TREASURE VALLEY
COMMUNITY COLLEGE DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

TREASURE VALLEY
COMMUNITY COLLEGE

Treasure Valley
Community College

Table of Contents

TREASURE VALLEY COMMUNITY COLLEGE

DISTRICT OFFICIALS

June 30, 2024

Board of Education	Address	Term Expires
Ken Hart Chair	486 SW 6th Ave Ontario, OR 97914	2025
Stephen Crow Vice-Chair	262 SW 11th St Ontario, OR 97914	2027
Roger Findley Director	3535 Butte Dr Vale, OR 97918	2025
Betty Carter Director	582 NW 15th St Ontario, OR 97914	2027
Dirk DeBoer Director	246 Tori Dr Ontario, OR 97914	2025
Dr. Lindsay Norman Director	660 Morgan Ave Ontario, OR 97914	2027
Torie Ramirez Director	98 S Oregon St Ontario, OR 97914	2027

Chief Executive Officer and President

Dr. Dana M Young

Administrative Office

650 College Blvd
Ontario, OR 97914

TREASURE VALLEY
COMMUNITY COLLEGE

Independent Auditor's Report

Dickey and Tremper, LLP
Certified Public Accountants and Business Advisors

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P.O. Box 1533
Pendleton, OR 97801
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INDEPENDENT AUDITOR'S REPORT

January 20, 2025

To the Board of Education
Treasure Valley Community College District
Ontario, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Treasure Valley Community College District (the District) and it's discretely presented component unit, Treasure Valley Community College Foundation (the Foundation), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Treasure Valley Community College District, and its discretely presented component unit, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 18 to the financial statements, in the fiscal year ending June 30, 2024, the District adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements and GASB Statement No. 100, Accounting Changes and Error Corrections. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of the Proportionate Share of the Net Pension Liability (Asset) and the Contributions to the Oregon Public Employees Retirement System, Schedule of Proportionate Share of Net OPEB Liability (Asset), Schedule of Contributions to the OPERS Retirement Health Insurance Account, and the Schedule of Changes in the District's OPEB Liability and Related Ratios, and Notes to Required Supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information, as listed in the table of contents and schedule of expenditures of federal awards as required by Title 2. U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated January 20, 2025 on our consideration of the Treasure Valley Community College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Treasure Valley Community College District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated January 20, 2025, on our consideration of the Treasure Valley Community College District's internal control over financial reporting and on tests of its compliance with the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320. 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.

Dickey and Tremper, LLP

Dickey and Tremper, LLP
Certified Public Accountants
Pendleton, Oregon

January 20, 2025

TREASURE VALLEY
COMMUNITY COLLEGE

Management's Discussion and Analysis

Management's Discussion and Analysis
Year Ended June 30, 2024

This section of Treasure Valley Community College's (the College) financial statements presents an analysis of the financial activities of the College for the fiscal year-ended June 30, 2024. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes, and current known facts.

Financial Highlights

During the fiscal year ended June 30, 2024, Treasure Valley Community College experienced significant financial developments, driven by strong revenue growth and notable increases in operating costs.

One of the primary contributors to the College's increased revenues was strong student enrollment, which boosted tuition and fees income. In addition, the College benefited from robust state funding, which increased due to higher allocations from the state as well as delayed quarterly payments from the previous fiscal year. The College also secured several new grants and awards, many of which were directed toward student success initiatives and the development of the Nursing and Allied Health Professions Center and its associated programming. Together, these factors resulted in a substantial increase in total revenues for the 2023-24 fiscal year.

On the expense side, the College faced rising operating costs, driven primarily by salary and benefit increases aimed at retaining and attracting talent in a competitive labor market. In addition, the College made substantial investments in information technology to support both administrative operations and enhance the student learning experience. Furthermore, inflationary pressures contributed to increased costs across multiple areas, including utilities, supplies, and services, which impacted the College's overall operating budget.

The College implemented GASB 96, subscription-based information technology arrangements (SBITAs). The SBITAs reporting requirements impact the Statement of Net Position by increasing the Capital Assets and at the same time increasing a corresponding liability. See Notes 6 and 9.

Despite the rising costs, the College's strong financial performance during the 2023-24 fiscal year, supported by increased revenues from enrollment, state funding, and grants, positioned Treasure Valley Community College for continued growth and success.

Analysis of the Statement of Net Position

The Statement of Net Position includes all assets, deferred outflows, liabilities, and deferred inflows of the College using the accrual basis of accounting, which is similar to the accounting presentation used by most nonprofit entities, including private colleges and universities. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, and it is one measure of the College's financial condition.

	2024	2023	$ Change	% Change
Assets				
Current assets	$ 26,391,980	$ 18,928,264	$ 7,463,716	39.4%
Capital assets, net	20,684,069	20,043,928	640,141	3.2%
OPEB Asset	317,519	162,984	154,535	94.8%
Total assets	47,393,568	39,135,176	8,258,392	21.1%
Deferred outflows of resources	1,771,752	2,783,144	(1,011,392)	-36.3%
Liabilities				
Current liabilities	7,754,171	4,995,929	2,758,242	55.2%
Noncurrent liabilities	15,347,399	17,062,532	(1,715,133)	-10.1%
Total liabilities	23,101,570	22,058,461	1,043,109	4.7%
Deferred inflows of resources	4,533,371	5,426,192	(892,821)	-16.5%
Net Position				
Net investment in capital assets	16,480,761	15,778,299	702,462	4.5%
Restricted – OPEB asset	317,519	162,984	154,535	94.8%
Restricted for Building Project	730,043	-	730,043	100.0%
Unrestricted	4,002,056	(1,507,616)	5,509,672	-365.5%
Total net position	$ 21,530,379	$ 14,433,667	$ 7,096,712	49%

Assets

As of June 30, 2024, Treasure Valley Community College's total assets amounted to $47,393,568, representing an increase of $8,258,392 compared to the previous year's total of $39,135,176. This increase was primarily driven by significant growth in current assets, which increased by $7,463,716, rising from $18,928,264 in 2022-23 to $26,391,980 in 2023-24. The growth in current assets reflects higher cash and cash equivalents, demonstrating the College's improved liquidity. Capital assets, net also increased by $640,141, reaching $20,684,069 as the College continued investing in its infrastructure, particularly in the Nursing and Allied Health Professions Center. Additionally, the College's OPEB asset grew by $154,535, totaling $317,519 by the end of the fiscal year.

Deferred Outflows of Resources

Deferred outflows of resources decreased by $1,011,392 , falling from $2,783,144 in 2022-23 to $1,771,752 in 2023-24. This reduction was due to changes in deferred pension and OPEB-related items, which reflect adjustments to the College's post-employment benefit obligations.

Liabilities

On the liabilities side, current liabilities increased by $2,758,242, rising from $4,995,929 in 2022-23 to $7,754,171 in 2023-24. This increase was driven by higher accounts payable and accrued expenses related to ongoing projects and operational costs. In contrast, noncurrent liabilities decreased by $1,715,133, dropping from $17,062,532 to $15,347,399, primarily due to debt repayment and the reduction of long-term obligations. Overall, the College's total liabilities remained relatively stable, increasing by just $1,043,109, reaching $23,101,570 by the end of the 2023-24 fiscal year.

Deferred Inflows of Resources

Deferred inflows of resources decreased by $892,821 , from $5,426,192 in 2022-23 to $4,533,371 in 2023-24. This decrease was largely due to changes in deferred inflows related to pension and OPEB obligations.

Net Position

The College’s net position saw a significant improvement, growing by $7,096,712, from $14,433,667 in 2022-23 to $21,530,379 in 2023-24. This improvement was driven by a $702,462 increase in the College’s net investment in capital assets, reflecting continued investments in infrastructure. Additionally, the College’s unrestricted net position improved dramatically, increasing by $6,239,715, from a deficit of $(1,507,616) in 2022-23 to a positive balance of $4,732,099 in 2023-24. This shift demonstrates a strengthened financial position and improved liquidity. The restricted OPEB asset also increased by $154,535, reaching $317,519 by year-end.

Overall, the College’s strong financial performance during the 2023-24 fiscal year is reflected in the significant growth in its net position, driven by increases in both current assets and capital investments, as well as prudent management of liabilities and operational expenses.

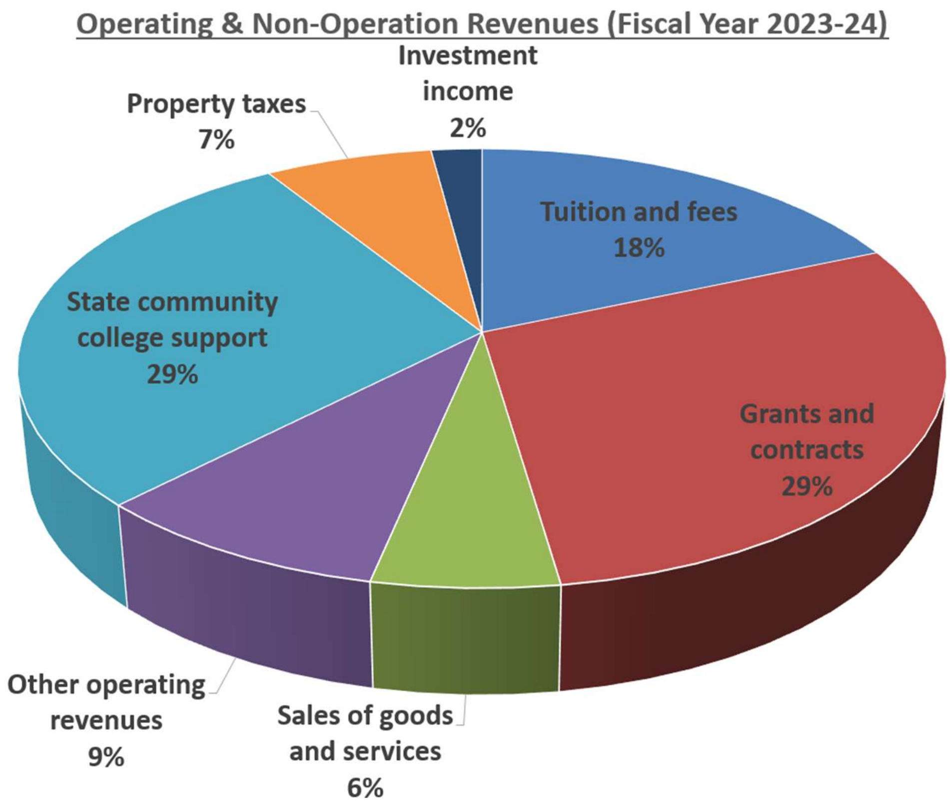
Analysis of the Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position reflects the College’s financial activity during the fiscal year, providing insight into both operating and non-operating revenues and expenses. This analysis highlights significant trends in the College's financial performance, focusing on changes in tuition, fees, grants, and operating costs. Understanding these components is essential in evaluating the overall financial health of Treasure Valley Community College.

	2024	2023	$ Change	% Change
Operating revenues				
Tuition and fees	$ 8,041,843	$ 7,076,493	$ 965,350	13.6%
Grants and contracts	12,451,156	12,713,869	(262,713)	-2.1%
Sales of goods and services	2,430,051	2,626,492	(196,441)	-7.5%
Other operating revenues	2,984,140	4,067,128	(1,082,988)	-26.6%
Total operating revenues	25,907,190	26,483,982	(576,792)	-2.2%
Non operating revenues				
State community college support	12,505,526	6,694,684	5,810,842	87%
Property taxes	2,966,820	2,958,778	8,042	0%
Investment income	904,092	508,013	396,079	78%
Federal COVID-19 funds	-	1,463,475	(1,463,475)	-100%
Total non-operating revenues	16,376,438	11,624,950	4,751,488	40.9%
Capital Contributions	1,185,843	-	1,185,843	100%
Total revenues	43,469,471	38,108,932	5,360,539	14.1%
Operating expenses				
Educational and general	14,271,510	12,400,971	1,870,539	15.1%
Other support services	9,633,591	8,834,468	799,123	9.0%
Scholarships and grants	6,007,029	6,552,521	(545,492)	-8.3%
Auxiliary enterprises	1,896,593	1,983,774	(87,181)	-4.4%
Depreciation	1,550,358	1,294,602	255,756	19.8%
Total operating expense	33,359,081	31,066,336	2,292,745	7.4%
Non operating expenses				
Loss on disposal of assets		10,195	(10,195)	-100.0%
Interest expense	516,308	1,258,550	(742,242)	-59%
Total expenses	33,875,389	32,335,081	1,540,308	4.8%
Change in net position	$ 9,594,082	$ 5,773,851	$ 3,820,231	-66%

Revenues

During the fiscal year 2023-24, Treasure Valley Community College's total revenues increased significantly by $5,360,539, rising from $38,108,932 in fiscal year 2022-23 to $43,469,471. This increase was primarily driven by substantial changes in three key revenue sources.

