**

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

**Note1: Summary of Significant Accounting Policies (Continued)**

**Compensated Absences Payable**

Accrued compensated absences payable – other than sick leave reflects accumulated compensatory, holiday and annual leave and required employer contributions at June 30, 2021 for full-time benefits eligible employees. Accumulated unpaid annual leave and holidays are accrued at the employee's current hourly rate of pay up to a maximum of 240 hours. Compensatory accrued time is limited to 240 hours per federal regulations.

Act 1288 of 2005, allows compensation for unused sick leave at retirement or death for two-year College classified employees. Act 220 of 2009 extended compensation for unused sick leave to non-classified employees. Accrued compensated absences payable – sick leave reflects accumulated sick leave and required employer contributions at June 30, 2021, for full-time classified and non-classified employees. The amount is based on a percentage of the number of hours accumulated, and the employee's current daily rate of pay not to exceed \$7,500 paid to the employee or beneficiary of an employee.

**Non-current Liabilities**

Non-current liabilities include: (1) principal amounts of debt payable with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and related matching cost that will not be paid within the next fiscal year; (3) other postemployment benefits payable (Note 10) and (4) net pension liability (Note 11).

**Property Taxes**

Property taxes are levied in November based on property assessment made between January 1 and May 31 and are an enforceable lien for the subsequent year 1 for real and for personal property. The tax records are opened on the first business day of March of the year following the levy date and are considered delinquent after October 15th of the same calendar year.

**Scholarship Discounts and Allowances**

Tuition and fee revenues are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts are the difference between the stated charge for goods and services provided by the College and the amount that is paid by the students and/or third parties. Scholarship discounts include the step-up scholarship, the out-of-state waiver, and the 60-and-over waiver. Pell, Supplemental Education Opportunity Grant (SEOG) and other grants and scholarships are recorded as revenues in the Statement of Revenues, Expenses, and Changes in Net Position. The portion of students' scholarships used to satisfy tuition and fees and other charges, is recorded as scholarship allowances.

**Note 2: Public Fund Deposits and Investments**

Cash deposits are carried at cost. The College's cash deposits at year-end are shown below:

	Bank Balance	Carrying Amount
Insured (FDIC)	\$ 721,471	\$ 726,302
Collateralized:		
Collateral held by the pledging bank or pledging bank's trust department in the College's name	6,786,346	6,290,043
Total Deposits	<u>\$ 7,507,817</u>	<u>\$ 7,016,345</u>

The above deposits do not include cash on deposit in state treasury in the amount of \$301,647 as of June 30, 2021. The above deposits do not include cash on hand in the amount of \$345 for change funds as of June 30, 2021. The above total deposits include certificates of deposit of \$1,264,949 and deposits with trustees of \$380 as of June 30, 2021.

**Note 3: Disaggregation of Receivable and Payable Balances**

The accounts receivable of \$44,813 at June 30, 2021, consisted of student accounts receivable of \$149,384, which was reduced by an allowance for doubtful accounts of \$104,571.

Other receivables of \$2,224,426 at June 30, 2021, consisted of:

Reimbursement from federal and state agencies for grants and contracts	\$ 2,074,437
Vendor Refunds	8,618
Conference Center refunds	132,098
Sales and service receivable	750
Accrued interest receivable	1,255
Due from Foundation	5,473
Due from employees and employee organizations	1,795
Total	<u>\$ 2,224,426</u>

The accounts payable and accrued liabilities of \$572,045 at June 30, 2021, consisted of:

	Current
Due to Vendors	\$ 368,539
Salaries and benefits payable	161,644
Accrued interest payable	25,328
Unclaimed property payable to the state	16,534
Total	<u>\$ 572,045</u>

**Note 4: Income Taxes**

South Arkansas Community College is tax exempt under the Internal Revenue Service Code. It is also exempt from state income taxes under Arkansas law. Accordingly, no provision for income taxes is made in the financial statements.

**Note 5: Capital Assets**

Following are the changes in capital assets for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021
<b>Capital assets not being depreciated:</b>				
Land	\$ 2,034,030			\$ 2,034,030
Construction-in-progress	1,566,144	\$ 97,265	\$ 654,130	1,009,279
Total capital assets not depreciated	<u>\$ 3,600,174</u>	<u>\$ 97,265</u>	<u>\$ 654,130</u>	<u>\$ 3,043,309</u>
<b>Other capital assets:</b>				
Improvements and infrastructure	\$ 10,453,668	\$ 654,130		\$ 11,107,798
Buildings	26,085,284		\$ 42,182	26,043,102
Equipment	3,641,545	421,111		4,062,656
Library holdings	280,939	4,452	42,836	242,555
Intangibles - software	958,898			958,898
Total other capital assets	<u>41,420,334</u>	<u>1,079,693</u>	<u>85,018</u>	<u>42,415,009</u>
Less accumulated depreciation for:				
Improvements and infrastructure	1,776,194	693,393		2,469,587
Buildings	13,564,456	727,116	17,576	14,273,996
Equipment	3,081,136	185,131		3,266,267
Library Holdings	187,914	23,505	42,836	168,583
Intangibles - Software*	790,364	93,035		883,399
Total accumulated depreciation	<u>19,400,064</u>	<u>1,722,180</u>	<u>60,412</u>	<u>21,061,832</u>
Other capital assets, net	<u>\$ 22,020,270</u>	<u>\$ (642,487)</u>	<u>\$ 24,606</u>	<u>\$ 21,353,177</u>
<b>Capital asset summary:</b>				
Capital assets not being depreciated	\$ 3,600,174	\$ 97,265	\$ 654,130	\$ 3,043,309
Other capital assets at cost	41,420,334	1,079,693	85,018	42,415,009
Total cost of capital assets	45,020,508	1,176,958	739,148	45,458,319
Less accumulated depreciation	19,400,064	1,722,180	60,412	21,061,832
Capital assets, net	<u>\$ 25,620,444</u>	<u>\$ (545,222)</u>	<u>\$ 678,736</u>	<u>\$ 24,396,486</u>

**Note 6: Long-term Liabilities**

The general obligation bonds series 2009 were retired July 1, 2014 by the issuance of the series 2014 bonds. The retirement of the 2014 bond issue is secured by a pledge of millage receipts.

