



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, 2023 AND  
2022



# **ALAMO COMMUNITY COLLEGE DISTRICT**

**San Antonio, Texas**

## **Annual Comprehensive Financial Report**

**For the Years Ended**

**August 31, 2023 and 2022**

**Prepared by:**

**Finance and Fiscal Services Department**



**ALAMO COMMUNITY COLLEGE DISTRICT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Transmittal Letter .....	1
Organizational Data .....	7
Mission, Vision and Values.....	9
Certificate of Achievement for Excellence in Financial Reporting – August 31, 2022 .....	10

**FINANCIAL SECTION**

Independent Auditors’ Report.....	14
Management’s Discussion and Analysis (Unaudited) .....	19

Basic Financial Statements

Exhibit 1—Statements of Net Position .....	34
Exhibit 1A—Statements of Financial Position (Alamo Colleges Foundation, Inc.).....	35
Exhibit 1B—Statements of Net Position (ACCD Public Facility Corporation).....	36
Exhibit 2—Statements of Revenues, Expenses and Changes in Net Position .....	37
Exhibit 2A—Statements of Activities (Alamo Colleges Foundation, Inc.).....	38
Exhibit 2B—Statements of Revenues, Expenses and Changes in Net Position (ACCD Public Facility Corporation) .....	39
Exhibit 3—Statements of Cash Flows.....	40
Notes to Financial Statements .....	42

Required Supplementary Information (Unaudited)

Schedule of District’s Proportionate Share of Net Pension Liability .....	105
Schedule of District Contributions for Pensions.....	106
Notes to Required Supplementary Information Related to Net Pension Liability .....	107
Schedule of District’s Proportionate Share of Net OPEB Liability .....	108
Schedule of District Contributions for OPEB.....	109
Notes to Required Supplementary Information Related to OPEB.....	110

Supplementary Information

Schedule A—Schedule of Operating Revenues .....	113
Schedule B—Schedule of Operating Expenses by Object .....	114
Schedule C—Schedule of Non-Operating Revenues and Expenses .....	115
Schedule D—Schedule of Net Position by Source and Availability.....	116
Schedule E—Schedule of Expenditures of Federal Awards .....	117
Notes to Schedule of Expenditures of Federal Awards.....	120
Schedule F—Schedule of Expenditures of State Awards.....	122

**ALAMO COMMUNITY COLLEGE DISTRICT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
TABLE OF CONTENTS**

**FINANCIAL SECTION (continued)**

Notes to Schedule of Expenditures of State Awards.....123

**STATISTICAL SECTION (Unaudited)**

Statistical Section Introduction .....127

Statistical Supplement 1—Net Position by Component.....129

Statistical Supplement 2—Revenues by Source .....130

Statistical Supplement 3—Program Expenses by Function.....131

Statistical Supplement 4—Tuition and Fees .....132

Statistical Supplement 5—Assessed Value and Taxable Assessed Value of Property.....133

Statistical Supplement 6a—General Appropriations Act Before Contact Hour Adjustments .....134

Statistical Supplement 6b—State Appropriation Per FTSE.....135

Statistical Supplement 6c—State Appropriation Per Funded Contact Hour.....136

Statistical Supplement 6d—State Appropriation Per Student Success Point.....137

Statistical Supplement 6e—Student Success Points .....138

Statistical Supplement 7—Principal Taxpayers.....139

Statistical Supplement 8—Property Tax Levies and Collections .....140

Statistical Supplement 9—Ratios of Outstanding Debt.....141

Statistical Supplement 10—Legal Debt Margin Information .....142

Statistical Supplement 11—Pledged Revenue Coverage .....143

Statistical Supplement 12—Demographics and Economic Statistics—Taxing District.....144

Statistical Supplement 13—Principal Employers .....145

Statistical Supplement 14—Faculty, Staff and Administrators Statistics .....146

Statistical Supplement 15—Enrollment Details.....147

Statistical Supplement 16—Student Profile .....148

Statistical Supplement 17—Transfer Students to Senior Institutions .....149

Statistical Supplement 18—Capital Asset Information.....150

**ALAMO COMMUNITY COLLEGE DISTRICT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
TABLE OF CONTENTS**

**OTHER INFORMATION—BY LOCATION (Unaudited)**

Schedule of Operating Revenues by Location.....	153
Schedule of Operating Expenses by Location.....	154
Schedule of Non-Operating Revenues and Expenses by Location .....	155
Schedule of Capital Assets by Asset Types.....	156
Schedule of Capital Assets by Location .....	157

**SINGLE AUDIT SECTION**

Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	161
Independent Auditors’ Report on Compliance for Each Major Federal Program and Report over Internal Control over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance .....	163
Schedule of Findings and Questioned Costs.....	167
Management’s Responses.....	171
Independent Auditors’ Report on Compliance for Each Major State Program and Report on Internal Control over Compliance, and Report on the Schedule of Expenditures of State Awards Required by the <i>Texas Grant Management Standards</i> .....	173
State Schedule of Findings and Questioned Costs.....	176
Summary Schedule of Prior Audit Findings.....	178



ALAMO  
COLLEGES  
DISTRICT

## **Introductory Section**





ALAMO  
COLLEGES  
DISTRICT



ALAMO  
COLLEGES  
DISTRICT

December 19, 2023

***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, 2023 and 2022. The Annual Comprehensive Financial 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 August 2023, the Board of Trustees of the Alamo Colleges District selected the independent accounting firm of CliftonLarsonAllen, LLP to perform the annual audit.

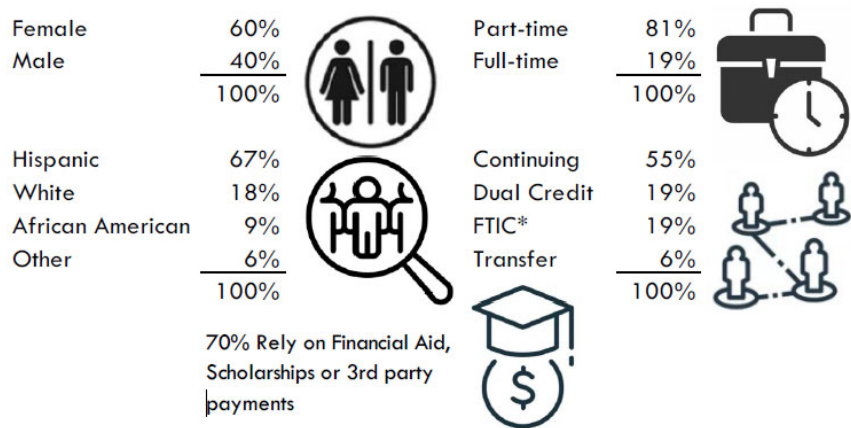
Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements 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 Community College District is a nationally recognized organization. The Alamo Colleges District includes Palo Alto College, Northwest Vista College, San Antonio College, St. Philip's College, and Northeast Lakeview College, along with several off-campus locations throughout the San Antonio metropolitan area, serving an eight-county region and over 100,000 students annually. ACD has been the recipient of the Malcolm Baldrige National Quality Award, the nation's highest honor for performance excellence. The Alamo Colleges District has also received the National Honor for Excellence in Student Success from Achieving the Dream.

People recognize the Alamo by its distinctive architectural shape and the role it played in history. As its namesake, the Alamo Colleges District has had its own inspirational impact on society. From its origin as a community college district in 1945 through decades of change and expansion, the District has worked to make higher education accessible and affordable. Today, our five colleges fulfill this mission with a vast array of certificates, courses, 2-year degrees, and Bachelor of Science in Nursing (BSN) degrees. Credits earned transfer to four-year universities for those pursuing advanced degrees, and our workforce development and continuing education programs help individuals build new careers and meet the needs of businesses. In short, we empower people and shape futures.

The Alamo Colleges District is one of the largest community college districts and providers of higher education in Texas. Bexar County is the taxing district for ACD; however, the District's service area extends to cover a much larger region including: all of Bandera, Bexar, Comal, Kendall, Kerr and Wilson Counties, and most of Atascosa and Guadalupe counties. San Antonio is the seventh-largest city in the nation with an estimated population of 1.5 million residents. Alamo Colleges District overall student enrollment includes a varied mix of students that accurately depicts the diverse community in which the District is situated, illustrated in the following student profile.



Source: Student Profile - term Fall '22 Certified  
 \*FTIC - First Time in College

Alamo Colleges District serves the Bexar County community and its service area through its programs and services that help students succeed in acquiring the knowledge and skills needed in today's world. Students are taught by highly qualified faculty with Master's and Doctorate degrees who are dedicated to creating a learning-centered environment. Student services include advising, computer labs, tutoring, financial aid services, services for the disabled, advocacy centers, developmental instruction, veteran's services, and job placement assistance.

Alamo Colleges District, a hispanic-serving System which includes the nation's only college to be federally designated as both a historically Black College and a Hispanic-Serving Institution, is one of the nation's largest producers of hispanic nurses. ACD is also one of Texas' largest providers of online post-secondary education. A diverse international program brings central american and other teachers to San Antonio for advanced education while affording students and faculty the opportunity to gain the skills to work in a global economy.

**The Five Colleges of the Alamo Colleges District**

The five colleges that comprise ACD include: St. Philip's College (SPC), established in 1898; San Antonio College (SAC), established in 1925; Palo Alto College (PAC), established in 1985; Northwest Vista College (NVC), established in 1995; and Northeast Lakeview College (NLC), established in 2007. All the colleges are within San Antonio city limits except Northeast Lakeview College, located in Universal City, northeast of San Antonio. Each College operates with significant autonomy in accordance with ACD's unique participatory leadership model of collaborative leadership between the colleges and the District support operations. Based on that autonomy, each college is accredited independently by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award associate degrees and certificates.

The five college campuses encompass over 5 million square feet of space on 778 acres across Bexar County. Each has typical college campus facilities such as academic and classroom buildings, administrative buildings, library facilities, gymnasiums, cafeterias, science classrooms and labs, and computer labs. In addition, there are a number of specialty facilities such as performing arts centers, natatoriums, allied health, emergency medical training areas and mortuary science facilities.

**District Support Operations**

The District Support Operations are housed in the Alamo College Center of Excellence for Student Success (ACCESS) building, located close to the urban contemporary Pearl District near downtown San Antonio. The District Support Operations provides administrative services and support to the five colleges under collaborative agreements. The ACCESS facility encompasses 160,950 square feet of space which houses the executive offices for the Chancellor and Vice Chancellors, as well as Human Resources, Legal Services, Ethics, Communications, Internal Audit, Strategic Planning and Performance Excellence, Institutional Research and Effectiveness, Information Technology, Finance and Fiscal Services, Financial Planning, Facilities, Student Financial Aid, Center for Student Information, Police, workforce programs, and other

service units. The ACCESS building has a large conference center for cross-college meetings, program collaboration, and community use. Some remaining District Support Operations personnel are co-located with the colleges on their campuses, enabling them to be close to the students they support.

### **Off-Campus Sites**

The Alamo Colleges District also maintains several off-campus sites in an effort to better serve the residents of Bexar county and those located within the surrounding service area including:

- Brackenridge Education and Training Center
- Central Texas Technology Center, New Braunfels, TX
- Eastside Education and Training Center (EETC)
- First Responders Academy (FRA), Von Ormy, TX
- Greater Kerrville - Alamo Colleges Center
- Harlandale Education and Training Center
- Northwest Education & Training Center (NWETC - *under construction*)
- Northwest Vista College Southwest Research Institute Center
- St. Philip's College Military Base Locations
- St. Philip's College Southwest Campus
- Southside Education & Training Center (SETC)
- Workforce Center of Excellence
- Westside Workforce Education and Training Center (WETC)

The member colleges are open-door institutions whose students come to college with various goals and with various levels of preparedness. Consequently, the colleges serve students and the community with transfer courses, academic and technical degrees, and workforce development and continuing education options, offering more than 325 degree and certificate programs. Educational program and service offerings are designed to meet the educational goals and service needs of the students and are delivered through semester, flex, weekend, evening, and online courses.

### **Economic Conditions and Outlook**

The economic conditions in San Antonio, Bexar County and Texas remain strong to support the operations of the District. Net assessed property values in Bexar County have continued to exhibit strong growth, increasing by almost 16% in 2023 after a 5.5% increase in 2022. With ad valorem property tax revenue accounting for approximately 53% percent of the District's operating budget in fiscal year 2023, this has been a boon for the District. In addition, San Antonio continues to experience significant population growth which will further drive up tax revenues for the District and increase the pool of potential students. In a May 2023 report from the U.S. Census Bureau, San Antonio had the largest percentage population increase of all major cities during the pandemic between July 2020 and July 2022, at 2.3%. According to the September 2023 report from the Federal Reserve Bank of Dallas, the unemployment rate for San Antonio was 3.9% in August, compared to 4.1% for the state of Texas and 3.8% for the United States. The report also cited that San Antonio payrolls and wages increased by 1.2% and 7.7%, respectively, on an annualized basis between July and August of 2023.

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. It is estimated that the average associate's degree graduate from the Alamo Colleges District will see an increase in earnings of \$9,400 each year, or over \$400,000 in additional lifetime earnings compared to someone with a high school diploma working in Texas.

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. Launched in April 2022, the District has partnered with the City of San Antonio to launch the SA: Ready to Work program, funded through the collection of a 1/8 cent sales tax through December 2025, and aimed at providing education and training programs to help thousands of San Antonians improve their quality of life by developing skills needed to get higher-paying jobs. The total cost of the program is estimated to be over \$200 million,

with over \$51 million allocated to the Alamo Colleges District as an official community partner. It is clear that the Alamo Colleges District will play an integral part of the economic recovery for San Antonio, as the largest provider of workforce training in the area.

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 \$42.7 million, or 15.5% in 2023 as net assessed property values of the District increased from approximately \$193.4 billion in 2022 to \$224.3 billion in 2023, providing funding for facilities repairs and maintenance. There was no increase in the District's tax rate for fiscal year 2023. The tax collection rates were approximately 99% for both 2023 and 2022. 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, remained unchanged from fiscal year 2022 since they are appropriated on a biennial basis. These state appropriations are distributed based on a cost-based formula for student contact hour reimbursement, core operations funding and student success outcomes. The improvement to student success outcomes is driven by the District's strategic initiatives which have resulted in higher completion rates in a shorter amount of time. State appropriations for state group insurance and pension retirement obligations increased \$3.7 million, for an overall net increase of approximately \$3.7 million in total state appropriations.
- Revenues from net tuition and fees decreased by approximately \$0.7 million in 2023 primarily as a result of more tuition discounts awarded in fiscal year 2023 as a result of the expansion of the AlamoPROMISE program. Tuition and fee rates remained unchanged from fiscal year 2022.

### **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**

This year, we are experiencing an unprecedented milestone - a record-breaking enrollment of first-time in college students across our Alamo Colleges. Our thriving community of learners is at the heart of everything we do, and this surge in enrollment reflects the growing recognition of ACD as a hub of academic excellence, support, and personal growth. It is also a reflection of the commitment, dedication, and hard work of the entire Alamo Colleges family who have contributed to this remarkable achievement. FY24 budget highlights include:

- Created pathways for adult learners by scaling high school equivalency offerings and strengthened matriculation to continuing education and academic programs.
- Developed support systems for High Challenge Co-Requisite Math Courses through embedded tutoring.
- Expanded AlamoPROMISE to 50+ private, charter & home schools in Bexar county, targeting 575 additional learners as PROMISE scholars.
- Utilized new state funding to expand AlamoBOOKS+ to K-12 school district partners.
- Implemented talent strategies to support faculty and staff, including market rate adjustments, completion of equity pay, and increasing lab loading.



As we move forward through FY24 and the years to come, the District is confident that we will continue our mission of empowering our diverse communities for success. Many thanks to the Alamo Colleges District family for their contributions in helping our students achieve their educational goals.

**FY23 Awards and Recognitions**

- St. Philip’s College, San Antonio College, Northeast Lakeview College and Palo Alto College received the 2022 Veteran Education Excellence Recognition Gold Award by the Texas Veterans Commission.
- St. Philip’s College was named #4 on the Best Historically Black Colleges & Universities in Texas 2022 by University Headquarters.
- Alamo Colleges won the National Bellwether award for Program Excellence.
- San Antonio College, Palo Alto College, Northwest Vista College, and St. Philip’s College were named the Best Community Colleges in Texas by Intelligent.com.
- Alamo Colleges District was recertified as a 2023 Leader College of Distinction by Achieving the Dream.
- Northeast Lakeview College received the 2023 Gold Veterans Excellence Recognition award from the Texas Veterans Commission.



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.

*Thomas Cleary*  
Dr. Thomas S. Cleary  
Interim Vice Chancellor  
Finance and Administration

*Lisa Mazure*  
Lisa L. Mazure, MSA, CPA  
Associate Vice Chancellor  
Finance and Fiscal Services



## ALAMO COMMUNITY COLLEGE DISTRICT

### ORGANIZATIONAL DATA August 31, 2023

#### ELECTED OFFICIALS

Member	Position	City, State	District	Term Expires
Roberto Zárate	Chairperson	San Antonio, Texas	5	2024
Clint Kingsbery	Vice-Chairperson	San Antonio, Texas	8	2026
Dr. Lorena Pulido	Secretary	San Antonio, Texas	4	2026
Gloria Ray	Assistant Secretary	San Antonio, Texas	2	2028
Dr. Gene Sprague	Member of the Board	Helotes, Texas	6	2024
Dr. Yvonne Katz	Member of the Board	San Antonio, Texas	7	2024
Joe Alderete, Jr.	Member of the Board	San Antonio, Texas	1	2028
Anna Uriegas Bustamante	Member of the Board	San Antonio, Texas	3	2028
Leslie Sachanowicz	Member of the Board	San Antonio, Texas	9	2026
Brandon Aviado	Student Trustee	San Antonio, Texas		*

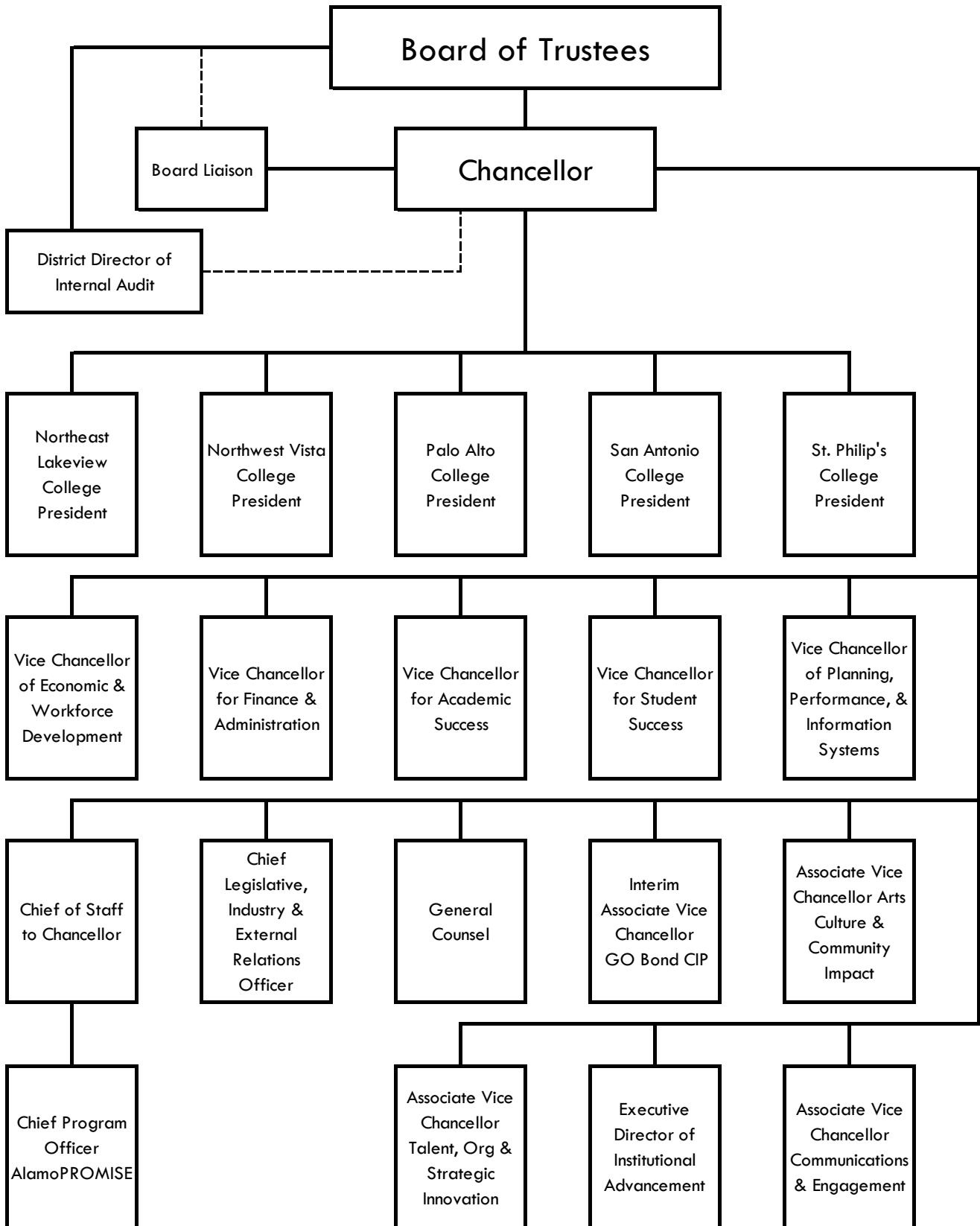
\*Appointed by Board for 1 year term; Non-voting member

#### ADMINISTRATIVE OFFICIALS

Dr. Mike Flores	Chancellor
Vacant	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
Barton T. Simpson, CFRE	Executive Director of Institutional Advancement
Dr. Veronica Garcia	President, Northeast Lakeview College
Dr. Amy Bosley	President, Northwest Vista College
Dr. Robert Garza	President, Palo Alto College
Dr. Adena Loston	President, St. Philip's College
Dr. Naydeen González-De Jesús	President, San Antonio College
Lisa Mazure, MSA, CPA	Associate Vice Chancellor for Finance and Fiscal Services
Patrick F. Vrba, Jr., CPA	District Controller
Frank Cortez, CIA, CISA, CISSP	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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2022

*Christopher P. Morill*

Executive Director/CEO



## **Financial Section**





## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Alamo Community College District  
San Antonio, Texas

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Alamo Community College District, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the Alamo Community College District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component units of the Alamo Community College District, as of August 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter – Adoption of Accounting Principle***

As discussed in Note 2 to the financial statements, effective September 1, 2021, Alamo Community College District adopted new accounting guidance for subscription-based information technology arrangements (SBITA). The guidance requires SBITA's to recognize a right-to-use SBITA asset and corresponding SBITA liability for all SBITA's with terms greater than twelve months. Our opinions are not modified with respect to this matter.

#### ***Other Matter***

The financial statements of Alamo Community College District for the year ended August 31, 2022 were audited by another auditor who report dated March 9, 2023, expressed an unmodified opinion on those statements.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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



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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alamo Community College District's basic financial statements. The schedule of operating revenues, schedule of operating expenses by object, schedule of nonoperating revenues and expenses, and schedule of net position by source and availability are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of operating revenues, schedule of operating expenses by object, schedule of nonoperating revenues and expenses, and schedule of net position by source and availability are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory, the other information – by location and statistical sections, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

San Antonio, Texas  
December 19, 2023



## 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, 2023. 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, 2023; 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.

#### Financial Highlights for 2023

- The District's net position at August 31, 2023 was \$487.3 million, reflecting a \$96.6 million increase from the prior year.
- Total assets increased \$352.2 million and total liabilities increased \$269.6 million.
- The District's operating loss was \$482.5 million.
- Cash and Investments increased \$290.4 million during the year ended August 31, 2023.
- 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.

#### Financial Highlights for 2022

- The District's net position at August 31, 2022, was \$390.7 million, reflecting a \$85.2 million increase from the prior year.
- Total assets increased \$17.2 million and total liabilities decreased \$83.8 million.
- The District's operating loss was \$439.4 million.
- Cash and Investments decreased \$104.7 million during the year ended August 31, 2022.
- 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 25). The separately issued financial statements of the Foundation can be obtained from the Finance and Fiscal Services department of the Alamo Colleges District.

## ALAMO COMMUNITY COLLEGE DISTRICT

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

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, 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 26). 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.

#### **Ongoing Impact of Coronavirus (COVID-19) Pandemic**

While the effects of the global COVID-19 pandemic have tempered, the Alamo Community College District and the communities it serves continue to recover from its impact. In previous years, COVID-19 disrupted normal operations requiring an expansion of online teaching and learning, as well as remote and hybrid work schedules for employees. In fiscal year 2023, students and faculty have returned to the classroom similar to pre-pandemic levels and the unprecedented amount of federal and state grants awarded to the District's member colleges under the various tranches of the Higher Education Emergency Relief Fund (HEERF) have begun winding down. Restrictions for travel expenses and on-site events have been lifted after seeing significant decreases in those categories in fiscal years 2022 and 2021. Finally, the investments for technology distributed to students, faculty and staff to support remote teaching, learning and working in the previous fiscal years have curbed. 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 postemployment 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, deferred inflows of resources related to OPEB and deferred inflows related to leases.

A Condensed Schedule of Net Position and analysis is presented on the following pages. In fiscal year 2023, total assets increased \$352.2 million, or 24.3%, due to increases in cash and investments of \$290.4 million and net capital assets of \$59.7 million. 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, resulting in the final tranche issuance of \$49.8 million in general obligation bonds, and the FY23 issuance of \$247.6 million of maintenance tax notes. Including the premium on the issuance of these maintenance tax notes, \$270 million was realized by the District for maintenance projects.

## ALAMO COMMUNITY COLLEGE DISTRICT

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

In fiscal year 2022, total assets increased \$17.2 million, or 1.2%, due to increases in cash and cash equivalents and net capital assets of \$30.4 million and \$117.6 million, respectively, offset by a \$135.1 million decrease in investments. 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.

For fiscal year 2023, total liabilities increased by \$269.6 million or 26.0% with an increase in current liabilities of \$23.4 million coupled with an increase in noncurrent liabilities of \$246.2 million. The \$23.4 million increase to current liabilities was primarily related to a \$24.1 million increase to the current portion of long-term debt, offset by a reduction of \$0.7 million in accounts payable and other current liabilities. The \$247.2 million increase to noncurrent liabilities resulted mainly from the \$323.9 million increase to bonds and tax notes payable and related premium, offset by current year bond payments and premium amortization. Within the \$323.9 million increase was the third and last tranche issuance of \$49.8 million related to the \$450 million voter-approved bond construction program, a new bond issuance of \$247.6 million of maintenance tax bonds, and related premium increase of \$26.5 million, partially offset by the \$68.4 million decrease to bonds and tax notes payable resulting from scheduled and additional bond payments and refinancings and premium amortization of \$8.2 million. Net pension liability increased \$51.3 million, while net OPEB liability decreased \$37.5 million. With interest rates rising, a liability for \$4.5 million was set up for arbitrage rebate on bonds earnings. Other long-term liabilities decreased \$1.5 million due to scheduled reductions. For more information, see Note 7.

Total liabilities decreased by \$83.8 million or 7.5% in fiscal year 2022 with a decrease in current liabilities of \$21.4 million coupled with a decrease in noncurrent liabilities of \$62.4 million. The \$21.4 million decrease to current liabilities was primarily related to a \$12.4 million decrease to accounts payable and accrued liabilities, and a reduction of \$21.8 million in the current portion of long-term liabilities. The \$62.4 million decrease to noncurrent liabilities resulted mainly from a decrease to bonds and tax notes payable resulting from scheduled and additional bond payments and refinancings. For more information, see Note 7.

In fiscal year 2023, deferred outflows of resources increased \$6.0 million due to increases to deferred outflows of resources related to pensions of \$13.8 million, offset by a decrease in deferred outflows of resources related to OPEB of \$7.4 million, and a \$0.4 million decrease in deferred outflows related to bond refunding. Deferred inflows of resources decreased \$7.8 million primarily related to a decrease in deferred inflows of resources related to pensions of \$35.8 million, an increase to deferred inflows related to OPEB of \$29.3 million, a \$0.3 million decrease to deferred inflows of resources related to bond refunding, and a \$1.2 million decrease in deferred inflows of resources related to leases.

In fiscal year 2022, deferred outflows of resources decreased \$2.7 million due to a decrease to deferred outflows of resources related to pensions of \$5.4 million, offset by an increase in deferred outflows of resources related to OPEB of \$3.1 million. Both of these changes are mainly due to changes in actuarial assumptions. Deferred inflows of resources increased \$13.0 million primarily related to increases in deferred inflows of resources related to pensions of \$28.2 million due primarily to differences between actual and projected earnings, offset by a decrease in deferred inflows related to OPEB of \$18.5 million due to changes in actuarial assumptions. A new category of deferred inflows related to leases contributed \$3.8 million to the increase in deferred inflows.

In the fiscal year 2023, the District's net position was \$487.3, reflecting an increase of \$96.6 million from the prior year. The primary contributors to this growth were a \$76.8 million rise in net investment in capital assets, a \$12.4 million increase in unrestricted net position, and a \$7.5 million upswing in restricted capital net assets. These improvements in net position during fiscal year 2023 can be attributed to the culmination of the final year of federal aid related to the pandemic, coupled with tax revenues dedicated to debt payment which, in turn, increased equity in capital assets.

The District's net position at August 31, 2022 was \$390.7 million compared to \$305.5 million at August 31, 2021. All classifications of net position increased by a combined \$85.2 million, with the largest increases being \$53.1 million to net investment in capital assets and \$26.0 million to unrestricted net position. The fiscal year 2022 increases to net position are due to conservative spending, disruptions in vendor supply chains causing some projects to be delayed, additional federal aid related to the pandemic, and tax revenues received for payment of debt that increased equity in capital assets.

**ALAMO COMMUNITY COLLEGE DISTRICT**

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

**Condensed Schedule of Net Position  
(in millions)**

	Fiscal Year			Change	
	2023	2022, as Restated	2021, as Restated	2022 to 2023	2021 to 2022
<b>Assets</b>					
Cash and cash equivalents	\$ 434.1	\$ 107.0	\$ 76.6	\$ 327.1	\$ 30.4
Accounts and notes receivable, net	37.4	34.0	33.1	3.4	0.9
Investments	222.9	259.6	394.7	(36.7)	(135.1)
Other	5.5	6.8	3.4 *	(1.3)	3.4
Capital assets	1,670.3	1,569.5 *	1,414.2	100.8	155.3
Accumulated depreciation and amortization	(570.7)	(529.6) *	(491.9)	(41.1)	(37.7)
<b>Total assets</b>	<b>1,799.5</b>	<b>1,447.3</b>	<b>1,430.1</b>	<b>352.2</b>	<b>17.2</b>
<b>Deferred Outflows of Resources</b>					
Deferred outflows related to bond refundings	5.2	5.6	6.0	(0.4)	(0.4)
Deferred outflows related to OPEB	27.1	34.4	31.3	(7.3)	3.1
Deferred outflows related to pensions	36.4	22.6	28.0	13.8	(5.4)
<b>Total deferred outflows of resources</b>	<b>68.7</b>	<b>62.6</b>	<b>65.3</b>	<b>6.1</b>	<b>(2.7)</b>
<b>Liabilities</b>					
Current liabilities	173.4	150.0 *	171.4	23.4	(21.4)
Noncurrent liabilities	1,134.1	887.9 *	950.3	246.2	(62.4)
<b>Total liabilities</b>	<b>1,307.5</b>	<b>1,037.9 *</b>	<b>1,121.7</b>	<b>269.6</b>	<b>(83.8)</b>
<b>Deferred Inflows of Resources</b>					
Deferred inflows related to leases	3.9	5.0	1.2 *	(1.1)	3.8
Deferred inflows related to bond refundings	3.1	3.4	3.8	(0.3)	(0.4)
Deferred inflows related to OPEB	57.9	28.6	47.1	29.3	(18.5)
Deferred inflows related to pensions	8.5	44.3	16.1	(35.8)	28.2
<b>Total deferred inflows of resources</b>	<b>73.4</b>	<b>81.3</b>	<b>68.2</b>	<b>(7.8)</b>	<b>13.0</b>
<b>Net Position</b>					
Net investment in capital assets	502.4	425.7 *	372.6	76.7	53.1
Restricted (expendable)	59.8	52.3	46.2	7.5	6.1
Unrestricted	(74.9)	(87.3) *	(113.3)	12.4	26.0
<b>Total net position</b>	<b>\$ 487.3</b>	<b>\$ 390.7 *</b>	<b>\$ 305.5</b>	<b>\$ 96.6</b>	<b>\$ 85.2</b>

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

Note: \*Due to the implementations of GASB 96 & 87, certain FY22 and FY21 balances have been restated (see Note 2).

