

ALAMO COMMUNITY COLLEGE DISTRICT
SAN ANTONIO, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020



ALAMO
COLLEGES
DISTRICT

NORTHEAST LAKEVIEW COLLEGE

NORTHWEST VISTA COLLEGE

PALO ALTO COLLEGE

ST. PHILIP'S COLLEGE

SAN ANTONIO COLLEGE

ALAMO COMMUNITY COLLEGE DISTRICT

San Antonio, Texas

Annual Comprehensive Financial Report

**For the Years Ended
August 31, 2021 and 2020**

Prepared by:

Finance and Fiscal Services Department

**ALAMO COMMUNITY COLLEGE DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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ALAMO
COLLEGES
DISTRICT

Introductory Section



ALAMO
COLLEGES
DISTRICT



February 8, 2022

To the Board of Trustees, the Residents of Bexar County and the Alamo Community College District Service Area of Atascosa, Bandera, Comal, Guadalupe, Kendall, Kerr and Wilson Counties:

We are proud to submit the following Annual Comprehensive Financial Report (Annual Report or ACFR) for the Alamo Community College District (Alamo Colleges District, ACD or District) for the fiscal years ended August 31, 2021 and 2020. The Annual Report has been prepared in accordance with United States Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB).

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. In March 2021, the Board of Trustees of the Alamo Colleges District selected the independent accounting firm of Weaver and Tidwell, LLP to perform the annual audit. In addition to meeting the requirements set forth in state statutes, their audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related Uniform Guidance and State of Texas Uniform Grant Management Standards. The auditor's report related specifically to the single audit is included in the Single Audit Section of this ACFR.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements. The concept of reasonable assurance ensures that the cost of the controls does not exceed the benefits derived. The Independent Auditor's Report is located at the front of the financial section on pages 13-15 of this ACFR, and Management's Discussion and Analysis (MD&A) immediately follows it. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and complements this letter of transmittal. The Notes to Financial Statements, also in the financial section, are considered integral to the basic financial statements and should be read in conjunction with them.

Profile

The Alamo Colleges District was established as a public community college through a public election in 1945. The District operates as a political subdivision under the laws of the State of Texas. A nine-member Board of Trustees is the governing body of the District. The Trustees are elected locally to six-year staggered terms by Bexar County voters. The Chancellor, the District's chief executive officer, guides and implements the program and policies of the Alamo Colleges District.

In Fall 2014, the Board of Trustees welcomed the inclusion of a Student Trustee member to serve as a non-voting student liaison to the Board of Trustees and Chancellor. The Student Trustee is selected from one of the five colleges by the elected Board members and serves for a one-year term.

The Alamo Colleges District, a comprehensive two-year system, is dedicated to providing quality education and workforce training to the people of Bexar and surrounding counties. The five colleges:

- San Antonio College (founded in 1925),
- St. Philip's College (founded in 1898),
- Palo Alto College (founded in 1983),
- Northeast Lakeview College (founded in 2007), and
- Northwest Vista College (founded in 1995)

support the education and lifelong learning needs of a multicultural community by providing associates degrees, certificates, pre-majors/transfer programs, continuing education, and community services. The 300+ programs are

arranged in six Institutes, known as the AlamoINSTITUTES, by career choices: Creative & Communication Arts, Business & Entrepreneurship, Health & Biosciences, Advanced Manufacturing & Logistics, Public Services, and Science & Technology. The Institutes have clear roadmaps to guide each student efficiently and effectively from his/her point of entry to attainment of high-quality post-secondary credentials and/or a career.

Students are taught by highly qualified faculty with Master's and Doctorate degrees who are committed to creating a learning-centered environment. Student services include advising, counseling, learning resource centers, computer labs, tutoring, financial aid services, services for the disabled, developmental instruction, veteran's services, service learning and job placement. A certified advisor works closely with each student to ensure each course taken can be counted toward the student's goal, and that completion of degrees and/or certificates can be accomplished most effectively and efficiently.

The Alamo Colleges District is the third largest community college system in enrollment in Texas, includes five colleges designated as Hispanic-Serving Institutions and includes the nation's only institution designated as both a Historically Black College and a Hispanic-Serving Institution. A vibrant international program brings students and faculty from places such as Mexico, Brazil, India and China to San Antonio for advanced education, while affording local students and faculty the opportunity to travel to all regions of the world, preparing them to work in an increasingly global economy.

Ongoing Impact of the COVID-19 Pandemic

The COVID-19 pandemic continues to impact the operations of the District. After transitioning more than 5,000 employees to remote working and teaching in fiscal year 2020, faculty and staff continue to work a hybrid of remote and on-site work schedules designed to best serve the more than 65,000 students across the District.



Recognizing that the coronavirus pandemic has forced many students to choose between continuing on their educational paths and meeting basic needs, an unprecedented amount of emergency aid and other assistance was awarded to students in fiscal year 2021. Over \$33 million in emergency student aid grants were awarded to students from Federal Higher Education Emergency Relief Fund (HEERF) student grants in fiscal year 2021 alone, providing funds for childcare costs, food, rental and housing assistance, and other emergency needs. Using Federal HEERF institutional funds, another \$2.3 million in scholarships were awarded to pay off outstanding student balances originated between March 13, 2020 to June 8, 2021 to encourage students to reengage and persist in their educational pursuits.

Finally, during the Summer and Fall 2021 semesters, the District continued its multi-tiered *Keep Learning Plan*, designed to keep students in college and on track in the face of challenges presented by the COVID-19 pandemic by relieving the financial burden of tuition and fees through scholarships, allowing most financial aid to be used for living expenses.

Economic Conditions and Outlook

The COVID-19 pandemic continues to affect the economic conditions for San Antonio in fiscal year 2021, although COVID hospitalizations declined in September and October after the most recent peak in late August. As of October 26, 340 people were hospitalized with COVID-19 in San Antonio compared to 1,395 on August 23, which was the highest since early February, as reported by the Texas Department of State Health Services. According to the Federal Reserve Bank of Dallas, broad measures of the San Antonio economy were largely positive in September, and the San Antonio Business Cycle Index expanded at an annualized 7.4 percent, after declining 0.2 percent in August. This index represents a measure of economic activity in the metropolitan area and the 7.4 percent increase was primarily attributable to robust net job gains. The unemployment rate for San Antonio was the lowest since March 2020 at 4.7 percent, slightly below the Nation's unemployment rate of 4.8 percent and further below the State's 5.6 percent unemployment rate.

The Alamo Colleges District has been an integral part of the Greater San Antonio community for more than 100 years, contributing significantly to the economic and social well-being of those who share this community. An economic impact study reported that 1 out of every 36 jobs in the Alamo Colleges service area is supported by the activities of the Alamo Colleges and its students. The District also continues to play a key role in the planned economic recovery and resiliency initiatives by the City of San Antonio and Bexar County. The Train for Jobs SA initiative is a partnership with the City of San Antonio and other local agencies designed to help San Antonio residents who have been negatively impacted by the COVID-19 pandemic. The program offers training and education for displaced workers seeking to build new skills in high-

demand career areas. Participants of the program are eligible to receive weekly stipends and tuition funding in high-demand industries such as manufacturing and logistics, business, medical, IT, trades and education. In early 2022, the District will partner with the City of San Antonio to launch the SA: Ready to Work program, with similar objectives funded through the collection of a 1/8 cent sales tax through December 2025. It is clear that the Alamo Colleges District will be an integral part of the economic recovery for San Antonio. The three primary revenue streams to the Alamo Colleges District, other than federal grants used for scholarships, are ad valorem taxes, state appropriations, and tuition and fees.

- The trend of rising ad valorem tax revenues continues as revenues from ad valorem taxes increased by 5.7% in 2021 as net assessed property values of the District increased from approximately \$173.5 billion in 2020 to \$183.3 billion in 2021, providing funding for facilities repairs and maintenance. There was no increase in the District's tax rate for fiscal year 2021. The tax collection rates were approximately 101% and 98%, respectively, for 2021 and 2020. The District continues to benefit from a pattern of predictable and increasing property values.
- State appropriations for education and general state support, which are critical to keeping student tuition rates low, increased by \$0.4 million in 2021. These state appropriations are distributed based on a cost-based formula for student contact hour reimbursement, core operations funding and student success outcomes. State appropriations for state group insurance and pension retirement obligations decreased \$4.0 million, for an overall net decrease of \$3.6 million in total state appropriations. For fiscal year 2020, the State only provided 23% of instructional costs, down from 75% in fiscal years 2008-2009 and provided no funding for growth. State appropriations for state group insurance and for pension retirement obligations, increased over \$4 million in 2020, for a total decrease of \$3.6 million in state appropriations.
- Revenues from tuition and fees decreased by approximately \$4.0 million in 2021 as a result of students taking fewer contact hours as a result of the COVID-19 pandemic. Tuition and fee rates remained unchanged from fiscal year 2020.

Strategic and Long-Term Financial Planning

The Board approves a multi-year strategic plan that is reviewed and re-affirmed annually and involves all levels of the organization. Key performance indicators based on state and national peer institutions and annual performance targets are defined. An integrated planning model is used to strengthen the connection between the strategic plan, related action plans and the budget, which is approved annually by the Board of Trustees.

The budget is developed with broad-based staff involvement and is guided by budgetary, debt and financial policies approved by the Board. The budget includes a multi-year financial plan, which incorporates proposed increases for capital budgets, preventive maintenance and student success initiatives.

Major Initiatives

The District and its partners are committed to ending poverty, enhancing economic and social mobility and meeting workforce demands in our city by joining forces to help more students complete college and obtain the necessary skills to hold high-wage, high-demand jobs. The AlamoPROMISE program, which was available to high school seniors graduating in 2020, ensures that tuition and mandatory fees are covered for students who graduate from participating high schools. The first cohort of nearly 3,000 AlamoPROMISE scholars began their program at one of the five colleges in the District in Fall 2020. As a last-dollar funding source, AlamoPROMISE covers the gap between financial aid and the cost of tuition for up to three years. The AlamoPROMISE eliminates financial barriers to higher education, making a college degree a reality.



Awards and Acknowledgments

One of the member colleges of the District, San Antonio College (SAC), was the winner of the 2021 Aspen Prize for Community College Excellence, the nation's signature recognition of high achievement and performance among America's Community Colleges. The Aspen Prize recognizes outstanding institutions selected from a pool of more than 1,000 community colleges nationwide, and honors institutions with outstanding achievement in six areas: teaching and learning, certificate and degree completion, transfer and bachelor's attainment, workforce success, equitable outcomes for students of color from low-income backgrounds, and leadership and culture. SAC is the first community college in Texas to win this prestigious award in its 10-year history, and was one of three Alamo Colleges named to the Aspen Top 150 Community Colleges in 2021, along with Northwest Vista College and Palo Alto College.



Four out of the five District's Colleges were honored with a Veteran Education Excellence Recognition Award from the Texas Veterans Commission (TVC) Veterans Education Program. Palo Alto College (Gold Award), San Antonio College (Gold Award), Northeast Lakeview College (Silver Award) and St. Philip's College (Bronze Award) were among 14 institutions of higher learning from around Texas to be honored with the Veteran Education Excellence Recognition Award in its inaugural year. The awards recognize universities and colleges that provide excellence in education and related services that significantly contribute to the academic success of student veterans and military-connected students.



The Alamo Colleges District has also earned numerous awards in the areas of procurement and finance. For the tenth consecutive year, the District was awarded the National Achievement of Excellence in Procurement Award from the National Procurement Institute.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Alamo Colleges District for its annual comprehensive financial report for the fiscal year ended August 31, 2020. This was the twelfth consecutive year the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of this financial report was made possible by the continued dedication and service of the staff of the Alamo Colleges District. The staff thanks the members of the Board of Trustees for their support and guidance in conducting the financial operations of the Alamo Colleges District in a highly responsible manner.

Digitally signed by Dr. Diane Snyder
Date: 2021.12.17 10:16:47 -06'00'

Dr. Diane Snyder
Diane E. Snyder, CPA, Ph.D.
Vice Chancellor
Finance and Administration

Digitally signed by Shayne West
Date: 2021.12.17 08:59:14 -06'00'

Shayne West
Shayne A. West
Interim Associate Vice Chancellor
Finance and Fiscal Services



ALAMO COMMUNITY COLLEGE DISTRICT

ORGANIZATIONAL DATA August 31, 2021

ELECTED OFFICIALS

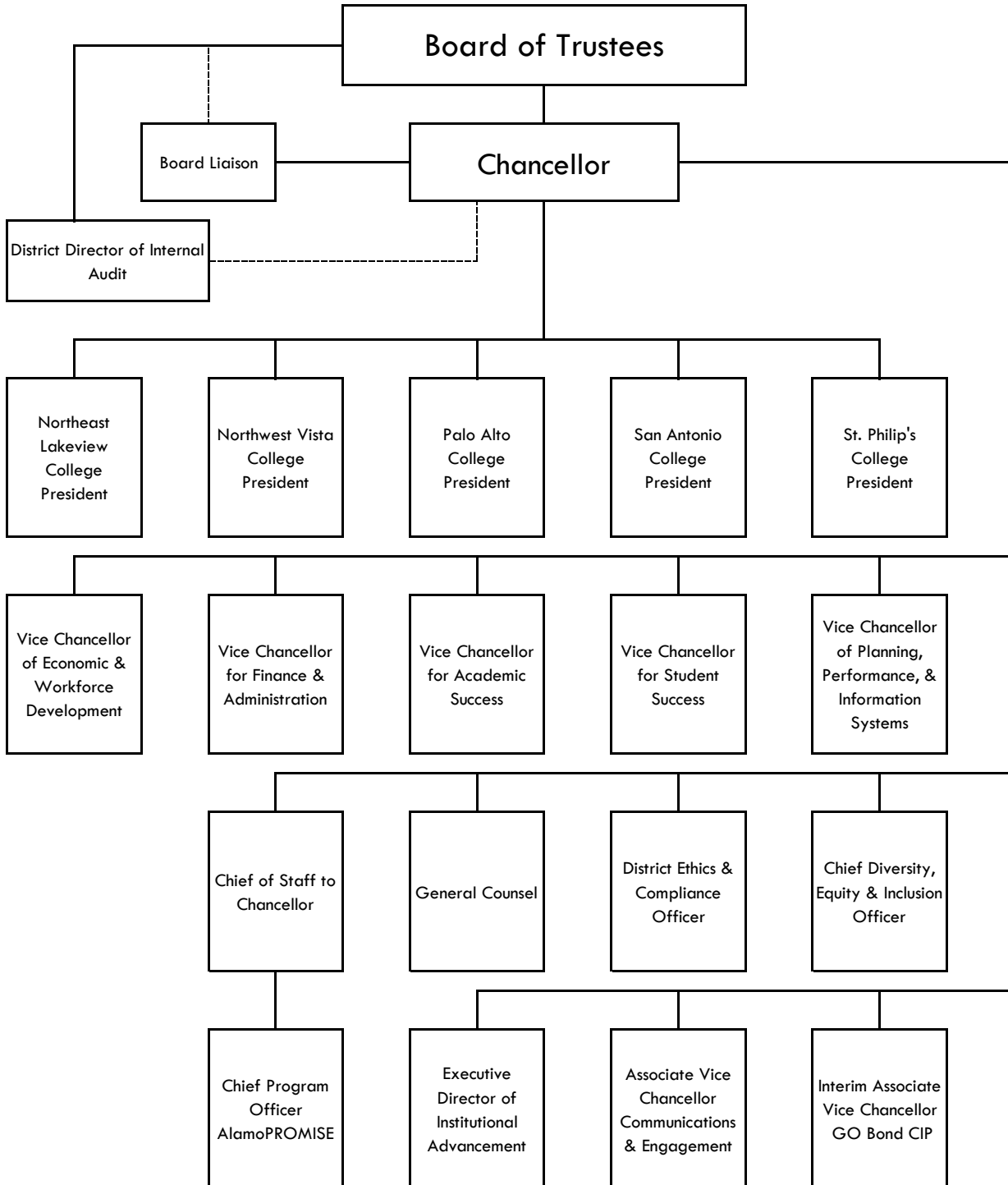
Member	Position	City, State	District	Term Expires
Dr. Gene Sprague	Chairperson	Helotes, Texas	6	2024
Dr. Yvonne Katz	Vice-Chairperson	San Antonio, Texas	7	2024
Clint Kingsbery	Secretary	San Antonio, Texas	8	2026
Gloria Ray	Assistant Secretary	San Antonio, Texas	2	2022
Joe Alderete, Jr.	Member of the Board	San Antonio, Texas	1	2022
Anna Uriegas Bustamante	Member of the Board	San Antonio, Texas	3	2022
Dr. Lorena Pulido	Member of the Board	San Antonio, Texas	4	2026
Roberto Zárate	Member of the Board	San Antonio, Texas	5	2024
Leslie Sachanowicz	Member of the Board	San Antonio, Texas	9	2026
Aja Leija	Student Trustee	San Antonio, Texas		*

*Appointed by Board for 1 year term; Non-voting member

ADMINISTRATIVE OFFICIALS

Dr. Mike Flores	Chancellor
Dr. Diane E. Snyder, CPA	Vice Chancellor for Finance and Administration
Xavier D. Urrutia	Interim Vice Chancellor of Economic and Workforce Development
Ross Laughead	General Counsel
Dr. Thomas S. Cleary	Vice Chancellor for Planning, Performance & Information Systems
Dr. George Railey Jr.	Vice Chancellor for Academic Success
Dr. Adelina Silva	Vice Chancellor for Student Success
Sheila Marlow Due	Executive Director of Institutional Advancement
Dr. Veronica Garcia	President, Northeast Lakeview College
Dr. Ric Neal Baser	President, Northwest Vista College
Dr. Robert Garza	President, Palo Alto College
Dr. Adena Loston	President, St. Philip's College
Dr. Robert Vela	President, San Antonio College
Shayne West	Interim Associate Vice Chancellor for Finance and Fiscal Services
Patrick F. Vrba, Jr., CPA	District Controller
Frank Cortez	District Director of Internal Audit

ALAMO COMMUNITY COLLEGE DISTRICT



ALAMO COMMUNITY COLLEGE DISTRICT

The Strategic Plan for the Students, Employees and Community of the Alamo Colleges District includes the following Statements as well as three Strategic Objectives and an integrated planning process.

MISSION

Empowering our diverse communities for success.

VISION

The Alamo Colleges District will be the best in the nation in Student Success and Performance Excellence.

VALUES

The members of the Alamo Colleges District are committed to building individual and collective character throughout the following set of shared values in order to fulfill our vision and mission.



STUDENTS FIRST



RESPECT FOR ALL



COMMUNITY-ENGAGED



CAN-DO SPIRIT



COLLABORATION



DATA-INFORMED



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Alamo Community College District
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

August 31, 2020

Christopher P. Morill

Executive Director/CEO



Financial Section





Independent Auditor's Report

To the Board of Trustees
Alamo Community College District

Report on the Financial Statements

We have audited the accompanying Statements of Net Position of Alamo Community College District (the District) as of August 31, 2021 and 2020, the related Statements of Revenues, Expenses and Changes in Net Position and Cash Flows for the years then ended, and the related notes to the financial statements. The District is comprised of San Antonio College, St. Philip's College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of ACCD Public Facility Corporation as of and for the years ended August 31, 2021 and 2020. We also did not audit the financial statements of Alamo Colleges Foundation, Inc. as of and for the years ended December 31, 2020 and 2019. The financial statements of these discretely presented component units were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for these component units, is based solely on the reports of other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Alamo Colleges Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

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

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

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 | Fort Worth, Texas 76107
Main: 817.332.7905

To the Board of Trustees
Alamo Community College District

Opinion

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2021 and 2020, and the changes in financial position and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the District's financial statements as of and for the year ended August 31, 2020 have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Predecessor Auditor and Restatement of Net Position as of August 31, 2019

The District's financial statements as of and for the year ended August 31, 2019, before the restatements described in Note 2, were audited by other auditors whose report dated December 10, 2019 expressed an unmodified opinion on those statements. As part of our audit of the District's financial statements as of and for the year ended August 31, 2021, we also audited the adjustments described in Note 2 that were applied to restated net position as of August 31, 2019. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the District's financial statements as of and for the year ended August 31, 2019 other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the financial statements as of and for the year ended August 31, 2019 as a whole.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17 through 30 and the required supplementary information on pages 91 to 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements. The introductory section on pages 1 to 9, the statistical section on pages 121 to 144, and the additional financial information on pages 99 to 109 and pages 113 to 117 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are also presented for purposes of additional analysis and are also not a required part of the basic financial statements.

To the Board of Trustees
Alamo Community College District

The additional financial information and schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits 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 additional financial information and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2022 on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 8, 2022



ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

Management's Discussion and Analysis (MD&A) is included to provide a narrative introduction, overview and analysis of the financial position and changes in financial position of the Alamo Community College District (Alamo Colleges District, District or ACCD) for the fiscal year ended August 31, 2021. This discussion is prepared by management and should be read in conjunction with the accompanying financial statements and notes.

The financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The notes to the financial statements are considered an integral part of the financial statements and should be read in conjunction with them. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of the financial statements and notes.

The District's financial report includes three basic financial statements: The Statements of Net Position provide a summary of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of August 31, 2021; the Statements of Revenues, Expenses and Changes in Net Position provide a summary of operations for the fiscal year; and the Statements of Cash Flows provide categorized information about cash inflows and outflows for the fiscal year. Highlighted information from each basic financial statement is presented below.

- The District's net position at August 31, 2021 was \$305.5 million, reflecting a \$78.9 million increase from the prior year.
- Total assets increased \$280.3 million and total liabilities increased \$189.3 million.
- The District's operating loss was \$391.2 million.
- Cash and Cash Equivalents decreased \$83.4 million during the year ended August 31, 2021.
- The bond rating for the District's general obligations bonds is Aaa by Moody's Investors Service and AAA by S&P Global Ratings, the highest rating possible from both respective agencies.

FY2020

- The District's net position at August 31, 2020 was \$226.6 million, reflecting a \$35.4 million increase from the prior year.
- Total assets increased \$29.6 million and total liabilities increased \$4.8 million.
- The District's operating loss was \$381.8 million.
- Cash and Cash Equivalents decreased \$20.2 million during the year ended August 31, 2020.
- The bond rating for the District's general obligations bonds is Aaa by Moody's Investors Service and AAA by S&P Global Ratings, the highest rating possible from both respective agencies.

The financial statements for the District's component unit, the Alamo Colleges Foundation, Inc. (the Foundation), are discretely presented with the financial statements of the District since the economic resources received or held by the Foundation that the District is entitled to, or has the ability to otherwise access, are significant (Notes 1 and 24). The separately issued financial statements of the Foundation can be obtained from the Finance and Fiscal Services department of the Alamo Colleges District.

In fiscal year 2012, the Alamo Colleges District formed the ACCD Public Facility Corporation (the PFC) for the sole purpose of assisting the District in the financing or acquisition of public facilities. The PFC was incorporated on September 23,

ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

2011 as a public non-profit corporation under the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended.

In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No: 14 and No: 34*, the PFC is reported as a discrete component unit in the financial statements of the District (Notes 1 and 25). The separately issued financial statements of the PFC can be obtained from the Finance and Fiscal Services department of the Alamo Colleges District.

The emphasis of this MD&A is on the District itself. Reference should be made to the separately issued financial statements of the component units for additional information.

Effects of Coronavirus (COVID-19) Pandemic

The Alamo Community College District and the communities it serves continue to be impacted by the global pandemic caused by the Coronavirus, commonly referred to as COVID-19. The effects of COVID-19 disrupted normal operations throughout the District, including requiring for the provision of online teaching and learning, as well as remote and hybrid work schedules for employees. The primary financial impacts include an unprecedented amount of federal and state grants awarded to the District's member Colleges and distributed to students in the form of scholarships and emergency aid, most significantly under the various tranches of the Higher Education Emergency Relief Fund (HEERF), which includes the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act (ARP). Other financial impacts include the restriction of travel expenses and expenses for on-site events, and significant expenditures for technology to be distributed to students, faculty and staff to support remote teaching, learning and working. Throughout each of the sections of this Management's Discussion and Analysis, references will be made to the coronavirus and COVID-19 and the resulting impacts to the District's revenues, expenses and other financial statement balances.

Statements of Net Position

The Statements of Net Position represent the District's financial position at the end of the fiscal year and include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, and serves as a general indicator of financial stability.

Current liabilities are generally those liabilities which are due within one year, and current assets are those assets which are available to satisfy current liabilities. Noncurrent assets include restricted cash and cash equivalents, capital assets, long-term investments and other assets not classified as current. Noncurrent liabilities include bonds and tax notes payable, net pension liability, net other post employment benefit (OPEB) liability and other long-term commitments. Deferred outflows of resources represent a consumption of net position applicable to a future reporting period. The District's deferred outflows of resources include deferred charges on bond refundings, deferred outflows of resources related to pensions and deferred outflows of resources related to OPEB. Deferred inflows of resources represent an acquisition of net position applicable to a future reporting period. The District's deferred inflows of resources include deferred charges on bond refundings, deferred inflows of resources related to pensions and deferred inflows of resources related to OPEB.

A Condensed Schedule of Net Position and analysis is presented on the following pages. In fiscal year 2021, total assets increased \$280.3 million, or 24.4%, due to increases in investments, net capital assets and accounts receivable of \$239.6 million, \$104.8 million and \$22.4 million, respectively, partially offset by a \$83.4 million decrease in cash and cash equivalents. Construction in progress and buildings and building improvements capital asset categories both increased significantly as a result of the ongoing \$450 million bond construction program authorized by voters in fiscal year 2017.

Total assets for fiscal year 2020 increased \$29.6 million due to increases in net capital assets and investments of \$27.6 million and \$21.5 million, respectively, partially offset by a \$20.2 million decrease in cash and cash equivalents. Construction in progress and buildings and building improvements capital asset categories both increased significantly due to the \$450 million bond construction program discussed previously.

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Total liabilities increased by \$189.3 million or 20.3% in fiscal year 2021 with an increase in current liabilities of \$27.1 million coupled with an increase in noncurrent liabilities of \$162.2 million. The \$27.1 million increase to current liabilities was primarily related to a \$31.0 million increase to accounts payable and accrued liabilities, a \$7.7 million increase in unearned revenues, offset by a reduction of \$11.6 million in the current portion of long-term liabilities. The \$162.2 million increase to noncurrent liabilities resulted mainly from the \$252.7 million increase to bonds and tax notes payable primarily related to the \$196.0 million issuance of the second tranche of the \$450 million voter-approved bond construction program, partially offset by the \$92.7 million decrease to bonds and tax notes payable resulting from scheduled and additional bond payments and refinancings. For more information, see Note 6.

For fiscal year 2020, total liabilities increased by \$4.8 million or 0.5%, with an increase in current liabilities of \$43.8 million and a decrease in noncurrent liabilities of \$39.0 million. The \$43.8 million increase to current liabilities was primarily related to a \$36.8 million increase to the current portion of long-term liabilities and a \$13.3 million increase to accounts payable and other accrued liabilities. The \$39.0 million decrease to noncurrent liabilities resulted from combined decreases to the noncurrent portion of general obligation and revenue bond debt of \$59.6 million, along with decreases of \$7.1 million to the net pension liability, \$5.9 million to premiums on bonds payable and \$2.6 million to notes payable. These increases were offset by an increase of \$23.3 million to the net OPEB liability and an \$11.9 million increase to the noncurrent portion of maintenance tax notes payable. For more information, see Note 6.

In fiscal year 2021, deferred outflows of resources decreased \$15.1 million due to decreases to deferred outflows of resources related to pensions and deferred outflows of resources related to OPEB of \$5.0 million and \$9.7 million, respectively. Deferred inflows of resources decreased \$3.0 million primarily related to decreases in deferred inflows of resources related to pensions and OPEB of \$4.8 million and \$0.8 million, respectively, offset by an increase of \$2.6 million to deferred inflows of resources related to bond refundings.

In fiscal year 2020, deferred outflows of resources increased \$2.3 million due to an \$8.2 million increase to deferred outflows of resources related to OPEB offset by decreases of \$5.5 million and \$0.4 million to deferred outflows of resources related to pensions and deferred outflows related to bond refundings, respectively. Deferred inflows of resources decreased \$8.2 million in 2020 due to a \$15.0 million decrease to deferred inflows related to OPEB offset by a \$7.3 million increase to deferred inflows related to pensions.

The District's net position at August 31, 2021 was \$305.5 million compared to \$226.6 million at August 31, 2020. All classifications of net position increased by a combined \$78.9 million, with the largest increases being \$36.7 million to net investment in capital assets and \$32.0 million to unrestricted net position. The fiscal year 2021 increases to net position are due to conservative spending, disruptions in vendor supply chains causing some projects to be delayed, cost savings related to the pandemic in areas such as travel, events, and utility and custodial costs, additional federal aid related to the pandemic, and tax revenues received for payment of debt that increased equity in capital assets. In fiscal year 2020, the District's net position increased by \$35.4 million, mainly due to increases of \$17.1 million to net investment in capital assets and \$10.6 million to unrestricted net position. The increases in fiscal year 2020 are attributed to conservative spending, unprecedented federal aid to fight the pandemic, and tax revenues for payment of debt that increases equity in capital assets.

ALAMO COMMUNITY COLLEGE DISTRICT

**Management's Discussion and Analysis
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**Condensed Schedule of Net Position
(in millions)**

	Fiscal Year			Change	
	2021	2020, as Restated	2019, as Restated	2020 to 2021	2019 to 2020
Assets					
Cash and cash equivalents	\$ 76.6	\$ 160.0	\$ 180.2	\$ (83.4)	\$ (20.2)
Accounts and notes receivable, net	33.1	10.7	10.7	22.4	-
Investments	394.7	155.1	133.6	239.6	21.5
Other	2.2	5.1	4.4	(2.9)	0.8
Capital assets	1,414.2	1,276.6	1,228.0	137.6	48.6
Accumulated depreciation	(491.9)	(459.0)	(438.0)	(32.9)	(21.0)
Total assets	1,428.9	1,148.5	1,118.9	280.3	29.6
Deferred Outflows of Resources					
Deferred outflows related to bond refundings	6.0	6.4	6.8	(0.4)	(0.4)
Deferred outflows related to OPEB	31.3	41.0	32.8	(9.7)	8.2
Deferred outflows related to pensions	28.0	33.1	38.6	(5.0)	(5.5)
Total deferred outflows of resources	65.4	80.5	78.2	(15.1)	2.3
Liabilities					
Current liabilities	171.3	144.2 *	100.3 *	27.1	43.9
Noncurrent liabilities	950.3	788.1	827.2	162.2	(39.0)
Total liabilities	1,121.7	932.3	927.5	189.3	4.8
Deferred Inflows of Resources					
Deferred inflows related to bond refundings	3.8	1.2	1.7	2.6	(0.5)
Deferred inflows related to OPEB	47.1	48.0	63.0	(0.8)	(15.0)
Deferred inflows related to pensions	16.1	20.9	13.6	(4.8)	7.3
Total deferred inflows of resources	67.1	70.1	78.4	(3.0)	(8.2)
Net Position					
Net investment in capital assets	372.6	335.8	318.7	36.7	17.1
Restricted (expendable)	46.2	36.1 *	28.4 *	10.1	7.7
Unrestricted	(113.3)	(145.3)	(156.0)	32.0	10.7
Total net position	\$ 305.5	\$ 226.6	\$ 191.1	\$ 78.9	\$ 35.5

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Note: *Due to the effects of correcting state appropriations for construction as nonexchange transactions, current liabilities and restricted (expendable) net position in FY20 and FY19 were restated (see Note 2).

Statements of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position present the District's results of operations for the fiscal year. Operating revenues are generated from the services provided to students and other customers of the District. Operating expenses include those costs incurred in the production of goods and services which result in operating revenues, as well as depreciation and amortization. All other activity is classified as non-operating revenues and expenses. Since a large portion of the revenue stream, including ad valorem property taxes, state appropriations and all federal financial aid grants, is classified as non-operating revenues, Texas public community colleges will generally reflect an operating loss with the increase or decrease in net position reflective of all activity. Total revenues and total expenses should be considered in assessing the change in the District's financial position. When total revenues exceed total expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. Further detail is presented in the Statements of Revenues, Expenses and Changes in Net Position and notes to the financial statements.

ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

A summarized comparison of the District's revenues, expenses and changes in net position for the years ended August 31, 2021, 2020 and 2019 is presented below in table and chart form.

Condensed Schedule of Revenues, Expenses and Changes in Net Position (in millions)

	Fiscal Year			Change	
	2021	2020, as Restated	2019, as Restated	2020 to 2021	2019 to 2020
Operating revenues and expenses:					
Operating revenues (detail in following sections)	\$ 93.3	\$ 86.5	\$ 89.9	\$ 6.7	\$ (3.4)
Operating expenses (detail in following sections)	484.5	468.4	433.6	16.1	34.8
Operating loss	(391.2)	(381.8)	(343.7)	(9.4)	(38.1)
Non-operating revenues (expenses):					
State appropriations	80.0	84.0 *	76.8	(4.0)	7.2
Ad valorem taxes	261.2	247.1	231.9	14.1	15.2
Federal and State grants, non-operating	137.3	103.3	97.5	34.0	5.8
Investment income	0.6	5.2	9.0	(4.6)	(3.8)
Interest on capital related debt & maintenance tax notes	(20.3)	(17.8)	(22.5)	(2.5)	4.7
Other non-operating expenses	1.1	(9.0)	(3.0)	10.1	(6.0)
Total non-operating revenues, net	460.0	412.8	389.8	47.1	23.0
Other revenues					
State appropriations for capital assets	4.1	4.1 *	4.1 *	-	-
Contributions for capital assets	2.1	0.4	-	1.7	0.4
Donated capital assets	3.9	-	-	3.9	-
Total other revenues	10.1	4.5	4.1	5.6	0.4
Increase in net position	78.9	35.4	50.2	43.5	(14.8)
Net position - beginning of year	226.6	191.2 *	141.0 *	35.4	50.2
Net position - end of year	\$ 305.5	\$ 226.6 *	\$ 191.2	\$ 78.9	\$ 35.4

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Note: *Due to the effect of correcting state appropriations for construction as nonexchange transactions, state appropriations, state appropriations for capital assets and beginning and ending net position in FY20 and FY19 were restated (see Note 2).

Operating Revenues (in millions)

	2021		2020		2019		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	2020 to 2021	2019 to 2020
Net tuition and fees	\$ 49.7	53.3%	\$ 53.8	62.2%	\$ 56.7	63.1%	\$ (4.1)	\$ (2.9)
Grants and contracts	35.9	38.5%	23.6	27.3%	21.6	24.1%	12.3	2.0
Auxiliary enterprises	2.1	2.3%	3.6	4.2%	5.1	5.7%	(1.5)	(1.5)
Other operating revenues	5.5	5.9%	5.5	6.5%	6.4	7.1%	-	(0.9)
Total operating revenues	\$ 93.3	100.0%	\$ 86.5	100.0%	\$ 89.9	100.0%	\$ 6.7	\$ (3.4)

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

As shown in the operating revenues table above, operating revenues for fiscal year 2021 increased by \$6.7 million. The majority of the increase to operating revenues resulted from increases in federal and local aid to fight the pandemic, offset by decreases to net tuition and fees and auxiliary enterprise revenues. Grant activity increased \$12.3 million, and the continued effects of the COVID-19 pandemic was reflected in the net tuition and fees decrease of \$4.1 million and the auxiliary revenues decrease of \$1.5 million in fiscal year 2021 due to closed down facilities.

For fiscal year 2020, operating revenues decreased by \$3.4 million. The majority of the decrease to operating revenues resulted from a \$2.9 million decrease to net tuition and fees and a \$1.5 million decrease to auxiliary revenue. While total tuition and fees saw a combined increase of \$7.5 million in fiscal year 2020, allowances and discounts against those tuition and fees also increased by \$10.4 million. The \$1.5 million decrease to auxiliary revenue was related to reduced bookstore, dining services and other commissions impacted by campus closures resulting from the COVID-19 pandemic.

Fiscal year 2021 net non-operating revenues increased by \$47.1 million, with the largest revenue increases reflected in non-operating federal grants and ad valorem taxes in the amounts of \$34.0 million and \$14.1 million, respectively. The member Colleges of the District were awarded over \$275 million in the three tranches of the Higher Education Emergency Relief Fund (HEERF) over fiscal years 2020 and 2021 and expended \$56.2 million of these funds in fiscal year 2021, after expending \$13.3 million in fiscal year 2020. The first tranche of HEERF funds, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, was signed into law on March 27, 2020. The District received CARES Act grant funding as follows: 1) \$11.3 million to provide emergency financial aid grants to students whose lives have been disrupted, many of whom are facing financial challenges and struggling to make ends meet, 2) \$11.3 million to cover costs associated with significant changes to the delivery of instruction due to the coronavirus, 3) and \$6.5 million in additional funding directed to minority-serving institutions. Under the second tranche of HEERF funds approved by Congress in December 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), the District's Colleges were awarded \$88.9 million. CRRSAA funds can be used to defray expenses associated with COVID-19, carry out authorized student support activities, and provide financial aid grants to students. The third tranche of HEERF funding, the American Rescue Plan (ARP), was signed into law in March 2021. ARP funds awarded to the District's Colleges totaled \$156.8 million. The increases in nonoperating revenues from HEERF grants were partially offset by a decrease in investment income of \$4.6 million due to poor market conditions and investment returns related to the COVID-19 pandemic, a \$2.5 million increase in interest expense on capital-related debt, and a \$10.1 million decrease to the other nonoperating expenses category related to \$8.9 million in losses taken on sales of surplus properties in the previous year.