Changes in long-term liabilities are as follows:

	Balance 6/30/2020	Issued	Retired	Balance 6/30/2021	Principal due within one year
Bank of America Capital Lease payable (2017)	\$ 2,022,314		\$ 128,633	\$ 1,893,681	\$ 136,400
General obligation bonds payable (2014)	2,880,000		115,000	2,765,000	110,000
Discount on bonds	(9,122)		(486)	(8,636)	(486)
Compensated absences payable - other than sick leave	453,474	\$ 288,400	323,937	417,937	65,199
Compensated absences payable - sick leave	113,410	14,423	10,909	116,924	7,015
Totals	<u>\$ 5,460,076</u>	<u>\$ 302,823</u>	<u>\$ 577,993</u>	<u>\$ 5,184,906</u>	<u>\$ 318,128</u>

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding June 30, 2021	Payments made as of June 30, 2021
7/1/2014	4/1/39	2-4%	\$ 3,330,000	\$ 2,765,000	\$ 565,000
10/28/2016	6/30/32	2.05%	2,406,172	1,893,681	512,491
			<u>\$ 5,736,172</u>	<u>\$ 4,658,681</u>	<u>\$ 1,077,491</u>

**Note 6: Long-term Liabilities (Continued)**

Long-term debt principal and interest scheduled payments are as follows:

2014 General Obligation Bonds			
Year Ended June 30	Principal	Interest	Total
2022	\$ 110,000	\$ 101,310	\$ 211,310
2023	115,000	98,340	213,340
2024	120,000	95,062	215,062
2025	125,000	91,463	216,463
2026	130,000	87,088	217,088
2027-2031	715,000	364,013	1,079,013
2032-2036	855,000	221,500	1,076,500
2037-2039	595,000	48,000	643,000
Total	<u>\$ 2,765,000</u>	<u>\$ 1,106,776</u>	<u>\$ 3,871,776</u>

Bank of America Capital Lease			
Year Ended June 30	Principal	Interest	Total
2022	\$ 136,400	\$ 37,452	\$ 173,852
2023	135,805	34,668	170,473
2024	143,770	31,817	175,587
2025	152,055	28,799	180,854
2026	160,672	25,609	186,281
2027-2031	944,994	73,664	1,018,658
2032	219,985	2,443	222,428
Total	<u>\$ 1,893,681</u>	<u>\$ 234,452</u>	<u>\$ 2,128,133</u>

**Note 7: Bonds Payable and Pledged Revenues**

A. Bonds payable consisted of the following at June 30, 2021:

Union County Community College District General Obligation Bonds (South Arkansas Community College), Series 2014, issued in the original amount of \$3,330,000 and maturing in varying amounts to April 1, 2039, with variable interest rates from 2% to 4%

\$2,765,000

B. Pledged Revenues consisted of the following at June 30, 2021:

Bond Issue	Maturity Date	Purpose of Debt	Remaining Prin + Interest	FY 2021 Prin + Interest	Revenue Source	FY 2021 Revenue	% of Rev Pledged in FY 21
2014	2039	Refinance of Series 2009 bond issue	\$ 3,871,776	\$ 219,128	County Millage	\$ 609,093	36.0%

**Note 8: Capital Lease**

Type of Asset	Asset Amount	Accumulated Depreciation	Net Amount
Energy Performance Contract	\$ 2,280,094	\$ 430,684	\$ 1,849,410

Fiscal Year Ending June 30,		
2022		\$ 173,852
2023		170,473
2024		175,587
2025		180,854
2026		186,281
2027-2031		1,018,658
2032		222,428
Total minimum lease payments		2,128,133
Less: Amount representing interest		(234,452)
Total Present Value of Net Minimum Lease Payments		<u>\$ 1,893,681</u>

**Note 9: Commitments**

The College was contractually obligated on the following at June 30, 2021:

- A. Operating Leases (Noncapital leases with initial or remaining non-cancelable lease terms in excess of 1 year)

Copier/mail machine	Amount
2022	\$ 36,649
2023	29,018
2024	14,446
2025	14,446
2026	13,242
Total	<u>\$ 107,801</u>

Rental payments for operating leases with initial terms in excess of one year, for the year ended June 30, 2021, were \$41,406.



**Note 10: Other Post-Employment Benefits**

For Other Post-Employment Benefits (“OPEB”) plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,” (GASB 74) replaces Statements No. 43 and No. 57. GASB 74 establishes standards of financial reporting and specifies the required approach for measuring the liability of employers for benefits provided through the OPEB plan, and deals primarily with the plan’s own financial statements. GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” (GASB 75) replaces Statements No. 45 and No. 57, and establishes standards for accounting and financial reporting for the sponsor’s financial statements.

Plan Description: The College’s defined benefit postemployment healthcare plan, provides health insurance benefits to eligible retired College employees. The plan is affiliated with the Arkansas Higher Education Consortium (AHEC), an agent multiple-employer postemployment healthcare plan administered by J.P. Farley. The College has the authority to amend or cancel the benefit provisions of the plan. An employee must retire directly from active employment. If they are age 55 and have at least 15 years full-time service, they can continue their medical insurance coverage, until they are eligible for Medicare. The College pays a percentage of the premium, based on the person’s age plus service when they retire. If age plus service equals 70, the percentage is 25%. For 71, the percentage is 30%, in 5% increments, up to 100% when the person’s age plus service equals 85.

The Plan does not issue a stand-alone financial report. For inquiries relating to the Plan, please contact the Office of Human Resources, South Arkansas Community College, P. O. Box 7010, El Dorado, Arkansas 71731-7010.