# ALAMO COMMUNITY COLLEGE DISTRICT

## Management's Discussion and Analysis (Unaudited)

### 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.

A summarized comparison of the District's revenues, expenses and changes in net position for the years ended August 31, 2023, 2022 and 2021 is presented below in table and chart form.

### Condensed Schedule of Revenues, Expenses and Changes in Net Position

(in millions)

	Fiscal Year			Change	
	2023	2022, as Restated	2021, as Restated	2022 to 2023	2021 to 2022
<b>Operating revenues and expenses:</b>					
Operating revenues (detail in following sections)	\$ 92.0	\$ 89.8	\$ 93.3	\$ 2.2	\$ (3.5)
Operating expenses (detail in following sections)	574.5	529.2	484.5	45.3	44.7
Operating loss	(482.5)	(439.4)	(391.2)	(43.1)	(48.2)
<b>Non-operating revenues (expenses):</b>					
State appropriations	76.6	72.9	80.0	3.7	(7.1)
Ad valorem taxes	318.0	275.3	261.2	42.7	14.1
Federal and State grants, non-operating	186.3	194.1	137.3	(7.8)	56.8
Investment income	22.0	(4.2)	0.7	26.2	(4.9)
Interest on capital related debt & maintenance tax notes	(30.1)	(21.1)	(20.3)	(9.0)	(0.8)
Other non-operating expenses	2.3	3.3	1.1	(1.0)	2.2
Total non-operating revenues, net	575.1	520.3	460.0	54.7	60.3
<b>Capital contributions:</b>					
State appropriations for capital assets	3.9	3.9	4.1	-	(0.2)
Contributions for capital assets	0.1	0.4	2.1	(0.3)	(1.7)
Donated capital assets	-	-	3.9	-	(3.9)
Total capital contributions	4.0	4.3	10.1	(0.3)	(5.8)
<b>Increase in net position</b>	<b>96.6</b>	<b>85.2</b>	<b>78.9</b>	<b>11.4</b>	<b>6.3</b>
<b>Net position - beginning of year</b>	<b>390.7</b>	<b>305.5</b>	<b>226.6</b>	<b>85.2</b>	<b>78.9</b>
<b>Net position - end of year</b>	<b>\$ 487.3</b>	<b>\$ 390.7</b>	<b>\$ 305.5</b>	<b>\$ 96.6</b>	<b>\$ 85.2</b>

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)**

**Operating Revenues  
(in millions)**

	2023		2022, as Restated		2021, as Restated		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	2022 to 2023	2021 to 2022
Net tuition and fees	\$ 44.8	48.7%	\$ 45.4	50.6%	\$ 49.7	53.3%	\$ (0.6)	\$ (4.3)
Grants and contracts	38.7	42.1%	35.5	39.5%	35.9	38.5%	3.2	(0.4)
Auxiliary enterprises	2.8	3.0%	2.8	3.1%	2.1	2.3%	-	0.7
Other operating revenues	5.7	6.2%	6.1	6.8%	5.6	6.0%	(0.4)	0.5
<b>Total operating revenues</b>	<b>\$ 92.0</b>	<b>100.0%</b>	<b>\$ 89.8</b>	<b>100.1%</b>	<b>\$ 93.3</b>	<b>100.0%</b>	<b>\$ 2.2</b>	<b>\$ (3.5)</b>

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

For fiscal year 2023, operating revenues increased by \$2.2 million. The majority of the increase to operating revenues resulted from an increase in local and non-governmental grants and contracts of \$3.2 million, offset by a decrease to net tuition and fees of \$0.6 million and a decrease of other operating revenues of \$0.4 million.

As shown in the operating revenues table above, operating revenues for fiscal year 2022 decreased by \$3.5 million. The majority of the decrease to operating revenues resulted from decreases to net tuition and fees of \$4.3 million due to continued weakness in student enrollments from the pandemic, decrease in operating grants and contracts of \$0.4 million, offset by increases in auxiliary enterprise revenues and other operating income of \$0.7 and \$0.5 million, respectively. Grants show a net decrease of \$0.4 million, reflecting a drop in federal grants of \$6.2 million, offset by increases in state and local funding. Local funding was particularly strong, reflecting an increase of \$4.0 million from the City of San Antonio for partnerships in job training to fight pandemic effects on the job market. State funding also increased \$1.5 million for skills training and apprenticeship programs.

Fiscal year 2023 net non-operating revenues increased \$54.7 million, with the largest revenue increases reflected in ad valorem taxes, investment income, and state appropriations, in the amounts of \$42.7, \$26.2 and \$3.7 million, respectively. These increases were offset by nonoperating federal revenues decreasing \$7.8 million reflective of the tail end of pandemic grant aid. Tax revenues reached a peak of \$318.0 million in fiscal year 2023 reflecting a continued growth in taxable property values in San Antonio and surrounding areas. Investment income of \$22.0 million is due to fast-raising interest rates in FY23, in addition to new borrowing detailed in the cash and liability sections above.

Fiscal year 2022 net non-operating revenues increased \$60.3 million, with the largest revenue increases reflected in non-operating federal and state grants and ad valorem taxes in the amounts of \$56.8 and \$14.1 million, respectively. Federal and state non-operating revenue reached a peak of \$194.1 million in fiscal year 2022 reflecting an acceleration of HEERF spending as the Colleges approach the end of the performance period scheduled to expire in July 2023. See additional details related to the three tranches of the HEERF federal awards in the following paragraph. The increases in nonoperating revenues from HEERF grants were partially offset by a decrease in investment income of \$4.9 million due to raising interest rates delivering fair market losses on a temporary basis. The District is planning to retain investments until maturity reversing these fair market losses in fiscal year 2023.

In fiscal year 2023, capital contributions decreased \$0.3 million. This category includes state appropriations, cash contributions and donated items for capital assets. The \$0.3 million decrease is attributed to a decrease in cash contributions for capital assets.

For fiscal year 2022, capital contributions decreased \$5.8 million. A one-time forgiveness of loan of \$3.9 million in fiscal year 2021 and a reduction in capital gifts of \$1.7 million in 2022 contributed to the decline.

**ALAMO COMMUNITY COLLEGE DISTRICT**

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

**Components of Net Tuition and Fees  
(in millions)**

	<b>2023</b>		<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>
Tuition	\$ 127.3	92.7%	\$ 120.5	92.8%	\$ 125.0	94.4%
CE and contract training	4.1	3.0%	5.8	4.5%	3.8	2.9%
Fees	5.9	4.3%	3.5	2.7%	3.6	2.7%
Total tuition and fees	<u>\$ 137.3</u>	<u>100.0%</u>	<u>\$ 129.8</u>	<u>100.0%</u>	<u>\$ 132.4</u>	<u>100.0%</u>

**Waivers and financial aid as a % of total tuition and fees:**

	<b>% of Total</b>		<b>% of Total</b>		<b>% of Total</b>	
	<b>Amount</b>	<b>Tuition &amp; Fees</b>	<b>Amount</b>	<b>Tuition &amp; Fees</b>	<b>Amount</b>	<b>Tuition &amp; Fees</b>
Waivers and financial aid	<u>\$ 92.5</u>	<u>67.4%</u>	<u>\$ 84.3</u>	<u>65.0%</u>	<u>\$ 82.7</u>	<u>62.5%</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 presented 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 2023, tuition represents 92.7% of the total tuition and fee revenue, with fees related to continuing education and student services contributing 4.3% and the remaining 3.0% consisting of continuing education (CE) and contract training tuition. Tuition and fees increased 5.8%, or \$7.5 million, reflecting a 4.9% increase in enrollment and the addition of a new fee for instructional materials that generated \$2.3 million in 2023. These increases were offset by increases in waivers and discounts of 9.7%, or \$8.2 million. For 2022, tuition represents 92.8% of the total tuition and fee revenue, with continuing education (CE) and contract training contributing 4.5% and the remaining 2.7% consisting of student services and CE fees.

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

In fiscal year 2023, salaries and wages increased \$26.5 million or 12.2%. The primary factors contributing to the increase was payment and accrual of a retirement incentive program totaling \$8.0 million, a general 4.5% salary increase, increases to high wage earners, and adjunct faculty salary increases of \$6.6 million resulting from enrollment bouncing back 4.9% from pandemic levels, going from a total duplicated count of 148,631 students in 2022 to 155,884 students in 2023 for the Fall, Spring and Summer semesters, using end of term counts for regular academic tuition.

In fiscal year 2022, salaries and wages increased \$6.6 million or 3.2%. The primary factors contributing to the increase is an approved 3.0% general wage increase for full-time benefitted faculty and staff effective September 1, 2021, and training stipends for instructors to become certified to teach online.

Benefits increased \$13.4 million or 27.5% in fiscal year 2023, primarily due to accounting entries for pension and OPEB expenses related to reporting requirements under GASB 68 and GASB 75, and related benefits for salary increases detailed above. Actuarially-calculated pension expense increased \$16.5 million in FY23 compared to FY22 and actuarially-calculated OPEB expense decreased \$6.4 million in FY23 compared to FY22.

Benefits decreased \$16.3 million or 25.1% in fiscal year 2022, primarily due to accounting entries for pension expenses related to reporting requirements under GASB 68. Actuarially-calculated pension expense decreased \$9.5 million in FY22 compared to FY21. In addition, the District recognized \$8.1 million less in 2022 for pension and OPEB expense for support provided by the State as disclosed in Note 11 and Note 19.

## ALAMO COMMUNITY COLLEGE DISTRICT

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

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 decreased by \$36.7 million in 2023, primarily due to the conclusion of aid awarded to students under the various tranches of the HEERF grants. Scholarships and fellowships increased by \$31.2 million in 2022, primarily due to another uptick in aid awarded to students under the various tranches of the HEERF grants.

Supplies and services expense are expenses other than for payroll and benefits and increased by \$37.4 million in fiscal year 2023. This is primarily attributable to the winding down of expenses related to pandemic aid and other grants, utilities, travel, equipment and furniture, and supplies. Attributed to grant activity, the District received \$17.8 million to support operating expenses, travel, and equipment. Instructional supplies in relation to AlamoBOOKS+ increased \$9.5 million. AlamoBOOKS+ is a revolutionary way to dispense academic materials to students without students having to purchase expensive textbooks. Instead, students rent the materials from Alamo at a reduced price. Contracted services including maintenance and housekeeping increased \$3.6 million. Software subscriptions and maintenance increased \$1.5 million as security, data mining, and artificial intelligence began to increase in importance in the marketplace. Utilities, travel, equipment, and other expenses increased \$5.2 million.

Supplies and services expense are expenses other than for payroll and benefits and increased by \$18.2 million in fiscal year 2022. This is primarily attributable to increased costs to respond to the COVID-19 pandemic such as renovations, PPE, computers and other technology to facilitate remote and hybrid teaching and working. Normal operations have resumed with instructional supplies totaling \$14.5 million vs \$3.8 million in FY21, while expenses for travel resumed and reached almost half of FY19 levels. FY22 travel expenses were \$1.6 million vs \$160,000 in FY21 and \$3.4 million in FY19. Expenses for utilities are exceeding pre-pandemic levels with fiscal year 2022 totaling \$10.1 million vs \$8.4 million in 2021 as students and employees return to campus and with new buildings coming online. Repairs and maintenance expenses increased \$2.8 million to \$22.4 million in fiscal year 2022, while contracted services increased \$2.4 million to \$21.7 million.

Depreciation and amortization increased \$4.8 and \$5.0 million in fiscal years 2023 and 2022, respectively, due to building and equipment additions. Total additions in 2023 amounted to \$221.7 million, while \$139.6 million was added in FY22. Implementation of GASB 96 related to subscription-based information technology arrangements added \$3.0 and \$3.2 million in amortization costs to 2023 and 2022, respectively.

#### Operating Expenses in Natural Classification (in millions)

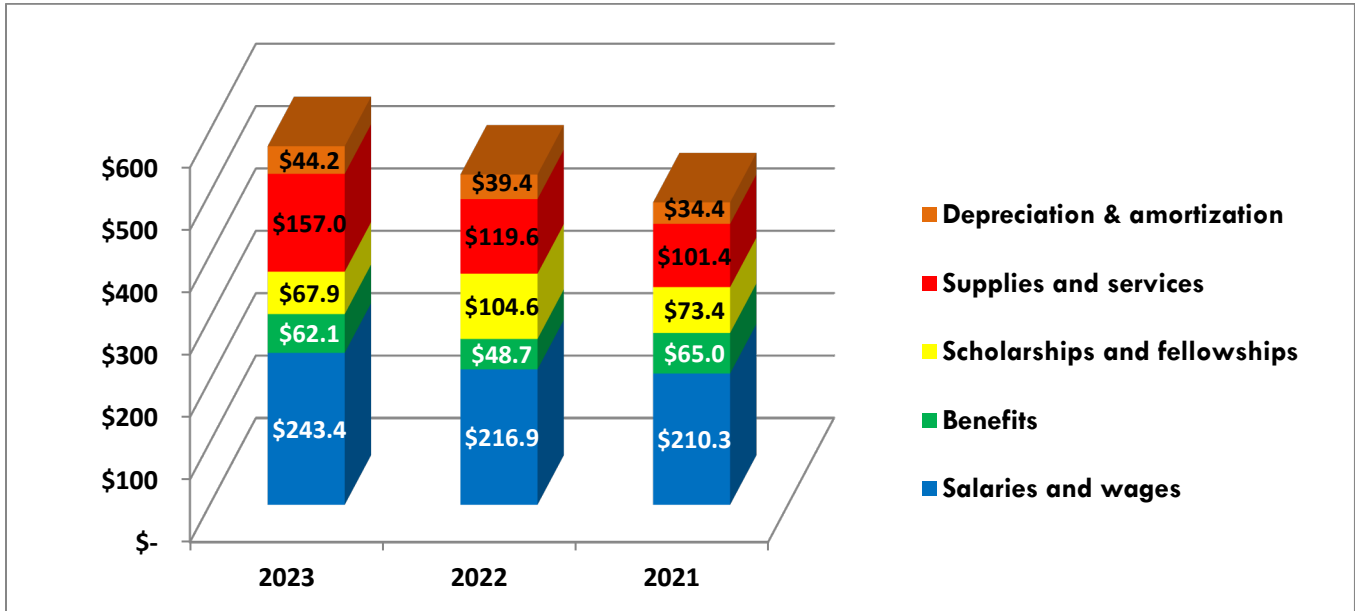
	Fiscal Year			Change	
	2023	2022, as Restated	2021, as Restated	2022 to 2023	2021 to 2022
Salaries and wages	\$ 243.4	\$ 216.9	\$ 210.3	\$ 26.5	\$ 6.6
Benefits	62.1	48.7	65.0	13.4	(16.3)
Scholarships and fellowships	67.9	104.6	73.4	(36.7)	31.2
Supplies and services	157.0	119.6	101.4	37.4	18.2
Depreciation & amortization	44.2	39.4	34.4	4.8	5.0
<b>Total operating expenses</b>	<b>\$ 574.6</b>	<b>\$ 529.2</b>	<b>\$ 484.5</b>	<b>\$ 45.4</b>	<b>\$ 44.7</b>

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)**

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



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

	Fiscal Year			Change	
	2023	2022, as Restated	2021, as Restated	2022 to 2023	2021 to 2022
Instruction	\$ 172.5	\$ 141.4	\$ 140.3	\$ 31.1	\$ 1.1
Public service	1.8	1.6	1.4	0.2	0.2
Academic support	33.1	27.4	28.2	5.7	(0.8)
Student services	72.4	59.6	58.3	12.8	1.3
Institutional support	120.1	106.3	101.1	13.8	5.2
Operation and maintenance of plant	61.5	47.7	46.1	13.8	1.6
Depreciation and amortization	44.2	39.4	34.4	4.8	5.0
Scholarships and fellowships	67.9	104.6	73.3	(36.7)	31.3
<b>Total educational and general expenses</b>	<b>573.5</b>	<b>528.0</b>	<b>483.1</b>	<b>45.5</b>	<b>44.9</b>
Auxiliary enterprises	1.1	1.2	1.4	(0.1)	(0.2)
<b>Total operating expenses</b>	<b>\$ 574.6</b>	<b>\$ 529.2</b>	<b>\$ 484.5</b>	<b>\$ 45.4</b>	<b>\$ 44.7</b>

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)

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 increased by \$31.1 million, or 22.0%, in fiscal year 2023 primarily related to a generally approved average salary increase of 4.5% plus related benefits, and a retirement incentive program allocated by functional category which contributed to an increase in instructional salaries of \$13.5 million. Related benefits for those increases net of increases to actuarially-calculated pension and OPEB expense contributed to fringe benefits increasing \$6.0 million. Other operating expenses increased \$11.9 million primarily due to the expansion of the AlamoBOOKS+ program, where Alamo purchases books and supplies for all students. These textbooks and materials which were previously bought by students, are now rented back to students at a much more economical rate and ensure that all students are prepared on day one of classes with all the resources needed for class. This results in a significant decrease in the cost of attendance for students. Instructional expenses increased by \$1.1 million in fiscal year 2022 primarily related to a \$7.1 million decrease in benefits due to a reduction in actuarially-calculated pension expense that was offset by increases for expenditures related to the institution of the Alamo Books+ program described previously. Instructional salaries decreased overall by \$1.1 million due to a reduction in adjunct faculty wages related to a slight enrollment decline resulting from the pandemic, partially offset by a general wage increase for all faculty. The re-opening of the campuses to accommodate the students return to campus caused increases in supplies, travel and non-capitalized furniture and equipment expenses of \$0.8 million, \$0.2 million, and \$0.3 million, respectively.
- 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 2023, public service expenses increased by \$0.2 million. The 2023 increase resulted from approved salary increases and related benefits and the net increase from actuarially-calculated pension and OPEB expense entries. In fiscal year 2022, public services increased \$0.2 million due to a general wage increase, offset by TRS pension expense reductions. Reopening to normal operations increased supplies and uncapitalized capital expenses by \$177,000.
- 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 increased by \$5.7 million in fiscal year 2023, primarily attributable to the general salary increase, and allocated costs for the retirement incentive program, resulting in a salary increase of \$2.9 million and net increase of \$1.0 million in related benefits; and a net increase in actuarially-calculated pension and OPEB expense entries. Other expenses increased \$1.5 million related to grant activity. In fiscal year 2022, academic support costs decreased by \$0.8 million or 2.1% primarily as the result of a \$1.5 million decrease in benefits due to pension entries required by GASB 68 and academic support personnel vacancies resulting in a \$0.4 million reduction in salaries. These reductions were partially offset by an increase of \$1.3 million in expenditures for supplies, travel and furniture and equipment purchases related to the reopening of the college campuses mentioned previously.
- 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 increased by \$12.8 million in 2023 due to a general salary increase of 4.5%, the allocated retirement incentive program, grant funding for the Ready to Work 2025 programs and federal work study program, resulting in an overall salary increase of \$6.2 million. Related benefits, net of actuarially-calculated pension and OPEB entries, resulted in an increase to benefits in the amount of \$2.6 million. All other expenses increased \$3.9 million, spurred by additional grant activity of \$1.9 million, coupled by unrestricted increases of \$2.0 million in support of student programs. In fiscal year 2022, overall student services expenses increased \$1.3 million. Salaries increased by \$3.0 million or 8.4% as a result of the general wage increase and market adjustments to student success personnel resulting from a compensation study. Benefits decreased \$2.9 million due to pension expense reductions related to GASB 68 actuarial activity. Supplies, travel, and furniture and equipment increased by \$1.4 million due to students returning to campus.

## ALAMO COMMUNITY COLLEGE DISTRICT

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

- 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 centralized support operations including accounting and fiscal affairs, procurement and safety, legal, information technology and human resources, among others. In fiscal year 2023, institutional support costs increased \$13.8 million. The \$13.8 million increase primarily resulted from the following: \$5.4 million in increased salaries, wages and associated fringe benefits for institutional support employees partially attributable to the general salary increase of 4.5% and allocated retirement incentive program; a net increase in actuarially-calculated pension and OPEB expenses, a \$6.9 million increase in operating expenses related to increases in expenditures from the winding down of HEERF funding in support of the institution. Institutional support expenses increased \$5.2 million in fiscal year 2022. Unrestricted salaries and salaries funded by grants both increased by \$2.6 million primarily due to the general wage increase and increased grant activity funding more FTEs. Benefits decreased \$4.0 due to pension expense accounting related to GASB 68.
- 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 increased by \$13.8 million in 2023. The increase was primarily attributable to approximately \$11.3 million in increased costs for non-capitalized equipment and renovation costs funded by bonds and grants. In addition, salaries and benefits increased \$2.4 million due to the general salary increase and allocated retirement incentive expenses and the net impact of actuarially-calculated pension and OPEB expenses. In fiscal year 2022, operation and maintenance of plant increased by \$1.6 million as the District returned towards normal operations. Increases in salaries, utilities and noncapitalized expenses of \$0.6 million, \$1.7 million and \$1.2 million, respectively, were offset by benefits and operating expenses of \$0.5 million and \$1.1 million, respectively. The 3.0% general salary increase mentioned previously and return to normal operations are the main contributors to the increases. GASB pension accounting is responsible for the decrease in benefits, while the decrease in operating expenses is due to a reduction in non-capitalized expenses related to bond projects.
- Scholarships and fellowships include expenses for scholarships and fellowships from restricted and unrestricted funds and grants to students. In fiscal year 2023, scholarships and fellowships decreased by \$36.7 million attributed to phasing down of aid awarded to students under the various tranches of the HEERF grants. In fiscal year 2022, scholarships and fellowships increased by \$31.3 million almost exclusively related to additional aid awarded to students under the various tranches of the HEERF grants for student living allowances.

#### 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 an overall increase in cash and cash equivalents of \$327.1 and \$30.4 million during fiscal years 2023 and 2022, 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 operating 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 \$327.1 million increase to cash and cash equivalents in fiscal year 2023 was primarily related to proceeds from issuance of debt for construction spending. The \$30.4 million increase in cash and cash equivalents in fiscal year 2022 is attributed mainly to positive net nonoperating cash flows exceeding the net reduction to cash used in operations. This is reflected in the cash flow statements by the net increase in cash flows from non-capital financing activities and investments, partially offset by cash flows from operating activities and cash flows from capital and related financing activities.

**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 and amortization. The District had \$1.1 and \$1.0 billion invested in capital assets net of accumulated depreciation and amortization at August 31, 2023 and 2022, respectively. Depreciation and amortization expense totaled \$44.2 million in fiscal year 2023 and \$39.4 million in fiscal year 2022 (Note 6). A summary of net capital assets is presented below:

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

	Fiscal Year			Change	
	2023	2022, as Restated	2021	2022 to 2023	2021 to 2022
Land	\$ 55.6	\$ 55.7	\$ 55.7	\$ (0.1)	\$ -
Construction in progress and works of art	35.7	154.4	148.2	(118.7)	6.2
Buildings and building improvements	933.8	755.8	653.2	178.0	102.6
Other real estate improvements	46.2	50.6	55.7	(4.4)	(5.1)
Furniture, machinery and equipment	22.3	14.6	8.7	7.7	5.9
Software	0.1	0.1	-	-	0.1
Subscription-based IT arrangements	5.3	8.0	-	(2.7)	8.0
Library materials	0.5	0.7	0.8	(0.2)	(0.1)
Total capital assets, net of accumulated depreciation & amortization	<u>\$ 1,099.5</u>	<u>\$ 1,039.9</u>	<u>\$ 922.3</u>	<u>\$ 59.6</u>	<u>\$ 117.6</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, 2023 and 2022.

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

	Fiscal Year 2023			Fiscal Year 2022, as Restated		
	Capitalized Amount	Accumulated Depreciation & Amortization	% Depreciated	Capitalized Amount	Accumulated Depreciation & Amortization	% Depreciated
Other real estate improvements	\$ 142.2	\$ 96.0	67.5%	\$ 141.6	\$ 91.0	64.3%
Buildings and bldg improvements	1,341.4	407.6	30.4%	1,133.0	377.2	33.3%
Furniture, machinery and equipment	64.1	42.6	66.5%	54.6	39.9	73.1%
Software	3.3	3.2	97.0%	3.3	3.2	97.0%
Subscription-based IT arrangements	11.4	6.2	54.4%			
Library materials	15.7	15.1	96.2%	15.8	15.2	96.2%
Total	<u>\$ 1,578.1</u>	<u>\$ 570.7</u>	<u>36.2%</u>	<u>\$ 1,348.4</u>	<u>\$ 526.5</u>	<u>39.0%</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 \$27.4 million to construction in progress balances in fiscal year 2023 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 2023 and 2022 include the following:

<b>Fiscal Year 2023</b>	<b>Amount (in millions)</b>
San Antonio College New Science Building	\$ 14.6
San Antonio College Early Childhood and John L. Santikos Micronaut Center	16.0
San Antonio College First Responders Academy	19.3
St. Philip's College Bowden Legacy Building	17.0
St. Philip's College Campus Center Renovation	19.5
St. Philip's College Welding Auto Collision Building	22.8
Palo Alto College Rio Grande Building	47.0
Southside Education and Training Center	17.7
Westside Education and Training Center	21.9

<b>Fiscal Year 2022</b>	<b>Amount (in millions)</b>
San Antonio College Fletcher Student Success	\$ 19.7
St. Philip's College Saint Artemisia Bowden Building	14.9
St. Philip's College William Allen Hudgins Health and Wellness Building	16.4
Northwest Vista College Cedar Elm STEM Building	27.1
Northeast Lakeview College Paluxy Hall STEM Building	39.2

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. At August 31, 2023 and 2022, the District was committed for approximately \$62.6 million and \$67.0 million, respectively. For additional information concerning the District's capital assets and commitments, see Note 6 and Note 23, respectively, to the financial statements.

#### Debt

The Alamo Colleges District had \$829.1 million and \$592.0 million in outstanding bond and maintenance tax note debt at August 31, 2023 and 2022, respectively, before premiums. Outstanding debt increased \$237.2 million in fiscal year 2023 and decreased \$54.8 million in fiscal year 2022. The following table summarizes these amounts by type of debt instrument. See also Notes 7, 8 and 9 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)**

	<u>Fiscal Year</u>			<u>Change</u>	
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2022 to 2023</u>	<u>2021 to 2022</u>
General obligation bonds	\$ 532.3	\$ 502.1	\$ 528.2	\$ 30.2	\$ (26.1)
Revenue bonds	55.4	62.1	68.5	(6.7)	(6.4)
Tax notes	241.4	27.8	50.1	213.6	(22.3)
<b>Total outstanding debt</b>	<b>\$ 829.1</b>	<b>\$ 592.0</b>	<b>\$ 646.8</b>	<b>\$ 237.1</b>	<b>\$ (54.8)</b>

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

The increase in 2023 is related mainly to the issuance of the third and final tranche of general obligation bonds in the amount of \$49.8 million under the voter-approved capital improvements program, and the issuance of new maintenance tax notes in the amount of \$247.6 million, offset by regularly scheduled payments. The decrease in debt in 2022 is reflective of no new debt issuances, regular and scheduled debt principal payments and additional debt reduction transactions totaling \$54.8 million.

The general obligation debt and maintenance tax notes of the Alamo Colleges District are 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 5 community college systems in Texas and one of only 26 community colleges in the United States to receive the highest rating from both agencies. In addition, S&P raised the long-term rating on the District's existing revenue bonds from AA to AAA. More detailed information about the District's noncurrent liabilities is presented in Notes 7, 8 and 9 to the basic financial statements.

**Factors Having Probable Future Financial Significance**

In May 2023, the 88<sup>th</sup> Texas Legislature approved a historic change in the state funding methodology for public community colleges in Texas with the passing of House Bill 8 (HB 8). Beginning with fiscal year 2024, HB 8 transitions state funding from the traditional model largely based on student contact hours and, to a lesser degree, student success points, to a model with a primary focus on student performance. The updated funding formula will focus on four key areas of student success: obtaining credentials of value, obtaining credentials in high demand areas, transfer to four-year universities and completing sequences of courses in high school programs. Student success has always been a top institutional priority and the District is optimistic that it will be well positioned for favorable results under the new model.

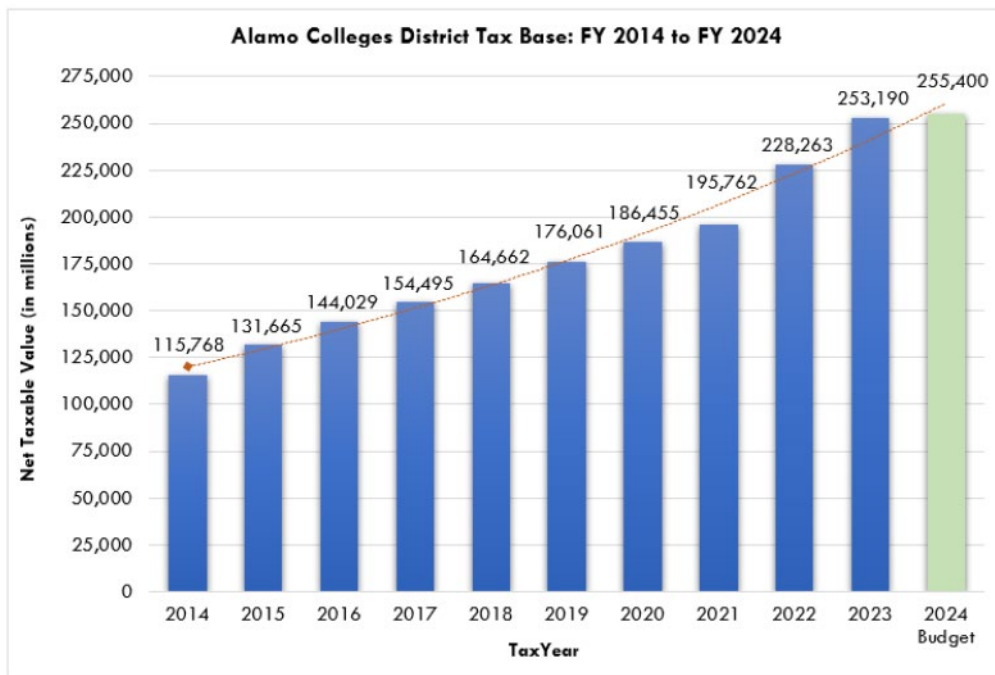
The economic condition of the Alamo Colleges District is influenced by the economic position of the State of Texas, the County of Bexar and surrounding counties and the City of San Antonio. San Antonio is the seventh largest city in the United States and the second largest city in Texas. As the state, county and city move forward from the devastating effects of the COVID-19 pandemic to the economy, factors such as inflation, rising interest rates, market volatility, artificial intelligence, and a possible recession pose newer challenges and opportunities.