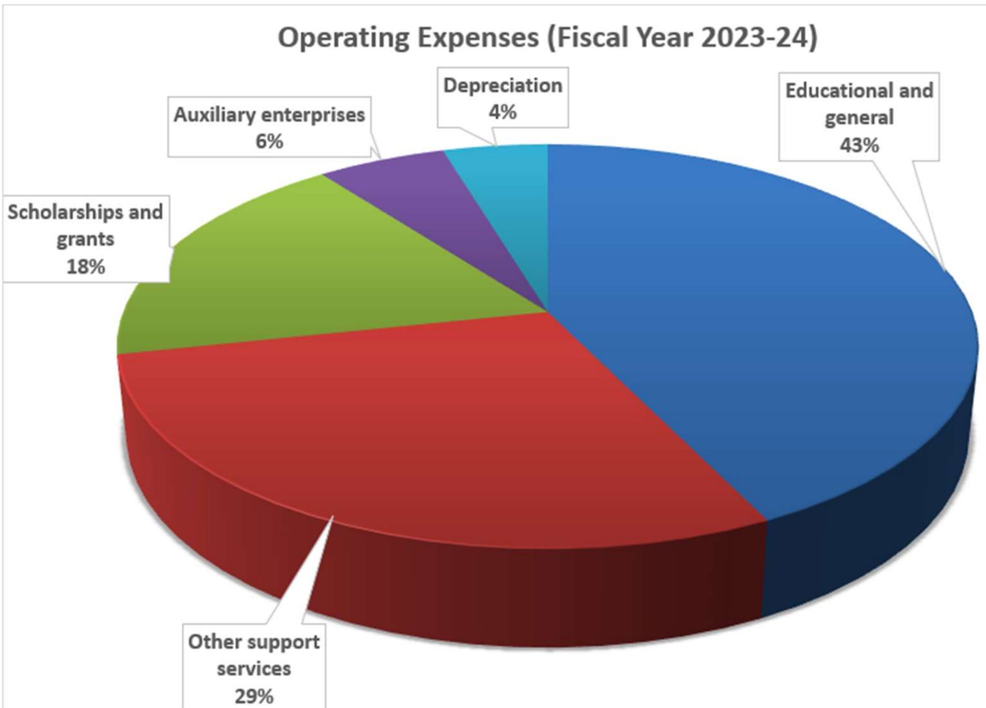


Tuition and fees rose by $965,350, reaching $8,041,843, a 13.6% increase from the prior year. This growth was due to both an increase in tuition and fee rates, as well as a rise in student enrollment. Grants and contracts also saw a decrease, shrinking by $262,713 from $12,713,869 to $12,451,156.

State community college support saw the largest change, increasing by $5,810,842 from $6,694,684 in the previous year to $12,505,526. This substantial rise was the result of delayed quarterly payments and an overall increase in state funding allocations. Property tax revenue did not change by a significant amount. Investment income continued to increase because of the high yields available from the local government investment pool. Two revenue sources—tuition and fees and state community college support—were the primary drivers of the College's strong financial performance during the 2023-24 fiscal year.

Expenses

During the fiscal year 2023-24, Treasure Valley Community College's total expenses increased by $1,540,308, rising from $32,335,081 in fiscal year 2022-23 to $33,875,389. The increase was primarily driven by changes in several operating expense categories.



Educational and general expenses saw the largest increase, rising by $1,870,539 from $12,400,971 in 2022-23 to $14,271,510 in 2023-24. Other support services also experienced an increase of $799,123, growing from $8,834,468 in the prior year to $9,633,591 in the current year. On the other hand, scholarships and grants expenses decreased by $545,492, falling from $6,552,521 in 2022-23 to $6,007,029 in 2023-24. Auxiliary enterprises' expenses decreased slightly by $87,181, from $1,983,774 to $1,896,593. Depreciation expenses increased by $255,756, reaching $1,550,358 compared to $1,294,602 in the previous year.

In terms of non-operating expenses, there was no loss on disposal of assets in 2023-24, a decrease of $10,195 from the previous year. Interest expense decreased significantly by $742,242, dropping from $1,258,550 in 2022-23 to $516,308 in 2023-24.

Overall, the total operating expenses for the College amounted to $33,359,081 in fiscal year 2023-24, an increase of $1,680,418 from the prior year's total of $31,678,663. Combined with the non-operating expenses, the total expenses for the College in fiscal year 2023-24 reached $33,875,389.

Capital Assets

During the 2023-24 fiscal year, the College's net capital assets increased by $640,141, which includes $410,728 in subscription assets, due to capital asset additions of $1,456,337, offset by $1,226,924 of depreciation expense. A significant portion of the capital asset additions includes $447,145 in construction in progress for the Nursing and Allied Health Professions Center, a key project that is expected to move into the construction phase in 2024. In addition to this project, various equipment purchases, and campus improvements were made to ensure the College's facilities remain up-to-date and fully functional.

See Note 5, Changes in Capital Assets, for additional information.

Long-Term Obligations

As of June 30, 2024, the College's total outstanding debt was $8,941,126. Of this amount, $3,305,000 consists of Residence Hall Bonds, and $4,640,000 is Limited Tax Pension Obligation Bonds, both backed by the full faith and credit of the College. Additionally, the College holds a note payable to the Bank of Eastern Oregon, with an outstanding balance of $631,157. See Note 8.

State statutes limit the amount of general obligation debt the College may issue to 1.5% of the Real Market Value of properties within its district. Based on this limitation, the College's legal debt limit is $67.39 million. However, none of the College's current debt qualifies as general obligation debt. For additional information regarding the College's legal debt capacity, refer to page 74 of the audit report.

Economic Factors and Next Year's Budget

The 2024-25 budget, adopted by the College's Board on June 18th, 2024, takes into account several key economic factors that will shape the institution's financial outlook for the coming year. The total budget for the General Fund is $22,775,979, reflecting adjustments in both revenues and expenditures. A projected 1% increase in student enrollment, combined with a $3 per credit tuition increase, is expected to generate approximately $589,000 in additional revenue. Dual credit tuition is also forecasted to rise by $64,000 based on prior activity. State resources are budgeted at $10.16 million, based on the Higher Education Coordinating Commission's funding formula. Additionally, federal grants and state matching funds will continue to support significant projects, such as the Nursing and Allied Health Professions Center.

Interest income is expected to increase by $351,000, driven by higher interest rates and larger cash reserves due to prior federal stimulus funds. On the expenditure side, property tax revenue is forecasted to grow by 3%, while various operating costs have been adjusted to meet the College's needs. This includes salary increases for faculty and staff to ensure competitiveness in the region, alongside additional investments in cybersecurity, marketing, and the maintenance of facilities.

Capital projects remain a critical focus, particularly the Nursing and Allied Health Professions Center, where architectural and engineering work is nearing completion, and construction is anticipated to begin in 2024. These combined economic factors and strategic initiatives form the core of Treasure Valley Community College's financial plan, ensuring a stable foundation for the 2024-25 fiscal year and beyond.

Requests for Information

This financial report is designed to provide a general overview of Treasure Valley Community College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Business Office
Treasure Valley Community College
650 College Blvd.
Ontario, OR 97914

TREASURE VALLEY
COMMUNITY COLLEGE

Financial Statements

Treasure Valley Community College
Statement of Net Position
June 30, 2024

	Primary Government TVCC College	Component Unit TVCC Foundation
ASSETS		
Current assets		
Cash and cash equivalents	$ 19,638,744	$ 2,092,632
Restricted cash and cash equivalents	1,761,029	-
Restricted cash in escrow	46,047	
Investments	-	11,640,819
Accounts receivable, net	4,701,598	743,407
Due from college		986,653
Prepaid and other assets	2,044	-
Inventory	242,518	-
Total current assets	26,391,980	15,463,511
Noncurrent assets		
Capital assets – non-depreciable	973,488	-
Capital assets – depreciable, net	19,299,853	-
Subscription asets, net	410,728	-
Net OPEB asset – RHIA	317,519	-
Total noncurrent assets	21,001,588	-
Total assets	47,393,568	15,463,511
Deferred outflows of resources		
Deferred charge on refunding	97,818	-
Deferred outflows – RHIA OPEB	15,170	-
Deferred outflows – RHIPA OPEB	62,920	-
Deferred outflows on pension	1,595,844	-
Total deferred outflows of resources	1,771,752	-
LIABILITIES		
Current liabilities		
Accounts payable	732,532	319
Due to Component Unit	986,653	-
Payroll liabilities	740,711	-
Compensated absences	177,591	-
Unearned revenue	3,374,172	1,028,345
Current portion of subscription liability	105,459	
Current portion of capital debt	462,053	-
Current portion of PERS bond payable	1,175,000	-
Total current liabilities	7,754,171	1,028,664

The notes to the basic financial statements are an integral part of these financial statements.

Treasure Valley Community College
Statement of Net Position
June 30, 2024

	Primary Government TVCC College	Component Unit TVCC Foundation
Noncurrent liabilities		
Subscription liability, net of current maturities	$ 259,510	
PERS bond payable, net of current maturities	3,465,000	-
Net pension liability	7,259,246	-
Pre-SLGRP PERS transition liability	371,535	-
Total OPEB liability – RHIPA	518,004	-
Capital notes & bonds payable, net of current maturities	3,474,104	-
Total noncurrent liabilities	15,347,399	-
Total liabilities	23,101,570	1,028,664
Deferred inflows of resources		
Deferred inflows – RHIA OPEB	82,861	-
Deferred inflows – RHIPA OPEB	243,371	-
Deferred inflows pension amount	4,207,139	-
Total deferred inflows of resources	4,533,371	-
Net position		
Net investment in capital assets	16,480,761	-
Restricted – expendable		
Donor-imposed restriction	-	12,907,077
Building Restriction	730,043	
Net OPEB asset – RHIA	317,519	-
Unrestricted	4,002,056	1,527,770
Total net position	$ 21,530,379	$ 14,434,847

The notes to the basic financial statements are an integral part of these financial statements.

Treasure Valley Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024

	Primary Government	Component Unit
	TVCC College	TVCC Foundation
Operating revenues		
Student tuition and fees, net of scholarship allowances of $740,496	$ 8,041,843	$ -
Federal sources	6,965,074	-
State sources	5,486,082	-
	20,492,999	-
Auxiliary enterprises		
Bookstore	579,351	-
Food services	536,495	-
Housing	572,292	-
Printing	122,826	-
Transportation	54,449	-
Caldwell Center	564,638	
Contributions and special events proceeds	-	3,051,948
Other operating revenues	2,984,140	-
Total operating revenue	25,907,190	3,051,948
Operating expenses		
Educational and general	14,271,510	-
Other support services		
Student activities	3,247,434	-
College support	4,680,210	1,602,709
Plant operations	1,705,947	-
Scholarships and grants	6,007,029	438,558
Auxiliary enterprises		
Bookstore	606,593	-
Food services	584,831	-
Housing	173,354	-
Printing	32,438	-
Transportation	2,042	-
Caldwell Center	497,335	-
Fundraising expenses	-	157,887
Management and general expense	-	154,024
Depreciation and amortization	1,550,358	-
Total operating expenses	33,359,081	2,353,178
Operating revenue (loss)	(7,451,891)	698,770

The notes to the basic financial statements are an integral part of these financial statements.

Treasure Valley Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024

	Primary Government	Component Unit
	TVCC College	TVCC Foundation
Nonoperating revenues (expenses)		
Property taxes	2,966,820	-
State FTE reimbursement	12,505,526	-
Investment income	904,092	1,345,877
Interest expense	(516,308)	-
Net nonoperating revenues	15,860,130	1,345,877
Net income before contributions	8,408,239	2,044,647
Capital contributions	1,185,843	-
Change in net position	9,594,082	2,044,647
Net position, beginning of year, as reported	14,433,667	12,390,200
Prior period adjustment for deferred grant revenue	(2,497,370)	-
Net position, beginning of year, as adjusted	11,936,297	12,390,200
Net Position, end of year	$ 21,530,379	$ 14,434,847

Treasure Valley Community College
Statement of Cash Flows
Year Ended June 30, 2024

	Primary Government
	TVCC College
Operating activities	
Receipts from:	
Tuition and fees, net	$ 8,351,282
Federal grants and contracts	6,965,074
State and local government grants and contracts	5,486,082
Payments to suppliers for goods and services	(13,979,477)
Payments to employees	(11,389,852)
Payments for student financial aid and other scholarships	(6,007,029)
Other cash receipts	4,849,553
Net cash used for operating activities	(5,724,367)
Noncapital financing activities	
Cash received from property taxes	2,966,820
State full time equivalent reimbursement	12,505,526
Principal paid on pension bonds	(1,050,000)
Interest paid on pension bonds	(323,494)
Net cash from noncapital financing activities	14,098,852
Capital related financing activities	
Purchases of capital assets	(1,367,517)
Capital grants and contributions	1,185,843
Principal paid on long-term debt	(445,289)
Principal paid on SBITA's and leases	(350,893)
Interest paid on long-term debt	(168,779)
Interest paid on SBITA's and leases	(24,035)
Net cash used for capital related financing activities	(1,170,670)
Investing activities	
Interest on investments	904,092
Net cash from investing activities	904,092
NET CHANGE IN CASH, RESTRICTED CASH, AND CASH EQUIVALENTS	8,107,907
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, beginning of year	13,337,913
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, end of year	$ 21,445,820

The notes to the basic financial statements are an integral part of these financial statements.