This report covers the plan fiscal year ended June 30, 2021, and the sponsor’s fiscal year ended June 30, 2021, using an actuarial valuation date of June 30, 2021. The results for June 30, 2020, and the expense for 2019-20, are based on a “roll forward” of the June 30, 2019 valuation. The measurement date is June 30, 2021. The plan is a “single-employer” defined benefit OPEB program under GASB 74 and 75.

The College’s employees covered by the benefits terms at June 30, 2021 were as follows:

Active employees	145
Inactive employees receiving benefit payments	<u>3</u>
Totals	148

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement no. 75 (Per GASB Paragraph 165(d)).

**Note 10: Other Post-Employment Benefits (Continued)**

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and cost methods:

**COST METHOD:** The entry age normal method was used.

**DISCOUNT RATE:** A single discount rate of:  
3.13% at 6/30/2017  
2.98% at 6/30/2018  
2.79% at 6/30/2019  
2.66% at 6/30/2020  
2.18% at 6/30/2021

**HEALTH CARE COST TREND RATE:** The health care cost trend rate was assumed to be 10.0% next year, 9.0% the following year, 8.00% the third year, 7.50% the fourth year, with the rate decreasing by 0.5% each year, to an ultimate rate of 5.0%.

**INFLATION RATE:** The discount rate, and the health care cost trend rate incorporate an assumed annual inflation rate of 3.00%.

**BASE CLAIM COSTS:** The following monthly claim costs were assumed:

Premium	\$495.00
Implicit Subsidy	\$481.46
Total retiree cost	\$976.46

Using the selected monthly claim cost above, costs were determined by age band using Chart 5 and Table 5 from "Health Care Cost – From Birth to Death", published by the Society of Actuaries and prepared by Dale H. Yamamoto in June 2013:

<u>Age Band</u>	
50 to 54	\$ 585.53
55 to 59	760.88
60 to 64	976.46

**Note 10: Other Post-Employment Benefits (Continued)**

**SOURCE OF CLAIM COSTS:** We reviewed active and retiree claim cost from other public entities in Arkansas. The difference between active and retiree costs was used as one basis for the implicit subsidy.

Another basis for the implicit subsidy was calculated using "Health Care Cost – From Birth to Death", published by the Society of Actuaries and prepared by Dale H. Yamamoto in June 2013. From Chart 5 of this publication (the Unisex Cost Curve by Age for 2010) we estimated the implicit subsidy.

The table below shows the estimates and the cost selected:

Cost per other Arkansas public entities	\$1,091.62
Cost from "unbundling" using "Health Care Cost – From Birth to Death"	\$861.30
Selected Cost	\$976.46

**ADMINISTRATIVE COSTS:** None assumed.

**FAMILY COVERAGE:** We assumed that the sponsor would provide single coverage only.

**SELECTION OF COVERAGE:** We assumed that 80% of eligible retirees would select the coverage when they initially retired, and that 0% of them would continue it past age 65.

**DATA USED:** We received a census listing from the employer. The data is summarized above.

**PRE-RETIREMENT MORTALITY:** Deaths have been projected using the Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP 2020. Mortality rates at a few sample ages are:

Age	MORTALITY RATE PER 100			
	Males 2030	Males 2040	Females 2030	Females 2040
25	.0260	.0248	.0121	.0116
30	.0388	.0350	.0202	.0182
35	.0520	.0471	.0301	.0272
40	.0638	.0579	.0411	.0372
45	.0811	.0736	.0529	.0481
50	.1172	.1067	.0743	.0676
55	.1784	.1622	.1147	.1040
60	.2837	.2573	.1770	.1603

**Note 10: Other Post-Employment Benefits (Continued)**

**POST-RETIREMENT  
MORTALITY:**

The Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP-2019 was used. The life expectancy according to this table is as follows:

	Males	Males	Females	Females
Age	2030	2040	2030	2040
55	33.39	34.21	35.91	36.67
65	23.38	24.15	25.69	26.42
75	14.55	15.20	16.41	17.05

**VOLUNTARY  
TERMINATIONS:**

We have generally used the voluntary termination assumption used by the Arkansas Teachers Retirement System. Termination at some sample ages age:

<u>Age</u>	<u>Termination Rate Per 100 Members</u>
20	4.60
25	4.84
30	4.40
35	3.10
40	2.20
45	2.00
50	2.00
55	5.00

For those with less than five years of service, we used a multiple of the above rates. The multiples used were:

1 <sup>st</sup> year of service	4.0
2 <sup>nd</sup> year of service	2.5
3 <sup>rd</sup> year of service	2.0
4 <sup>th</sup> year of service	1.5

**Note 10: Other Post-Employment Benefits (Continued)**

Changes in the total OPEB liability for the year ending June 30, 2021 are as follows:

1	Service Cost change	\$ 71,690
2	Interest on Total OPEB Obligation	20,353
3	Employer Contributions	<u>(8,565)</u>
4	Annual OPEB Cost (1)+(2)-(3)	83,478
5	Plan assumption changes	<u>32,373</u>
6	Increase in Total OPEB Obligation (4)-(5)	115,851
7	Total OPEB Obligation Beginning of Year	<u>733,572</u>
8	Total OPEB Obligation End of Year	<u><u>\$ 849,423</u></u>

Changes in assumptions and other inputs reflect a change in the discount. The prior full valuation used a discount rate of 2.66 percent. The current full valuation uses a discount rate of 2.18 percent as of June 30, 2021.

**Single Discount Rate**

A single discount rate of 2.18% was used to measure the Total OPEB Liability.