**ALAMO COMMUNITY COLLEGE DISTRICT**

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

According to the Bureau of Labor Statistics, the national and state unemployment rates for August 2023 are 3.8% and 4.1%, respectively. At the local level, the San Antonio area unemployment rate for August 2023 was 4.3% as compared to the peak during the pandemic of 13.6% in April 2020. Recognizing that the pandemic would have a lasting effect on our community for years to come, there are continued efforts to rebuild the job sector and strengthen businesses and the local workforce. This continues to be carried out through local governments’ economic incentives, regional strategic partnerships, and the voter-approved Ready to Work SA workforce development program funded through the collection of a 1/8 cent sales tax through December 2025.

The San Antonio metropolitan area, encompassing Bexar County, stands as a highly favorable destination for business expansion, driven by factors such as cost-effective land, ample power resources, and a dynamic education system marked by ongoing enhancements. The robust and varied economy spans across diverse industries, including bioscience, healthcare, aerospace, aviation, military, tourism, financial services, manufacturing, and information technology with a focus on cybersecurity. Demonstrating a commendable history of collaboration among governmental bodies, nonprofit organizations, industry stakeholders, and educational institutions, the region is committed to fostering a prosperous future for businesses and consumers within the metropolitan area. The chart below provides support for the robustness of the property tax base which provides a significant portion of District revenues.



\*Due to difference in time of reporting, the certified tax year is one year behind the reported Fiscal year

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, 2023 and 2022**

	2023	(Restated) 2022*
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 25,588,310	\$ 16,908,345
Restricted cash and cash equivalents	29,685,636	52,773,318
Investments	54,665,850	56,602,245
Accounts receivable and notes receivable, net of allowance	37,492,452	34,066,001
Other assets	303,100	770,742
Total current assets	147,735,348	161,120,651
Noncurrent assets:		
Restricted cash and cash equivalents	378,788,163	37,299,433
Investments	168,228,012	153,358,855
Investments - restricted	-	49,618,963
Other assets	1,402,763	1,136,374
Leases receivable	3,829,878	4,915,178
Capital assets (net)	1,099,530,655	1,039,859,372
Total noncurrent assets	1,651,779,471	1,286,188,175
<b>TOTAL ASSETS</b>	<b>1,799,514,819</b>	<b>1,447,308,826</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to bond refundings	5,217,195	5,618,587
Deferred outflows related to OPEB	27,069,657	34,448,664
Deferred outflows related to pensions	36,357,782	22,566,652
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>68,644,634</b>	<b>62,633,903</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued liabilities	58,544,968	59,519,791
Funds held for others	1,094,225	936,923
Unearned income	39,746,456	39,677,352
Current portion of noncurrent liabilities	73,986,096	49,843,172
Total current liabilities	173,371,745	149,977,238
Noncurrent liabilities	1,134,105,571	887,944,475
<b>TOTAL LIABILITIES</b>	<b>1,307,477,316</b>	<b>1,037,921,713</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to leases	3,871,318	5,037,407
Deferred inflows related to bond refundings	3,083,571	3,360,286
Deferred inflows related to OPEB	57,908,705	28,600,978
Deferred inflows related to pensions	8,474,712	44,299,345
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>73,338,306</b>	<b>81,298,016</b>
<b>NET POSITION</b>		
Net investment in capital assets	502,437,612	425,687,526
Restricted for:		
Expendable		
Student aid	8,952,401	8,351,203
Instructional programs	2,182,661	2,675,026
Capital projects	33,750,141	23,993,482
Debt service	14,883,008	17,272,910
Unrestricted	(74,861,992)	(87,257,147)
<b>TOTAL NET POSITION</b>	<b>\$ 487,343,831</b>	<b>\$ 390,723,000</b>

\*Due to the implementation of GASB 96, certain FY2022 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, 2022 and 2021**

	December 31	
	2022	2021
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,361,122	\$ 2,179,727
Contributions receivable, net of allowance and discounts	3,644,617	2,400,130
Investments:		
Fixed income securities	13,793,743	17,272,304
Mutual funds/exchange-traded funds	42,958,989	48,894,007
Marketable securities	6,233,813	7,035,863
<b>TOTAL ASSETS</b>	<b>\$ 67,992,284</b>	<b>\$ 77,782,031</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued liabilities	\$ 62,222	\$ 1,203,436
<b>TOTAL LIABILITIES</b>	62,222	1,203,436
<b>NET ASSETS</b>		
Without donor restrictions	332,357	196,336
With donor restrictions	67,597,705	76,382,259
<b>TOTAL NET ASSETS</b>	<b>67,930,062</b>	<b>76,578,595</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 67,992,284</b>	<b>\$ 77,782,031</b>

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, 2023 and 2022**

	2023	2022
<b>ASSETS</b>		
Current assets:		
Cash	\$ 21,618	\$ 196
Noncurrent assets:		
Capital assets not being depreciated	5,099,847	6,499,860
Capital assets being depreciated, net	24,314,118	21,380,770
Total noncurrent assets	29,413,965	27,880,630
<b>TOTAL ASSETS</b>	<b>29,435,583</b>	<b>27,880,826</b>
<b>LIABILITIES</b>		
Noncurrent liabilities:		
Note payable	1,362,860	1,362,860
Total noncurrent liabilities	1,362,860	1,362,860
<b>TOTAL LIABILITIES</b>	<b>1,362,860</b>	<b>1,362,860</b>
<b>NET POSITION</b>		
Net investment in capital assets	28,051,105	26,517,770
Unrestricted	21,618	196
<b>TOTAL NET POSITION</b>	<b>\$ 28,072,723</b>	<b>\$ 26,517,966</b>

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, 2023 and 2022**

	2023	(Restated) 2022*
<b>OPERATING REVENUES:</b>		
Tuition and fees (net of discounts of \$92,493,126 and \$84,343,005, respectively)	\$ 44,766,677	\$ 45,439,178
Federal grants and contracts	22,002,312	22,241,508
State grants and contracts	1,370,715	2,369,756
Local grants and contracts	11,956,914	9,478,470
Non-governmental grants and contracts	3,359,090	1,424,254
Auxiliary enterprises	2,842,482	2,757,370
Other operating revenues	5,715,196	6,069,838
Total operating revenues (Schedule A)	92,013,386	89,780,374
<b>OPERATING EXPENSES:</b>		
Instruction	172,536,419	141,415,095
Public service	1,795,974	1,600,865
Academic support	33,052,138	27,415,095
Student services	72,383,991	59,586,496
Institutional support	120,056,331	106,326,579
Operation and maintenance of plant	61,534,011	47,720,605
Scholarships and fellowships	67,900,031	104,597,062
Auxiliary enterprises	1,042,051	1,204,666
Depreciation and amortization	44,177,312	39,379,708
Total operating expenses (Schedule B)	574,478,258	529,246,171
Operating loss	(482,464,872)	(439,465,797)
<b>NON-OPERATING REVENUES/(EXPENSES):</b>		
State appropriations	76,606,931	72,944,697
Ad valorem taxes		
Taxes for maintenance and operations	229,619,121	198,786,795
Taxes for maintenance notes	46,247,762	24,140,547
Taxes for general obligation bonds	42,173,257	52,405,149
Federal grants, non-operating	181,190,755	189,360,434
State grants, non-operating	5,068,138	4,778,583
Gifts	2,345,954	3,286,946
Investment income (loss)	22,024,846	(4,248,039)
Interest on capital related debt	(17,801,191)	(19,267,483)
Interest on maintenance tax notes	(12,327,762)	(1,790,547)
Other non-operating (expenses) revenues	(42,588)	27,832
Net non-operating revenues (Schedule C)	575,105,223	520,424,914
Income before capital contributions	92,640,351	80,959,117
<b>CAPITAL CONTRIBUTIONS:</b>		
State appropriations for capital assets	3,855,480	3,855,480
Contributions for capital assets	125,000	381,900
Total capital contributions	3,980,480	4,237,380
Increase in net position	96,620,831	85,196,497
<b>NET POSITION:</b>		
Net position - beginning of year	390,723,000	305,526,503
Net position - end of year (Schedule D)	\$ 487,343,831	\$ 390,723,000

\*Due to the implementation of GASB 96, certain FY2022 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, 2022 and 2021**

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Net Assets at January 1, 2021	\$ 308,017	\$ 59,741,962	\$ 60,049,979
Support and revenue:			
Contributions	89,363	18,711,186	18,800,549
In-kind revenue	1,255,046	-	1,255,046
Interest and dividend income	490	946,740	947,230
Gain on investments	-	4,266,248	4,266,248
Net assets released from restrictions	7,320,236	(7,320,236)	-
Total revenue	8,665,135	16,603,938	25,269,073
Expenses:			
Program support and scholarships	7,725,976	-	7,725,976
General and administrative	608,792	-	608,792
Fundraising	405,689	-	405,689
Total expenses	8,740,457	-	8,740,457
(Decrease) increase in net assets	(75,322)	16,603,938	16,528,616
Designated transfers	(36,359)	36,359	-
Net Assets at December 31, 2021	196,336	76,382,259	76,578,595
Support and revenue:			
Contributions	105,555	6,662,369	6,767,924
In-kind revenue	1,388,939	-	1,388,939
Interest and dividend income	2,265	1,104,852	1,107,117
Loss on investments	-	(11,378,858)	(11,378,858)
Net assets released from restrictions	5,129,295	(5,129,295)	-
Total revenue (loss)	6,626,054	(8,740,932)	(2,114,878)
Expenses:			
Program support and scholarships	5,421,173	-	5,421,173
General and administrative	648,811	-	648,811
Fundraising	463,671	-	463,671
Total expenses	6,533,655	-	6,533,655
Increase (decrease) in net assets	92,399	(8,740,932)	(8,648,533)
Designated transfers	43,622	(43,622)	-
Net Assets at December 31, 2022	\$ 332,357	\$ 67,597,705	\$ 67,930,062

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, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>OPERATING REVENUES:</b>		
Lease revenue	\$ 21,667	\$ 16,667
Total operating revenues	<u>21,667</u>	<u>16,667</u>
<b>OPERATING EXPENSES:</b>		
Bank charges	481	1,760
Depreciation	<u>1,043,856</u>	<u>956,219</u>
Total operating expenses	1,044,337	957,979
Operating loss	(1,022,670)	(941,312)
<b>NON-OPERATING EXPENSES/(REVENUES):</b>		
Other contributions	-	777,932
Interest revenue	236	1,569
Gain on lease termination	-	1,582,000
Forgiveness of interest on debt	-	354,140
Interest expense	-	(5,333)
Other non-operating expense	<u>-</u>	<u>(560,273)</u>
Total non-operating revenues	236	2,150,035
(Loss)/Income before contributions	(1,022,434)	1,208,723
Capital contributions	<u>2,577,191</u>	<u>24,297,275</u>
Change in net position	1,554,757	25,505,998
<b>NET POSITION:</b>		
Net position - beginning of year	<u>26,517,966</u>	<u>1,011,968</u>
Net position - end of year	<u>\$ 28,072,723</u>	<u>\$ 26,517,966</u>

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, 2023 and 2022**

	2023	(Restated) 2022*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 43,496,206	\$ 48,059,289
Receipts from grants and contracts	48,456,250	34,731,176
Other receipts	5,674,356	5,961,393
Payments to or on behalf of employees	(284,148,363)	(262,599,471)
Payments to suppliers for goods and services	(156,144,266)	(141,069,241)
Payments for scholarships and fellowships	(67,900,031)	(104,597,062)
Payment for Federal loans issued to students	(16,080,270)	(13,950,284)
Receipts for Federal loans to students	<u>16,080,270</u>	<u>17,187,711</u>
Net cash used by operating activities	<u>(410,565,848)</u>	<u>(416,276,489)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations (non-capital projects)	64,884,194	64,839,676
Receipts from ad valorem taxes	228,993,740	198,428,921
Receipts from non-operating federal and state revenue	178,617,562	192,672,782
Receipts from gifts and grants (other than capital)	765,411	2,744,878
Receipts from student organizations and other agency transactions	<u>157,302</u>	<u>138,233</u>
Net cash provided by non-capital financing activities	<u>473,418,209</u>	<u>458,824,490</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds on issuance of capital debt	323,905,884	-
Bond issuance costs	(1,905,883)	-
Receipts from ad valorem taxes for debt service	88,180,813	76,408,239
Receipts from state appropriations for capital projects	3,855,480	3,855,480
Receipts from insurance recoveries	-	39,705
Receipts from sales of real estate	1,949,945	-
Receipts from capital grant contracts, grants and gifts	125,000	381,900
Payments for capital assets acquisition and construction of capital assets	(114,894,974)	(139,113,782)
Payments on capital debt - principal	(61,438,009)	(56,081,263)
Payments on capital debt - interest	<u>(37,773,809)</u>	<u>(28,725,100)</u>
Net cash provided/(used) by capital and related financing activities	<u>202,004,447</u>	<u>(143,234,821)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of investments	249,378,620	347,048,213
Interest on investments	25,538,004	1,953,959
Purchase of investments	<u>(212,692,419)</u>	<u>(217,922,526)</u>
Net cash provided by investing activities	<u>62,224,205</u>	<u>131,079,646</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>327,081,013</u>	<u>30,392,826</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>106,981,096</u>	<u>76,588,270</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 434,062,109</u>	<u>\$ 106,981,096</u>

\*Due to the implementation of GASB 96, certain FY2022 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, 2023 and 2022  
(continued)**

	2023	(Restated) 2022*
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH</b>		
<b>USED BY OPERATING ACTIVITIES:</b>		
Operating loss	\$ (482,464,872)	\$ (439,465,797)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation and amortization expense	44,177,312	39,379,708
Allowance for doubtful accounts	4,671,908	1,764,266
Non-cash state appropriations - on-behalf payments	11,722,737	8,105,021
Pension expense	1,674,040	(6,946,048)
OPEB expense	(648,717)	2,497,227
Changes in assets and liabilities:		
Receivables (net)	2,101,069	(4,625,149)
Other assets	584,837	285,515
Accounts payable	8,385,602	(21,614,682)
Unearned income	15,951	1,012,454
Net pension liability	51,289,803	(40,571,878)
Net OPEB liability	(37,335,451)	24,140,906
Compensable absences	83,539	(803,873)
Workers' compensation accrual	83,623	-
Utility escrow	213,212	343,147
Deferred inflows related to leases	(1,166,089)	3,791,722
Deferred outflows related to pensions	(15,465,170)	12,410,308
Deferred inflows related to pensions	(35,824,633)	28,161,570
Deferred outflows related to OPEB	8,027,724	(5,608,331)
Deferred inflows related to OPEB	<u>29,307,727</u>	<u>(18,532,575)</u>
Net cash used by operating activities	<u>\$ (410,565,848)</u>	<u>\$ (416,276,489)</u>
<b>SCHEDULE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS:</b>		
State on-behalf payments	<u>\$ 11,722,737</u>	<u>\$ 8,105,021</u>
Increase/(decrease) in fair value of investments	<u>\$ 2,383,473</u>	<u>\$ (5,968,496)</u>
Gifts of depreciable and non-depreciable assets	<u>\$ 1,580,543</u>	<u>\$ 542,068</u>
Amortization of premium on bonds	<u>\$ 8,171,432</u>	<u>\$ 6,081,335</u>

\*Due to the implementation of GASB 96, certain FY2022 balances have been restated (see Note 2).

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

# 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 2023. 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.

#### Leases Receivable

The District is a lessor for noncancelable leases of property. The District recognizes a lease receivable and a deferred inflow of resources in the Statements of Net Position.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, if any. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses the Treasury rate with the maturity that most closely matches the length of the lease term, as of the date of the beginning of the lease term, obtained from the treasury.gov website, as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The following table 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	5,000	5	-
Software	5,000	5	-
Library materials	All	15	-
Subscription-based information technology arrangements	100,000	Shorter of contract or useful life	-

#### Deferred Outflows of Resources

The Statements of Net Position include a separate section for deferred outflows of resources, which represent a consumption of net assets 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 11 and Note 19.

#### 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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 7 and Note 13 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 17 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 assets 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. The District also records deferred inflows of resources related to leases. For additional information, see Note 11 and Note 19.

#### 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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.

##### *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.

#### Prior Year Restatement and Reclassifications

During fiscal year 2023, the District implemented GASB Statement 96, *Subscription-based Information Technology Arrangements* (GASB 96). This statement establishes new requirements for calculating and reporting the District's subscription-based information technology arrangement (SBITA) activities. The adoption of GASB 96 has been reflected and calculated using the facts and circumstances that existed as of September 1, 2021, as prescribed by GASB 96. There was a \$0 impact to beginning net position as of September 1, 2021 since the intangible right-to-use assets recorded equaled the SBITA liability. The August 31, 2022 balances were restated for the effects of the District's adoption of GASB 96, including an increase in total assets of \$8.0 million, an increase in total liabilities of \$6.9 million, and an increase in net position of \$1.1 million.



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Certain prior year balances have been reclassified to conform to the current year presentation. Expenditures for the AlamoBOOKS+ program were reclassified to the instruction functional expense category from the institutional support category. In addition, amounts for the Alamo PROMISE program were reclassified from scholarship expense to tuition discounts.

The results of the restatement on the Statement of Net Position balances for fiscal year 2022 are as follows:

	2022		
	As Previously Reported	Difference Due To Restatement	As Restated
<b>ASSETS</b>			
Noncurrent assets:			
Capital assets (net)	\$ 1,031,850,158	\$ 8,009,214	\$ 1,039,859,372
Total noncurrent assets	<u>1,278,178,961</u>	<u>8,009,214</u>	<u>1,286,188,175</u>
TOTAL ASSETS	<u>1,439,299,612</u>	<u>8,009,214</u>	<u>1,447,308,826</u>
<b>LIABILITIES</b>			
Current liabilities:			
Current portion of long-term liabilities	47,163,670	2,679,502	49,843,172
Total current liabilities	<u>147,297,736</u>	<u>2,679,502</u>	<u>149,977,238</u>
Noncurrent liabilities	<u>883,757,873</u>	<u>4,186,602</u>	<u>887,944,475</u>
TOTAL LIABILITIES	<u>1,031,055,609</u>	<u>6,866,104</u>	<u>1,037,921,713</u>
<b>NET POSITION</b>			
Net investment in capital assets	423,581,645	2,105,881	425,687,526
Unrestricted	<u>(86,294,375)</u>	<u>(962,772)</u>	<u>(87,257,147)</u>
TOTAL NET POSITION (Schedule D)	<u>\$ 389,579,891</u>	<u>\$ 1,143,109</u>	<u>\$ 390,723,000</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The results of the restatement and reclassifications on the Statement of Changes in Revenues, Expenses, and Changes in Net Position balances for fiscal year 2022 are as follows:

	2022			As Restated
	As Previously Reported	Difference Due To Restatement	Difference Due To Reclassification	
<b>OPERATING REVENUES:</b>				
Tuition and fees (net of discounts of \$92,493,126 and \$84,343,005, respectively)	\$ 48,439,185	\$ -	\$ (3,000,007)	\$ 45,439,178
Total operating revenues (Schedule A)	92,780,381	-	(3,000,007)	89,780,374
<b>OPERATING EXPENSES:</b>				
Instruction	132,658,723	-	8,756,372	141,415,095
Academic support	27,602,595	(187,500)	-	27,415,095
Student services	59,706,913	(120,417)	-	59,586,496
Institutional support	118,854,158	(3,771,207)	(8,756,372)	106,326,579
Operation and maintenance of plant	47,989,332	(268,727)	-	47,720,605
Scholarships and fellowships	107,597,069	-	3,000,007	110,597,076
Depreciation and amortization	36,222,502	3,157,206	-	39,379,708
Total operating expenses (Schedule B)	533,436,823	(1,190,645)	3,000,007	535,246,185
Operating loss	(440,656,442)	1,190,645	(6,000,014)	(445,465,811)
<b>NON-OPERATING REVENUES/(EXPENSES):</b>				
Interest on capital related debt	(19,219,947)	(47,536)	-	(19,267,483)
Net non-operating revenues (Schedule C)	520,472,450	(47,536)	-	520,424,914
Increase in net position	84,053,388	1,143,109	-	85,196,497
<b>NET POSITION:</b>				
Net position - beginning of the year, as restated	305,526,503	-	-	305,526,503
Net position - end of year	\$ 389,579,891	\$ 1,143,109	\$ -	\$ 390,723,000

#### New Pronouncements

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. The District evaluated the requirements of GASB 94 and determined there was no effect to the District's financial statements.

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. The District implemented Statement No. 96 in FY23 and retrospectively to FY22. See Note 6 for additional information.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In June 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset. The requirements of this provision are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District evaluated the requirements of GASB 94 and determined there was no effect to the District's financial statements.
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability. The requirements of this provision are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District implemented Statement No. 96 in FY23 and retrospectively to FY22. See Note 4 for additional information.

### 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.

### 4. CASH, CASH EQUIVALENTS AND INVESTMENTS

The carrying amount of the District's bank deposits at August 31, 2023 and 2022 was \$13,668,396 and \$26,525,362, respectively. Total bank balances at August 31, 2023 and 2022 equaled \$16,365,975 and \$28,223,220, 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, 2023 and 2022:

	2023	2022
Bank deposits: Demand deposits	\$ 1,915,875	\$ 4,341,494
Money market	11,774,804	22,183,868
Total bank deposits	13,690,679	26,525,362
Automated investment account	543,512	1,499,116
Local Government Investment Pool (TexPool) deposits	419,790,273	78,919,598
Petty cash on hand	37,645	37,020
Total cash and cash equivalents	\$ 434,062,109	\$ 106,981,096

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The carrying amount of the District's bank deposits at August 31, 2023 and 2022 was \$13,668,396 and \$26,525,362, respectively. Total bank balances at August 31, 2023 and 2022 equaled \$16,365,975 and \$28,223,220, 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, 2023 and 2022:

	2023	2022
Bank deposits: Demand deposits	\$ 1,915,875	\$ 4,341,494
Money market	11,774,804	22,183,868
Total bank deposits	13,690,679	26,525,362
Automated investment account	543,512	1,499,116
Local Government Investment Pool (TexPool) deposits	419,790,273	78,919,598
Petty cash on hand	37,645	37,020
Total cash and cash equivalents	<u>\$ 434,062,109</u>	<u>\$ 106,981,096</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, 2023 and 2022 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, 2023 and 2022:

Type of Security	Fair Value at August 31,	
	2023	2022
U.S. government securities:		
FHLB coupon notes	\$ 122,672,109	\$ 42,424,660
FNMA coupon notes	-	3,854,337
FHLMC coupon notes	9,969,200	11,457,466
FFCB coupon notes	44,644,235	55,076,751
U.S. Treasuries	14,676,563	92,413,594
Municipal bonds	16,103,295	27,450,503
Commercial paper	14,828,460	26,902,752
Total	\$ 222,893,862	\$ 259,580,063

# 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, 2023 and 2022 is as follows:

	Fair Value at August 31,	
	2023	2022
Total cash and cash equivalents	\$ 434,062,109	\$ 106,981,096
Total investments	222,893,862	259,580,063
Total	\$ 656,955,971	\$ 366,561,159
Per Exhibit 1:		
Cash and cash equivalents	\$ 25,588,310	\$ 16,908,345
Restricted cash and cash equivalents - current	29,685,636	52,773,318
Investments - current	54,665,850	56,602,245
Restricted cash and cash equivalents - noncurrent	378,788,163	37,299,433
Long-term investments	168,228,012	153,358,855
Long-term investments - restricted	-	49,618,963
Total	\$ 656,955,971	\$ 366,561,159

#### 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, 2023:

Type of Security	Level 1	Level 2	Level 3	Total
U.S. Government Agency Securities	\$ -	\$ 177,285,544	\$ -	\$ 177,285,544
U.S. Treasuries	-	14,676,563	-	14,676,563
Municipal bonds	-	16,103,295	-	16,103,295
Commercial paper	-	14,828,460	-	14,828,460
Total	\$ -	\$ 222,893,862	\$ -	\$ 222,893,862

The District had the following recurring fair value measurements for investment assets at August 31, 2022:

Type of Security	Level 1	Level 2	Level 3	Total
U.S. Government Agency Securities	\$ -	\$ 112,813,214	\$ -	\$ 112,813,214
U.S. Treasuries	-	92,413,594	-	92,413,594
Municipal bonds	-	27,450,503	-	27,450,503
Commercial paper	-	26,902,752	-	26,902,752
Total	\$ -	\$ 259,580,063	\$ -	\$ 259,580,063

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, 2023 and 2022, excluding bank deposits and petty cash:

Type	2023			2022		
	Fair Value	% of Total	WAM* (Years)	Fair Value	% of Total	WAM* (Years)
FHLB	\$ 122,672,109	19.1% ^	1.854	\$ 42,424,660	12.5% ^	3.414
FNMA	-	0.0%		3,854,337	1.1%	1.110
FHLMC	9,969,200	1.6%	3.003	11,457,466	3.4%	1.541
FFCB	44,644,235	6.9% ^	2.055	55,076,751	16.2% ^	1.785
U.S. Treasuries	14,676,563	2.3% ^	0.000	92,413,594	27.2% ^	1.343
Municipal bonds	16,103,295	2.5% ^	3.130	27,450,503	8.1% ^	2.902
Commercial paper	14,828,460	2.3% ^	0.589	26,902,752	7.9% ^	0.708
TexPool	419,790,273	65.3% ^	0.003	78,919,598	23.2% ^	0.003
BlackRock Treasury fund	484,483	0.1%	0.003	1,440,438	0.4%	0.003
<b>Total</b>	<b>\$ 643,168,618</b>	<b>100%</b>		<b>\$ 339,940,099</b>	<b>100%</b>	

Portfolio weighted average maturity at August 31 0.670 1.436

\* 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, 2023 and 2022, 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.

**Concentration of Credit Risk** – The concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer. The District does not limit the amount it may invest in any one issuer, but does enforce restrictions on the types and credit ratings of investments permitted as described in the previous paragraph, and the high investment grades permitted help mitigate any concentration risk.

At August 31, 2023, the District’s largest concentration in cash, cash equivalents and investments was in TexPool at 65.3%, up from 23.2% at August 31, 2022. The second largest concentration was in federal agencies at 27.6%, down from 33.2% in fiscal year 2022. The concentration in U.S. Treasuries also decreased from 27.2% in fiscal year 2022 to 2.3% in fiscal year 2023.

The District does not have any investments in foreign currency.



# 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, 2023 and 2022:

Issuer	Credit rating at 8/31/2023	Credit rating at 8/31/2022
Baylor Scott & White	*	*
BlackRock Treasury Trust Fund	AAAm	AAAm
City of Austin, TX	*	*
City of San Antonio, TX	AAA/Aaa/AA+	AAA/Aaa/AA+
Columbia University	*	*
Cornell University	*	*
DFW Airport	*	*
Emory University	A-1+/P-1	*
FFCB	AA+/Aaa/AA+	AA+/Aaa/AAA
FHLB	AA+ /Aaa	AA+/Aaa/AAA
FHLMC	AA+ /Aaa /AA+	AA+/Aaa /AAA
FNMA	AA+ /Aaa /AA+	AA+/Aaa /AAA
J.P. Morgan Securities	A-1/P-1/F1+	A-1/P-1/F1+
Kaiser Foundation Hospital	*	*
Met Govt Nashville & Davidson Cnty	AA+/AA+/Aa2	AA/Aa2
Pasadena TX ISD	*	*
Royal Bank of Canada	A-1+/P-1/F1+	A-1+/P-1/F1+
Spring TX ISD	*	*
State of California	A-1+/P-1/F1+	*
State of TX College Student Loan	*	*
State of TX Hwy Improve	*	*
Tarrant Regl Water District	AAA/AA+	AAA/AA
Texas A&M University	AAA/Aaa/AAA	AAA/Aaa/AAA
Texas Public Finance Authority	AA+/Aa1	AA+/Aa1
Texas State	AAA/Aaa	AAA/Aaa
Texas Transportation Commission	AAA/AAA	Aaa/AAA
TexPool	AAAm	AAAm
Travis County, TX	AAA/Aaa	AAA/Aaa
University of California	*	*
University of Texas	AAA/Aaa/AAA	*
US Treasury Note	AA+/Aaa/AA+	AA+/Aaa/AAA
Vanderbilt University	A-1+/F1+	A-1+/F1+

\*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. LEASES RECEIVABLE

The District, as lessor, has entered into a lease agreement with 1415 North Main, LLC to lease a portion of Parking Garage #2 located at San Antonio College. The lease term is September 24, 2021 through December 31, 2096. In exchange for access to 381 parking spaces the District will receive \$76,200 annually through December 31, 2085, and then receive \$91,440 annually through the remainder of the term of the lease. Accordingly, the District has recorded a lease receivable asset in the amount of \$2,933,861. The District will begin receiving lease payments in January 2024.

The District, as lessor, has entered into a lease agreement with San Antonio MTA, L.P. d/b/a Verizon Wireless to lease 336 square feet of rooftop space at Northwest Vista College for the installation of communications equipment. The lease term began January 1, 2016 for a five-year term. The lease is automatically renewed for four additional five-year terms unless lessee terminates by written notice. In exchange for the space the District will receive \$13,200 annually, subject to a 3% per annum increase on the anniversary of the commencement date. Accordingly, the District has recorded a lease receivable asset in the amount of \$356,141. In FY23 lease revenue and interest revenue for this lease was \$17,515 and \$4,715, respectively. In FY22 lease revenue and interest revenue for this lease was \$13,919 and \$1,690, respectively.

The District, as lessor, has entered into a lease agreement with New Cingular Wireless PCS, LLC to lease 2,500 square feet of rooftop space at Northeast Lakeview College for the installation of communications equipment. The lease term began August 28, 2013 for a five-year term. The lease is automatically renewed for four additional five-year terms unless lessee terminates by written notice, making it possible for this lease to extend through August 27, 2038. In exchange for the space the District will receive \$12,000 annually, subject to a 3% per annum increase on the anniversary of the commencement date. Accordingly, the District has recorded a lease receivable asset in the amount of \$307,897. In FY23 lease revenue and interest revenue for this lease was \$17,105 and \$3,349, respectively. In FY22 lease revenue and interest revenue for this lease was \$17,105 and \$3,493, respectively.

The District, as lessor, had entered into a lease agreement with East Pointe Holdings dba Heartland Food Group to lease 22,344 square feet of restaurant and café space at each of the five District Colleges as well as at the Southwest Center of Excellence for the operation of food services. The lease term began August 9, 2021, with a termination date of August 31, 2022. There was an option to renew for four one-year periods. Accordingly, the District had recorded a lease receivable asset in the amount of \$579,233. On September 1, 2022 this lease was terminated, resulting in a loss of \$1,497. In FY22 lease revenue and interest revenue for this lease was \$3,732 and \$114,349, respectively.

The District, as lessor, has entered into a lease agreement with New Frontiers to lease 6,800 square feet of classroom space at San Antonio College. The lease term began May 19, 2022, with a termination date of June 30, 2024. There is an option to renew for two two-year periods. In exchange for the space the District will receive \$74,800 annually. Accordingly, the District has recorded a lease receivable asset in the amount of \$411,069. In FY23 lease revenue and interest revenue for this lease was \$16,893 and \$1,996, respectively. In FY22 lease revenue and interest revenue for this lease was \$10,550 and \$1,996, respectively.