Treasure Valley Community College
Statement of Cash Flows
Year Ended June 30, 2024

	Primary Government TVCC College
Reconciliation of cash, restricted cash, and cash equivalents to the statement of net position	
Cash and cash equivalents	$ 19,638,744
Restricted cash	1,761,029
Restricted cash in escrow	46,047
Cash, restricted cash, and cash equivalents at end of year	$ 21,445,820
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	$ (7,451,891)
Adjustments to reconcile operating revenues net of operating expenses to net cash used for operating activities	
Depreciation and amortization	1,550,358
GASB 68 – actuarial pension expense	(322,729)
GASB 75 – RHIA OPEB revenue	(71,093)
GASB 75 – RHIPA OPEB expense	1,967
Changes in assets and liabilities	
Accounts receivable	623,638
Due to Component Unit	986,653
Prepaid assets	31,064
Accounts payable	(175,317)
Unearned revenue	(878,837)
Inventory	(10,511)
Accrued payroll and payroll costs	(42,246)
Compensated absences	34,577
Net cash used for operating activities	$ (5,724,367)
Non-cash investing, capital, and financing activities:	
SBITA asset additions	$ 353,274
Issuance of SBITA liabilities	(353,274)
Total non-cash investing, capital, and financing activities	$ -

The notes to the basic financial statements are an integral part of these financial statements.

TREASURE VALLEY
COMMUNITY COLLEGE

Note 1 – Summary of Significant Accounting Policies

Treasure Valley Community College (the College) is a public two-year educational institution. The College is a municipal corporation governed under the laws prescribed by the state of Oregon, charged with educating students. A seven-member Board of Directors is locally elected and is authorized to establish policies governing the operations of the College. The College qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. Treasure Valley Community College maintains a main campus in Ontario, Oregon, and outreach sites in Burns, Oregon, Caldwell, Idaho, Snake River Correctional Institute, Warner Creek Correctional Facility, Eastern Oregon Correctional Institute, Powder River Correctional Facility, and Two Rivers Correctional Institute.

Reporting entity – In accordance with the Governmental Accounting Standards Board (GASB), the College has included all funds, organizations, agencies, boards, commissions, and authorities. The College has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete.

As defined by GASB, the College includes one component unit in its financial statements: Treasure Valley Community College Foundation (hereinafter referred to as the Foundation). The Foundation is a nonprofit, nongovernmental organization, whose purpose is to provide support for scholarships and programs for the College. The Foundation's financial statements are prepared in accordance with the Financial Accounting Standards Board (FASB); however, their financial statements have been reclassified to match that of the College. Copies of the Foundation's audited financial statements may be obtained from the Foundation Treasurer at 650 College Blvd, Ontario, Oregon, 97914.

Basis of presentation – GASB establishes standards for external financial reporting for public colleges and universities and requires resources to be classified for accounting and reporting purposes into the following three net position categories:

Net investment in capital assets – Capital assets, net of accumulated depreciation and amortization and outstanding debt obligations and deferred inflows/outflows attributable to the acquisition, construction, or improvement, or lease of those assets.

Restricted expendable net position – Consists of external constraints placed on asset use by laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – Net position that is not subject to externally imposed stipulations. Resources may be designated for specific purposes by action of management or by the board of education or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

The basic financial statements report information on all activities of the College. The effect of interfund activity has been removed from these statements. The College follows the "business- type activities" reporting requirements of GASB that provide a comprehensive one-column look at the College's financial activities.

Measurement focus and basis of accounting – For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities as defined by GASB. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Non-exchange transactions are those in which the College receives value without directly giving equal value in return. These include property taxes, federal, state and local grants, state appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility, matching, and expenditure requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements apply to grants and contracts in which the College must provide local resources to be used for a specified purpose; and expenditure requirements are those for which the resources are provided to the College on a reimbursement basis.

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

Cash and cash equivalents – Cash and cash equivalents include cash on hand, demand deposits, funds invested with the Oregon State Treasurer's Local Government Investment Pool (LGIP), and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is stated at amortized cost, which approximates fair value. All other cash and cash equivalents are carried at cost.

Restricted cash and cash equivalents – Restricted cash consists of funds available for payment of outstanding debt which is restricted by outside sources.

Investments – Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements, and bankers' acceptances. As of June 30, 2024, the College was in compliance with the aforementioned State of Oregon Statutes. As of June 30, 2024, the College does not have any funds in investment accounts.

Receivables – Property taxes are levied and become a lien on all taxable property as of July 1. Taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Malheur and Baker Counties collect and allocate property taxes to the College. Property tax revenues are recognized when they become available. Available means when due, or past due and receivable within the current period. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, typically, no allowance for uncollectible taxes is deemed necessary.

Allowable unreimbursed expenses from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as unearned revenue.

Student revenues are from tuition, fees, housing, and food services and are included in receivables and revenues for the year ended June 30, 2024.

Inventory – The value of the College's inventory is carried at the lower of first-in, first-out (FIFO) cost or market, and are charged to cost of sales as used.

Capital assets – Capital assets include land and land improvements, buildings and building improvements, equipment and machinery, leasehold improvements, and construction in progress. The College's capitalization threshold is $5,000 for equipment. Donated capital assets are recorded at the acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of the assets' lives are not capitalized and are expensed as incurred. Buildings, equipment and machinery, infrastructure, library collections, leasehold improvements, and land improvements of the College are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	24–40 years
Land improvements	10–20 years
Machinery and equipment	5–10 years
Vehicles	5–10 years

Lease Assets – The College determines if an arrangement is or contains a lease at inception. From time to time, the College has both leases under which it is obligated as a lessee and leases for which it is a lessor. Leases in which the College is a lessee are included in the right-of-use asset and liabilities on the statement of net position. These assets and liabilities are initially recognized based on the present value of the future minimum lease payments over the lease term at commencement date discounted using an appropriate incremental borrowing rate. Options to extend or terminate a lease are included in the amount recognized to the extent that the College is reasonably certain to exercise those options. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease payments based on an index or rate, such as the consumer price index, are initially measured using the index or rate in effect at lease commencement. The College had no lease assets or liabilities as of June 30, 2024.

Short-term leases with an initial term of 12 months or less are not included on the statement of net position. The College recognizes lessee and lessor short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

Subscription-Based Information Technology Arrangement (SBITA) Assets – Subscription-based information technology arrangements (SBITAs) are contracts that convey control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying (T assets) as specified in the contract for a term of more than one year. The value of the intangible right-to-use subscription asset is determined by the net present value of future subscription payments of the College's incremental borrowing rate at the time of commencement of the arrangement, amortized over the term of the arrangement.

Tuition and fees and unbilled revenue – Tuition and fees include all assessments to students for educational purposes. The College's fiscal year begins with summer term and ends with spring term. Tuition and fees payments received prior to July 1, 2024, for the College's 2023-2024 summer and fall terms are recorded as unearned revenue.

Compensated absences – It is the College's policy to permit employees to accumulate earned but unused vacation and sick pay. There is no liability for unpaid accumulated sick leave since the College does not have a policy to pay any amounts when employees separate from service. Unused vacation pay is recognized as an expense and accrued when earned.

Long-term debt – Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

Pensions – For purposes of measuring the 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 Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other post-employment benefits (OPEB) – State of Oregon Retiree Health Insurance Account (RHIA): For purposes of measuring the net OPEB asset - RHIA, deferred outflows of resources and deferred inflows of resources related to the RHIA and plan revenue, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined based on the same basis as they are reported by PERS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

Single Employer Retiree Health Insurance Premium Account (RHIPA): This OPEB plan utilizes employee census data and benefits provided by the College for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis.

Pre-SLGRP Pooled Liability – The Pre-SLGRP Pooled Liability was an actuarially determined liability recorded in the statement of net position based on the College's entry into the PERS State and Local Government Rate Pool. The transition liability is reduced each year by contributions to PERS and increased for interest charged by PERS.

Leases Payable - In the government-wide financial statements, leases payable are reported as liabilities In the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

SBITAs Payable - In the government-wide financial statements, SBITAs payable are reported as liabilities In the Statement of Net Position. In the governmental fund financial statements, the present value of future subscription payments is reported as other financing sources.

Deferred outflows/inflows of resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. The College has three items that qualify for reporting in this category: the net pension liability, the RHIA and RHIPA OPEB asset/liability, and deferred charge on refunding, which are reported on the Statement of Net Position. The net pension liability results from differences between expected and actual experience, changes in assumptions, differences between projected and actual earnings on investments, changes in proportionate share, and contributions made subsequent to the measurement date of the net pension liability. The RHIA and RHIPA OPEB amounts result from contributions subsequent to the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The College has two items that qualify for reporting in this category: the employer net pension liability and the RHIA and RHIPA OPEB asset/liability. The employer net pension liability results from the differences between employer's contributions and employer's proportionate share of system contributions derived from the actuarial calculation of the College's net pension liability. The RHIA and RHIPA OPEB amounts result from the differences between the projected and actual earnings on investments, changes in proportionate share, and changes in assumptions.

Operating and nonoperating revenues and expenses – Operating revenues and expenses generally result from providing services to students. Principal operating revenues include tuition and fees, federal and state grants, charges for services, and sale of educational materials. Operating expenses include the cost of faculty, administration, sales and services for food services, printing, housing, bookstore, transportation, and the Caldwell Center operations, and depreciation and amortization. All other revenues and expenses, including property taxes, state educational support, investment income, and interest expense not meeting this definition are reported as non-operating revenues and expenses.

Scholarship Allowances

Financial aid to students is reported in the basic financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid such as loans and funds provided to students as awarded by third parties are accounted for as a third-party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expenses, or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition.

Federal financial assistance programs – The College participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants, Federal Work-Study, and Federal Direct Lending programs. Federal programs are audited in accordance with the Single Audit Act, the U.S. Office of Management and Budget Uniform Guidance, Cost Principles, Audit, and Administrative Requirements for Federal Awards (Uniform Guidance).

Net position – Net position is classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Expendable restricted net position represents funds restricted for specific purposes. When both restricted and unrestricted resources are available for use, it is the college's practice to use restricted resources first, then unrestricted resources as they are needed.

Note 2 – Stewardship, Compliance, and Accountability

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles, except depreciation on capital assets is not an expenditure of the funds, amortization of long-lived assets is not an expenditure of the funds, inventory is not capitalized in the funds, and principal on debt services is an expenditure of the funds.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are generally published in the spring with a public hearing being held approximately two weeks later. The Board of Education may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared to the county assessors no later than July 15th.

Expenditure budgets are appropriated at the following levels for each fund:

<u>LEVEL OF CONTROL</u>

Instruction	Instructional Support
Community Services	Student Services
College Support Services	Financial Aid
Other Uses – Debt Service and Interfund Transfers	Facilities Acquisition & Construction
Debt Service	Operating Contingency

Note 3 – Cash and Investments

The College maintains a cash and investment pool that is available for use by all funds. This pool is displayed on the statement of net position as cash and cash equivalents.

Cash consisted of the following at June 30, 2024:

Cash and cash equivalents	
Petty cash	$ 2,650
Deposits with banks	571,932
State Treasurer's Local Government Investment Pool (General)	18,527,127
Total cash and cash equivalents	19,101,709
Restricted cash and cash equivalents	
State Treasurer's Local Government Investment Pool (PERS Bonds)	46,047
State Treasurer's Local Government Investment Pool (Building)	2,298,064
Total cash and cash equivalents	$ 21,445,820

Deposits – The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP) which include standards to categorize bank deposits to give an indication of the level of custodial risk assumed by the College at June 30, 2024. If bank deposits at year end are not entirely insured or collateralized with securities held by the College or by its agent in the College's name, the College must disclose the custodial credit risk that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require that public officials report to the Office of the State Treasurer (OST) all bank depositiories in which they deposit public funds and bank depositories will then report financial information and total public fund deposits quarterly to OST OST will then calculate the required collateral that must be pledged by the bank based on this information and the depository's FDIC assigned capitalization category. Bank depositories will then have a shared liability in the event of a bank loss.

At June 30, 2024, the carrying amount of the College's deposits (cash and LGIP) was $21,445,820 and the bank balance was $21,557,583. Federal depository insurance (FDIC) of $250,000 applies to deposits in each depository. The balances in excess of the FDIC insurance are considered exposed to custodial credit risk. As of June 30, 2024, $250,000 of deposits were fully covered by federal depository insurance and the remainder of the balance was collateralized by the Oregon Public Funds Collateralization Program; thus no assets were exposed to custodial credit risk. For the year then ended, the College's deposits were in compliance with ORS 295.015.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College follows State law with respect to custodial credit risk and has not adopted a separate policy for custodial credit risk of deposits.

Restricted Cash and Cash Equivalents in Escrow – The College is responsible for Limited Tax Pension Obligations issued for financing of payment of the College's Oregon Public Employee Retirement System (PERS) unfunded liability. The State of Oregon withholds a portion of the College's Community College Funding payment and transfers this portion to a trustee escrow account administered by the State of Oregon for the purpose of repayment of scheduled bond principal and interest, as required since the bonds were issued by the Oregon Community College Districts. The amount held in the Local Government Investment Pool escrow account for payment of future scheduled payments at June 30, 2024 was $46,047. These cash and cash equivalents consisted of investments in U.S. Government Securities and have original maturity dates of three months or less.

The College also has restricted cash and cash equivalents for expenses related to the College's Nursing and Allied Health Professions Center building project in the amount of $2,298,064.

Investments – At June 30, 2024, the College held $20,871,238 in the State Treasurer's Oregon Short-Term Fund Local Government Investment Pool (LGIP), which is all classified as cash equivalents on the Statement of Net Position. The LGIP is an open-ended, no-load diversified portfolio pool. Participants' account balances in the pool are determined by the amount of participants' deposits, adjusted for withdrawals and distributed interest. Interest is calculated and accrued daily on each participant's account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund.