Regarding the sensitivity of the Total OPEB Liability to changes in the single discount rate, and changes in the assumed health care cost trend rate, the following presents the total OPEB liability, calculated using a single discount rate of 2.18%, as well as what the total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher, or using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher:

	1% Decrease to <u>1.18%</u>	Current Single Discount Rate of <u>2.18%</u>	1% Increase to <u>3.18%</u>
Total OPEB Liability	914,439	849,423	777,048
	1% decrease in <u>HCCTR</u>	Assumed <u>HCCTR</u>	1% increase in <u>HCCTR</u>
Total OPEB Liability	733,211	849,423	998,314

**Note 10: Other Post-Employment Benefits (Continued)**

For the year ended June 30, 2021, the sponsor recognized OPEB expense of \$95,668. At June 30, 2021, the sponsor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	0	\$18,495
Changes of assumptions	\$51,132	0
Net difference between projected and actual earnings on OPEB plan investments	0	0
Total	\$51,132	\$18,495

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net deferred Outflow of Resources
2022	\$3,625
2023	3,625
2024	3,625
2025	3,625
2026	3,625
Thereafter	14,512
Total	\$32,637

Detail of OPEB expense is as follows:

Description	Year	Original Amount	Recognition Period	Outflow(Inflow) in Current Expense	Deferred Outflow(Inflow) 7/1/21
Actual vs. Expected	2017-18	0		0	0
Assumption Change	2017-18	7,370	11	670	4,690
Projected vs Actual Earnings	2017-18	0		0	0
Actual vs. Expected	2018-19	(21,005)	10	(2,101)	(14,702)
Assumption Change	2018-19	10,314	10	1,031	7,221
Projected vs Actual Earnings	2018-19	0			
Actual vs. Expected	2019-20	0			
Assumption Change	2019-20	7,867	10	787	6,293
Projected vs Actual Earnings	2019-20	0			
Actual vs. Expected	2020-21	(4,214)	10	(421)	(3,793)
Assumption Change	2020-21	36,587	10	3,659	32,928
Projected vs Actual Earnings	2020-21				
Total				3,625	32,637
Due to Liabilities				(3,625)	(32,637)
Due to Assets				0	0

**Note 11: Retirement Plans**

Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF)

Plan Description. South Arkansas Community College participates in TIAA/CREF, a defined contribution plan. The plan is a 403(b) program as defined by Internal Revenue Service Code of 1986 as amended, and administered by TIAA/CREF. TIAA is an insurance company offering participants a traditional annuity with guaranteed principal and a specific interest rate plus the opportunity for additional growth through dividends. CREF is an investment company that offers a variable annuity. Arkansas law authorizes participation in the plan.

Funding Policy. TIAA/CREF offers contributory plans and members may contribute 6 – 10% of their gross earnings to the plan. The College contributes 10% of employees' earnings for contributory members. Additionally, employees may elect to participate in supplemental retirement plans funded totally by the individual. The College's and participant's contributions for the year ended June 30, 2021 were \$439,464 and \$309,643 and for the year ended June 30, 2020, were \$421,296 and \$294,381, respectively.

Arkansas Teacher Retirement System

Summary of Significant Accounting Policies

*Pensions:* For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Arkansas teacher Retirement System (ARTS) and additions to and deductions from ARTS fiduciary net position have been determined on the same basis as reported by ARTS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description. South Arkansas Community College contributes to the Arkansas Teacher Retirement System (ATRS), a cost sharing multiple-employer defined benefit pension plan for certain employees. ATRS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Teacher Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for ATRS. That report may be obtained by contacting the Arkansas Teacher Retirement System, 1400 West Third Street, Little Rock, AR 72201 or by calling 1-800-666-2877.

**Note 11: Retirement Plans (Continued)**

**Arkansas Teacher Retirement System (Continued)**

Members are eligible for full retirement benefits at age 60 with five or more years of actual or reciprocal service or at any age with 28 or more years of credited service. Members with 25 years of credited service who have not attained age 60 may receive an annuity reduced by 10/12 of 1% multiplied by the number of months by which the early retirement precedes the earlier of (1) completion of 28 years of credited service or (2) attainment of age 60. The normal retirement benefit, paid monthly, is determined based on (1) the member's final average salary and (2) the number of years of service. Disability retirement benefits are payable to members who are vested and demonstrate total and permanent incapacity to perform the duties of their position while in active employment. The disability annuity is computed in the same manner as the age and service annuity. Survivor benefits are payable to qualified survivors upon the death of an active, vested member. Eligible spouse survivors receive a survivor annuity that is based on the member's years of service credit prior to their death, and minor child survivors receive a percentage of the member's highest salary earned. A lump sum death benefit is provided for active and retired members with ten years of actual service. A cost of living adjustment (COLA) is payable on July 1 of each year to retirees, certain survivors, and annuity beneficiaries who received monthly benefits for the previous 12 months. The COLA is determined by multiplying the member's base retirement annuity by 3%.

*Contributions.* Arkansas Code Title 24 establishes the contribution requirements of active members and participating employers. Contribution rates for each plan are as follows:

The funding policy of ATRS provides for periodic employer contributions at statutorily established rates based on annual actuarial valuations. For the fiscal year ended June 30, 2021, the employer contribution rate was 14.50% of covered employee payroll. Contributions to ATRS from the College were \$225,061 for the year ended June 30, 2021 and \$227,257 for the year ended June 30, 2020.

ATRS has contributory and noncontributory plans. The contributory plan has been in effect since the beginning of the plan. Contributory members of ATRS contribute 6.50% of their gross wages. The noncontributory plan began July 1, 1986. Effective July 1, 1999, all new members, including any former active members, were automatically enrolled as noncontributory members. Active members as of July 1, 1999 were allowed to make an irrevocable choice between the contributory or noncontributory plan.

Employee contributions are refundable if covered employment terminates before a monthly benefit is payable.

**Arkansas Public Employees Retirement System**

**Summary of Significant Accounting Policies**

*Pensions:* For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Arkansas Public Employees Retirement System (APERS) and additions to and deductions from APERS fiduciary net position have been determined on the same basis as reported by APERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



**Note 11: Retirement Plans (Continued)**

**Arkansas Public Employees Retirement System (Continued)**

Plan Description. South Arkansas Community College contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. Employees may elect coverage under APERS as a qualified retirement system. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by contacting the Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400 Little Rock, AR 72201 or by calling 1-800-682-7377.