Fiscal year 2020 net non-operating revenues increased by \$23.0 million, with the largest revenue increases reflected in state appropriations and ad valorem taxes in the amounts of \$7.2 million and \$15.1 million, respectively. Non-operating federal and state grant revenues also increased by \$5.8 million in 2020, primarily related to \$13.3 million of funds received and expended from the Higher Education Emergency Relief Fund (HEERF) of the CARES Act, offset by decreases to receipts under other non-operating federal grants. These increases were offset by a decrease in investment income of \$3.8 million due to poor market conditions and investment returns related to the COVID-19 pandemic, a \$4.7 million reduction in interest expense on capital-related debt, and a \$6.0 million increase to the other nonoperating expenses category.

Fiscal year 2021 other revenues increased \$5.6 million over the prior year. This category includes state appropriations, cash contributions and donated items for capital assets. The \$5.6 million increase is attributed to an increase in cash contributions for capital assets of \$1.7 million and donated capital assets in the form of loan forgiveness of \$3.9 million for a note payable resulting from exchanged property with the Port of San Antonio in 2013.

ALAMO COMMUNITY COLLEGE DISTRICT

**Management's Discussion and Analysis
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**Components of Net Tuition and Fees
(in millions)**

	2021		2020		2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Tuition	\$ 125.0	94.4%	\$ 134.8	95.2%	\$ 126.2	94.2%
CE and contract training	3.8	2.8%	1.8	1.3%	2.4	1.8%
Fees	3.7	2.8%	5.0	3.5%	5.4	4.0%
Total tuition and fees	<u>\$ 132.4</u>	<u>100.0%</u>	<u>\$ 141.5</u>	<u>100.0%</u>	<u>\$ 134.0</u>	<u>100.0%</u>
<u>Waivers and financial aid as a % of total tuition and fees:</u>						
	% of Total		% of Total		% of Total	
	Amount	Tuition & Fees	Amount	Tuition & Fees	Amount	Tuition & Fees
Waivers and financial aid	<u>\$ 82.7</u>	<u>62.5%</u>	<u>\$ 87.8</u>	<u>62.0%</u>	<u>\$ 77.3</u>	<u>57.7%</u>

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

The primary component of operating revenue is net tuition and fees. A table showing the components of net tuition and fees is presented above. For financial statement presentation, total tuition and fees are represented net of waivers and financial aid applicable to tuition and fees, referred to as discounts, as well as bad debt expenses. The table identifies the sources of tuition and fees, and provides the total waivers and financial aid discounts applied. For 2021, tuition represents 94.4% of the total tuition and fee revenue, with fees related to continuing education and student services contributing 2.8% and the remaining 2.8% consisting of continuing education (CE) and contract training tuition. For 2020, tuition represents 95.2% of the total tuition and fee revenue, with fees related to continuing education and student services contributing 3.5% and the remaining 1.3% consisting of continuing education (CE) and contract training tuition.

Operating expenses are presented on the following pages for three years in both natural and functional classifications.

In fiscal year 2021, salaries and wages increased \$5.9 million or 2.9%. The primary factors contributing to the increase is an accrual for a one-time, talent excellence incentive payment to be paid in October 2021 and a full year of the telecommunications allowance that began in fiscal year 2020. The talent excellence payment consisted of a net check of \$1,000 for full-time eligible employees, and a \$500 net check for part-time eligible employees.

In fiscal year 2020, salaries and wages increased \$11.5 million or 6.0%. The primary factors contributing to the increase included a general wage increase of 3% to all employees effective January 1, 2019, thus providing for a full year of the increase in fiscal year 2020 versus 8 months reflected in fiscal year 2019; a living wage increase to a minimum of \$15 per hour; increased lab loading for faculty; and the payment of stipends to faculty in high-wage, high-demand programs including healthcare, IT and manufacturing. The impact of these compensation adjustments is estimated to be \$9.2 million. In addition to these compensation increases, salaries and wages also increased related to benefits provided to address certain impacts of COVID-19. Beginning in April 2020, after the transition was made to 100% online instruction and remote working for all non-essential employees, the District began awarding a telecommunications allowance in the amount of \$30 per month for part-time employees and \$60 per month for full-time employees. In total, the District paid approximately \$1.2 million for telecommunication allowances and an additional \$0.2 million for associated fringe benefits in FY20.

Benefits decreased \$8.0 million or 11.0% in fiscal year 2021, primarily due to accounting entries for pension and OPEB expenses related to reporting requirements under GASB 68 and GASB 75. Actuarially calculated pension expense decreased \$3.1 million in FY21 compared to FY20 and actuarially calculated OPEB expense decreased \$2.4 million in FY21 compared to FY20. In addition, the District recognized \$1.9 million and \$2.0 million less in 2021 for pension and OPEB expense, respectively, for support provided by the State as disclosed in Note 10 and Note 18.

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Benefits increased \$11.4 million or 18.5% in fiscal year 2020 with across the board increases to FICA, vacation, and health benefits of \$0.9 million, \$2.4 million and \$1.4 million, respectively. The FICA increase was primarily related to the 3% salary increase discussed previously. The increase to vacation benefits resulted from the District raising the maximum allowable amount of accrued annual leave employees could carry forward, since vacation travel options were limited due to COVID-19. Pension benefit expenses also increased by \$6.8 million, attributable to the increased payroll and an increase in the District's required contribution percentage from 6.8% in 2019 to 7.5% in 2020.

Scholarships and fellowships expense represent the amount disbursed to a student after a scholarship award is credited to the student's account after payment of tuition and fees. Scholarships and fellowships increased by \$14.2 million in 2021, primarily due to aid awarded to students under the various tranches of the HEERF grants.

Scholarships and fellowships increased by \$2.4 million in 2020, primarily due to \$10.4 million in scholarships awarded under the portion of the CARES Act earmarked for student emergency grants, offset by decreases to Pell and other scholarships awarded.

Supplies and services expense are expenses other than for payroll and benefits, and increased by \$3.1 million in fiscal year 2021. This is primarily attributable to increased costs to respond to the COVID-19 pandemic such as PPE, computers and other technology to facilitate remote and hybrid teaching and working, partially offset by reductions in travel expenses and utilities.

Operating Expenses in Natural Classification (in millions)

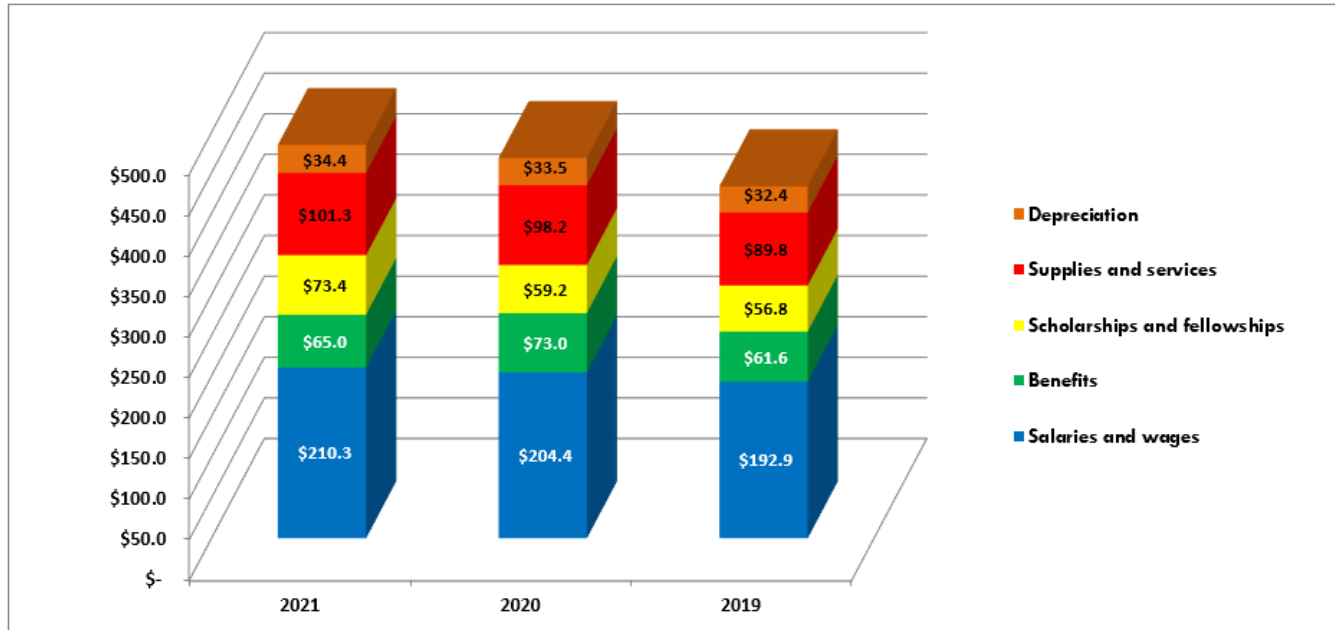
	Fiscal Year			Change	
	2021	2020	2019	2020 to 2021	2019 to 2020
Salaries and wages	\$ 210.3	\$ 204.4	\$ 192.9	\$ 5.9	\$ 11.5
Benefits	65.0	73.0	61.6	(8.0)	11.4
Scholarships and fellowships	73.4	59.2	56.8	14.2	2.4
Supplies and services	101.3	98.2	89.8	3.1	8.4
Depreciation	34.4	33.5	32.4	0.9	1.1
Total operating expenses	\$ 484.5	\$ 468.4	\$ 433.6	\$ 16.1	\$ 34.8

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

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**Management's Discussion and Analysis
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**Operating Expenses in Natural Classification
(in millions)**



**Operating Expenses in Functional Classification
(in millions)**

	Fiscal Year			Change	
	2021	2020	2019	2020 to 2021	2019 to 2020
Instruction	\$ 139.6	\$ 146.6	\$ 137.2	\$ (7.0)	\$ 9.4
Public service	1.4	1.7	1.5	(0.3)	0.2
Academic support	28.8	30.8	29.7	(2.0)	1.1
Student services	58.3	61.6	54.9	(3.3)	6.7
Institutional support	101.1	80.5	78.7	20.5	1.8
Operation and maintenance of plant	46.1	52.7	40.8	(6.6)	11.9
Depreciation	34.4	33.5	32.4	0.9	1.1
Scholarships and fellowships	73.4	59.2	56.8	14.2	2.4
Total educational and general expenses	483.1	466.7	432.0	16.4	34.6
Auxiliary enterprises	1.3	1.7	1.6	(0.3)	0.1
Total operating expenses	\$ 484.5	\$ 468.4	\$ 433.6	\$ 16.1	\$ 34.8

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

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Management's Discussion and Analysis (Unaudited)

Factors influencing operating expenses grouped by functional classification include the following:

- Instruction includes expenses for all activities that are part of the District's instructional programs, such as faculty salaries and benefits. Instructional expenses decreased by \$7.0 million in fiscal year 2021 primarily related to a \$5.9 million decrease in benefits due to reduced actuarially calculated pension and OPEB expense along with a \$0.6 million decrease to non-capitalized technology and other equipment costs and a \$2.2 million decrease to adjunct faculty salaries, all partially offset by \$2.3 million increase to compensation related to the talent excellence accrual and full year of telecommunications allowance. In fiscal year 2020, instructional expenses increased \$9.4 million in fiscal year 2020. The primary contributors to the increase were additional pension benefit costs of \$4.3 million driven by an increase to the required employer contribution rate from 6.8% to 7.5% and actuarially determined amounts provided by TRS, along with salary and benefit increases related to the 3% general wage increase and associated benefits discussed previously.
- Public service expenses include funds expended for activities that are established primarily to provide non-instructional services that benefit individuals and groups external to the District. In fiscal year 2021, public service expenses decreased slightly by \$0.3 million after increasing by \$0.2 million in 2020. The 2021 decrease resulted from fewer costs for contracted services and equipment, partially offset by compensation increases related to the talent excellence payment and full year of the telecommunications allowance. The slight increase in 2020 was due the full year of the 3% general wage increase and associated benefits made effective in January 2019, along with increases to TRS pension costs related to the required employer contribution rate increase.
- Academic support includes funds expended primarily to provide support services to the District's primary missions of instruction, research and public service. Academic support costs decreased by \$2.0 million in fiscal year 2021, primarily attributable to a \$1.3 million decrease in benefits for academic support employees due to OPEB adjustments required by GASB 75, coupled with a \$1.0 million decrease in noncapitalized computer and other IT equipment after a significant investment was made in this area in FY20, as well as decreased travel costs. These decreases were partially offset by \$0.6 million increase in compensation related to the talent excellence payment and full year of telecom allowance described previously. In fiscal year 2020, academic support costs increased by \$1.1 million or 3.7% as the result of salary increases of approximately \$0.5 million along with increased costs for pension benefits of \$0.9 million related to the increase in the required employer contribution rate and actuarial amounts provided by the TRS.
- The student services category includes funds expended for activities that primarily contribute to students' emotional and physical well-being and to their intellectual, cultural and social development outside the context of the formal instruction program. Student services expenses decreased by \$3.3 million in 2021 due to \$3.2 million in decreased costs for Federal work studies resulting from decreased availability of on-campus work study positions due to COVID-19; a \$2.5 million decrease in benefits due to decreased OPEB costs related to GASB 75 reporting requirements; and a \$0.3 million decrease in travel expenses as employee travel continued to be suspended due to COVID-19. These decreases were offset by a combined increase of approximately \$2.0 million for salary increases, the talent excellence accrual and the recognition of a full year of telecom allowance payments recorded in FY21 and a \$0.7 million increase in costs for contracted services. In fiscal year 2020, student services expense increased by \$6.7 million primarily due to investments in student advocacy, including the funding of startup costs for student health clinics and a student advocacy network to offer core services at each College to include food, shelter, clothing, mental and physical health, access and equity. In addition, the enrollment coach model was implemented across the District to enhance AlamoADVISE and startup costs were funded for AlamoPROMISE, an initiative beginning in Fall 2020 to provide every graduating senior in Bexar County the opportunity to attend college without financial barrier. Payroll also increased for student services employees in the amount of \$3.5 million due to compensation adjustments discussed previously, and TRS pension costs increased by \$0.9 million.
- The institutional support category is primarily comprised of salaries and other operating expenses for central executive-level management that engage in long-range planning for the entire institution as well as other

ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

centralized support operations including accounting and fiscal affairs, procurement and safety, legal, information technology and human resources, among others. Institutional support costs increased \$20.6 million in fiscal year 2021. The \$20.6 million increase primarily resulted from the following: \$7.9 million in increased salaries, wages and associated fringe benefits for institutional support employees partially attributable to the talent excellence accrual and full year of the telecommunications allowance; \$7.5 million increase in costs for non-capitalized technology and other equipment primarily charged to HEERF grants; \$2.0 million increase to bad debt expense related to the increase of the allowance on a note receivable for land; and \$5.3 million increase in operating expenses for PPE costs charged to HEERF grants to respond to the COVID-19 pandemic. These increases were partially offset by a \$0.9 million decrease to State paid benefits for OPEB and a \$0.5 million decrease in travel expenses for institutional support employees. In fiscal year 2020, institutional support expenses increased by \$1.8 million, with \$1.6 million attributable to funds expended under the institutional portion of the federal CARES Act for costs associated with significant changes to the delivery of instruction due to the coronavirus, as reported in Schedule E. The remaining increase in FY20 is attributed to the general salary increase and associated benefits for institutional support employees, as discussed previously.

- The category of operation and maintenance of plant includes all expenses of current funds for the operation and maintenance of physical plant, net of amounts charged to auxiliary enterprises and other independent operations. Operation and maintenance of plant expenses decreased by \$6.6 million in 2021. The decline was primarily attributable to approximately \$7.5 million in decreased costs for non-capitalized equipment and renovations costs funded by bonds and grants. In addition, numerous cost categories decreased, including a \$2.0 million decrease for pavement and grounds costs; a \$1.6 million decrease for mechanical/engineering/plumbing costs, a \$1.6 million decrease for contracted services, a \$1 million decrease to structural maintenance costs, \$0.6 million decrease for water utilities, and a \$0.4 million decrease for floor care expenses. In addition, overall salaries and benefits for O&M personnel decreased by approximately \$0.9 million. These decreases were partially offset by an \$8.7 million increase in repair and maintenance costs and a \$2.6 million increase to individual preventive maintenance projects. In fiscal year 2020, operation and maintenance of plant expenses increased by \$11.9 million, primarily attributable to a combined increase for contracted services and planned maintenance contracts of approximately \$2.8 million, coupled with an increase in non-capitalizable O&M costs of \$8.2 million.
- Scholarships and fellowships include expenses for scholarships and fellowships from restricted and unrestricted funds and grants to students. In fiscal year 2021, scholarships and fellowships increased by \$14.2 million almost exclusively related to additional aid awarded to students under the various tranches of the HEERF grants including \$2.8 million in emergency aid grants awarded through the student advocacy centers located on each campus and \$2.0 million in stipends awarded to students. In fiscal year 2020, scholarships and fellowships increased \$2.4 million due to emergency award grants disbursed to students from funds received under the CARES Act.

Statements of Cash Flows

The Statements of Cash Flows provide information about the resources of cash and the uses of cash in the operations and activities of the District. The Statements of Cash Flows help users determine the entity's ability to meet its obligations as they come due and the impact of external financing. The Statements summarize cash inflows and outflows by operating activities, non-capital financing activities, capital and related financing activities and investing activities. The Statements of Cash Flows reported overall decreases in cash and cash equivalents of \$83.4 and \$20.2 million during fiscal years 2021 and 2020, respectively. The primary use of cash in operations is for payment of salaries, wages and benefits, followed by payments to suppliers for goods and services, then payments for scholarships and fellowships. Sources of cash from operations arise primarily from student tuition and fees as well as grant and contract revenues. Sources of cash from non-capital financing activities are primarily from ad valorem taxes, non-operating federal and state revenue and state appropriations.

The \$83.4 million and \$20.2 million decreases to cash and cash equivalents in fiscal years 2021 and 2020 were primarily related to decreases in TexPool deposits for construction spending from funds borrowed in current and previous years, as shown in Note 4.

ALAMO COMMUNITY COLLEGE DISTRICT

**Management's Discussion and Analysis
(Unaudited)**

Capital Assets

Changes in net capital assets are the result of completed and in process construction projects, acquisitions, improvements, deletions and changes in accumulated depreciation. The District had \$922.3 million and \$817.5 million invested in capital assets net of accumulated depreciation at August 31, 2021 and 2020, respectively. Depreciation expense totaled \$34.4 million in fiscal year 2021 and \$33.5 million in fiscal year 2020 (Note 5). A summary of net capital assets is presented below:

**Net Capital Assets at Fiscal Year End
(in millions)**

	Fiscal Year			Change	
	2021	2020	2019	2020 to 2021	2019 to 2020
Land	\$ 55.7	\$ 54.6	\$ 63.3	\$ 1.0	\$ (8.6)
Construction in progress and works of art	148.2	64.4	40.9	83.8	23.5
Buildings and building improvements	653.2	628.9	611.5	24.3	17.4
Other real estate improvements	55.7	60.7	64.7	(5.0)	(4.0)
Furniture, machinery and equipment	8.7	7.9	8.5	0.9	(0.6)
Library materials	0.8	0.9	1.1	(0.1)	(0.1)
Total capital assets, net of accumulated depreciation	<u>\$ 922.3</u>	<u>\$ 817.5</u>	<u>\$ 790.0</u>	<u>\$ 104.8</u>	<u>\$ 27.6</u>

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

One method of evaluating the continued life of capital assets is to compare the accumulated depreciation to the original cost of the assets as a percentage. The following table lists assets subject to depreciation and the percentage depreciated at August 31, 2021 and 2020.

**Depreciable Capital Assets and Accumulated Depreciation Percentages
(in millions)**

	Fiscal Year 2021			Fiscal Year 2020		
	Capitalized Amount	Accumulated Depreciation	% Depreciated	Capitalized Amount	Accumulated Depreciation	% Depreciated
Other real estate improvements	\$ 141.6	\$ 86.0	60.7%	\$ 141.6	\$ 80.9	57.1%
Buildings and bldg improvements	1,003.0	349.7	34.9%	952.4	323.5	34.0%
Furniture, machinery and equipment	46.7	38.0	81.4%	44.5	36.6	82.2%
Software	3.2	3.2	100.0%	3.2	3.2	100.0%
Library materials	15.8	15.0	94.9%	15.8	14.8	93.7%
Total	<u>\$ 1,210.4</u>	<u>\$ 491.9</u>	<u>40.6%</u>	<u>\$ 1,157.5</u>	<u>\$ 459.0</u>	<u>39.7%</u>

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

ALAMO COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (Unaudited)

The District added approximately \$124 million to construction in progress balances in fiscal year 2021 for continuing projects that have not been completed. In addition to the costs added to construction in progress, major capital additions and renovations completed during fiscal years 2021 and 2020 include the following:

Fiscal Year 2021	Amount (in millions)
San Antonio College Parking Garage #3	\$ 18.8
San Antonio College Physical Plant Improvements	2.5
St. Philip's College MLK Clarence Windzell Norris Building Renovation	21.4

Fiscal Year 2020	Amount (in millions)
Northwest Vista College Texas Ash Parking Garage	\$ 9.3
Northwest Vista College Desert Willow Welcome Center	14.4
St. Philip's College MLK Tourism, Hospitality and Culinary Arts Building	30.5
St. Philip's College Preventive Maintenance Utility Project	2.7

The District does not record the cost of capital assets as an expense at the time of acquisition or completion of the asset, but rather shows the expense systematically over the expected life of the asset as depreciation expense. The amount shown in the accounting records for the value of the asset will decrease each year until the asset is fully depreciated or removed from service. As a result, the amount of capital assets shown in the Statements of Net Position may decrease from one year to another, even though new assets have been acquired during the year. Capital assets subject to depreciation include improvements to land (such as parking lots and signage), buildings, library books, furniture, machinery, equipment and software. Land, construction in progress and works of art are not depreciated.

The District has entered into several contracts for construction and various other renovation and projects financed by bond proceeds. As of August 31, 2021 and 2020, the District was committed for approximately \$139.7 million and \$87.4 million, respectively. For additional information concerning the District's capital assets and commitments, see Note 5 and Note 22, respectively, to the financial statements.

Debt

The Alamo Colleges District had \$646.8 million and \$514.3 million in outstanding bond and maintenance tax note debt at August 31, 2021 and 2020, respectively, before premiums and discounts. Outstanding debt increased \$132.5 million in fiscal year 2021 and decreased \$17.2 million in fiscal year 2020. The following table summarizes these amounts by type of debt instrument. See also Notes 7 and 8 to the basic financial statements for additional information.

ALAMO COMMUNITY COLLEGE DISTRICT

**Management’s Discussion and Analysis
(Unaudited)**

**Bonds and Tax Notes Payable
(in millions)**

	Fiscal Year			Change	
	2021	2020	2019	2020 to 2021	2019 to 2020
General obligation bonds	\$ 528.2	\$ 346.7	\$ 388.0	\$ 181.5	\$ (41.3)
Revenue bonds	68.5	76.5	94.2	(8.0)	(17.7)
Tax notes	50.1	91.1	49.4	(41.0)	41.7
Total outstanding debt	\$ 646.8	\$ 514.3	\$ 531.5	\$ 132.5	\$ (17.2)

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

The increase in 2021 is related mainly to the issuance of the second tranche of general obligation bonds in the amount of \$196 million under the voter approved capital improvements program, offset by regularly scheduled payments. The \$17.2 million decrease in 2020 was the result of regularly scheduled debt service payments and a combination of other debt transactions including redemptions and defeasances totaling \$39.1 million and a new issuance of maintenance tax note debt of \$48.5 million, as further described in Note 8.

The general obligation debt of the Alamo Colleges District is payable from the proceeds of a continuing, direct ad valorem tax levied against all taxable property within the taxing district. Revenue bonds are special obligations of the District that are payable solely from and will be equally and ratably secured by an irrevocable first lien on pledged revenues. The pledged revenue is all revenue from tuition pursuant to applicable Texas law. The District received bond ratings for its general obligation bonds of Aaa and AAA from Moody’s Investors Service and S&P Global Ratings, respectively. These are the highest ratings available from these rating agencies and the Alamo Colleges District is one of only three community college systems in Texas and one of only 11 community colleges in the United States to receive the highest rating from both agencies. More detailed information about the District’s noncurrent liabilities is presented in Notes 6, 7 and 8 to the basic financial statements.

Factors Having Probable Future Financial Significance

The economic condition of the Alamo Colleges District is influenced by the economic position of the State of Texas, the County of Bexar and surrounding counties and the City of San Antonio. San Antonio is the seventh largest city in the United States and the second largest city in Texas. The resiliency of the state, county and city to recover from the devastating effects of the COVID-19 pandemic to the economy will be tested over the next several years.

The San Antonio metropolitan area, which is coterminous with Bexar County, is considered one of the most attractive locations in the nation for business growth due to affordable land, abundant power and an education system that continues to evolve and improve. The broad and diverse economy features a wide variety of industries, such as bioscience and health care, aerospace and aviation, the military, tourism, financial services, manufacturing, and information technology and cybersecurity. This area has a proven track record of working together across government, nonprofits, industry and educational providers for a better future for businesses and consumers in the metropolitan area.

This financial report is designed to provide the District’s citizens, taxpayers, students, investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance and Fiscal Services Department at 2222 N. Alamo Street, San Antonio, Texas 78215 or visit our Financial Transparency website at: <https://www.alamo.edu/about-us/compliance/financial-information/>.

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 1**

**Statements of Net Position
August 31, 2021 and 2020**

	2021	(Restated) 2020*
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 14,229,949	\$ 17,795,511
Restricted cash and cash equivalents	42,651,028	32,029,175
Investments	95,046,329	74,262,735
Investments - restricted	124,698,486	-
Accounts receivable and notes receivable, net of allowance	33,121,720	10,748,605
Other assets	221,791	1,138,924
Total current assets	309,969,303	135,974,950
Noncurrent assets:		
Restricted cash and cash equivalents	19,707,293	110,204,253
Investments	112,812,326	80,816,552
Investments - restricted	62,117,105	-
Other assets	1,970,840	3,997,746
Capital assets (net)	922,297,612	817,532,051
Total noncurrent assets	1,118,905,176	1,012,550,602
TOTAL ASSETS	1,428,874,479	1,148,525,552
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to bond refundings	6,025,175	6,431,762
Deferred outflows related to OPEB	31,337,560	41,039,052
Deferred outflows related to pensions	28,030,912	33,057,552
TOTAL DEFERRED OUTFLOWS OF RESOURCES	65,393,647	80,528,366
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	71,870,565	40,849,118
Funds held for others	798,690	868,062
Unearned income	38,611,747	30,875,686
Current portion of noncurrent liabilities	60,054,026	71,611,076
Total current liabilities	171,335,028	144,203,942
Noncurrent liabilities	950,318,111	788,129,714
TOTAL LIABILITIES	1,121,653,139	932,333,656
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to bond refundings	3,841,983	1,192,661
Deferred inflows related to OPEB	47,133,553	47,971,799
Deferred inflows related to pensions	16,137,775	20,945,525
TOTAL DEFERRED INFLOWS OF RESOURCES	67,113,311	70,109,985
NET POSITION		
Net investment in capital assets	372,564,502	335,842,314
Restricted for:		
Expendable		
Student aid	10,229,318	9,095,214
Instructional programs	848,381	1,113,178
Capital projects	20,290,805	13,171,314
Debt service	14,861,212	12,723,271
Unrestricted	(113,292,542)	(145,335,014)
TOTAL NET POSITION	\$ 305,501,676	\$ 226,610,277

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY2020 balances have been restated (see Note 2).

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 1A**

**Statements of Financial Position of Alamo Colleges Foundation, Inc.
(A Component Unit of Alamo Community College District)
December 31, 2020 and 2019**

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 24,698,488	\$ 1,798,464
Due from affiliates	102,020	-
Contributions receivable, net of allowance and discounts	2,749,391	2,087,025
Investments:		
Fixed income securities	6,989,346	5,659,180
Mutual funds/exchange-traded funds	22,150,410	20,774,993
Marketable securities	3,409,788	2,593,581
TOTAL ASSETS	60,099,443	32,913,243
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 49,464	\$ 20,680
Due to affiliates	-	143,672
TOTAL LIABILITIES	49,464	164,352
Net Assets:		
Without donor restrictions	308,017	139,835
With donor restrictions	59,741,962	32,609,056
TOTAL NET ASSETS	60,049,979	32,748,891
TOTAL LIABILITIES AND NET ASSETS	\$ 60,099,443	\$ 32,913,243

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 1B**

**Statements of Net Position of ACCD Public Facility Corporation
(A Component Unit of Alamo Community College District)
August 31, 2021 and 2020**

	ACCD Public Facility Corporation		Tobin Lofts, LLC	
	2021	2020	2021 (Audited)	2020 (Restated*) (Reviewed)
ASSETS				
Current assets:				
Cash	\$ 220,788	\$ 221,217	\$ 1,399,080	\$ 1,348,934
Accounts receivable, net	-	-	36,349	34,338
Prepaid and other current assets	-	-	26,828	19,922
Prepaid ground lease	-	-	1,582,000	-
Restricted cash	-	-	407,562	-
Total current assets	<u>220,788</u>	<u>221,217</u>	<u>3,451,819</u>	<u>1,403,194</u>
Noncurrent assets:				
Capital assets - land	5,099,847	5,099,847	-	-
Restricted cash	-	-	-	333,114
Prepaid ground lease	-	-	-	1,606,000
Property, plant and equipment, net	-	-	22,050,585	22,870,213
Total noncurrent assets	<u>5,099,847</u>	<u>5,099,847</u>	<u>22,050,585</u>	<u>24,809,327</u>
TOTAL ASSETS	<u>5,320,635</u>	<u>5,321,064</u>	<u>25,502,404</u>	<u>26,212,521</u>
LIABILITIES				
Current liabilities:				
Current portion of unearned lease revenue	1,582,000	24,000	-	-
Accounts payable	-	-	50,124	217,402
Accrued and other current liabilities	-	-	322,197	342,877
Security deposits	-	-	72,151	36,612
Tenant prepaid rent	-	-	184,522	130,059
Current portion of note payable	-	-	30,607,538	661,767
Deferred loan costs, net	-	-	(191,849)	-
Total current liabilities	<u>1,582,000</u>	<u>24,000</u>	<u>31,044,683</u>	<u>1,388,717</u>
Noncurrent liabilities:				
Note payable	2,000,000	2,000,000	-	30,607,538
Unearned lease revenue	-	1,582,000	-	-
Interest payable	726,667	646,667	-	-
Deferred loan costs, net	-	-	-	(255,245)
Total noncurrent liabilities	<u>2,726,667</u>	<u>4,228,667</u>	<u>-</u>	<u>30,352,293</u>
TOTAL LIABILITIES	<u>4,308,667</u>	<u>4,252,667</u>	<u>31,044,683</u>	<u>31,741,010</u>
NET POSITION				
Net investment in capital assets	3,099,847	3,099,847	-	-
Unrestricted	(2,087,879)	(2,031,450)	-	-
Member's equity (deficit)	-	-	(5,542,279)	(5,528,489)
TOTAL NET POSITION	<u>\$ 1,011,968</u>	<u>\$ 1,068,397</u>	<u>\$ (5,542,279)</u>	<u>\$ 26,212,521</u>

*Restated for the effects of a change in reporting entity due to a change in accounting principle.

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 2**

**Statements of Revenues, Expenses and Changes in Net Position
For Years Ended August 31, 2021 and 2020**

	2021	(Restated) 2020*
OPERATING REVENUES:		
Tuition and fees (net of discounts of \$82,708,507 and \$87,751,550 respectively)	\$ 49,729,748	\$ 53,795,869
Federal grants and contracts	28,454,909	19,346,775
State grants and contracts	905,002	1,117,668
Local grants and contracts	5,504,441	2,161,308
Non-governmental grants and contracts	1,054,201	994,812
Auxiliary enterprises	2,112,045	3,600,934
Other operating revenues	5,510,381	5,515,879
Total operating revenues (Schedule A)	93,270,727	86,533,245
OPERATING EXPENSES:		
Instruction	139,556,329	146,595,063
Public service	1,427,197	1,707,366
Academic support	28,846,462	30,809,869
Student services	58,279,636	61,569,925
Institutional support	101,071,351	80,542,548
Operation and maintenance of plant	46,120,491	52,741,355
Scholarships and fellowships	73,404,712	59,182,167
Auxiliary enterprises	1,346,261	1,676,970
Depreciation	34,414,020	33,537,533
Total operating expenses (Schedule B)	484,466,459	468,362,796
Operating loss	(391,195,732)	(381,829,551)
NON-OPERATING REVENUES/(EXPENSES):		
State appropriations	80,008,148	83,979,786
Ad valorem taxes		
Taxes for maintenance and operations	188,598,432	178,390,458
Taxes for maintenance notes	40,309,557	9,071,983
Taxes for general obligation bonds	32,293,103	59,595,081
Federal grants, non-operating	133,437,673	99,458,627
State grants, non-operating	3,866,594	3,878,086
Gifts	315,739	308,050
Investment income	647,047	5,226,285
Interest on capital related debt	(16,519,474)	(15,473,146)
Interest on maintenance tax notes	(3,749,557)	(2,316,983)
Other non-operating revenues (expenses)	756,033	(9,301,549)
Net non-operating revenues (Schedule C)	459,963,295	412,816,678
Income before other revenues	68,767,563	30,987,127
OTHER REVENUES:		
State appropriations for capital assets	4,058,400	4,058,400
Contributions for capital assets	2,123,956	399,785
Donated capital assets	3,941,480	-
Total other revenues	10,123,836	4,458,185
Increase in net position	78,891,399	35,445,312
NET POSITION:		
Net position - beginning of year, as restated	226,610,277	191,164,965
Net position - end of year (Schedule D)	\$ 305,501,676	\$ 226,610,277

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY2020 balances have been restated (see Note 2).

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 2A**

**Statements of Activities of Alamo Colleges Foundation, Inc.
(A Component Unit of Alamo Community College District)
For Years Ended December 31, 2020 and 2019**

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Net assets at January 1, 2019	\$ 108,809	\$ 26,086,462	\$ 26,195,271
Support and revenue:			
Contributions	65,729	4,819,098	4,884,827
In-kind revenue	960,693	-	960,693
Interest and dividend income	4,806	606,571	611,377
Gain on investments	-	3,741,890	3,741,890
Net assets released from restrictions	2,571,940	(2,571,940)	-
Total revenue	3,603,168	6,595,619	10,198,787
Expenses:			
Program support and scholarships	2,652,503	-	2,652,503
General and administrative	691,179	-	691,179
Fundraising	301,485	-	301,485
Total expenses	3,645,167	-	3,645,167
Decrease (increase) in net assets	(41,999)	6,595,619	6,553,620
Designated transfers	73,025	(73,025)	-
Net assets at December 31, 2019	139,835	32,609,056	32,748,891
Support and revenue:			
Contributions	68,856	27,691,683	27,760,539
In-kind revenue	1,246,198	-	1,246,198
Interest and dividend income	1,311	429,575	430,886
Gain on investments	-	2,945,643	2,945,643
Net assets released from restrictions	3,957,995	(3,957,995)	-
Total revenue	5,274,360	27,108,906	32,383,266
Expenses:			
Program support and scholarships	3,823,642	-	3,823,642
General and administrative	825,239	-	825,239
Fundraising	433,297	-	433,297
Total expenses	5,082,178	-	5,082,178
Increase in net assets	192,182	27,108,906	27,301,088
Designated transfers	(24,000)	24,000	-
Net assets at December 31, 2020	\$ 308,017	\$ 59,741,962	\$ 60,049,979

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 2B**

**Statements of Revenues, Expenses and Changes in Net Position of ACCD Public Facility Corporation
(A Component Unit of Alamo Community College District)
For Years Ended August 31, 2021 and 2020**

	ACCD Public Facility Corporation		Tobin Lofts, LLC (Restated*)	
	2021	2020	2021 (Audited)	2020 (Reviewed)
OPERATING REVENUES:				
Rental revenue, net	\$ -	\$ -	\$ 3,262,888	\$ 3,700,943
Commercial revenue	-	-	111,826	234,409
Other revenue	-	-	147,303	186,313
Lease revenue	24,000	24,000	-	-
Total operating revenues	<u>24,000</u>	<u>24,000</u>	<u>3,522,017</u>	<u>4,121,665</u>
OPERATING EXPENSES				
Bank charges (net of interest income)	429	446	-	-
Personnel	-	-	430,870	483,074
Repairs and maintenance	-	-	154,538	213,978
Turn	-	-	107,456	129,018
Common area	-	-	266,310	250,161
Unit utilities	-	-	349,574	564,335
Marketing and leasing	-	-	105,774	97,438
Insurance	-	-	262,210	118,766
Residence life	-	-	1,828	13,448
Management and other professional fees	-	-	135,476	147,808
General and administrative	-	-	119,706	166,110
Bad debt	-	-	111,352	164,034
Total operating expenses	<u>429</u>	<u>446</u>	<u>2,045,094</u>	<u>2,348,170</u>
Operating income before depreciation and amortization	23,571	23,554	1,476,923	1,773,495
Depreciation and amortization	-	-	1,195,459	1,162,872
Operating income	23,571	23,554	281,464	610,623
NON-OPERATING REVENUES / (EXPENSES)				
Developer contributions	-	-	1,288,256	198,648
Interest expense	-	-	(1,583,510)	(1,752,897)
Interest on capital-related debt	(80,000)	(80,000)	-	-
Total non operating expenses, net	<u>(80,000)</u>	<u>(80,000)</u>	<u>(295,254)</u>	<u>(1,554,249)</u>
DECREASE IN NET POSITION	(56,429)	(56,446)	(13,790)	(943,626)
NET POSITION:				
Net position - beginning of year	1,068,397	1,124,843	(5,528,489)	(4,584,863)
Net position - end of year	<u>\$ 1,011,968</u>	<u>\$ 1,068,397</u>	<u>\$ (5,542,279)</u>	<u>\$ (5,528,489)</u>

*Restated for the effects of a change in reporting entity due to a change in accounting principle.