The LGIP is an external investment pool as defined by GASB and is part of the Oregon Short-Term Fund. Investment policies of this fund are governed by the Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council. Investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. Securities held by the pool are not specifically identified to the college and are not categorized for risk purposes. Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund manages this risk by limiting the maturity of the investment held by the fund. Weighted average maturities of the investments in the Oregon Short-Term Fund at June 30, 2024 were: 75.9% mature within 93 days, 16.7% mature from 94 days to one year, and 7.5% mature from one to three years.

Credit risk – State statues authorize the College to invest primarily in general obligations of the US Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, and the State Treasurer's investment pool, among others. The College has no formal investment policy that further restricts its investment choices.

Concentration of credit risk – The College is required to provide information about the concentration of credit risk associated with its investments in one issuer that represent five percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The College has no such investments.

Note 4 – Accounts Receivable

Receivables as of June 30, 2024, were as follows:

Property tax	$ 125,935
Tuition and related fees	1,819,224
Due from other governmental units	2,149,610
ERTC	1,217,642
Other	92,646
	5,405,057
Allowance for uncollectible tuition and fees	(703,459)
Total accounts receivable, net	$ 4,701,598

Note 5 – Changes in Capital Assets

The following table presents the changes in various capital asset categories:

	Balance July 1, 2023	Additions	Retirements	Transfers	Balance June 30, 2024
Capital assets not being depreciated					
Land	$ 233,381	$ -	$ -	$ -	$ 233,381
Construction in progress	309,852	447,145	-	(16,890)	740,107
Total capital assets not being depreciated	543,233	447,145	-	(16,890)	973,488
Other capital assets					
Buildings	27,464,553	195,584	-	16,890	27,677,027
Improvements and software	4,279,125	241,188	-	-	4,520,313
Vehicles and equipment	5,003,403	572,420	-	-	5,575,823
Total other capital assets	36,747,081	1,009,192	-	16,890	37,773,163
Total capital assets	37,290,314	1,456,337	-	-	38,746,651
Less accumulated depreciation					
Buildings	10,973,172	729,547	-	-	11,702,719
Improvements and software	2,694,693	168,414	-	-	2,863,107
Vehicles and equipment	3,578,521	328,964	-	-	3,907,485
Total accumulated depreciation	17,246,386	1,226,924	-	-	18,473,310
Capital assets, net	$ 20,043,928	$ 229,413	$ -	$ -	$ 20,273,341

Depreciation expense for the year ended June 30, 2024, was $1,226,924.

Note 6 – SBITA Assets

SBITA asset activity for the College for the year ended June 30, 2024 was as follows:

Description	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Software	$ 362,589	$ 353,273	$ -	$ 715,862
Accumulated amortization	-	(305,134)	-	(305,134)
SBITA assets, net	$ 362,589	$ 48,139	$ -	$ 410,728

Note 7 – Unearned Revenue

Unearned revenue in the statement of financial position is reported for revenues that have been received but not yet earned. Unearned revenues as of June 30, 2024 were as follows:

Tuition and fees	$ 921,936
Grant funds received in advance	2,452,236
Total unearned revnue	3,374,172

Note 8 – Long-Term Obligations

The following is a summary of long-term obligation transactions during the year:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
Bank of Eastern Oregon	$ 786,446	$ -	$ (155,289)	$ 631,157	$ 162,053
PERS UAL bond	5,690,000	-	(1,050,000)	4,640,000	1,175,000
Series 2012 refinancing	3,595,000	-	(290,000)	3,305,000	300,000
Total debt	10,071,446	-	(1,495,289)	8,576,157	1,637,053
Pre-SLGRP PERS transition liability	455,746	-	(84,211)	371,535	-
Compensated absences	143,014	460,603	(426,026)	177,591	177,591
Total other	$ 598,760	$ 460,603	$ (510,237)	$ 549,126	$ 177,591

In April 2003, the College issued $10,701,480 in limited tax pension bonds to finance the unfunded net pension liability to the Oregon Public Employees Retirement System (PERS). These bonds have interest rates that range from 5.60 to 6.25 percent. Interest payments are made semiannually on June 30 and December 30. Principal payments are made on June 30 of each year. Debt service is financed by a self-imposed pension expense based on a percentage of payroll costs. The bond is collateralized as mandated by state statute, which collateralizes the bond with all General Fund revenue and assets of the College.

In December of 2012, the College refinanced three different debt issues. The amount refinanced was $5.89 million and the total debt issuance was $6.225 million. The debt refunded partially, or wholly, the 2000, 2005, and 2006 debt issues. The coupon rate on the debt is between 2 and 4% for the life of the obligation. The reacquisition price exceeded the net carrying amount of the old debt by $335,000; however, the refunding reduced the College's total debt service payments over the remaining life of the debt by $620,000. The financing is collateralized by the College General Fund.

In October 2017, the College entered into a loan agreement with Bank of Eastern Oregon in the amount of $1.62 million to refinance three of its smaller notes payable. The remaining funds were designated to purchase critical computer software and website development as well as various other projects as determined by the administration. The variable interest loan is being repaid in monthly installments of $16,176 over ten years. The interest rate is calculated at 0.5 percentage points below the prime rate as published by the Wall Street Journal. The initial rate on the note was 3.75% per annum with changes to the rate occurring five years from the date of the loan. In October, 2022, the interest rate increased to 5.75% for the remaining five years. The loan is collateralized by the security instrument as listed in the promissory note.

Future payments for long-term debt at June 30, 2024, include:

	Principal	Interest	Total
2025	$ 1,637,053	$ 415,030	$ 2,052,083
2026	1,741,621	329,839	2,071,460
2027	1,906,753	237,365	2,144,118
2028	1,080,730	137,587	1,218,317
2029	280,000	88,400	368,400
2030–2034	1,580,000	264,600	1,844,600
2035–2039	350,000	14,000	364,000
	$ 8,576,157	$ 1,486,821	$ 10,062,978

Note 9 – SBITAs Payable

SBITAs payable transactions for the year ended June 30, 2024 are as follows:

Description	Beginning Balance	Increases	Deletions/ Decreases	Ending Balance	Due Within One Year
Software	$ 362,589	$ 353,273	$ (350,893)	$ 364,969	$ 105,459
Total	$ 362,589	$ 353,273	$ (350,893)	$ 364,969	$ 105,459

Future payments SBITA's payable at June 30, 2024, include:

	Principal	Interest	Total
2025	$ 105,459	$ 15,573	$ 121,032
2026	114,691	9,207	123,898
2027	84,784	4,332	89,116
2028	60,035	867	60,902
	$ 364,969	$ 29,979	$ 394,948

Note 10 – Pension Plans

Plan description – The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. This fund consists of Tier One and Tier Two employees based on membership dates before or after January 1, 1996. The 2003 Legislature enacted HB 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program (defined benefit) and the Individual Account Program (IAP). The Pension Program is the defined benefit portion of the plan which applies to qualifying College employees hired after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. The IAP is the defined contribution portion of the plan. Beginning January 1, 2004, PERS active Tier One and Tier Two members became members of the IAP of OPSRP. PERS members retain their existing Plan accounts, but member contributions are now deposited into the member's IAP account, not into the member's Defined Benefit Plan account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at: http://www.oregon.gov/pers/ Documents/Financials/ACFR/2023-Annual-Comprehensive-Financial-Report.PDF.

Benefits Provided

Tier One/Tier Two Retirement Benefit - ORS Chapter 238

Pension benefits – The PERS retirement allowance is payable monthly for life. The allowance may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage, equal to 1.67 percent for general service employees, is multiplied by the number of years of service and the final average salary. The final average salary is limited to $225,533 as of January 1, 2023, and it is indexed for inflation every year. Benefits may also be calculated under a formula plus an annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death benefits – Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

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

Disability benefits – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit changes after retirement – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

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

Pension benefits – The Pension Program provides benefits to members hired on or after August 29, 2003. This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- General service – 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary is limited for all members beginning in 2021. The limit will be equal to $225,533 in 2023 and will be indexed with inflation in later years.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or, if the pension program is terminated, the date on which termination becomes effective.

Death benefits – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability benefits – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit changes after retirement – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first $60,000 of annual benefit and $750 plus 0.15 percent on annual benefits above $60,000.

OPSRP Individual Account Program (OPSRP IAP) – ORS Chapter 238A

Pension benefits – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: The date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

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

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

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

Contributions –PERS' funding policy provides for periodic member and employer contributions at rates established by the board. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary.

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. In 2023, if the member earns more than $3,750 per month, 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

Employer contribution rates during the period were based on the December 31, 2021, actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivisions have made supplemental unfunded actuarial liability payments, and their rates have been reduced. Effective January 1, 2020, Senate Bill 1049 requires employers to pay contributions on re-employed PERS retirees' salaries as if they were active members, excluding IAP (6%) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement.

Employer contributions for the year ended June 30, 2024 were $48,198, excluding amounts to fund employer specific liabilities. The rates, presented as a percentage of covered payroll, for the College in effect for the fiscal year ended June 30, 2024, were:

	Chapter 238 Tier One and Tier Two	Chapter 238A - OPERS Pension Program (OPSRP-DB)
General service	2.58%	0.00%

Pension assets, liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2024, the College reported a liability of $7,529,246 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The College's proportion of the net pension liability was based on the College's projected long-term contribution effort as compared to the total projected long-term contribution effort of all employers. At June 30, 2024, the College's proportion was 0.038755901 percent, and was 0.04891171 percent at the prior year date of June 30, 2024.

Rates of every employer have at least two major components:

- *Normal cost rate* – The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in PERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.

- *UAL rate* – If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumptions. The UAL Rate is the upcoming year's fixed component of the cumulative amortization schedules, stated as a percent of payroll.

The employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For PERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses, and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

Looking at both rate components, the projected long-term contribution effort is the sum of the PVFNC and UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

For the year ended June 30, 2024, the College recognized pension income of $278,026. At June 30, 2024, the College reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 354,999	$ 28,784
Changes of assumptions	644,869	4,808
Net difference between projected and actual earnings on investments	130,478	-
Changes in proportion	417,300	2,251,350
Differences between College contributions and the College's proportionate share of system contributions	-	1,922,197
	1,547,646	4,207,139
College contributions subsequent to the measurement date	48,198	-
	$ 1,595,844	$ 4,207,139
Net deferred outflow (inflow) of resources		$ (2,611,295)

The $48,198 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the year ended June 30, 2025. Other amounts reported as deferred outflow of resource and deferred inflow of resource related to pensions will be recognized in pension expense in future years as follows:

		Deferred Outflow (Inflow) of Resources
Years Ending June 30,	2025	$ (1,037,823)
	2026	(1,253,075)
	2027	(10,509)
	2028	(220,649)
	2029	(137,438)
		$ (2,659,494)

A summary of the economic assumptions used for the December 31, 2021, actuarial valuation is shown below:

Actuarial Methods and Assumptions	Valuation Date: December 31, 2021 Measurement Date: June 30, 2023
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and setbacks as described in the valuation. **Active members:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and setbacks as described in the valuation. **Disabled retirees:** Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an on-going plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Experience studies are performed as of December 31st of even-numbered years. The methods and assumptions shown above are based on the 2020 experience study, which reviewed experience for the four-year period ended December 31, 2020.

Long-term expected rate of return – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Annual Arithmetic Return	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global equity	27.50%	8.57%	7.07%	17.99%
Private equity	25.50%	12.89%	8.83%	30.00%
Core fixed income	25.00%	4.59%	4.50%	4.22%
Real estate	12.25%	6.90%	5.83%	15.13%
Master limited partnerships	0.75%	9.41%	6.02%	27.04%
Infrastructure	1.50%	7.88%	6.51%	17.11%
Hedge fund of funds - multistrategy	1.25%	6.81%	6.27%	9.04%
Hedge fund equity - hedge	0.63%	7.39%	6.48%	12.04%
Hedge fund - macro	5.62%	5.44%	4.83%	7.49%
Assumed inflation – mean			2.35%	1.41%

Depletion Date Projection – GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the 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 for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.9 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.9 percent) or 1-percentage point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net pension liability	$ 11,990,908	$ 7,259,246	$ 3,299,347

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report that can be found at http://www.oregon.gov/pers.

Payables to the pension plan – The College reports payables in the amount of $81,976 to the pension plan.

Changes in Plan Provisions During the Measurement Period –There were no changes during the June 30, 2023 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date –There were no changes subsequent to the June 30, 2023 measurement period that require disclosure.

Pre-SLGRP pooled liability – The College reports a separate liability to the plan with a balance of $371,535 at June 30, 2024. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is assessed an employer contribution rate of 1.33% of covered payroll for the payment of this transition liability.

Note 11 – Postemployment Healthcare Plans

State Retiree Health Insurance Account (RHIA) – Oregon Public Employees Retirement System (PERS or the System) administers the Retirement Health Insurance Account (RHIA) cost-sharing, multiple-employer defined benefit Other Postemployment Benefit (OPEB) plan (Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan. Contributions are mandatory for each employer that is a member of PERS. As of June 30, 2023, there were 812 participating employers. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The reports and other related schedules including plan assumptions, methods and plan provisions may be found on the PERS website at https://www.oregon.gov/pers/EMP/Pages/GASB.aspx.