The normal retirement benefit, paid on a monthly basis, is determined based on (1) the member's final average compensation (an average of the highest 36 months' earnings) and (2) the number of years of credited service. Retiree benefit increases are calculated each year on July 1 for the following 12 months. The redetermined amount is the amount of the benefit payable as of the immediately preceding July 1, increased by 3%. Members are eligible for full retirement benefits (1) at any age with 28 years of credited service; (2) at age 65 with five years of actual service, except for members of the General Assembly who must have 10 years of actual service if the member only has service as a member of the General Assembly; or (3) at age 55 with 35 years of credited service as an elected official or public safety member. Members are eligible for reduced benefits (1) at any age with at least 25 years but less than 28 years of actual service; or (2) at age 55 with five years of actual service. Members who are defined as a public safety member are eligible for a reduced benefit with five years of actual service if the member is within 10 years of normal retirement age.

Contribution provisions applicable to the participating employers are established by the APERS' Board of Trustees and should be based on an independent actuary's determination of the rate required to fund the plan. The General Assembly and certain agencies employing individuals in public safety positions must also remit additional amounts. For the fiscal year ended June 30, 2021, the employer contribution rate, as a percentage of active member payrolls, was 15.32%. Contributions to APERS from the College were \$182,550 for the year ended June 30, 2021 and \$210,087 for the year ended June 30, 2020.

APERS consists of both a contributory plan and a noncontributory plan. The contributory plan has been in effect since the beginning of the plan and is available to all persons who became members prior to January 1, 1978. The noncontributory plan was created by Act 793 of 1977 and was effective January 1, 1978. It automatically applied to all members hired from January 1, 1978, to June 30, 2005. Act 2084 of 2005 requires that, beginning July 1, 2005, all new hires become contributory members and are required to contribute 5% of their earnings to APERS. All other noncontributory members were given the opportunity to become contributory if they so elected by December 31, 2005.

During a member's participation in the APERS deferred retirement option plan (DROP), the employer continues to make contributions and the employee ceases to make contributions.

**Note 11: Retirement Plans (Continued)**

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

At June 30, 2021, the College reported liabilities of \$5,149,326 for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability for each plan was determined by an actuarial valuation as of that date. The College proportion of the net pension liability was based on current contributions of all participating employers. At June 30, 2020, the College's proportion was .0509% for ATRS and .0791% for APERS.

For the year ended June 30, 2021, the College recognized pension expense of \$533,953. For the year ended June 30, 2021, South Arkansas Community College reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	ATRS		APERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	38,219	(23,252)	30,086	(1,501)
Net Changes in Assuptions	187,591		239,806	(38,830)
Net difference between projected and actual earnings on pension plan investments	473,914	-	28,395	
Changes in proportion and differences between State contributions and proportionate share of contributions	22,493	(164,048)	16,294	(523,859)
College contributions subsequent to the measurement date	225,061		182,550	
Total	947,278	(187,300)	497,131	(564,190)

\$407,611 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ATRS	APERS
2022	36,687	(222,366)
2023	163,529	(131,629)
2024	192,420	35,358
2025	144,610	69,028
2026	(2,329)	
Thereafter		

**Note 11: Retirement Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

*Actuarial assumptions.* The total pension liability in the actuarial valuation (as of the date noted below) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	ATRS	APERS
Date of Actuarial Valuation	6/30/2020	6/30/2020
Inflation Rate	2.75%	3.25%
Salary Increases	2.75% - 7.75%	3.25% - 9.85%
Investment rate of return	7.50%	7.15%
Mortality rates	RP-2014 Healthy Annuitant, Disabled Annuitant and Employee Mortality headcount weighted tables were used for males and females. Mortality rates were adjusted for future mortality using projection scale MP-2017 from 2006.	RP-2006 weighted generational mortality tables for healthy annuitant, disability, or employee death in service, as applicable. The tables applied credibility adjustments of 135% for males and 125% for females and were adjusted for fully generational mortality improvements using Scale MP-2017.
Actuarial experience study dates	July 1, 2010 through June 30, 2015	July 1, 2012 through June 30, 2017

**ATRS**

The long-term expected rate of return on pension plan investments of each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant and actuary.

**APERS**

The long-term expected rate of return on pension plan investments of each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for the 10-year period from 2020-2029 were provided by the plan investment consultant.

**Note 11: Retirement Plans (Continued)**

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

For each major asset class that is included in each pension plans' target asset allocation as of June 30, 2020, these best estimates are summarized in the following table:

	ATRS	
	Target Allocation	Long-Term Expected Real Rate of Return
Total Equity	53.00%	5.20%
Fixed Income	15.00%	-0.10%
Alternatives	5.00%	3.50%
Real Assets	15.00%	5.10%
Private Equity	12.00%	7.20%
Cash Equivalents	0.00%	-1.00%
	APERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Broad Domestic Equity	37.00%	6.22%
International Equity	24.00%	6.69%
Real Estate	16.00%	4.81%
Absolute Return	5.00%	3.05%
Domestic Fixed	18.00%	0.57%

*Discount rate.* The discount rate for each plan was determined as follows:

**APERS**

The single discount rate was based on the expected rate of return on pension plan investments of 7.15%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments

**ATRS**

The single discount rate was based on the expected rate of return on pension plan investments of 7.5%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be 14.5% of payroll. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments.

**Note 11: Retirement Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

*Sensitivity of State's proportionate share of the net pension liability to changes in the discount rate.* The following presents the State's proportionate share of the net pension liability for each plan calculated using the discount rate stated above, as well as what the State's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
ATRS - Current Discount Rate 7.50%	4,289,762	2,882,997	1,716,313
APERS - Current Discount Rate 7.15%	3,451,786	2,266,329	1,288,058

*Pension plan fiduciary net position.* Detailed information about each pension plan's fiduciary net position is available in the separately issued financial report of each plan. The total pension expense for both plans, recorded in personal services expenditures, for the fiscal year ended June 30, 2021, recorded as individual plan expense was \$2,579 for APERS and \$123,763 for ATRS.