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 3**

**Statements of Cash Flows
For Years Ended August 31, 2021 and 2020**

	2021	(Restated) 2020*
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	\$ 51,602,185	\$ 51,778,909
Receipts from grants and contracts	29,288,811	21,900,624
Other receipts	5,447,485	6,966,935
Payments to or on behalf of employees	(252,411,814)	(255,671,840)
Payments to suppliers for goods and services	(80,102,427)	(81,596,745)
Payments for scholarships and fellowships	<u>(73,404,712)</u>	<u>(59,182,167)</u>
Net cash used by operating activities	<u>(319,580,472)</u>	<u>(315,804,284)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations (non-capital projects)	63,734,894	63,764,687
Receipts from ad valorem taxes	188,344,846	178,570,589
Receipts from non-operating federal and state revenue	133,234,894	102,653,205
Receipts from gifts and grants (other than capital)	315,739	292,835
(Payments) receipts to student organizations and other agency transactions	(69,372)	83,814
Payments for Federal loans issued to students	(14,814,234)	(19,953,827)
Receipts from Federal loans for students	<u>14,439,666</u>	<u>19,828,965</u>
Net cash provided by noncapital financing activities	<u>385,186,433</u>	<u>345,240,268</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds on issuance of capital debt	252,743,408	61,618,480
Bond issuance costs	(1,572,400)	(387,157)
Receipts from ad valorem taxes for debt service	72,505,259	68,736,251
Receipts from state appropriations for capital projects	4,058,400	4,058,400
Receipts from insurance recoveries	1,982,710	-
Receipts from sales of real estate	-	13,787,816
Receipts from capital grant contracts, grants and gifts	84,805	400,000
Payments for capital assets acquisition and construction of capital assets	(130,157,554)	(79,963,309)
Payments on capital debt - principal	(86,172,127)	(78,373,767)
Payments on capital debt - interest	<u>(23,318,276)</u>	<u>(23,037,518)</u>
Net cash provided/(used) by capital and related financing activities	<u>90,154,225</u>	<u>(33,160,804)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	241,675,076	306,212,815
Interest on investments	394,104	5,000,235
Purchase of investments	<u>(481,270,035)</u>	<u>(327,664,038)</u>
Net cash used by investing activities	<u>(239,200,855)</u>	<u>(16,450,988)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<u>(83,440,669)</u>	<u>(20,175,808)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>160,028,939</u>	<u>180,204,747</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 76,588,270</u>	<u>\$ 160,028,939</u>

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY 2020 balances have been restated (see Note 2).

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

**ALAMO COMMUNITY COLLEGE DISTRICT
EXHIBIT 3**

**Statements of Cash Flows
For Years Ended August 31, 2021 and 2020
(continued)**

	2021	(Restated) 2020*
RECONCILIATION OF OPERATING LOSS TO NET CASH		
USED BY OPERATING ACTIVITIES:		
Operating loss	\$ (391,195,732)	\$ (373,674,330)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	34,414,020	33,537,533
Donated capital assets	-	15,000
Allowance for doubtful accounts	5,236,139	4,018,170
Non-cash state appropriations - on-behalf payments	16,253,165	20,215,099
Pension expense	2,574,844	5,726,950
OPEB expense	1,231,121	3,700,863
Changes in assets and liabilities:		
Receivables (net)	(20,290,433)	(3,311,734)
Other assets	1,024,039	(817,429)
Accounts payable	20,413,806	510,313
Unearned income	9,742,149	(6,552,760)
Net pension liability	2,355,954	(7,092,115)
Net OPEB liability	(7,632,125)	26,941,119
Compensable absences	952,385	973,793
Workers' compensation accrual	18,181	-
Utility escrow	45,844	(145,752)
Deferred outflows related to pensions	2,451,796	(218,044)
Deferred inflows related to pensions	(4,807,750)	7,310,159
Deferred outflows related to OPEB	8,470,371	(11,899,078)
Deferred inflows related to OPEB	(838,246)	(15,042,041)
Net cash used by operating activities	\$ (319,580,472)	\$ (315,804,284)
 SCHEDULE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS:		
State on-behalf payments	\$ 16,253,165	\$ 20,215,099
(Decrease) increase in fair value of investments	\$ (471,861)	\$ 372,862
Gifts of depreciable and non-depreciable assets	\$ -	\$ 15,000
Amortization of premium on bonds	\$ 4,537,767	\$ 4,866,588
Amortization of deferred charges on bond refundings	\$ (2,800,042)	\$ (101,689)
Assets acquired in exchange of training credits	\$ -	\$ 567,000
Undistributed investment income public/private partnership	\$ 80,000	\$ 80,000
Contribution in the form of note payable cancellation	\$ 3,941,480	\$ -
Gain on refunding net of amortization	\$ 2,712,124	\$ -

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY2020 balances have been restated (see Note 2).

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

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

1. REPORTING ENTITY

The Alamo Community College District (Alamo Colleges District or District) was established in 1945 in accordance with the laws of the State of Texas. It serves the educational needs of Bexar County and surrounding communities through its colleges and educational centers. The District operates five colleges including San Antonio College, St. Philip's College, Palo Alto College, Northwest Vista College and Northeast Lakeview College.

The District is considered to be a special-purpose, primary government. While the District receives funding from local, state and federal sources and must comply with the spending, reporting and record keeping requirements of these entities, it is not a component unit of any other government entity.

Alamo Colleges Foundation, Inc. – Discrete Component Unit

The Alamo Colleges Foundation, Inc. (the Foundation) is a separate non-profit organization, and its sole purpose is to provide benefits such as scholarships and grants to the students, faculty and staff of the District. The Foundation is a legally separate entity which utilizes District financial resources for its operation. The District does not appoint any of the Foundation's board members. Under Governmental Accounting Standards Board Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a governmental unit when such resources are significant to the governmental unit. Accordingly, the Foundation's financial statements are included in the District's annual report as a discrete component unit (see table of contents). Stand-alone financial statements of the Foundation can be obtained from the Finance and Fiscal Services department of the Alamo Community College District.

ACCD Public Facility Corporation (PFC) – Discrete Component Unit

The PFC was incorporated on September 23, 2011 as a public non-profit corporation formed under the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended. It is also a public corporation within the meaning of the United States (U.S.) Treasury Department rulings of the Internal Revenue Service per sections 103 and 141 of the IRS Code of 1986, as amended.

The PFC is governed by a three-member Board of Directors that also serve on the Board of Trustees of the District. The PFC was formed exclusively for the purpose of assisting the District in financing, refinancing, or providing public facilities. The PFC may finance the acquisition of District obligations, provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing and placement in service of public facilities, issue bonds as permitted by the Act and perform other such activities on behalf of the District as provided in its Certificate of Formation. The PFC does not have authority to levy taxes.

In accordance with requirements of GASB Statement No. 61, *The Financial Reporting Entity Omnibus – an amendment of GASB Statements No. 14 and No. 34*, the PFC is a component unit of the District because the District appoints the voting majority of the PFC's board and can also remove appointed members of the PFC's board at will. While the District appoints the entire governing body of the PFC, this board is not considered substantively the same as the Board of Trustees of the District because it consists of less than a majority of the District's Board. Accordingly, the PFC's financial statements are included in the District's financial statements as a discrete component unit (see table of contents). Stand-alone financial statements of the PFC can be obtained from the Finance and Fiscal Services department of the Alamo Colleges District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Guidelines

The significant accounting policies followed in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community Colleges* for fiscal year 2021. For financial reporting purposes, the District is considered a special-purpose, primary government engaged in business-type activities.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The financial statements of the District have been prepared on the accrual basis, whereby all revenues are recorded when earned, and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenses for the fiscal year beginning September 1. The District's Board of Trustees adopts the annual budget, which is prepared on the accrual basis of accounting for operating funds and available resources for construction and renewal funds. Copies of the approved budget and subsequent amendments must be filed with the THECB, Legislative Budget Board, Legislative Reference Library, and the Governor's Office of Budget and Planning by December 1.

Cash and Cash Equivalents

The District's cash and cash equivalents consist of operating cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Public funds investment pools (TexPool) are considered to be cash and cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents that can be used to pay current liabilities (in keeping with restrictions) are classified as current assets.

Cash and cash equivalents that are externally restricted (except as discussed in the preceding paragraph) as to their use are classified as noncurrent assets in the Statements of Net Position. This category includes unexpended cash balances restricted by donors or other outside agencies for specific purposes, gifts whose donors have placed limitations on their use, grants from private or governmental sources, bond proceeds and other sponsored funds.

Accounts and Notes Receivable

Accounts receivable are recorded at the invoiced amounts. Notes receivable represent short-term student loans. The allowance for doubtful accounts is management's best estimate of the amount of probable credit losses and is determined based on historical collectability. Account balances are written off against the allowance when it is probable the receivable will not be recovered.

Other Current Assets

Included in this category are prepaid expenses and inventories.

Investments

Investments are reported at fair value. Short-term investments have an original maturity greater than three months but less than one year at the time of purchase. Long-term investments include investments with original maturities greater than one year at the time of purchase. The District intends to hold these investments until maturity. The District classifies its investments within a fair value hierarchy based on the relative inputs used to value the investments, in accordance with the provisions of GASB Statement 72, *Fair Value Measurement and Application* (GASB72). For more detailed information, see Note 4.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Assets meeting the applicable capitalization threshold with useful lives extending beyond one year are recorded at cost on the date of acquisition. Donated capital assets are stated at acquisition value in accordance with GASB 72, defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Improvements which significantly add value or extend the useful life of a structure are capitalized. The costs of normal maintenance and repairs are charged to operating expenses in the year the expense is incurred. The straight-line method is used for depreciating assets over their useful lives. Depreciation begins in the following year after capitalization except for equipment, which is prorated in the first year the asset is placed in service.

The following tables lists the capitalization thresholds and useful lives for each asset category:

Class of Asset	Capitalization Threshold	Useful Life (Years)	Salvage Value
Non-depreciable assets:			
Land	\$ 5,000	Not depreciated	-
Works of art/historical treasures	5,000	Not depreciated	-
Buildings:			
Buildings	100,000	40	10%
Portable buildings	10,000	10	10%
Other real estate improvements:			
Building improvements	100,000	20	-
Infrastructure	100,000	20	10%
Land improvements (except tennis courts)	100,000	20	-
Leasehold improvements	10,000	Shorter of lease or useful life	-
Tennis courts	10,000	7	-
Furniture, machinery and equipment:			
Furniture, machinery and equipment	5,000	5-10	-
Technology systems	50,000	5	-
Software	5,000	5	-
Library materials	All	15	-

Deferred Outflows of Resources

The Statements of Net Position include a separate section for deferred outflows of resources, which represent a consumption of net position that applies to future periods and thus, will not be recognized as an outflow of resources (expensed) until then. The District records deferred outflows of resources for deferred charges on the refunding of debt calculated as the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. In addition, the District records deferred outflows of resources for its proportionate share of collective deferred outflows of resources of the Teacher Retirement System of Texas (TRS) pension plan and for its proportionate share of collective deferred outflows of resources of the Employees Retirement System (ERS) other postemployment benefit (OPEB) plan. In addition, deferred outflows of resources are recorded for employer contributions made to the TRS and ERS plans subsequent to the measurement date of the respective net pension or net OPEB liabilities. For additional information, see Note 10 and Note 18.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pensions

The fiduciary net position of the defined benefit pension plan administered by the Teacher Retirement System of Texas (TRS) has been determined on the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. 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)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP), also referred to as the Texas Employees Group Benefits Program (GBP), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense, and information about assets, liabilities and additions to/deductions from the GBP's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

Compensable Absences

It is the District's policy to accrue employee annual leave as earned. Sick leave is not accrued, as a terminated employee is not paid for accumulated sick leave. See Note 6 and Note 12 for additional information.

Self-Insurance

The District is self-insured for a portion of workers' compensation losses. A liability has been recorded for the estimated amount of eventual loss which will be incurred on claims arising prior to the end of the fiscal year, including incurred but not reported claims. See Note 16 for additional information.

Deferred Inflows of Resources

The Statements of Net Position include a separate section for deferred inflows of resources, which represent an acquisition of net position that applies to future periods and thus, will not be recognized as an inflow of resources (revenue) until then. The District records deferred inflows of resources for deferred charges on refunding of debt calculated as the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. In addition, the District records deferred inflows of resources for its proportionate share of collective deferred inflows of resources of the Teacher Retirement System of Texas (TRS) pension plan and for its proportionate share of collective deferred inflows of resources of the Employees Retirement System (ERS) other postemployment benefit (OPEB) plan. For additional information, see Note 10 and Note 18.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

Net Investment in Capital Assets

This category represents the District's total investment in capital assets net of related outstanding debt used to acquire or construct those assets and accumulated depreciation and amortization related to those capital assets. Deferred inflows of resources and deferred outflows of resources attributable to those assets or related debt are also included in this component.

Restricted Net Position, Expendable

Legal or contractual obligations require this portion to be spent in accordance with external restrictions.

Unrestricted Net Position

These are resources that are not subject to any external restrictions and may be used at the discretion of the governing board for any lawful purpose of the District.

Operating and Non-operating Revenues

The District distinguishes operating and non-operating revenues. The District reports as a Business-Type Activity (BTA) and as a single proprietary fund. Operating revenues generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are student tuition and fees net of scholarship discounts and allowances; federal, state, local and private operating grants and contracts; auxiliary enterprises and other revenues of a similar nature. The major non-operating revenues are state appropriations, ad valorem taxes, federal financial aid through Title IV Higher Education Act grants, and investment income and gifts.

Revenue Recognition and Unearned Income

Tuition and fee revenues are recorded when earned. Unrestricted tuition and fees and other revenues related to the upcoming fall semester that are received prior to year-end are recorded as unearned revenues. Revenue from grants, contracts and state appropriations and other state aid is recognized when all eligibility requirements, if any, have been met and qualifying expenditures, if required, have been incurred. Unrestricted unearned charges have been netted against unearned income. Restricted charges where all obligations have been fulfilled are treated as expenses in the period incurred.

Tuition Discounting

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. These amounts, called the Texas Public Education Grant (TPEG), are shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. The portion of the award disbursed directly to students is reported as a scholarship expense.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Title IV Higher Education Act (HEA) Program Funds

Certain Title IV HEA Program funds are received by the District to pass through to students. These funds are received by the District and recorded as revenue. When a student uses the award for tuition and fees, the amount is recorded as a tuition discount. The portion of the award disbursed directly to students is reported as a scholarship expense.

Other Tuition Discounts

The District awards tuition and fee scholarships from institutional funds to students who qualify. When these funds are used for tuition and fees, the awards are recorded as a tuition discount. The portion of the award disbursed directly to students is reported as a scholarship expense.

Operating and Non-operating Expenses

Operating expenses include the cost of providing instruction, student services and support, administrative expenses, and depreciation and amortization on capital assets. Expenses related to non-operating federal revenues are reported as operating expenses, either as tuition discounts (if applied to tuition) or as scholarship expenses. The auxiliary operations for campus bookstores and food service are not performed by the District. The major non-operating expense is interest on capital-related debt.

Restricted Resources

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

Estimates

The preparation of the financial statements in conformity with U. S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain prior year balances have been reclassified to conform to the current year presentation. Specifically, we have elected to present certain capital outlay and other expenses as Operating Expenses, have reclassified contributions for capital assets and donated capital assets as Other Revenues and reclassified certain restricted cash and cash equivalent amounts from current to non-current.

Prior Year Restatement

Management has determined that certain state appropriations received for capital projects previously recorded as unearned income should have been recorded as capital contributions in accordance with provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. As a result, the net position as of August 31, 2019 was adjusted for the effect of restatements related to periods prior to that date. The cumulative effect on the beginning net position is as follows:

Net position as of August 31, 2019, as previously reported	\$ 183,032,495
Cumulative recognition of unearned revenue reclassified to capital contributions	<u>8,132,470</u>
Net position as of August 31, 2019, as restated	<u>\$ 191,164,965</u>

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The results of the restatement on the Statement of Net Position balances for fiscal year 2020 are as follows:

	2020		Difference
	As Previously Reported	As Restated	
LIABILITIES			
Current liabilities:			
Unearned income	\$ 43,327,556	\$ 30,875,686	\$ (12,451,870)
Total current liabilities	156,655,812	144,203,942	(12,451,870)
TOTAL LIABILITIES	944,785,526	932,333,656	(12,451,870)
NET POSITION			
Restricted for:			
Expendable			
Capital projects	719,444	13,171,314	12,451,870
TOTAL NET POSITION (Schedule D)	\$ 214,158,407	\$ 226,610,277	\$ 12,451,870

The results of the restatement on the Statement of Changes in Revenues, Expenses, and Changes in Net Position balances for fiscal year 2020 are as follows:

	2020		Difference
	As Previously Reported	As Restated	
NON-OPERATING REVENUES/(EXPENSES):			
State appropriations	\$ 83,718,786	\$ 83,979,786	\$ 261,000
Net non-operating revenues	412,555,678	412,816,678	261,000
OTHER REVENUES:			
State appropriations for capital assets	-	4,058,400	4,058,400
Total other revenues	399,785	4,458,185	4,058,400
Increase in net position	31,125,912	35,445,312	4,319,400
NET POSITION:			
Net position - beginning of year, as restated	183,032,495	191,164,965	8,132,470
Net position - end of year	\$ 214,158,407	\$ 226,610,277	\$ 12,451,870

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Pronouncements

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The District early implemented the requirements of this Statement during fiscal year 2021.

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2018, but the effective date was postponed to reporting periods beginning after December 15, 2019, due to the implementation of GASB Statement No. 95. The District evaluated the requirements of GASB 84 in fiscal year 2021 and determined it did not have any material fiduciary activities.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations. The requirements of the Statement should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2018, but GASB Statement No. 95 postponed the effective date by 12 months to reporting periods beginning after December 15, 2019. The District evaluated the requirements of GASB 90 in fiscal year 2021 and determined it did not have any majority equity interests.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements in paragraphs 8 and 9 related to application of Statement 84 to postemployment benefit arrangements and those in paragraph 12 related to nonrecurring fair value measurements of asset or liabilities are effective for reporting periods beginning after June 15, 2020. The District evaluated the requirements of paragraphs 8 and 9 of GASB 92 and determined it did not have any material fiduciary activities. The District evaluated the requirements of paragraph 12 of GASB 92 and determined there was no effect on the District's financial statements.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pending Pronouncements

The following GASB pronouncements have been issued but not yet implemented by the District:

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model and requires notes to financial statements related to the timing, significance and purpose of a government's leasing arrangements. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2019, but GASB Statement No. 95 postponed the effective date by 18 months to reporting periods beginning after June 15, 2021.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The requirement of this Statement were originally effective for periods beginning after December 15, 2020 but the effective date was postponed to reporting periods beginning after December 15, 2021, due to the implementation of GASB Statement No. 95. Earlier application is encouraged.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements in paragraph 4 related to the effective date of Statement 87 were originally effective upon issuance under Statement No. 92, but GASB 87 was postponed by the implementation of GASB 95 to become effective for reporting periods beginning after June 15, 2021. The requirements related to intra-entity transfers of assets addressed in paragraph 6 were effective immediately under GASB 92 but were postponed due to the implementation of GASB 95 to reporting periods for fiscal years beginning after June 15, 2021. The requirements related to the applicability of Statements 73 and 74 in paragraph 7 were originally effective for fiscal years beginning after June 15, 2020 but were postponed to reporting periods beginning after June 15, 2021 by GASB 95. Earlier application is encouraged and is permitted by topic.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications resulting from global reference rate reform, especially since the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form at the end of 2021. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. The removal of LIBOR as an appropriate benchmark interest rate was to have been effective for reporting periods ending after December 31, 2021, but GASB Statement No. 95 changed the effective date of this portion of the Statement to periods ending after December 31, 2022. All other requirements of this Statement were to have been effective for reporting periods beginning after June 15, 2020, but GASB Statement No. 95 changed the requirements of this Statement to be effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and availability payment arrangements (APAs) and provide uniform guidance on accounting and financial reporting for transactions that meet those definitions. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

In May 2020, GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The District has not yet completed the process of evaluating the impact of GASB Statements Nos. 87, 91, 92, 93, 94, 96 and 97 on its future financial statements.

3. AUTHORIZED INVESTMENTS

The Board of Trustees of the District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act (Sec. 2256, Texas Government Code, the "Act") as amended. This policy is reviewed and approved by the Board of Trustees annually. Investment of funds is required to be in compliance with the Act. Authorized investments include (1) obligations of the U.S. government or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, (5) commercial paper rated at least A-1 or P-1, and (6) other instruments and obligations authorized by statute.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS

The carrying amount of the District's bank deposits at August 31, 2021 and 2020 was \$14,011,012 and \$12,079,641, respectively. Total bank balances at August 31, 2021 and 2020 equaled \$15,011,481 and \$13,349,298, respectively. The FDIC insures all bank deposits up to \$250,000. Deposits in excess of \$250,000 are collateralized at a level of at least 100% in U.S. Treasuries and Government Securities and high-grade municipal bonds, per the Tri-Party Collateral Management Agreement with the District's depository bank, Bank of America N.A. All collateral is held by BNY Mellon.

Cash and cash equivalents as reported on Exhibit 1, Statements of Net Position, consisted of the following at August 31, 2021 and 2020:

	2021	2020
Bank deposits: Demand deposits	\$ 3,678,497	\$ 3,800,234
Money market	10,332,515	8,279,407
Total bank deposits	14,011,012	12,079,641
Automated investment account	425,210	763,887
Local Government Investment Pool (TexPool) deposits	62,149,042	147,182,405
Petty cash on hand	3,006	3,006
Total cash and cash equivalents	<u>\$ 76,588,270</u>	<u>\$ 160,028,939</u>

The Texas Local Government Investment Pool (TexPool) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Texas Government Code, Chapter 2256 ("PFIA"). The State Comptroller of Public Accounts (the "Comptroller") is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the "Trust Company"), which is authorized to operate the TexPool portfolios. Pursuant to the TexPool Participation Agreement, administrative and investment services to the TexPool portfolios are provided by Federated Investors, Inc. ("Federated"), under an agreement with the Comptroller, acting on behalf of the Trust Company. The Comptroller exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. The TexPool Advisory Board, composed both of participants in TexPool and of other persons who do not have a business relationship with TexPool, advises on the Investment Policies and approves any fee increases.

TexPool is managed according to requirements of the Public Funds Investment Act and TexPool's Investment Policy. Investments are stated at amortized cost, which in most cases approximates the fair value of securities. TexPool seeks to maintain a stable \$1.00 price per unit; however, this is not guaranteed or insured by the State of Texas. Governmental Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants*, delinks money market local government investment pools to SEC Rule 2a-7 and enables such pools to continue to utilize amortized cost for valuation and financial reporting so that the \$1.00 per unit value they pursue will not need to change to a fluctuating price.

The District utilizes the Pool option which invests conservatively in U.S. government securities, repurchase agreements, and AAA-rated money market mutual funds.

The District utilizes an Automated Investment Account ("Sweep") through its depository bank, Bank of America, N.A. Bank of America holds omnibus positions in selected PFIA-compliant BlackRock Liquidity Funds on behalf of clients who invest through the Sweep. The shares are held at BNY Mellon. The District utilizes the Treasury Trust Fund (T-Fund) institutional share class, which invests exclusively in U.S. Treasury securities and repurchase agreements secured by Treasuries.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The fair value of investments as of August 31, 2021 and 2020 is disclosed in the following section. Market values are provided by Hilltop Securities Asset Management, LLC. (HSAM). HSAM's source for pricing government securities (Treasuries and agencies) and most commercial paper is Securities Data Services (SVC), a subsidiary of SS&C Technologies, Inc. and an information aggregator. SVC uses a number of sources for their pricing data, with most government securities and commercial paper pricing provided by Interactive Data Corp (IDC), an independent third-party pricing service, which is the largest source provider of fixed income pricing. IDC utilizes evaluated pricing models that vary by asset class and incorporate available trade, bid and other market information. Because many fixed income securities do not trade on a daily basis, IDC's evaluated pricing applications apply available information as applicable through processes such as benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing to prepare evaluations. SVC and/or IDC provide some, but not all, of the commercial paper (CP) pricing, while HSAM estimates other CP prices based on comparable market offers of similar issuers with comparable credit ratings and maturity dates. All pricing and market values are based on Level 2 inputs. These sources are deemed reliable.

Investments as reported on Exhibit 1, Statements of Net Position, consisted of the following types of securities at fair value on August 31, 2021 and 2020:

Type of Security	Fair Value at August 31,	
	2021	2020
U.S. government securities:		
FHLB coupon notes	\$ 43,745,852	\$ 10,002,585
FNMA coupon notes	3,906,110	15,071,320
FHLMC coupon notes	6,536,112	10,003,796
FFCB coupon notes	57,868,175	-
U.S. Treasuries	87,696,029	70,359,804
Municipal bonds	41,155,249	25,982,387
Commercial paper	153,766,719	23,659,395
Total	\$ 394,674,246	\$ 155,079,287

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Reconciliation of Deposits and Investments between Note 4 and Exhibit 1, Statements of Net Position on August 31, 2021 and 2020 is as follows:

	Fair Value at August 31,	
	2021	2020
Total cash and cash equivalents	\$ 76,588,270	\$ 160,028,939
Total investments	394,674,246	155,079,287
Total	\$ 471,262,516	\$ 315,108,226
Per Exhibit 1:		
Cash and cash equivalents	\$ 14,229,949	\$ 17,795,511
Restricted cash and cash equivalents - current	42,651,028	32,029,175
Investments - current	95,046,329	74,262,735
Restricted short-term investments	124,698,486	-
Restricted cash and cash equivalents - noncurrent	19,707,293	110,204,253
Long-term investments	112,812,326	80,816,552
Long-term investments - restricted	62,117,105	-
Total	\$ 471,262,516	\$ 315,108,226

Fair Value Measurements

Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application* (GASB 72), establishes a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB 72 are described hereafter:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 Inputs are inputs, other than quoted prices included within Level 1, which are observable for an asset or liability, either directly or indirectly. Level 2 valuation methodologies include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to District management's perceived risk of that investment.

The District had the following recurring fair value measurements for investment assets at August 31, 2021:

Type of Security	Level 1	Level 2	Level 3	Total
U.S. Government Agency Securities	\$ -	\$ 112,056,249	\$ -	\$ 112,056,249
U.S. Treasuries	-	87,696,029	-	87,696,029
Municipal bonds	-	41,155,249	-	41,155,249
Commercial paper	-	153,766,719	-	153,766,719
Total	\$ -	\$ 394,674,246	\$ -	\$ 394,674,246

The District had the following recurring fair value measurements for investment assets at August 31, 2020:

Type of Security	Level 1	Level 2	Level 3	Total
U.S. Government Agency Securities	\$ -	\$ 35,077,701	\$ -	\$ 35,077,701
U.S. Treasuries	-	70,359,804	-	70,359,804
Municipal bonds	-	25,982,387	-	25,982,387
Commercial paper	-	23,659,395	-	23,659,395
Total	\$ -	\$ 155,079,287	\$ -	\$ 155,079,287

U.S. Government Agency securities classified in Level 2 of the fair value hierarchy are valued using a multi-dimensional relational model that consider inputs such as benchmark yields, reported trades and broker/dealer quotes. U.S. Treasuries are classified within Level 2 and are valued using electronic fixed income platform and broker feeds. Municipal bonds are valued using a multi-dimensional relational model (or series of matrices) that utilizes inputs including Municipal Securities Rulemaking Board (MSRB) reported trades and material event notices and as such are included in Level 2 of the fair value hierarchy. Commercial paper is categorized in Level 2 and is valued using a matrix pricing technique utilizing benchmark yields and ratings updates.

Interest Rate Risk – Interest rate risk is the risk of changes in the market rate of interest that could adversely affect the value of an investment. In addition to statutory limitations on the types of investments, the District's investment policy mitigates interest rate risk through the use of maturity limits set to meet the needs of various fund types. The District actively manages the time to maturity in reacting to changes in the yield curve, economic forecasts and liquidity needs of the participating funds. The District further limits interest rate risk by laddering maturities when possible.

The District has selected the weighted average maturity (WAM) as the primary method for reporting interest rate risk. The WAM method expresses investment time horizons, the time when investments become due and payable, in terms of years, weighted to reflect the dollar size of individual investments within an investment type. The overall portfolio weighted average maturity is derived by dollar-weighting the WAM for all investments. The WAM is calculated using days to maturity from the original purchase date.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The District had the following cash equivalents and investments at August 31, 2021 and 2020, excluding bank deposits and petty cash:

Type	2021			2020		
	Fair Value	% of Total	WAM* (Years)	Fair Value	% of Total	WAM* (Years)
FHLB	\$ 43,745,852	9.6% ^	2.886	\$ 10,002,585	3.3%	2.249
FNMA	3,906,110	0.9%	1.110	15,071,320	5.0%	2.295
FHLMC	6,536,112	1.4%	1.121	10,003,796	3.3%	2.997
FFCB	57,868,175	12.7% ^	1.613	-	0.0%	0.000
U.S. Treasuries	87,696,029	19.2% ^	1.214	70,359,804	23.2% ^	1.040
Municipal bonds	41,155,249	9.0% ^	2.584	25,982,387	8.6% ^	2.398
Commercial paper	153,766,719	33.6% ^	0.453	23,659,395	7.8% ^	0.411
TexPool	62,149,042	13.6% ^	0.003	147,182,405	48.6% ^	0.003
BlackRock Treasury fund	365,178	0.1%	0.003	763,887	0.3%	0.003
Total	\$ 457,188,466	100%		\$ 303,025,579	100%	

Portfolio weighted average maturity at August 31 1.124 0.768

* WAM = Weighted Average Maturity, using time from purchase to scheduled maturity

^ = Investment type balance greater than 5% of total investments for respective year

Credit Risk – In accordance with state law and the District's investment policy, investments in the investment pools are limited to AAA or AAAM by at least one nationally recognized rating agency. At August 31, 2021, TexPool was rated AAAM. All other credit standards are governed by the District's investment policy, which is in compliance with or exceeds state statutes for credit standards. These state standards include: commercial paper rated no less than A-1 or P-1 by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank; obligations of states, agencies, counties, cities and other political subdivisions rated no less than A or its equivalent by a nationally recognized investment rating firm.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Below is a list of the individual investments held and their respective credit ratings at August 31, 2021 and 2020:

Issuer	Credit rating at 8/31/2021	Credit rating at 8/31/2020
Baylor Scott & White	A-1+/P-1	A-1+/P-1
BlackRock Treasury Trust Fund	AAAm	AAAm
City of Austin, TX	A-1+/P-1/F1	A-1+/P-1/F1
City of San Antonio, TX	AAA/Aaa/AA+	AAA/Aaa/AA+
Columbia University	A-1+/P-1	*
Cornell University	A-1+/P-1	*
DFW Airport	A-1/P-1	*
FFCB	AA+/Aaa/AAA	*
FHLB	AA+/Aaa/AAA	AA+/Aaa/AAA
FHLMC	AA+/Aaa/AAA	AA+/Aaa/AAA
FNMA	AA+/Aaa/AAA	AA+/Aaa/AAA
J.P. Morgan Securities	A-1/P-1/F-1+	*
Kaiser Foundation Hospital	A-1+/F-1+	*
Met Govt Nashville & Davidson Cnty	AA/Aa2	*
Pasadena TX ISD	AAA/Aaa	AAA/Aaa
Spring TX ISD	AAA/Aaa	AAA/Aaa
State of TX College Student Loan	AAA/Aaa	AAA/Aaa
State of TX Hwy Improve	AAA/Aaa/AAA	AAA/Aaa/AAA
Tarrant Regl Water District	AAA/AA+	*
Texas A&M University	AAA/Aaa/AAA	AAA/Aaa/AAA
Texas Public Finance Authority	AA+/Aa1	*
Texas Transportation Commission	AAA/AAA	AAA/AAA
TexPool	AAAm	AAAm
Travis County, TX	AAA/Aaa	AAA/Aaa
University of California	A-1+/P-1/F1+	A-1+/P-1/F1+
University of Texas	A-1+/P-1/F1+	A-1+/P-1/F1+
US Treasury Note	AA+/Aaa/AAA	AA+/Aaa/AAA
Vanderbilt University	A-1+/P-1/F-1+	*

*Investment not held as of August 31 of the respective year.

Safekeeping - The District's internally managed investments are held in safekeeping at its custodian bank, Bank of America, N.A., as required by Board policy and state statute.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

5. CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2021 was as follows:

	Balance 9/1/2020	Increases	Decreases	Balance 8/31/2021
<u>Not Depreciated:</u>				
Land	\$ 54,648,557	\$ 1,002,351	\$ -	\$ 55,650,908
Works of art	385,460	5,000	-	390,460
Construction in progress	64,062,216	123,996,967	40,254,446	147,804,737
Subtotal	119,096,233	125,004,318	40,254,446	203,846,105
<u>Subject to Depreciation:</u>				
Buildings and building improvements	952,378,226	50,593,484	-	1,002,971,710
Other real estate improvements	141,622,902	-	-	141,622,902
Total buildings and other real estate improvements	1,094,001,128	50,593,484	-	1,144,594,612
Software	3,202,579	5,750	22,500	3,185,829
Furniture, machinery and equipment	44,505,531	3,767,271	1,524,183	46,748,619
Library materials	15,774,196	68,431	-	15,842,627
Total buildings and other capital assets	1,157,483,434	54,434,936	1,546,683	1,210,371,687
<u>Accumulated Depreciation:</u>				
Buildings and building improvements	323,498,329	26,248,105	-	349,746,434
Other real estate improvements	80,914,265	5,046,234	-	85,960,499
Total buildings and other real estate improvements	404,412,594	31,294,339	-	435,706,933
Software	3,176,308	19,837	22,500	3,173,645
Furniture, machinery and equipment	36,634,156	2,896,000	1,518,956	38,011,200
Library materials	14,824,558	203,844	-	15,028,402
Total accumulated depreciation	459,047,616	34,414,020	1,541,456	491,920,180
Net capital assets	\$ 817,532,051	\$ 145,025,234	\$ 40,259,673	\$ 922,297,612

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

5. CAPITAL ASSETS (continued)

Capital assets activity for the year ended August 31, 2020 was as follows:

	Balance 9/1/2019	Increases	Decreases	Balance 8/31/2020
<u>Not Depreciated:</u>				
Land	\$ 63,268,142	\$ 197,526	\$ 8,817,111	\$ 54,648,557
Works of art	385,460	-	-	385,460
Construction in progress	40,524,166	46,295,161	22,757,111	64,062,216
Subtotal	104,177,768	46,492,687	31,574,222	119,096,233
<u>Subject to Depreciation:</u>				
Buildings and building improvements	920,009,306	55,848,141	23,479,221	952,378,226
Other real estate improvements	141,512,830	2,940,848	2,830,776	141,622,902
Total buildings and other real estate improvements	1,061,522,136	58,788,989	26,309,997	1,094,001,128
Software	3,202,579	-	-	3,202,579
Furniture, machinery and equipment	43,355,465	2,387,742	1,237,676	44,505,531
Library materials	15,741,677	118,437	85,918	15,774,196
Total buildings and other capital assets	1,123,821,857	61,295,168	27,633,591	1,157,483,434
<u>Accumulated Depreciation:</u>				
Buildings and building improvements	308,528,158	25,256,007	10,285,836	323,498,329
Other real estate improvements	76,799,287	5,107,318	992,340	80,914,265
Total buildings and other real estate improvements	385,327,445	30,363,325	11,278,176	404,412,594
Software	3,154,916	21,392	-	3,176,308
Furniture, machinery and equipment	34,880,771	2,911,716	1,158,331	36,634,156
Library materials	14,669,376	241,100	85,918	14,824,558
Total accumulated depreciation	438,032,508	33,537,533	12,522,425	459,047,616
Net capital assets	\$ 789,967,117	\$ 74,250,322	\$ 46,685,388	\$ 817,532,051

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

6. NONCURRENT LIABILITIES

As of August 31, 2021, noncurrent liabilities are \$950,318,111 with activity for the fiscal year as follows:

	Balance 9/1/20	Additions	Reductions	Balance 8/31/21	Current Portion
Bonds and tax notes payable					
General obligation bonds	\$ 346,695,000	\$ 195,980,000	\$ 14,450,000	\$ 528,225,000	\$ 17,675,000
Revenue bonds	76,510,000	-	8,000,000	68,510,000	6,395,000
Maintenance tax notes	91,095,000	21,660,000	62,655,000	50,100,000	22,350,000
Premium on bonds payable	61,017,001	35,103,408	7,621,515	88,498,894	5,748,513
Subtotal	<u>575,317,001</u>	<u>252,743,408</u>	<u>92,726,515</u>	<u>735,333,894</u>	<u>52,168,513</u>
Notes payable	9,692,811	-	5,008,608	4,684,203	1,180,399
Compensable absences	7,948,665	5,094,324	4,141,939	8,901,050	577,474
Unearned income	850,432	-	53,152	797,280	53,152
Net pension liability	76,191,272	8,407,118	6,051,164	78,547,226	-
Net OPEB liability	189,740,609	21,184,186	28,816,311	182,108,484	6,074,488
Total	<u>\$ 859,740,790</u>	<u>\$ 287,429,036</u>	<u>\$ 136,797,689</u>	<u>\$ 1,010,372,137</u>	<u>\$ 60,054,026</u>

As of August 31, 2020, noncurrent liabilities are \$788,129,714 with activity for the fiscal year as follows:

	Balance 9/1/19	Additions	Reductions	Balance 8/31/20	Current Portion
Bonds and tax notes payable					
General obligation bonds	\$ 387,955,000	\$ -	\$ 41,260,000	\$ 346,695,000	\$ 14,450,000
Revenue bonds	94,215,000	11,300,000	29,005,000	76,510,000	6,100,000
Maintenance tax notes	49,375,000	48,475,000	6,755,000	91,095,000	36,560,000
Premium on bonds payable	64,040,109	1,843,480	4,866,588	61,017,001	6,636,462
Subtotal	<u>595,585,109</u>	<u>61,618,480</u>	<u>81,886,588</u>	<u>575,317,001</u>	<u>63,746,462</u>
Notes payable	12,401,983	-	2,709,172	9,692,811	1,303,743
Compensable absences	6,974,873	2,936,757	1,962,965	7,948,665	494,006
Unearned income	903,584	-	53,152	850,432	53,152
Net pension liability	83,283,387	-	7,092,115	76,191,272	-
Net OPEB liability	162,799,490	28,514,148	1,573,029	189,740,609	6,013,713
Total	<u>\$ 861,948,426</u>	<u>\$ 93,069,385</u>	<u>\$ 95,277,021</u>	<u>\$ 859,740,790</u>	<u>\$ 71,611,076</u>

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

7. DEBT AND LEASE OBLIGATIONS

Debt service requirements at August 31, 2021 were as follows (table amounts in 000s):

For the Year Ending August 31,	General Obligation Bonds		Revenue Bonds*		Maintenance Tax Notes		TOTAL BONDS	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 17,675	\$ 23,786	\$ 6,395	\$ 2,984	\$ 22,350	\$ 1,832	\$ 46,420	\$ 28,602
2023	19,600	21,851	6,715	2,679	9,600	1,108	35,915	25,638
2024	20,575	20,880	7,055	2,356	1,895	833	29,525	24,069
2025	21,615	19,848	4,245	2,092	1,990	736	27,850	22,676
2026	22,705	18,764	3,395	1,910	2,095	634	28,195	21,308
2027-2031	112,380	76,242	10,895	8,074	12,170	1,461	135,445	85,777
2032-2036	149,460	50,328	10,035	5,923	-	-	159,495	56,251
2037-2041	102,775	19,063	8,250	3,773	-	-	111,025	22,836
2042-2046	61,440	4,199	9,355	1,756	-	-	70,795	5,955
2047-2051	-	-	2,170	54	-	-	2,170	54
TOTAL	\$ 528,225	\$ 254,961	\$ 68,510	\$ 31,601	\$ 50,100	\$ 6,604	\$ 646,835	\$ 293,166

*The interest rate as of August 31, 2021 (1.7%) was used to compute future interest costs for the variable rate revenue bonds included in the table above.