	Interest Rate(s)	Receivable At Commencement	Lease Term In Years	Balance 8/31/2023	Balance 8/31/2022
<u>Business-type Activities</u>					
Parking garage spaces at San Antonio College with 1415 N. Main	1.92%	\$ 2,933,861	75.3	\$ 2,928,075	\$ 2,985,912
Cell phone tower space at Northwest Vista College with Verizon	1.43%	356,141	45.3	330,134	972,365
Cell phone tower space at Northeast Lakeview College with AT&T	1.20%	307,897	18.0	272,430	284,743
Cafeteria and café space at all Colleges with Heartland Food Service	0.78%	579,233	5.0	-	464,883
Classroom space at San Antonio College with New Frontiers	2.94%	411,069	6.1	389,969	400,519
Leases receivable				<u>\$ 3,920,608</u>	<u>\$ 5,108,422</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 6. CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2023 was as follows:

	Balance 9/1/2022 (as restated)	Increases	Decreases	Balance 8/31/2023
<u>Not Depreciated:</u>				
Land	\$ 55,650,908	\$ -	\$ 7,951	\$ 55,642,957
Works of art	860,855	40,000	-	900,855
Construction in progress	153,512,688	27,384,465	145,234,164	35,662,989
Subtotal	<u>210,024,451</u>	<u>27,424,465</u>	<u>145,242,115</u>	<u>92,206,801</u>
<u>Subject to Depreciation or Amortization:</u>				
Buildings and building improvements	1,133,013,365	209,074,015	674,801	1,341,412,579
Other real estate improvements	141,622,902	608,491	-	142,231,393
Total buildings and other real estate improvements	<u>1,274,636,267</u>	<u>209,682,506</u>	<u>674,801</u>	<u>1,483,643,972</u>
Software	3,264,428	62,676	-	3,327,104
Furniture, machinery and equipment	54,554,412	11,803,427	2,285,257	64,072,582
Library materials	15,827,169	-	170,950	15,656,219
Subscription-based IT arrangements (SBITAs)	11,166,420	196,335	-	11,362,755
Total buildings and other capital assets	<u>1,359,448,696</u>	<u>221,744,944</u>	<u>3,131,008</u>	<u>1,578,062,632</u>
<u>Accumulated Depreciation or Amortization:</u>				
Buildings and building improvements	377,190,873	31,061,181	658,167	407,593,887
Other real estate improvements	91,006,733	5,006,669	-	96,013,402
Total buildings and other real estate improvements	<u>468,197,606</u>	<u>36,067,850</u>	<u>658,167</u>	<u>503,607,289</u>
Software	3,181,516	3,350	-	3,184,866
Furniture, machinery and equipment	39,908,025	4,946,861	2,223,192	42,631,694
Library materials	15,169,422	125,201	170,950	15,123,673
Subscription-based IT arrangements (SBITAs)	3,157,206	3,034,050	-	6,191,256
Total accumulated depreciation and amortization	<u>529,613,775</u>	<u>44,177,312</u>	<u>3,052,309</u>	<u>570,738,778</u>
Net capital assets	<u>\$1,039,859,372</u>	<u>\$ 204,992,097</u>	<u>\$ 145,320,814</u>	<u>\$ 1,099,530,655</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 6. CAPITAL ASSETS (continued)

Capital assets activity for the year ended August 31, 2022 was as follows:

	Balance 9/1/2021 (as restated)	Increases	Decreases	Balance 8/31/2022 (as restated)
<u>Not Depreciated:</u>				
Land	\$ 55,650,908	\$ -	\$ -	\$ 55,650,908
Works of art	390,460	470,395	-	860,855
Construction in progress	147,804,737	96,009,593	90,301,642	153,512,688
Subtotal	<u>203,846,105</u>	<u>96,479,988</u>	<u>90,301,642</u>	<u>210,024,451</u>
<u>Subject to Depreciation or Amortization:</u>				
Buildings and building improvements	1,002,971,710	130,041,655	-	1,133,013,365
Other real estate improvements	141,622,902	-	-	141,622,902
Total buildings and other real estate improvements	<u>1,144,594,612</u>	<u>130,041,655</u>	<u>-</u>	<u>1,274,636,267</u>
Software	3,185,829	78,599	-	3,264,428
Furniture, machinery and equipment	46,748,619	9,515,965	1,710,172	54,554,412
Library materials	15,842,627	-	15,458	15,827,169
Subscription-based IT arrangements (SBITAs)	11,166,420	-	-	11,166,420
Total buildings and other capital assets	<u>1,221,538,107</u>	<u>139,636,219</u>	<u>1,725,630</u>	<u>1,359,448,696</u>
<u>Accumulated Depreciation or Amortization:</u>				
Buildings and building improvements	349,746,434	27,444,439	-	377,190,873
Other real estate improvements	85,960,499	5,046,234	-	91,006,733
Total buildings and other real estate improvements	<u>435,706,933</u>	<u>32,490,673</u>	<u>-</u>	<u>468,197,606</u>
Software	3,173,645	7,871	-	3,181,516
Furniture, machinery and equipment	38,011,200	3,567,480	1,670,655	39,908,025
Library materials	15,028,402	156,478	15,458	15,169,422
Subscription-based IT arrangements (SBITAs)	-	3,157,206	-	3,157,206
Total accumulated depreciation and amortization	<u>491,920,180</u>	<u>39,379,708</u>	<u>1,686,113</u>	<u>529,613,775</u>
Net capital assets	<u>\$ 933,464,032</u>	<u>\$ 196,736,499</u>	<u>\$ 90,341,159</u>	<u>\$ 1,039,859,372</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 7. NONCURRENT LIABILITIES

As of August 31, 2023, noncurrent liabilities are \$1,134,105,571 with activity for the fiscal year as follows:

	Balance 9/1/22* (Restated)	Additions	Reductions	Balance 8/31/23	Current Portion
Bonds and tax notes payable					
General obligation bonds	\$ 502,070,000	\$ 49,845,000	\$ 19,600,000	\$ 532,315,000	\$ 21,700,000
Revenue bonds	62,115,000	-	6,715,000	55,400,000	7,055,000
Maintenance tax notes	27,750,000	247,570,000	33,920,000	241,400,000	29,210,000
Premium on bonds payable	82,417,559	26,490,884	8,171,432	100,737,011	7,731,052
Subtotal	<u>674,352,559</u>	<u>323,905,884</u>	<u>68,406,432</u>	<u>929,852,011</u>	<u>65,696,052</u>
Notes payable	3,502,940	-	1,203,008	2,299,932	1,227,106
Subscription-based IT arrangements	6,866,104	196,335	2,677,449	4,384,990	1,671,186
Compensable absences	8,097,178	7,577,823	7,494,285	8,180,716	947,198
Unearned income	744,128	-	53,152	690,976	53,152
Arbitrage liability	-	4,503,952	-	4,503,952	-
Net pension liability	37,975,348	51,289,803	-	89,265,151	-
Net OPEB liability	206,249,390	29,459,512	66,794,963	168,913,939	4,391,402
<b>Total</b>	<u><b>\$ 937,787,647</b></u>	<u><b>\$ 416,933,309</b></u>	<u><b>\$ 146,629,289</b></u>	<u><b>\$ 1,208,091,667</b></u>	<u><b>\$ 73,986,096</b></u>

\*Due to the implementation of GASB 96, certain FY2022 balances have been restated (see Note 2).

As of August 31, 2022, noncurrent liabilities are \$887,944,475 with activity for the fiscal year as follows:

	Balance 9/1/21* (Restated)	Additions	Reductions	Balance 8/31/22* (Restated)	Current Portion* (Restated)
Bonds and tax notes payable					
General obligation bonds	\$ 528,225,000	\$ -	\$ 26,155,000	\$ 502,070,000	\$ 19,600,000
Revenue bonds	68,510,000	-	6,395,000	62,115,000	6,715,000
Maintenance tax notes	50,100,000	-	22,350,000	27,750,000	9,600,000
Premium on bonds payable	88,498,894	-	6,081,335	82,417,559	5,005,087
Subtotal	<u>735,333,894</u>	<u>-</u>	<u>60,981,335</u>	<u>674,352,559</u>	<u>40,920,087</u>
Notes payable	4,684,203	-	1,181,263	3,502,940	1,203,467
Subscription-based IT arrangements	11,166,420	-	4,300,316	6,866,104	2,679,502
Compensable absences	8,901,050	5,090,541	5,894,413	8,097,178	748,199
Unearned income	797,280	-	53,152	744,128	53,152
Net pension liability	78,547,226	-	40,571,878	37,975,348	-
Net OPEB liability	182,108,484	34,948,268	10,807,362	206,249,390	4,238,765
<b>Total</b>	<u><b>\$ 1,021,538,557</b></u>	<u><b>\$ 40,038,809</b></u>	<u><b>\$ 123,789,719</b></u>	<u><b>\$ 937,787,647</b></u>	<u><b>\$ 49,843,172</b></u>

\*Due to the implementation of GASB 96, certain FY2022 balances have been restated (see Note 2).

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 7. NONCURRENT LIABILITIES (continued)

The District has subscription-based IT arrangements (SBITAs) for various software licenses and subscriptions, as shown in the table above. The SBITAs were recorded at the present value of the future payments as of the inception using incremental borrowing rates ranging between 0.27% - 2.52%.

The cost and accumulated amortization of the assets for the SBITAs totaled approximately \$11,362,755 and \$6,191,256, respectively as of August 31, 2023 as reported in Note 6. The cost and accumulated amortization of the assets for the SBITAs totaled approximately \$11,166,420 and \$3,157,206, respectively as of August 31, 2022 as reported in Note 6.

The table below summarizes the required principal and interest payments against the SBITA liabilities recorded as of August 31, 2023:

Years Ending			
August 31,	Payment	Principal	Interest
2024	\$ 1,702,261	\$ 1,671,186	\$ 31,075
2025	1,489,731	1,473,351	16,380
2026	507,358	497,913	9,445
2027	392,276	386,844	5,432
2028	357,180	355,696	1,484
Thereafter	-	-	-

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 8. DEBT OBLIGATIONS

Debt service requirements at August 31, 2023 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
2024	\$ 21,700	\$ 22,930	\$ 7,055	\$ 2,356	\$ 29,210	\$ 11,313	\$ 57,965	\$ 36,599
2025	22,800	21,841	4,245	2,092	30,705	9,815	57,750	33,748
2026	23,945	20,698	3,395	1,910	32,280	8,241	59,620	30,848
2027	25,140	19,497	2,110	1,784	33,935	6,585	61,185	27,867
2028	26,395	18,236	2,190	1,703	35,670	4,845	64,255	24,785
2029-2033	113,195	73,692	10,510	7,216	79,600	4,162	203,305	85,069
2034-2038	159,915	43,003	9,745	5,023	-	-	169,660	48,026
2039-2043	94,220	16,216	8,090	3,021	-	-	102,310	19,237
2044-2047	45,005	3,001	8,060	832	-	-	53,065	3,832
<b>TOTAL</b>	<b>\$ 532,315</b>	<b>\$ 239,113</b>	<b>\$ 55,400</b>	<b>\$ 25,937</b>	<b>\$ 241,400</b>	<b>\$ 44,961</b>	<b>\$ 829,115</b>	<b>\$ 310,011</b>

\*The interest rate as of August 31, 2023 (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, 2022 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
2023	\$ 19,600	\$ 21,512	\$ 6,715	\$ 2,679	\$ 9,600	\$ 1,108	\$ 35,915	\$ 25,299
2024	20,575	20,541	7,055	2,356	1,895	833	29,525	23,730
2025	21,615	19,509	4,245	2,092	1,990	736	27,850	22,337
2026	22,705	18,425	3,395	1,910	2,095	634	28,195	20,969
2027	23,835	17,286	2,110	1,784	2,200	527	28,145	19,597
2028-2032	109,000	69,111	10,835	7,646	9,970	934	129,805	77,691
2033-2037	155,015	42,243	10,210	5,474	-	-	165,225	47,717
2038-2042	87,035	14,896	7,715	3,396	-	-	94,750	18,292
2043-2047	42,690	2,564	9,835	1,279	-	-	52,525	3,843
<b>TOTAL</b>	<b>\$ 502,070</b>	<b>\$ 226,087</b>	<b>\$ 62,115</b>	<b>\$ 28,616</b>	<b>\$ 27,750</b>	<b>\$ 4,773</b>	<b>\$ 591,935</b>	<b>\$ 259,476</b>

\*The interest rate as of August 31, 2022 (1.7%) was used to compute future interest costs for the variable rate revenue bonds included in the table above.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 9. BONDS AND TAX NOTES PAYABLE

Bonds and tax notes payable for the years ended August 31, 2023 and 2022 were as follows:

Series	Instrument Type and Purpose	Amount Issued and Authorized	Current Interest Rates	Balance August 31, 2023	Balance August 31, 2022
<b>General Obligation Bonds (Repayment source - Ad valorem taxes)</b>					
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%	65,630,000	65,630,000
2016	Refund the District's outstanding Limited Tax Bonds Series 2006 and 2006A. Dated May 15, 2016.	72,065,000	3.5% - 5.0%	45,280,000	47,735,000
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	4.0% - 5.0%	166,820,000	179,735,000
2021	Construct, renovate, acquire and equip new and existing facilities. Dated May 15, 2021.	195,980,000	2.375% - 5.0%	188,980,000	193,210,000
2022	Construct, renovate, acquire and equip new and existing facilities. Dated November 1, 2022	49,845,000	4.5% - 5.0%	49,845,000	-
Subtotal - General Obligation Bonds				\$ 532,315,000	\$ 502,070,000
<b>Maintenance Tax Notes (Repayment source - Ad valorem taxes)</b>					
2014	Refunding of certain maturities of the 2007 Maintenance Tax Notes. Dated January 15, 2014.	\$ 40,665,000		\$ -	\$ 4,030,000
2020	Renovate and repair existing District facilities. Dated January 28, 2020.	48,475,000		-	3,770,000
2021	Refund the District's outstanding Maintenance Tax Notes, Series 2011. Dated April 1, 2021.	21,660,000	4.0% - 5.0%	18,150,000	19,950,000
2022	Renovate and repair existing District facilities. Dated August 1, 2022.	247,570,000	5.0%	223,250,000	-
Subtotal - Maintenance Tax Notes				\$ 241,400,000	\$ 27,750,000
<b>Revenue Financing System (Repayment source - Pledged revenue*)</b>					
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%	\$ 23,240,000	\$ 28,960,000
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%	31,330,000	32,020,000
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%	830,000	1,135,000
Subtotal - Revenue Financing System Bonds				\$ 55,400,000	\$ 62,115,000
<b>Total Bonds</b>				<b>\$ 829,115,000</b>	<b>\$ 591,935,000</b>
*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 \$175,950 to \$37,794,625 with coupon rates from 1.7% to 5.5%, with the final installment due in fiscal year 2047.

In September of 2022, the District issued \$247,570,000 Maintenance Tax Notes, Series 2022 to renovate and repair existing District facilities. The bonds were issued with a premium net of costs of \$22,430,000, with a resultant deposit to the construction fund of \$270,000,000.



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 9. BONDS AND TAX NOTES PAYABLE (continued)

In December of 2022, the District issued \$49,845,000 Limited Tax Bonds, Series 2022. This represents the third and final 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 \$2,155,000, with a resultant deposit to the construction fund of \$52,000,000.

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 the sum of (1) the excess of the amount earned on all "nonpurpose 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, 2023 and August 31, 2022.

### 10. DEFEASED BONDS OUTSTANDING

As of August 31, 2023, and 2022, the District had no defeased bonds outstanding.

### 11. 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.

*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/TRS%20Documents/acfr-2022.pdf>.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

*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. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

*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.

Employee contribution rates are set in State statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86<sup>th</sup> 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 2022 ACFR, Note 11, on page 85.

	<u>Contribution Rates</u>	
	2022	2023
Member	8.0%	8.0%
District/Non-employer contributing entity (State)	7.75%	8.0%
District contributions (audited)	\$ 7,016,265	
State of Texas on-behalf contributions (unaudited)	\$ 5,705,788	

The District's contributions to the TRS pension plan in 2023 were \$7,889,279 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 2023 were \$6,598,359.

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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

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.

*Actuarial Assumptions:* The total pension liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2021 rolled forward to August 31, 2022
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate as of August 2022*	3.91%
Last year ending August 31 in projection period (100 years)	2121
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95%
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, 2021. For a full description of these assumptions, see the TRS actuarial valuation report dated November 12, 2021. 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 7.00%. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

The long-term expected rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2022 are summarized below:

Asset Class <sup>1</sup>	Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>	Expected Contribution to Long-Term Portfolio Returns
Global equity			
U.S.	18.0%	4.6%	1.12%
Non-U.S. developed	13.0%	4.9%	0.90%
Emerging markets	9.0%	5.4%	0.75%
Private equity	14.0%	7.7%	1.55%
Stable value			
Government bonds	16.0%	1.0%	0.22%
Absolute return	0.0%	3.7%	0.00%
Stable value hedge funds	5.0%	3.4%	0.18%
Real return			
Real estate	15.0%	4.1%	0.94%
Energy, natural resources and Infrastructure	6.0%	5.1%	0.37%
Commodities	0.0%	3.6%	0.00%
Risk parity			
Risk parity	8.0%	4.6%	0.43%
Leverage			
Cash	2.0%	3.0%	0.01%
Asset allocation leverage	-6.0%	3.6%	-0.05%
Inflation expectation			2.70%
Volatility drag <sup>4</sup>			-0.91%
Expected return	100.0%		8.19%

<sup>1</sup> Absolute return includes credit sensitive investments

<sup>2</sup> Target allocations are based on the FY2022 policy model.

<sup>3</sup> Capital market assumptions come from Aon Hewitt (as of 8/31/2022).

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

Source: Teacher Retirement System of Texas 2022 Annual Comprehensive Financial Report

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. 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, 2021 are summarized below:

Asset Class <sup>1</sup>	Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>	Expected Contribution to Long-Term Portfolio Returns
Global equity			
U.S.	18.0%	3.6%	0.94%
Non-U.S. developed	13.0%	4.4%	0.83%
Emerging markets	9.0%	4.6%	0.74%
Private equity	14.0%	6.3%	1.36%
Stable value			
Government bonds	16.0%	-0.2%	0.01%
Absolute return	0.0%	1.1%	0.00%
Stable value hedge funds	5.0%	2.2%	0.12%
Real return			
Real estate	15.0%	4.5%	1.00%
Energy, natural resources and Infrastructure	6.0%	4.7%	0.35%
Commodities	0.0%	1.7%	0.00%
Risk parity			
Risk parity	8.0%	2.8%	0.28%
Leverage			
Cash	2.0%	-0.7%	-0.01%
Asset allocation leverage	-6.0%	-0.5%	0.03%
Inflation expectation			2.20%
Volatility drag <sup>4</sup>			-0.95%
Expected return	100.0%		6.90%

<sup>1</sup> Absolute return includes credit sensitive investments

<sup>2</sup> Target allocations are based on the FY2021 policy model.

<sup>3</sup> Capital market assumptions come from Aon Hewitt (as of 8/31/2021).

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

Source: Teacher Retirement System of Texas 2021 Annual Comprehensive Financial Report

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

*Discount Rate Sensitivity Analysis:* The following table shows the impact on the District's proportionate share of the collective net pension liability if the discount rate used was 1 percent less than or 1 percent greater than the discount rate that was used (7.00%) in measuring the net pension liability reported at August 31, 2023.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability	\$ 138,862,729	\$ 89,265,151	\$ 49,063,986

The following table shows the impact on the District's proportionate share of the collective net pension liability if the discount rate used was 1 percent less than or 1 percent greater than the discount rate that was used (7.25%) in measuring the net pension liability reported at August 31, 2022.

	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	\$ 82,982,163	\$ 37,975,348	\$ 1,461,160

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* The District reported a liability of \$89,265,151 and \$37,975,348 for its proportionate share of the TRS's net pension liability at August 31, 2023 and 2022, respectively. 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 at August 31, 2023 and 2022 were as follows:

	FY23	FY22
District's proportionate share of the collective net pension liability	\$ 89,265,151	\$ 37,975,348
State's proportionate share that is associated with District	72,592,477	32,006,223
Total	\$ 161,857,628	\$ 69,981,571

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 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, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the collective net pension liability was 0.1503604816%, which was an increase of 0.0012414198% from its proportion measured as of August 31, 2021. At the measurement date of August 31, 2021, the District's proportion of the collective net pension liability was 0.1491190618%, which was an increase of 0.0024607017% from its proportion measured as of August 31, 2020.

For the year ended August 31, 2023, the District recognized pension expense of \$1,675,019 and additional on-behalf revenue and expense of \$6,939,018 for support provided by the State. For the year ended August 31, 2022, the District recognized negative, actuarially-calculated pension expense of (\$6,945,689) and additional on-behalf revenue and expense of \$127,957 for support provided by the State.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

At August 31, 2023, 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	\$ 1,294,337	\$ 1,946,149
Changes in actuarial assumptions	16,633,003	4,145,409
Net difference between projected and actual investment earnings	8,819,111	
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	1,722,052	2,383,154
Contributions paid to TRS subsequent to the measurement date	7,889,279	-
Total	\$ 36,357,782	\$ 8,474,712

At August 31, 2022, 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	\$ 63,551	\$ 2,673,495
Changes in actuarial assumptions	13,423,544	5,851,514
Net difference between projected and actual investment earnings	-	31,841,836
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	2,064,271	3,932,500
Contributions paid to TRS subsequent to the measurement date	7,015,286	-
Total	\$ 22,566,652	\$ 44,299,345

The \$7,889,279 amount reported at August 31, 2023 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, 2023.

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
2024	\$ 4,963,109
2025	2,170,822
2026	948,224
2027	10,430,489
2028	1,481,147
Thereafter	-

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 11. EMPLOYEES' RETIREMENT PLANS (continued)

#### 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.

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, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Payroll - all District employees	\$ 243,427,345	\$ 216,908,133	\$ 210,285,074
Payroll - TRS participants	181,562,648	165,846,480	156,470,787
Payroll - ORP participants	29,007,092	27,852,415	28,916,555
 Total required annual contributions:			
State on-behalf contributions	\$ 6,651,605	\$ 6,264,657	\$ 6,063,636
District contributions	9,580,381	8,424,181	7,590,912
District/State contribution percentages - TRS	8.00%	7.75%	7.50%
Participant contribution percentages - TRS	8.00%	8.00%	7.70%
District/State contribution percentages - ORP	8.00%	7.75%	7.50%
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.

### 12. 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 \$1,897,000 was contributed by 314 District employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity program including designated Roth accounts and 185 participants contributed a total of approximately \$872,000 to a Section 457 Deferred Compensation Plan in the fiscal year ended August 31, 2023.

A total of approximately \$2,001,000 was contributed by 336 District employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity program including designated Roth accounts and 190 participants contributed a total of approximately \$732,000 to a Section 457 Deferred Compensation Plan in the fiscal year ended August 31, 2022.



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 12. DEFERRED COMPENSATION PROGRAM (continued)

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.

### 13. 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.

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. Beginning 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 648 employees redeemed approximately 43,000 hours at a value of approximately \$1,500,000. 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 7). 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, 2023 and 2022 for annual leave was approximately \$8,200,000, and \$8,100,000, respectively.

### 14. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Receivables at August 31, 2023 and 2022 were as follows:

	2023	2022
Tuition and fees receivable	\$ 18,495,210	\$ 13,780,241
Taxes receivable	12,069,895	10,116,589
Contracts and grants receivable	25,699,258	25,471,867
Interest receivable	1,442,667	451,873
Other receivables	3,578,205	3,575,101
Subtotal	61,285,236	53,395,671
Less allowance for doubtful accounts:		
Tuition and fees receivable	13,563,565	10,183,559
Taxes receivable	10,031,450	8,943,730
Other receivables	197,769	202,380
Net accounts receivable and notes receivable	\$ 37,492,452	\$ 34,066,001

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

### 14. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES (continued)

Accounts payable and accrued liabilities at August 31, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Accounts payable to vendors	\$ 24,103,237	\$ 25,858,063
Accrued liabilities:		
Salaries and benefits	18,924,989	9,655,949
Construction retainage	11,706,693	20,894,464
Bond interest	2,300,978	1,899,079
Workers' compensation claims	863,890	780,267
Other	645,181	431,969
Total accounts payable and accrued liabilities	<u>\$ 58,544,968</u>	<u>\$ 59,519,791</u>

### 15. 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 \$1,094,225 and \$936,923 as of August 31, 2023 and 2022, respectively.

### 16. 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, 2023 and 2022 for which no expenses have been incurred, totaled approximately \$180,200,000 and \$200,000,000, respectively.

### 17. 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 \$450,000 per occurrence. Individual losses of over \$450,000 are covered by a specific excess insurance policy up to the maximum statutory benefit per occurrence. Additionally, \$3,278,495 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

### 17. 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 \$864,000 and \$780,000 at August 31, 2023 and 2022, 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 5.30% for both August 31, 2023 and 2022.

Fiscal Year	Beginning of Year Liability	Additions	Deductions	End of Year Liability
2023	\$ 780,267	\$ 559,563	\$ (475,940)	\$ 863,890
2022	\$ 780,267	\$ 382,577	\$ (382,577)	\$ 780,267

### 18. 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 \$623 and \$1,220 per month for the year ended August 31, 2023 and between approximately \$625 and \$1,222 per month for the year ended August 31, 2022.

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	2023	2022
Number of Retirees	1,437	1,387
Cost of Health Benefits for Retirees	\$ 9,873,131	\$ 9,538,050
Number of Active Full-time Employees	2,597	2,606
Cost of Health Benefits for Active Full-time Employees	\$ 22,415,860	\$ 22,445,297
State Appropriation for Health Insurance	\$ 14,482,056	\$ 14,482,055
District's Expense for Health Insurance	\$ 17,806,935	\$ 17,501,292

### 19. 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

*OPEB Plan Fiduciary Net Position:* Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive 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://www.ers.texas.gov/about-ers/reports-and-studies/reports-on-overall-ers-operations-and-financial-ma/2022-acfr>; 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.

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, 2022, and 2021. 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, 2022 and 2021

	2022	2021
Retiree only	\$ 624.82	\$ 624.82
Retiree & spouse	1,339.90	1,339.90
Retiree & children	1,103.58	1,103.58
Retiree & family	1,818.66	1,818.66

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Notes to Financial Statements**

**19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)**

Premium contributions to the GBP plan for the year ended August 31, 2023 by source are summarized in the following table.

Premium Contributions by Source	
Group Benefits Program Plan	
For the Year Ended August 31, 2022	
FY2023 Member (Employee) Contributions	\$ 6,059,513
FY2023 District Contributions	5,271,176
FY2022 State of Texas (NECE) Contributions*	14,482,055

\*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 2022 to require that all funds in the plan be invested in cash and equivalent securities. The expected rate of return on these investments is currently 4.1%, in line with the prevailing returns on 9-day U.S. treasury bills.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

*Actuarial Assumptions:* For the year ended August 31, 2023, the total OPEB liability was determined by an actuarial valuation as of August 31, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	August 31, 2022
Actuarial cost method	Entry age
Last experience study	7-year period from September 1, 2010 to August 31, 2017
Discount rate	3.59%
Projected annual salary increase (includes inflation)	2.30% to 8.95%
Annual healthcare trend rate	5.60% for FY24; 5.30% for FY25; 5.00% for FY26; 4.75% for FY27; 4.60% for FY28, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY31 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-2021 Projection Scale from the year 2021
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 Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP Projection Scale from the year 2010

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, 2021.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

*Actuarial Assumptions:* For the year ended August 31, 2022, the total OPEB liability was determined by an actuarial valuation as of August 31, 2021 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	August 31, 2021
Actuarial cost method	Entry age
Last experience study	7-year period from September 1, 2010 to August 31, 2017
Discount rate	2.14%
Projected annual salary increase (includes inflation)	2.30% to 9.05%
Annual healthcare trend rate	5.25% for FY23; 5.15% for FY24; 5.00% for FY25; 4.75% for FY26; 4.60% for FY27, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY30 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

*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:

- 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 retirees assumed to cover dependent children.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Assumed Per Capita Health Benefit Costs and Health Benefit Costs and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

*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 2.14%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.59%, which amounted to an increase of 1.45%.

The discount rate was changed from 2.14% to 3.59% 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. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed 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 (3.59%) in measuring the net OPEB liability reported at August 31, 2023.

	1% Decrease (2.59%)	Single Discount Rate (3.59%)	1% Increase (4.59%)
District's proportionate share of the net OPEB liability	\$ 197,004,697	\$ 168,913,939	\$ 146,448,084

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 (2.14%) in measuring the net OPEB liability reported at August 31, 2022.

	1% Decrease (1.14%)	Single Discount Rate (2.14%)	1% Increase (3.14%)
District's proportionate share of the net OPEB liability	\$ 245,650,850	\$ 206,249,390	\$ 175,423,634



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

*Healthcare Trend Rate Sensitivity Analysis:* For fiscal year 2023, the initial healthcare trend rate is 5.60% and the ultimate rate is 4.30%. 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 (5.60% decreasing to 4.30%) in measuring the net OPEB liability reported at August 31, 2023.

	1% decrease in Healthcare Cost Trend Rates (4.60%) decreasing to 3.30%)	Current Healthcare Cost Trend Rates (5.60%) decreasing to 4.30%)	1% increase in Healthcare Cost Trend Rates (6.60%) decreasing to 5.30%)
District's proportionate share of the net OPEB liability	\$ 144,651,575	\$ 168,913,939	\$ 199,890,428

For fiscal year 2022, the initial healthcare trend rate was 5.25% and the ultimate rate was 4.30%. 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 (5.25% decreasing to 4.30%) in measuring the net OPEB liability reported at August 31, 2022.

	1% decrease in Healthcare Cost Trend Rates (4.25%) decreasing to 3.30%)	Current Healthcare Cost Trend Rates (5.25%) decreasing to 4.30%)	1% increase in Healthcare Cost Trend Rates (6.25%) decreasing to 5.30%)
District's proportionate share of the net OPEB liability	\$ 172,709,584	\$ 206,249,390	\$ 250,192,501

*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 FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

*OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:* The District reported a liability of \$168,913,939 and \$206,249,390 for its proportionate share of the ERS's net OPEB liability at August 31, 2023 and 2022, respectively. 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 at August 31, 2023 and 2022 were as follows:

	FY23	FY22
District's proportionate share of the collective net OPEB liability	\$ 168,913,939	\$ 206,249,390
State's proportionate share that is associated with District	139,914,890	171,379,645
Total	\$ 308,828,829	\$ 377,629,035

The net OPEB liability was measured as of August 31, 2022, 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, 2021 through August 31, 2022.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. OTHER POSTEMPLOYMENT BENEFIT PLAN (continued)

At the measurement date of August 31, 2022, the District's proportion of the collective net OPEB liability was 0.59295167%, which was an increase of 0.01804861% from its proportion measured as of August 31, 2021.