**Note 12: Natural Classifications with Functional Classifications**

The operating expenses by functional classification were as follows:

	For the Year Ended June 30, 2021					
	Salaries	Fringe Benefits	Supplies & Services	Scholarships	Depreciation	Total
Instruction	\$ 4,201,183	\$ 1,431,096	\$ 1,448,119			\$ 7,080,398
Public Service	54,076	24,188	9,729			87,993
Academic Support	197,408	67,648	57,595			322,651
Student Support	1,142,285	399,505	309,676			1,851,466
Institutional Support	1,486,900	472,788	733,307			2,692,995
M & O	518,608	165,374	816,723			1,500,705
Scholarships				\$ 1,483,220		1,483,220
Depreciation					\$ 1,722,180	1,722,180
Subtotal	7,600,460	2,560,599	3,375,149	1,483,220	1,722,180	16,741,608
Auxiliary	294,102	108,151	1,082,466			1,484,719
Total	<u>\$ 7,894,562</u>	<u>\$ 2,668,750</u>	<u>\$ 4,457,615</u>	<u>\$ 1,483,220</u>	<u>\$ 1,722,180</u>	<u>\$ 18,226,327</u>

Total scholarships for fiscal year 2020/2021 were \$3,582,488; however, \$2,099,268 was reported as scholarship allowances on the Statement of Revenues, Expenditures, and Changes in Net Position.

**Note 13: Loan Funds**

Student/Employee Loan Fund

The College maintains two small loan funds that are available for students and employees. The student loan fund originated from an anonymous donation and was part of the funds received in the merger with Oil Belt Technical College, July 1, 1992. Students can request a loan of up to \$50, which is non-interest bearing, in hardship cases. The employee loan fund originated in February 1993 and consists of funds donated by college personnel for the purposes of making loans to employees. Employees can request an interest-bearing loan of up to 80% of earnings, including accrued compensated absences, for the current pay period, and not exceeding \$400. Repayment is made by payroll deduction from the next payroll, although the employee may repay earlier. An employee is also limited to no more than four loans per fiscal year.

	Balance as of June 30, 2021		
	Student Loan Fund	Employee Loan Fund	Total
Cash in Bank	\$ 607	\$ 2,381	\$ 2,988

**Note 14: South Arkansas Arboretum**

The College entered into an agreement with the State of Arkansas Department of Parks and Tourism (DPT) authorizing the College to operate and maintain the South Arkansas Arboretum. The property, on which the Arboretum is located, was leased by the DPT from the El Dorado School District. The operating agreement with the DPT was dated, May 20, 1994, for 20 years with an option to renew the term for an additional five years upon agreed conditions. The first renewal for the additional five years was signed May 20, 2014. The second renewal was signed April 18, 2019 for an additional three years. The College agrees to assume all costs necessary, except utilities, to construct, maintain and operate the Arboretum. The College is allowed to terminate the agreement should the institution be unable to meet its financial obligations as stated in the agreement.

**Note 15: Donor-Restricted Endowment**

The computations, of net appreciation on investments of donor-restricted endowments that are available for authorization for expenditure, are as follows:

Total Endowments at June 30, 2021	\$ 436,302
Less: Non-Expendable Portion of True Endowments	427,755
Donor-Restricted Endowments Available for Expenditure	\$ 8,547

Arkansas Code Annotated § 28-69-804 states "Subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution."

The college follows the Federal regulations relating to the Title III Endowment Fund.

**Note 16: Risk Management**

The College is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions, injuries to employees; and natural disasters.

The College participates in the Arkansas Fidelity Bond Trust Fund administered by the Government Bonding Board. The fund provides coverage of actual losses incurred as a result of fraudulent or dishonest acts committed by state officials or employees. Each loss is limited to \$300,000 with a \$2,500 deductible. The Department of Finance and Administration withholds the premium from the College's state treasury funds.

The College participates in the Arkansas Multi-Agency Insurance Trust Fund (AMAIT) for insurance coverage for property and vehicles. In its administrative capacity, AMAIT is responsible for monitoring, negotiating, and settling claims that have been filed against its members. The College pays annual premiums for buildings, contents, and vehicles.

The College also participates in the Arkansas Employees Claims Division – Worker's Compensation Program under the Arkansas Department of Insurance. The program is responsible for obtaining and administering workers' compensation insurance coverage for its members, as well as obtaining reinsurance coverage for those claims that exceed the standard policy limits. In its administrative capacity, the Division is responsible for monitoring, negotiating, and settling claims that have been filed on behalf of and against the College. The College contributes quarterly to this program.

The College carries professional liability insurance to protect the trustees of the College. The limits of liability for each claim shall be not less than \$1,000,000 with a \$10,000 deductible. An annual premium is paid for this coverage.

The College carries commercial liability insurance for students participating in the Allied Health Professions instruction while in a clinical setting. The College pays an annual premium for this coverage, offset by a portion of the premium paid as a fee by these respective students.

Settled claims have not exceeded the insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from the prior year in the major categories of risk.

**Note 17: Convention Center/Student Services Building**

On February 22, 2010, the College entered into a lease and operating agreement with the City of El Dorado, Arkansas on a Convention Center/Student Services Building. The College is responsible for general and operating expenses of the Conference Center facility. If such expenses for the operation, less gross revenues from the conference center, exceed \$300,000, the City will also reimburse the College half of the amount over \$300,000 with certain limitations. The City will also reimburse the College for one half of the salary and related expenses of the employee designated to market and manage the conference center. The lease is for ten years with four, ten-year renewal terms. At June 30, 2021 an agreement has not been reached but will be executed within the next few months following year end.