Debt service requirements at August 31, 2020 were as follows (table amounts in 000s):

For the Year Ending August 31,	General Obligation Bonds		Revenue Bonds*		Maintenance Tax Notes		TOTAL BONDS	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 14,450	\$ 15,699	\$ 6,100	\$ 3,302	\$ 36,560	\$ 3,968	\$ 57,110	\$ 22,969
2022	14,905	15,241	6,395	3,016	22,700	2,072	44,000	20,329
2023	15,370	14,768	6,715	2,712	9,970	1,330	32,055	18,810
2024	16,135	14,009	7,055	2,388	2,280	1,036	25,470	17,433
2025	16,950	13,199	4,245	2,175	2,395	919	23,590	16,293
2026-2030	88,425	52,453	14,135	8,930	13,955	2,622	116,515	64,005
2031-2035	85,105	34,883	9,960	6,361	3,235	81	98,300	41,325
2036-2040	78,350	11,367	8,765	4,170	-	-	87,115	15,537
2041-2045	17,005	1,137	8,905	2,204	-	-	25,910	3,341
2046-2050	-	-	4,235	214	-	-	4,235	214
TOTAL	\$ 346,695	\$ 172,756	\$ 76,510	\$ 35,472	\$ 91,095	\$ 12,028	\$ 514,300	\$ 220,256

*The interest rate as of August 31, 2020 (1.7%) was used to compute future interest costs for the variable rate revenue bonds included in the table above.

Operating Leases

Rental payments of approximately \$302,618 and \$918,000 under equipment operating leases and rental agreements were included in operating expenses for the years ended August 31, 2021 and 2020, respectively. The terms of the rental agreements are less than or equal to one year.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

8. BONDS AND TAX NOTES PAYABLE

Bonds and tax notes payable for the years ended August 31, 2021 and 2020 were as follows:

Series	Instrument Type and Purpose	Amount Issued and Authorized	Current Interest Rates	Balance August 31, 2021	Balance August 31, 2020
General Obligation Bonds (Repayment source - Ad valorem taxes)					
2007	Construct, renovate, acquire and equip new and existing facilities. Dated March 15, 2007.	\$ 271,085,000	4.5%	\$ 15,760,000	\$ 15,760,000
2012	Refund certain of the District's outstanding Limited Tax Bonds Series 2007 and 2007A. Dated June 15, 2012.	74,110,000	3.5% - 5.0%	74,110,000	74,110,000
2016	Refund the District's outstanding Limited Tax Bonds Series 2006 and 2006A. Dated May 15, 2016.	72,065,000	3.5% - 5.0%	50,090,000	52,355,000
2017	Refund the District's outstanding Limited Tax Bonds Series 2007 and 2007A and construct, renovate, acquire and equip new and existing facilities. Dated September 15, 2017.	258,940,000	3.0% - 5.0%	192,285,000	204,470,000
2021	Construct, renovate, acquire and equip new and existing facilities. Dated May 15, 2021.	195,980,000	2.375% - 5.0%	195,980,000	-
Subtotal - General Obligation Bonds				\$ 528,225,000	\$ 346,695,000
Maintenance Tax Notes (Repayment source - Ad valorem taxes)					
2011	Renovate and repair existing District facilities. Dated July 15, 2011.	\$ 54,795,000	N/A	\$ -	\$ 28,055,000
2014	Refunding of certain maturities of the 2007 Maintenance Tax Notes. Dated January 15, 2014.	40,665,000	5.0% - 5.5%	9,435,000	14,565,000
2020	Renovate and repair existing District facilities. Dated January 28, 2020.	48,475,000	4.0%	19,005,000	48,475,000
2021	Refund the District's outstanding Maintenance Tax Notes, Series 2011. Dated April 1, 2021.	21,660,000	4.0% - 5.0%	21,660,000	-
Subtotal - Maintenance Tax Notes				\$ 50,100,000	\$ 91,095,000
Revenue Financing System (Repayment source - Pledged revenue*)					
2012A	Refund certain of the District's outstanding Combined Fee Revenue bonds and to construct a parking facility. Dated March 1, 2012.	\$ 55,800,000	3.0% - 5.25%	\$ 34,395,000	\$ 39,570,000
2017	Acquire, purchase, construct, equipping of any property or buildings of any nature of the District. Dated January 15, 2017.	34,880,000	3.0% - 5.0%	32,690,000	33,340,000
2017	(Variable Rate) Acquire, purchase, construct, equipping of any property or buildings of any nature of the District. Dated January 15, 2017. Remarketed November 1, 2019 and converted to Term Rate Period.	15,690,000	1.7%	1,425,000	3,600,000
Subtotal - Revenue Financing System Bonds				\$ 68,510,000	\$ 76,510,000
Total Bonds				\$ 646,835,000	\$ 514,300,000
*Pledged revenue is all revenue to the extent it may be pledged as security for debt obligations pursuant to applicable Texas law.					

Bonds payable are due in annual installments varying from \$170,000 to \$19,150,000 with interest rates from 1.7% to 5.5%, with the final installment due in fiscal year 2047.

In May of 2021, the District issued \$21,660,000 Maintenance Tax Refunding Bonds, Series 2021 to refund the outstanding Series 2011 Maintenance Tax Notes. The refunding decreased the aggregate debt service payments by \$5,618,135 with a net present value savings of \$5,592,109.

In May of 2021, the District cash defeased \$1,900,000 of the then outstanding 2017 Variable Rate Revenue Bonds (Remarketed 2019) from the proceeds of surplus property sales.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

8. BONDS AND TAX NOTES PAYABLE (continued)

In June of 2021, the District issued \$195,980,000 Limited Tax Bonds, Series 2021. This represents the second tranche of the 2017 voter authorization of \$450,000,000. Proceeds will be utilized to design, construct, renovate, improve, acquire and equip new and existing facilities in the District and the purchase of the necessary sites thereof. The bonds were issued with a premium net of costs of \$29,020,000, with a resultant deposit to the construction fund of \$225,000,000.

The Tax Reform Act of 1986 enacted Section 148(f) of the Internal Revenue Code relating to arbitrage rebate requirements. This section generally provides that in order for interest on any issue of obligations to be excluded from gross income (i.e., tax-exempt) the issuer must rebate to the United States Department of Treasury (Treasury) the sum of (1) the excess of the amount earned on all "non-purpose investments" acquired with "gross proceeds" of the issue over the amount which would have been earned if such investments had been invested at a yield equal to the yield on the issue, and (2) the earnings on such excess earnings.

The U.S. Department of Treasury regulations and the District's bond covenants require the District to calculate annually, on the anniversary date of each bond issue subject to rebate, the arbitrage rebate amount. A rebate computation and payment to the Federal Government, if applicable, is required to be made at least every five years or each "Rebate Installment Computation Date" and upon final redemption or maturity of the bonds. The District had no liability related to arbitrage rebate at August 31, 2021 and August 31, 2020.

9. DEFEASED BONDS OUTSTANDING

As of August 31, 2021 and 2020, the District had no defeased bonds outstanding.

10. EMPLOYEES' RETIREMENT PLANS

The State of Texas has joint contributory retirement plans for almost all of its employees. The District requires all full-time employees to participate in either the Teacher Retirement System of Texas (TRS) or in the Optional Retirement Plan (ORP). Faculty, administrators, counselors and librarians may enroll in either the TRS or the ORP. Secretarial, clerical and professional employees are limited to participation in the TRS. Employees who are eligible to participate in the ORP have ninety days from the date of their employment to select the optional retirement program. Employees who previously had the opportunity to participate in the ORP but declined must remain with the TRS for the duration of their employment in the Texas education system.

Teacher Retirement System of Texas – Defined Benefit Plan

Plan Description: The District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the TRS. TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code.

The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension plan's Board of Trustees does not have the authority to establish or amend benefit terms. All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Pension Plan Fiduciary Net Position: Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. The report may be obtained by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; by calling (512) 542-6592; or online at https://www.trs.texas.gov/Pages/about_publications.aspx.

Benefits Provided: TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using a 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity. For members who are grandfathered, the three highest annual salaries are used.

The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years.

Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the plan description paragraph above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

Contributions: Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a State contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Employee contribution rates are set in State statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025. Contribution rates can be found in the TRS 2020 ACFR, Note 11, on page 82.

	<u>Contribution Rates</u>	
	2020	2021
Member	7.7%	7.7%
District/Non-employer contributing entity (State)	7.5%	7.5%
District contributions (audited)	\$ 6,051,164	
State of Texas on-behalf contributions (unaudited)	\$ 5,119,293	

The District's contributions to the TRS pension plan in 2021 were \$6,363,260 as reported in the Schedule of District Contributions for Pensions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2021 were \$5,350,487.

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year, reduced by the amounts described below which are paid by the employers.

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, when employing a retiree of the TRS, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Actuarial Assumptions: The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2019 rolled forward to August 31, 2020
Actuarial cost method	Individual entry age normal
Asset valuation method	Market value
Single discount rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal bond rate as of August 2020*	2.33%
Last year ending August 31 in projection period (100 years)	2119
Inflation	2.30%
Salary increases including inflation	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

*Rate source is the fixed income market data/yield curve/data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in "Fidelity Index's 20-year Municipal GO AA Index."

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions, see the TRS actuarial valuation report dated November 14, 2019. The TRS Board of Trustees have the sole authority to determine the actuarial assumptions used for the plan.

Changes Since the Prior Actuarial Valuation: There were no changes in assumptions since the prior measurement date.

Discount Rate: The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020, gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2020 are summarized below:

Asset Class	Target Allocation ¹	Long-Term Expected Geometric Real Rate of Return ²	Expected Contribution to Long-Term Portfolio Returns
Global equity			
U.S.	18.0%	3.9%	0.99%
Non-U.S. developed	13.0%	5.1%	0.92%
Emerging markets	9.0%	5.6%	0.83%
Private equity	14.0%	6.7%	1.41%
Stable value			
Government bonds	16.0%	-0.7%	-0.05%
Stable value hedge funds	5.0%	1.9%	0.11%
Real return			
Real estate	15.0%	4.6%	1.01%
Energy, natural resources and Infrastructure	6.0%	6.0%	0.42%
Risk parity			
Risk parity	8.0%	3.0%	0.30%
Leverage			
Cash	2.0%	-1.5%	-0.03%
Asset allocation leverage	-6.0%	-1.3%	0.08%
Inflation expectation			2.00%
Volatility drag ³			-0.67%
Expected return	<u>100.0%</u>		<u>7.33%</u>

¹Target allocations are based on the FY2020 policy model.

²Capital market assumptions come from Aon Hewitt (as of 8/31/2020).

³The volatility drag results from the conversion between arithmetic and geometric mean returns.

Source: Teacher Retirement System of Texas 2020 Annual Comprehensive Financial Report

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Discount Rate Sensitivity Analysis: The following table presents the net pension liability of the plan using the discount rate of 7.25%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the net pension liability	\$ 121,118,416	\$ 78,547,226	\$ 43,959,066

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At August 31, 2021, the District reported a liability of \$78,547,226 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 78,547,226
State's proportionate share that is associated with District	66,451,167
Total	\$ 144,998,393

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At the measurement date of August 31, 2020, the District's proportion of the collective net pension liability was 0.1466583601%, which was an increase of 0.0000891215% from its proportion measured as of August 31, 2019.

For the year ended August 31, 2021, the District recognized pension expense of \$2,574,360 and additional on-behalf revenue and expense of \$7,992,600 for support provided by the State. For the year ended August 31, 2020, the District recognized pension expense of \$5,728,627 and additional on-behalf revenue and expense of \$9,845,012 for support provided by the State.

At August 31, 2021, the District's proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 143,421	\$ 2,192,045
Changes in actuarial assumptions	18,225,751	7,749,462
Net difference between projected and actual investment earnings	1,590,121	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	1,708,359	6,196,268
Contributions paid to TRS subsequent to the measurement date	6,363,260	-
Total	\$ 28,030,912	\$ 16,137,775

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

At August 31, 2020, the District's proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 320,072	\$ 2,645,482
Changes in actuarial assumptions	23,638,275	9,768,453
Net difference between projected and actual investment earnings	765,049	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	2,282,508	8,531,590
Contributions paid to TRS subsequent to the measurement date	6,051,648	-
Total	\$ 33,057,552	\$ 20,945,525

The \$6,363,260 amount reported at August 31, 2021 as deferred outflows of resources related to pensions resulting from District contributions to the pension plan made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2022.

The net amounts of the District's balances of deferred outflows of resources and deferred inflows of resources related to pensions, other than deferred outflows of resources for contributions made subsequent to the measurement date of the net pension liability, will be recognized in pension expense as follows:

Year ending August 31,	Pension Expense Amount
2022	\$ (70,434)
2023	3,122,167
2024	3,039,143
2025	313,173
2026	(858,157)
Thereafter	(16,015)

Optional Retirement Plan (ORP) – Defined Contribution Plan

Plan Description: The State has also established an optional retirement program for institutions of higher education. Participation in the ORP is in lieu of participation in the TRS. The optional retirement program is a defined contribution plan that provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy: Contribution requirements are not actuarially determined, but are established and amended by the Texas State Legislature. Since individual annuity contracts are purchased, the State has no additional or unfunded liability for this program. Senate Bill 1812, effective September 1, 2013, limits the amount of the State's contribution to 50% of eligible employees in the reporting district.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

10. EMPLOYEES' RETIREMENT PLANS (continued)

Total payroll for the District and for employees under each retirement plan, retirement expense for the State and the District, and contribution rates mandated by the State for the years ended August 31, 2021, 2020 and 2019 are as follows:

	2021	2020	2019
Payroll - all District employees	\$ 210,285,074	\$ 204,461,061	\$ 192,944,431
Payroll - TRS participants	156,470,787	149,218,481	139,439,475
Payroll - ORP participants	28,916,555	30,250,392	30,696,122
Total required annual contributions:			
State on-behalf contributions	\$ 8,940,000	\$ 10,840,000	\$ 7,650,000
District contributions	10,170,000	13,470,000	9,220,000
District/State contribution percentages - TRS	7.50%	7.50%	6.80%
Participant contribution percentages - TRS	7.70%	7.70%	7.70%
District/State contribution percentages - ORP	7.50%	7.50%	6.80%
Participant contribution percentages - ORP	6.65%	6.65%	6.65%

In certain instances, the District is required to make all or a portion of the State's contribution.

11. DEFERRED COMPENSATION PROGRAM

District employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the Texas Government Code 609.001.

A total of approximately \$2,030,000 was contributed by 342 District employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity program including designated Roth accounts and 170 participants contributed a total of approximately \$737,000 to a Section 457 Deferred Compensation Plan in the fiscal year ended August 31, 2021.

A total of approximately \$2,133,000 was contributed by 364 District employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity program including designated Roth accounts and 150 participants contributed a total of approximately \$576,000 to a Section 457 Deferred Compensation Plan in the fiscal year ended August 31, 2020.

The District does not contribute to the Section 403(b) or Section 457 plan. The deferred compensation plans are not included in the basic financial statements because the program assets are assets of the plan participants and not of the District.

12. COMPENSABLE ABSENCES

The District's full-time employees earn 8 hours of sick leave per month. Administrators earn 14 hours of annual leave per month and other full-time employees earn from 6.66 to 12 hours of annual leave per month depending on their length of employment with the District. Sick leave balances may accumulate with no maximum and are forfeited at the time of separation. Employees who successfully complete the ninety-day initial employment period and terminate their employment are entitled to payment for accumulated annual leave up to the maximum allowed. The District's policy is that an employee may carry accrued annual leave forward from one fiscal year to another with a maximum of 288 hours for employees with 16 years or more of service and 336 hours for administrators.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

12. COMPENSABLE ABSENCES (continued)

In fiscal year 2021, since many employees were not able to travel due to COVID-19, the District increased the maximum allowable amounts of accrued annual leave employees were allowed to carry forward to 432 hours for employees with 15 years or more of service and to 504 hours for administrators. In November 2020, the District allowed employees to redeem up to 80 hours, in eight-hour increments, of accrued vacation provided that the employee maintained a minimum of 40 hours of accrued vacation subsequent to the redemption. A total of 740 employees redeemed approximately 46,000 hours at a value of approximately \$1,400,000. The offer to allow employees to redeem accrued vacation was extended as a benefit to assist District employees whose financial condition may have been negatively impacted due to the COVID-19 pandemic.

The District recognizes the accrued liability for annual leave as a liability in the Statements of Net Position (see also Note 6). The current portion of the annual leave liability is that which is projected to be paid during the next fiscal year and is based on a five-year average. The total accrued at August 31, 2021 and 2020 for annual leave was approximately \$8,900,000, and \$7,900,000, respectively.

13. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Receivables at August 31, 2021 and 2020 were as follows:

	2021	2020
Tuition and fees receivable	\$ 11,390,082	\$ 12,876,062
Taxes receivable	9,628,138	9,142,490
Contracts and grants receivable	26,460,248	6,517,031
Interest receivable	685,374	512,432
Other receivables	3,582,254	1,263,047
Subtotal	51,746,096	30,311,063
Less allowance for doubtful accounts:		
Tuition and fees receivable	9,448,932	10,515,282
Taxes receivable	8,950,610	8,815,949
Other receivables	224,834	231,227
Net accounts receivable and notes receivable	\$ 33,121,720	\$ 10,748,605

Other receivables include amounts due from external entities, employees and students, including returned checks receivable, travel advances and other miscellaneous receivables.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

13. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES (continued)

Accounts payable and accrued liabilities at August 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Accounts payable to vendors	\$ 40,964,212	\$ 20,785,683
Accrued liabilities:		
Salaries and benefits	14,272,415	8,648,935
Construction retainage	12,355,143	8,716,092
Bond interest	3,409,705	1,893,344
Workers' compensation claims	780,267	762,086
Other	<u>88,822</u>	<u>42,978</u>
Total accounts payable and accrued liabilities	<u>\$ 71,870,565</u>	<u>\$ 40,849,118</u>

14. FUNDS HELD FOR OTHERS

The District holds unapplied Federal Direct Loan Program funds, funds for certain students and funds for student and staff organizations. These amounts are reflected in the Statements of Net Position as funds held for others in the amount of \$798,690 and \$868,062 as of August 31, 2021 and 2020, respectively.

15. CONTRACT AND GRANT AWARDS

Contract and grant revenue for which funds have been expended is included in the Statements of Revenues, Expenses and Changes in Net Position. Contract and grant awards for which funds have been expended but not yet collected are included in Accounts Receivable in Exhibit 1, Statements of Net Position. Contract and grant awards for which funds have been received but not yet expended are included in unearned income in the Statements of Net Position. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the financial statements. Contract and grant award funds already committed, e.g., multi-year awards, or funds awarded during fiscal years ended August 31, 2021 and 2020 for which no expenses have been incurred, totaled approximately \$233,000,000 and \$88,700,000, respectively.

16. SELF-INSURED AND RISK MANAGEMENT PLANS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District fully insures its buildings, structures, contents and equipment with the purchase of commercial insurance.

The District's Workers' Compensation Self-Insurance Fund (the Fund) is administered by a third party. Through the Fund, the District self-insures workers' compensation claims up to \$400,000 per occurrence. Individual losses of over \$400,000 are covered by a specific excess insurance policy up to the maximum statutory benefit per occurrence. Additionally, approximately \$3,074,944 of unrestricted net position has been designated by the District to cover losses in excess of those covered by insurance and the Fund. The Fund pays the premium for the specific excess insurance policy and assumes all workers' compensation claims and expenses not covered by the policy. The District transfers the workers' compensation standard premium calculated for the District into the Fund.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

16. SELF-INSURED AND RISK MANAGEMENT PLANS (continued)

Claims and administrative expenses are paid from the Fund, and the balance is reserved toward future claims. The accrued liability in the Fund presented below represents a provision for unpaid expected claims of approximately \$780,000 and \$762,000 at August 31, 2021 and 2020, respectively, and is recorded in accounts payable and accrued liabilities in the accompanying Statements of Net Position. These liabilities are generally based on an actuarial valuation and the present value of unpaid expected claims. The discount rate used to calculate the present value of liabilities was 2.25% for both August 31, 2021 and 2020.

Fiscal Year	Beginning of Year Liability	Additions	Deductions	End of Year Liability
2021	\$ 762,086	\$ 276,476	\$ (258,295)	\$ 780,267
2020	762,086	284,686	(284,686)	762,086

17. HEALTH CARE AND LIFE INSURANCE BENEFITS

The State of Texas pays certain health care and life insurance benefits for active employees. These benefits are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per eligible full-time employee or retiree was between approximately \$625 and \$1,222 per month for the year ended August 31, 2021 and between approximately \$625 and \$1,223 per month for the year ended August 31, 2020.

The table below depicts the cost of providing health care benefits to the District's retired and active employees, and the amount appropriated to the District from the State of Texas. Payments of these benefits by the State were recognized as restricted state appropriations with an equal amount recognized as restricted benefit expenses. These payments do not flow through the District's cash accounts.

Cost of Providing Health Care Insurance	2021	2020
Number of Retirees	1,311	1,255
Cost of Health Benefits for Retirees	\$ 9,082,623	\$ 8,944,877
Number of Active Full-time Employees	2,670	2,714
Cost of Health Benefits for Active Full-time Employees	\$ 22,555,348	\$ 21,979,517
State Appropriation for Health Insurance	\$ 14,357,451	\$ 14,357,451
District's Expense for Health Insurance	\$ 17,280,521	\$ 16,566,943

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description: The District participates in a cost-sharing, multiple employer, defined benefit other postemployment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP), also referred to as the State Retiree Health Plan (SRHP), is administered by the Employees Retirement System of Texas (ERS or System). The GBP provides certain postemployment health care, life and dental insurance benefits to retired employees of participating universities, community colleges, and State agencies in accordance with Chapter 1551, Texas Insurance Code. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the District and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by State law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position: Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Comprehensive Annual Financial Report that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/about-ers/reports-and-studies/reports-on-overall-ers-operations-and-financial-management/2020-cafr.pdf>; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377. The fiduciary net position of the plan has been determined using the same basis used by the OPEB plan.

Benefits Provided: Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

Contributions: Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated, (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

The following table summarizes the maximum monthly employer contribution toward eligible retirees' health and basic life premium, which is based on a blended rate, for the measurement years ended August 31, 2020 and 2019. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
For the Measurement Years Ended August 31, 2020 and 2019

	2020	2019
Retiree only	\$ 624.82	\$ 624.82
Retiree & spouse	1,340.82	1,340.82
Retiree & children	1,104.22	1,104.22
Retiree & family	1,820.22	1,820.22

Premium contributions to the GBP plan for the year ended August 31, 2021 by source are summarized in the following table.

Premium Contributions by Source
Group Benefits Program Plan
For the Year Ended August 31, 2021

FY2021 Member (Employee) Contributions	\$	5,895,417
FY2021 District Contributions		4,847,826
FY2020 State of Texas (NECE) Contributions*		14,357,451

*NECE contributions include both active members and retirees.

Investment Policy: The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2017 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 2.4%.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of August 31, 2020 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	August 31, 2020
Actuarial cost method	Entry age
Last experience study	7-year period from September 1, 2010 to August 31, 2017
Discount rate	2.20%
Projected annual salary increase (includes inflation)	2.30% to 9.05%
Annual healthcare trend rate	8.80% for FY22; 5.25% for FY23; 5.00% for FY24; 4.75% for FY25; 4.60% for FY26, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY29 and later years
Inflation assumption rate	2.30%
Ad hoc postemployment benefit changes	None
Mortality assumptions:	
Service retirees, survivors and other inactive members	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018
Disability retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of 4 per 100 male members and 2 per 100 female members
Active members	Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS plan actuary as of August 31, 2019 and the TRS retirement plan actuary as of August 31, 2017.

Changes Since the Prior Actuarial Valuation: Changes to the actuarial assumptions or other inputs that affected the measurement of the total OPEB liability since the prior measurement period were as follows:

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

- Assumed rates of pre-retirement and post-disability mortality for all State Agency members, assumed rates of termination and retirement for certain CPO/CO members and assumed salary and aggregate payroll increases have been updated to reflect assumptions adopted by the ERS Trustees since the last valuation date. These new assumptions were adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.
- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future female retirees assumed to be married and electing coverage for their spouse.
- Proportion of future retirees assumed to cover dependent children.
- Assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated to reflect recent health plan experience and its effects on short-term expectations.
- The Patient-Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated since the previous valuation to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an assumption adopted by the ERS Trustees since the last valuation date. This new assumption was adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.

Discount Rate: Because the GBP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.97%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 2.20%, which amounted to a decrease of 0.77%.

The discount rate was changed from 2.97% to 2.20% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity with an average credit quality that is roughly equivalent to Moody's Investors Service's Aa2 rating and S&P Global Ratings Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis: The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than or 1 percent greater than the discount rate that was used (2.20%) in measuring the net OPEB liability.

	1% Decrease (1.20%)	Single Discount Rate (2.20%)	1% Increase (3.20%)
District's proportionate share of the net OPEB liability	\$ 216,448,774	\$ 182,108,484	\$ 155,205,942

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

Healthcare Trend Rate Sensitivity Analysis: The initial healthcare trend rate is 8.8% and the ultimate rate is 4.3%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB liability if the healthcare cost trend rate used was 1 percent less than or 1 percent greater than the healthcare cost trend rate that was used (8.8% decreasing to 4.3%) in measuring the net OPEB liability.

	1% decrease in Healthcare Cost Trend Rates (7.8% decreasing to 3.3%)	Current Healthcare Cost Trend Rates (8.8% decreasing to 4.3%)	1% increase in Healthcare Cost Trend Rates (9.8% decreasing to 5.3%)
District's proportionate share of the net OPEB liability	\$ 152,412,821	\$ 182,108,484	\$ 221,036,393

Changes of Benefit Terms Since Prior Measurement Date: Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2021, are provided for in the FY2021 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is primary.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At August 31, 2020, the District reported a liability of \$182,108,484 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the District for OPEB. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 182,108,484
State's proportionate share that is associated with District	157,821,125
Total	\$ 339,929,609

The net OPEB liability was measured as of August 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on its contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At the measurement date of August 31, 2020, the District's proportion of the collective net OPEB liability was 0.55109854%, which was an increase of 0.00212306% from its proportion measured as of August 31, 2019.

For the year ended August 31, 2021, the District recognized OPEB expense of \$1,231,121 and an additional on-behalf offset to OPEB expense and revenue of \$1,862,089 for support provided by the State. For the year ended August 31, 2020, the District recognized OPEB expense of \$3,700,863 and additional on-behalf expense and revenue of \$185,735 for support provided by the State.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

At August 31, 2021, the District reported its proportionate share of the ERS plan's collective 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 economic experience	\$ -	\$ 7,122,354
Changes in actuarial assumptions	10,542,815	39,236,873
Net difference between projected and actual investment earnings	54,349	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	17,574,473	774,326
Contributions paid to ERS subsequent to the measurement date*	3,165,923	-
Total	\$ 31,337,560	\$ 47,133,553

*Represents the amount of the District's employer contributions that were transferred into the SRHP plan by ERS. Actual contributions were \$4,847,826, as reported in the Schedule of OPEB Contributions in the RSI section of this ACFR. For additional information, see the Notes to RSI - Net OPEB Liability.

At August 31, 2020, the District reported its proportionate share of the ERS plan's collective 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 economic experience	\$ -	\$ 4,937,220
Changes in actuarial assumptions	13,502,829	42,399,832
Net difference between projected and actual investment earnings	78,007	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	24,333,886	634,747
Contributions paid to ERS subsequent to the measurement date*	3,124,330	-
Total	\$ 41,039,052	\$ 47,971,799

*Represents the amount of the District's employer contributions that were transferred into the SRHP plan by ERS. Actual contributions were \$4,771,778, as reported in the Schedule of OPEB Contributions in the RSI section of this CAFR. For additional information, see the Notes to RSI - Net OPEB Liability.

The \$3,165,923 amount reported at August 31, 2021 as deferred outflows of resources related to OPEB resulting from District contributions to the OPEB plan made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending August 31, 2022.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

The net amounts of the District's balances of deferred outflows of resources and deferred inflows of resources related to OPEB, other than deferred outflows of resources related to contributions made subsequent to the measurement date of the net OPEB liability, will be recognized in OPEB expense as follows:

Year ending August 31,	OPEB Expense Amount
2022	\$ (9,963,131)
2023	(4,740,507)
2024	(638,497)
2025	(2,040,666)
2026	(1,579,115)
Thereafter	-

19. AD VALOREM TAX

The District's ad valorem property tax is levied each October 1 on the assessed value as of the prior January 1 for all real and business property located in Bexar County. General information follows for the years ended August 31, 2021 and 2020.

	2021 ⁽¹⁾	2020 ⁽²⁾
Assessed valuation of the District	\$ 205,232,649,808	\$ 191,027,155,656
Less : Exemptions	(21,647,671,167)	(17,283,809,209)
Tax increment financings	(267,265,808)	(227,999,734)
Net assessed valuation of the District	\$ 183,317,712,833	\$ 173,515,346,713

(1) Based on most recent Supplement to the Certified Total (ARB Approved 2020 supplement 226)

(2) Based on most recent Supplement to the Certified Total (ARB Approved 2019 supplement 213)

The authorized and assessed property tax rates for the years ended August 31, 2021 and 2020 are as follows:

	2021			2020		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Tax rate per \$100 valuation (authorized)	\$ -	\$ -	\$ 0.25000000	\$ -	\$ -	\$ 0.25000000
Tax rate per \$100 valuation (assessed)	\$ 0.10776000	\$ 0.04139000	\$ 0.14915000	\$ 0.10776000	\$ 0.04139000	\$ 0.14915000

Taxes levied for the years ended August 31, 2021 and 2020 were \$254,322,861 and \$250,822,929, respectively. State law automatically places a tax lien on all taxable property on January 1 of each year to secure payment. Taxes are due on October 1 of each year and are delinquent if not paid before February 1 of the year following the year in which imposed, and are subject to penalties and interest.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

19. AD VALOREM TAX (continued)

The tax collection detail at August 31, 2021 and 2020 is as follows:

	2021			2020		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current taxes	\$ 186,537,288	\$ 71,645,463	\$ 258,182,751	\$ 176,926,769	\$ 67,956,548	\$ 244,883,317
Tax increment financings payment	(420,290)	-	(420,290)	(374,859)	-	(374,859)
Delinquent taxes collected	533,519	208,843	742,362	494,099	195,463	689,562
Penalties and interest	1,694,329	650,953	2,345,282	1,524,580	584,240	2,108,820
Total	\$ 188,344,846	\$ 72,505,259	\$ 260,850,105	\$ 178,570,589	\$ 68,736,251	\$ 247,306,840

Tax collections for the years ended August 31, 2021 and 2020 were 101.4% and 97.5%, respectively, of the current year's original unadjusted tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted for the use of maintenance and operations and/or general obligation debt service.

20. INCOME TAXES

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc., Organizations*. The District had no unrelated business income tax liability for the years ended August 31, 2021 or 2020.

21. OTHER OPERATING REVENUES

Other operating revenues include rental income, paper recycling revenue, dual credit cost-share revenue, revenue from various fundraising activities and other revenues not applicable to any other revenue category.

22. COMMITMENTS AND CONTINGENCIES

As of August 31, 2021, various lawsuits and claims involving the District were pending. While the ultimate liability with respect to litigation and other claims asserted against the District cannot be reasonably estimated at this time, this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the District. The District has entered into contracts for construction, various renovation projects and for operations. As of August 31, 2021 and 2020, the District was committed for approximately \$153,899,000 and \$96,764,000, respectively.

23. SUBSEQUENT EVENTS

The District's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended August 31, 2021 through the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

24. ALAMO COLLEGES FOUNDATION, INC. – DISCRETE COMPONENT UNIT

The following footnotes (24A – 24O) are from the audited financial statements of the Alamo Colleges Foundation, Inc. (Foundation) for the years ended December 31, 2020 and 2019.

A – ORGANIZATION

The Foundation was organized in the State of Texas in 1985 to function as a nonprofit foundation. The purposes for which the Foundation was organized are (1) to maintain, develop, increase and extend the facilities and services of the Alamo Colleges District (the “District”); (2) to provide broad educational opportunities to the District’s students, staff, faculty and the residents of the geographical area that the District serves; (3) to solicit and receive by gift, grant, devise, or otherwise, property, both real and personal, and to manage and administer the same; and (4) to make contributions, grants, gifts and transfers of property to or for the benefit of the District, or to the benefit of tax-exempt organizations identified and associated with the District.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement No. 14*, the Foundation is considered to be a component unit of the Alamo Colleges District because of the nature and significance of its relationship with the District. The economic resources received or held by the Foundation are almost entirely for the direct benefit of the District; the District is entitled to, or can otherwise access, a majority of these resources; and the resources received or held by the Foundation are significant to the District.

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared on the accrual basis of accounting in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP) under Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 958, *Presentation of Financial Statements of Not-for-Profit Organizations*. Under FASB Accounting Standards Update

(ASU) 2016-14, the Foundation’s net assets, support and revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, net assets of the Foundation are classified and reported as follows:

- *Net assets without donor restrictions* – These are net assets that are not subject to donor-imposed restrictions and may be used for any operating purpose of the Foundation. The Foundation’s board may designate net assets without restrictions for specific purposes from time to time.
- *Net assets with donor restrictions* – These are net assets that are subject to donor-imposed stipulations that require the passage of time and/or the occurrence of a specific event, for them to be used. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Still, other net assets are required to be maintained in perpetuity, with only the income used for operating activities, due to donor-imposed restrictions.

In addition, the Foundation is required by FASB ASC Topic 958-205 to present a statement of cash flows in its separately issued financial statements.

Cash and cash equivalents

The Foundation considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents. The Foundation maintains cash and cash equivalents at financial institutions, which at times may not be federally insured or may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on such accounts.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments in marketable securities and mutual funds with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Realized and unrealized gains and losses are reported in the statements of activities as changes in net assets without donor restrictions, unless restricted by donor or law. Donated marketable securities are recorded as contributions at their estimated fair value at the date of the donation. Investment return is presented net of investment fees.

The investments of the Foundation are managed under agreement with Morgan Stanley Smith Barney LLC in a manner consistent with the investment goals and policies established by the Board of Directors of the Foundation.

Under the laws of the State of Texas, the Board of Directors may appropriate for expenditure, for the uses and purposes for which the endowment was established, a prudent rate of spending considering the duration and preservation of the endowment. The Board of Directors determines the amount of such appropriation annually. The aggregate accumulated unallocated gains and losses on donor-restricted endowment net assets balances are included in net assets with donor restrictions in the financial statements.

Contributions receivable

Contributions received are recorded as with donor restriction and without donor restriction depending on the existence and/or nature of any donor restrictions. Contributions receivable are amounts recorded for unconditional or conditional promises to give by third parties. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year. Amounts that are expected to be collected in future years are discounted to estimate the present value of future cash flows, if material. Conditional promises to give are recorded as refundable advances when received, and are recognized as revenues when the conditions have been met.