For the year ended August 31, 2023, the District recognized negative OPEB expense of \$648,717 and an additional on-behalf offset to OPEB expense and revenue of \$5,096,382 for support provided by the State. For the year ended August 31, 2022, the District recognized OPEB expense of \$2,497,228 and an additional on-behalf offset to OPEB expense and revenue of \$2,090,979 for support provided by the State.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 5,329,438
Changes in actuarial assumptions	9,924,367	52,212,897
Net difference between projected and actual investment earnings	29,135	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	13,668,172	366,370
Contributions paid to ERS subsequent to the measurement date*	3,447,983	-
	\$ 27,069,657	\$ 57,908,705

\*Represents the amount of the District's employer contributions that were transferred into the SRHP plan by ERS. Actual contributions were \$5,271,176, 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, 2022, 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	\$ -	\$ 5,059,065
Changes in actuarial assumptions	14,120,642	22,971,565
Net difference between projected and actual investment earnings	36,528	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	17,345,335	570,348
Contributions paid to ERS subsequent to the measurement date*	2,946,159	-
Total	\$ 34,448,664	\$ 28,600,978

\*Represents the amount of the District's employer contributions that were transferred into the SRHP plan by ERS. Actual contributions were \$5,124,159, 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.

The \$3,447,983 amount reported at August 31, 2023 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, 2024.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 19. 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
2024	\$ (6,912,273)
2025	(8,118,280)
2026	(7,629,612)
2027	(6,997,880)
2028	(4,628,986)
Thereafter	-

### 20. 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, 2023 and 2022.

	2023 <sup>(1)</sup>	2022 <sup>(2)</sup>
Assessed valuation of the District	\$ 251,786,375,171	\$ 217,287,405,486
Less : Exemptions	(27,140,857,060)	(23,533,952,987)
Tax increment financings	(362,749,527)	(307,281,396)
Net assessed valuation of the District	\$ 224,282,768,584	\$ 193,446,171,103

(1) Based on most recent Supplement to the Certified Total (ARB Approved 2022 supplement 253)

(2) Based on most recent Supplement to the Certified Total (ARB Approved 2021 supplement 241)

The authorized and assessed property tax rates for the years ended August 31, 2023 and 2022 are as follows:

	2023			2022		
	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, 2023 and 2022 were \$308,255,579 and \$274,877,046, 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

### 20. AD VALOREM TAX (continued)

The tax collection detail at August 31, 2023 and 2022 is as follows:

	2023			2022		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current taxes	\$ 225,939,392	\$ 86,782,026	\$ 312,721,418	\$ 195,864,363	\$ 75,230,362	\$ 271,094,725
Tax increment financings payment	(651,726)	-	(651,726)	(493,386)	-	(493,386)
Delinquent taxes collected	1,692,643	652,572	2,345,214	1,249,525	483,144	1,732,669
Penalties and interest	2,013,431	746,215	2,759,646	1,808,420	694,733	2,503,153
<b>Total</b>	<b>\$ 228,993,740</b>	<b>\$ 88,180,812</b>	<b>\$ 317,174,552</b>	<b>\$ 198,428,921</b>	<b>\$ 76,408,239</b>	<b>\$ 274,837,160</b>

Tax collections for the years ended August 31, 2023 and 2022 were 98.5% and 98.6%, 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.

### 21. 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, 2023 or 2022.

### 22. 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.

### 23. COMMITMENTS AND CONTINGENCIES

As of August 31, 2023 and 2022, 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. At August 31, 2023 and 2022, the District was committed for approximately \$62,619,000 and \$94,870,000, respectively.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The District's management believes disallowances, if any, will not have a significant financial impact on the District's financial position.

### 24. SUBSEQUENT EVENTS

Management has evaluated subsequent events through 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. ALAMO COLLEGES FOUNDATION, INC. – DISCRETE COMPONENT UNIT

The following footnotes (25A – 25P) are from the audited financial statements of the Alamo Colleges Foundation, Inc. (Foundation) for the years ended December 31, 2022 and 2021.

#### A – ORGANIZATION

The Alamo Colleges Foundation, Inc. (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. The Foundation received conditional grants of \$275,000 that have not been recognized at December 31, 2022, because conditions have not 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 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 I 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.

#### 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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 of 1986, as amended, as an organization described in Section 501(c)(3) of the Code. However, income generated from activities unrelated to the Foundation's exempt purpose is subject to tax under Section 511 of the Code. 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 Code. The Foundation has also been classified as a publicly supported organization which is not a private foundation under Section 509(a) Code. 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 I 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 \$453,763 and \$697,382, at December 31, 2022 and 2021, respectively.

At December 31, 2022, six donors made up 89% of contribution receivables. At December 31, 2021, four donors made up 82% of contribution receivables.

#### 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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Risks and Uncertainties

The worldwide COVID-19 pandemic continued through 2022. 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 2023 operations and financial results. Management believes the Foundation is taking appropriate actions to mitigate any potential negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

#### New Pronouncements

In September 2020, the FASB issued Accounting Standard Update (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 (NFP) entities through enhancements to presentation and disclosure. The ASU is effective for fiscal years beginning after June 15, 2021. The Foundation has implemented this standard for fiscal year 2022. See Note I for more information.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. Under ASU No. 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 No. 2016-02, which may be applied. The ASU is effective for fiscal years beginning after December 15, 2021. The Foundation has determined that there was no impact to the financial statements resulting from this standard.

In March 2021, the FASB issued ASU No. 2021-03, *Intangibles – Goodwill and Other (Topic 350)*. ASU No. 2021-03 provides private companies and not-for-profit entities with an accounting alternative to perform the goodwill impairment triggering event evaluation as required in Subtopic 350-20 as of the end of the reporting period, whether the reporting period is an interim or annual period. The Foundation has determined that there will not be an impact to the financial statements resulting from this standard.

#### Pending Pronouncements

The FASB has issued various new or updates to existing accounting guidance in addition to the ASU(s) 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.

### 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.



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### C – LIQUIDITY (continued)

The Foundation's financial assets available within one year of the statement of financial position date for general expenditures as of December 31, 2022 and December 31, 2021 are as follows:

	2022	2021
Financial assets, at year end	\$ 67,992,284	\$ 77,782,031
Less those unavailable for general expenditure within one year, due to:		
Endowments invested in perpetuity	(22,839,785)	(21,662,221)
Restricted by donor with time or purpose restrictions	(44,757,920)	(54,720,038)
Financial assets available to meet cash needs for general expenditures within one year	\$ 394,579	\$ 1,399,772

Included in restricted fund amounts are amounts that can be spent for scholarships and program support in FY23. 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 I, which helps to offset costs for general expenditures.

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.

### D – CONTRIBUTIONS RECEIVABLE

Total contributions receivable at December 31, 2022 and 2021 were as follows:

	2022	2021
Promises to give expected to be collected in:		
Less than one year	\$ 3,041,481	\$ 1,177,925
One to five years	715,000	1,300,000
	3,756,481	2,477,925
Less discount on promises to give	(37,733)	(12,353)
Less allowance for uncollectible accounts	(74,131)	(65,442)
Net contributions receivable	\$ 3,644,617	\$ 2,400,130

The discount rates used in discounting contributions receivable ranged between 4.73% and 4.41% as of December 31, 2022. The discount rates used in discounting contributions receivable ranged 0.39% and 0.97% as of December 31, 2021.

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.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### E – INVESTMENTS

The composition of the Foundation’s investments as of December 31, 2022 and 2021 is as follows:

Type of Security	2022 Fair Value	2021 Fair Value
Fixed income securities	\$ 13,793,743	\$ 17,272,304
Mutual funds/exchange-traded funds	42,958,989	48,894,007
Marketable securities	6,233,813	7,035,863
Total	\$ 62,986,545	\$ 73,202,174

Net investment income for the years ended December 31, 2022 and 2021 is comprised of the following:

	2022	2021
Interest and dividend income	\$ 1,107,117	\$ 947,230
Net (loss) gain on investments	(11,378,858)	4,266,248
Total	\$ (10,271,741)	\$ 5,213,478

The Foundation elects to net investment expenses with earnings from investments. Total investment expenses in 2022 and 2021 were \$227,133 and \$192,201, respectively.

The Foundation invests in various investment instruments which are exposed to various risks such as interest rate, market and credit risks. Subsequent to year end, there has been in a significant decline in investments due to market conditions.

### 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 support or general and administrative based on time spent on the various activities with the exception of salaries and benefits, professional services, and other. This expense is split between program support and general and administrative based on an 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, 2022 are as follows:

	Program Support and Scholarships	General and Administrative	Fundraising	Total
<b>Year ended December 31, 2022:</b>				
Scholarships and educational support	\$ 5,141,490	\$ -	\$ -	\$ 5,141,490
Salaries and benefits	234,036	550,782	386,991	1,171,809
Rent	9,562	17,366	15,811	42,739
Professional services	-	13,100	-	13,100
Software	17,435	31,665	28,829	77,929
Professional development, fees and subscriptions	2,436	4,423	4,028	10,887
Other	16,214	31,475	28,012	75,701
Total	\$ 5,421,173	\$ 648,811	\$ 463,671	\$ 6,533,655

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### F – FUNCTIONAL EXPENSES (continued)

Functional expenses categorized by program support and scholarships, general and administrative and fundraising costs for the year ended December 31, 2021 are as follows:

	Program Support and Scholarships	General and Administrative	Fundraising	Total
<b>Year ended December 31, 2021:</b>				
Scholarships and educational support	\$ 7,485,260	\$ -	\$ -	\$ 7,485,260
Salaries and benefits	208,508	532,505	351,276	1,092,289
Rent	9,186	18,078	15,475	42,739
Professional services	5,907	24,525	9,951	40,383
Software	8,603	16,933	14,494	40,030
Professional development, fees and subscriptions	1,501	2,954	2,528	6,983
Other	7,011	13,797	11,965	32,773
Total	<u>\$ 7,725,976</u>	<u>\$ 608,792</u>	<u>\$ 405,689</u>	<u>\$ 8,740,457</u>

The Foundation's endowment consists of 207 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.

### G – NET ASSETS

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

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### G – NET ASSETS (continued)

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

Net assets and classifications of related unappropriated income at December 31, 2022 and 2021 are as follows:

	Net assets without Donor Restrictions	Non-endowed Funds	Accumulated Gains	Endowed Funds	Total
At December 31, 2022					
Endowment funds	\$ 332,357	\$ 39,043,947	\$ 5,713,973	\$ 22,839,785	\$ 67,930,062
At December 31, 2021					
Endowment funds	\$ 196,336	\$ 43,205,785	\$ 11,514,253	\$ 21,662,221	\$ 76,578,595

The changes in net assets and related income classification for the year ended December 31, 2022 are as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions			Total
		Non-endowed Funds	Accumulated Gains	Endowed Funds	
Beginning of year	\$ 196,336	\$ 43,205,785	\$ 11,514,253	\$ 21,662,221	\$ 76,578,595
Contributions	105,555	5,659,237	45,656	957,476	6,767,924
In-kind revenue	1,388,939	-	-	-	1,388,939
Investment return:					
Interest and dividends	2,265	469,777	635,075	-	1,107,117
Loss on investments	-	(5,455,875)	(5,922,983)	-	(11,378,858)
Net assets released from restrictions	5,129,295	(4,410,426)	(718,869)	-	-
Total revenues	6,626,054	(3,737,287)	(5,961,121)	957,476	(2,114,878)
Expenses and appropriation of endowment assets for expenditure	(6,533,655)	-	-	-	(6,533,655)
Deductions:					
Designated transfers	43,622	(424,551)	160,841	220,088	-
Increase (decrease) in net assets	136,021	(4,161,838)	(5,800,280)	1,177,564	(8,648,533)
End of year	\$ 332,357	\$ 39,043,947	\$ 5,713,973	\$ 22,839,785	\$ 67,930,062

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### G – NET ASSETS (continued)

The changes in net assets and related income classification for the year ended December 31, 2021 are as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions			Total
		Non-endowed Funds	Accumulated Gains	Endowed Funds	
Beginning of year	\$ 308,017	\$ 29,776,334	\$ 9,115,424	\$ 20,850,204	\$ 60,049,979
Contributions	89,363	18,175,511	4,539	531,136	18,800,549
In-kind revenue	1,255,046	-	-	-	1,255,046
Investment return:					
Interest and dividends	490	356,925	589,815	-	947,230
Gain on investments	-	1,018,204	3,248,044	-	4,266,248
Net assets released from restrictions	7,320,236	(6,541,064)	(779,172)	-	-
Total revenues	8,665,135	13,009,576	3,063,226	531,136	25,269,073
Expenses and appropriation of endowment assets for expenditure	(8,740,457)	-	-	-	(8,740,457)
Deductions:					
Designated transfers	(36,359)	419,875	(664,397)	280,881	-
(Decrease) increase in net assets	(111,681)	13,429,451	2,398,829	812,017	16,528,616
End of year	<u>\$ 196,336</u>	<u>\$ 43,205,785</u>	<u>\$ 11,514,253</u>	<u>\$ 21,662,221</u>	<u>\$ 76,578,595</u>

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, 2022 and 2021, 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 2022 and 2021 was 4.9% and 4.5%, respectively. The rate for 2023 has been set at 4.4%.

### H – NON-ENDOWED NET ASSETS

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

	2022	2021
Academic Support	\$ 35,159,643	\$ 33,597,400
Scholarships	3,884,304	9,608,385
Net assets with donor restrictions (non-endowed funds)	<u>\$ 39,043,947</u>	<u>\$ 43,205,785</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### H – NON-ENDOWED NET ASSETS (continued)

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

	2022	2021
Academic Support	\$ 1,151,105	\$ 5,044,714
Scholarships	3,259,321	1,496,350
Net assets with donor restrictions (non-endowed funds) released from restriction	\$ 4,410,426	\$ 6,541,064

### I – CONTRIBUTED NONFINANCIAL ASSETS

The Foundation received the following significant in-kind contributions of time and other nonfinancial assets related program operations, general and administrative activities and fundraising activities and campaigns. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the contributions. The services recognized were determined using the actual salaries for the fiscal year, then estimating the percentage of time spent on Foundation activities. The resulting amounts were further subdivided into program support, general and administrative and fundraising activities per Foundation management staff.

For the years ended December 31, contributed nonfinancial assets recognized within the statement of activities included:

Contributed Nonfinancial Assets	2022	2021
Salaries and benefits	\$ 1,171,809	\$ 1,092,289
Rent	42,739	42,739
Advertising and promotions	51,486	23,643
Professional Services	13,100	40,383
Software	77,929	40,030
Professional Development, fees and subscriptions	10,887	6,983
Other	20,989	8,979
Total	\$ 1,388,939	\$ 1,255,046

All of the Foundation employee costs and benefits are provided by Alamo Colleges District. During fiscal year 2022, the Foundation received donated services for management, fundraising activities and campaigns, day to day operations including cashiering and accounting for donations, donor relations, managing donor activity, donor tax information, managing and distributing scholarships and program support, accounting, and other operational services.

Non-salary contributions include office rent, travel, advertising, supplies, software maintenance, professional development, and funding external auditing and tax preparation services.

Donated space is valued at the fair value of similar properties available in commercial real estate listings. Donated rent was computed at \$42,739 and was allocated to the functional categories.

All recognized donated services and assets were utilized by the Foundation's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and nonfinancial assets.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### I – CONTRIBUTED NONFINANCIAL ASSETS (continued)

In-kind gifts of assets and services accepted by the Foundation, but for which Alamo Colleges District receives all operational benefits, are recorded by Alamo Colleges District. In fiscal year 2022 and 2021, the approximate amount of those donations were \$1,754,050 and \$5,549, respectively.

### J – 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).

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, 2022 is as follows:

	2022			
	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 13,793,743	\$ -	\$ 13,793,743
Mutual funds / exchange-traded funds	42,958,989	-	-	42,958,989
Marketable securities	6,233,813	-	-	6,233,813
Total	<u>\$ 49,192,802</u>	<u>\$ 13,793,743</u>	<u>\$ -</u>	<u>\$ 62,986,545</u>

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### J – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair value hierarchy of investments at December 31, 2021 is as follows:

	2021			Total
	Level 1	Level 2	Level 3	
Fixed income securities	\$ -	\$ 17,272,304	\$ -	\$ 17,272,304
Mutual funds / exchange-traded funds	48,894,007	-	-	48,894,007
Marketable securities	7,035,863	-	-	7,035,863
Total	\$ 55,929,870	\$ 17,272,304	\$ -	\$ 73,202,174

### K – 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, 2022 and 2021 was valued at approximately \$1,388,939 and \$1,255,046, 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, 2022 and 2021, the Foundation remitted a total of \$2,242,276 and \$1,811,755 to the District to fund approximately 3,430 and 2,745 scholarships, respectively.

In addition, for the years ended December 31, 2022 and 2021, the Foundation remitted \$1,665,902 and \$4,269,913 respectively, to the District for program related costs.

### L – FUTURE COMMITMENTS

At December 31, 2022, there are no outstanding donor match commitments for the Alamo Colleges Foundation.

### M – 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.

### N – 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.



# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### O – NET ASSETS WITHOUT RESTRICTIONS

Net assets without restrictions are comprised of net assets that are not subject to donor-imposed stipulations. The balances comprising net assets without restrictions as of December 31, 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Net assets without donor restrictions/undesignated	<u>\$ 332,357</u>	<u>\$ 196,336</u>

### P – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 8, 2023, 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.

### 26. ACCD PUBLIC FACILITY CORPORATION – DISCRETE COMPONENT UNIT

The following footnotes (26A – 26F) are from the audited financial statements of ACCD Public Facility Corporation (PFC) for the years ended August 31, 2023 and 2022.

#### A – REPORTING ENTITY

The ACCD Public Facility Corporation (PFC) 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 Alamo Community College District (the “District” or “Alamo Colleges 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 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 the Governmental Accounting Standards Board (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.

On September 24, 2021, Tobin Lofts, LLC, of which the PFC is the sole member, sold its interest in the Tobin Lofts project located at 1415 N. Main Avenue, San Antonio, Texas to 1415 N. Main, formerly known as 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 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 interest did not change the note payable between the PFC and Alamo Colleges District. The Tobin Lofts, LLC entity was terminated as of August 31, 2022. Remaining cash balances and capital assets of Tobin Lofts, LLC were transferred to the PFC upon dissolution.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### 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 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, 2023 and 2022, 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. Improvements which significantly add value or extend the useful life of a structure are capitalized if they meet the applicable capitalization threshold. Capital assets consist of land purchased from an unrelated party and from the PFC's primary government, the District; and land improvements, building and building improvements, furniture, fixtures and equipment, and construction in progress.

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

<u>Class of Asset</u>	<u>Capitalization Threshold</u>	<u>Useful Life (Years)</u>
Non-depreciable assets:		
Land	\$ 5,000	Not depreciated
Buildings	100,000	40
Other real estate improvements:		
Building improvements	100,000	10-20
Land improvements	100,000	7
Furniture, fixtures & equipment:	5,000	5

#### Net Position

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. Non-operating revenues include interest income earned on cash deposits.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### **B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### Capital Contributions

For the year ended August 31, 2023, capital contributions consisted of assets transferred from the PFC's lessee, 1415 N. Main LLC. For the year ended August 31, 2022, capital contributions consisted of contributed assets from the PFC's dissolved component unit, Tobin Lofts, LLC and assets transferred from the PFC's lessee, 1415 N. Main LLC.

#### Revenue Recognition and Unearned Revenues

Revenue is recorded when earned.

#### Operating and Non-operating Expenses

The PFC distinguishes operating expenses from non-operating expenses. For the year ended August 31, 2023, operating expenses consist of bank charges related to the operating cash account and depreciation on capital assets. For the year ended August 31, 2022, non-operating expenses consist of interest on capital-related debt and an expense for assets transferred from Tobin Lofts, LLC that did not meet the capitalization threshold.

#### 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.

#### Reclassifications

Certain prior year balances have been reclassified to conform to the current year presentation.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### C – CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2023 was as follows:

	Balance 9/1/2022	Increases	Decreases	Balance 8/31/2023
<u>Not Depreciated:</u>				
Land	\$ 5,099,847	\$ -	\$ -	\$ 5,099,847
Construction in progress	1,400,013	2,577,191	3,977,204	-
Subtotal	6,499,860	2,577,191	3,977,204	5,099,847
<u>Subject to Depreciation:</u>				
Land improvements	2,480,904	-	-	2,480,904
Building	25,639,287	-	-	25,639,287
Building improvements	538,040	3,958,599	-	4,496,639
Furniture, fixtures & equipment	1,783,204	18,605	-	1,801,809
Total subject to depreciation	30,441,435	3,977,204	-	34,418,639
Total capital assets	36,941,295	6,554,395	3,977,204	39,518,486
<u>Accumulated Depreciation:</u>				
Land improvements	1,984,723	248,090	-	2,232,813
Building	5,125,198	640,982	-	5,766,180
Building improvements	191,748	144,402	-	336,150
Furniture, fixtures & equipment	1,758,996	10,382	-	1,769,378
Total accumulated depreciation	9,060,665	1,043,856	-	10,104,521
Net capital assets	\$ 27,880,630	\$ 5,510,539	\$ 3,977,204	\$ 29,413,965

Increases to capital assets of \$6,554,395 include \$3,977,204 of capital assets contributed to the PFC from the lessee 1415 N. Main LLC.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### C – CAPITAL ASSETS (continued)

Capital assets activity for the year ended August 31, 2022 was as follows:

	Balance 9/1/2021	Increases	Decreases	Balance 8/31/2022
<u>Not Depreciated:</u>				
Land	\$ 5,099,847	\$ -	\$ -	\$ 5,099,847
Construction in progress	-	1,400,013	-	1,400,013
Subtotal	5,099,847	1,400,013	-	6,499,860
<u>Subject to Depreciation:</u>				
Land improvements	-	2,480,904	-	2,480,904
Building	-	25,639,287	-	25,639,287
Building improvements	-	538,040	-	538,040
Furniture, fixtures & equipment	-	1,783,204	-	1,783,204
Total subject to depreciation	-	30,441,435	-	30,441,435
Total capital assets	5,099,847	31,841,448	-	36,941,295
<u>Accumulated Depreciation:</u>				
Land improvements	-	1,984,723	-	1,984,723
Building	-	5,125,198	-	5,125,198
Building improvements	-	191,748	-	191,748
Furniture, fixtures & equipment	-	1,758,996	-	1,758,996
Total accumulated depreciation	-	9,060,665	-	9,060,665
Net capital assets	\$ 5,099,847	\$ 22,780,783	\$ -	\$ 27,880,630

Increases to capital assets of \$31,841,448 include \$30,441,435 of capital assets transferred to the PFC as a result of the dissolution of Tobin Lofts, LLC. Increases to accumulated depreciation of \$9,060,665 include \$8,104,446 of accumulated depreciation related to assets transferred to the PFC as a result of the dissolution of Tobin Lofts, LLC. The remaining increase to accumulated depreciation of \$956,219 represents current year depreciation expense.

### D – NONCURRENT LIABILITIES

Noncurrent liabilities consist of a note payable and related interest to the District for the purchase of land.

- The PFC has no unused line of credit related to this direct borrowing.
- The PFC has no assets pledged as collateral for the debt.
- Events of default with finance-related consequences:
  - The note contains a provision that in the event of default the holder has the option to make the note immediately due and payable.
- Subjective acceleration clause:
  - The note contains a provision which accelerates the maturity of the note under the existence of any authorizing condition.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Notes to Financial Statements

### D – NONCURRENT LIABILITIES (continued)

In fiscal year 2022, the principal amount of the note was \$2 million, with a maturity date of August 1, 2042. The original interest rate was four percent (4%) per annum. There are no required annual payments on the note payable. On September 24, 2021 the note payable was modified to change the interest rate on the note beginning at inception through September 24, 2021 to the 10-year U.S. Treasury rate over that period, and the interest rate from that date to maturity is zero percent. This changed the interest payable on September 24, 2021 from \$732,000 to \$377,860. On September 24, 2021 a payment was made to fully pay the interest of \$377,860, and to pay \$637,140 of the principal.

As of August 31, 2023, noncurrent liabilities are \$1,362,860 with activity for the fiscal year as follows:

	Total Liabilities				
	Balance	Additions	Reductions	Balance	Current Portion
	9/1/22			8/31/23	
Note payable to District	\$ 1,362,860	\$ -	\$ -	\$ 1,362,860	\$ -
Total liabilities	\$ 1,362,860	\$ -	\$ -	\$ 1,362,860	\$ -

As of August 31, 2022, noncurrent liabilities are \$1,362,860 with activity for the fiscal year as follows:

	Total Liabilities				
	Balance	Additions	Reductions	Balance	Current Portion
	9/1/21			8/31/22	
Note payable to District	\$ 2,000,000	\$ -	\$ 637,140	\$ 1,362,860	\$ -
Interest payable	726,667	383,193	1,109,860	-	-
Total liabilities	\$ 2,726,667	\$ 383,193	\$ 1,747,000	\$ 1,362,860	\$ -

### 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 leased land from the PFC under a 75-year ground lease, and operated 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 recognized lease revenue on a monthly basis over the life of the lease. On September 24, 2021, the LLC assigned its rights to an unrelated party, and the PFC subsequently recognized \$1,582,000 for the lease termination for the year ended August 31, 2022. See Note A for additional information.



## **Required Supplementary Information**





# ALAMO COMMUNITY COLLEGE DISTRICT

## Schedule of District's Proportionate Share of Net Pension Liability Last Nine Fiscal Years\*\*

Fiscal year ended August 31*,	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportionate share of collective net pension liability (%)	0.1503604816%	0.1491190618%	0.1466583601%	0.1465692386%	0.1513076223%	0.1709877316%	0.1591812086%	0.162917000%	0.181406100%
District's proportionate share of collective net pension liability (\$)	\$ 89,265,151	\$ 37,975,348	\$ 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	72,592,477	32,006,223	66,451,167	62,672,785	67,075,692	31,367,944	34,396,610	31,874,468	25,023,180
Total	161,857,628	69,981,571	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	\$ 165,846,480	\$ 156,470,787	\$ 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	53.82%	24.27%	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	75.62%	88.79%	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 Nine Fiscal Years\*\*

Fiscal year ended August 31*,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Legally required contributions	\$ 7,889,279	\$ 7,015,286	\$ 6,363,260	\$ 6,051,648	\$ 5,128,423	\$ 5,091,852	\$ 5,603,980	\$ 5,057,590	\$ 4,824,042
Actual contributions	7,889,279	7,015,286	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	\$ 181,562,648	\$ 165,846,480	\$ 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	4.35%	4.23%	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, 2023

#### Changes since Prior Actuarial Valuation

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the previous actuarial valuation as of August 31, 2021. For a full description of these assumptions, see the actuarial valuation report dated November 12, 2021 at the following link: <https://www.trs.texas.gov/TRS%20Documents/actuarial-valuation-pension-fund-2021.pdf>.

#### Factors that Significantly Affect Trends in Pension RSI Schedules

2023: Changes of assumptions: The discount rate was changed from 7.25% to 7.00%.

2022: Changes of assumptions: The public education employer contribution rate changed from 1.5% in measurement year 2020 to 1.6% in measurement year 2021.

2021: Changes of assumptions: The state and employer contribution rate changed from 6.8% to 7.5%. The 1.5% public education employer contribution applied to just employers whose employees were not covered by OASDI in measurement year 2019 and it changed in measurement year 2020 to apply to all public schools, charter schools and regional education centers irrespective of participation in OASDI.

2020: None.

2019: Changes of assumptions: The discount rate changed from 8.0% as of the August 31, 2017 measurement date to a blended rate of 6.907% as of the August 31, 2018 measurement date. The long-term assumed rate of return changed from 8.0% as of the August 31, 2017 measurement date to 7.25% as of the August 31, 2018 measurement date. Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ended August 31, 2017. The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Schedule of District's Proportionate Share of Net OPEB Liability Last 6 Fiscal Years\*\*

Fiscal year ended August 31*,	2023	2022	2021	2020	2019	2018
District's proportionate share of collective net OPEB liability (%)	0.59295167%	0.57490306%	0.55109854%	0.54897548%	0.54929788%	0.46476038%
District's proportionate share of collective net OPEB liability (\$)	\$ 168,913,939	\$ 206,249,390	\$ 182,108,484	\$ 189,740,609	\$ 162,799,490	\$ 158,357,860
State's proportionate share of net OPEB liability associated with District	139,914,890	171,379,645	157,821,125	163,945,598	138,602,473	138,445,196
Total	308,828,829	377,629,035	339,929,609	353,686,207	301,401,963	296,803,056
District's covered employee payroll	\$ 185,032,712	\$ 172,319,143	\$ 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	91.29%	119.69%	108.98%	121.58%	105.68%	105.10%
ERS fiduciary net position as percentage of the total OPEB liability	0.57%	0.38%	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 6 Fiscal Years\*\*

Fiscal year ended August 31*,	2023	2022	2021	2020	2019	2018
Legally required contributions	\$ 5,271,176	\$ 5,124,159	\$ 4,847,826	\$ 4,771,778	\$ 4,629,201	\$ 4,465,565
Actual contributions***	5,271,176	5,124,159	4,847,826	4,771,778	4,629,201	4,465,565
Contributions deficiency (excess)	-	-	-	-	-	-
District's covered employee payroll	\$ 200,795,566	\$ 185,032,712	\$ 172,319,143	\$ 167,098,184	\$ 156,063,712	\$ 154,055,166
Contributions as a percentage of covered employee payroll	2.63%	2.77%	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 \$3,447,983, as reported in Footnote 19. 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, 2023

#### 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 2.14% to 3.56% 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.
- 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 retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Assumed Per Capita Health Benefit Costs and 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 Outcomes Research Institute (PCORI) fee payable under the Affordable Health Care Act (ACA) has been updated to reflect recent the most recent information available.