**Note 18: Title III Program Endowment Fund Campaign**

The Title III Grant Program included \$341,000 designated for the College to establish an endowment fund for expenditures related to educational purposes. The College has the opportunity to receive the funding if nonfederal contributions can be used to match the federal funding dollar-for-dollar during the five year Title III Grant period.

Title III endowment funds can be used for educational purposes. For the year ended June 30, 2021, endowment funds were deposited in an interest-bearing account. Contributions, matching, and investment income are as follows:

	Interest	Contribution	Matching	Total	Expendable Interest 50%
6/30/2011	\$ 391	28,000	28,000	\$ 56,391	\$ 196
6/30/2012		79,991		\$ 79,991	
6/30/2013		46,005	79,991	\$ 125,996	
6/30/2014	\$ 262	46,004	46,004	\$ 92,270	\$ 131
6/30/2015	\$ 3,114		46,004	\$ 49,118	\$ 1,557
6/30/2016	\$ 2,648			\$ 2,648	\$ 1,324
6/30/2017	\$ 3,402			\$ 3,402	\$ 1,701
6/30/2018	\$ 4,580			\$ 4,580	\$ 2,290
6/30/2019	\$ 7,066			\$ 7,066	\$ 3,533
6/30/2020	\$ 8,488			\$ 8,488	\$ 4,244
6/30/2021	\$ 5,485			\$ 5,485	\$ 2,742
Total	<u>\$ 35,436</u>	<u>\$ 200,000</u>	<u>\$ 199,999</u>	<u>\$ 435,435</u>	<u>\$ 17,717</u>

The College's spending policy is:

As set forth in the Department of Education's Endowment Grant program, the College must invest and may not spend the endowment corpus for the 20 year grant period (at the conclusion of the grant period the College may use endowment fund corpus and all of the endowment fund income for any educational purposes). During the 20-year grant period the College may spend up to 50% of the endowment fund income prior to the date of expenditure. Allowable expenditures include costs necessary to operate the Institution, costs to administer and manage the endowment fund and costs associated with buying and selling securities.

For purposes of calculating the amount that may be expended, endowment fund income is determined by subtracting the total value of the endowment fund from the endowment fund corpus and the aggregate amount of the previously withdrawn endowment fund income.



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**Note 18: Title III Program Endowment Fund Campaign (Continued)**

State law allows a governing board to expend a portion of the net appreciation in the fair value of the assets over the historic dollar value of the fund unless the applicable gift document state otherwise. State law stipulates that such expenses are to be for the purpose for which the endowment funds were established.

**Note 19: Related Party Transaction**

Ms. Melissa Jerry is a member of the Board of Trustees of South Arkansas Community College through December 31, 2022. Ms. Jerry is the current Chief Financial Officer of First Financial Bank of El Dorado. In December 2012 deposited substantially all of its operational deposits into First Financial Bank of El Dorado.

**Note 20: Adjustments to Net Position**

The following adjustments were made to the June 30, 2020 net position:

AdEd Carryover Budget	12,396
Property Tax Recievable Revenue Adjustment	5,136
Total	\$ 17,532

The following adjustments were made to the June 30, 2021 net position:

AdEd Carryover Budget	6,698
Deferred Revenue Adjustment	(12,956)
Total	\$ (6,258)

**Note 21: Financial Impact from Coronavirus (COVID-19)**

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The extent to the impact of COVID-19 on our financial statements for future reporting periods will depend on certain developments, including the duration and speed of the outbreak and revenue collections – all of which are uncertain and cannot be predicted. The financial impact of COVID-19 to the College is uncertain as of the audit report date.

**SOUTH ARKANSAS COMMUNITY COLLEGE**  
**REQUIRED SUPPLEMENTARY INFORMATION - OPEB (UNAUDITED)**  
**SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Total OPEB Liability</b>										
Service Cost	\$ 71,690	\$ 70,297	\$ 53,601	\$ 52,396						
Interest	20,353	18,828	18,307	17,174						
Benefit Changes	-	-	-	-						
Difference between actual & expected experience	(4,214)	-	(21,005)	-						
Assumption changes	36,587	7,867	10,314	7,370						
Benefit payments	(8,565)	(6,237)	(11,880)	(11,880)						
Net Change in Total OPEB Liability	115,851	90,755	49,337	65,060						
OPEB Liability - Beginning	733,572	642,817	593,480	528,420						
OPEB Liability - Ending	\$ 849,423	\$ 733,572	\$ 642,817	\$ 593,480	\$ 528,420					
<b>Plan Fiduciary Net Position</b>										
Contributions - Employee										
Contributions - Employer	\$ 8,565	\$ 6,237	\$ 11,880	\$ 11,880	\$ 12,684	\$ 6,182	\$ 7,271	\$ 25,167	\$ 26,429	
Net Investment Income			-	-						
Benefit payments	(8,565)	(6,237)	(11,880)	(11,880)	(12,684)	(6,182)	(7,271)	(25,167)	(26,429)	
Administrative expense										
Other										
Net Change in Total OPEB Liability	0	0	0	0	0	0	0	0	0	0
OPEB Liability - Ending	\$ 849,423	\$ 733,572	\$ 642,817	\$ 593,480	\$ 528,420					
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0%	0%	0%	0%	0%					
Covered Payroll	7,468,754	7,955,693	7,669,555	7,785,736						
Total OPEB Liability as a Percentage of Covered Employee Payroll	11.37%	9.22%	8.38%	7.62%						

Notes to Schedule: Changes in assumptions: The assumed single discount rate was changed from 3.13% to 2.98% at 6/30/18, 2.79% at 6/30/19, and 2.66% at 6/30/20 (and PubG-T mortality table added). 2.18% at 6/30/2021.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement no. 75 (Per GASB 75 Paragraph 165 (d)).