If contributions receivable become doubtful of collection, allowances are made to the extent the amounts are determined to be doubtful and are charged to expense. If doubtful amounts are subsequently determined to be uncollectible, they are written off against allowances in the period determined. Contributions are recorded when received in cash as with donor restriction and without donor restriction support, depending on the existence and/or nature of donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Contributions of assets other than cash are recorded at their estimated fair value. The Foundation considers contributions receivable to be fully collectible.

Fixed assets

The Foundation operates from facilities provided by the District and does not own any buildings, equipment or other capital assets. See Note J for an estimated amount of in-kind contributions provided by the District that includes an estimate of donated rent. Donated rents are reported in the financial statements as in-kind revenue under net assets without donor restrictions.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Presentation of expenses

The cost of providing the various programs and activities of the Foundation has been summarized on a functional basis in the accompanying statements of activities.

- Program Support and Scholarships - consists of scholarships and program support payments made to the District for tuition and books on behalf of specified students, staff and faculty of the District and the residents of the geographical area that the District serves; and to maintain, develop, increase and extend the facilities and services of the District.
- General and Administrative - consists of general supporting services that are necessary for the Foundation's daily operations and coordination of program activities and includes salaries and benefits related to administrative personnel.
- Fundraising - activities are directed at soliciting and receiving funds, gifts, grants and property to enable the Foundation to fulfill its purpose. It also includes salaries and benefits paid to fundraising personnel.

Income taxes

The Foundation is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501(c)(3) of the IRC. However, income generated from activities unrelated to the Foundation's exempt purpose is subject to tax under Section 511 of the IRC. The Foundation did not conduct any unrelated business activities in the current fiscal year. Therefore, the Foundation made no provision for federal income taxes in the accompanying financial statements. Accordingly, contributions to the Foundation are tax deductible within the limitations prescribed by the IRC. The Foundation has also been classified as a publicly supported organization which is not a private foundation under Section 509(a) of the IRC. The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Donated materials, services and facilities

The salaries of certain Foundation employees were donated by the Alamo Colleges District. The District also provides office space and equipment at no cost to the Foundation. The value of these contributed services is provided in Note J and is reported in the financial statements as in-kind revenue under net assets without donor restriction.

Revenue recognition

The Foundation records contributions at fair value when an unconditional commitment is received from the donor. Contributions that are restricted by the donor and are to be used in future periods are reported as an increase in net assets with donor restrictions in the reporting period in which the contribution is recognized. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted in perpetuity by the donor are recorded as net assets with donor restrictions. In accordance with donor restrictions, income earned from net assets with donor restrictions are recorded as net assets with donor restrictions until such income is released from restrictions.

Concentrations

The Foundation maintains a portion of its cash balance in accounts which, at times, may exceed Federal Deposit Insurance Corporation (FDIC) limits. One account held by the Foundation was over the FDIC limit in the amount of \$3,917,988 and \$1,246,539, at December 31, 2020 and 2019, respectively.

At December 31, 2020, one donor made up 74% of contribution receivables. At December 31, 2019, one donor made up 72% of the contribution receivables.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates. Estimates that have the most impact on financial position and results of operations primarily relate to the collectability and present value of contributions receivable, the fair value of investments and the allocation of expenses among functional areas.

Risks and Uncertainties

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to the Foundation, COVID-19 may impact various parts of its 2021 operations and financial results. Management believes the Foundation is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

Change in Accounting Principles

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). Subsequent to May 2014, the FASB has issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity and understandability of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. These financial statements reflect the application of ASC 606 guidance beginning in fiscal year 2020. The adoption of ASU 2014-09 did not significantly impact the Foundation's reported historical revenue and therefore has been applied prospectively.

Pending Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). Under ASU 2016-02, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: A lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. This ASU requires a modified retrospective transition approach, which includes a number of optional practical expedients, described in ASU 2016-02, which may be applied. The ASU is effective for fiscal years beginning after December 15, 2021. The impact of the new standard has not been determined; however it is expected that there will not be an increase to the Foundation's assets and liabilities.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU No. 2020-07 intends to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The ASU is effective for fiscal years beginning after June 15, 2021. The impact of the new standard is still being evaluated by the Foundation.

The FASB has issued various new or updates to existing accounting guidance in addition to the ASUs listed above. The Foundation has considered the new pronouncements and does not believe that any other new or modified principles will have a material impact on the Foundation's reported financial position or operations in the near future.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

C – LIQUIDITY

The Foundation maintains a liquid cash balance in checking accounts in an amount necessary to meet anticipated expenditures for at least the next 30 days. Cash in excess of this amount is invested in short-term investments. The Foundation reconciles the balance of financial assets subject to donor restrictions monthly. Investments are identified and monitored separately as part of the Foundation's monthly financial reporting procedures.

The Foundation's financial assets available within one year of the statement of financial position date for general expenditures as of December 31, 2020 and December 31, 2019 are as follows:

	2020	2019
Financial assets, at year end	\$ 60,099,443	\$ 32,913,243
Less those unavailable for general expenditure within one year due to:		
Endowments invested in perpetuity	(20,850,204)	(19,319,249)
Restricted by donor with time or purpose restrictions	(38,891,758)	(13,289,807)
Financial assets available to meet cash needs for general expenditures within one year	\$ 357,481	\$ 304,187

Included in restricted fund amounts are amounts that can be spent for scholarships and program support in fiscal year 2021. In addition, the Foundation also receives in-kind contributions from the Alamo Colleges District for personnel costs and donated office space, as described in Note J, which helps to offset costs for general expenditures.

D – CONTRIBUTIONS RECEIVABLE

The Foundation reports pledges receivable expected to be collected within one year at net realizable value. Pledges expected to be collected in future years are initially reported at fair value determined using the discounted present value of future contributions. The Foundation provides an allowance for doubtful collections, which is based upon a review of outstanding pledge receivables, historical collection information and existing economic conditions. Pledge receivables are considered past due if they are not received by their payment instrument due date. Delinquent pledges are written off based on individual credit evaluation and specific circumstances of the donor.

Total contributions receivable at December 31, 2020 and 2019 were as follows:

	2020	2019
Promises to give expected to be collected in:		
Less than one year	\$ 1,151,719	\$ 1,118,987
One to five years	1,718,333	1,095,000
	2,870,052	2,213,987
Less discount on promises to give	(5,763)	(33,692)
Less allowance for uncollectible accounts	(114,898)	(93,270)
Net contributions receivable	\$ 2,749,391	\$ 2,087,025

The discount rates used in discounting contributions receivable ranged between 0.10% and 0.17% as of December 31, 2020. The discount rates used in discounting contributions receivable ranged between 1.59% and 1.62% as of December 31, 2019.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

D – CONTRIBUTIONS RECEIVABLE (continued)

The increases in contributions receivable and non-endowed net assets relate primarily to fundraising for the AlamoPROMISE program which makes college more accessible to graduating seniors by providing the support necessary to earn a certificate or associate's degree at one of the five Alamo Colleges: Northeast Lakeview College, Northwest Vista College, Palo Alto College, San Antonio College, and St. Philip's College.

E – INVESTMENTS

The composition of the Foundation's investments as of December 31, 2020 and 2019 is as follows:

Type of Security	2020 Fair Value	2019 Fair Value
Fixed income securities	\$ 6,989,346	\$ 5,659,180
Mutual funds/exchange-traded funds	22,150,410	20,774,993
Marketable securities	3,409,788	2,593,581
Total	\$ 32,549,544	\$ 29,027,754

Net investment income for the years ended December 31, 2020 and 2019 is comprised of the following:

	2020	2019
Interest and dividend income	\$ 430,886	\$ 611,377
Net gain on investments	2,945,643	3,741,890
Total	\$ 3,376,529	\$ 4,353,267

The Foundation elects to net investment expenses with earnings from investments. Total investment expenses in 2020 and 2019 were \$128,140 and \$120,301, respectively.

The Foundation invests in various investment instruments which are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, changes in the value of investment securities may have occurred subsequent to year end that could materially affect the amounts reported in the statements of financial position.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

F – FUNCTIONAL EXPENSES

The costs of providing the various programs and activities of the Foundation have been summarized on a functional basis in the accompanying statements of activities. Expenses are charged directly to program services or management and general based on time spent on the various activities with the exception of the salaries and benefits, professional services, and other. This expense is split between program and management and general based on allocation of the number of hours spent on each function.

Functional expenses categorized by program support and scholarships, general and administrative and fundraising costs for the year ended December 31, 2020 are as follows:

	Program Support and Scholarships	General and Administrative	Fundraising	Total
Year ended December 31, 2020:				
Scholarships and educational support	\$ 3,823,642	\$ -	\$ -	\$ 3,823,642
Salaries and benefits	-	629,883	372,788	1,002,671
Rent	-	42,739	-	42,739
Professional services	-	39,878	36,000	75,878
Professional development, fees and subscriptions	-	6,540	-	6,540
Other	-	106,199	24,509	130,708
Total	<u>\$ 3,823,642</u>	<u>\$ 825,239</u>	<u>\$ 433,297</u>	<u>\$ 5,082,178</u>

Functional expenses categorized by program support and scholarships, general and administrative and fundraising costs for the year ended December 31, 2019 are as follows:

	Program Support and Scholarships	General and Administrative	Fundraising	Total
Year ended December 31, 2019:				
Scholarships and educational support	\$ 2,652,503	\$ -	\$ -	\$ 2,652,503
Salaries and benefits	-	507,876	227,820	735,696
Rent	-	47,029	-	47,029
Professional services	-	10,000	-	10,000
Professional development, fees and subscriptions	-	3,416	-	3,416
Other	-	122,858	73,665	196,523
Total	<u>\$ 2,652,503</u>	<u>\$ 691,179</u>	<u>\$ 301,485</u>	<u>\$ 3,645,167</u>

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

G – ENDOWMENT NET ASSETS

The Foundation’s endowment consists of 185 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Texas Uniform Prudent Management Institutional Funds Act of 2007 (the Act) 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 classifies as net assets with donor restrictions (a) the original value of gifts donated, (b) the original value of subsequent gifts, and (c) accumulations made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by the Act.

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

1. General economic conditions
2. The possible effects of inflation and deflation
3. The expected tax consequences, if any, of investment decisions or strategies
4. The role that each investment or course of action plays within the overall investment portfolio of the Foundation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The needs of the Foundation and the fund to make distributions and to preserve capital
8. An asset’s special relationship or special value, if any, to the charitable purposes of the Foundation

Realized and unrealized investment gains/losses are recorded as net assets with donor restrictions.

Endowment net assets and classifications of related unappropriated income at December 31, 2020 and 2019 are as follows:

	Net assets without Donor Restrictions	Non-endowed Funds	Accumulated Gains	Endowed Funds	Total
As of December 31, 2020					
Endowment funds	\$ 308,017	\$ 29,776,334	\$ 9,115,424	\$ 20,850,204	\$ 60,049,979
As of December 31, 2019					
Endowment funds	\$ 139,835	\$ 6,549,202	\$ 6,740,605	\$ 19,319,249	\$ 32,748,891

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

G – ENDOWMENT NET ASSETS (continued)

The changes in endowment net assets and related income classification for the year ended December 31, 2020 are as follows:

	Net assets without Donor Restrictions	Net Assets with Donor Restrictions			Total
		Non-endowed Funds	Accumulated Gains	Endowed Funds	
Beginning of year	\$ 139,835	\$ 6,549,202	\$ 6,740,605	\$ 19,319,249	\$ 32,748,891
Contributions	68,856	26,434,239	37,237	1,220,207	27,760,539
In-kind revenue	1,246,198	-	-	-	1,246,198
Investment return:					
Interest and dividends	1,311	-	429,575	-	430,886
Gain on investments	-	-	2,945,643	-	2,945,643
Net assets released from restrictions	<u>3,957,995</u>	<u>(3,061,879)</u>	<u>(896,116)</u>	<u>-</u>	<u>-</u>
Total revenues	5,274,360	23,372,360	2,516,339	1,220,207	32,383,266
Expenses and appropriation of endowment assets for expenditure	(5,082,178)	-	-	-	(5,082,178)
Deductions:					
Designated transfers	<u>(24,000)</u>	<u>(145,228)</u>	<u>(141,520)</u>	<u>310,748</u>	<u>-</u>
Increase in net assets	<u>168,182</u>	<u>23,227,132</u>	<u>2,374,819</u>	<u>1,530,955</u>	<u>27,301,088</u>
End of year	<u>\$ 308,017</u>	<u>\$ 29,776,334</u>	<u>\$ 9,115,424</u>	<u>\$ 20,850,204</u>	<u>\$ 60,049,979</u>

The changes in endowment net assets and related income classification for the year ended December 31, 2019 are as follows:

	Net assets without Donor Restrictions	Net Assets with Donor Restrictions			Total
		Non-endowed Funds	Accumulated Gains	Endowed Funds	
Beginning of year	\$ 108,809	\$ 4,275,361	\$ 3,384,524	\$ 18,426,577	\$ 26,195,271
Contributions	65,729	4,173,661	35,015	610,422	4,884,827
In-kind revenue	960,693	-	-	-	960,693
Investment return:					
Interest and dividends	4,806	-	606,571	-	611,377
Gain on investments	-	67	3,741,823	-	3,741,890
Net assets released from restrictions	<u>2,571,940</u>	<u>(1,711,649)</u>	<u>(860,291)</u>	<u>-</u>	<u>-</u>
Total revenues	3,603,168	2,462,079	3,523,118	610,422	10,198,787
Expenses and appropriation of endowment assets for expenditure	(3,645,167)	-	-	-	(3,645,167)
Deductions:					
Designated transfers	<u>73,025</u>	<u>(188,238)</u>	<u>(167,037)</u>	<u>282,250</u>	<u>-</u>
Increase in net assets	<u>31,026</u>	<u>2,273,841</u>	<u>3,356,081</u>	<u>892,672</u>	<u>6,553,620</u>
End of year	<u>\$ 139,835</u>	<u>\$ 6,549,202</u>	<u>\$ 6,740,605</u>	<u>\$ 19,319,249</u>	<u>\$ 32,748,891</u>

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

G – ENDOWMENT NET ASSETS (continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Foundation to retain as a fund of perpetual duration, referred to as underwater endowments. As of December 31, 2020 and 2019, the Foundation did not have any such deficiencies.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds.

The Board of Directors, through its Investments Committee, has adopted a specific investments objective for the Foundation. The investments objective is to invest all endowment and other available funds to optimize the return on investment to the extent possible, balanced with the appropriate level of risk.

Under the laws of the State of Texas, the Board of Directors may appropriate for expenditure, for the uses and purposes for which the endowment was established, a prudent rate of spending considering the duration and preservation of the endowment. The Board of Directors determines the amount of such appropriation annually. The rate for 2020 and 2019 was 4.50% and 4.75%, respectively. The rate for 2021 has been set at 4.5%.

H – NON-ENDOWED NET ASSETS

Net assets with donor restrictions (non-endowed funds) consist of amounts for the following programs at December 31:

	2020	2019
Academic Support	\$ 23,866,194	\$ 3,020,588
Scholarships	5,910,140	3,528,614
Net assets with donor restrictions (non-endowed funds)	\$ 29,776,334	\$ 6,549,202

Net assets with donor restrictions (non-endowed funds) released from restriction related to the following programs for the years ended December 31:

	2020	2019
Academic Support	\$ 1,841,322	\$ 361,867
Scholarships	1,220,557	1,349,782
Net assets with donor restrictions (non-endowed funds) released from restriction	\$ 3,061,879	\$ 1,711,649

I – FAIR VALUE OF FINANCIAL INSTRUMENTS

FASB ASC Topic 820-10, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. FASB ASC Topic 820-10 also establishes a fair value hierarchy that distinguishes between inputs based on market data from independent sources (observable inputs) and a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs).

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

I – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair value hierarchy in FASB ASC Topic 820 prioritizes fair value measurements into three levels based on the nature of the inputs. The three levels of the fair value hierarchy under FASB ASC Topic 820-10 are as follows:

Level 1 – Investments in this category are valued based on quoted prices in active markets for identical assets that are accessible at the measurement date. An active market is a market in which transactions for the asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Investments in this category are valued based on inputs, in the absence of actively quoted market prices, which are observable for the asset, either directly or indirectly. Level 2 inputs include: (a) quoted prices for similar assets in active markets, (b) quoted prices for identical or similar assets in markets that are not active, (c) inputs other than quoted prices that are observable for the asset such as interest rates and yield curves observable at commonly quoted intervals, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Investments in this category are valued based on unobservable inputs for the asset. Unobservable inputs are used to the extent observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date.

The fair value hierarchy of investments at December 31, 2020 is as follows:

	2020			
	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 6,989,346	\$ -	\$ 6,989,346
Mutual funds / exchange-traded funds	22,150,410	-	-	22,150,410
Marketable securities	3,409,788	-	-	3,409,788
Total	\$ 25,560,198	\$ 6,989,346	\$ -	\$ 32,549,544

The fair value hierarchy of investments at December 31, 2019 is as follows:

	2019			
	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 5,659,180	\$ -	\$ 5,659,180
Mutual funds / exchange-traded funds	20,774,993	-	-	20,774,993
Marketable securities	2,593,581	-	-	2,593,581
Total	\$ 23,368,574	\$ 5,659,180	\$ -	\$ 29,027,754

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

J – SUPPORT AGREEMENT AND RELATED PARTY TRANSACTIONS

By agreement, the Alamo Colleges District provides administrative support for Foundation activities at a level determined to be appropriate, but only to the extent of availability of funds within the District's budget. Administrative support provided includes office space and an Executive Director and staff for the Foundation. The total support provided by the District to the Foundation in the fiscal years ended December 31, 2020 and 2019 was valued at approximately \$1,246,198 and \$960,693, respectively, and is included in the financial statements as net assets without restrictions in-kind revenue.

From time to time the Foundation remits scholarship funds to the District to cover tuition, books, and other student fees for specified students. During the years ended December 31, 2020 and 2019, the Foundation remitted a total of \$1,817,506 and \$2,116,642 to the District to fund approximately 2,883 and 3,350 scholarships, respectively.

In addition, for the years ended December 31, 2020 and 2019, the Foundation remitted \$2,090,953 and \$390,224, respectively, to the District for program related costs.

The total scholarship funds due from the Foundation to the District at December 31, 2020 and 2019 was \$-0- and \$143,672, respectively. These amounts have been included in the due to affiliates balances in the accompanying financial statements.

K – FUTURE COMMITMENTS

At December 31, 2020, outstanding donor match commitments are as follows:

Year ending December 31,	
2021	<u>\$ 25,000</u>

L – COMMITMENTS

The Parent-Child Scholarship Program provides multi-generational scholarships. Parents who are eligible under this program and complete all requirements qualify their first-born child. The Foundation has not determined what amount, if any, will eventually be payable under this program.

M – RESTRICTED TITLE III AND TITLE V FUNDS

In compliance with federal grant restrictions, Title III and Title V grant funds are deposited into segregated bank accounts and/or other investment accounts.

N – NET ASSETS WITHOUT RESTRICTIONS

Net assets without restrictions is comprised of net assets that are not subject to donor-imposed stipulations. The balances comprising net assets without restrictions as of December 31, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Net assets without donor restrictions / undesignated	<u>\$ 308,017</u>	<u>\$ 139,835</u>

O – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 19, 2021, the date the financial statements were available to be issued and no changes were necessary to be made to the financial statements as a result of this evaluation.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

25. ACCD PUBLIC FACILITY CORPORATION – DISCRETE COMPONENT UNIT

The following footnotes (25A – 25G) are from the audited financial statements of ACCD Public Facility Corporation (PFC) for the years ended August 31, 2021 and 2020.

A – REPORTING ENTITY

The ACCD Public Facility Corporation is a public non-profit corporation formed under the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended; it is also a public corporation within the meaning of the U.S. Treasury Department rulings of the Internal Revenue Service per sections 103 and 141 of the IRS Code of 1986, as amended. The PFC was incorporated on September 23, 2011 exclusively for the purpose of assisting the District in financing, refinancing, or providing public facilities and is a component unit of the District.

The PFC is governed by a three-member Board consisting of the Chairperson, Vice-Chairperson and Secretary of the Alamo Community College District Board of Trustees. The PFC may finance the acquisition of District obligations; provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing and placement in service of public facilities of the District; issue bonds as permitted by the Act; and perform other such activities on behalf of the District as provided in the Certificate of Formation. The PFC does not have authority to levy taxes.

The financial reporting of the PFC is defined by GASB to consist of the (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Tobin Lofts, LLC – Discrete Component Unit

Tobin Lofts, LLC (“Tobin Lofts”, “LLC” or “Company”) was created to carry out the purposes of its initial sole member, ACCD Public Facility corporation, which includes providing housing for college students and employees of the Alamo Colleges District and other higher education institutions in San Antonio, Texas and Bexar County. GASB Statement No. 90 *Majority Equity Interests* went into effect for reporting periods beginning after December 15, 2019. It was determined that under this statement, Tobin Lofts, LLC is a component unit of ACCD Public Facility Corporation. Accordingly, the LLC's financial statements are included in the PFC's report as a discrete component unit.

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the PFC are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB). These financial statements have been prepared on the accrual basis of accounting, whereby all revenues are recorded when earned, and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Cash

Cash consists solely of demand deposits held at a bank fully insured by the Federal Deposit Insurance Corporation (FDIC). At August 31, 2021 and 2020, the PFC had \$0 in excess of the FDIC insurance limit.

Capital Assets

Assets meeting the applicable capitalization threshold with useful lives extending beyond one year are recorded at cost on the date of acquisition, except for assets transferred within the same financial reporting entity which have been recorded at the carrying value of the transferor. Capital assets consist of land purchased from an unrelated party and from the PFC's primary government, the District.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net position is the residual of assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. The PFC maintains the following classifications of net position:

- Net Investment in Capital Assets – This category of net position represents capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair, or improvement of those assets.
- Restricted – This category of net position represents any net positions subject to the externally imposed conditions. The PFC has no externally restricted net position.
- Unrestricted – This category of net position represents any net position not recorded as Net Investment in Capital Assets or Restricted.

Operating and Non-operating Revenues

Operating revenues generally result from providing services in connection with the PFC’s principal ongoing operations. The principal operating revenues are from lease payments and development fees collected. The PFC did not have any non-operating revenues for the years ended August 31, 2021 and 2020.

Revenue Recognition and Unearned Revenues

Lease revenue is recorded when earned. Pre-paid lease payments received have been deferred and are recognized in a rational, systematic manner over the term of the lease.

Operating and Non-operating Expenses

The PFC distinguishes operating expenses from non-operating expenses. Operating expenses consist of bank charges related to the operating cash account, net of interest income earned on deposits. Non-operating expenses consist of interest on capital-related debt.

Use of Estimates

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

Prior Year Restatement

The fiscal year 2020 financial statements of the PFC have been restated to include the financial statements of Tobin Lofts, LLC due to the implementation of Governmental Accounting Standards Board Statement No. 90 *Majority Equity Interests*. It was determined that under this statement, Tobin Lofts, LLC is a component unit of the PFC. Accordingly, the LLC’s financial statements are included in the PFC’s report as a discrete component unit.

C – CAPITAL ASSETS

Capital assets consist of land and therefore no depreciation is required. Activity for the years ended August 31, 2021 and 2020 was as follows:

	Balance 9/1/2019	Increases	Decreases	Balance 8/31/2020	Increases	Decreases	Balance 8/31/2021
Land	\$ 5,099,847	\$ -	\$ -	\$ 5,099,847	\$ -	\$ -	\$ 5,099,847

D – NONCURRENT LIABILITIES

Noncurrent liabilities consist of a note payable and related interest to the District for the purchase of land and unearned revenue arising from prepaid rent under a 75-year ground lease from a related organization, Tobin Lofts, LLC.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

D – NONCURRENT LIABILITIES (continued)

The principal amount of the note is \$2 million, with a maturity date of August 1, 2042 and an interest rate of four percent (4%) per annum. There are no required annual payments on the note payable. Accrued interest on the note is \$726,667 and \$646,667 at August 31, 2021 and 2020, respectively, payable at maturity.

	Note Payable			
	Balance 9/1/20	Additions	Reductions	Balance 8/31/21
Note payable to Alamo Community College District	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Total note payable	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000

As of August 31, 2021, noncurrent liabilities are \$2,726,667 with activity for the fiscal year as follows:

	Total Liabilities				
	Balance 9/1/20	Additions	Reductions	Balance 8/31/21	Current Portion
Note payable to Alamo Community College District	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -
Interest payable	646,667	80,000	-	726,667	-
Total liabilities	\$ 2,646,667	\$ 80,000	\$ -	\$ 2,726,667	\$ -

As of August 31, 2020, noncurrent liabilities are \$4,228,667 with activity for the fiscal year as follows:

	Total Liabilities				
	Balance 9/1/19	Additions	Reductions	Balance 8/31/20	Current Portion
Note payable to Alamo Community College District	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -
Interest payable	566,667	80,000	-	646,667	-
Total liabilities	\$ 2,566,667	\$ 80,000	\$ -	\$ 2,646,667	\$ -

E – INCOME TAXES

Income earned by the PFC can be excluded from gross income for federal tax purposes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, because its income is from the performance of an essential governmental function and it accrues to a political subdivision.

F – RELATED PARTIES

In July of 2012, Tobin Lofts, LLC (LLC) was created to carry out the purposes of its initial sole member, ACCD Public Facility Corporation, which includes providing housing for college students and employees of the Alamo Colleges District. The LLC leases land from the PFC under a 75-year ground lease, classified as an operating lease, and operates residential housing and retail facilities on the land. In August 2012, the LLC prepaid its ground lease in the amount of \$1.8 million and the PFC recognizes lease revenue on a monthly basis over the life of the lease. The PFC recognized \$24,000 for each year ended August 31, 2020 and 2019. The PFC may receive distributions in the future from the LLC under limited contractual conditions. At the end of the 75-year lease, title to the tenant improvements will pass to the PFC.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Financial Statements

G – SUBSEQUENT EVENTS

On September 24, 2021, Tobin Lofts, LLC, of which the PFC is the sole member, was sold to JWCM Credit Opportunities Fund I, L.P. The ground lease between Tobin Lofts, LLC and the PFC, as lessor, was terminated and the PFC entered into a new 75-year ground lease with the new ownership group per the Assignment and Assumption of Lease Agreement (Exhibit D) in the Purchase and Sale Agreement between Tobin Lofts, LLC and JWCM Credit Opportunities Fund I, L.P. As a result of the cancelation of the original ground lease with Tobin Lofts, LLC, there were no requirements to return any of the proceeds from the prepayment against the ground lease, and the non-return of funds was not considered an incentive for the new ownership group. The sale by the Tobin Lofts, LLC of its interests did not change the note payable between the PFC and Alamo Colleges District. The above-referenced sale does not affect the continued existence of the Tobin Lofts, LLC, of which the PFC is the sole member.

Required Supplementary Information



ALAMO COMMUNITY COLLEGE DISTRICT

Schedule of District's Proportionate Share of Net Pension Liability Last Seven Fiscal Years**

Fiscal year ended August 31*,	2021	2020	2019	2018	2017	2016	2015
District's proportionate share of collective net pension liability (%)	0.1466583601%	0.1465692386%	0.1513076223%	0.1709877316%	0.1591812086%	0.162917000%	0.181406100%
District's proportionate share of collective net pension liability (\$)	\$ 78,547,226	\$ 76,191,272	\$ 83,283,387	\$ 54,672,665	\$ 60,152,212	\$ 57,588,991	\$ 48,456,078
State's proportionate share of net pension liability associated with District	66,451,167	62,672,785	67,075,692	31,367,944	34,396,610	31,874,468	25,023,180
Total	144,998,393	138,864,057	150,359,079	86,040,609	94,548,822	89,463,459	73,479,258
District's covered payroll	\$ 149,218,481	\$ 139,439,475	\$ 135,309,910	\$ 128,722,459	\$ 116,013,872	\$ 109,267,415	\$ 101,833,288
District's proportionate share of collective net pension liability as a percentage of covered payroll	52.64%	54.64%	61.55%	42.47%	51.85%	52.70%	47.58%
TRS fiduciary net position as percentage of the total pension liability	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

*The amounts presented above are as of the measurement date of the collective net pension liability for the respective fiscal year.

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

ALAMO COMMUNITY COLLEGE DISTRICT

Schedule of District Contributions for Pensions Last Seven Fiscal Years**

Fiscal year ended August 31*,	2021	2020	2019	2018	2017	2016	2015
Legally required contributions	\$ 6,363,260	\$ 6,051,648	\$ 5,128,423	\$ 5,091,852	\$ 5,603,980	\$ 5,057,590	\$ 4,824,042
Actual contributions	6,363,260	6,051,648	5,128,423	5,091,852	5,603,980	5,057,590	4,824,042
Contributions deficiency (excess)	-	-	-	-	-	-	-
District's covered payroll	156,470,787	\$ 149,218,481	\$ 139,439,475	\$ 135,309,910	\$ 128,722,459	\$ 116,013,872	\$ 109,267,415
Contributions as a percentage of covered payroll	4.07%	4.06%	3.68%	3.76%	4.35%	4.36%	4.41%

* The amounts presented above are as of the District's most recent fiscal year-end.

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

ALAMO COMMUNITY COLLEGE DISTRICT

**Notes to Required Supplementary Information
Net Pension Liability
For Year Ended August 31, 2021**

Changes since Prior Actuarial Valuation

There were no changes to the actuarial assumptions and methods used since the prior actuarial valuation.

ALAMO COMMUNITY COLLEGE DISTRICT

Schedule of District's Proportionate Share of Net OPEB Liability Last 4 Fiscal Years**

Fiscal year ended August 31*,	2021	2020	2019	2018
District's proportionate share of collective net OPEB liability (%)	0.55109854%	0.54897548%	0.54929788%	0.46476038%
District's proportionate share of collective net OPEB liability (\$)	\$ 182,108,484	\$ 189,740,609	\$ 162,799,490	\$ 158,357,860
State's proportionate share of net OPEB liability associated with District	157,821,125	163,945,598	138,602,473	138,445,196
Total	339,929,609	353,686,207	301,401,963	296,803,056
District's covered employee payroll	\$ 167,098,184	\$ 156,063,712	\$ 154,055,166	\$ 150,672,061
District's proportionate share of collective net OPEB liability as a percentage of covered employee payroll	108.98%	121.58%	105.68%	105.10%
ERS fiduciary net position as percentage of the total OPEB liability	0.32%	0.17%	2.04%	2.04%

*The amounts presented above are as of the measurement date of the collective net OPEB liability for the respective fiscal year.

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

ALAMO COMMUNITY COLLEGE DISTRICT

Schedule of District Contributions for OPEB Last 4 Fiscal Years**

Fiscal year ended August 31*,	2021	2020	2019	2018
Legally required contributions	\$ 4,847,826	\$ 4,771,778	\$ 4,629,201	\$ 4,465,565
Actual contributions***	4,847,826	4,771,778	4,629,201	4,465,565
Contributions deficiency (excess)	-	-	-	-
District's covered employee payroll	\$ 172,319,143	\$ 167,098,184	\$ 156,063,712	\$ 154,055,166
Contributions as a percentage of covered employee payroll	2.81%	2.86%	2.97%	2.90%

* The amounts presented above are as of the District's most recent fiscal year-end.

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

***Due to a change in accounting principle implemented by ERS in FY19, District employer contributions transferred into the SRHP plan for postemployment benefits were \$3,165,923, as reported in Footnote 18. For additional information, see Notes to RSI - Net OPEB Liability.

ALAMO COMMUNITY COLLEGE DISTRICT

Notes to Required Supplementary Information Net OPEB Liability For the Year Ended August 31, 2021

Changes since Prior Actuarial Valuation

The following changes to actuarial assumptions and other inputs affected the measurement of the amounts reported in the RSI schedules related to OPEB:

- The discount rate was changed from 2.97% to 2.20% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.
- Assumed rates of pre-retirement and post-disability mortality for all State Agency members, assumed rates of termination and retirement for certain CPO/CO members and assumed salary and aggregate payroll increases have been updated to reflect assumptions adopted by the ERS Trustees since the last valuation date. These new assumptions were adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.
- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future female retirees assumed to be married and electing coverage for their spouse.
- Proportion of future retirees assumed to cover dependent children.
- Assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated to reflect recent health plan experience and its effects on short-term expectations.
- The Patient-Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated since the previous valuation to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an assumption adopted by the ERS Trustees since the last valuation date. This new assumption was adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.

Changes to Benefit Terms

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2021, are provided for in the FY2021 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is primary.

Supplementary Information



ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule A
Schedule of Operating Revenues
For the Year Ended August 31, 2021
With Memorandum Totals for the Year Ended August 31, 2020**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY21 Total	FY20 Total
OPERATING REVENUES:						
Tuition						
State-funded courses						
In-District resident tuition	\$ 87,769,260	\$ -	\$ 87,769,260	\$ -	\$ 87,769,260	\$ 93,987,912
Out-of-District resident tuition	20,652,426	-	20,652,426	-	20,652,426	25,011,783
Non-resident tuition	10,490,669	-	10,490,669	-	10,490,669	8,995,910
TPEG - credit set aside*	6,057,037	-	6,057,037	-	6,057,037	6,772,404
State-funded continuing education	972,989	-	972,989	-	972,989	1,058,462
TPEG - Non-credit set aside*	62,106	-	62,106	-	62,106	67,565
Non-State-funded continuing education	2,716,944	-	2,716,944	-	2,716,944	654,979
Total tuition	128,721,431	-	128,721,431	-	128,721,431	136,549,015
Fees						
Student activity fees	2,374,496	-	2,374,496	-	2,374,496	2,648,364
Processing fees	733,400	-	733,400	-	733,400	991,800
Testing fees	249,268	-	249,268	-	249,268	281,919
Continuing Ed special fees	104,483	-	104,483	-	104,483	821,508
Other fees	255,177	-	255,177	-	255,177	254,813
Total fees	3,716,824	-	3,716,824	-	3,716,824	4,998,404
Total tuition and fees	132,438,255	-	132,438,255	-	132,438,255	141,547,419
Allowances and discounts						
Institutional allowances and scholarships	(9,180,085)	-	(9,180,085)	-	(9,180,085)	(12,785,612)
Remissions and exemptions - state	(4,764,234)	-	(4,764,234)	-	(4,764,234)	(6,092,938)
Remissions and exemptions - local - dual credit	(26,198,107)	-	(26,198,107)	-	(26,198,107)	(23,785,871)
Federal grants to students	-	(34,305,803)	(34,305,803)	-	(34,305,803)	(39,448,271)
TPEG awards	-	(2,106,180)	(2,106,180)	-	(2,106,180)	(1,705,757)
State grants to students	-	(1,683,553)	(1,683,553)	-	(1,683,553)	(1,755,319)
Other local awards	-	(4,470,545)	(4,470,545)	-	(4,470,545)	(2,177,782)
Total allowances and discounts	(40,142,426)	(42,566,081)	(82,708,507)	-	(82,708,507)	(87,751,550)
Total net tuition and fees	92,295,829	(42,566,081)	49,729,748	-	49,729,748	53,795,869
Other operating revenues						
Federal grants and contracts	10,988,182	17,466,727	28,454,909	-	28,454,909	19,346,775
State grants and contracts	-	905,002	905,002	-	905,002	1,117,668
Local grants and contracts	890,363	4,614,078	5,504,441	-	5,504,441	2,161,308
Non-governmental grants and contracts	26,000	1,028,201	1,054,201	-	1,054,201	994,812
Other operating revenues	5,947,162	(436,781)	5,510,381	-	5,510,381	5,515,879
Total other operating revenues	17,851,707	23,577,227	41,428,934	-	41,428,934	29,136,442
Sales and services of auxiliary enterprises						
Bookstore commission**	-	-	-	(141,816)	(141,816)	251,787
Palo Alto College natatorium	-	-	-	150,341	150,341	256,915
Day care centers	-	-	-	37,698	37,698	414,486
Vending machines and copiers	-	-	-	14,792	14,792	185,429
Campus access fees and fines	-	-	-	1,926,167	1,926,167	2,231,547
Auxiliary-restricted	-	-	-	49,000	49,000	55,218
Other	-	-	-	75,863	75,863	205,552
Total sales and services of auxiliary enterprises	-	-	-	2,112,045	2,112,045	3,600,934
Total operating revenues	\$ 110,147,536	\$ (18,988,854)	\$ 91,158,682	\$ 2,112,045	\$ 93,270,727	\$ 86,533,245
					(Exhibit 2)	(Exhibit 2)

*In accordance with Education Code 56.033, \$6,119,143 and \$6,839,969 of tuition was set aside for the Texas Public Education Grant for the years ended August 31, 2021 and 2020, respectively.