Plan Description (RHIA) – Oregon Revised Statute 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to $60 from RHIA towards the monthly cost of health insurance for eligible PERS members. The Plan was closed to new entrants hired on or after August 29, 2003.

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

The College collects insurance premiums from retirees each month. The College then pays healthcare insurance premiums for retirees at the appropriate rate for each family classification. The College had 5 inactive members and 135 active members in its plan on June 30, 2024, the date of its most recent actuarial valuation.

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

For the fiscal year ended June 30, 2023, state agencies contributed 0.05 and 0.11% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA and RHIPA benefits, respectfully. State agencies contributed 0.17 percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability of the RHIPA program over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

Actuarial methods and assumptions related to RHIA – Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown below are based on the 2020 Experience Study, which reviewed experience for the four-year period ended on December 31, 2020.

Key actuarial methods and assumptions used to measure the total OPEB liability are illustrated in the table below:

Actuarial Methods and Assumptions	Valuation Date: December 31, 2021 Measurement Date: June 30, 2023
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-back as described in the valuation. **Active members:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation.

Discount rate – The discount rate used to measure the total OPEB asset at June 30, 2024, is 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate on return of OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-term expected rate of return – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means; see PERS' audited financial statements at: oregon.gov/pers/Documents/Financials/ACFR/2023-Annual-Comprehensive-Financial-Report.PDF

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

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

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumption.

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

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

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

Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.05% of annual covered payroll for Tier I and Tier II employees and 0.00% for OPSRP employees. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2024, 2023, and 2022 were ($224), $1,855, and $1,128 which equaled the required contributions each year.

OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the College reported an asset of $317,519 for its proportionate share of the net OPEB asset – RHIA. The net OPEB asset – RHIA was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset – RHIA was determined by an actuarial valuation as of December 31, 2021. The College's proportion of the net OPEB asset – RHIA was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the College's proportion was 0.08671463%, which was an increase of 0.040844688% from the proportion measurement of 0.04586775% as of June 30, 2022.

At June 30, 2024, the College 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
Differences between expected and actual experience	$ -	$ 7,971
Changes of assumptions		3,424
Net difference between projected and actual earnings on investments	900	-
Changes in proportionate share	12,416	71,466
	13,316	82,861
College contributions subsequent to the measurement date	1,854	-
	$ 15,170	$ 82,861
Net deferred outflow (inflow) of resources		$ (67,691)

The deferred outflows of resources related to OPEB resulting from the College's contributions subsequent to the measurement date of $1,854 will be recognized as a reduction of the net OPEB asset – RHIA in the year ended June 30, 2025. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense in future years as follows:

		Deferred Outflow (Inflow) of Resources
Years Ended June 30,	2025	$ (57,054)
	2026	(28,433)
	2027	11,734
	2028	4,208
		$ (69,545)

Sensitivity of RHIA asset to changes in the discount rate – The discount rate used for the fiscal year ended June 30, 2024, is 6.9%. The impact of a 1% increase or decrease in these assumptions is shown in the chart below. The following table presents the College's proportionate share of the net OPEB asset of the RHIA OPEB asset calculated using the current discount rate as well as what the net OPEB liability/(asset) would be if calculated using one percentage point lower or one percentage higher than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net RHIA Liability (asset)	$ (288,626)	$ (317,519)	$ (342,310)

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Plan Provisions During the Measurement Period – There were no changes during the June 30, 2023 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date – We are not aware of any changes subsequent to the June 30, 2023 measurement date that meet this requirement and thus would require a brief description under the GASB standard.

Single Employer Retiree Health Insurance Premium Account (RHIPA)

Plan description – The College operates a single-employer retiree benefit plan that provides postemployment health, dental, vision, and prescription coverage benefits to eligible employees and their eligible dependents. This plan is not a stand-alone plan and therefore does not issue financial statements. The Plan has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

Funding policy – The College contributes premiums for eligible faculty and academic professional employees and their eligible dependents up to the employer paid maximum at the time of retirement (College Paid-Cap). The employer cap separates employees into three distinct categories: faculty, staff (which includes classified, professional, and administrative staff), and part-time employees. Faculty received an employer paid cap of $1,600 to $1,625, staff received $1,550, and part-time employees received between 50% and 75% of the individual insurance rate based on their FTE, for the year ended June 30, 2024. During the fiscal year ended June 30, 2024, 41 faculty, 111 staff, and 3 part-time employees received the college paid cap.

The College is required by Oregon Revised Statute 243.303 to provide retirees who qualify for retirement under Oregon PERS with group health and dental insurance from the date of retirement until eligible for Medicare coverage at the same rate provided to current employees. Retired employees who are eligible for the College Paid-Cap whose College paid benefits end prior to Medicare age may continue enrollment in the health plans on a self-pay basis until reaching Medicare eligibility. Retired employees who are not eligible for the College Paid-Cap may continue enrollment in the health plans on a self-pay basis until reaching Medicare eligibility.

Total OPEB liability – The College's total OPEB liability was measured as of June 30, 2023, and the total liability of $518,004 was determined by an actuarial valuation dated December 31, 2021. This actuarial valuation covered a measurement period of July 1, 2022 to June 30, 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Inflation

The following presents the total OPEB liability of the College, calculated using the disclosure discount rate as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total RHIPA Liability (asset)	$ 563,370	$ 518,004	$ 477,798

The following presents the total OPEB liability of the College, calculated using the disclosure health care cost trend rate as well as what the College's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower (2.50%) or 1 percentage point higher (4.50%) than the current health-care cost trend rate:

	1% Decrease *(2.50*%)	Health Care Cost Trend Rate (3.50%)	1% Increase (4.50%)
Total RHIPA Liability (asset)	$ 461,326	$ 518,004	$ 586,058

The medical trend assumptions are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. The model considers current trends in health care costs, and lont-term constraints on trend such as growth in per capita income. Inputs to the model are consistent with other assumptions used in the valuation.

Actuarial Assumptions

Economic Assumptions

Discount rate	3.54% for results as of the June 30, 2022 measurement date. 3.65% for results as of the June 30, 2023 measurement date. 3.93% for results as of the June 30, 2024 measurement date. These rates reflect the Bond Buyer 20-Year General Obligation Bond Index. Reporting dates follow measurement dates by one full year
Healthcare cost trend rate	The medical trend assumptions used in this valuation are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. Inputs to the model are consistent with other assumptions used in the valuation. The trend rates for 2023 and 2024 Include adjustments for known October 1, 2023 and October 1, 2024 premiums.

Medical:

Year	Pre-65 Trend
2023	3.50%
2024-2025	5.75
2026	5.50
2027	5.25
2028	5.00
2029-2030	4.75
2031	4.50
2032-2065	4.25
2066-2071	4.00
2072+	3.75

Dental and Vision: 1.75% for 2023, 2.50% for 2024, 4.00% per year until 2073, then 3.75% thereafter.

Health care cost trend affects both the projected health care costs as well as the projected health care premiums. Health trend prior to the valuation date uses the ultimate trend rates shown above.

General Inflation	2.40% per year, used to develop other economic assumptions
Annual Salary Increases	3.40% per year, based on general inflation and the likelihood of raises throughout participants' careers

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

OPEB expense – The following table shows the components affecting the College's OPEB expense for the fiscal year ended June 30, 2024:

BALANCE, June 30, 2023	$ 541,266
Service cost	58,505
Interest on total OPEB liability	20,510
Recognition of deferred (inflows) outflows of resources	
Effect of economic/demographic gains or losses	13,022
Effect of assumption changes or inputs	(74,140)
Benefit payments	(41,159)
Net changes	(23,262)
BALANCE, June 30, 2024	$ 518,004

Deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2024, the College recognized OPEB expense of $32,326. At June 30, 2024, the College 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
Changes of assumptions or inputs	$ 21,147	$ 117,019
Differences between expected and actual experience	11,414	126,352
Benefit payments	30,359	-
	$ 62,920	$ 243,371
Net deferred outflow (inflow) of resources		$ (180,451)

The College will recognize the $30,359 of contributions made subsequent to the measurement date in the next fiscal year. In addition, other amounts currently reported as deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

		Deferred Outflow (Inflow) of Resources
Years Ended June 30,	2025	$ (44,097)
	2026	(41,294)
	2027	(39,842)
	2028	(33,744)
	2029	(31,304)
	Thereafter	(20,529)
		$ (210,810)

Note 12 – Prior Period Adjustment

A prior period adjustment was made to record grant funds received but not yet earned because the funds had not yet been spent. The $2,497,370 error correction amounted to a restatement of net assets at June 30, 2023 from $14,433,667 to $11,936,297.

Note 13 – Commitments and Contingencies

The College is planning to construct a new Nursing and Allied Health Professions Center (NAHPC) on its Ontario campus at the cost of approximately $12.5 million. Sufficient funds have been secured through the Foundation via grants, donations, and other fundraising efforts. The final requirements to secure $3 million in federal funding are to be completed by January 9th 2025. A formal request for bids to construct the building has been published and the bids will be opened on January 7, 2025. The anticipated completion of the project is spring of 2026.

Incurred costs-to-date for the project have consisted of primarily Architectural, Legal, and Project Management costs. The only contract that has been awarded to date is for Architectural and Engineering fees in the amount of $775,184. As of June 30, 2024, the College had expensed $581,954 of this contract for a completion percentage of 75%.

During the 2022-23 fiscal year, the College secured the services of a regional accounting firm to assist in filing amended quarterly payroll tax reports to claim the Employee Retention Tax Credit (ERTC) for the first two quarters of 2021. An accounts receivable was recorded as of June 30, 2023 in the amount of $2,536,670. Subsequently, the funds were received for the first quarter amendment and the remaining accounts receivable amount of $1,217,642 remains on the statement of financial position as of June 30, 2024. Approximately a year ago, the IRS began scrutinizing these claims much more closely and it is unclear whether the remaining amount will be realized. There is also some possibility of having to repay all or part the amount that has already been received. Because the likelihood of this is unknown and the amounts involved are also not known, the receivable remains as of June 30, 2024.

The College receives significant financial assistance from various federal, state, and local governmental agencies. These funds are subject to audit and adjustment by these agencies, which may occur after the College's annual audit. Any disallowed costs, including amounts already collected, could become a liability of the general fund or other applicable funds. In the opinion of management, any such potential liability would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the College at June 30, 2024.

Note 14 – Risk Management

The College is exposed to various risks of loss related to torts, theft, damage, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The College is insured for the physical damage to property and carries commercial insurance for all risks of loss, including workers' compensation, and employee health and accident insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

Note 15 – Related Party

The Treasure Valley Community College Foundation (the Foundation) provides scholarships to students of the College based on the terms of donations received. For the year ended June 30, 2024, the Foundation provided scholarship support of $438,558 and general program support of $74,087. It also provided CTE building and equipment support of $157,500, and Nursing and Allied Health Professions Center building and equipment support of $945,206. During the year ended June 30, 2024, the College provided support to the Foundation to pay salaries and benefits for the executive director and administrative personnel of $101,525. The College donated $9,674 and $49,080 to the Foundation for supplies and in-kind contributions, including office space, respectively. The fair value of the office space is determined by averaging the fair rental rate for office buildings within the College's community. At June 30, 2024, the College had amounts due to the Foundation of $986,653.

Note 17 – Subsequent Events

The College has evaluated all events after year end through the date of the release of the financial statements and no significant items requiring disclosure were noted.

Note 18 – GASB Pronouncements

It is the District's policy to implement new GASB Pronouncements no later than the required effect date. Pronouncements applicable to the College are listed below:

GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement was issued May 2020 to enhance the relevance and consistency of information about governments' subscription activities. This Statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. GASB Statement No. 96 was effective for the College for the year ending June 30, 2023. Because the effect to the College's financial statements in the prior year was deemed to be immaterial, this statement was implemented during the year ending June 30, 2024. On implementation, the College recorded SBITA intangible assets of $362,589 and corresponding SBITA liabilities of $362,589.

GASB Statement No. 100, *Accounting Changes and Error Corrections,* was issued in June 2022. The statement enhanced financial reporting requirements for accounting changes and error corrections to provide more consistent and comparable information. This statement was effective for the College in the fiscal year ending June 30, 2024.

GASB Statement No. 101, *Compensated Absences,* was issued in June 2022. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 will be effective for the District for Fiscal Year ending June 30, 2025.

Note 19– Component Unit

Treasure Valley Community College Foundation Operations and Significant Accounting Policies – Treasure Valley Community College Foundation (the Foundation) was organized under the provisions of the Oregon Non-Profit Corporation Act of 1962.

The Foundation encourages, receives, and administers gifts and bequests for the support of the College. The Board of Directors recognizes its responsibility to manage all funds entrusted to the organization in a prudent manner, with the understanding that the primary purpose of these funds is to provide support for priority projects at the College. This includes scholarships, grants in aid, tuition waivers, educational facilities, and equipment. The Foundation awards scholarships only to qualifying students attending the College who have a properly completed application for admission and whose financial aid has been obtained and processed by the College financial aid office.

All accepted and funded applicants must meet specific grade point average standards and any other stipulations established by the respective donor. Any other aid given directly to the College students is subject to approval by the college scholarship committee, the Foundation's Executive Director, and the Foundation's Board of Directors.