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION - OPEB (UNAUDITED)  
SCHEDULE OF SPONSOR CONTRIBUTIONS**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Total OPEB Liability</b>										
Actuarially determined contributions	\$ 109,621	\$ 103,228	\$ 84,005	\$ 79,395						
Contributions in relation to the actuarially determined contributions	8,565	6,237	11,880	11,880						
Contribution deficiency (excess)	101,056	96,991	72,125	67,515						
 Covered Payroll	 7,468,754	 7,955,693	 7,669,555	 7,785,736						
 Contributions as a Percentage of Covered Employee Payroll	 0.11%	 0.08%	 0.15%	 0.15%						

**Notes to Schedule**

Valuation date	Actuarially determined contributions are calculated as of the June 30 after the valuation date
Actuarial cost method	Entry age normal
Amortization method	Level dollar over 30 years from July 1, 2017
Remaining amortization period	26 years
Asset valuation method	Market value
Assumed inflation	3.00% per year
Assumed single discount rate	3.13% at 6/30/17; 2.98% at 6/30/18; 2.79% at 6/30/19; 2.66% at 6/30/2020, 2.18% at 6/30/2021
Assumed retirement age	See exhibit 10
Mortality	PUB-T with MP 2020 (RP 2014 before 2020)

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION - OPEB (UNAUDITED)  
SCHEDULE OF INVESTMENT RETURNS**

FY ending June 30,	Annual Money- weighted rate of return
2012	0.00%
2013	0.00%
2014	0.00%
2015	0.00%
2016	0.00%
2017	0.00%
2018	0.00%
2019	0.00%
2020	0.00%
2021	0.00%

The amounts shown are net of investment expense.

The actuary calculated these rates with the information that was provided, therefore, these rates are annual money-weighted. Monthly money-weighted return are not available, and the difference between the above and monthly money-weighted returns is estimated to be insignificant.

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (UNAUDITED)**

	APERS Pension Plan Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
College's proportion of the net pension liability (asset)	0.0791%	0.0862%	0.1157%	0.1289%	0.1189%	0.1038%	0.0732%			
College's proportionate share of the net pension liability	2,266,329	2,080,117	2,552,115	3,330,850	2,842,671	1,912,605	1,038,860			
College's covered payroll	1,371,322	1,816,099	2,193,508	2,316,072	2,153,777	1,823,825	1,294,078			
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	165.27%	114.54%	116.35%	143.81%	131.99%	104.87%	80.28%			
Plan fiduciary net position as a percentage of the total pension liability	75.38%	78.55%	79.59%	75.65%	75.50%	80.39%	84.21%			

The amounts presented were determined as of June 30 of the previous year.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (UNAUDITED)**

	ATRS Pension Plan Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
College's proportion of the net pension liability (asset)	0.05093%	0.05170%	0.05240%	0.05090%	0.05916%	0.07065%	0.0772%			
College's proportionate share of the net pension liability (asset)	\$ 2,882,997	\$ 2,157,043	\$ 1,905,254	\$ 2,139,363	\$ 2,609,650	\$ 2,301,092	\$ 2,025,580			
College's covered payroll	\$ 1,594,760	\$ 1,597,986	\$ 1,587,497	\$ 1,492,334	\$ 1,733,202	\$ 2,031,910	\$ 2,237,531			
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	180.78%	134.99%	120.02%	143.36%	150.57%	113.25%	90.53%			
Plan fiduciary net position as a percentage of total pension liability	74.91%	80.96%	82.78%	79.48%	76.75%	82.20%	84.98%			

The amounts presented were determined as of June 30 of the previous year.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COLLEGE CONTRIBUTIONS (UNAUDITED)**

	APERS Pension Plan Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 182,550	\$ 210,087	\$ 278,226	\$ 323,542	\$ 335,830	\$ 312,325	\$ 272,111			
Contribution in relation to the contractually required contribution	182,550	210,087	278,226	323,542	335,830	312,325	272,111			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
College covered payroll	\$ 1,191,577	\$ 1,371,322	\$ 1,816,099	\$ 2,193,508	\$ 2,316,072	\$ 2,153,777	\$ 1,843,160			
Contribution as a percentage of covered payroll	15.32%	15.32%	15.32%	14.75%	14.50%	14.50%	14.76%			

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SOUTH ARKANSAS COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COLLEGE CONTRIBUTIONS (UNAUDITED)**

	ATRS Pension Plan Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 225,061	\$ 227,257	\$ 223,718	\$ 222,250	\$ 211,172	\$ 242,648	288,125			
Contribution in relation to the contractually required contribution	\$ 225,061	\$ 227,257	\$ 223,718	\$ 222,250	\$ 211,172	\$ 242,648	\$ 288,125			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
College covered payroll	\$ 1,552,145	\$ 1,594,760	\$ 1,597,986	\$ 1,587,497	\$ 1,492,334	\$ 1,733,202	2,068,340			
Contribution as a percentage of covered payroll	14.50%	14.25%	14.00%	14.00%	14.15%	14.00%	13.93%			

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



SOUTH ARKANSAS COMMUNITY COLLEGE  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS  
FOR THE YEAR ENDED JUNE 30, 2021  
(Unaudited)

Schedule 1

	Year Ended June 30,				
	2021	2020	2019	2018	2017
Total Assets and Deferred Outflows	\$ 36,494,406	\$ 36,649,501	\$ 36,795,664	\$ 32,116,877	\$ 33,423,564
Total Liabilities and Deferred Inflows	12,626,026	12,316,450	13,307,395	13,676,431	13,319,260
Total Net Position	23,868,380	24,333,051	23,488,269	18,440,446	20,104,304
Total Operating Revenues	5,324,108	7,425,456	7,712,137	7,489,209	8,072,672
Total Operating Expenses	18,226,327	18,762,863	18,327,047	18,549,239	18,416,231
Total Net Non-Operating Revenues	12,443,806	11,529,042	11,091,473	10,384,837	10,039,267
Total Other Revenues, Expenses, Gains or Losses		635,615	4,571,260	(708,699)	131,705