#### 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 FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

## **Supplementary Information**





**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule A  
Schedule of Operating Revenues  
For the Year Ended August 31, 2023  
With Memorandum Totals for the Year Ended August 31, 2022**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY23 Total	(Restated) FY22*** Total
<b>OPERATING REVENUES:</b>						
<b>Tuition</b>						
State-funded courses						
In-District resident tuition	\$ 82,514,198	\$ -	\$ 82,514,198	\$ -	\$ 82,514,198	\$ 76,203,302
Out-of-District resident tuition	27,954,081	-	27,954,081	-	27,954,081	26,465,101
Non-resident tuition	11,170,900	-	11,170,900	-	11,170,900	11,860,512
TPEG - credit set aside*	5,646,012	-	5,646,012	-	5,646,012	5,962,399
State-funded continuing education	3,073,911	(58,800)	3,015,111	-	3,015,111	2,104,002
TPEG - Non-credit set aside*	192,454	-	192,454	-	192,454	134,297
Non-State-funded continuing education	936,767	-	936,767	-	936,767	3,596,662
Total tuition	<u>131,488,323</u>	<u>(58,800)</u>	<u>131,429,523</u>	<u>-</u>	<u>131,429,523</u>	<u>126,326,275</u>
<b>Fees</b>						
Student activity fees	2,432,933	-	2,432,933	-	2,432,933	2,251,505
Institutional materials fees	2,331,548	-	2,331,548	-	2,331,548	-
Processing fees	715,100	-	715,100	-	715,100	861,600
Testing fees	114,912	-	114,912	-	114,912	108,665
Other fees	235,787	-	235,787	-	235,787	234,138
Total fees	<u>5,830,280</u>	<u>-</u>	<u>5,830,280</u>	<u>-</u>	<u>5,830,280</u>	<u>3,455,908</u>
Total tuition and fees	<u>137,318,603</u>	<u>(58,800)</u>	<u>137,259,803</u>	<u>-</u>	<u>137,259,803</u>	<u>129,782,183</u>
<b>Allowances and discounts</b>						
Institutional allowances and scholarships	(9,406,838)	-	(9,406,838)	-	(9,406,838)	(8,807,675)
Remissions and exemptions - state	(5,079,075)	-	(5,079,075)	-	(5,079,075)	(4,374,049)
Remissions and exemptions - local - dual credit	(24,644,461)	-	(24,644,461)	-	(24,644,461)	(25,438,215)
Federal grants to students	-	(40,325,112)	(40,325,112)	-	(40,325,112)	(36,598,316)
TPEG awards	-	(2,971,180)	(2,971,180)	-	(2,971,180)	(3,159,774)
State grants to students	-	(2,565,078)	(2,565,078)	-	(2,565,078)	(3,004,447)
Other local awards	-	(7,501,382)	(7,501,382)	-	(7,501,382)	(2,960,529)
Total allowances and discounts	<u>(39,130,374)</u>	<u>(53,362,752)</u>	<u>(92,493,126)</u>	<u>-</u>	<u>(92,493,126)</u>	<u>(84,343,005)</u>
Total net tuition and fees	<u>98,188,229</u>	<u>(53,421,552)</u>	<u>44,766,677</u>	<u>-</u>	<u>44,766,677</u>	<u>45,439,178</u>
<b>Other operating revenues</b>						
Federal grants and contracts	-	22,002,312	22,002,312	-	22,002,312	22,241,508
State grants and contracts	-	1,370,715	1,370,715	-	1,370,715	2,369,756
Local grants and contracts	901,382	11,055,532	11,956,914	-	11,956,914	9,478,470
Non-governmental grants and contracts	-	3,359,090	3,359,090	-	3,359,090	1,424,254
Other operating revenues	6,573,233	(858,037)	5,715,196	-	5,715,196	6,069,838
Total other operating revenues	<u>7,474,615</u>	<u>36,929,612</u>	<u>44,404,227</u>	<u>-</u>	<u>44,404,227</u>	<u>41,583,826</u>
<b>Sales and services of auxiliary enterprises</b>						
Bookstore commission**	-	-	-	(41,612)	(41,612)	117,646
Palo Alto College natatorium	-	-	-	47,839	47,839	37,068
Day care centers	-	-	-	589,816	589,816	434,166
Vending machines and copiers	-	-	-	194,879	194,879	138,550
Campus access fees and fines	-	-	-	1,934,337	1,934,337	1,890,355
Auxiliary-restricted	-	-	-	(150,268)	(150,268)	(121,102)
Other	-	-	-	267,491	267,491	260,687
Total sales and services of auxiliary enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,842,482</u>	<u>2,842,482</u>	<u>2,757,370</u>
Total operating revenues	<u>\$ 105,662,844</u>	<u>\$ (16,491,940)</u>	<u>\$ 89,170,904</u>	<u>\$ 2,842,482</u>	<u>\$ 92,013,386</u>	<u>\$ 89,780,374</u>
				(Exhibit 2)		(Exhibit 2)

\*In accordance with Education Code 56.033, \$5,838,466 and \$6,096,696 of tuition was set aside for the Texas Public Education Grant for the years ended August 31, 2023 and 2022, respectively.

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

\*\*\*Due to the effects of a reclassification certain FY22 balances have been restated.

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule B  
Schedule of Operating Expenses by Object  
For the Year Ended August 31, 2023  
With Memorandum Totals for the Year Ended August 31, 2022**

	Salaries and Wages	Benefits		Other Expenses	FY23 Total	*Restated FY22*
		State	Local			Total
<b>OPERATING EXPENSES:</b>						
<b>Unrestricted - educational activities</b>						
Instruction	\$ 109,922,937	\$ -	\$ 21,038,794	\$ 25,161,853	\$ 156,123,584	\$ 126,700,984
Public service	936,036	-	200,174	490,622	1,626,832	1,486,570
Academic support	17,330,174	-	3,552,695	5,669,850	26,552,719	22,947,576
Student services	38,765,296	-	8,641,047	12,669,950	60,076,293	50,911,111
Institutional support	54,420,798	-	11,321,541	22,951,289	88,693,628	75,733,517
Operation and maintenance of plant	7,826,147	-	2,022,123	33,475,768	43,324,038	38,885,696
Scholarships and fellowships	-	-	-	2,168,856	2,168,856	825,303
<b>Total unrestricted educational activities</b>	<b>229,201,388</b>	<b>-</b>	<b>46,776,374</b>	<b>102,588,188</b>	<b>378,565,950</b>	<b>317,490,757</b>
<b>Restricted - educational activities</b>						
Instruction	1,524,807	5,470,934	350,670	9,066,424	16,412,835	14,714,111
Public service	8,683	52,229	1,837	106,393	169,142	114,295
Academic support	2,381,767	1,031,758	510,931	2,574,963	6,499,419	4,467,519
Student services	5,876,094	2,397,662	833,320	3,200,622	12,307,698	8,675,385
Institutional support	3,677,419	3,224,527	784,283	23,676,474	31,362,703	30,593,062
Operation and maintenance of plant	190,103	454,711	36,254	17,528,905	18,209,973	8,834,909
Scholarships and fellowships	-	-	-	65,731,175	65,731,175	103,771,759
<b>Total restricted educational activities</b>	<b>13,658,873</b>	<b>12,631,821</b>	<b>2,517,295</b>	<b>121,884,956</b>	<b>150,692,945</b>	<b>171,171,040</b>
<b>Total educational activities</b>	<b>242,860,261</b>	<b>12,631,821</b>	<b>49,293,669</b>	<b>224,473,144</b>	<b>529,258,895</b>	<b>488,661,797</b>
Auxiliary enterprises - unrestricted	539,092	-	130,537	185,961	855,590	1,035,395
Auxiliary enterprises - restricted	27,992	36,733	21,839	99,897	186,461	169,271
Depreciation expense - buildings	-	-	-	35,779,773	35,779,773	32,202,596
Depreciation expense - equipment	-	-	-	8,397,539	8,397,539	7,177,112
<b>Total operating expenses</b>	<b>\$ 243,427,345</b>	<b>\$ 12,668,554</b>	<b>\$ 49,446,045</b>	<b>\$ 268,936,314</b>	<b>\$ 574,478,258</b>	<b>\$ 529,246,171</b>
					(Exhibit 2)	(Exhibit 2)

\* Due to the effects of a reclassification certain FY22 balances have been restated.

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule C  
Schedule of Non-Operating Revenues and Expenses  
For the Year Ended August 31, 2023  
With Memorandum Totals for the Year Ended August 31, 2022**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY23 Total	(Restated) FY22* Total
<b>NON-OPERATING REVENUES:</b>						
State appropriations						
Education and general state support	\$ 63,938,377	\$ -	\$ 63,938,377	\$ -	\$ 63,938,377	\$ 63,938,377
State group insurance	-	4,783,719	4,783,719	-	4,783,719	7,977,064
State retirement match	-	7,884,835	7,884,835	-	7,884,835	1,029,256
Ad valorem taxes						
Taxes for maintenance and operations	229,619,121	-	229,619,121	-	229,619,121	198,786,795
Taxes for maintenance and operations-MTN	46,247,762	-	46,247,762	-	46,247,762	24,140,547
Taxes for debt service	-	42,173,257	42,173,257	-	42,173,257	52,405,149
Federal revenue, non-operating	-	181,190,755	181,190,755	-	181,190,755	189,360,434
State revenue, non-operating	-	5,068,138	5,068,138	-	5,068,138	4,778,583
Gifts	1,582,277	763,677	2,345,954	-	2,345,954	3,286,946
Investment income (loss)	10,130,938	11,893,908	22,024,846	-	22,024,846	(4,248,039)
Total non-operating revenues	<u>351,518,475</u>	<u>253,758,289</u>	<u>605,276,764</u>	<u>-</u>	<u>605,276,764</u>	<u>541,455,112</u>
<b>NON-OPERATING EXPENSES:</b>						
Interest on capital-related debt	-	(17,801,191)	(17,801,191)	-	(17,801,191)	(19,267,483)
Interest on capital-related debt-MTN	(12,327,762)	-	(12,327,762)	-	(12,327,762)	(1,790,547)
Gain (loss) on disposal of capital assets	1,949,945	(86,651)	1,863,294	-	1,863,294	188
Other non-operating expenses	-	(1,905,882)	(1,905,882)	-	(1,905,882)	27,644
Total non-operating expenses	<u>(10,377,817)</u>	<u>(19,793,724)</u>	<u>(30,171,541)</u>	<u>-</u>	<u>(30,171,541)</u>	<u>(21,030,198)</u>
Net non-operating revenues	<u>\$ 341,140,658</u>	<u>\$ 233,964,565</u>	<u>\$ 575,105,223</u>	<u>\$ -</u>	<u>\$ 575,105,223</u>	<u>\$ 520,424,914</u>

(Exhibit 2)

(Exhibit 2)

\*Due to the implementation of GASB 96, certain FY2022 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, 2023 With Memorandum Totals for the Year Ended August 31, 2022

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ (166,604,967)	\$ -	\$ -	\$ -	\$ (166,604,967)	\$ -	\$ (166,604,967)
Board-designated	3,278,495	-	-	-	3,278,495	-	3,278,495
Restricted	-	11,135,062	-	-	11,135,062	-	11,135,062
Auxiliary enterprises	5,547,271	-	-	-	5,547,271	-	5,547,271
Loan	203,398	-	-	-	203,398	203,398	-
Plant:							
Unexpended	25,224,546	25,777,016	-	-	51,001,562	25,224,546	25,777,016
Renewals	57,489,265	7,973,125	-	-	65,462,390	57,489,265	7,973,125
Debt service	-	14,883,008	-	-	14,883,008	-	14,883,008
Net investment in capital assets	-	-	-	502,437,612	502,437,612	-	502,437,612
 Total net position, August 31, 2023	 (74,861,992)	 59,768,211	 -	 502,437,612	 487,343,831 (Exhibit 1)	 82,917,209	 404,426,622
 Total net position, August 31, 2022, as restated (Note 2)	 (87,257,147)	 52,292,621	 -	 425,687,526	 390,723,000 (Exhibit 1)	 56,100,544	 334,622,456
 Net increase in net position	 <u>\$ 12,395,155</u>	 <u>\$ 7,475,590</u>	 <u>\$ -</u>	 <u>\$ 76,750,086</u>	 <u>\$ 96,620,831</u> (Exhibit 2)	 <u>\$ 26,816,665</u>	 <u>\$ 69,804,166</u>

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule E  
Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
<b>U.S. DEPARTMENT OF EDUCATION</b>					
Student Financial Assistance Cluster					
Federal Supplemental Educational Opportunity Grants	84.007	\$ 4,278,754	\$ -	\$ 4,278,754	\$ - *
Federal Work-Study Program	84.033	2,855,696	-	2,855,696	- *
Federal Pell Grant Program	84.063	91,573,132	-	91,573,132	- *
Federal Direct Student Loans	84.268	16,080,270	-	16,080,270	- *
Total Student Financial Assistance Cluster		114,787,852	-	114,787,852	-
TRIO Cluster					
TRIO Student Support Services	84.042	697,198	-	697,198	-
TRIO Talent Search	84.044	521,162	-	521,162	-
TRIO Upward Bound	84.047	1,444,686	-	1,444,686	-
TRIO Educational Opportunity Centers	84.066	258,173	-	258,173	-
Total TRIO Cluster		2,921,219	-	2,921,219	-
Adult Education - Basic Grants to States					
Texas Workforce Commission	84.002	-	377,670	377,670	-
2019AEL000		-	(210)	(210)	-
2022AEL002		-	131,613	131,613	-
Total	84.002	-	509,073	509,073	-
Higher Education Institutional Aid					
University of Texas at San Antonio	84.031	-	188,313	188,313	-
1000002502		10,164,910	-	10,164,910	205,337
Total	84.031	10,164,910	188,313	10,353,223	205,337
Career and Technical Education -- Basic Grants to States					
Texas Higher Education Coordinating Board	84.048	-	(1,391)	(1,391)	-
224212		-	2,115,985	2,115,985	-
Total	84.048	-	2,114,594	2,114,594	-
Education Research, Development and Dissemination					
Texas Higher Education Foundation	84.305	-	4,324	4,324	-
GM10155_150692		-	4,324	4,324	-
Total	84.305	-	4,324	4,324	-
Child Care Access Means Parents in Schools					
P335A210101	84.335	7,059	-	7,059	-
		429,237	-	429,237	-
Total	84.335	436,296	-	436,296	-
COVID-19-Education Stabilization Fund Governor's Emergency Education Relief (GEER) Fund					
Texas Higher Education Coordinating Board	84.425 C	-	83,184	83,184	- *
28357		-	1,799	1,799	- *
28376		-	39,750	39,750	- *
26549		-	131,506	131,506	- *
28578		-	244,093	244,093	- *
24096		-	191,743	191,743	- *
25642		-	186,810	186,810	- *
25869		-	6,290	6,290	- *
26155		-	50,000	50,000	- *
27298		-	193,515	193,515	- *
28559		-	204	204	- *
28578		-	204	204	- *
Total	84.425 C	-	1,128,894	1,128,894	-
COVID-19-Education Stabilization Fund - HEERF Student Aid Portion	84.425 E	2,789,063	-	2,789,063	- *
COVID-19-Education Stabilization Fund - HEERF Institutional Portion	84.425 F	24,225,884	-	24,225,884	- *
COVID-19-Education Stabilization Fund - HEERF Historically Black Colleges and Universities (HBCUs)	84.425 J	52,548,416	-	52,548,416	- *
COVID-19-Education Stabilization Fund - HEERF Minority Serving Institutions (MSIs)	84.425 L	3,773,833	-	3,773,833	- *
COVID-19-Education Stabilization Fund - HEERF Supplemental Assistance to Institutional of Higher Education (SAIHE) Program	84.425 S	333,476	-	333,476	- *
Total	84.425	83,670,672	1,128,894	84,799,566	-
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>		<b>211,980,949</b>	<b>3,945,198</b>	<b>215,926,147</b>	<b>205,337</b>

\*Major program

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule E  
Schedule of Expenditures of Federal Awards – (Continued)  
For the Year Ended August 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
Hispanic Serving Institutions Education Grants University of Texas at San Antonio	10.223	\$ -	\$ 46,495	\$ 46,495	\$ -
Total	10.223	-	46,495	46,495	-
Soil and Water Conservation	10.902	(58)	-	(58)	-
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>		<b>(58)</b>	<b>46,495</b>	<b>46,437</b>	<b>-</b>
<b>U.S. DEPARTMENT OF DEFENSE</b>					
National Defense Education Program HQ00342220008	12.006				
Total	12.006	231,768	-	231,768	-
Information Security Grants University Enterprises Corporation at CSUSB H98230-20-1-0292 SUB SA0135	12.902				
Total	12.902	-	7,181	7,181	-
GenCyber Grants Program	12.903	158,965	-	158,965	-
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	-	225,001	225,001	-
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>		<b>390,733</b>	<b>402,418</b>	<b>793,151</b>	<b>-</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	85,356	-	85,356	-
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>		<b>85,356</b>	<b>-</b>	<b>85,356</b>	<b>-</b>
<b>U.S. DEPARTMENT OF LABOR</b>					
WIOA Cluster WIOA Dislocated Worker Formula Grants Texas Workforce Commission 2023ATP0001	17.278				
Total	17.278	-	30,160	30,160	-
Total WIOA Cluster		-	30,160	30,160	-
H-1B Job Training Grants HG-34353-20-60-A-48	17.268				
Total	17.268	303,805	-	303,805	-
Apprenticeship USA Grants	17.285	601,631	-	601,631	-
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>		<b>905,436</b>	<b>30,160</b>	<b>935,596</b>	<b>-</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>					
Commercial Motor Vehicle Operator Safety Training Grants	20.235	70,000	-	70,000	-
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>		<b>70,000</b>	<b>-</b>	<b>70,000</b>	<b>-</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>					
Office of Stem Engagement (OSTEM) 80NSSC22K0445 University of Texas at San Antonio 1000003325 PRIME 80NSSC19M0194	43.008				
Total	43.008	9,699	-	9,699	-
<b>TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>		<b>9,699</b>	<b>53,903</b>	<b>63,602</b>	<b>-</b>

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule E  
Schedule of Expenditures of Federal Awards – (Continued)  
For the Year Ended August 31, 2023**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	ALN	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>					
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development AC-269185-20	45.162	\$ 19,071	\$ -	\$ 19,071	\$ -
<b>TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES</b>		<b>19,071</b>	<b>-</b>	<b>19,071</b>	<b>-</b>
<b>NATIONAL SCIENCE FOUNDATION</b>					
Research & Development Cluster STEM Education (formerly Education and Human Resources) Arizona State University ASUB00000918 St. Mary's University 121185	47.076	556,848	-	556,848	-
		-	73,625	73,625	-
		-	90,339	90,339	-
Total Research & Development Cluster and ALN	47.076	556,848	163,965	720,812	-
<b>TOTAL NATIONAL SCIENCE FOUNDATION</b>		<b>556,848</b>	<b>163,965</b>	<b>720,812</b>	<b>-</b>
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>					
TANF Cluster Temporary Assistance for Needy Families Education Service Center Region 20 320-18-01 BLENDED MUL FED & S Texas Workforce Commission 2023SMP002	93.558		31,884	31,884	-
			57,904	57,904	-
Total TANF Cluster and ALN	93.558	-	89,788	89,788	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance University of Texas at Austin UTA17-000808	93.243		20,363	20,363	-
Total	93.243	-	20,363	20,363	-
Welfare Reform Research, Evaluations and National Studies	93.595	24,000	-	24,000	-
Total	93.595	24,000	-	24,000	-
<b>TOTAL U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>		<b>24,000</b>	<b>110,151</b>	<b>134,151</b>	<b>-</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
AmeriCorps Public Allies Inc 21NDEWI0010016 22ND240903	94.006		230,120	230,120	-
			248,894	248,894	-
Total	94.006	-	479,014	479,014	-
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>		<b>-</b>	<b>479,014</b>	<b>479,014</b>	<b>-</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b>\$ 214,042,034</b>	<b>\$ 5,231,303</b>	<b>\$ 219,273,337</b>	<b>\$ 205,337</b>

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, 2023

### 1. BASIS FOR PRESENTATION

The Alamo Community College District (the District) is comprised of San Antonio College, St. Philip's College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College. The purpose of the Schedule of Expenditures of Federal Awards (the Schedule) is to present a summary of those activities of the District that have been financed by the United States Government (federal awards). Federal awards received directly from federal agencies are included in the Schedule. Additionally, all federal awards passed through from other entities have been included on the Schedule. Although the District is required to match certain grants, as defined in the grants, no such matching is included in the Schedule. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, statement of activities, or cash flows of the District.

### 2. FEDERAL ASSISTANCE RECONCILIATION

Other Operating Revenues - federal grants and contracts - per Schedule A	\$ 22,002,312
Add: Non-Operating Revenues - federal revenue, non-operating - per Schedule C	<u>181,190,755</u>
Total Federal Revenues per Schedule A and C	203,193,067
Reconciling Items:	
Add: Federal Direct Student Loans	16,080,270
Less: Federal contracts (Note 4 below)	<u>-</u>
Total Federal Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 219,273,337</u>

### 3. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The expenditures included in the schedule are reported for the District's fiscal year. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. 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.

### 4. EXPENDITURES NOT SUBJECT TO FEDERAL SINGLE AUDIT

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

### 5. 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, 2023 totaled \$16,080,270 and are presented as current year federal expenditures.

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule E**

**Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2023**

**6. NONCASH AWARDS**

There were no federal noncash awards in fiscal year 2023 other than Federal Direct Student Loans discussed in Note 5 above.

**ALAMO COMMUNITY COLLEGE DISTRICT**

**Schedule F  
Schedule of Expenditures of State Awards  
For the Year Ended August 31, 2023**

State Grantor/Pass-Through Grantor/Program Title	Grantor's Award Number	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
<b>TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS</b>					
City of San Antonio					
Student Homeless Youth Emergency Aid		\$ -	\$ (2,883)	\$ (2,883)	\$ -
<b>TOTAL TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS</b>		<b>-</b>	<b>(2,883)</b>	<b>(2,883)</b>	<b>-</b>
<b>TEXAS HIGHER EDUCATION COORDINATING BOARD</b>					
College Readiness and Completion Models	25278	60,014	-	60,014	-
Comprehensive College Readiness and Success Model for 60x30TX	20521	36,176	-	36,176	-
Comprehensive College Readiness and Success Model for 60x30TX	18671	1,771	-	1,771	-
Total Comprehensive College Readiness and Success Model for 60x30TX		37,947	-	37,947	-
Educational Aide Exemption		3,652	-	3,652	-
Nursing & Allied Health-Supporting Clinical Learning to Mitigate Impediments due to COVID-19	23782	28,484	-	28,484	-
Nursing & Allied Health-Supporting Clinical Learning to Mitigate Impediments due to COVID-19	23839	18,412	-	18,412	-
Total Nursing & Allied Health-Supporting Clinical Learning to Mitigate Impediments due to COVID-19		46,896	-	46,896	-
Nursing Shortage Reduction Program Regular	27017	111,394	-	111,394	-
Nursing Shortage Reduction Program Regular	27025	50,813	-	50,813	-
Total Nursing Shortage Reduction Program Regular		162,207	-	162,207	-
Professional Nursing Shortage Reduction Program - Under 70		(616)	-	(616)	-
Texas College Work Study		204,504	-	204,504	-
Texas Educational Opportunity Grant Initial		3,066,478	-	3,066,478	-
Texas Educational Opportunity Grant Renewal		1,793,504	-	1,793,504	-
Total Texas Educational Opportunity Grant		4,859,982	-	4,859,982	-
<b>TOTAL TEXAS HIGHER EDUCATION COORDINATING BOARD</b>		<b>5,374,587</b>	<b>-</b>	<b>5,374,587</b>	<b>-</b>
<b>TEXAS WORKFORCE COMMISSION</b>					
Adult Education - Basic Grants to States	2023SSD001	44,613	-	44,613	-
Apprenticeship Training Program	2023ATP0001	74,348	-	74,348	-
Childcare Relief Fund		257,403	-	257,403	-
Jobs and Education for Texans (JET) Grant	20222JET001	195,866	-	195,866	-
Education Service Center Region 20					
Adult Education - Basic Grants to States		-	62,336	62,336	-
<b>TOTAL TEXAS WORKFORCE COMMISSION</b>		<b>572,230</b>	<b>62,336</b>	<b>634,566</b>	<b>-</b>
<b>THE UNIVERSITY OF TEXAS AT SAN ANTONIO</b>					
Bexar County Fostering Educational Success Pilot Project	N/A	432,583	-	432,583	-
<b>TOTAL THE UNIVERSITY OF TEXAS AT SAN ANTONIO</b>		<b>432,583</b>	<b>-</b>	<b>432,583</b>	<b>-</b>
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>		<b>\$ 6,379,400</b>	<b>\$ 59,453</b>	<b>\$ 6,438,853</b>	<b>\$ -</b>

\*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, 2023**

**1. BASIS FOR PRESENTATION**

The Alamo Community College District (the District) is comprised of San Antonio College, St. Philip’s College, Palo Alto College, Northeast Lakeview College, and Northwest Vista College. The purpose of the Schedule of Expenditures of State Awards (the Schedule) is to present a summary of those activities of the District that have been financed by the State of Texas (state awards). State awards received directly from the State of Texas are included in the Schedule. Additionally, all state awards passed through from other entities have been included on the Schedule. Although the District is required to match certain grants, as defined in the grants, no such matching is included in the Schedule. The information in this Schedule is presented in accordance with the requirements of the Texas Grant Management Standards (TxGMS). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, statement of activities, or cash flows of the District.

**2. STATE ASSISTANCE RECONCILIATION**

Other Operating Revenues - state grants and contracts - per Schedule A	\$ 1,370,715
Add: Non-Operating Revenues - state revenue, non-operating - per Schedule C	<u>5,068,138</u>
Total State Revenues per Schedule A and C	6,438,853
Reconciling Items:	
Less: State contracts (Note 3 below)	<u>-</u>
Total State Expenditures per Schedule of Expenditures of State Awards	<u>\$ 6,438,853</u>

**3. 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.

**4. EXPENDITURES NOT SUBJECT TO STATE SINGLE AUDIT**

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

**5. NONCASH AWARDS**

There were no state noncash awards received in fiscal year 2023.



**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,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net investment in capital assets	\$ 502,438	\$ 423,582	\$ 372,565	\$ 335,842	\$ 318,710	\$ 275,577	\$ 253,835	\$ 210,275	\$ 188,810	\$ 180,647
Restricted - expendable	59,768	52,292	46,230	36,103	20,298	19,840	10,545	24,591	24,241	18,633
Unrestricted	(74,862)	(86,294)	(113,268)	(145,335)	(155,975)	(158,554)	30,309	29,847	26,030	86,223
<b>Total</b>	<b>487,344</b>	<b>390,723</b>	<b>305,527</b>	<b>226,610</b>	<b>183,032</b>	<b>136,863</b>	<b>294,689</b>	<b>264,713</b>	<b>239,081</b>	<b>285,503</b>
Net position, beginning of year <sup>1,2,3,4</sup>	390,723	305,527	226,610	191,164	136,863	294,689	264,713	239,081	230,602	288,048
Increase (decrease) in net position	\$ 96,621	\$ 85,196	\$ 78,916	\$ 35,446	\$ 46,170	\$ 27,024	\$ 29,976	\$ 25,632	\$ 8,479	\$ (2,545)

<sup>1</sup>In fiscal year 2022, net position as of the beginning of the year was restated (reduced) by \$24,827 for the cumulative effect of applying GASB Statement No. 87.

<sup>2</sup>In 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.

<sup>3</sup>In 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.

<sup>4</sup>In 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,																			
	2023		2022*		2021		2020		2019		2018		2017		2016		2015		2014	
<b>OPERATING REVENUES:</b>																				
Tuition and fees (net of discounts)	\$ 44,767	6.4%	\$ 45,439	7.2%	\$ 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%
<b>Governmental grants and contracts</b>																				
Federal grants and contracts	22,002	3.2%	22,242	3.5%	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%
State grants and contracts	1,371	0.2%	2,370	0.4%	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%
Local grants and contracts	11,957	1.7%	9,478	1.5%	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%
Non-governmental grants and contracts	3,359	0.5%	1,424	0.2%	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%
Auxiliary enterprises	2,842	0.4%	2,757	0.4%	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%
Other operating revenue	5,716	0.8%	6,071	1.0%	5,519	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%
<b>Total operating revenues</b>	<b>92,014</b>	<b>13.2%</b>	<b>89,781</b>	<b>14.2%</b>	<b>93,279</b>	<b>16.5%</b>	<b>86,533</b>	<b>16.4%</b>	<b>89,858</b>	<b>17.8%</b>	<b>86,052</b>	<b>17.7%</b>	<b>93,933</b>	<b>20.3%</b>	<b>90,919</b>	<b>20.4%</b>	<b>83,959</b>	<b>19.9%</b>	<b>85,586</b>	<b>20.8%</b>
<b>NON-OPERATING REVENUES:</b>																				
State appropriations	76,607	11.0%	72,945	11.6%	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%
Ad valorem taxes	318,040	45.6%	275,332	43.6%	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%
Federal revenue, non-operating	181,191	26.0%	189,360	30.0%	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%
State revenue, non-operating	5,068	0.7%	4,779	0.8%	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%
Gifts	2,346	0.3%	3,287	0.5%	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%
Investment income, non-operating	22,025	3.2%	(4,248)	-0.7%	662	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%
<b>Total non-operating revenues</b>	<b>605,277</b>	<b>86.8%</b>	<b>541,455</b>	<b>85.8%</b>	<b>479,492</b>	<b>83.5%</b>	<b>439,908</b>	<b>83.6%</b>	<b>415,660</b>	<b>82.2%</b>	<b>398,041</b>	<b>82.3%</b>	<b>371,586</b>	<b>79.7%</b>	<b>353,700</b>	<b>79.6%</b>	<b>337,218</b>	<b>80.1%</b>	<b>326,100</b>	<b>79.2%</b>
<b>Total revenues</b>	<b>\$ 697,291</b>	<b>100.0%</b>	<b>\$ 631,236</b>	<b>100.0%</b>	<b>\$ 572,771</b>	<b>100.0%</b>	<b>\$ 526,442</b>	<b>100.0%</b>	<b>\$ 505,518</b>	<b>100.0%</b>	<b>\$ 484,093</b>	<b>100.0%</b>	<b>\$ 465,519</b>	<b>100.0%</b>	<b>\$ 444,619</b>	<b>100.0%</b>	<b>\$ 421,177</b>	<b>100.0%</b>	<b>\$ 411,686</b>	<b>100.0%</b>

\*Certain FY22 balances were reclassified to conform with the FY23 presentation. 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,																			
	2023		2022*		2021		2020		2019		2018		2017		2016		2015		2014	
<b>OPERATING EXPENSES:</b>																				
Instruction	\$ 172,534	28.5%	\$ 141,413	25.8%	\$ 140,251	27.8%	\$ 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%
Public service	1,796	0.3%	1,601	0.3%	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%
Academic support	33,052	5.5%	27,415	5.0%	28,152	5.6%	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%
Student services	72,384	12.0%	59,586	10.9%	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%
Institutional support	120,056	19.9%	106,327	19.4%	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%
Operation and maintenance of plant	61,534	10.2%	47,721	8.7%	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%
Scholarships and fellowships	67,900	11.2%	104,597	19.1%	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%
Auxiliary enterprises	1,042	0.2%	1,205	0.2%	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%
Depreciation and amortization	44,177	7.3%	39,380	7.2%	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%
<b>Total operating expenses</b>	<b>574,475</b>	<b>95.1%</b>	<b>529,245</b>	<b>96.6%</b>	<b>484,466</b>	<b>96.3%</b>	<b>468,363</b>	<b>94.5%</b>	<b>433,593</b>	<b>94.4%</b>	<b>431,988</b>	<b>94.5%</b>	<b>412,259</b>	<b>94.6%</b>	<b>392,502</b>	<b>93.6%</b>	<b>387,046</b>	<b>93.8%</b>	<b>383,706</b>	<b>92.7%</b>
<b>NON-OPERATING EXPENSES:</b>																				
Interest on capital-related debt and MTN	30,130	5.0%	19,268	3.5%	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%
Other non-operating expenses	(1,907)	-0.4%	28	-0.1%	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%
(Gain) loss on disposal of capital assets	1,949	0.3%	-	0.0%	(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%
<b>Total non-operating expenses</b>	<b>30,172</b>	<b>4.9%</b>	<b>19,296</b>	<b>3.4%</b>	<b>19,513</b>	<b>3.7%</b>	<b>27,091</b>	<b>5.5%</b>	<b>25,755</b>	<b>5.6%</b>	<b>25,081</b>	<b>5.5%</b>	<b>23,283</b>	<b>5.4%</b>	<b>26,486</b>	<b>6.4%</b>	<b>25,652</b>	<b>6.2%</b>	<b>30,525</b>	<b>7.3%</b>
<b>Total expenses</b>	<b>\$ 604,647</b>	<b>100.0%</b>	<b>\$ 548,541</b>	<b>100.0%</b>	<b>\$ 503,979</b>	<b>100.0%</b>	<b>\$ 495,454</b>	<b>100.0%</b>	<b>\$ 459,348</b>	<b>100.0%</b>	<b>\$ 457,069</b>	<b>100.0%</b>	<b>\$ 435,542</b>	<b>100.0%</b>	<b>\$ 418,988</b>	<b>100.0%</b>	<b>\$ 412,698</b>	<b>100.0%</b>	<b>\$ 414,231</b>	<b>100.0%</b>

\*Certain FY22 balances were reclassified to conform with the FY23 presentation. See note 2.