The Board also recognizes a responsibility to allocate resources, striking a reasonable balance between the organization's current cash flow requirements and the equally compelling educational needs of future generations. The Foundation's policies are intended to assure the optimum investment opportunity for all of the money received, whether funds are to be expended within a day or two or endowed in perpetuity.

The Foundation's financial statements are prepared in accordance with standards set by the Financial Accounting Standards Board (FASB). FASB standards require two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions, instead of reporting by fund as is done under GASB standards. Other differences include criteria for recognizing in-kind donations and the presentation of information.

Investments – Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality risk or liquidity profile of the asset.

A significant amount of the Foundation's investment assets are classified within Level 1 because they are comprised of investment securities with readily determinable fair values based on daily redemption values. The fixed income securities are valued by the custodians of the securities using pricing models based upon credit quality, time to maturity, stated interest rates, and market rate assumptions, and are classified within Level 2.

The assets that are measured at fair value on a recurring basis as of June 30, 2024, are as follows:

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investment securities				
Fixed income	$ -	$ 1,121,507	$ -	$ 1,121,507
Mutual funds				
Fixed income mutual funds	1,062,104	-	-	1,062,104
Cash mutual funds	50,485	-	-	50,485
Equities				
Large Cap Growth	1,605,325	-	-	1,605,325
Large Cap Value	801,028	-	-	801,028
Small/Mid Cap Growth	271,115	-	-	271,115
Small/Mid Cap Value	657,090	-	-	657,090
International Equity	752,730	-	-	752,730
Equities Blend	131,570	-	-	131,570
Exchange traded funds				
Fixed income exchange traded funds	1,805,493	-	-	1,805,493
Cash exchange traded funds	92,354	-	-	92,354
Other exchange traded funds	25,313	-	-	25,313
Equity exchange traded funds	3,264,705	-	-	3,264,705
Total assets at fair value	$ 10,519,312	$ 1,121,507	$ -	$ 11,640,819

Donated materials and services – Donated materials and services for the year ended June 30, 2024, were:

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 16,432	$ 23,041	$ 23,041	$ 62,514
Employee benefits	10,591	14,210	14,210	39,011
Materials and supplies	4,826	2,424	2,424	9,674
In-kind contributions	16,360	16,360	16,360	49,080
	$ 48,209	$ 56,035	$ 56,035	$ 160,279

All donated materials and services were provided by the College.

Endowment – The Foundation’s endowment consists of over 125 individual funds established for a variety of purposes. The endowment consists of funds with donor restrictions and two funds without donor restrictions that have been designated for the endowment by the Board of Directors. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Oregon Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor- restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gifts donated to the endowment, and (b) any accumulations to the endowment made in accordance with direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditures in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund or endowment
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

The endowment funds net asset composition at June 30, 2024, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	$ 1,527,770	$ 10,226,611	$ 11,754,381

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and scholarships supported by its endowment while seeking to maintain the fair value of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to provide both a reasonably predictable income stream and principal appreciation that exceeds inflation. The Foundation expects its endowment funds, over time, to provide an average minimum rate of return equal to or greater than the Foundation’s spending rate percentage and management fee.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within the prudent risk constraints.

The Foundation has a policy of appropriating for annual distribution 4% of its endowment fund's average fair value over the individual endowment's average daily principal balance outstanding during the fiscal year. While the Foundation intends to maintain this 4% distribution, the annual distribution is contingent on projected revenues from investments meeting the 4% threshold for disbursement. If anticipated revenues do not meet the 4% distribution limit, the scholarships awarded for the following year are decreased to ensure corpus balances are maintained. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at the rate of inflation. This is consistent with objectives to maintain the principal of the endowment assets in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets			
Beginning of year, July 1, 2023	$ 1,207,341	$ 8,776,251	$ 9,983,592
Investment return			
Investment income, net	49,568	302,884	352,452
Net realized and unrealized appreciation	124,873	859,024	983,897
Contributions	332,445	837,137	1,169,582
Other changes			
Fundraising and other income	83,275	-	83,275
Appropriation of endowment assets for expenditures	(269,732)	(548,685)	(818,417)
Endowment assets			
End of year, June 30, 2024	$ 1,527,770	$ 10,226,611	$ 11,754,381

The Foundation has $3,364,825 in financial assets as of the balance sheet date, reduced by amounts not available for general use within one year because of donor-imposed restrictions or internal designations. Amounts available include the Board-approved appropriations from the endowment fund for the following year as well as donor-restricted amounts that are available for general expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board of Directors approves that action.

Cash	$ 2,092,632
Investments	11,640,819
Accrued interest receivable	7,270
Pledges receivable	736,137
Amount due from college	986,653
Total financial assets	15,463,511
Less donor-restricted amounts not available	
Endowment funds restricted in perputuity	(7,549,915)
Endowment funds restricted for scholarships and program activities	(2,676,696)
Add back amounts available for expenditures in one year	808,391
Non-Endowment funds restricted for scholarships and program activities	(2,680,466)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,364,825

Promises to give receivable represents unconditional promises to give to the Foundation that are legally enforceable. An allowance for doubtful accounts has not been estimated for potentially uncollectible pledges because it is not anticipated to be an amount that would be material to the financial statements as a whole.

Contributions expected to be collected within:

Less than one year	$ 591,831
One to five years	148,633
More than 5 years	30,000
	770,464
Less discount for present value	(34,327)
Net unconditional promises to give	$ 736,137

TREASURE VALLEY
COMMUNITY COLLEGE

Required Supplementary Information

Treasure Valley Community College
Schedule of Employer's Share of Net RHIA OPEB Liability (Asset)
June 30, 2024

Schedule of Employer's Share of Net RHIA OPEB Liability (Asset)
Last Ten Fiscal Years*

As of the Measurement Date June 30,	(a) College's Proportion of the Net OPEB Liability (Asset)	(b) College's Proportionate Share of the Net OPEB Liability (Asset)	(c) College's Employee Covered Payroll	(b) / (c) College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2023	0.08671463%	$ (317,519)	$ 8,390,154	-3.78%	201.60%
2022	0.04586775%	$ (162,984)	$ 8,160,427	-2.00%	194.60%
2021	0.07032060%	$ (241,481)	$ 9,736,684	-2.48%	183.90%
2020	0.06595909%	$ (134,398)	$ 10,179,311	-1.32%	150.10%
2019	0.07723731%	$ (149,250)	$ 10,462,730	-1.43%	144.40%
2018	0.07723731%	$ (88,688)	$ 10,541,986	-0.84%	82.07%
2017	0.08464059%	$ (35,324)	$ 10,687,660	-0.33%	108.90%

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

Treasure Valley Community College
Schedule of Employer Contributions – RHIA OPEB
June 30, 2024

For Fiscal Years Ended June 30,	(a) Statutorily Required Contribution	Contributions Related to the Statutorily Required Contribution	(a) - (b) Contribution Deficiency (Excess)	(c) College's Covered Payroll	(b) / (c) Contributions as a Percent of Covered Payroll
2024	$ 1,855	$ 1,855	$ -	$ 8,718,407	0.02%
2023	1,128	1,128	-	8,390,154	0.01%
2022	2,084	2,084	-	8,160,427	0.03%
2021	4,195	4,195	-	9,736,684	0.04%
2020	38,322	38,322	-	10,179,311	0.38%
2019	25,595	25,595	-	10,462,730	0.24%
2018	38,470	38,470	-	10,541,986	0.36%

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

Treasure Valley Community College
Schedule of Changes in Total RHIPA OPEB Liability and Related Ratios
Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total RHIPA OPEB liability							
Service cost	$ 58,505	$ 67,082	$ 85,753	$ 74,725	$ 59,850	$ 59,047	$ 61,573
Interest on total OPEB liability	20,510	12,871	16,499	22,671	24,974	21,751	16,817
Effect of economic/demographic gains or losses	13,022	-	(173,032)	-	(56,491)	-	-
Effect of assumptions changes or inputs	(74,140)	(51,497)	(14,762)	42,839	(1,826)	(13,222)	(31,976)
Benefit payments	(41,159)	(31,815)	(60,978)	(43,822)	(34,188)	(27,148)	(25,696)
Net changes in total RHIPA OPEB liability	(23,262)	(3,359)	(146,520)	96,413	(7,681)	40,428	20,718
Total RHIPA OPEB liability – beginning	541,266	544,625	691,145	594,732	602,413	561,985	541,267
Total RHIPA OPEB liability – ending	$ 518,004	$ 541,266	$ 544,625	$ 691,145	$ 594,732	$ 602,413	$ 561,985
Covered employee payroll	$ 8,718,407	$ 8,390,154	$ 8,160,427	$ 9,736,684	$ 10,179,311	$ 10,462,730	$ 10,541,986
Total RHIPA OPEB liability as a percentage of covered employee payroll	5.94%	6.45%	6.67%	7.10%	5.84%	5.76%	5.33%
Discount rate	3.65%	3.54%	2.16%	2.21%	3.50%	3.58%	7.50%

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

Treasure Valley Community College
Schedule of Employer's Share of Net Pension Liability (Asset)
June 30, 2024

As of the Measurement Date June 30,	(a) College's Proportion of the Net Pension Liability (Asset)	(b) College's Proportionate Share of the Net Pension Liability (Asset)	(c) College's Covered Payroll	(b) / (c) College's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.038756%	$ 7,259,246	$ 8,390,154	86.52%	81.70%
2022	0.048912%	7,489,364	8,160,427	91.78%	84.50%
2021	0.045870%	5,489,078	9,736,684	56.38%	87.60%
2020	0.058381%	12,740,768	10,179,311	125.16%	75.80%
2019	0.055755%	9,644,354	10,472,730	92.09%	80.20%
2018	0.067303%	10,245,094	10,541,986	97.18%	82.10%
2017	0.073026%	9,843,936	10,687,660	92.11%	83.10%
2016	0.070116%	10,526,017	9,090,288	115.79%	80.50%
2015	0.060478%	3,472,304	9,643,827	36.01%	91.90%
2014	0.056709%	(1,285,441)	9,603,844	-13.38%	103.60%

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

Treasure Valley Community College
Schedule of Employer Contributions – Pensions
June 30, 2024

For Fiscal Years Ended June 30,	(a) Statutorily Required Contribution	(b) Contributions Related to the Statutorily Required Contribution	(a) - (b) Contribution Deficiency (Excess)	(c) College's Covered Payroll	(b) / (c) Contributions as a Percent of Covered Payroll
2024	$ 48,198	$ 48,198	$ -	$ 8,718,407	0.6%
2023	438,751	438,751	-	8,390,154	5.2%
2022	393,766	393,766	-	8,160,427	4.8%
2021	648,993	648,993	-	9,736,684	6.7%
2020	619,196	619,196	-	10,179,311	6.1%
2019	577,489	577,489	-	10,462,730	5.5%
2018	575,406	575,406	-	10,541,986	5.5%
2017	398,056	398,056	-	10,687,660	3.7%
2016	403,935	403,935	-	9,090,288	4.4%
2015	504,541	504,541	-	9,643,827	5.2%

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

A. Net Pension Liability (Asset)

Changes in Benefit Terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions of future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contributions rates scheduled to be in effect from July 2013 to June 2014 to be reduced. The Oregon Supreme Court decision inf Moro v. State of Oregon, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning 2021, annual salary in excess of $197,730 (as indexed in future years) will be excluded when determining member benefits. As a result, Tier 1/Tier 2 and OPSRP benefits for certain active members are not projected to be lower than prior to the legislation and was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

A legislative change that occurred after the December 31, 2019 actuarial valuation date affected the plan provisions reflected for June 30, 2021 financial reporting liability calculations. Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age. For GASB 68, the benefits valued in the Total Pension Liability are required to be in accordance with the benefit terms legally in effect as of the relevant fiscal year-end for the plan. As a result, Senate Bill 111 was reflected in the June 30, 2021 Total Pension Liability. While Senate Bill 111 also made changes to certain aspects of the System’s funding and administration, the change in the death benefit provision is the only change that affects the measured Total Pension Liability. As a result, the death benefit provision is the only difference between June 30, 2020 and June 30, 2021 in the plan provisions basis used to determine the Total Pension Liability as of those two respective measurement dates.

Changes of Assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the health mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increased, unused sick leave, and vacation pay. The PERS Board selected a lower long-term expected rate of investment return assumption of 6.9% (reduced from 7.2 percent) on July 23, 2021 to be used in the December 31, 2020 and December 31, 2021 actuarial valuations for funding purposes. At the same time, the PERS Board reduced the inflation and payroll growth assumptions to 2.4 percent and 3.4 percent respectively. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

B. Other Post-Employment Benefits

Changes in Benefit Terms

There were no significant changes in benefit terms for Other Post-Employment Benefits.

Changes of Assumptions

There were no significant changes in assumptions for the RHIA Other Post-Employment Benefits except for the PERS changes described above. The RHIA OPEB valuation is tied to the PERS system, contributions, and assumptions.

The assumptions regarding future healthcare premium increases were revised in the June 30, 2019 valuation for the Early Retirement Plan OPEB liability calculation due to changes in law and a decrease in the medical trend. In addition, there were changes to the health care claims costs assumptions from the prior year. The District uses the Bond Buyer 20 Year General Obligation Bond Index for the discount rate. The discount rate in effect for the June 30, 2023 and June 30, 2024 reporting dates is 3.65 percent, which increased from 2.16 percent from 2021 and 2022.