**The bookstores are operated by an independent third-party.

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule B
Schedule of Operating Expenses by Object
For the Year Ended August 31, 2021
With Memorandum Totals for the Year Ended August 31, 2020**

	Salaries	Benefits		Other	FY21	FY20
	and Wages	State	Local	Expenses	Total	Total
OPERATING EXPENSES:						
Unrestricted - educational activities						
Instruction	\$ 96,228,013	\$ -	\$ 20,092,268	\$ 10,031,627	\$ 126,351,908	\$ 130,398,635
Public service	863,433	-	203,814	263,662	1,330,909	1,572,310
Academic support	15,689,538	-	3,721,516	4,514,366	23,925,420	24,692,398
Student services	32,579,570	-	8,358,859	9,578,518	50,516,947	50,995,702
Institutional support	45,916,244	-	10,814,644	16,397,902	73,128,790	69,596,885
Operation and maintenance of plant	5,608,151	-	1,793,531	27,691,382	35,093,064	43,202,033
Scholarships and fellowships	-	-	-	382,161	382,161	389,760
Total unrestricted educational activities	196,884,949	-	44,984,632	68,859,618	310,729,199	320,847,723
Restricted - educational activities						
Instruction	2,790,394	7,141,202	731,582	2,541,243	13,204,421	16,196,428
Public service	9,620	76,635	1,246	8,787	96,288	135,056
Academic support	2,076,354	1,599,211	466,513	778,964	4,921,042	6,117,471
Student services	2,895,511	3,347,513	414,487	1,105,178	7,762,689	10,574,223
Institutional support	4,783,091	4,310,952	1,017,231	17,831,287	27,942,561	10,945,663
Operation and maintenance of plant	176,670	645,787	32,730	10,172,240	11,027,427	9,539,322
Scholarships and fellowships	-	-	-	73,022,551	73,022,551	58,792,407
Total restricted educational activities	12,731,640	17,121,300	2,663,789	105,460,250	137,976,979	112,300,570
Total educational activities	209,616,589	17,121,300	47,648,421	174,319,868	448,706,178	424,993,072
Auxiliary enterprises - unrestricted	629,272	-	167,661	368,417	1,165,350	1,393,319
Auxiliary enterprises - restricted	39,213	76,208	17,346	48,144	180,911	283,651
Depreciation expense - buildings	-	-	-	31,006,262	31,006,262	29,891,405
Depreciation expense - equipment	-	-	-	3,407,758	3,407,758	3,646,128
Total operating expenses	\$ 210,285,074	\$ 17,197,508	\$ 47,833,428	\$ 209,150,449	\$ 484,466,459	\$ 468,362,796
					(Exhibit 2)	(Exhibit 2)

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule C
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2021
With Memorandum Totals for the Year Ended August 31, 2020**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY21 Total	FY20 Total*
NON-OPERATING REVENUES:						
State appropriations						
Education and general state support	\$ 62,810,640	\$ -	\$ 62,810,640	\$ -	\$ 62,810,640	\$ 62,774,470
State group insurance	-	8,260,565	8,260,565	-	8,260,565	10,370,087
State retirement match	-	8,936,943	8,936,943	-	8,936,943	10,835,229
Ad valorem taxes						
Taxes for maintenance and operations	188,598,432	-	188,598,432	-	188,598,432	178,390,458
Taxes for maintenance and operations-MTN	40,309,557	-	40,309,557	-	40,309,557	9,071,983
Taxes for debt service	-	32,293,103	32,293,103	-	32,293,103	59,595,081
Federal revenue, non-operating	-	133,437,673	133,437,673	-	133,437,673	99,458,627
State revenue, non-operating	-	3,866,594	3,866,594	-	3,866,594	3,878,086
Gifts	104	315,635	315,739	-	315,739	308,050
Investment income	440,555	206,492	647,047	-	647,047	5,226,285
Total non-operating revenues	<u>292,159,288</u>	<u>187,317,005</u>	<u>479,476,293</u>	<u>-</u>	<u>479,476,293</u>	<u>439,908,356</u>
NON-OPERATING EXPENSES:						
Interest on capital-related debt	-	(16,519,474)	(16,519,474)	-	(16,519,474)	(15,473,146)
Interest on capital-related debt-MTN	(3,749,557)	-	(3,749,557)	-	(3,749,557)	(2,316,983)
(Loss) gain on disposal of capital assets	2,333,656	(5,223)	2,328,433	-	2,328,433	(8,914,392)
Other non-operating expenses	1,971,153	(3,543,553)	(1,572,400)	-	(1,572,400)	(387,157)
Total non-operating expenses	<u>555,252</u>	<u>(20,068,250)</u>	<u>(19,512,998)</u>	<u>-</u>	<u>(19,512,998)</u>	<u>(27,091,678)</u>
Net non-operating revenues	<u>\$ 292,714,540</u>	<u>\$ 167,248,755</u>	<u>\$ 459,963,295</u>	<u>\$ -</u>	<u>\$ 459,963,295</u>	<u>\$ 412,816,678</u>
					(Exhibit 2)	(Exhibit 2)

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY2020 balances have been restated (see Note 2).

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule D
Schedule of Net Position by Source and Availability
For the Year Ended August 31, 2021
With Memorandum Totals for the Year Ended August 31, 2020**

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ (139,634,051)	\$ -	\$ -	\$ -	\$ (139,634,051)	\$ -	\$ (139,634,051)
Board-designated	3,074,944	-	-	-	3,074,944	-	3,074,944
Restricted	-	11,077,699	-	-	11,077,699	11,077,699	-
Auxiliary enterprises	5,547,271	-	-	-	5,547,271	-	5,547,271
Loan	203,398	-	-	-	203,398	203,398	-
Plant:							
Unexpended	15,824,477	19,570,955	-	-	35,395,432	35,395,432	-
Renewals	1,691,419	719,850	-	-	2,411,269	2,411,269	-
Debt service	-	14,861,212	-	-	14,861,212	-	14,861,212
Net investment in capital assets	-	-	-	372,564,502	372,564,502	-	372,564,502
Total net position, August 31, 2021	(113,292,542)	46,229,716	-	372,564,502	305,501,676 (Exhibit 1)	49,087,798	256,413,878
Total net position, August 31, 2020, as restated (Note 2)	(145,335,014)	36,102,977	-	335,842,314	226,610,277 (Exhibit 1)	36,449,885	190,160,392
Net increase in net position	\$ 32,042,472	\$ 10,126,739	\$ -	\$ 36,722,188	\$ 78,891,399 (Exhibit 2)	\$ 12,637,913	\$ 66,253,486

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule E
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2021**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
U.S. DEPARTMENT OF EDUCATION					
Student Financial Assistance Cluster					
Federal Supplemental Educational Opportunity Grants	84.007	\$ 4,725,695	\$ -	\$ 4,725,695	\$ - *
Federal Work-Study Program	84.033	1,379,764	-	1,379,764	- *
Federal Pell Grant Program	84.063	71,106,347	-	71,106,347	- *
Federal Direct Student Loans	84.268	14,814,234	-	14,814,234	- *
Postsecondary Education Scholarships for Veteran's Dependents	84.408	3,966	-	3,966	- *
Total Student Financial Assistance Cluster		92,030,006	-	92,030,006	-
TRIO Cluster					
TRIO Student Support Services	84.042	533,573	-	533,573	-
TRIO Talent Search	84.044	275,763	-	275,763	-
TRIO Upward Bound	84.047	1,576,907	-	1,576,907	-
Total TRIO Cluster		2,386,243	-	2,386,243	-
Adult Education - Basic Grants to States					
Texas Workforce Commission	84.002	-	-	-	-
2019AEL000		-	164,968	164,968	-
2019AEL003		-	71,873	71,873	-
Education Service Center Region 20		-	-	-	-
N/A		-	528,736	528,736	-
Total	84.002	-	765,577	765,577	-
Higher Education Institutional Aid					
University of Texas at San Antonio	84.031	17,644,140	-	17,644,140	212,983 *
1000002502		-	185,482	185,482	- *
Total	84.031	17,644,140	185,482	17,829,622	212,983
Career and Technical Education -- Basic Grants to States					
Texas Higher Education Coordinating Board	84.048	-	-	-	-
23659		-	1,671,224	1,671,224	-
Total	84.048	-	1,671,224	1,671,224	-
Fund for the Improvement of Postsecondary Education					
	84.116	15,523	-	15,523	-
Education Research, Development and Dissemination					
University of Virginia	84.305	-	-	-	-
Texas Higher Education Foundation		-	22,374	22,374	-
GM10155_150692		-	22,374	22,374	-
Total	84.305	-	22,374	22,374	-
Child Care Access Means Parents in Schools					
	84.335	256,064	-	256,064	-
COVID-19-Education Stabilization Fund (GEER)					
Texas Higher Education Coordinating Board	84.425 C	-	721,713	721,713	- *
N/A		-	721,713	721,713	- *
COVID-19-Education Stabilization Fund - HEERF Student	84.425 E	18,556,848	-	18,556,848	- *
COVID-19-Education Stabilization Fund - HEERF Institutional	84.425 F	33,489,414	-	33,489,414	- *
COVID-19-Education Stabilization Fund - HEERF Historically Black Colleges and Universities (HBCUs)	84.425 J	2,516,073	-	2,516,073	- *
COVID-19-Education Stabilization Fund - HEERF Minority Service (MSIs)	84.425 L	937,852	-	937,852	- *
Total	84.425	55,500,187	721,713	56,221,900	-
TOTAL U.S. DEPARTMENT OF EDUCATION		167,832,163	3,366,370	171,198,533	212,983

*Major program

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule E
Schedule of Expenditures of Federal Awards – (Continued)
For the Year Ended August 31, 2021**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
U.S. DEPARTMENT OF AGRICULTURE					
Hispanic Serving Institutions Education Grants Texas State University 17004-82646-1	10.223	\$ -	\$ -	\$ -	\$ -
Total	10.223	-	5,250	5,250	-
Child and Adult Care Food Program Texas Department of Agriculture 75N8022	10.558	-	-	-	-
Total	10.558	-	1,386	1,386	-
Soil and Water Conservation	10.902	9,301	-	9,301	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE		9,301	6,636	15,937	-
U.S. DEPARTMENT OF COMMERCE					
Economic Development Cluster					
Investments for Public Works and Economic Development Facilities	11.300	785,219	-	785,219	-
Total Economic Development Cluster and ALN	11.300	785,219	-	785,219	-
TOTAL U.S. DEPARTMENT OF COMMERCE		785,219	-	785,219	-
U.S. DEPARTMENT OF DEFENSE					
Centers for Academic Excellence University of Texas at San Antonio HHM402-18-1-0004UTSA1000002528	12.598	-	-	-	-
Total	12.598	-	3,450	3,450	-
Information Security Grants University Enterprises Corporation at CSUSB H982309-20-1-0292 SUB SA013	12.902	884	-	884	-
Total	12.902	884	76,841	77,725	-
GenCyber Grants Program	12.903	12,724	-	12,724	-
CyberSecurity Core Curriculum Dakota State University H982302010414 SUB 266-840272 University of West Florida PR H98230-20-1-0350 SUB 21050	12.905	-	-	-	-
Total	12.905	-	80,065	80,065	-
TOTAL U.S. DEPARTMENT OF DEFENSE		13,608	190,517	204,125	-
U.S. DEPARTMENT OF JUSTICE					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	107,239	-	107,239	-
TOTAL U.S. DEPARTMENT OF JUSTICE		107,239	-	107,239	-
U.S. DEPARTMENT OF LABOR					
WIOA Cluster					
WIOA Dislocated Worker Formula Grants Texas Workforce Commission 2021ATP003	17.278	-	-	-	-
Total	17.278	-	20,503	20,503	-
Total WIOA Cluster		-	20,503	20,503	-
H-1B Job Training Grants San Jacinto Community College District DOL53179001	17.268	383,115	-	383,115	33,485
Total	17.268	383,115	140,999	524,114	33,485
Apprenticeship USA Grants	17.285	297,187	-	297,187	-
TOTAL U.S. DEPARTMENT OF LABOR		680,302	161,502	841,804	33,485
U.S. DEPARTMENT OF STATE					
Public Diplomacy Programs University of Nebraska Sub# 45-2402-1031-306	19.040	-	-	-	-
Total	19.040	-	32,457	32,457	-
TOTAL U.S. DEPARTMENT OF STATE		-	32,457	32,457	-

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule E
Schedule of Expenditures of Federal Awards – (Continued)
For the Year Ended August 31, 2021**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
U.S. DEPARTMENT OF TRANSPORTATION					
Commercial Motor Vehicle Operator Safety Training Grants	20.235	\$ 4,500	\$ -	\$ 4,500	\$ -
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		4,500	-	4,500	-
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Office of Stem Engagement (OSTEM) University of Texas at San Antonio 1000003149	43.008	-	-	-	-
		-	43,025	43,025	-
Total	43.008	-	43,025	43,025	-
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		-	43,025	43,025	-
NATIONAL ENDOWMENT FOR THE HUMANITIES					
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162	25,224	-	25,224	-
TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES		25,224	-	25,224	-
NATIONAL SCIENCE FOUNDATION					
Research & Development Cluster Education and Human Resources Pasadena City College PRIME 20000218 SUB-B210051	47.076	658,157	-	658,157	-
		-	41,972	41,972	-
Total Research & Development Cluster and ALN	47.076	658,157	41,972	700,129	-
TOTAL NATIONAL SCIENCE FOUNDATION		658,157	41,972	700,129	-
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES					
TANF Cluster Temporary Assistance for Needy Families Texas Workforce Commission 2021SMP001 Community Council of South Central Texas Prime Award 2019SSF001 Education Service Center Region 20 N/A	93.558	-	-	-	-
		-	75,411	75,411	-
		-	1,047	1,047	-
		-	55,074	55,074	-
Total TANF Cluster and ALN	93.558	-	131,532	131,532	-
Affordable Care Act (ACA) Personal Responsibility Education Program Healthy Futures of Texas HFTX PRIME AWRD 90AK0050-05-00	93.092	-	-	-	-
		-	213,101	213,101	-
Total	93.092	-	213,101	213,101	-
Health Profession Opportunity Grants	93.093	1,957,386	-	1,957,386	423,386
Substance Abuse and Mental Health Services Projects of Regional and National Significance University of Texas at Austin UTA17-000808	93.243	-	-	-	-
		-	14,497	14,497	-
Total	93.243	-	14,497	14,497	-
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES		1,957,386	359,130	2,316,516	423,386
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
AmeriCorps Public Allies Inc OP021-94.006-20-PASA OP021-94.006-21-PASA	94.006	-	-	-	-
		-	155,008	155,008	-
		-	211,856	211,856	-
Total	94.006	-	366,864	366,864	-
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		-	366,864	366,864	-
U.S. DEPARTMENT OF HOMELAND SECURITY					
Emergency Food and Shelter National Board Program COVID 19 Emergency Food and Shelter National Board Program	97.024	43,833	-	43,833	-
		21,411	-	21,411	-
Total	97.024	65,244	-	65,244	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY		65,244	-	65,244	-
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 172,138,343	\$ 4,568,473	\$ 176,706,816	\$ 669,854

See Independent Auditor's Report and accompanying notes to Schedule of Expenditures of Federal Awards.

ALAMO COMMUNITY COLLEGE DISTRICT

Schedule E Notes to Schedule of Expenditures of Federal Awards For the Year Ended August 31, 2021

1. FEDERAL ASSISTANCE RECONCILIATION

Other Operating Revenues - federal grants and contracts - per Schedule A	\$ 28,454,909
Add: Non-Operating Revenues - federal revenue, non-operating - per Schedule C	<u>133,437,673</u>
Total Federal Revenues per Schedule A and C	161,892,582
Reconciling Items:	
Add: Federal Direct Student Loans	14,814,234
Less: Federal contracts (Note 3 below)	<u>-</u>
Total Federal Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 176,706,816</u>

2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The expenditures included in the schedule are reported for the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. Since the District uses agency approved Indirect Recovery Rate it has elected not to use the 10% de minimis cost rates as permitted in the Uniform Guidance, Section 200.414 Indirect (F&A) costs. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

3. EXPENDITURES NOT SUBJECT TO FEDERAL SINGLE AUDIT

The District did not receive any federal contracts, \$0.

4. FEDERAL DIRECT STUDENT LOAN PROGRAM

The District participates in the Federal Direct Student Loans program (ALN 84.268). Loans under the Federal Direct Student Loans program are made directly by the federal government to students. Loans disbursed during the fiscal year ended August 31, 2021 totaled \$14,814,234 and are presented as current year federal expenditures.

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule E
Notes to Schedule of Expenditures of Federal Awards – (Continued)
For the Year Ended August 31, 2021**

5. AMOUNTS PASSED-THROUGH BY THE ALAMO COMMUNITY COLLEGE DISTRICT

U.S. Department of Education		
Passed through Higher Education Institutional Aid (ALN 84.031) to:		
University of Texas at San Antonio		\$ 212,983
	Total	<u>212,983</u>
U.S. Department of Labor		
Passed through H-1B Job Training Grants (ALN 17.268) to:		
Alamo Workforce Development, Inc. DBA Workforce Solutions Alamo		8,851
Project Quest		<u>24,634</u>
	Total	33,485
U.S. Department of Health & Human Services		
Passed through Affordable Care Act (ACA) Health Profession Opportunity Grants (ALN 93.093) to:		
Alamo Workforce Development, Inc. DBA Workforce Solutions Alamo		20,344
Family Service Association of San Antonio, Inc.		24,088
Goodwill Industries of San Antonio		147,470
Project Quest, Inc.		147,078
Prospera Housing		26,467
San Antonio Housing Authority		<u>57,939</u>
	Total	423,386
	Total Amounts Passed-Through	<u>\$ 669,854</u>

6. NONCASH AWARDS

There were no federal noncash awards in fiscal year 2021 other than Federal Direct Student Loans discussed in Note 4 above.

ALAMO COMMUNITY COLLEGE DISTRICT

**Schedule F
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2021**

State Grantor/Pass-Through Grantor/Program Title	Grantor's Award Number	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
TEXAS HIGHER EDUCATION COORDINATING BOARD					
Comprehensive College Readiness and Success Model for 60x30TX	18671	\$ 2,172	\$ -	\$ 2,172	\$ -
Comprehensive College Readiness and Success Model for 60x30TX	20521	19,996	-	19,996	-
Comprehensive College Readiness and Success Model for 60x30TX	23107	84,095	-	84,095	-
Total Comprehensive College Readiness and Success Model for 60x30TX		106,263	-	106,263	-
Educational Aide Exemption		6,454	-	6,454	-
Nursing & Allied Health-Supporting Clinical Learning to Mitigate Impediments due to COVID-19	23782	44,544	-	44,544	-
Professional Nursing Shortage Reduction Program - Under 70	23070	179,031	-	179,031	-
Professional Nursing Shortage Reduction Program - Under 70	23656	22,550	-	22,550	-
Total Professional Nursing Shortage Reduction Program - Under 70		201,581	-	201,581	-
Texas College Work Study		124,683	-	124,683	-
Texas Educational Opportunity Grant Initial		2,261,063	-	2,261,063	- *
Texas Educational Opportunity Grant Renewal		1,474,394	-	1,474,394	- *
Total Texas Educational Opportunity Grant		3,735,457	-	3,735,457	-
Texas Pathways Project	9953	12,676	-	12,676	-
TOTAL TEXAS HIGHER EDUCATION COORDINATING BOARD		4,231,658	-	4,231,658	-
TEXAS WORKFORCE COMMISSION					
Adult Education - Basic Grants to States Education Service Center Region 20	N/A		65,034	65,034	
Apprenticeship Training Program	2020ATP002	(2,498)	-	(2,498)	-
Apprenticeship Training Program	2021ATP003	65,233	-	65,233	-
Total Apprenticeship Training Program		62,735	-	62,735	-
Skills Development Fund	2021SDF002	4,137	-	4,137	-
Skills Development Fund COVID-19 Special Initiative	2020COS001	63,875	-	63,875	-
Total Skills Development Fund		68,012	-	68,012	-
Skills for Small Business	2020SSD001	19,367	-	19,367	-
Total Skills for Small Business		19,367	-	19,367	-
TOTAL TEXAS WORKFORCE COMMISSION		150,114	65,034	215,148	-
THE UNIVERSITY OF TEXAS AT SAN ANTONIO					
Bexar County Fostering Educational Success Pilot Project	N/A	324,790	-	324,790	- *
TOTAL THE UNIVERSITY OF TEXAS AT SAN ANTONIO		324,790	-	324,790	-
TOTAL EXPENDITURES OF STATE AWARDS		\$ 4,706,562	\$ 65,034	\$ 4,771,596	\$ -

*Major program

See Independent Auditor's Report and accompanying notes to Schedule of Expenditures of State Awards.

ALAMO COMMUNITY COLLEGE DISTRICT

Schedule F Notes to Schedule of Expenditures of State Awards For the Year Ended August 31, 2021

1. STATE ASSISTANCE RECONCILIATION

Other Operating Revenues - state grants and contracts - per Schedule A	\$ 905,002
Add: Non-Operating Revenues - state revenue, non-operating - per Schedule C	<u>3,866,594</u>
Total State Revenues per Schedule A and C	4,771,596
Reconciling Items:	
Less: State contracts (Note 3 below)	<u>-</u>
Total State Expenditures per Schedule of Expenditures of State Awards	<u><u>\$ 4,771,596</u></u>

2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The expenditures included in the schedule are reported for the District's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

3. EXPENDITURES NOT SUBJECT TO STATE SINGLE AUDIT

The District did not receive any state contracts, \$0.

4. AMOUNTS PASSED THROUGH BY THE ALAMO COMMUNITY COLLEGE DISTRICT

There were no state amounts passed through by the District in fiscal year 2021.

5. NONCASH AWARDS

There were no state noncash awards received by the District in fiscal year 2021.



**Other Information – By Location
(Unaudited)**



ALAMO COMMUNITY COLLEGE DISTRICT
San Antonio, Texas
Schedule of Operating Revenues by Location
For the Year Ended August 31, 2021
(Unaudited)

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
OPERATING REVENUES:							
Tuition							
State-funded courses							
In-District resident tuition	\$ -	\$ 26,720,043	\$ 15,826,320	\$ 13,467,236	\$ 24,761,440	\$ 6,994,221	\$ 87,769,260
Out-of-District resident tuition	-	4,336,546	5,712,707	3,052,114	3,015,084	4,535,975	20,652,426
Non-resident tuition	-	2,581,900	1,822,386	2,303,624	2,697,116	1,085,643	10,490,669
TPEG - credit set aside	-	1,922,014	1,055,194	848,254	1,576,481	655,094	6,057,037
State-funded continuing education	919,804	-	53,185	-	-	-	972,989
TPEG - non-credit set aside	58,711	-	3,395	-	-	-	62,106
Non-State-funded continuing education	2,424,169	-	261,560	31,215	-	-	2,716,944
Total tuition	3,402,684	35,560,503	24,734,747	19,702,443	32,050,121	13,270,933	128,721,431
Fees							
Other	1,072,600	848,694	465,896	352,863	713,621	263,150	3,716,824
Total fees	1,072,600	848,694	465,896	352,863	713,621	263,150	3,716,824
Total tuition and fees	4,475,284	36,409,197	25,200,643	20,055,306	32,763,742	13,534,083	132,438,255
Allowances and discounts							
Institutional allowances and scholarships	1,614,007	(3,587,800)	(1,901,632)	(1,670,563)	(2,768,666)	(865,431)	(9,180,085)
Remissions and exemptions - state	-	(1,578,149)	(870,181)	(671,460)	(1,066,784)	(577,660)	(4,764,234)
Remissions and exemptions - local - dual credit	-	(4,063,250)	(6,874,944)	(6,257,335)	(6,305,619)	(2,696,959)	(26,198,107)
Federal grants to students	-	(11,820,186)	(5,817,953)	(5,533,581)	(8,237,489)	(2,896,594)	(34,305,803)
TPEG awards	-	(725,692)	(357,189)	(339,730)	(505,735)	(177,834)	(2,106,180)
State grants to students	-	(580,074)	(285,515)	(271,560)	(404,254)	(142,150)	(1,683,553)
Other local awards	(1,628,015)	(1,116,744)	(645,687)	(367,706)	(507,352)	(205,041)	(4,470,545)
Total allowances and discounts	(14,008)	(23,471,895)	(16,753,101)	(15,111,935)	(19,795,899)	(7,561,669)	(82,708,507)
Total net tuition and fees	4,461,276	12,937,302	8,447,542	4,943,371	12,967,843	5,972,414	49,729,748
Other operating revenues							
Federal grants and contracts	4,693,021	3,434,065	15,500,718	3,263,156	1,512,317	51,632	28,454,909
State grants and contracts	492,050	223,575	85,285	84,096	19,996	-	905,002
Local grants and contracts	4,438,229	1,066,212	-	-	-	-	5,504,441
Non-governmental grants and contracts	855,564	100,759	52,709	35,202	9,967	-	1,054,201
Other operating revenues	3,096,998	622,374	384,738	888,722	189,740	327,809	5,510,381
Total other operating revenues	13,575,862	5,446,985	16,023,450	4,271,176	1,732,020	379,441	41,428,934
Sales and services of auxiliary enterprises							
Bookstore commission	-	(37,952)	(19,802)	(45,350)	(31,578)	(7,134)	(141,816)
Palo Alto College natatorium	-	-	-	150,341	-	-	150,341
Day care centers	-	21,986	10,290	5,422	-	-	37,698
Vending machines and copiers	6,732	2,527	3,662	661	667	543	14,792
Campus access fees and fines	(205,157)	753,500	296,200	262,750	593,700	225,174	1,926,167
Auxiliary-restricted	-	-	-	49,000	-	-	49,000
Other	3,580	36,542	11,513	15,532	5,583	3,113	75,863
Total sales and services of auxiliary enterprises	(194,845)	776,603	301,863	438,356	568,372	221,696	2,112,045
Total operating revenues	\$ 17,842,293	\$ 19,160,890	\$ 24,772,855	\$ 9,652,903	\$ 15,268,235	\$ 6,573,551	\$ 93,270,727

ALAMO COMMUNITY COLLEGE DISTRICT
San Antonio, Texas
Schedule of Operating Expenses by Location
For the Year Ended August 31, 2021
(Unaudited)

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
Educational activities							
Instruction	\$ 5,478,190	\$ 43,811,595	\$ 35,415,344	\$ 18,494,666	\$ 25,962,025	\$ 10,394,509	\$ 139,556,329
Public service	39,036	1,358,660	12,598	16,903	-	-	1,427,197
Academic support	2,880,486	5,150,249	6,121,689	2,622,751	8,597,709	3,473,578	28,846,462
Student services	13,135,217	14,509,591	8,141,997	9,038,447	8,782,032	4,672,352	58,279,636
Institutional support	55,970,149	16,780,044	9,925,626	7,908,808	6,192,867	4,293,857	101,071,351
Operation and maintenance of plant	13,702,074	7,134,747	11,255,193	4,848,674	5,802,130	3,377,673	46,120,491
Scholarships and fellowships	1,964,559	25,808,364	10,690,734	12,100,655	17,552,740	5,287,660	73,404,712
Total educational activities	93,169,711	114,553,250	81,563,181	55,030,904	72,889,503	31,499,629	448,706,178
Auxiliary enterprises	14,998	118,372	171,688	1,025,301	15,902	-	1,346,261
Depreciation expense - buildings	2,494,335	6,680,520	8,340,560	4,976,152	5,091,224	3,423,472	31,006,263
Depreciation expense - equipment	1,330,435	447,965	1,220,835	147,827	192,625	68,070	3,407,757
Total operating expenses	\$ 97,009,479	\$ 121,800,107	\$ 91,296,264	\$ 61,180,184	\$ 78,189,254	\$ 34,991,171	\$ 484,466,459

ALAMO COMMUNITY COLLEGE DISTRICT
San Antonio, Texas
Schedule of Non-Operating Revenues and Expenses by Location
For the Year Ended August 31, 2021
(Unaudited)

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
NON-OPERATING REVENUES:							
State appropriations							
Education and general state support	\$ -	\$ 18,744,297	\$ 14,388,611	\$ 9,182,945	\$ 15,654,948	\$ 4,839,839	\$ 62,810,640
State group insurance	(3,114,040)	3,576,411	2,727,337	1,743,289	2,172,585	1,154,983	8,260,565
State retirement match	4,021,493	1,648,970	1,124,097	746,874	921,771	473,738	8,936,943
Ad valorem taxes							
Taxes for maintenance and operations	46,159,742	38,840,350	39,749,700	24,452,359	22,146,305	17,249,976	188,598,432
Taxes for maintenance notes	9,865,824	8,301,433	8,495,791	5,226,256	4,733,378	3,686,875	40,309,557
Taxes for debt service	7,903,784	6,650,508	6,806,213	4,186,899	3,792,041	2,953,658	32,293,103
Federal revenue, non-operating	-	45,983,892	23,100,221	22,315,327	31,578,460	10,459,773	133,437,673
State revenue, non-operating	-	1,429,478	544,956	782,345	985,976	123,839	3,866,594
Gifts	266,668	2,860	-	30,886	12,007	3,318	315,739
Investment income	606,115	14,306	6,054	5,619	10,805	4,148	647,047
Total non-operating revenues	65,709,586	125,192,505	96,942,980	68,672,799	82,008,276	40,950,147	479,476,293
NON-OPERATING EXPENSES:							
Interest on capital-related debt	(2,628,784)	(3,329,712)	(3,097,001)	(2,585,754)	(2,608,844)	(2,269,379)	(16,519,474)
Interest on maintenance tax notes	(596,676)	(755,772)	(702,951)	(586,909)	(592,150)	(515,099)	(3,749,557)
Gain on disposal of capital assets	347,784	1,440,189	62,962	199,164	272,902	5,432	2,328,433
Other non-operating expenses	(2,183,555)	279,635	285,166	46,131	3,611	(3,388)	(1,572,400)
Total non-operating expenses	(5,061,231)	(2,365,660)	(3,451,824)	(2,927,368)	(2,924,481)	(2,782,434)	(19,512,998)
Net non-operating revenues	\$ 60,648,355	\$ 122,826,845	\$ 93,491,156	\$ 65,745,431	\$ 79,083,795	\$ 38,167,713	\$ 459,963,295

ALAMO COMMUNITY COLLEGE DISTRICT
San Antonio, Texas
Schedule of Capital Assets by Asset Types
For the Year Ended August 31, 2021
(Unaudited)

	Balance 9/1/2020	Additions	Deletions	Balance 8/31/2021
<i>Land:</i>				
San Antonio College	\$ 12,692,403	\$ -	\$ -	\$ 12,692,403
St. Philip's College	6,183,345	-	-	6,183,345
Palo Alto College	6,727,257	-	-	6,727,257
Northwest Vista College	1,717,000	-	-	1,717,000
Northeast Lakeview College	4,953,478	-	-	4,953,478
North Central Campus	12,793,381	-	-	12,793,381
District offices	9,581,693	1,002,351	-	10,584,044
Total land	54,648,557	1,002,351	-	55,650,908
<i>Buildings and building improvements:</i>				
San Antonio College	234,974,208	24,248,799	-	259,223,007
St. Philip's College	237,476,037	21,994,496	-	259,470,533
Palo Alto College	135,473,666	-	-	135,473,666
Northwest Vista College	156,654,698	3,074,553	-	159,729,251
Northeast Lakeview College	117,273,693	1,275,636	-	118,549,329
North Central Campus	-	-	-	-
District offices	70,525,924	-	-	70,525,924
Total buildings and building improvements	952,378,226	50,593,484	-	1,002,971,710
<i>Other real estate improvements:</i>				
San Antonio College	26,032,626	-	-	26,032,626
St. Philip's College	31,451,048	-	-	31,451,048
Palo Alto College	21,581,603	-	-	21,581,603
Northwest Vista College	35,145,937	-	-	35,145,937
Northeast Lakeview College	16,530,899	-	-	16,530,899
North Central Campus	195,720	-	-	195,720
District offices	10,685,069	-	-	10,685,069
Total other real estate improvements	141,622,902	-	-	141,622,902
<i>Furniture, machinery and equipment:</i>				
San Antonio College	7,949,686	657,513	200,903	8,406,296
St. Philip's College	15,435,646	2,037,462	129,356	17,343,752
Palo Alto College	2,645,147	546,051	-	3,191,198
Northwest Vista College	2,231,843	29,014	-	2,260,857
Northeast Lakeview College	810,060	12,128	5,360	816,828
North Central Campus	-	-	-	-
District offices	15,433,149	485,103	1,188,564	14,729,688
Total furniture, machinery and equipment	44,505,531	3,767,271	1,524,183	46,748,619
<i>Software:</i>				
San Antonio College	83,577	5,750	22,500	66,827
St. Philip's College	60,319	-	-	60,319
Palo Alto College	9,408	-	-	9,408
District-wide	3,049,275	-	-	3,049,275
Total software	3,202,579	5,750	22,500	3,185,829
<i>Library materials:</i>				
San Antonio College	5,646,109	3,729	-	5,649,838
St. Philip's College	4,544,517	1,145	-	4,545,662
Palo Alto College	3,689,940	28	-	3,689,968
Northwest Vista College	950,820	11,276	-	962,096
Northeast Lakeview College	942,810	52,253	-	995,063
Total library materials	15,774,196	68,431	-	15,842,627
<i>Works of art:</i>				
San Antonio College	247,239	-	-	247,239
St. Philip's College	119,250	-	-	119,250
Palo Alto College	18,971	-	-	18,971
Northwest Vista College	-	5,000	-	5,000
Total works of art	385,460	5,000	-	390,460
<i>Construction in progress:</i>				
San Antonio College	22,805,503	22,423,706	19,152,009	26,077,200
St. Philip's College	24,696,825	38,102,069	18,473,123	44,325,771
Palo Alto College	3,795,159	15,713,115	-	19,508,274
Northwest Vista College	5,763,975	18,880,183	2,629,314	22,014,844
Northeast Lakeview College	1,922,688	20,366,862	-	22,289,550
North Central Campus	-	-	-	-
District offices	5,078,066	8,511,032	-	13,589,098
Total construction in progress	64,062,216	123,996,967	40,254,446	147,804,737
Grand total	\$ 1,276,579,667	\$ 179,439,254	\$ 41,801,129	\$ 1,414,217,792

ALAMO COMMUNITY COLLEGE DISTRICT
San Antonio, Texas
Schedule of Capital Assets by Location
For the Year Ended August 31, 2021
(Unaudited)

	Balance 9/1/2020	Additions	Deletions	Balance 8/31/2021
<i>San Antonio College:</i>				
Land	\$ 12,692,403	\$ -	\$ -	\$ 12,692,403
Buildings and building improvements	234,974,208	24,248,799	-	259,223,007
Other real estate improvements	26,032,626	-	-	26,032,626
Furniture, machinery and equipment	7,949,686	657,513	200,903	8,406,296
Software	83,577	5,750	22,500	66,827
Library materials	5,646,109	3,729	-	5,649,838
Works of art	247,239	-	-	247,239
Construction in progress	22,805,503	22,423,706	19,152,009	26,077,200
Total San Antonio College	310,431,351	47,339,497	19,375,412	338,395,436
<i>St. Philip's College:</i>				
Land	6,183,345	-	-	6,183,345
Buildings and building improvements	237,476,037	21,994,496	-	259,470,533
Other real estate improvements	31,451,048	-	-	31,451,048
Furniture, machinery and equipment	15,435,646	2,037,462	129,356	17,343,752
Software	60,319	-	-	60,319
Library materials	4,544,517	1,145	-	4,545,662
Works of art	119,250	-	-	119,250
Construction in progress	24,696,825	38,102,069	18,473,123	44,325,771
Total St. Philip's College	319,966,987	62,135,172	18,602,479	363,499,680
<i>Palo Alto College:</i>				
Land	6,727,257	-	-	6,727,257
Buildings and building improvements	135,473,666	-	-	135,473,666
Other real estate improvements	21,581,603	-	-	21,581,603
Furniture, machinery and equipment	2,645,147	546,051	-	3,191,198
Software	9,408	-	-	9,408
Library materials	3,689,940	28	-	3,689,968
Works of art	18,971	-	-	18,971
Construction in progress	3,795,159	15,713,115	-	19,508,274
Total Palo Alto College	173,941,151	16,259,194	-	190,200,345
<i>Northwest Vista College:</i>				
Land	1,717,000	-	-	1,717,000
Buildings and building improvements	156,654,698	3,074,553	-	159,729,251
Other real estate improvements	35,145,937	-	-	35,145,937
Furniture, machinery and equipment	2,231,843	29,014	-	2,260,857
Library materials	950,820	11,276	-	962,096
Works of art	-	5,000	-	5,000
Construction in progress	5,763,975	18,880,183	2,629,314	22,014,844
Total Northwest Vista College	202,464,273	22,000,026	2,629,314	221,834,985
<i>Northeast Lakeview College:</i>				
Land	4,953,478	-	-	4,953,478
Buildings and building improvements	117,273,693	1,275,636	-	118,549,329
Other real estate improvements	16,530,899	-	-	16,530,899
Furniture, machinery and equipment	810,060	12,128	5,360	816,828
Library materials	942,810	52,253	-	995,063
Construction in progress	1,922,688	20,366,862	-	22,289,550
Total Northeast Lakeview College	142,433,628	21,706,879	5,360	164,135,147
<i>North Central Campus:</i>				
Land	12,793,381	-	-	12,793,381
Buildings and building improvements	-	-	-	-
Other real estate improvements	195,720	-	-	195,720
Furniture, machinery and equipment	-	-	-	-
Construction in progress	-	-	-	-
Total North Central Campus	12,989,101	-	-	12,989,101
<i>District offices:</i>				
Land	9,581,693	1,002,351	-	10,584,044
Buildings and building improvements	70,525,924	-	-	70,525,924
Other real estate improvements	10,685,069	-	-	10,685,069
Furniture, machinery and equipment	15,433,149	485,103	1,188,564	14,729,688
Software	3,049,275	-	-	3,049,275
Construction in progress	5,078,066	8,511,032	-	13,589,098
Total District offices	114,353,176	9,998,486	1,188,564	123,163,098
Grand total	\$ 1,276,579,667	\$ 179,439,254	\$ 41,801,129	\$ 1,414,217,922



**Statistical Section
(Unaudited)**



ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Section Introduction

This section of the Alamo Community College District Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information provides about the District's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue sources – tuition and fees, state appropriations and ad valorem taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 1 Net Position by Component Last Ten Fiscal Years (Unaudited) (in thousands)

	For the Years Ended August 31,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net investment in capital assets	\$ 372,565	\$ 335,842	\$ 318,710	\$ 275,577	\$ 253,835	\$ 210,275	\$ 188,810	\$ 180,647	\$ 170,255	\$ 163,742
Restricted - expendable	46,230	36,103	20,298	19,840	10,545	24,591	24,241	18,633	16,410	12,963
Unrestricted	(113,293)	(145,335)	(155,975)	(158,554)	30,309	29,847	26,030	86,223	101,383	101,913
Total	305,502	226,610	183,032	136,863	294,689	264,713	239,081	285,503	288,048	278,618
Net position, beginning of year ^{1,2,3}	226,610	191,165	136,863	109,839	264,713	239,081	230,602	288,048	278,618	274,082
Increase (decrease) in net position	\$ 78,891	\$ 35,445	\$ 46,170	\$ 27,024	\$ 29,976	\$ 25,632	\$ 8,479	\$ (2,545)	\$ 9,430	\$ 4,536

¹In fiscal year 2020, net position as of the beginning of the year was restated (increased) by \$8.1 million due to the effects of reclassifying state appropriations for construction as nonexchange transactions.