## 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	Student Support Service Fee	Campus Access 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 2022	\$ 99.00	\$ 215.00	\$ 36.00	\$ 25.00	\$ -	\$ 1,249.00	\$ 2,641.00	0.00%	0.00%
Fall 2021	99.00	215.00	36.00	25.00	-	1,249.00	2,641.00	0.00%	0.00%
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%

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

Academic Year (Fall)	Non-Resident Tuition Out-of-State*	Student Activity Fees	Student Support Service Fee	Campus Access Fee	Cost for 12 SCH Out-of-State	Increase from Prior Year Out-of-State
Fall 2022	\$ 466.00	\$ 36.00	\$ 25.00	\$ -	\$ 5,653.00	0.00%
Fall 2021	466.00	36.00	25.00	-	5,653.00	0.00%
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%

\*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
2022-23	\$ 251,423,625,644	\$ 27,140,857,060	\$ 224,282,768,584	89.21%	0.10776	0.04139	0.14915
2021-22	216,980,124,090	23,533,952,987	193,446,171,103	89.15%	0.10776	0.04139	0.14915
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

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 20 for additional information.

# ALAMO COMMUNITY COLLEGE DISTRICT

## Statistical Supplement 6a General Appropriations Act Before Contact Hour Adjustments<sup>1</sup> Last Ten Fiscal Years (Unaudited)

Appropriation Funding Elements	For the years ended August 31,									
	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
State Appropriation Contact Hour Funding (CH)	\$ 51,200,312	\$51,200,312	\$52,933,963	\$52,933,963	\$52,031,745	\$52,031,745	\$52,680,089	\$52,680,089	\$56,125,968	\$56,125,968
State Appropriation Student Success Points (SSP)	12,057,659	12,057,659	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	680,406	680,406	500,000	500,000	500,000	500,000
State Appropriation Bachelor of Applied Technology (BAT)	-	-	-	-	-	-	-	-	-	-
State Appropriation Non-Formula Items	3,855,480	3,855,480	4,058,400	4,058,400	4,058,400	4,058,400	4,450,000	4,450,000	-	-
<b>Total</b>	<b>\$ 67,793,857</b>	<b>\$67,793,857</b>	<b>\$66,832,878</b>	<b>\$66,832,878</b>	<b>\$63,964,911</b>	<b>\$63,964,911</b>	<b>\$64,283,291</b>	<b>\$64,283,291</b>	<b>\$63,440,459</b>	<b>\$63,440,459</b>

<sup>1</sup> 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 <sup>1</sup>	State Appropriation per FTSE
2023*	\$ 63,938,377	33,283	\$ 1,921
2022*	63,938,377	31,060	2,059
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

<sup>1</sup> 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 Hour<sup>1</sup>  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year Ended	CH - State Appropriation (unrestricted) <sup>2</sup>	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Funded Contact Hours	Appropriation per Funded Contact Hour
2023*	\$ 51,200,312	14,427,408	3,742,339	148,573	18,318,320	2.80
2022*	51,200,312	13,586,840	3,323,578	248,640	17,159,058	2.98
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

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

<sup>2</sup>State 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 Ten Fiscal Years (Unaudited)

Fiscal Year Ended <sup>1</sup>	SSP - State Appropriation (Unrestricted) <sup>2</sup>	3-Year Average Student Success Points <sup>3</sup>	Appropriation per Student Success Point
2023	\$ 12,057,659	97,276	\$ 123.95
2022	12,057,659	97,276	123.95
2021	9,160,109	90,453	101.27
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

<sup>1</sup>The 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.

<sup>2</sup>State Funded student success point appropriation as presented in Schedule 6a

<sup>3</sup>Source: THECB - Ten Pay Schedule

## ALAMO COMMUNITY COLLEGE DISTRICT

### Statistical Supplement 6e Student Success Points (SSP) Last Ten Fiscal Years<sup>1</sup> (Unaudited)

Success Point Elements <sup>1</sup>	For the years ended August 31,									
	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*	2013
Math Readiness	3,263	2,907	3,712	2,934	3,143	2,837	2,742	2,006	2,039	3,778
Read Readiness	1,530	1,522	1,599	1,437	1,553	1,531	1,482	1,097	1,231	2,565
Write Readiness	934	1,229	637	1,028	1,137	1,298	1,253	981	1,111	2,094
Students Who Pass FCL Math Course	10,214	9,567	11,594	9,681	9,367	9,406	9,927	9,909	9,588	8,620
Students Who Pass FCL Read Course	5,464	5,437	5,721	5,237	5,435	5,570	5,305	5,361	5,584	5,515
Students Who Pass FCL Write Course	5,533	5,397	5,719	5,470	5,410	5,444	5,336	5,254	5,209	5,128
Students Who Complete 15 SCH	17,732	17,129	17,986	17,301	17,910	16,721	16,756	15,616	16,164	15,051
Students Who Complete 30 SCH	17,150	10,872	11,578	11,436	11,286	10,835	10,495	10,033	10,180	9,908
Student Transfers to a 4-Yr Inst	19,283	12,170	12,576	13,698	12,310	12,176	12,024	11,504	11,256	11,072
Degrees, CCCs, or Certs (Undup)	12,433	21,224	21,436	20,102	20,658	21,812	21,202	17,530	13,576	11,548
Degrees or Certs in Critical Fields	3,705	3,002	2,144	2,914	2,637	3,022	3,348	3,476	3,049	3,110
Annual Success Points - Total	97,241	90,455	94,702	91,238	90,846	90,652	89,870	82,767	78,987	78,389

<sup>1</sup>These 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)

### Taxable Assessed Value (TAV) (\$000 omitted)

Taxpayer	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Microsoft Corporation	\$ 1,788,565	\$ 1,742,381	\$ 1,410,698	\$ 1,218,175	\$ 906,691	\$ 763,981	\$ 587,517	\$ 438,070	\$ 273,326	\$ 322,193
HEB Grocery Company LP	1,977,862	1,729,339	1,610,697	1,454,000	1,432,683	1,415,595	1,355,150	1,265,838	1,119,370	1,090,006
Methodist Healthcare Systems SA LTD LLP	790,983	762,910	795,870	822,952	779,753	714,781	666,134	616,182	573,090	540,523
Toyota Motor Mfg Texas Inc.	871,872	661,477	563,693	549,276	557,232	516,943	582,068	558,664	560,473	554,647
Wal-Mart Stores, Inc.	654,026	639,272	656,287	700,443	750,514	687,965	679,929	614,127	552,930	512,390
VHS San Antonio Partners LP	503,049	497,176	495,947	521,593	536,674	509,095	520,866	514,599	501,719	469,526
USAA	358,298	355,010	370,431	368,267	332,200	390,986	409,527	361,960	313,438	309,922
La Cantera Specialty Retail LTD Partnership	344,685	329,651	352,702	351,191	-	359,482	354,890	343,303	272,081	228,526
Frankel Family Trust	335,991	307,396	307,022	-	313,777	-	-	-	-	-
BREIT JWM San Antonio LP	292,945	-	-	-	-	-	-	-	-	-
Southwestern Bell Telephone	-	308,179	330,259	369,022	343,011	342,872	352,861	325,075	337,247	351,030
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
<b>Total</b>	<b>\$ 7,918,276</b>	<b>\$ 7,332,791</b>	<b>\$ 6,893,607</b>	<b>\$ 6,697,178</b>	<b>\$ 6,307,560</b>	<b>\$ 5,993,946</b>	<b>\$ 5,826,268</b>	<b>\$ 5,450,847</b>	<b>\$ 4,813,562</b>	<b>\$ 4,599,755</b>

**Total Taxable Assessed Value**      \$ 224,282,768,584      \$ 193,446,171      \$ 183,317,713      \$ 173,515,347      \$ 162,464,184      \$ 151,833,339      \$ 142,113,259      \$ 129,620,064      \$ 114,754,869      \$ 106,941,906

### % of Total Taxable Assessed Value (TAV)

Taxpayer	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Microsoft Corporation	0.00%	0.90%	0.77%	0.70%	0.56%	0.50%	0.41%	0.34%	0.24%	0.30%
HEB Grocery Company LP	0.00%	0.89%	0.88%	0.84%	0.88%	0.93%	0.95%	0.98%	0.98%	1.02%
Methodist Healthcare Systems SA LTD LLP	0.00%	0.39%	0.43%	0.47%	0.48%	0.47%	0.47%	0.48%	0.50%	0.51%
Toyota Motor Mfg Texas Inc.	0.00%	0.34%	0.31%	0.32%	0.34%	0.34%	0.41%	0.43%	0.49%	0.52%
Wal-Mart Stores, Inc.	0.00%	0.33%	0.36%	0.40%	0.46%	0.45%	0.48%	0.47%	0.48%	0.48%
VHS San Antonio Partners LP	0.00%	0.26%	0.27%	0.30%	0.33%	0.34%	0.37%	0.40%	0.44%	0.44%
USAA	0.00%	0.18%	0.20%	0.21%	0.20%	0.26%	0.29%	0.28%	0.27%	0.29%
La Cantera Specialty Retail LTD Partnership	0.00%	0.17%	0.19%	0.20%	0.00%	0.24%	0.25%	0.26%	0.24%	0.21%
Frankel Family Trust	0.00%	0.16%	0.17%	0.00%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%
BREIT JWM San Antonio LP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Southwestern Bell Telephone	0.00%	0.16%	0.18%	0.21%	0.21%	0.23%	0.25%	0.25%	0.29%	0.33%
Halliburton Energy Services, Inc.	0.00%	0.00%	0.00%	0.20%	0.00%	0.19%	0.22%	0.32%	0.27%	0.00%
Well Services, a division of Schlumberger	0.00%	0.00%	0.00%	0.00%	0.22%	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%	0.00%	0.00%	0.21%
<b>Total</b>	<b>-0.01%</b>	<b>3.78%</b>	<b>3.75%</b>	<b>3.85%</b>	<b>3.87%</b>	<b>3.95%</b>	<b>4.10%</b>	<b>4.21%</b>	<b>4.20%</b>	<b>4.31%</b>

Source: Bexar County Appraisal District

Total taxable assessed value is from most recent ARB approved certified supplement as of year-end.

Fiscal year corresponds to prior tax year and is shown net of exemptions and tax increment financings.

**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 <sup>(1)</sup>	Collections Year of Original Levy	Collection Percentage Original Levy	Prior Collections of Prior Levies <sup>(2)</sup>	Current Year Collections of Prior Levies	Total Collections	Cumulative Collections of Adjusted Levy
2023	\$ 308,255,579	\$ 8,966,008	\$ 317,221,587	\$ 312,467,768	101.37%	\$ -	\$ -	\$ 312,467,768	98.50%
2022	274,877,046	(217,011)	274,660,035	270,971,862	98.58%	-	-	270,971,862	98.66%
2021	254,322,861	5,883,102	260,205,963	257,891,551	101.40%	-	758,266	258,649,816	99.40%
2020	250,822,929	(4,637,873)	246,185,056	244,600,809	97.52%	324,398	260,929	245,186,136	99.59%
2019	235,123,523	(4,149,449)	230,974,074	229,767,442	97.72%	228,699	256,835	230,252,975	99.69%
2018	220,999,630	(4,533,888)	216,465,742	215,596,460	97.56%	238,784	94,241	215,929,484	99.75%
2017	206,482,168	(3,633,061)	202,849,106	202,675,506	98.16%	(303,298)	52,905	202,425,113	99.79%
2016	189,391,239	(2,822,870)	186,568,370	185,543,626	97.97%	636,692	33,677	186,213,995	99.81%
2015	168,691,852	(2,432,888)	166,258,964	165,010,702	97.82%	918,063	26,459	165,955,224	99.82%
2014	157,087,439	(1,686,453)	155,400,986	154,114,745	98.11%	997,848	23,416	155,136,008	99.83%

Source: Bexar County Tax Assessor-Collector

(1) As of August 31<sup>st</sup> 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*)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Bonded Debt</b>										
General obligation bonds	\$ 601,380	\$ 572,059	\$ 602,038	\$ 392,684	\$ 436,684	\$ 474,683	\$ 341,042	\$ 363,361	\$ 374,652	\$ 384,644
Tax notes	265,784	32,453	56,622	97,466	55,234	62,680	69,820	85,888	109,816	125,261
Net general bonded debt	\$ 867,164	\$ 604,512	\$ 658,660	\$ 490,150	\$ 491,918	\$ 537,363	\$ 410,862	\$ 449,249	\$ 484,468	\$ 509,905
<b>Other Debt</b>										
Revenue bonds	\$ 62,688	\$ 69,841	\$ 76,674	\$ 85,167	\$ 103,667	\$ 109,802	\$ 115,398	\$ 64,894	\$ 69,894	\$ 74,829
Notes payable	2,300	3,503	4,684	9,693	12,402	13,853	15,157	16,504	15,923	17,162
<b>Total Outstanding Debt</b>	<b>\$ 932,152</b>	<b>\$ 677,856</b>	<b>\$ 740,018</b>	<b>\$ 585,010</b>	<b>\$ 607,987</b>	<b>\$ 661,018</b>	<b>\$ 541,417</b>	<b>\$ 530,647</b>	<b>\$ 570,285</b>	<b>\$ 601,896</b>
<b>Figures for Debt Ratios:</b>										
Bexar County population <sup>1</sup>	2,097,689	2,068,234	2,038,779	2,006,193	1,997,417	1,979,294	1,952,946	1,918,444	1,890,984	1,846,354
Full-Time Student Equivalent (FTSE) <sup>2</sup>	33,283	31,060	33,147	36,714	35,415	34,724	34,953	35,771	35,586	36,031
Taxable assessed value (TAV) <sup>3</sup>	\$ 224,282,769	\$ 193,446,171	\$ 183,317,713	\$ 173,515,347	\$ 162,464,184	\$ 151,833,339	\$ 142,113,259	\$ 129,620,064	\$ 114,703,126	\$ 106,941,906
<b>General Bonded Debt Ratios</b>										
Per capita	\$ 413.39	\$ 292.28	\$ 323.07	\$ 244.32	\$ 246.28	\$ 271.49	\$ 210.38	\$ 234.17	\$ 256.20	\$ 276.17
Per FTSE	26,054	19,463	19,871	13,350	13,890	15,475	11,755	12,559	13,614	14,152
As a percentage of TAV	0.39%	0.31%	0.36%	0.28%	0.30%	0.35%	0.29%	0.35%	0.42%	0.48%
<b>Total Outstanding Debt Ratios</b>										
Per capita	\$ 444.37	\$ 327.75	\$ 362.97	\$ 291.60	\$ 304.39	\$ 333.97	\$ 277.23	\$ 276.60	\$ 301.58	\$ 325.99
Per FTSE	28,007	21,824	22,325	15,934	17,167	19,036	15,490	14,835	16,026	16,705
As a percentage of TAV	0.42%	0.35%	0.40%	0.34%	0.37%	0.44%	0.38%	0.41%	0.50%	0.56%

Notes/Sources:

\*Except for figures for debt ratios

Bonds outstanding are adjusted by premium or discount.

<sup>1</sup>Population obtained from Texas Demographic Center (2012-2020). 2021-2022 population estimate obtained from World Population Review.

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

<sup>3</sup>TAV 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 <sup>1</sup>	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 <sup>2</sup> as a % of Elected Limit
2023	\$ 224,282,769	\$ 319,020	\$ 7,182	\$ 311,838	\$ 42,717	\$ 269,121	11.14%
2022	193,446,171	275,158	17,273	257,885	41,461	216,424	8.79%
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	186,134	9,245	176,889	25,000	151,889	8.46%
2015	114,754,869	167,083	6,444	160,639	26,920	133,719	12.25%
2014	106,941,906	155,707	5,808	149,899	26,913	122,986	13.55%

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.

<sup>1</sup>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.

<sup>2</sup>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	Investment Income	Other Income	Total	Principal	Interest	Total	Coverage Ratio
2023	\$ 22,312	\$ 7,927	\$ 5,148	\$ 35,387	\$ 6,715	\$ 2,679	\$ 9,394	3.77
2022	21,278	1,280	5,528	28,086	6,395	2,984	9,379	2.99
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

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
2022	2,059,530	* \$ 108,297,179 *	\$ 52,583 *	3.6%
2021	2,028,236	105,022,781	51,780	4.8%
2020	2,009,324	95,829,678	47,692	7.9%
2019	2,003,554	91,473,170	45,655	3.2%
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%

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, and The County Information Program (2018-22)  
 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	2023(1)		2022 (2)		2021 (3)		2020 (4)		2019 (5)		2018 (6)		2017 (7)		2016 (8)		2015 (9)		2014 (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	6.7%	81,034	7.3%	80,000	7.2%	74,289	6.8%	86,497	8.5%	86,497	8.0%	89,661	8.5%	88,760	8.5%	88,760	8.2%	92,295	8.4%
H.E.B. Grocery Company	29,140	2.6%	27,487	2.5%	27,487	2.5%	21,302	2.0%	25,241	2.5%	22,053	2.1%	23,418	2.2%	18,715	1.8%	18,715	1.7%	19,107	1.7%
USAA	19,000	1.7%	18,690	1.7%	18,690	1.7%	19,217	1.8%	19,660	1.9%	18,305	1.7%	18,305	1.7%	17,163	1.6%	17,000	1.6%	17,000	1.5%
Northside Independent School District	12,605	1.1%	13,498	1.2%	13,498	1.2%	14,117	1.3%	14,023	1.4%	13,996	1.3%	13,977	1.3%	13,969	1.3%	13,161	1.2%	11,706	1.1%
City of San Antonio	12,334	1.1%	11,042	1.0%	11,042	1.0%	11,903	1.1%	11,787	1.2%	11,462	1.1%	11,462	1.1%	11,922	1.1%	11,922	1.1%	13,698	1.2%
Methodist Healthcare System	9,761	0.9%	9,761	0.9%	9,761	0.9%	10,393	1.0%	9,851	1.0%	9,851	0.9%	9,620	0.9%	9,209	0.9%	9,141	0.8%	9,141	0.8%
University Health System	9,682	0.9%	9,542	0.9%	9,542	0.9%	9,372	0.9%	9,213	0.9%	9,292	0.9%	9,292	0.9%	8,960	0.9%	8,600	0.8%	8,500	0.8%
Northeast Independent School District	8,152	0.7%	8,600	0.8%	8,386	0.8%	9,001	0.8%	8,947	0.9%	8,798	0.8%	8,570	0.8%	8,176	0.8%	7,708	0.7%	7,423	0.7%
San Antonio Independent School District	7,315	0.7%	7,410	0.7%	7,410	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%
Rackspace	6,300	0.6%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<b>Total Employment - (Principal employers)</b>	<b>188,578</b>	<b>17.0%</b>	<b>187,064</b>	<b>17.0%</b>	<b>185,816</b>	<b>16.9%</b>	<b>177,045</b>	<b>16.2%</b>	<b>192,577</b>	<b>18.8%</b>	<b>187,957</b>	<b>17.5%</b>	<b>191,680</b>	<b>18.1%</b>	<b>184,208</b>	<b>17.7%</b>	<b>182,389</b>	<b>16.8%</b>	<b>186,133</b>	<b>16.9%</b>
<b>Total Employment - (All employers)</b>	<b>1,154,900</b>	<b>100.0%</b>	<b>1,111,200</b>	<b>100.0%</b>	<b>1,092,200</b>	<b>100.0%</b>	<b>1,023,500</b>	<b>100.0%</b>	<b>1,075,500</b>	<b>100.0%</b>	<b>1,058,300</b>	<b>100.0%</b>	<b>1,041,300</b>	<b>100.0%</b>	<b>1,086,301</b>	<b>100.0%</b>	<b>1,099,430</b>	<b>100.0%</b>	<b>1,011,080</b>	<b>100.0%</b>

(2) Source: Bexar County ACFR, City of San Antonio, Texas, Northside ISD, and Northeast ISD respective websites

(3) Source: San Antonio Business Journal Book of Lists, Bexar County ACFR, City of San Antonio, Texas; Northside ISD, Northeast ISD and San Antonio ISD respective websites

(4) Source: San Antonio Economic Development Division, City of San Antonio, Texas; Northside ISD, Northeast ISD and San Antonio ISD respective websites

(5) Source: San Antonio Economic Development Foundation Website 08/2019 <http://www.sanantoniodef.com/why-san-antonio/data/>; Northside ISD, Northeast ISD and San Antonio ISD respective websites

(6) Source: San Antonio Economic Development Foundation Website 05/2018 <http://www.sanantoniodef.com/why-san-antonio/data/>; Northside ISD, Northeast ISD and San Antonio ISD respective websites

(7) Source: San Antonio Economic Development Foundation Website 05/2017 <http://www.sanantoniodef.com/why-san-antonio/data/>

(8) Source: San Antonio Economic Development Foundation Website 09/2016 <http://www.sanantoniodef.com/business-profile/major-employers>

(9) Source: San Antonio Economic Development Foundation Website 05/2015 <http://www.sanantoniodef.com/business-profile/major-employers>

(10) Source: San Antonio Economic Development Foundation Website 9/12/2014 <http://www.sanantoniodef.com/business-profile/major-employers>

## ALAMO COMMUNITY COLLEGE DISTRICT

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Faculty*</b>										
Full-time	795	803	791	812	928	894	895	962	928	916
Part-time	2,177	2,281	1,934	1,948	2,509	2,118	1,924	1,772	1,556	1,633
Total	2,972	3,084	2,725	2,760	3,437	3,012	2,819	2,734	2,484	2,549
<b>Percent</b>										
Full-time	26.75%	26.04%	29.03%	29.42%	27.00%	29.68%	31.75%	35.19%	37.36%	35.94%
Part-time	73.25%	73.96%	70.97%	70.58%	73.00%	70.32%	68.25%	64.81%	62.64%	64.06%
<b>Staff and Administrators*</b>										
Full-time	1,767	1,812	1,846	1,839	1,770	1,773	1,725	1,808	1,715	1,649
Part-time	1,466	1,470	1,712	1,407	1,810	1,442	1,330	1,682	1,437	1,077
Total	3,233	3,282	3,558	3,246	3,580	3,215	3,055	3,490	3,152	2,726
<b>Percent</b>										
Full-time	54.66%	55.21%	51.88%	56.65%	49.44%	55.15%	56.46%	51.81%	54.41%	60.49%
Part-time	45.34%	44.79%	48.12%	43.35%	50.56%	44.85%	43.54%	48.19%	45.59%	39.51%
<b>FTSE**</b>	33,283	31,060	33,147	36,714	35,415	34,724	34,953	35,771	35,586	36,031
FTSE per full-time faculty	41.9	38.7	41.9	45.2	38.2	38.8	39.1	37.2	38.3	39.3
FTSE per full-time staff member	18.8	17.1	18.0	20.0	20.0	19.6	20.3	19.8	20.7	21.9
Average annual full-time faculty salary	\$ 77,660	\$ 72,041	\$ 73,058	\$ 70,343	\$ 59,931	\$ 62,121	\$ 61,155	\$ 51,316	\$ 52,370	\$ 54,778

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 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
00 - 30 hours	33,840	64.4%	31,061	61.9%	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%
31 - 60 hours	13,703	26.1%	13,951	27.8%	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%
Unclassified	2,301	4.4%	2,707	5.4%	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%
> 60 hours*	2,678	5.1%	2,482	4.9%	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%
<b>Total</b>	<b>52,522</b>	<b>100.0%</b>	<b>50,201</b>	<b>100.0%</b>	<b>54,570</b>	<b>100.0%</b>	<b>57,042</b>	<b>100.0%</b>	<b>52,468</b>	<b>100.0%</b>	<b>52,590</b>	<b>100.0%</b>	<b>51,349</b>	<b>100.0%</b>	<b>51,633</b>	<b>100.0%</b>	<b>49,888</b>	<b>100.0%</b>	<b>51,101</b>	<b>100.0%</b>

Source: THECB Prep Online

Semester Hour Load	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Less than 3 semester hours	402	0.8%	271	0.5%	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%
3 - 5 semester hours	11,409	21.7%	10,901	21.7%	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%
6 - 8 semester hours	13,417	25.5%	13,742	27.4%	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%
9 - 11 semester hours	9,880	18.8%	9,438	18.8%	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%
12 - 14 semester hours	14,746	28.1%	13,437	26.8%	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%
15 - 17 semester hours	2,339	4.5%	2,105	4.2%	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%
18 and over semester hours	329	0.6%	307	0.6%	301	0.6%	337	0.6%	120	0.2%	143	0.3%	175	0.3%	148	0.3%	174	0.3%	304	0.6%
<b>Total</b>	<b>52,522</b>	<b>100.0%</b>	<b>50,201</b>	<b>100.0%</b>	<b>54,570</b>	<b>100.0%</b>	<b>57,042</b>	<b>100.0%</b>	<b>52,468</b>	<b>100.0%</b>	<b>52,590</b>	<b>100.0%</b>	<b>51,349</b>	<b>100.0%</b>	<b>51,633</b>	<b>100.0%</b>	<b>49,888</b>	<b>100.0%</b>	<b>51,101</b>	<b>100.0%</b>

Average course load                      8.6 hrs                      8.5 hrs                      8.4 hrs                      8.7 hrs                      8.3 hrs                      8.3 hrs                      8.1 hrs                      8.0 hrs                      8.2 hrs                      8.3 hrs

Source: CBM001

Tuition Status	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Texas resident - In District	41,259	78.6%	39,147	78.0%	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%
Texas resident - Out of District	7,461	14.2%	7,293	14.5%	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%
Non-resident tuition	1,972	3.8%	2,057	4.1%	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%
Tuition exemption	1,070	2.0%	1,037	2.1%	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%
Foreign	760	1.4%	667	1.3%	668	1.2%	890	1.6%	862	1.6%	953	1.8%	932	1.8%	926	1.8%	844	1.7%	816	1.6%
<b>Total</b>	<b>52,522</b>	<b>100.0%</b>	<b>50,201</b>	<b>100.0%</b>	<b>54,570</b>	<b>100.0%</b>	<b>57,042</b>	<b>100.0%</b>	<b>52,468</b>	<b>100.0%</b>	<b>52,590</b>	<b>100.0%</b>	<b>51,349</b>	<b>100.0%</b>	<b>51,633</b>	<b>100.0%</b>	<b>49,888</b>	<b>100%</b>	<b>51,101</b>	<b>100%</b>

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 17 Transfer Students to Senior Institutions Fall 2021 Students (Unaudited)

Institutions Attended, Fall 2022	Academic	Technical	Tech-Prep	Total	% Students
1 The University of Texas at San Antonio	4,728	178	-	4,906	42.6%
2 Texas A&M University - San Antonio	1,782	165	-	1,947	16.9%
3 Texas State University	1,165	46	-	1,211	10.5%
4 Texas A&M University	813	40	-	853	7.4%
5 The University of Texas at Austin	513	16	-	529	4.6%
6 Texas Tech University	389	23	-	412	3.6%
7 The University of Texas Health Science Center at San Antonio	254	7	-	261	2.3%
8 Texas A&M University - Corpus Christi	161	11	-	172	1.5%
9 University of Houston	135	6	-	141	1.2%
10 The University of Texas at Arlington	114	22	-	136	1.2%
11 Angelo State University	109	4	-	113	1.0%
12 University of North Texas	104	15	-	119	1.0%
13 Sam Houston State University	62	5	-	67	0.6%
14 The University of Texas at Dallas	53	2	-	55	0.5%
15 The University of Texas Permian Basin	53	8	-	61	0.5%
16 Tarleton State University	61	5	-	66	0.6%
17 Texas A&M University - Kingsville	48	5	-	53	0.5%
18 Texas A&M University at Galveston	34	-	-	34	0.3%
19 Texas Tech University Health Sciences Center	33	-	-	33	0.3%
20 Prairie View A&M University	30	-	-	30	0.3%
21 Stephen F. Austin State University	28	1	-	29	0.3%
22 The University of Texas at El Paso	26	-	-	26	0.2%
23 Texas Southern University	22	-	-	22	0.2%
24 Texas A&M University - Central Texas	20	6	-	26	0.2%
25 The University of Texas - Rio Grande Valley	20	2	-	22	0.2%
26 University of Houston - Downtown	17	4	-	21	0.2%
27 Texas Woman's University	16	-	-	16	0.1%
28 Texas A&M University - Commerce	15	5	-	20	0.2%
29 Texas A&M University System Health Science Center	14	-	-	14	0.1%
30 The University of Texas at Tyler	14	-	-	14	0.1%
31 Lamar University	12	3	-	15	0.1%
32 Texas A&M International University	11	1	-	12	0.1%
33 University of Houston - Victoria	11	4	-	15	0.1%
34 Sul Ross State University	10	2	-	12	0.1%
35 The University of Texas Medical Branch at Galveston	8	-	-	8	0.1%
36 University of Houston - Clear Lake	8	-	-	8	0.1%
37 Texas A&M University System Health Science Center	7	-	-	7	0.1%
38 West Texas A&M University	5	-	-	5	0.0%
39 Midwestern State University	4	-	-	4	0.0%
40 The University of Texas Health Science Center at Houston	3	-	-	3	0.0%
41 University of North Texas Health Science Center	3	-	-	3	0.0%
42 Sul Ross State University - Rio Grande College	2	1	-	3	0.0%
43 Texas A&M University - Texarkana	2	-	-	2	0.0%
44 Sam Houston State University Medical School	1	-	-	1	0.0%
45 The University of Texas-Rio Grande Valley - Medical School	1	-	-	1	0.0%
<b>Total</b>	<b>10,921</b>	<b>587</b>	<b>-</b>	<b>11,508</b>	<b>100.0%</b>

Source: THECB Report ASALFS Students Pursuing Additional Education by Institution, includes only public senior colleges in Texas - Fall 2022