Supplementary Information

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 3,926,022	$ 3,926,022	$ 3,938,914	$ 12,892
State sources	9,547,053	9,547,053	10,214,375	667,322
Tuition and fees	5,299,055	5,299,055	5,597,677	298,622
Total revenues	18,772,130	18,772,130	19,750,966	978,836
Expenditures				
Instruction	6,861,594	6,861,594	6,327,074	534,520
Instruction support	1,106,257	1,106,257	1,085,572	20,685
Student services	2,871,925	2,871,925	2,863,977	7,948
College support services	5,638,744	5,638,744	5,809,894	(171,150) *
Plant operation and maintenance	2,034,131	2,034,131	1,997,501	36,630
Plant additions	60,000	60,000	59,715	285
Financial aid	1,158,411	1,158,411	1,136,057	22,354
Operating contingency	950,000	950,000	-	950,000
Total expenditures	20,681,062	20,681,062	19,279,790	1,401,272
Excess of revenues over (under) expenditures	(1,908,932)	(1,908,932)	471,176	2,380,108
Other financing sources (uses)				
Other sources subscriptions			353,274	353,274
Transfers in	25,000	25,000	-	(25,000)
Transfers out	(566,068)	(566,068)	(566,068)	-
Total other financing sources (uses)	(541,068)	(541,068)	(212,794)	328,274
Excess of revenues, other Financing sources over (under) expenditures, other Financing (uses)	(2,450,000)	(2,450,000)	258,382	2,708,382
Available fund balance, July 1	2,750,000	2,750,000	2,862,777	112,777
Available fund balance, June 30	$ 300,000	$ 300,000	$ 3,121,159	$ 2,821,159

* Budget overage is exempt from Oregon budget law.

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Special Projects Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,423,000	$ 1,423,000	$ 716,433	$ (706,567)
Tuition and fees	2,755,110	2,755,110	2,700,957	(54,153)
State sources	4,890,537	4,890,537	4,889,851	(686)
Federal sources	5,186,125	5,186,125	1,951,656	(3,234,469)
Total revenues	14,254,772	14,254,772	10,258,897	(3,995,875)
Expenditures				
Instruction	9,000,000	9,000,000	6,695,950	2,304,050
Supporting services	5,300,000	5,300,000	1,446,718	3,853,282
Total expenditures	14,300,000	14,300,000	8,142,668	6,157,332
Excess of revenues over (under) expenditures	(45,228)	(45,228)	2,116,229	2,161,457
Other financing sources (uses)				
Transfers in	500,000	500,000	9,616	(490,384)
Transfers out	(500,000)	(500,000)	(9,616)	490,384
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources, over (under) expenditures	(45,228)	(45,228)	2,116,229	2,161,457
Available fund balance, July 1 as previously reported	796,928	796,928	8,216,581	7,419,653
Prior Period Adjustment for grant revenues received but not earned			(2,497,379)	(2,497,379)
Adjusted fund balance, July 1	796,928	796,928	5,719,202	4,922,274
Available fund balance, June 30	$ 751,700	$ 751,700	$ 7,835,431	$ 7,083,731

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Debt Service Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,371,145	$ 1,371,145	$ 1,363,495	$ (7,650)
Total revenues	1,371,145	1,371,145	1,363,495	(7,650)
Expenditures				
Debt service	1,995,213	1,995,213	1,987,563	7,650
Total expenditures	1,995,213	1,995,213	1,987,563	7,650
Excess of revenues over (under) expenditures	(624,068)	(624,068)	(624,068)	-
Other financing sources (uses)				
Transfer from other funds	624,068	624,068	624,068	-
Total other financing sources (uses)	624,068	624,068	624,068	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	-	-
Available fund balance, July 1	-	-	-	-
Available fund balance, June 30	$ -	$ -	$ -	$ -

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Capital Projects Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 4,000,000	$ 4,000,000	$ 1,211,631	$ (2,788,369)
State sources	4,950,000	4,950,000	240,636	(4,709,364)
Federal sources	3,000,000	3,000,000	-	(3,000,000)
Total revenues	11,950,000	11,950,000	1,452,267	(10,497,733)
Expenditures				
Facilities acquisition and construction	12,100,000	12,100,000	449,431	11,650,569
Total expenditures	12,100,000	12,100,000	449,431	11,650,569
Excess of revenues over (under) expenditures	(150,000)	(150,000)	1,002,836	1,152,836
Other financing sources (uses)				
Transfers from other funds	200,000	200,000	-	(200,000)
Transfers to other Funds	(200,000)	(200,000)	-	200,000
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	(150,000)	(150,000)	1,002,836	1,152,836
Available fund balance, July 1	150,000	150,000	90,830	(59,170)
Available fund balance, June 30	$ -	$ -	$ 1,093,666	$ 1,093,666

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Reserve Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,075,500	$ 1,075,500	$ 1,686,240	$ 610,740
Tuition and fees	150,000	150,000	83,915	(66,085)
Total revenues	1,225,500	1,225,500	1,770,155	544,655
Expenditures				
Support services	1,399,000	1,399,000	165,414	1,233,586
Facilities acquisition and construction	1,234,000	1,234,000	60,661	1,173,339
Total expenditures	2,633,000	2,633,000	226,075	2,406,925
Excess of revenues over (under) expenditures	(1,407,500)	(1,407,500)	1,544,080	(1,862,270)
Other financing sources (uses)				
Transfers from other funds	1,070,000	1,070,000	290,000	(780,000)
Transfers to other Funds	(700,000)	(700,000)	-	700,000
Total other financing sources (uses)	370,000	370,000	290,000	(80,000)
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	(1,037,500)	(1,037,500)	1,834,080	2,871,580
Available fund balance, July 1	3,231,500	3,231,500	5,420,233	2,188,733
Available fund balance, June 30	$ 2,194,000	$ 2,194,000	$ 7,254,313	$ 5,060,313

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Agency Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 356,350	$ 356,350	$ 281,207	$ (75,143)
Tuition and fees	371,000	371,000	399,791	28,791
Total revenues	727,350	727,350	680,998	(46,352)
Expenditures				
Instruction	280,000	280,000	79,033	200,967
Support Services	1,073,975	1,073,975	633,249	440,726
Total expenditures	1,353,975	1,353,975	712,282	641,693
Excess of revenues over (under) expenditures	(626,625)	(626,625)	(31,284)	595,341
Other financing sources (uses)				
Transfers from other funds	27,000	27,000	20,224	(6,776)
Transfers to other Funds	(27,000)	(27,000)	(20,224)	6,776
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	(626,625)	(626,625)	(31,284)	595,341
Available fund balance, July 1	744,929	744,929	771,023	26,094
Available fund balance, June 30	$ 118,304	$ 118,304	$ 739,739	$ 621,435

See auditor's report

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Student Financial Aid Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 20,000	$ 20,000	$ 55,046	$ 35,046
State sources	800,000	800,000	596,231	(203,769)
Federal sources	8,500,000	8,500,000	5,013,418	(3,486,582)
Total revenues	9,320,000	9,320,000	5,664,695	(3,655,305)
Expenditures				
Supporting services	9,320,000	9,320,000	5,666,514	3,653,486
Total expenditures	9,320,000	9,320,000	5,666,514	3,653,486
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	(1,819)	(1,819)
Available fund balance, July 1	-	-	1,819	1,819
Available fund balance, June 30	$ -	$ -	$ -	$ -

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Auxiliary Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating revenues				
Sales	$ 2,025,000	$ 2,025,000	$ 1,865,413	$ (159,587)
Tuition and fees	1,745,000	1,745,000	564,638	(1,180,362)
Total operating revenues	3,770,000	3,770,000	2,430,051	(1,339,949)
Operating expenses				
Instruction	1,832,500	1,832,500	1,606,606	225,894
Enterprise services	1,982,600	1,982,600	548,940	1,433,660
Total operating expenses	3,815,100	3,815,100	2,155,546	1,659,554
Operating Income	(45,100)	(45,100)	274,505	319,605
Other financing sources (uses)				
Transfer from other funds	200,000	200,000	-	(200,000)
Transfer to other funds	(548,000)	(548,000)	(348,000)	200,000
Total other financing sources (uses)	(348,000)	(348,000)	(348,000)	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	(393,100)	(393,100)	(73,495)	319,605
Available fund balance, July 1	4,030,000	4,030,000	4,164,079	134,079
Available fund balance, June 30	$ 3,636,900	$ 3,636,900	$ 4,090,584	$ 453,684

Treasure Valley Community College
Combining Balance Sheet – Proprietary Fund Types – Auxiliary
June 30, 2024

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2024
ASSETS							
Cash	$ 500	$ -	$ 250	$ -	$ -	$ 600	$ 1,350
Interfund receivable	3,792	65,872	258,791	223,458	190,690	-	742,603
Prepaid assets	-	-	-	-	-	1,694	1,694
Receivables	5,227	-	-	-	-	-	5,227
Inventory	242,518	-	-	-	-	-	242,518
Capital assets (net of accumulated depreciation)	32,399	17,651	3,437,301	13,822	-	77,020	3,578,193
	$ 284,436	$ 83,523	$ 3,696,342	$ 237,280	$ 190,690	$ 79,314	$ 4,571,585
LIABILITIES AND NET POSITION							
Liabilities							
Accrued payroll	$ -	$ -	$ -	$ -	$ -	$ 23,009	$ 23,009
Deposits payable	-	-	63,162	-	-	-	63,162
Interfund payable	-	-	-	-	-	394,830	394,830
Total liabilities	-	-	63,162	-	-	417,839	481,001
Net position							
Unrestricted	284,436	83,523	3,633,180	237,280	190,690	(338,525)	4,090,584
Total net position	284,436	83,523	3,633,180	237,280	190,690	(338,525)	4,090,584
	$ 284,436	$ 83,523	$ 3,696,342	$ 237,280	$ 190,690	$ 79,314	$ 4,571,585

See auditor's report.

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2024

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2024
OPERATING REVENUES							
Sale of textbooks and school supplies	$ 579,351	$ -	$ -	$ -	$ -	$ -	$ 579,351
Food and catering sales	-	536,496	-	-	-	-	536,496
Housing income	-	-	572,292	-	-	-	572,292
Printing income	-	-	-	122,826	-	-	122,826
Transportation Income	-	-	-	-	54,448	-	54,448
Tuition and fees	-	-	-	-	-	564,638	564,638
Total operating revenues	579,351	536,496	572,292	122,826	54,448	564,638	2,430,051
OPERATING EXPENSES							
Salaries and benefits	169,265	1,750	90,277	25,128	-	457,389	743,809
Cost of goods sold	428,398	-	-	-	-	-	428,398
Travel and mileage	2,028	-	3,935	-	-	7,438	13,401
Materials and supplies	-	4,049	18,671	13,433	-	2,645	38,798
Rent	-	2,148	-	-	-	2	2,150
Outside services	16,322	576,848	26,313	499	-	40,967	660,949
Repairs and maintenance	-	-	10,614	-	2,042	452	13,108
Printing	9,367	241	548	-	-	2,117	12,273
Other expense	508	-	30,326	-	-	755	31,589
Depreciation	2,108	2,641	165,288	3,272	-	36,667	209,976
Utilities	-	-	587	-	-	508	1,095
Total operating expenses	627,996	587,677	346,559	42,332	2,042	548,940	2,155,546
OPERATING INCOME	(48,645)	(51,181)	225,733	80,494	52,406	15,698	274,505

See auditor's report.

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2024

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2024
Other financing sources (uses)							
Transfer to other funds	-	-	(348,000)	-	-	-	(348,000)
Total other financing sources (uses)	-	-	(348,000)	-	-	-	(348,000)
Change in net position	(48,645)	(51,181)	(122,267)	80,494	52,406	15,698	(73,495)
NET POSITION, beginning of year	333,081	134,704	3,755,447	156,786	138,284	(354,223)	4,164,079
NET POSITION, end of year	$ 284,436	$ 83,523	$ 3,633,180	$ 237,280	$ 190,690	$ (338,525)	$ 4,090,584

See auditor's report.

Treasure Valley Community College
Statement of Property Tax Transactions
Year Ended June 30, 2024

Tax Year Special Levy All Counties	Uncollected Taxes June 30, 2023	2023-2024 Assessment	(Abatement) and Adjustments	Rebates Allowed	Interest	Taxes Collected	Total Amount Collected	Uncollected Taxes June 30, 2024
2023-2024		3,262,484	11,445	80,884	1,022	3,098,779	3,099,801	71,376
2022-2023	69,333	-	491	(1)	2,546	35,584	38,130	33,259
2021-2022	28,548	-	24	(0)	2,347	13,917	16,264	14,607
2020-2021	17,029	-	21	-	3,015	11,293	14,309	5,715
2019-2020	4,171	-	28	-	1,077	3,449	4,526	693
2018-2019	404	-	41	-	54	137	190	226
2017-2018	102	-	21	-	39	81	119	0
Prior years	160	-	3	-	72	98	170	59
Total	119,748	3,262,484	12,075	80,883	10,172	3,163,339	3,173,511	125,935

See auditor’s report.

Treasure Valley Community College
Statement of Assets, Liabilities, and Fund Balance – General Fund
June 30, 2024

General Fund Balance Sheet	
ASSETS	
Cash and cash equivalents	$ 21,444,470
Accounts receivable, net	963,165
Property taxes receivable	125,935
Prepaid assets	350
Total assets	$ 22,533,920
LIABILITIES	
Accounts payable	$ 612,438
Payroll liabilities	717,651
Due to other funds	17,096,019
Due to TVCC Foundation	986,653
Total liabilities	19,412,761
FUND BALANCE	3,121,159
	$ 22,533,920

See auditor's report.