²In fiscal year 2018, net position as of the beginning of the year was restated (reduced) by \$184.9 million for the cumulative effect of applying GASB Statement No. 75.

³In fiscal year 2015, net position as of the beginning of the year was restated (reduced) by \$54.9 million for the cumulative effect of applying GASB Statement No. 68, as amended by GASB Statement No. 71.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 2 Revenues by Source Last Ten Fiscal Years (Unaudited) (in thousands)

	For the Years Ended August 31,																			
	2021		2020*		2019		2018		2017		2016		2015		2014		2013		2012	
OPERATING REVENUES:																				
Tuition and fees (net of discounts)	\$ 49,730	8.7%	\$ 53,796	10.2%	\$ 56,683	11.2%	\$ 54,868	11.3%	\$ 54,367	11.7%	\$ 57,456	12.9%	\$ 58,190	13.8%	\$ 58,801	14.3%	\$ 64,091	15.5%	\$ 59,697	14.3%
Governmental grants and contracts																				
Federal grants and contracts	28,455	5.0%	19,347	3.7%	18,163	3.6%	17,182	3.5%	23,876	5.1%	20,369	4.6%	11,778	2.8%	12,766	3.1%	19,139	4.6%	20,098	4.8%
State grants and contracts	905	0.2%	1,118	0.2%	1,426	0.3%	445	0.1%	1,722	0.4%	1,920	0.4%	3,948	0.9%	4,066	1.0%	3,319	0.8%	7,061	1.7%
Local grants and contracts	5,504	1.0%	2,161	0.4%	1,555	0.3%	1,869	0.4%	4,490	1.0%	1,945	0.4%	1,297	0.3%	1,446	0.4%	1,954	0.5%	1,991	0.5%
Non-governmental grants and contracts	1,054	0.2%	995	0.2%	475	0.1%	556	0.1%	369	0.1%	585	0.1%	413	0.1%	540	0.1%	369	0.1%	1,267	0.3%
Auxiliary enterprises	2,112	0.4%	3,601	0.7%	5,114	1.0%	5,251	1.1%	4,932	1.1%	5,128	1.2%	4,929	1.2%	5,137	1.2%	4,064	1.0%	4,327	1.0%
Other operating revenue	5,510	1.0%	5,515	1.0%	6,441	1.3%	5,881	1.2%	4,177	0.9%	3,516	0.8%	3,404	0.8%	2,830	0.7%	2,993	0.7%	2,499	0.6%
Total operating revenues	93,270	16.5%	86,533	16.4%	89,858	17.8%	86,052	17.7%	93,933	20.3%	90,919	20.4%	83,959	19.9%	85,586	20.8%	95,929	23.2%	96,940	23.2%
NON-OPERATING REVENUES:																				
State appropriations	80,008	14.0%	83,980	16.0%	76,754	15.2%	83,918	17.3%	80,366	17.3%	77,486	17.4%	77,541	18.4%	77,020	18.7%	75,998	18.4%	77,777	18.7%
Ad valorem taxes	261,201	45.3%	247,058	46.9%	231,936	45.8%	216,735	44.8%	205,701	44.0%	188,253	42.3%	167,806	39.9%	157,721	38.3%	148,974	36.0%	139,160	33.4%
Federal revenue, non-operating	133,438	23.3%	99,459	18.9%	93,921	18.6%	86,812	17.9%	78,850	16.9%	79,919	18.0%	82,691	19.6%	84,282	20.5%	87,421	21.1%	96,451	23.2%
State revenue, non-operating	3,867	0.7%	3,878	0.7%	3,610	0.7%	4,178	0.9%	4,071	0.9%	4,272	1.0%	7,063	1.7%	4,392	1.1%	3,634	0.9%	3,549	0.9%
Gifts	316	0.1%	308	0.1%	406	0.1%	250	0.1%	859	0.2%	2,602	0.6%	1,342	0.3%	1,658	0.4%	1,426	0.3%	795	0.2%
Investment income, non-operating	646	0.1%	5,225	1.0%	9,033	1.8%	6,148	1.3%	1,739	0.4%	1,168	0.3%	775	0.2%	1,027	0.2%	222	0.1%	1,858	0.4%
Total non-operating revenues	479,476	83.5%	439,908	83.6%	415,660	82.2%	398,041	82.3%	371,586	79.7%	353,700	79.6%	337,218	80.1%	326,100	79.2%	317,675	76.8%	319,590	76.8%
Total revenues	\$ 572,746	100.0%	\$ 526,442	100.0%	\$ 505,518	100.0%	\$ 484,093	100.0%	\$ 465,519	100.0%	\$ 444,619	100.0%	\$ 421,177	100.0%	\$ 411,686	100.0%	\$ 413,604	100.0%	\$ 416,530	100.0%

*Due to the effects of reclassifying state appropriations for construction as nonexchange transactions, certain FY2020 balances have been restates (see Note 2).

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 3 Program Expenses by Function Last Ten Fiscal Years (Unaudited) (in thousands)

	For the Years Ended August 31,																			
	2021		2020		2019		2018		2017		2016		2015		2014		2013		2012	
OPERATING EXPENSES:																				
Instruction	\$ 139,556	27.7%	\$ 146,595	29.6%	\$ 137,204	29.9%	\$ 138,430	30.3%	\$ 132,779	30.5%	\$ 125,546	30.0%	\$ 125,728	30.5%	\$ 125,882	30.4%	\$ 124,406	30.8%	\$ 128,486	31.7%
Public service	1,427	0.3%	1,707	0.3%	1,515	0.3%	1,400	0.3%	1,289	0.3%	856	0.2%	1,316	0.3%	1,638	0.4%	330	0.1%	349	0.1%
Academic support	28,846	5.7%	30,810	6.2%	29,665	6.4%	27,326	6.0%	27,148	6.2%	24,846	5.9%	25,110	6.1%	24,662	6.0%	25,069	6.2%	26,179	6.5%
Student services	58,280	11.6%	61,570	12.4%	54,945	12.0%	50,931	11.1%	48,520	11.1%	45,707	10.9%	42,971	10.4%	36,774	8.9%	32,083	7.9%	29,090	7.2%
Institutional support	101,071	20.1%	80,543	16.3%	78,660	17.1%	79,247	17.3%	73,426	16.9%	69,972	16.7%	65,195	15.8%	65,231	15.7%	63,871	15.8%	53,487	13.2%
Operation and maintenance of plant	46,120	9.2%	52,741	10.6%	40,758	8.9%	45,572	10.0%	41,066	9.4%	38,294	9.1%	36,124	8.8%	36,790	8.9%	36,178	9.0%	34,891	8.6%
Scholarships and fellowships	73,405	14.6%	59,182	11.9%	56,825	12.4%	55,135	12.1%	54,612	12.5%	53,517	12.8%	57,362	13.9%	58,905	14.2%	58,358	14.4%	65,811	16.2%
Auxiliary enterprises	1,346	0.3%	1,677	0.3%	1,640	0.4%	1,930	0.4%	1,743	0.4%	1,757	0.4%	1,722	0.4%	1,672	0.4%	1,531	0.4%	1,440	0.4%
Depreciation and amortization	34,414	6.8%	33,538	6.8%	32,380	7.0%	32,017	7.0%	31,676	7.3%	32,007	7.6%	31,518	7.6%	32,152	7.8%	29,850	7.4%	30,486	7.5%
Total operating expenses	484,465	96.3%	468,363	94.5%	433,593	94.4%	431,988	94.5%	412,259	94.6%	392,502	93.6%	387,046	93.8%	383,706	92.7%	371,676	92.0%	370,219	91.4%
NON-OPERATING EXPENSES:																				
Interest on capital-related debt and MTN	20,269	4.0%	17,790	3.6%	22,482	4.9%	22,314	4.9%	20,441	4.7%	20,071	4.8%	23,368	5.7%	25,062	6.1%	26,538	6.6%	26,973	6.7%
Other non-operating expenses	1,572	0.2%	387	0.1%	3,821	0.8%	2,758	0.6%	2,609	0.6%	6,370	1.5%	2,216	0.5%	5,319	1.2%	5,612	1.3%	8,136	1.9%
(Gain) loss on disposal of capital assets	(2,328)	-0.5%	8,914	1.8%	(548)	-0.1%	9	0.0%	233	0.1%	45	0.1%	68	0.0%	144	0.0%	348	0.1%	129	0.0%
Total non-operating expenses	19,513	3.7%	27,091	5.5%	25,755	5.6%	25,081	5.5%	23,283	5.4%	26,486	6.4%	25,652	6.2%	30,525	7.3%	32,498	8.0%	35,238	8.6%
Total expenses	\$ 503,978	100.0%	\$ 495,454	100.0%	\$ 459,348	100.0%	\$ 457,069	100.0%	\$ 435,542	100.0%	\$ 418,988	100.0%	\$ 412,698	100.0%	\$ 414,231	100.0%	\$ 404,174	100.0%	\$ 405,457	100.0%

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 4
Tuition and Fees
Last Ten Academic Years
(Unaudited)**

Resident: Fees based on 12 Semester Credit Hours (SCH)

Academic Year (Fall)	In-District Tuition*	Out-of-District Tuition*	Student Activity Fees	Campus Access Fee	General Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
Fall 2020	\$ 99.00	\$ 215.00	\$ 36.00	\$ 25.00	\$ -	1,249.00	\$ 2,641.00	0.00%	0.00%
Fall 2019	99.00	215.00	36.00	25.00	-	1,249.00	2,641.00	14.27%	6.28%
Fall 2018	86.00	202.00	36.00	25.00	-	1,093.00	2,485.00	2.25%	0.98%
Fall 2017	86.00	202.00	12.00	25.00	-	1,069.00	2,461.00	17.47%	4.10%
Fall 2016	73.00	194.00	12.00	25.00	-	910.00	2,364.00	4.84%	4.93%
Fall 2015	69.00	185.00	12.00	25.00	-	868.00	2,253.00	0.00%	0.00%
Fall 2014	69.00	185.00	12.00	25.00	-	868.00	2,253.00	0.00%	0.00%
Fall 2013	69.00	185.00	12.00	25.00	-	868.00	2,253.00	2.97%	1.12%
Fall 2012	69.00	185.00	12.00	-	-	843.00	2,228.00	2.93%	0.00%
Fall 2011	56.00	112.00	12.00	-	135.00	819.00	2,228.00	4.87%	56.57%

Non-Resident: Fees based on 12 Semester Credit Hours (SCH)

Academic Year (Fall)	Non-Resident Tuition Out-of-State*	Student Activity Fees	Campus Access Fee	General Fee	Cost for 12 SCH Out-of-State	Increase from Prior Year Out-of-State
Fall 2020	\$ 466.00	\$ 36.00	\$ 25.00	\$ -	\$ 5,653.00	0.00%
Fall 2019	466.00	36.00	25.00	-	5,653.00	2.84%
Fall 2018	453.00	36.00	25.00	-	5,497.00	0.44%
Fall 2017	453.00	12.00	25.00	-	5,473.00	20.44%
Fall 2016	376.00	12.00	25.00	-	4,544.00	4.97%
Fall 2015	358.00	12.00	25.00	-	4,329.00	0.00%
Fall 2014	358.00	12.00	25.00	-	4,329.00	0.00%
Fall 2013	358.00	12.00	25.00	-	4,329.00	0.58%
Fall 2012	358.00	12.00	-	-	4,304.00	51.82%
Fall 2011	224.00	12.00	-	135.00	2,835.00	4.73%

*Between the Fall of 2012 and the Fall of 2016, tuition was charged at a variable rate dependent on the number of hours taken by the student during the semester.

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 5
Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Assessed Valuation of Property*	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations	Debt Service	Total
2020-21	\$ 204,965,384,000	\$ 21,647,671,167	\$ 183,317,712,833	89.44%	0.10776	0.04139	0.14915
2019-20	190,799,155,922	17,283,809,209	173,515,346,713	90.94%	0.10776	0.04139	0.14915
2018-19	178,664,455,752	16,200,271,693	162,464,184,059	90.93%	0.10776	0.04139	0.14915
2017-18	166,595,034,165	14,761,694,685	151,833,339,480	91.14%	0.10776	0.04139	0.14915
2016-17	155,381,589,446	13,268,330,107	142,113,259,339	91.46%	0.10776	0.04139	0.14915
2015-16	141,897,318,235	12,277,254,224	129,620,064,011	91.35%	0.10530	0.04385	0.14915
2014-15	126,187,727,254	11,432,857,776	114,754,869,478	90.94%	0.10640	0.04275	0.14915
2013-14	117,537,576,763	10,595,670,602	106,941,906,161	90.99%	0.10440	0.04475	0.14915
2012-13	111,855,649,838	10,294,806,815	101,560,843,023	90.80%	0.10440	0.04475	0.14915
2011-12	109,886,262,029	10,136,852,914	99,749,409,115	90.78%	0.09687	0.04475	0.14162

Source: Bexar County Appraisal District, most recent Certified Supplement for the relevant Tax Year, ARB Approved.

*The Assessed Valuation is presented net of Tax Increment Financings. See Note 19 for additional information.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 6a General Appropriations Act Before Contact Hour Adjustments¹ Last Ten Fiscal Years (Unaudited)

Appropriation Funding Elements	For the years ended August 31,									
	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*	2013	2012
State Appropriation Contact Hour Funding (CH)	\$ 52,933,963	\$ 52,933,963	\$ 52,031,745	\$ 52,031,745	\$ 52,680,089	\$ 52,680,089	\$ 56,125,968	\$ 56,125,968	\$ 63,625,883	\$ 66,004,803
State Appropriation Student Success Points (SSP)	9,160,109	9,160,109	7,194,360	7,194,360	6,653,202	6,653,202	6,814,491	6,814,491	-	-
State Appropriation Core Operations (CO)	680,406	680,406	680,406	680,406	500,000	500,000	500,000	500,000	-	-
State Appropriation Bachelor of Applied Technology (BAT)	-	-	-	-	-	-	-	-	-	-
State Appropriation Non-Formula Items	4,058,400	4,058,400	4,058,400	4,058,400	4,450,000	4,450,000	-	-	-	-
Total	\$ 66,832,878	\$ 66,832,878	\$ 63,964,911	\$ 63,964,911	\$ 64,283,291	\$ 64,283,291	\$ 63,440,459	\$ 63,440,459	\$ 63,625,883	\$ 66,004,803

¹ General Appropriations Act, HB 1, 86th Texas Legislature, Section 1 (page III-206) - Informational Listing of Appropriated Funds

* Formula funding methodology changed in fiscal year 2014

Source: THECB - Ten Pay Schedule

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 6b
State Appropriation Per FTSE
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended	State Appropriation (unrestricted) per Schedule C	FTSE ¹	State Appropriation per FTSE
2021*	\$ 62,810,640	33,147	\$ 1,895
2020*	62,513,470	36,714	1,703
2019*	59,906,511	35,415	1,692
2018*	59,907,851	34,724	1,725
2017*	59,928,821	34,953	1,715
2016*	59,833,294	35,771	1,673
2015*	63,440,469	35,586	1,783
2014*	63,440,918	36,031	1,761
2013	63,625,883	36,849	1,727
2012	66,004,803	39,131	1,687

¹ Full time student equivalent (FTSE) is calculated using semester credit hours (SCH) divided by 30 plus non-semester (continuing education) hours divided by 900.

* Formula funding methodology changed in fiscal year 2014

Source: CBM004 and CBM00C

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 6c
State Appropriation Per Funded Contact Hour¹
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended	CH - State Appropriation (unrestricted) ²	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Funded Contact Hours	Appropriation per Funded Contact Hour
2021*	\$ 52,933,963	14,686,392	3,301,655	192,137	18,180,184	\$ 2.91
2020*	52,933,963	16,405,776	3,695,214	239,714	20,340,704	2.60
2019*	52,031,745	15,912,216	3,503,216	340,512	19,755,944	2.63
2018*	52,031,745	16,291,384	3,397,264	376,509	20,065,157	2.59
2017*	52,680,089	16,073,080	3,655,173	384,757	20,113,010	2.62
2016*	52,680,089	16,189,360	3,701,027	386,595	20,276,982	2.60
2015*	56,125,968	15,932,152	4,008,405	510,549	20,451,106	2.74
2014*	56,125,968	16,338,384	4,126,465	592,161	21,057,010	2.67
2013	63,625,883	16,850,656	4,345,555	641,331	21,837,542	2.91
2012	66,004,803	17,767,584	4,568,491	656,027	22,992,102	2.87

¹Contact hours (CH) for Academic, Technical and Continuing Education include the Fall, Spring and Summer semesters of the respective fiscal year.

²State Funded Contact Hour Appropriation as presented in Schedule 6a

* Formula funding methodology changed in fiscal year 2014

Source: CBM004 and CBM00C

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 6d
State Appropriation Per Student Success Point - Annualized
Last Eight Fiscal Years¹
(Unaudited)**

Fiscal Year Ended ¹	SSP - State Appropriation (Unrestricted) ²	3-Year Average Student Success Points ³	Appropriation per Student Success Point
2021	\$ 12,057,659	97,841	\$ 123.24
2020	9,160,109	90,453	101.27
2019	7,194,360	83,871	85.78
2018	7,194,360	83,871	85.78
2017	6,653,202	77,101	86.29
2016	6,653,202	77,101	86.29
2015	6,814,491	73,621	92.56
2014	6,814,491	73,621	92.56

¹The formula funding methodology was changed in fiscal year 2014 to include appropriations based on student success points. As such, appropriations per student success point are not applicable for fiscal years prior to 2014. Schedule is intended to include 10 years, additional years will be presented as they become available.

²State Funded student success point appropriation as presented in Schedule 6a

³Source: THECB - Ten Pay Schedule

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 6e Student Success Points (SSP) Last Ten Fiscal Years¹ (Unaudited)

For the years ended August 31,

Success Point Elements ¹	2020*	2019*	2018*	2017*	2016*	2015*	2014*	2013	2012	2011
Math Readiness	3,712	2,934	3,143	2,837	2,742	2,006	2,039	3,778	976	1,670
Read Readiness	1,599	1,437	1,553	1,531	1,482	1,097	1,231	2,565	881	1,325
Write Readiness	637	1,028	1,137	1,298	1,253	981	1,111	2,094	756	1,274
Students Who Pass FCL Math Course	11,594	9,681	9,367	9,406	9,927	9,909	9,588	8,620	9,055	8,227
Students Who Pass FCL Read Course	5,721	5,237	5,435	5,570	5,305	5,361	5,584	5,515	6,475	6,559
Students Who Pass FCL Write Course	5,719	5,470	5,410	5,444	5,336	5,254	5,209	5,128	6,626	6,432
Students Who Complete 15 SCH	17,986	17,301	17,910	16,721	16,756	15,616	16,164	15,051	15,384	17,483
Students Who Complete 30 SCH	11,578	11,436	11,286	10,835	10,495	10,033	10,180	9,908	9,539	11,995
Student Transfers to a 4-Yr Inst	12,576	13,698	12,310	12,176	12,024	11,504	11,256	11,072	11,184	10,728
Degrees, CCCs, or Certs (Undup)	21,436	20,102	20,658	21,812	21,202	17,530	13,576	11,548	9,840	7,198
Degrees or Certs in Critical Fields	2,144	2,914	2,637	3,022	3,348	3,476	3,049	3,110	3,166	2,995
Annual Success Points - Total	94,702	91,238	90,846	90,652	89,870	82,767	78,987	78,389	73,882	75,886

¹These are annual weighted SSP, not 3-year rolling averages.

* Formula funding methodology changed in Fiscal Year 2014

Source: THECB

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 7 Principal Taxpayers Last Ten Fiscal Years (Unaudited)

Taxpayer	Taxable Assessed Value (TAV) (\$000 omitted)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
HEB Grocery Company LP	\$ 1,610,697	\$ 1,454,000	\$ 1,432,683	\$ 1,415,595	\$ 1,355,150	\$ 1,265,838	\$ 1,119,370	\$ 1,090,006	\$ 1,025,290	\$ 968,937
Microsoft Corporation	1,410,698	1,218,175	906,691	763,981	587,517	438,070	273,326	322,193	340,011	343,633
Methodist Healthcare Systems SA LTD LLP	795,870	822,952	779,753	714,781	666,134	616,182	573,090	540,523	532,699	518,606
Wal-Mart Stores, Inc.	656,287	700,443	750,514	687,965	679,929	614,127	552,930	512,390	400,886	396,639
Toyota Motor Mfg Texas Inc.	563,693	549,276	557,232	516,943	582,068	558,664	560,473	554,647	523,666	542,971
VHS San Antonio Partners LP	495,947	521,593	536,674	509,095	520,866	514,599	501,719	469,526	359,878	404,509
USAA	370,431	368,267	332,200	390,986	409,527	361,960	313,438	309,922	323,095	339,064
La Cantera Specialty Retail LTD Partnership	352,702	351,191	-	359,482	354,890	343,303	272,081	228,526	221,968	212,394
Southwestern Bell Telephone	330,259	369,022	343,011	342,872	352,861	325,075	337,247	351,030	391,280	412,841
Frankel Family Trust	307,022	-	313,777	-	-	-	-	-	-	-
Halliburton Energy Services, Inc.	-	342,259	-	292,246	317,326	413,029	309,888	-	-	-
Well Services, a division of Schlumberger	-	-	355,025	-	-	-	-	-	-	-
SA Real Estate LLLP	-	-	-	-	-	-	-	220,992	224,013	264,078
Total	\$ 6,893,607	\$ 6,697,178	\$ 6,307,560	\$ 5,993,946	\$ 5,826,268	\$ 5,450,847	\$ 4,813,562	\$ 4,599,755	\$ 4,342,786	\$ 4,403,671
Total Taxable Assessed Value	\$ 183,317,713	\$ 173,515,347	\$ 162,464,184	\$ 151,833,339	\$ 142,113,259	\$ 129,620,064	\$ 114,754,869	\$ 106,941,906	\$ 101,560,843	\$ 99,749,407

Taxpayer	% of Total Taxable Assessed Value (TAV)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
HEB Grocery Company LP	0.88%	0.84%	0.88%	0.93%	0.95%	0.98%	0.98%	1.02%	1.01%	0.97%
Microsoft Corporation	0.77%	0.70%	0.56%	0.50%	0.41%	0.34%	0.24%	0.30%	0.33%	0.34%
Methodist Healthcare Systems SA LTD LLP	0.43%	0.47%	0.48%	0.47%	0.47%	0.48%	0.50%	0.51%	0.52%	0.52%
Wal-Mart Stores, Inc.	0.36%	0.40%	0.46%	0.45%	0.48%	0.47%	0.48%	0.48%	0.39%	0.40%
Toyota Motor Mfg Texas Inc.	0.31%	0.32%	0.34%	0.34%	0.41%	0.43%	0.49%	0.52%	0.52%	0.54%
VHS San Antonio Partners LP	0.27%	0.30%	0.33%	0.34%	0.37%	0.40%	0.44%	0.44%	0.35%	0.41%
USAA	0.20%	0.21%	0.20%	0.26%	0.29%	0.28%	0.27%	0.29%	0.32%	0.34%
La Cantera Specialty Retail LTD Partnership	0.19%	0.20%	0.00%	0.24%	0.25%	0.26%	0.24%	0.21%	0.22%	0.21%
Southwestern Bell Telephone	0.18%	0.21%	0.21%	0.23%	0.25%	0.25%	0.29%	0.33%	0.39%	0.41%
Frankel Family Trust	0.17%	0.00%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Halliburton Energy Services, Inc.	0.00%	0.20%	0.00%	0.19%	0.22%	0.32%	0.27%	0.00%	0.00%	0.00%
Well Services, a division of Schlumberger	0.00%	0.00%	0.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SA Real Estate LLLP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.21%	0.22%	0.26%
Total	3.75%	3.85%	3.87%	3.95%	4.10%	4.21%	4.20%	4.31%	4.27%	4.40%

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 8
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended Aug 31	Original Year Levy	Cumulative Levy Adjustments	Adjusted Tax Levy ⁽¹⁾	Collections Year of Original Levy	Collection Percentage Original Levy	Prior Collections of Prior Levies ⁽²⁾	Current Year Collections of Prior Levies	Total Collections	Cumulative Collections of Adjusted Levy
2021	\$ 254,322,861	\$ 7,049,561	\$ 261,372,422	\$ 257,891,551	101.40%	\$ -	\$ -	\$ 257,891,551	98.67%
2020	250,822,929	(4,284,820)	246,538,109	244,600,809	97.52%	-	324,398	244,925,207	99.35%
2019	235,123,523	(4,204,620)	230,918,903	229,767,442	97.72%	302,269	(73,570)	229,996,141	99.60%
2018	220,999,630	(4,486,546)	216,513,085	215,596,460	97.56%	132,825	105,959	215,835,243	99.69%
2017	206,482,168	(3,629,827)	202,852,340	202,675,506	98.16%	(385,487)	82,190	202,372,209	99.76%
2016	189,391,239	(2,820,047)	186,571,192	185,543,626	97.97%	583,978	52,714	186,180,318	99.79%
2015	168,691,852	(2,430,736)	166,261,116	165,010,702	97.82%	877,341	40,722	165,928,765	99.80%
2014	157,087,439	(1,683,581)	155,403,858	154,114,745	98.11%	973,555	24,293	155,112,593	99.81%
2013	148,541,205	(1,272,253)	147,268,952	145,758,928	98.13%	1,223,966	20,590	147,003,485	99.82%
2012	138,594,895	(872,980)	137,721,915	135,764,825	97.96%	1,698,255	14,750	137,477,830	99.82%

Source: Bexar County Tax Assessor-Collector

(1) As of August 31st of the current reporting year

(2) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy (roll-forward balances from prior year)

All information is property tax levy only - does not include penalties and interest as reported in notes to the financial statements

ALAMO COMMUNITY COLLEGE DISTRICT

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

	For the Years Ended August 31, (in thousands*)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Bonded Debt										
General obligation bonds	\$ 602,038	\$ 392,684	\$ 436,684	\$ 474,683	\$ 341,042	\$ 363,361	\$ 374,652	\$ 384,644	\$ 394,187	\$ 403,305
Tax notes	56,622	97,466	55,234	62,680	69,820	85,888	109,816	125,261	138,976	150,865
Net general bonded debt	\$ 658,660	\$ 490,150	\$ 491,918	\$ 537,363	\$ 410,862	\$ 449,249	\$ 484,468	\$ 509,905	\$ 533,163	\$ 554,170
Other Debt										
Revenue bonds	\$ 76,674	\$ 85,167	\$ 103,667	\$ 109,802	\$ 115,398	\$ 64,894	\$ 69,894	\$ 74,829	\$ 80,163	\$ 84,852
Notes payable	4,684	9,693	12,402	13,853	15,157	16,504	15,923	17,162	12,727	-
Total Outstanding Debt	\$ 740,018	\$ 585,010	\$ 607,987	\$ 661,018	\$ 541,417	\$ 530,647	\$ 570,285	\$ 601,896	\$ 626,053	\$ 639,022
Figures for Debt Ratios:										
Bexar County population ¹	2,048,290	2,006,193	1,997,417	1,979,294	1,952,946	1,918,444	1,890,984	1,846,354	1,813,421	1,784,731
Full-Time Student Equivalent (FTSE) ²	33,147	36,714	35,415	34,724	34,953	35,771	35,586	36,031	36,849	39,131
Taxable assessed value (TAV) ³	\$ 183,317,713	\$ 173,515,347	\$ 162,464,184	\$ 151,833,339	\$ 142,113,259	\$ 129,620,064	\$ 114,703,126	\$ 106,941,906	\$ 101,560,843	\$ 99,749,409
General Bonded Debt Ratios										
Per capita	\$ 321.57	\$ 244.32	\$ 246.28	\$ 271.49	\$ 210.38	\$ 234.17	\$ 256.20	\$ 276.17	\$ 294.01	\$ 310.51
Per FTSE	19,871	13,350	13,890	15,475	11,755	12,559	13,614	14,152	14,469	14,162
As a percentage of TAV	0.36%	0.28%	0.30%	0.35%	0.29%	0.35%	0.42%	0.48%	0.52%	0.56%
Total Outstanding Debt Ratios										
Per capita	\$ 361.29	\$ 291.60	\$ 304.39	\$ 333.97	\$ 277.23	\$ 276.60	\$ 301.58	\$ 325.99	\$ 345.23	\$ 358.05
Per FTSE	22,325	15,934	17,167	19,036	15,490	14,835	16,026	16,705	16,990	16,330
As a percentage of TAV	0.40%	0.34%	0.37%	0.44%	0.38%	0.41%	0.50%	0.56%	0.62%	0.64%

Notes/Sources:

*Except for figures for debt ratios

Bonds outstanding are adjusted by premium or discount.

¹Population obtained from Texas Demographic Center (2012-2020). 2021 population estimate obtained from World Population Review.

²FTSE obtained from THECB (funded only) and is calculated using Semester Credit hours divided by 30 plus non-semester (continuing education) hours divided by 900.

³TAV obtained from most recent ARB Approved Certified Supplement (Bexar Appraisal District) and is shown net of exemptions and tax increment financings.

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)
(dollars in thousands)**

General Obligation Bonds

For the Year Ended August 31,	Net Taxable Assessed Value ¹	Elected Tax Levy Limit for Debt Service	Less: Funds Restricted for Repayment of General Obligation Bonds	Total Net General Obligation Debt	Current Year Debt Service Requirements	Excess of Elected Limit for Debt Service over Current Requirements	Net Current Requirements ² as a % of Elected Limit
2021	\$ 183,317,713	\$ 260,751	\$ 6,375	\$ 254,376	\$ 30,149	\$ 224,227	9.12%
2020	173,515,347	246,808	9,823	236,985	30,773	206,212	8.49%
2019	162,464,184	231,089	9,595	221,494	54,828	166,666	19.57%
2018	151,833,339	215,968	8,032	207,936	28,857	179,079	9.64%
2017	142,113,259	202,142	2,058	200,084	37,250	162,834	17.41%
2016	129,620,064	187,560	9,245	178,315	25,000	153,315	8.40%
2015	114,754,869	164,788	6,444	158,344	26,920	131,424	12.43%
2014	106,941,906	155,707	5,808	149,899	26,913	122,986	13.55%
2013	101,560,843	147,873	5,788	142,085	26,911	115,174	14.28%
2012	99,749,409	152,743	5,467	147,276	25,745	121,531	13.28%

Note: By local referendum held on September 30, 1952, the District is limited to a total tax rate not to exceed \$0.25 per \$100 taxable assessed valuation for maintenance and operation and debt service purposes. This tax rate is lower than the \$1.00 per \$100 taxable assessed valuation limitation (of which a maximum of \$0.50 may be utilized for debt service purposes) on ad valorem tax rates for community college districts imposed by Texas Education Code Section 130.122, as amended.

¹ Net Taxable Assessed Value obtained from most recent Supplement to the Certified Total (ARB Approved 2020 Supplement 226) and is shown net of exemptions and tax increment financings.

² Current year debt service requirements net of funds restricted for repayment of General Obligation bonds.

ALAMO COMMUNITY COLLEGE DISTRICT

**Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)
(dollars in thousands)**

Revenue Bonds

Fiscal Year Ended August 31,	Pledged Revenues (\$000 omitted)					Debt Service Requirements (\$000 omitted)			
	Tuition	General Fee	Investment Income	Other Income	Total	Principal	Interest	Total	Coverage Ratio
2021	\$ 22,018	\$ -	\$ 914	\$ 4,751	\$ 27,683	\$ 8,000	\$ 3,302	\$ 11,302	2.45
2020	23,933	-	3,239	5,419	32,591	5,880	3,792	9,672	3.37
2019	24,187	-	4,598	6,256	35,041	5,685	4,120	9,805	3.57
2018	24,808	-	2,645	6,453	33,906	5,145	4,717	9,862	3.44
2017	25,358	-	1,602	6,137	33,097	4,780	2,288	7,068	4.68
2016	24,693	-	974	6,292	31,959	4,720	2,356	7,076	4.52
2015	25,486	-	639	6,147	32,272	4,655	2,409	7,064	4.57
2014	26,199	-	513	6,033	32,745	5,055	2,448	7,503	4.36
2013*	27,432	-	513	5,590	33,535	4,410	2,742	7,152	4.69
2012	17,496	18,337	465	3,843	40,141	3,715	1,513	5,228	7.68

Note: During the 2003 Texas Legislative Session, the Texas Legislature enacted H.B. 1621 which, in part, amended Section 130.123 (e) of the Texas Education Code to permit the District to increase the pledge of its Tuition Fee portion of the Pledged Revenues from an amount not to exceed \$15.00 per student for each regular semester and \$7.50 per student for each summer term, to an amount not to exceed 25 percent of the tuition charges collected from each enrolled student for each semester or term.