# ALAMO COMMUNITY COLLEGE DISTRICT

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Academic building equivalent (teaching spaces only)</b>	58.9	54.7	51.8	49.6	49.6	51.6	51.5	54.1	54.0	53.1
Square footage	2,720.0	2,467.0	2,296.0	2,190.0	2,190.0	2,198.0	2,193.0	2,213.0	2,213.0	2,201.0
<b>Library building equivalent</b>	2.5	2.5	2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Square footage	281.0	281.0	281.0	281.0	278.0	278.0	278.0	278.0	278.0	278.0
<b>Dining facilities</b>	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Square footage	64.0	64.0	64.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
<b>Student support and office space building equivalent</b>	37.1	37.3	37.2	35.6	43.2	42.2	42.3	41.7	41.7	41.7
Colleges - square footage	1,132.0	1,139.0	1,137.0	1,074.0	1,068.0	1,068.0	1,066.0	1,037.0	1,037.0	1,037.0
District support operations - square footage	180.0	180.0	180.0	180.0	282.0	102.0	102.0	102.0	102.0	102.0
<b>Plant facilities</b>	18.1	18.1	18.1	18.1	18.4	18.4	18.4	18.4	18.4	18.4
Square footage	97.0	97.0	97.0	97.0	98.0	98.0	98.0	98.0	98.0	98.0
<b>Parking garages</b>	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0
Square footage	1,064.0	1,064.0	1,064.0	1,064.0	1,064.0	974.0	974.0	974.0	974.0	974.0
<b>Portable buildings</b>	63.0	63.0	63.0	63.0	63.0	65.0	65.0	65.0	65.0	65.0
Square footage	101.0	101.0	101.0	101.0	101.0	104.0	104.0	104.0	104.0	104.0
<b>Athletic facilities - building equivalent</b>	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	10.0	10.0	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	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Ropes course	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>University Center</b>	-	-	-	-	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
<b>Leased space</b>	6.0	6.0	6.0	7.0	8.0	8.0	9.0	9.7	9.7	9.0
Square footage	179.0	179.0	179.0	194.0	201.0	201.0	159.0	124.0	124.0	124.0
<b>Total Count</b>	<b>196.1</b>	<b>192.1</b>	<b>189.1</b>	<b>186.2</b>	<b>196.0</b>	<b>198.0</b>	<b>199.0</b>	<b>201.7</b>	<b>201.6</b>	<b>200.0</b>
<b>Total square footage (in thousands)</b>	<b>6,063.0</b>	<b>5,817.0</b>	<b>5,644.0</b>	<b>5,489.0</b>	<b>5,662.8</b>	<b>5,403.8</b>	<b>5,353.8</b>	<b>5,310.8</b>	<b>5,310.8</b>	<b>5,298.8</b>
<b>Transportation</b>										
Cars	47.0	47.0	49.0	42.0	40.0	48.0	47.0	49.0	50.0	44.0
Trucks/vans	61.0	61.0	61.0	69.0	85.0	101.0	85.0	93.0	79.0	78.0
Fire trucks	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-	-	-
Buses	2.0	2.0	2.0	4.0	4.0	4.0	3.0	3.0	3.0	2.0
Electric cars	1.0	1.0	1.0	2.0	1.0	2.0	2.0	2.0	7.0	7.0
<b>Electric vehicle charging stations</b>	10.0	10.0	10.0	14.0	20.0	16.0	16.0	16.0	16.0	16.0
<b>ADA parking spots</b>	499.0	509.0	509.0	509.0	628.0	608.0	582.0	582.0	529.0	529.0
<b>Non ADA parking spots</b>	15,445.0	15,762.0	15,762.0	14,956.0	16,923.0	16,479.0	16,395.0	16,241.0	15,696.0	15,696.0

Source: Alamo Colleges Facilities Department



ALAMO  
COLLEGES  
DISTRICT



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

**ALAMO COMMUNITY COLLEGE DISTRICT**  
**San Antonio, Texas**  
**Schedule of Operating Revenues by Location**  
**For the Year Ended August 31, 2023**  
**(Unaudited)**

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
<b>OPERATING REVENUES:</b>							
<b>Tuition</b>							
State-funded courses							
In-District resident tuition	\$ -	\$ 26,117,581	\$ 15,239,812	\$ 12,086,101	\$ 22,521,304	\$ 6,549,400	\$ 82,514,198
Out-of-District resident tuition	-	5,825,643	6,640,546	4,439,265	3,929,000	7,119,627	27,954,081
Non-resident tuition	-	3,767,016	2,095,219	1,824,803	2,183,490	1,300,372	11,170,900
TPEG - credit set aside	-	1,832,757	976,750	753,002	1,445,305	638,198	5,646,012
State-funded continuing education	2,947,625	-	67,486	-	-	-	3,015,111
TPEG - non-credit set aside	188,146	-	4,308	-	-	-	192,454
Non-State-funded continuing education	669,598	-	240,794	26,375	-	-	936,767
<b>Total tuition</b>	<b>3,805,369</b>	<b>37,542,997</b>	<b>25,264,915</b>	<b>19,129,546</b>	<b>30,079,099</b>	<b>15,607,597</b>	<b>131,429,523</b>
<b>Fees</b>							
Student activity fees	-	791,662	429,923	325,564	641,182	244,602	2,432,933
Institutional Materials fees	-	764,395	428,770	303,329	605,714	229,340	2,331,548
Processing fees	715,100	-	-	-	-	-	715,100
Testing fees	4,684	49,837	24,084	6,663	11,448	18,196	114,912
Other fees	197,486	16,983	17,535	777	2,076	930	235,787
<b>Total fees</b>	<b>917,270</b>	<b>1,622,877</b>	<b>900,312</b>	<b>636,333</b>	<b>1,260,420</b>	<b>493,068</b>	<b>5,830,280</b>
<b>Total tuition and fees</b>	<b>4,722,639</b>	<b>39,165,874</b>	<b>26,165,227</b>	<b>19,765,879</b>	<b>31,339,519</b>	<b>16,100,665</b>	<b>137,259,803</b>
<b>Allowances and discounts</b>							
Institutional allowances and scholarships	(991,804)	(2,539,972)	(1,867,381)	(1,082,504)	(1,823,246)	(1,101,931)	(9,406,838)
Remissions and exemptions - state	-	(1,738,685)	(961,340)	(734,583)	(1,019,765)	(624,702)	(5,079,075)
Remissions and exemptions - local - dual credit	-	(3,480,608)	(6,155,298)	(5,717,755)	(4,938,112)	(4,352,688)	(24,644,461)
Federal grants to students	(103,649)	(14,444,874)	(6,768,800)	(6,189,360)	(8,833,734)	(3,984,695)	(40,325,112)
TPEG awards	-	(1,073,290)	(487,162)	(459,626)	(659,602)	(291,500)	(2,971,180)
State grants to students	(44,613)	(903,879)	(428,532)	(387,077)	(555,488)	(245,489)	(2,565,078)
Other local awards	(7,241,534)	(259,848)	-	-	-	-	(7,501,382)
<b>Total allowances and discounts</b>	<b>(8,381,600)</b>	<b>(24,441,156)</b>	<b>(16,668,513)</b>	<b>(14,570,905)</b>	<b>(17,829,947)</b>	<b>(10,601,005)</b>	<b>(92,493,126)</b>
<b>Total net tuition and fees</b>	<b>(3,658,961)</b>	<b>14,724,718</b>	<b>9,496,714</b>	<b>5,194,974</b>	<b>13,509,572</b>	<b>5,499,660</b>	<b>44,766,677</b>
<b>Other operating revenues</b>							
Federal grants and contracts	2,586,913	4,355,825	7,869,882	3,654,635	3,309,411	225,646	22,002,312
State grants and contracts	538,421	225,178	315,060	-	96,190	195,866	1,370,715
Local grants and contracts	11,088,579	482,273	-	386,062	-	-	11,956,914
Non-governmental grants and contracts	2,341,164	431,656	184,546	175,545	174,112	52,067	3,359,090
Other operating revenues	2,823,398	592,034	459,055	1,199,061	222,763	418,885	5,715,196
<b>Total other operating revenues</b>	<b>19,378,475</b>	<b>6,086,966</b>	<b>8,828,543</b>	<b>5,415,303</b>	<b>3,802,476</b>	<b>892,464</b>	<b>44,404,227</b>
<b>Sales and services of auxiliary enterprises</b>							
Bookstore commission	-	(7,023)	(4,969)	(1,164)	(15,235)	(13,221)	(41,612)
Palo Alto College natatorium	-	-	-	47,839	-	-	47,839
Day care centers	-	335,777	253,870	169	-	-	589,816
Vending machines and copiers	12,646	45,781	53,879	35,870	37,003	9,700	194,879
Campus access fees and fines	(230,105)	768,518	326,029	263,227	565,482	241,186	1,934,337
Auxiliary-restricted	(785)	(148,557)	(926)	-	-	-	(150,268)
Other	22,199	203,829	9,964	28,708	2,139	652	267,491
<b>Total sales and services of auxiliary enterprises</b>	<b>(196,045)</b>	<b>1,198,325</b>	<b>637,847</b>	<b>374,649</b>	<b>589,389</b>	<b>238,317</b>	<b>2,842,482</b>
<b>Total operating revenues</b>	<b>\$ 15,523,469</b>	<b>\$ 22,010,009</b>	<b>\$ 18,963,104</b>	<b>\$ 10,984,926</b>	<b>\$ 17,901,437</b>	<b>\$ 6,630,441</b>	<b>\$ 92,013,386</b>

**ALAMO COMMUNITY COLLEGE DISTRICT**  
**San Antonio, Texas**  
**Schedule of Operating Expenses by Location**  
**For the Year Ended August 31, 2023**  
**(Unaudited)**

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
<b>Educational activities</b>							
Instruction	\$ (756,204)	\$ 55,644,752	\$ 44,629,901	\$ 25,137,564	\$ 33,932,324	\$ 13,948,082	\$ 172,536,419
Public service	(34,380)	1,480,168	60,667	167,625	121,614	280	1,795,974
Academic support	2,857,373	6,560,959	6,877,357	2,224,213	10,405,552	4,126,684	33,052,138
Student services	19,608,554	16,400,402	8,808,981	10,615,225	10,518,176	6,432,653	72,383,991
Institutional support	61,599,486	19,125,299	13,362,810	9,288,843	11,710,208	4,969,685	120,056,331
Operation and maintenance of plant	22,683,253	9,479,875	10,483,385	8,543,847	5,063,001	5,280,650	61,534,011
Scholarships and fellowships	2,617,932	21,276,005	11,045,446	10,265,909	16,767,155	5,927,584	67,900,031
<b>Total educational activities</b>	<b>108,576,014</b>	<b>129,967,460</b>	<b>95,268,547</b>	<b>66,243,226</b>	<b>88,518,030</b>	<b>40,685,618</b>	<b>529,258,895</b>
<b>Auxiliary enterprises</b>	<b>(34,886)</b>	<b>71,963</b>	<b>327,878</b>	<b>678,538</b>	<b>(1,442)</b>	<b>-</b>	<b>1,042,051</b>
Depreciation expense - buildings	2,541,079	8,039,299	10,094,703	5,060,720	5,675,592	4,368,379	35,779,772
Depreciation expense - equipment	4,180,394	721,564	2,811,016	463,361	90,967	130,238	8,397,540
<b>Total operating expenses</b>	<b>\$ 115,262,601</b>	<b>\$ 138,800,286</b>	<b>\$ 108,502,144</b>	<b>\$ 72,445,845</b>	<b>\$ 94,283,147</b>	<b>\$ 45,184,235</b>	<b>\$ 574,478,258</b>

**ALAMO COMMUNITY COLLEGE DISTRICT**  
**San Antonio, Texas**  
**Schedule of Non-Operating Revenues and Expenses by Location**  
**For the Year Ended August 31, 2023**  
**(Unaudited)**

	DIST SVCS	SAC	SPC	PAC	NVC	NLC	TOTAL
<b>NON-OPERATING REVENUES:</b>							
State appropriations							
Education and general state support	\$ -	\$ 18,769,138	\$ 14,062,438	\$ 9,494,909	\$ 16,264,312	\$ 5,347,580	\$ 63,938,377
State group insurance	(6,534,342)	3,421,006	2,745,573	1,802,221	2,169,147	1,180,114	4,783,719
State retirement match	2,706,518	1,559,246	1,313,049	796,137	1,023,167	486,718	7,884,835
Ad valorem taxes							
Taxes for maintenance and operations	89,975,108	50,475,092	11,232,679	29,501,199	29,867,422	18,567,621	229,619,121
Taxes for maintenance notes	20,587,913	9,539,648	1,866,383	5,612,530	5,180,220	3,461,068	46,247,762
Taxes for debt service	18,774,084	8,699,189	1,701,951	5,118,057	4,723,834	3,156,142	42,173,257
Federal revenue, non-operating	-	46,308,882	71,856,084	20,459,371	31,699,094	10,867,324	181,190,755
State revenue, non-operating	-	1,762,211	764,526	779,340	1,198,806	563,255	5,068,138
Gifts	702,687	13,435	1,555,489	37,343	10,500	26,500	2,345,954
Investment income	21,714,364	71,563	48,403	48,393	96,036	46,087	22,024,846
Total non-operating revenues	<u>147,926,332</u>	<u>140,619,410</u>	<u>107,146,575</u>	<u>73,649,500</u>	<u>92,232,538</u>	<u>43,702,409</u>	<u>605,276,764</u>
<b>NON-OPERATING EXPENSES:</b>							
Interest on capital-related debt	(835,703)	(5,044,492)	(3,624,537)	(2,727,960)	(3,001,059)	(2,567,440)	(17,801,191)
Interest on maintenance tax notes	(578,743)	(3,493,436)	(2,510,081)	(1,889,180)	(2,078,307)	(1,778,015)	(12,327,762)
Gain (loss) on disposal of capital assets	1,996,241	(59,430)	(10,490)	(16,289)	(40,732)	(6,006)	1,863,294
Other non-operating expenses	(1,905,882)	-	-	-	-	-	(1,905,882)
Total non-operating expenses	<u>(1,324,087)</u>	<u>(8,597,358)</u>	<u>(6,145,108)</u>	<u>(4,633,429)</u>	<u>(5,120,098)</u>	<u>(4,351,461)</u>	<u>(30,171,541)</u>
Net non-operating revenues	<u>\$ 146,602,245</u>	<u>\$ 132,022,052</u>	<u>\$ 101,001,467</u>	<u>\$ 69,016,071</u>	<u>\$ 87,112,440</u>	<u>\$ 39,350,948</u>	<u>\$ 575,105,223</u>

**ALAMO COMMUNITY COLLEGE DISTRICT**  
**San Antonio, Texas**  
**Schedule of Capital Assets by Asset Types**  
**For the Year Ended August 31, 2023**  
**(Unaudited)**

	Balance 9/1/2022	Additions	Deletions	Balance 8/31/2023
<i>Land:</i>				
San Antonio College	\$ 12,692,403	\$ -	\$ 7,953	\$ 12,684,450
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	10,584,044	-	-	10,584,044
<b>Total land</b>	<b>55,650,908</b>	<b>-</b>	<b>7,953</b>	<b>55,642,955</b>
<i>Buildings and building improvements:</i>				
San Antonio College	278,913,937	51,641,657	674,800	329,880,794
St. Philip's College	297,708,897	64,728,087	-	362,436,984
Palo Alto College	139,232,262	48,637,852	-	187,870,114
Northwest Vista College	186,844,340	189,853	-	187,034,193
Northeast Lakeview College	157,710,464	4,001,688	-	161,712,152
District offices	72,603,465	39,874,878	-	112,478,343
<b>Total buildings and building improvements</b>	<b>1,133,013,365</b>	<b>209,074,015</b>	<b>674,800</b>	<b>1,341,412,580</b>
<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	608,490	-	11,293,559
<b>Total other real estate improvements</b>	<b>141,622,902</b>	<b>608,490</b>	<b>-</b>	<b>142,231,392</b>
<i>Furniture, machinery and equipment:</i>				
San Antonio College	9,077,806	1,968,898	520,428	10,526,276
St. Philip's College	23,447,747	3,114,192	830,827	25,731,112
Palo Alto College	3,284,395	3,750,009	133,060	6,901,344
Northwest Vista College	2,293,509	299,591	153,418	2,439,682
Northeast Lakeview College	1,631,833	536,012	93,069	2,074,776
District offices	14,819,122	2,134,725	554,455	16,399,392
<b>Total furniture, machinery and equipment</b>	<b>54,554,412</b>	<b>11,803,426</b>	<b>2,285,256</b>	<b>64,072,582</b>
<i>Software:</i>				
San Antonio College	66,827	-	-	66,827
St. Philip's College	60,319	24,623	-	84,942
Palo Alto College	15,408	-	-	15,408
District-wide	3,121,874	38,054	-	3,159,928
<b>Total software</b>	<b>3,264,428</b>	<b>62,677</b>	<b>-</b>	<b>3,327,105</b>
<i>Library materials:</i>				
San Antonio College	5,649,838	-	-	5,649,838
St. Philip's College	4,544,085	-	119,904	4,424,181
Palo Alto College	3,680,125	-	26,669	3,653,456
Northwest Vista College	962,096	-	-	962,096
Northeast Lakeview College	991,025	-	24,377	966,648
<b>Total library materials</b>	<b>15,827,169</b>	<b>-</b>	<b>170,950</b>	<b>15,656,219</b>
<i>Works of art:</i>				
San Antonio College	256,134	-	-	256,134
St. Philip's College	425,750	-	-	425,750
Palo Alto College	18,971	40,000	-	58,971
Northwest Vista College	5,000	-	-	5,000
Northeast Lakeview College	125,000	-	-	125,000
District offices	30,000	-	-	30,000
<b>Total works of art</b>	<b>860,855</b>	<b>40,000</b>	<b>-</b>	<b>900,855</b>
<i>Construction in progress:</i>				
San Antonio College	38,625,830	4,078,019	38,141,681	4,562,168
St. Philip's College	33,370,124	20,657,094	31,630,750	22,396,468
Palo Alto College	44,362,396	1,253,333	42,909,007	2,706,722
Northwest Vista College	1,920,662	2,829,067	103,852	4,645,877
Northeast Lakeview College	228,024	799,262	507	1,026,779
North Central Campus	-	-	-	-
District offices	35,005,652	(2,232,311)	32,448,367	324,974
<b>Total construction in progress</b>	<b>153,512,688</b>	<b>27,384,464</b>	<b>145,234,165</b>	<b>35,662,987</b>
<i>Subscription-based IT arrangements (SBITAs):</i>				
District offices	11,166,420	196,335	-	11,362,755
<b>Total SBITAs</b>	<b>11,166,420</b>	<b>196,335</b>	<b>-</b>	<b>11,362,755</b>
<b>Grand total</b>	<b>\$ 1,569,473,147</b>	<b>\$ 249,169,408</b>	<b>\$ 148,373,124</b>	<b>\$ 1,670,269,431</b>

**ALAMO COMMUNITY COLLEGE DISTRICT**  
**San Antonio, Texas**  
**Schedule of Capital Assets by Location**  
**For the Year Ended August 31, 2023**  
**(Unaudited)**

	Balance 9/1/2022	Additions	Deletions	Balance 8/31/2023
<i>San Antonio College:</i>				
Land	\$ 12,692,403	\$ -	\$ 7,953	\$ 12,684,450
Buildings and building improvements	278,913,937	51,641,657	674,800	329,880,794
Other real estate improvements	26,032,626	-	-	26,032,626
Furniture, machinery and equipment	9,077,806	1,968,898	520,428	10,526,276
Software	66,827	-	-	66,827
Library materials	5,649,838	-	-	5,649,838
Works of art	256,134	-	-	256,134
Construction in progress	38,625,830	4,078,019	38,141,681	4,562,168
<b>Total San Antonio College</b>	<b>371,315,401</b>	<b>57,688,574</b>	<b>39,344,862</b>	<b>389,659,112</b>
<i>St. Philip's College:</i>				
Land	6,183,345	-	-	6,183,345
Buildings and building improvements	297,708,897	64,728,087	-	362,436,984
Other real estate improvements	31,451,048	-	-	31,451,048
Furniture, machinery and equipment	23,447,747	3,114,192	830,827	25,731,112
Software	60,319	24,623	-	84,942
Library materials	4,544,085	-	119,904	4,424,181
Works of art	425,750	-	-	425,750
Construction in progress	33,370,124	20,657,094	31,630,750	22,396,468
<b>Total St. Philip's College</b>	<b>397,191,315</b>	<b>88,523,996</b>	<b>32,581,482</b>	<b>453,133,829</b>
<i>Palo Alto College:</i>				
Land	6,727,257	-	-	6,727,257
Buildings and building improvements	139,232,262	48,637,852	-	187,870,114
Other real estate improvements	21,581,603	-	-	21,581,603
Furniture, machinery and equipment	3,284,395	3,750,009	133,060	6,901,344
Software	15,408	-	-	15,408
Library materials	3,680,125	-	26,669	3,653,456
Works of art	18,971	40,000	-	58,971
Construction in progress	44,362,396	1,253,333	42,909,007	2,706,722
<b>Total Palo Alto College</b>	<b>218,902,417</b>	<b>53,681,194</b>	<b>43,068,735</b>	<b>229,514,876</b>
<i>Northwest Vista College:</i>				
Land	1,717,000	-	-	1,717,000
Buildings and building improvements	186,844,340	189,853	-	187,034,193
Other real estate improvements	35,145,937	-	-	35,145,937
Furniture, machinery and equipment	2,293,509	299,591	153,418	2,439,682
Library materials	962,096	-	-	962,096
Works of art	5,000	-	-	5,000
Construction in progress	1,920,662	2,829,067	103,852	4,645,877
<b>Total Northwest Vista College</b>	<b>228,888,544</b>	<b>3,318,511</b>	<b>257,270</b>	<b>231,949,785</b>
<i>Northeast Lakeview College:</i>				
Land	4,953,478	-	-	4,953,478
Buildings and building improvements	157,710,464	4,001,688	-	161,712,152
Other real estate improvements	16,530,899	-	-	16,530,899
Furniture, machinery and equipment	1,631,833	536,012	93,069	2,074,776
Library materials	991,025	-	24,377	966,648
Works of art	125,000	-	-	125,000
Construction in progress	228,024	799,262	507	1,026,779
<b>Total Northeast Lakeview College</b>	<b>182,170,723</b>	<b>5,336,962</b>	<b>117,953</b>	<b>187,389,732</b>
<i>North Central Campus:</i>				
Land	12,793,381	-	-	12,793,381
Other real estate improvements	195,720	-	-	195,720
<b>Total North Central Campus</b>	<b>12,989,101</b>	<b>-</b>	<b>-</b>	<b>12,989,101</b>
<i>District offices:</i>				
Land	10,584,044	-	-	10,584,044
Buildings and building improvements	72,603,465	39,874,878	-	112,478,343
Other real estate improvements	10,685,069	608,490	-	11,293,559
Furniture, machinery and equipment	14,819,122	2,134,725	554,455	16,399,392
Software	3,121,874	38,054	-	3,159,928
Works of art	30,000	-	-	30,000
Construction in progress	35,005,652	(2,232,311)	32,448,367	324,974
Subscription-based IT arrangements	11,166,420	196,335	-	11,362,755
<b>Total District offices</b>	<b>158,015,646</b>	<b>40,620,171</b>	<b>33,002,821</b>	<b>165,632,996</b>
<b>Grand total</b>	<b>\$ 1,569,473,147</b>	<b>\$ 249,169,408</b>	<b>\$ 148,373,124</b>	<b>\$ 1,670,269,431</b>



ALAMO  
COLLEGES  
DISTRICT

## **Single Audit Section**







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

Board of Directors  
Alamo Community College District  
San Antonio, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component units of Alamo Community College District (The District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise The District's basic financial statements, and have issued our report thereon dated December 19, 2023.

***Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The 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.

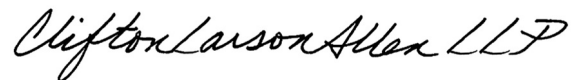
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***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.



**CliftonLarsonAllen LLP**

San Antonio, Texas  
December 19, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT OVER INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Alamo Community College District  
San Antonio, Texas

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Alamo Community College District's (The District) compliance with the types of compliance requirements identified as subject to audit 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, 2023. The District's federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, The District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on The District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002, to be significant deficiencies.

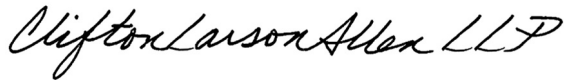
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities and the aggregate discretely presented component units of The District's as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise Alamo Community College District's basic financial statements. We have issued our report thereon, dated December 19, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

San Antonio, Texas  
May 22, 2024

**ALAMO COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2023**

---

**Section I – Summary of Auditors’ Results**

---

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over audited federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)?   x   yes      \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for audited federal programs: Unmodified
3. Any audit findings disclosed that are required To be reported in accordance with 2 CFR 200.516(a)?   x   yes      \_\_\_\_\_ no

**Identification of Audited Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
Various 84.425	Student Financial Assistance Cluster Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:

Type A - \$3,000,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes        x   no



**ALAMO COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED AUGUST 31, 2023**

---

**Section II – Financial Statement Findings**

---

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

---

**Section III – Findings and Questioned Costs**

---

**2023-001 Gramm-Leach-Bliley Act (GLBA)**

**Federal Agency:** Department of Education  
**Federal Program:** Student Financial Assistance Cluster  
**Assistance Listing Numbers:** 84.007 – Federal Supplemental Education Opportunity Grants  
84.033 – Federal Work Study Program  
84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Student Loans

**Federal Award Identification Number and Year:** N/A

**Award Period:** September 1, 2022 to August 31, 2023

**Type of Finding:**

- Significant Deficiency in Internal Control Over Compliance
- Other Matters

**Criteria or Specific Requirement:** The Gramm-Leach-Bliley Act (Public Law 106-102) requires financial institutions to explain their information-sharing practices to their customers and to safeguard sensitive data. (16 CFR 314) The Federal Trade Commission considers Title IV-eligible institutions that participate in Title IV Educational Assistance Programs as “financial institutions” and subject to the Gramm-Leach-Bliley Act (16 CFR 313.3(k)(2)(vi)).

In addition, per Uniform Guidance 2 CFR 200.303, federal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations and program compliance requirements.

**Condition:** Under an institution’s Program Participation Agreement with the Department of Education and the Gramm-Leach-Bliley Act, schools must protect student financial aid information, with particular attention to information provided to institutions by the Department or otherwise obtained in support of the administration of the federal student financial aid programs.

**Questioned Costs:** None

**Context:** During our review of the GLBA reports for Alamo Community College District, we noted one of the eight required GLBA safeguards was missing from the written information security plan (District’s Enterprise Data Governance Standard), and there was no review of the plan.

**Cause:** The Enterprise Data Governance Standard did not include one of the required GLBA safeguards.

**ALAMO COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED AUGUST 31, 2023**

---

***Section III – Findings and Questioned Costs (Continued)***

---

**2023-001 Gramm-Leach-Bliley Act (GLBA) (Continued)**

**Effect:** The District is not in full compliance with GLBA.

**Repeat Finding:** No

**Recommendation:** We recommend that the District review the updated GLBA requirements and ensure their Enterprise Data Governance Standard includes all required elements.

**Views of Responsible Officials:** There is no disagreement with the audit finding. The District has a plan to correct the finding.

**2023-002 Higher Education Emergency Relief Funds (HEERF)**

**Federal Agency:** Department of Education  
**Federal Program:** Education Stabilization Fund  
**Assistance Listing Number:** 84.425E

**Federal Award Identification Number and Year:** N/A

**Award Period:** September 1, 2022 to August 31, 2023

**Type of Finding:**

- Significant Deficiency in Internal Control Over Compliance
- Other Matters

**Criteria or Specific Requirement:** In accordance with 2 CFR Section 200.407, institutions distributing HEERF funding are required to ensure that students meet the eligibility requirements of the program while following established policies and procedures.

In addition, per Uniform Guidance 2 CFR 200.303, entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations and program compliance requirements.

**Condition:** During our testing of student expenditures of HEERF funding, we identified certain internal control policies of the District were not followed.

**Questioned Costs:** None

**ALAMO COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED AUGUST 31, 2023**

---

***Section III – Findings and Questioned Costs (Continued)***

---

**2023-002 Higher Education Emergency Relief Funds (HEERF) (Continued)**

**Context:** During our testing of the HEERF student expenditures, we identified certain instances where internal control policies of the District were not followed at Northwest Vista College.

**Cause:** The District in certain instances did not follow the internal control policies implemented around the awarding of HEERF student funds.

**Effect:** There were certain instances where HEERF funds were disbursed that did not follow the District's internal control policies.

**Repeat Finding:** No

**Recommendation:** We recommend that the District review their internal processes and ensure all internal control policies are followed.

**Views of Responsible Officials:** There is no disagreement with the audit finding. The District has a plan to correct the finding.



**From:** Phong Banh, District Director of Information Technology Services

**Subject:** Corrective Action Plan for Audit Finding 2023-001

**Finding 2023-001:** Gramm-Leach-Bliley Act (GLBA)

**Views of Responsible Officials and Planned Corrective Actions**

To ensure compliance with the provisions of the Gramm-Leach-Bliley Act (GLBA), specifically the requirement that the District's written Enterprise Data Governance Standard (EDGS) includes a description of the use of a data inventory that includes how the institution is identifying and managing data, personnel, devices, systems and facilities, management has revised the EDGS to specify that a data inventory for each functional system domain shall take place annually under the direction of the Data Owners and the procedures performed and results shall be adequately documented.

**Implementation Date:** August 2024

**Responsible Persons:** Phong Banh, District Director of Information Technology Services  
Patrick Vrba, Controller





**From:** Dr. Harold Whitis, District Director of Student Financial Aid

**Subject:** Corrective Action Plan for Audit Finding 2023-002

**Finding 2023-002:** Higher Education Emergency Relief Funds (HEERF)

**Views of Responsible Officials and Planned Corrective Actions**

The Alamo Colleges District Student Financial Aid Office has collaborated with Internal Audit to put into place controls that ensure Alamo Colleges District Board policies are followed and that all Financial Aid staff are trained on the execution of those policies. Additional control reporting has been established to monitor compliance. The Board Policy F.2.4 has also been revised to clarify those expectations.

**Implementation Date:** June 2024

**Responsible Persons:** Dr. Harold Whitis, District Director of Student Financial Aid





**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE AWARDS  
REQUIRED BY THE TEXAS GRANT MANAGEMENT STANDARDS**

Board of Directors  
Alamo Community College District

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited Alamo Community College District's (the District) compliance with the types of compliance requirements identified as subject to audit in the Texas Grant Management Standards that could have a direct and material effect on each of the District's major state programs for the year ended August 31, 2023. The District's major state programs are identified in the summary of auditors' results section of the accompanying state schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended August 31, 2023.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the Texas Grant Management Standards (TxGMS). Our responsibilities under those standards and the TxGMS are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the TxGMS, we:

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

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

### ***Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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 TxGMS. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Awards Required by the Texas Grant Management Standards**

We have audited the financial statements of the governmental activities, the business-type activities and the aggregate discretely presented component units of The District's as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise Alamo Community College District's basic financial statements. We have issued our report thereon, dated December 19, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Texas Grant Management Standards and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

San Antonio, Texas  
May 22, 2024



**ALAMO COMMUNITY COLLEGE DISTRICT  
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2023**

---

**Section I – Summary of Auditors’ Results**

---

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes          x     no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes          x     none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes          x     no

**State Awards**

1. Internal control over audited state programs:
- Material weakness(es) identified? \_\_\_\_\_ yes          x     no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes          x     none reported
2. Type of auditors’ report issued on compliance for audited federal programs: Unmodified
3. Any audit findings disclosed that are required To be reported in accordance with *Texas Grant Management Standards*? \_\_\_\_\_ yes          x     no

**Identification of Audited Programs**

**Contract Number**

N/A

**Name of State Program or Cluster**

Texas Educational Opportunity Grant

Dollar threshold to distinguish Between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes          x     no

**ALAMO COMMUNITY COLLEGE DISTRICT  
STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED AUGUST 31, 2023**

---

***Section II – Financial Statement Findings***

---

No financial statement findings.

---

***Section III – State Award Findings and Questioned Costs***

---

No state award findings and questioned costs.

---

***Section IV – Prior Year Audit Findings***

---

There are no prior year findings.



## Summary Schedule of Prior Audit Findings

### **Section I: Financial Statement Findings**

None

### **Section II: Federal Award Findings**

Prior Audit Finding Reference: Finding 2022-001 – Enrollment Reporting Submissions for Graduates

Fiscal Year: FY2022

Status of Prior Finding: Planned corrective action completed this fiscal year (FY2023)

---

Prior Audit Finding Reference: Finding 2022-002 – Accuracy of Periodic Grant Reporting

Fiscal Year: FY2022

Status of Prior Finding: Planned corrective action completed this fiscal year (FY2023)

### **Section III: State Award Findings**

None







Annual Comprehensive Financial Report  
Published and distributed by the Finance and Fiscal Services Department  
2222 N. Alamo Street, San Antonio, Texas 78215-1195  
(210) 485-0301  
[alamo.edu](http://alamo.edu)