Statistical Information

Treasure Valley Community College
Historical Property Values and General Obligation Legal Debt Capacity
Year Ended June 30, 2024

Fiscal Year	Measure 5 Real Market Value	Total Assessed Value	% AV Growth
2024	$ 4,493,108,000	$ 2,724,370,000	5.11%
2023	3,827,780,000	2,591,996,000	4.08%
2022	3,260,096,435	2,490,407,965	5.60%
2021	2,965,819,495	2,358,369,638	4.25%
2020	2,767,230,255	2,262,141,576	2.78%
2019	2,605,439,627	2,201,060,119	2.09%
2018	2,587,475,727	2,155,920,246	9.94%
2017	2,303,823,037	1,961,033,816	10.15%
2016	2,030,563,331	1,780,364,713	2.75%
2015	1,999,474,573	1,732,664,506	2.90%
2014	1,934,924,557	1,683,880,925	-2.25%
2013	1,996,579,975	1,722,597,592	6.71%
2012	1,915,006,675	1,614,261,739	1.95%
2011	2,032,940,238	1,583,378,391	3.72%
2010	2,065,610,076	1,526,586,029	3.57%
2009	2,001,937,822	1,473,990,650	5.02%
2008	1,838,225,220	1,403,564,969	3.48%
2007	1,671,097,840	1,356,378,265	2.08%
2006	1,547,887,690	1,328,764,895	4.22%
2005	1,506,054,290	1,274,997,655	3.09%
2004	1,450,814,560	1,236,815,526	2.41%
2003	1,421,109,120	1,207,731,074	1.84%
2002	1,448,793,430	1,185,961,331	7.03%
2001	1,397,851,930	1,108,062,481	-

Source: Oregon Department of Revenue, Research Section

General Obligation Legal Debt Capacity

Real market value (Fiscal Year 2024)	$ 4,493,108,000
G.O. bond debt capacity	67,396,620
Less: outstanding debt subject to limit	-
Remaining general obligation debt capacity	$ 67,396,620
Percent of debt capacity issued	0%

Treasure Valley Community College
District Major Taxpayers
Year Ended June 30, 2024

Taxpayer	Business/Service	Tax [1]	Assessed Value [2]	Percent of Value
Idaho Power Co	Utilities	$ 2,112,706	$ 184,718,965	6.14%
Simplot US Foods Group	Food processing	1,966,966	133,714,324	4.44%
ORMAT Technologies Inc	Renewable energy	1,323,944	135,599,996	4.51%
Cypress Creek Renewables	Renewable energy	721,166	60,647,000	2.02%
Fry Foods	Food processing	355,050	32,808,297	1.09%
PacifiCorp (PP&L)	Utilities	299,973	28,604,849	0.95%
Union Pacific Railroad Co.	Freight/transportation	269,088	18,086,010	0.60%
Treasure Valley Grain LLC	Agriculture	240,128	14,648,429	0.49%
Cable One Inc	Telecommunications	229,752	15,749,991	0.52%
Wal-Mart Rest Est Business Trs	Real estate	210,801	13,789,284	0.46%
Subtotal - Ten of District's largest taxpayers			638,367,145	21.21%
All other District's taxpayers			2,371,297,603	78.79%
Total district			$ 3,009,664,748	100.00%

(1) Tax amount is the total tax paid by the taxpayer within the boundaries of Malheur County. This amount is distributed to individual local governments by Malheur County. A breakdown of amounts paid to each individual local government is not available.

(2) Assessed value does not exclude offsets such as urban renewal and farm tax credits.

TREASURE VALLEY
COMMUNITY COLLEGE

Oregon Administration Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

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Independent Auditor's Report
Required by Oregon State Regulations

To the Governing Body of Treasure Valley
Community College District:

We have audited the basic financial statements of Treasure Valley Community College District as of and for the year ended June 30, 2024 and have issued our report thereon dated January 20, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Treasure Valley Community College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe Treasure Valley Community College District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

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

We noted certain matters that we reported to management in a separate letter dated January 20, 2025.

This report is intended solely for the information and use of the Board of Education, management of Treasure Valley Community College and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Dickey and Tremper, LLP

Dickey and Tremper, LLP

January 20, 2025

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

January 20, 2025

Board of Education
Treasure Valley Community College District
Pendleton, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Treasure Valley Community College District and it's discretely presented component unit, Treasure Valley Community College Foundation, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Treasure Valley Community College District's basic financial statements and have issued our report thereon dated January 20, 2025.

Report on Internal Control over Financial Reporting

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

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

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 were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Treasure Valley Community College's Response to Findings

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

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dickey and Tremper, LLP

Dickey and Tremper, LLP
Certified Public Accountants
Pendleton, Oregon

January 20, 2025

TREASURE VALLEY
COMMUNITY COLLEGE

Single Audit Section

Treasure Valley Community College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number*	Passed Through to Subrecipients	Expenditures
U.S. Department of Education				
Direct Programs				
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063		$ -	$ 2,695,564
Federal Supplemental Educational Opportunity Grant Program	84.007		-	93,222
Federal Work Study Program	84.033		-	70,095
Federal Direct Student Loans	84.268		-	2,154,937
Total Student Financial Assistance Cluster				5,013,818
Migrant Education – Basic Grant				
Migrant Education – High School Equivalency Program (HEP)	84.141A		-	385,029
Migrant Education – College Assistant Migrant Program (CAMP	84.149A		-	439,663
Total Migrant Education – Basic Grant			-	824,692
Total Direct Programs			-	5,838,510
Passed through Oregon State Dept. of Education:				
Migrant Education State Grant Program				
TVCC Leadership Institute	84.011	35821	-	203,176
Career and Technical Education - Basic Grant to States	84.048A	76393	-	137,903
Total Passed through Oregon State Dept. of Education			-	341,079
Passed through Oregon Higher Ed Coordinating Commission:				
Adult Education – Basic Grants to States	84.002	22-1230	-	288,384
WIOA Title II Adult Education and Family Literacy Grant (IELCE)	84.002A	22-1230	-	90,652
Total Passed through Oregon Higher Ed Coordinting Commission			-	379,036
Education Stabilization Fund:				
Passed through Eastern Oregon University:				
COVID-19 Governors Emergency Educatin Relief (GEER) Fund	84.425C	21-203	-	220,375
Passed through Oregon Higher Ed Coordinating Commission:				
COVID-19 Workforce Ready Round II: Innovation in Workforce Progra	84.425L	22-072W-G		45,943
Total Education Stabilization Fund			-	266,318
Total U.S. Department of Education			-	6,824,943
U.S. Small Business Administration				
Passed through Oregon Small Business Dev Center Network				
Small Business Development Centers	59.037	SBAQ-20-C-0074	-	35,000
Small Business Development Centers	59.037	SBA-2024-158	-	2,813
Small Business Development Centers	59.037	SBAQ-20-C-0074	-	11,137
Total U.S. Small Business Administration				48,950
U.S. Department of the Treasury				
Passed through Oregon Department of Education				
COVID-19 Coronavirus State Fiscal Recovery Fund	21.027	33417	-	46,525
Total U.S. Department of the Treasury			-	46,525
U.S. Department of Health and Human Services				
Passed through Oregon Department of Human Services				
ODHS Social Sciences Grant	93.778	177076	-	8,502
Total U.S. Department of Health and Human Services			-	8,502
U.S. Department of Agriculture				
Passed through Regents of the University of Idaho				
Agriculture and Food Research Initiative	10.310	AS5339-691611	-	4,525
Total U.S. Department of Agriculture			-	4,525
Total Federal Financial Assistance			$ -	$ 6,933,445

*All awards are direct from the named federal agency unless indicated by a pass-through entity identifying number in this column.

See accompanying notes to this schedule.

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Treasure Valley Community College (the College) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows for the College. The College received federal awards both directly from federal agencies and indirectly through pass-through entities.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are recognized on the accrual basis of accounting. Such expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Direct loans (CFDA No. 84.268) are loans held by the Federal Government and are not included in loans receivable for the College. Direct loans disbursed during the year are included in the federal expenditures presented in the Schedule.

Note 3 – Indirect Cost Rate

The College has elected not to use the 10% de minimis cost rate allowed under the Uniform Guidance.

Note 4 – Subrecipients

There were no awards provided to subrecipients during the fiscal year.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Treasure Valley Community College District
Pendleton, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Treasure Valley Community College District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Treasure Valley Community College District's major federal programs for the year ended June 30, 2024. The Treasure Valley Community College District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Treasure Valley Community College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Treasure Valley Community College's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Treasure Valley

Community College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

Dickey and Tremper, LLP

Dickey and Tremper, LLP
Certified Public Accountants
Pendleton, Oregon

January 20, 2025

I. Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	☒ Yes	☐ No
• Significant deficiency(ies) identified?	☐ Yes	☒ None reported
Noncompliance material to financial statements noted?	☐ Yes	☒ No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	☐ Yes	☒ No
• Significant deficiency(ies) identified?	☒ Yes	☐ None reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR, Section 200.516(a)?	☒ Yes	☐ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

Federal Assistance Listing Number(s)	*Name of Federal Program or Cluster*	*Type of Auditor's Report Issued on Compliance for Major Federal Programs*
84.007, 84.033, 84.063, 84.268	Student Financial Assistance Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	☒ Yes	☐ No

SECTION II - FINDINGS – FINANCIAL STATEMENT AUDIT

Material Weakness

2024-001

Criteria: Refundable advances of grant proceeds received by the Foundation should be recorded as unearned revenue until earned and not be passed through to the College until spent.

Condition: The Treasure Valley Community College Foundation (a component unit) received a $1million grant advance and passed the money through to the college to go towards the new nursing building. The money came in as a grant with expenditure and reporting requirements and was refundable if the monies were not spent. The donor requested the funds be returned due to construction delays, with interest and will now disburse them on a reimbursement basis. An adjustment was prepared to report unearned revenue at the Foundation level and to remove revenues and expenses and to record amounts receivable from the College for the return of the funds.

Cause: There were construction delays causing expenditures to be pushed back longer than anticipated and the original documentation from the grantor did not clearly indicate that the monies received were a refundable advance. Supplemental documentation from OCF disbursing the funds clarified the requirements.

Auditor's recommendation: We recommend additional review to determine if monies received are grants or contributions, which have different revenue recognition requirements and for refundable advances of grant proceeds to be recorded as unearned revenue until earned.

Management's response: Management concurs with the auditor's recommendation. Going forward, we will implement a comprehensive review process for all grant and contribution funding to ensure proper classification and revenue recognition. Specifically, where amounts received constitute refundable advances, they will be recorded as unearned revenue and only recognized as revenue once the related expenditures or other grant requirements have been met. Now that bids have been accepted and construction will commence, we expect the timing issues that led to this situation to be minimized in the future.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

2024-002

US DEPARTMENT OF EDUCATION

Student Financial Assistance Cluster CFDA# 84.033, 84.063, 84.007, and 84.268
Special Tests and Provisions – Enrollment Reporting
Significant Deficiency in Internal Control over Compliance

Criteria: Institutions are required to report enrollment information under the Pell grant and the Direct and FFEL loan programs via the National Student Loan Data System (NSLDS).

Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website which the financial aid administrator can access for the auditor. The data on the institutions' Enrollment Maintenance page is what NSLDS has as the most recently certified enrollment information. There are two categories of enrollment information: “Campus Level” and “Program Level”, both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process.

Condition: During our testing over the NSLDS reporting requirements, we noted 3 students’ enrollment status out of the 40 students tested where the reporting was either missing or did not agree to the actual enrollment status submitted to NSLDS.

Cause: The College did not have adequate and/or functioning controls in place to ensure the reporting of enrollment information under the Pell grant and Direct and FFEL loan programs via NSLDS was timely and accurate in all cases. The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions.

Effect: The College is not in compliance with the federal enrollment reporting requirements described in the OMB Compliance Supplement and required by the Department of Education.

Questioned Costs: None reported

Context/Sampling: The College disbursed Federal financial aid to approximately 801 students in the 2023-2024 school year. A non-statistical sampling of 40 students was selected for testing.

Repeat Finding: No

Auditor’s recommendation: The College should implement additional processes to review, update, and verify student enrollment statuses, program information, and the effective dates that appear in the enrollment reporting in the NSLDS and assign staff to follow up on student status errors in NSLDS.

Management’s response: To address enrollment reporting discrepancies identified in the auditor’s report, and to mitigate such enrollment status discrepancies from occurring going forward, TVCC has taken the following actions:

1. Properly updated the enrollment status of each of the three (3) identified students in the National Student Clearinghouse (NSC) via NSC’s “Student Lookup” tool.

2. Identified and implemented a mechanism to correct the enrollment status issues caused by TVCC’s issuance of Career Pathways Certificates (CPCCs).

3. Requested and was granted an assigned NSC staff member to handle the processing of our enrollment report submissions and error resolution reports.

4. The Registrar’s Office and Financial Aid Office are also working with the Enterprise Systems Support Analyst to implement an internal audit tool/process that will allow us to better screen our enrollment and graduate reports prior to submission to NSC.

Summary Schedule of Prior Audit Findings

None reported

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