* Beginning with FY2013, the District refinanced all of its revenue bonds and incorporated a revised and expanded pledged revenue formula.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 12 Demographics and Economic Statistics – Taxing District Last Ten Fiscal Years (Unaudited)

Calendar Year	District Population	District Personal Income (Thousands of Dollars)	District Personal Income Per Capita	District Annual Unemployment Rate
2020	2,009,324	* \$ 95,829,678 *	\$ 47,692 *	4.5%
2019	2,003,554	91,473,170	45,655	7.9%
2018	1,986,049	85,782,196	43,192	3.2%
2017	1,958,578	85,782,196	43,798	3.5%
2016	1,928,680	84,122,309	43,617	3.7%
2015	1,897,753	81,038,194	42,702	3.8%
2014	1,855,866	75,825,317	40,857	4.7%
2013	1,822,154	71,786,980	39,397	5.8%
2012	1,788,858	70,274,756	39,825	6.3%
2011	1,755,526	67,565,567	38,487	7.2%

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, and The County Information Program (2018-21)
 Bureau of Economic Analysis, US Department of Commerce and Bureau of Labor Statistics (2016-2017)
 Texas Workforce Commission, LMI Tracer, Data Link, US Census Bureau State and County Facts (2010-2015)
 *Current year data available at time of publication and subject to update in subsequent year.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 13 Principal Employers Last Ten Fiscal Years (Unaudited)

Principal Employers	2021 (1)		2020 (2)		2019 (3)		2018 (4)		2017 (5)		2016 (6)		2015 (7)		2014 (8)		2013 (9)		2012 (10)	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
Joint Base San Antonio	74,289	6.8%	74,289	7.3%	86,497	8.0%	86,497	8.2%	89,661	8.6%	88,760	8.2%	88,760	8.1%	92,295	9.1%	100,802	10.2%	92,301	9.0%
H.E.B. Grocery Company	21,302	2.0%	21,302	2.1%	25,241	2.3%	22,053	2.1%	23,418	2.2%	18,715	1.7%	18,715	1.7%	19,107	1.9%	17,717	1.8%	17,866	1.7%
USAA	19,217	1.8%	19,217	1.9%	19,660	1.8%	18,305	1.7%	18,305	1.8%	17,163	1.6%	17,000	1.5%	17,000	1.7%	15,900	1.6%	17,000	1.7%
Northside Independent School District	14,117	1.3%	14,117	1.4%	14,023	1.3%	13,996	1.3%	13,977	1.3%	13,969	1.3%	13,161	1.2%	11,706	1.2%	13,573	1.4%	16,242	1.6%
City of San Antonio	11,903	1.1%	11,903	1.2%	11,787	1.1%	11,462	1.1%	11,462	1.1%	11,922	1.1%	11,922	1.1%	13,698	1.4%	13,356	1.3%	12,211	1.2%
Methodist Healthcare System	10,393	1.0%	10,393	1.0%	9,851	0.9%	9,851	0.9%	9,620	0.9%	9,209	0.8%	9,141	0.8%	9,141	0.9%	8,500	0.9%	8,000	0.8%
University Health System	9,372	0.9%	9,372	0.9%	9,213	0.9%	9,292	0.9%	9,292	0.9%	8,960	0.8%	8,600	0.8%	8,500	0.8%	8,118	0.8%	6,205	0.6%
Northeast Independent School District	9,001	0.8%	9,001	0.9%	8,947	0.8%	8,798	0.8%	8,570	0.8%	8,176	0.8%	7,708	0.7%	7,423	0.7%	7,425	0.7%	8,417	0.8%
San Antonio Independent School District	7,451	0.7%	7,451	0.7%	7,358	0.7%	7,703	0.7%	7,375	0.7%	7,334	0.7%	7,382	0.7%	7,263	0.7%	7,205	0.7%	7,390	0.7%
Baptist Health System	6,490	0.6%	6,490	0.6%	6,371	0.6%	6,371	0.6%	6,383	0.6%	6,432	0.6%	5,800	0.5%	6,498	0.6%	6,702	0.7%	6,216	0.6%
Total Employment - (Principal employers)	183,535	17.0%	183,535	17.9%	198,948	18.5%	194,328	18.4%	198,063	19.0%	190,640	17.5%	188,189	17.1%	192,631	19.1%	199,298	20.1%	191,848	18.7%
Total Employment - (All employers)	1,092,200	100.0%	1,023,500	100.0%	1,075,500	100.0%	1,058,300	100.0%	1,041,300	100.0%	1,086,301	100.0%	1,099,430	100.0%	1,011,080	100.0%	990,148	100.0%	1,026,242	100.0%

- (1) Source: San Antonio Economic Development Division, City of San Antonio, Texas; Northside ISD, Northeast ISD and San Antonio ISD respective websites
- (2) Source: San Antonio Economic Development Division, City of San Antonio, Texas; Northside ISD, Northeast ISD and San Antonio ISD respective websites
- (3) Source: San Antonio Economic Development Foundation Website 08/2019 <http://www.sanantonioedf.com/why-san-antonio/data/>; Northside ISD, Northeast ISD and San Antonio ISD respective websites
- (4) Source: San Antonio Economic Development Foundation Website 05/2018 <http://www.sanantonioedf.com/why-san-antonio/data/>; Northside ISD, Northeast ISD and San Antonio ISD respective websites
- (5) Source: San Antonio Economic Development Foundation Website 05/2017 <http://www.sanantonioedf.com/why-san-antonio/data/>
- (6) Source: San Antonio Economic Development Foundation Website 09/2016 <http://www.sanantonioedf.com/business-profile/major-employers>
- (7) Source: San Antonio Economic Development Foundation Website 05/2015 <http://www.sanantonioedf.com/business-profile/major-employers>
- (8) Source: San Antonio Economic Development Foundation Website 9/12/2014 <http://www.sanantonioedf.com/business-profile/major-employers>
- (9) Source: San Antonio Economic Development Foundation Website 9/4/2013 <http://www.sanantonioedf.com/business-profile/major-employers>
- (10) Source: San Antonio Economic Development Foundation Website 10/18/2012 <http://www.sanantonioedf.com/business-profile/major-employers>

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 14 Faculty, Staff and Administrators Statistics Last Ten Fiscal Years (Unaudited)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Faculty*										
Full-time	791	812	928	894	895	962	928	916	750	1,004
Part-time	1,934	1,948	2,509	2,118	1,924	1,772	1,556	1,633	1,848	1,482
Total	2,725	2,760	3,437	3,012	2,819	2,734	2,484	2,549	2,598	2,486
Percent										
Full-time	29.03%	29.42%	27.00%	29.68%	31.75%	35.19%	37.36%	35.94%	28.87%	40.39%
Part-time	70.97%	70.58%	73.00%	70.32%	68.25%	64.81%	62.64%	64.06%	71.13%	59.61%
Staff and Administrators*										
Full-time	1,846	1,839	1,770	1,773	1,725	1,808	1,715	1,649	1,479	1,532
Part-time	1,712	1,407	1,810	1,442	1,330	1,682	1,437	1,077	660	921
Total	3,558	3,246	3,580	3,215	3,055	3,490	3,152	2,726	2,139	2,453
Percent										
Full-time	51.88%	56.65%	49.44%	55.15%	56.46%	51.81%	54.41%	60.49%	69.14%	62.45%
Part-time	48.12%	43.35%	50.56%	44.85%	43.54%	48.19%	45.59%	39.51%	30.86%	37.55%
FTSE**	33,147	36,714	35,415	34,724	34,953	35,771	35,586	36,031	36,849	39,131
FTSE per full-time faculty	41.9	45.2	38.2	38.8	39.1	37.2	38.3	39.3	49.1	39.0
FTSE per full-time staff member	18.0	20.0	20.0	19.6	20.3	19.8	20.7	21.9	24.9	25.5
Average annual full-time faculty salary	\$ 73,058	\$ 70,343	\$ 59,931	\$ 62,121	\$ 61,155	\$ 51,316	\$ 52,370	\$ 54,778	\$ 66,680	\$ 54,178

Faculty - FT (full-time) faculty teaching 12 or more semester hours
 Faculty - PT (part-time) faculty teaching less than 12 semester hours

*Faculty/Staff Headcount - Prepared by Human Resources Department

**FTSE (full-time student equivalent) is defined as semester credit hours divided by 30 plus non-semester (continuing education) credit hours divided by 900.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 15 Enrollment Details Last Ten Fiscal Years (Unaudited)

Student Classification	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
00 - 30 hours	33,761	61.9%	35,938	63.0%	32,360	61.7%	31,999	60.9%	31,071	60.5%	30,512	59.1%	28,592	57.3%	29,668	58.1%	30,492	58.2%	34,649	60.5%
31 - 60 hours	15,318	28.1%	15,265	26.8%	14,383	27.4%	14,627	27.8%	14,381	28.0%	14,704	28.5%	14,543	29.2%	14,815	29.0%	15,092	28.8%	21,307	37.2%
Unclassified	3,295	6.0%	2,845	5.0%	2,988	5.7%	3,051	5.8%	3,334	6.5%	3,898	7.5%	4,275	8.6%	5,015	9.8%	5,258	10.0%	-	0.0%
> 60 hours*	2,196	4.0%	2,994	5.2%	2,737	5.2%	2,913	5.5%	2,563	5.0%	2,519	4.9%	2,478	5.0%	1,603	3.1%	1,512	2.9%	1,330	2.3%
Total	54,570	100.0%	57,042	100.0%	52,468	100.0%	52,590	100.0%	51,349	100.0%	51,633	100.0%	49,888	100.0%	51,101	100.0%	52,354	100.0%	57,286	100.0%

Source: THECB Prep Online

Semester Hour Load	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Less than 3 semester hours	264	0.5%	289	0.5%	552	1.1%	674	1.3%	853	1.7%	1,614	3.1%	1,101	2.2%	304	0.6%	485	0.9%	569	1.0%
3 - 5 semester hours	12,176	22.3%	12,215	21.4%	12,018	22.9%	11,536	21.9%	11,032	21.5%	10,948	21.2%	10,416	20.9%	11,145	21.8%	11,877	22.7%	12,425	21.7%
6 - 8 semester hours	14,934	27.4%	14,706	25.8%	14,064	26.8%	14,489	27.6%	15,367	29.9%	15,196	29.4%	14,215	28.5%	14,707	28.8%	15,018	28.7%	16,610	29.0%
9 - 11 semester hours	9,817	18.0%	10,075	17.7%	10,905	20.8%	11,055	21.0%	9,856	19.2%	9,611	18.6%	9,345	18.7%	9,675	18.9%	9,795	18.7%	11,084	19.3%
12 - 14 semester hours	14,804	27.1%	17,015	29.8%	13,086	24.9%	12,847	24.4%	12,195	23.7%	12,164	23.6%	12,787	25.6%	12,994	25.4%	12,952	24.7%	14,416	25.2%
15 - 17 semester hours	2,274	4.2%	2,405	4.2%	1,723	3.3%	1,846	3.5%	1,871	3.6%	1,952	3.8%	1,850	3.7%	1,972	3.9%	1,988	3.8%	1,932	3.4%
18 and over semester hours	301	0.6%	337	0.6%	120	0.2%	143	0.3%	175	0.3%	148	0.3%	174	0.3%	304	0.6%	239	0.5%	250	0.4%
Total	54,570	100.0%	57,042	100.0%	52,468	100.0%	52,590	100.0%	51,349	100.0%	51,633	100.0%	49,888	100.0%	51,101	100.0%	52,354	100.0%	57,286	100.0%

Average course load

8.4 hrs	8.7 hrs	8.3 hrs	8.3 hrs	8.1 hrs	8.0 hrs	8.2 hrs	8.3 hrs	8.2 hrs	8.2 hrs
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Source: CBM001

Tuition Status	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Texas resident - In District	43,308	79.4%	45,260	79.3%	41,498	79.1%	41,009	78.0%	40,446	78.8%	41,425	80.2%	39,929	80.0%	41,007	80.2%	42,828	81.8%	47,567	83.0%
Texas resident - Out of District	7,471	13.7%	7,671	13.4%	7,179	13.7%	7,222	13.7%	6,949	13.5%	6,825	13.2%	6,536	13.1%	6,591	12.9%	6,211	11.9%	7,631	13.3%
Non-resident tuition	1,860	3.4%	1,487	2.6%	1,432	2.7%	1,916	3.7%	1,587	3.1%	1,292	2.5%	1,242	2.5%	1,146	2.2%	1,284	2.5%	1,312	2.3%
Tuition exemption	1,263	2.3%	1,734	3.0%	1,497	2.9%	1,490	2.8%	1,435	2.8%	1,165	2.3%	1,337	2.7%	1,541	3.0%	1,198	2.3%	-	0.0%
Foreign	668	1.2%	890	1.6%	862	1.6%	953	1.8%	932	1.8%	926	1.8%	844	1.7%	816	1.6%	833	1.6%	776	1.4%
Total	54,570	100.0%	57,042	100.0%	52,468	100.0%	52,590	100.0%	51,349	100.0%	51,633	100.0%	49,888	100%	51,101	100%	52,354	100%	57,286	100%

Source: CBM001

*Includes students w/60 or more hours who have obtained an Associate's or Bachelor's Degree.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 16 Student Profile Last Ten Fiscal Years (Unaudited)

	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011		
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Gender																					
Female	33,103	61%	33,206	58%	30,413	58%	30,063	57%	29,147	57%	29,433	57%	28,342	57%	29,210	57%	30,003	57%	32,844	57%	
Male	21,467	39%	23,836	42%	22,055	42%	22,527	43%	22,202	43%	22,200	43%	21,546	43%	21,891	43%	22,351	43%	24,442	43%	
Total	54,570	100%	57,042	100%	52,468	100%	52,590	100%	51,349	100%	51,633	100%	49,888	100%	51,101	100%	52,354	100%	57,286	100%	

Ethnic Origin	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Multi-Racial	931	2%	995	2%	857	2%	840	2%	-	0%	-	0%	-	0%	878	2%	1,382	3%	1,088	2%
White	11,310	21%	12,142	21%	11,688	22%	12,405	24%	12,518	24%	12,889	25%	13,507	27%	14,157	28%	15,166	29%	18,423	32%
Hispanic	35,319	65%	36,549	64%	33,379	64%	33,089	63%	32,187	63%	31,980	62%	29,180	58%	30,030	59%	30,679	59%	31,712	55%
African-American	4,619	8%	4,874	9%	4,279	8%	4,145	8%	3,856	8%	3,935	8%	3,825	8%	3,875	8%	3,263	6%	3,757	7%
Asian	1,445	3%	1,496	3%	1,405	3%	1,381	3%	1,348	3%	1,382	3%	1,388	3%	1,271	2%	1,244	2%	1,429	2%
Foreign	102	0%	128	0%	161	0%	179	0%	275	1%	331	1%	249	0%	236	0%	190	0%	324	1%
Native American	127	0%	145	0%	111	0%	141	0%	-	0%	-	0%	-	0%	127	0%	132	0%	182	0%
Native Hawaiian/Other Pacific Islander	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	83	0%	89	0%	-	0%
Ethnic Origin/Race unknown	717	1%	713	1%	588	1%	410	1%	1,165	2%	1,116	2%	1,739	3%	444	1%	209	0%	371	1%
Total	54,570	100%	57,042	100%	52,468	100%	52,590	100%	51,349	100%	51,633	100%	49,888	100%	51,101	100%	52,354	100%	57,286	100%

Age	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Under 18	13,979	26%	13,204	23%	12,803	24%	12,387	24%	11,725	23%	10,343	20%	8,613	17%	8,767	17%	8,809	17%	9,451	16%
18-21	20,583	38%	22,791	40%	20,386	39%	20,402	39%	19,873	39%	20,560	40%	20,067	40%	20,236	40%	20,212	39%	21,472	37%
22-24	6,117	11%	6,683	12%	6,147	12%	6,528	12%	6,628	13%	6,758	13%	6,724	13%	6,769	13%	6,876	13%	7,639	13%
25-35	9,530	17%	9,699	17%	9,001	17%	9,242	18%	9,014	18%	5,885	11%	9,653	19%	9,960	19%	10,630	20%	12,165	21%
36-50	3,671	7%	3,883	7%	3,423	7%	3,302	6%	3,344	7%	3,164	6%	3,943	8%	4,361	9%	4,770	9%	5,433	9%
51 and over	690	1%	782	1%	708	1%	729	1%	765	1%	4,923	10%	888	2%	1,008	2%	1,057	2%	1,126	2%
Total	54,570	100%	57,042	100%	52,468	100%	52,590	100%	51,349	100%	51,633	100%	49,888	100%	51,101	100%	52,354	100%	57,286	100%
Average age	22.5		22.6		22.5		22.6		22.7		23.1		23.6		23.8		23.7		24.2	

Source: CBM001 and THECB Prep Online.

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 17 Transfer Students to Senior Institutions Fall 2020 Students (Unaudited)

Institutions Attended, Fall 2020	Academic	Technical	Tech-Prep	Total	% Students
1 The University of Texas at San Antonio	5,433	321	-	5,754	40.4%
2 Texas A&M University - San Antonio	2,520	368	-	2,888	20.3%
3 Texas State University	1,370	101	-	1,471	10.3%
4 Texas A&M University	861	54	-	915	6.4%
5 The University of Texas at Austin	613	42	-	655	4.6%
6 Texas Tech University	474	39	-	513	3.6%
7 The University of Texas Health Science Center at San Antonio	243	36	-	279	2.0%
8 The University of Texas at Arlington	159	65	-	224	1.6%
9 University of North Texas	188	12	-	200	1.4%
10 Texas A&M University - Corpus Christi	184	8	-	192	1.3%
11 University of Houston	119	27	-	146	1.0%
12 Angelo State University	89	6	-	95	0.7%
13 The University of Texas at Dallas	88	6	-	94	0.7%
14 Sam Houston State University	82	5	-	87	0.6%
15 Tarleton State University	55	11	-	66	0.5%
16 Texas A&M University - Kingsville	54	3	-	57	0.4%
17 The University of Texas of the Permian Basin	40	12	-	52	0.4%
18 The University of Texas - Rio Grande Valley	44	6	-	50	0.4%
19 Stephen F. Austin State University	43	2	-	45	0.3%
20 Texas Tech University Health Sciences Center	26	18	-	44	0.3%
21 Prairie View A&M University	35	1	-	36	0.3%
22 University of Houston - Victoria	24	10	-	34	0.2%
23 Texas Woman's University	33	-	-	33	0.2%
24 West Texas A&M University	24	4	-	28	0.2%
25 University of Houston - Downtown	26	2	-	28	0.2%
26 Lamar University	26	2	-	28	0.2%
27 Texas A&M International University	18	6	-	24	0.2%
28 The University of Texas at El Paso	22	1	-	23	0.2%
29 Texas A&M University at Galveston	22	-	-	22	0.2%
30 Texas A&M University - Commerce	18	3	-	21	0.1%
31 The University of Texas Medical Branch at Galveston	16	4	-	20	0.1%
32 The University of Texas at Tyler	18	1	-	19	0.1%
33 Midwestern State University	9	7	-	16	0.1%
34 Texas A&M University System Health Science Center	14	1	-	15	0.1%
35 Texas A&M University - Central Texas	10	4	-	14	0.1%
36 Texas Southern University	14	-	-	14	0.1%
37 Sul Ross State University	12	1	-	13	0.1%
38 University of North Texas Health Science Center	5	2	-	7	0.0%
39 The University of Texas Health Science Center at Houston	4	2	-	6	0.0%
40 Sul Ross State University - Rio Grande College	4	1	-	5	0.0%
41 University of Houston - Clear Lake	5	-	-	5	0.0%
42 Baylor College of Medicine	2	-	-	2	0.0%
43 Texas A&M University - Texarkana	2	-	-	2	0.0%
44 The University of Texas Southwestern Medical Center	1	-	-	1	0.0%
Total	13,049	1,194	-	14,243	100.0%

Source: THECB Report ASALFS Students Pursuing Additional Education by Institution, includes only public senior colleges in Texas - Fall 2020

ALAMO COMMUNITY COLLEGE DISTRICT

Statistical Supplement 18 Capital Asset Information Last Ten Fiscal Years (Unaudited) (square footage in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Academic building equivalent (teaching spaces only)	51.8	49.6	49.6	51.6	51.5	54.1	54.0	53.1	52.1	52.1
Square footage	2,296.0	2,190.0	2,190.0	2,198.0	2,193.0	2,213.0	2,213.0	2,201.0	2,199.0	2,199.0
Library building equivalent	2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Square footage	281.0	281.0	278.0	278.0	278.0	278.0	278.0	278.0	278.0	278.0
Dining facilities	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Square footage	64.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
Student support and office space building equivalent	37.2	35.6	43.2	42.2	42.3	41.7	41.7	41.7	41.7	41.7
Colleges - square footage	1,137.0	1,074.0	1,068.0	1,068.0	1,066.0	1,037.0	1,037.0	1,037.0	1,037.0	1,037.0
District support operations - square footage	180.0	180.0	282.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0
Plant facilities	18.1	18.1	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4
Square footage	97.0	97.0	98.0	98.0	98.0	98.0	98.0	98.0	98.0	98.0
Parking garages	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	2.0	1.0
Square footage	1,064.0	1,064.0	1,064.0	974.0	974.0	974.0	974.0	974.0	645.0	395.0
Portable buildings	63.0	63.0	63.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Square footage	101.0	101.0	101.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0
Athletic facilities - building equivalent	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Square footage	245.0	245.0	245.0	245.0	245.0	245.0	245.0	245.0	245.0	245.0
Fitness centers	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Tennis courts	10.0	10.0	10.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Swimming pools	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Soccer fields	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fitness trails	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Putting green	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Rock climbing wall	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Ropes course	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
University Center	-	-	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Square footage	-	-	72.8	72.8	72.8	72.8	72.8	72.8	72.8	72.8
Leased space	6.0	7.0	8.0	8.0	9.0	9.7	9.7	9.0	8.0	8.0
Square footage	179.0	194.0	201.0	201.0	159.0	124.0	124.0	124.0	124.0	124.0
Total Count	189.1	186.2	196.0	198.0	199.0	201.7	201.6	200.0	197.0	196.0
Total square footage (in thousands)	5,644.0	5,489.0	5,662.8	5,403.8	5,353.8	5,310.8	5,310.8	5,298.8	4,969.0	4,717.8
Transportation										
Cars	49.0	42.0	40.0	48.0	47.0	49.0	50.0	44.0	38.0	33.0
Trucks/vans	61.0	69.0	85.0	101.0	85.0	93.0	79.0	78.0	77.0	77.0
Fire trucks	2.0	2.0	2.0	2.0	2.0	-	-	-	-	-
Buses	2.0	4.0	4.0	4.0	3.0	3.0	3.0	2.0	2.0	2.0
Electric cars	1.0	2.0	1.0	2.0	2.0	2.0	7.0	7.0	7.0	7.0
Electric vehicle charging stations	10.0	14.0	20.0	16.0	16.0	16.0	16.0	16.0	-	-
ADA parking spots	509.0	509.0	628.0	608.0	582.0	582.0	529.0	529.0	511.0	503.0
Non ADA parking spots	15,762.0	14,956.0	16,923.0	16,479.0	16,395.0	16,241.0	15,696.0	15,696.0	15,562.0	15,264.0

Source: Alamo Colleges Facilities Department

Single Audit Section





**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**

To the Board of Trustees
Alamo Community College District

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, which comprise the statement of net position as of August 31, 2021 and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, of Alamo Community College District (the District), as of and for the year ended August 31, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 8, 2022, which included an emphasis-of-matter paragraph regarding the restatement of the District's financial statements as of and for the year ended August 31, 2020 to correct a misstatement. The District is comprised of San Antonio College, St. Philip's College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College.

Our report includes a reference to other auditors who audited the financial statements of the ACCD Public Facility Corporation and Alamo Colleges Foundation, Inc., as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the auditors of the financial statements of ACCD Public Facility Corporation. The financial statements of Alamo Colleges Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying federal schedule of findings and questioned costs as item 2021-001, that we consider to be a material weakness.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 | Fort Worth, Texas 76107
Main: 817.332.7905

To the Board of Trustees
Alamo Community College District

Compliance and Other Matters

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

The District's Response to Findings

The District's responses to the findings identified in our audit is described in the accompanying corrective action plan. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 8, 2022



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

To the Board of Trustees
Alamo Community College District

Report on Compliance for Each Major Federal Program

We have audited the compliance of Alamo Community College District (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2021. The District is comprised of San Antonio College, St. Philip's College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College. The District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

The District's financial statements include the operations of ACCD Public Facility Corporation and Alamo Colleges Foundation, Inc., which are discretely presented component units of the District. Our audit, described below, did not include the operations of these discretely presented component units because these discretely presented component units were audited by other matters.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 | Fort Worth, Texas 76107
Main: 817.332.7905

To the Board of Trustees
Alamo Community College District

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying federal schedule of findings and questioned costs as items 2021-002 and 2021-003, that we consider to be significant deficiencies.

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying corrective action plan. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 8, 2022

**ALAMO COMMUNITY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021**

Section I. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified X Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported
- Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported

An unmodified opinion was issued on compliance for all major programs.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Program</u>
Student Financial Assistance Cluster:	
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work Study Grants
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
84.031	Higher Education Institutional Aid
84.425 C, E, F, J, L	COVID-19 – Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X Yes No

**ALAMO COMMUNITY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021
(CONTINUED)**

Section II. Financial Statement Findings

Finding 2021-001: Insufficient Consideration of Applicable GAAP for Certain Transactions and Presentation Issues

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Criteria: Generally accepted accounting principles applicable to governmental entities (GAAP) state that amounts received under government-mandated nonexchange transactions such as state appropriations should be recognized as revenue when all applicable eligibility requirements, including time requirements, are met; purpose restrictions do not affect the timing of recognition for nonexchange transactions.

Additionally, GAAP states that current assets should not include cash and claims to cash that are restricted for expenditure in the acquisition or construction of noncurrent assets or are segregated for the liquidation of long-term debt, except to the extent expected to be used in current operations or to liquidate current obligations. Further, restricted investments should be classified as current or noncurrent based on the maturities of the underlying securities.

Condition: Based on the existence of a purpose restriction, the District recorded state appropriations restricted for capital outlay as unearned revenue rather than as revenue in the period in which all applicable eligibility requirements, including timing requirements, were met. As there were no applicable eligibility or timing requirements, the appropriations should have been recognized as revenue when appropriated. This misstatement was corrected through restatement of the District's financial statements as of and for the year ended August 31, 2020, requiring an adjustment to increase net position by approximately \$8.1 million and \$12.4 million at the beginning and end, respectively, of that fiscal year.

Additionally, the District's current assets were understated and noncurrent assets were overstated by approximately \$42.6 million at August 31, 2021, and the District's current assets were overstated and noncurrent assets were understated by approximately \$56.7 million at August 31, 2020, due to misapplication of GAAP related to the classification of restricted cash and cash equivalents and investments. The misstatement at August 31, 2021 was corrected through an audit adjustment, and the misstatement at August 31, 2020 was corrected through a restatement of the District's financial statements at that date.

Cause: The District did not sufficiently evaluate applicable GAAP for these transactions and presentation issues in light of the District's specific circumstances.

Effect: Material misstatements of the District's current and previously issued financial statements were not prevented, or detected and corrected, on a timely basis by the District's system of internal control.

**ALAMO COMMUNITY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021
(CONTINUED)**

Recommendation: We recommend that the District ensure that the attributes of material amounts received, including the presence or absence of eligibility and time requirements and purpose restrictions, be thoroughly evaluated in light of applicable GAAP in order to ensure that such transactions are properly reported. Further, we recommend that the District ensure that classification of restricted cash and cash equivalents reflects adequate consideration of the current liabilities that will be paid with those resources, and that the classification of restricted investments reflects the maturities of the underlying securities.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Section III. Federal Award Findings and Questioned Costs

Finding 2021-002: Completeness of Enrollment Reporting Submissions

U.S. Department of Education
Student Financial Assistance Cluster

Program Name(s): Federal Pell Grant Program, ALN 84.063
and Federal Direct Student Loans, ALN 84.268

Award Numbers: P063P206795 (Northwest Vista College); P063P205081 (San Antonio College); P063P206785 (St. Philip's College)

Compliance Requirement: Special Tests and Provisions – Enrollment Reporting

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria: According to the Office of Management and Budget (OMB) *2021 Compliance Supplement*, institutions are required to report enrollment status information under the Pell Grant and the Direct Student Loan programs via the National Student Loan Data System (NSLDS) in a timely and accurate manner. The Department of Education (ED) requires the enrollment information to be submitted at least every 60 days.

Condition and Context: As part of our testing of the District's compliance with enrollment reporting requirements, it was noted that for 3 students (all of whom were Pell Grant recipients; students were attendees of Northwest Vista College, San Antonio College, and St. Philip's College) out of the total of 40 students sampled, the District did not report the students' enrollment status information via the NSLDS within 60 days after the enrollment status changed. The sample size to be tested was not determined using a statistical sampling approach.

Cause: The submission of enrollment information is a systemic process in which a report is generated in Banner, the District's ERP system; the District sends that information to the National Student Clearinghouse (NSC), who then submits it to the NSLDS. The 3 students noted above took dual credit classes at the District while in high school and subsequently graduated from high school and enrolled in classes at the District. A student's participation in the dual credit program results in the inclusion of an attribute on the student's account in Banner which prevents them from being included in the enrollment information sent to NSC. This attribute is removed once the student graduates from high school, but there are instances in which the attribute reappears on the student's record without detection and subsequent removal of such by the District through the District's implemented internal controls, which results in inappropriate exclusion from enrollment reporting.

**ALAMO COMMUNITY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021
(CONTINUED)**

Effect or Potential Effect: The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions. Complete and accurate reporting of students' enrollment information to NSLDS is critical, as this information is used to determine the subsidy status of certain loans and for other purposes. The lack of timely enrollment reporting could result in either a lack of timely repayments by the borrower or the student being inappropriately moved into loan repayment status. See "Condition" above for instances of noncompliance identified in the current period which were not identified as material noncompliance.

Questioned Costs: There are no questioned costs.

Repeat Finding: No

Recommendation: We recommend that management implement a process to cross-reference enrollment reporting files to Pell Grant and Direct Loan disbursement details to ensure that there are not any Pell Grant or Direct Loan recipients improperly excluded from the enrollment reporting files. This process should be performed with sufficient regularity to ensure that enrollment information reported to the NSLDS is complete and accurate.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Finding 2021-003: Accuracy of Periodic Grant Reporting

U.S. Department of Education

Program Name: Higher Education Emergency Relief Fund, ALN 84.425

Award Numbers: P425E203619 (Northeast Lakeview College); P425F202498 (Northwest Vista College); P425F201748 and P425J200086 (St. Philip's College)

Compliance Requirement: Reporting

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria: According to the Office of Management and Budget (OMB) *2021 Compliance Supplement*, the U.S. Department of Education (ED) requires institutions to publicly report certain information under Higher Education Emergency Relief Fund (HEERF) Subprogram E in one report and HEERF Subprograms F, J, and L in a second report. Each report is required to be accurate and posted each quarter to the institution's website within specified timeframes. One of the required elements to be included in the quarterly report under Subprogram E is the method(s) used by the institution to determine which students receive emergency financial aid grants and how much they would receive. For the quarterly report under Subprograms F, J, and L, institutions are required to report total funds awarded and total amount expended under each Subprogram.

**ALAMO COMMUNITY COLLEGE DISTRICT
FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021
(CONTINUED)**

Condition and Context: In our testing of the District's quarterly reporting under HEERF, we noted that 1 out of a sample of 3 quarterly reports tested under Subprogram E, which was posted by Northeast Lakeview College, was not posted on a timely basis and did not include the current method used by the institution to determine which students receive emergency financial aid grants and how much they would receive. In addition, 2 out of a sample of 3 quarterly reports tested under Subprograms F, J, and L, which were posted by Northwest Vista College and St. Philip's College, did not include accurate amounts of total funds awarded and/or total amount spent under each Subprogram. The sample size to be tested was not determined using a statistical sampling approach.

Per the Office of Postsecondary Education (OPE) Reporting and Data Collection resource page, institutions are encouraged but not required to submit HEERF quarterly reports to the ED by emailing them to a designated ED email address. Therefore, it should be noted that the public is the primary audience for the HEERF quarterly reports. A separate Annual Performance Report is required to be submitted to ED by each college covering all Subprograms (E, F, J, and L).

Cause: Although controls were in place at each college requiring review of the quarterly reports before being posted to their respective websites, this review process failed to detect the reports' omissions and inaccuracies.

Effect or Potential Effect: The public can potentially be misinformed about (1) the colleges' method(s) used to determine which students emergency financial aid grants and how much they would receive, (2) total funds awarded under each Subprogram, and (3) total amount spent under each Subprogram due to the inaccurate information being reported on the colleges' websites. See "Condition" above for instances of noncompliance identified in the current period which were not identified as material noncompliance.

Questioned Costs: There are no questioned costs.

Repeat Finding: No

Recommendation: We recommend that management ensure that those charged with reviewing the quarterly reports have a clear understanding of the relevant reporting requirements in order to ensure that the reports are complete and accurate prior to being posted. In addition, the reports should be reconciled to the corresponding amounts in the District's financial records prior to posting.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Section IV. Prior Year Audit Findings

There were no prior year audit findings.



From: Patrick Vrba, Controller

Subject: Corrective Action Plan for Audit Finding 2021-001

Finding 2021-001: Insufficient Consideration of Applicable GAAP for Certain Transactions and Presentation Issues

Views of Responsible Officials and Planned Corrective Actions

Management has performed a thorough review and analysis of applicable GAAP related to accounting for government-mandated nonexchange transactions to understand the cause of the misinterpretation of GAAP. The District has historically treated state appropriations received for capital outlays as exchange transactions, and treated the revenue as unearned until the purpose for which the funds were received were expended. As such, revenues and resulting net position for such state appropriations were understated in the years they were received. In the future, the District will evaluate all material receipts of funds received to determine the presence or absence of eligibility and/or time requirements, other than purpose restrictions, to ensure revenue is recorded in the proper accounting period.

In addition, management has thoroughly reviewed and documented applicable GAAP related to the classification of cash, claims on cash, and investments between current and noncurrent. In the future, the District will ensure restricted cash and claims on cash are only classified as current when available for use in current operations or to liquidate current liabilities, and investments will be classified as current or noncurrent based on the maturities of the underlying securities.

Implementation Date: February 2022

Responsible Person: Diane E. Snyder, CPA, Ph.D.



From: Daniel Ayala, Director of District-wide Center of Student Information
Dr. Harold Whitis, District Director of Student Financial Aid

Subject: Corrective Action Plan for Audit Finding 2021-002

Finding 2021-002: Completeness of Enrollment Reporting Submissions

Views of Responsible Officials and Planned Corrective Actions

The District has already implemented significant process enhancements in this area to address the issue that caused students to be inadvertently excluded from the enrollment status reports. The Center for Student Information (CSI) has updated the Banner student records data retrieval to ensure that corrected items have been submitted to the National Student Clearinghouse and National Student Loan Data System. The District has created an exception report to cross-reference enrollment reporting files to Pell Grant or Direct Loan disbursement details to ensure that there are no Pell Grant or Direct Loan recipients improperly excluded from the enrollment reporting files. The exception report output will be reviewed and documented in a workflow by CSI prior to all enrollment submissions to the clearinghouse.

Implementation Date: January 2022

Responsible Persons: Dr. Diane E. Snyder, CPA, Vice Chancellor of Finance & Administration; Dr. Adelina S. Silva, Vice Chancellor of Student Success



From: Dr. Chantae Recasner, Dean for Academic Success, Northeast Lakeview College
Erin Sherman, Vice President for College Services, Northwest Vista College
Dr. Tomeka Wilson, Academic Program Director, St. Philip's College

Subject: Corrective Action Plan for Audit Finding 2021-003

Finding 2021-003: Accuracy of Periodic Grant Reporting

Views of Responsible Officials and Planned Corrective Actions

The Department of Education (ED) held a technical assistance (TA) webinar on November 16, 2021, to provide guidance to recipients of Higher Education Emergency Relief Fund (HEERF) funds on accurately preparing the HEERF quarterly reports to be posted on the respective Colleges' websites. Management and staff responsible for preparing and reviewing the quarterly reports have either attended the ED's TA webinar, or have received and reviewed a copy of the HEERF Quarterly Reporting PowerPoint Presentation and Quarterly Reporting Tips document published on the ED's website at: <https://www2.ed.gov/about/offices/list/ope/heerfreporting.html> to ensure they have a clear understanding of the relevant reporting requirements. In addition, information included in the quarterly reports will be reconciled to Banner financial reports and financial aid records provided by the District's Grants Accounting and Student Financial Aid departments. Documentation will be maintained to verify the date the quarterly reports are posted to the College's websites. While the ED provided guidance during the TA webinar that reports posted prior to the 2021 third quarter report (Q3 2021), due by October 10, 2021, are not required to be revised on the Colleges' websites and reposted, all of the quarterly reports identified with omissions or errors have either been corrected on the respective College's website or will be revised and reposted by January 31, 2022.

Implementation Date: January 2022

Responsible Persons: Dr. Chantae Recasner, Dean for Academic Success, Northeast Lakeview College; Erin Sherman, MAcc, Vice President for College Services, Northwest Vista College; Dr. Tomeka C. Wilson, Academic Program Director, St. Philip's College.

**Independent Auditor's Report on Compliance for
Each Major State Program and Report on Internal Control over
Compliance Required by the State of Texas Single Audit Circular**

To the Board of Trustees
Alamo Community College District

Report on Compliance for Each Major State Program

We have audited the compliance of Alamo Community College District (the District) with the types of compliance requirements described in the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the District's major state programs for the year ended August 31, 2021. The District is comprised of San Antonio College, St. Philip's College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College. The District's major state programs are identified in the summary of auditor's results section of the accompanying state schedule of findings and questioned costs.

The District's financial statements include the operations of ACCD Public Facility Corporation and Alamo Colleges Foundation, Inc., which are discretely presented component units of the District. Our audit, described below, did not include the operations of these discretely presented component units because these discretely presented component units were audited by other matters.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Texas Single Audit Circular*. Those standards and the *State of Texas Single Audit Circular* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended August 31, 2021.

To the Board of Trustees
Alamo Community College District

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program as a basis to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A 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 state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 state 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 state 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying state schedule of findings and questioned costs as item 2021-004, that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. The District's response was not subjected to the 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 *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 8, 2022

**ALAMO COMMUNITY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021**

Section I. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal Control over Financial reporting:

- Material weakness(es) identified X Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported
- Noncompliance material to financial statements noted? Yes X No

State Awards

Internal control over major programs:

- Material weakness(es) identified Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? X Yes None reported

An unmodified opinion was issued on compliance for all major programs.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of the State of Texas Single Audit Circular? Yes X No

Identification of major programs:

<u>Contract Number(s)</u>	<u>Program</u>
N/A	Texas Educational Opportunity Grant
N/A	Texas Bexar County Fostering Educational Success Pilot Project

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

Auditee qualified as low-risk auditee? X Yes No

**ALAMO COMMUNITY COLLEGE DISTRICT
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2021
(CONTINUED)**

Section II. Financial Statement Findings

See Finding 2021-001 in Section II of the Federal Schedule of Findings and Questioned Costs.

Section III. State Award Findings and Questioned Costs

Finding 2021-004: Accuracy of Periodic Grant Reporting

University of Texas at San Antonio

Program Name: Texas Bexar County Fostering Educational Success Pilot Project

Compliance Requirement: Reporting

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria: According to the award notification letter from the University of Texas at San Antonio (UTSA), the District is required to submit quarterly reports no later than the 15th day of the month following each quarter and an annual report no later than the 15th day of September following the close of the fiscal year. Within these reports, the District is required to submit year-to-date budget and expenses.

Condition: In our testing of the District's quarterly reporting under the grant, we noted that each of the 2 reports that we tested included inaccurate year-to-date budget and/or expense amounts.

Cause: Although controls were in place requiring review of the reports prior to submission to the grantor, this review process failed to detect the reports' inaccuracies.

Effect or Potential Effect: Inaccurate reporting could cause the grantor to be misinformed regarding the status of the grant, which could influence the grantor's decision-making in regards to funding and/or operational aspects of the grant.

Questioned Costs: There are no questioned costs.

Context: Amounts reported for the year-to-date budget amount were overstated by 21% and 36% and amounts reported for year-to-date expenses were understated by 12% and 14% in the two reports that we tested.

Recommendation: We recommend that management ensure that those charged with reviewing the quarterly reports have a clear understanding of the relevant reporting requirements in order to ensure that the reports are complete and accurate prior to being posted. In addition, the reports should be reconciled to the corresponding amounts in the District's financial records prior to posting.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Section IV. Prior Year Audit Findings

There were no prior year audit findings.



From: Patricia Parma, Associate Vice Chancellor for Student Access & Success Initiatives
Dr. Leticia Duncan, Director District-wide Student Advocacy Network

Subject: Corrective Action Plan for Audit Finding 2021-004

Finding 2021-004: Accuracy of Periodic Grant Reporting

Views of Responsible Officials and Planned Corrective Actions

Effective immediately, the Alamo Colleges District will strengthen financial documentation and reporting protocols by having the District Finance & Fiscal Services department (FFS) work directly with the grantor's finance representatives. Key Alamo Colleges District program personnel will be trained on the resulting documentation, internal control, monitoring and reporting procedures. Those charged with reviewing the quarterly reports will have a clear understanding of the relevant reports requirements to ensure that the reports are complete and accurate prior to being posted. In addition, all reports will be reconciled to Banner financial and financial aid records prior to submission.

Implementation Date: March 2022

Responsible Person: Adelina S. Silva, Ph.D.





ALAMO
COLLEGES
DISTRICT

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