



*El Paso County Community College District  
El Paso, Texas*



*Mission Del Paso Campus*

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**  
*for*  
**FISCAL YEARS ENDED  
August 31, 2020 and 2019**



**El Paso  
Community  
College**

**The Best Place to Start** *and Finish!*

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

*for*

**FISCAL YEARS ENDED  
August 31, 2020 and 2019**

*Prepared By:*

**Budget and Financial Services**  
*El Paso County Community College District*  
*El Paso, Texas*

**EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEARS ENDED AUGUST 31, 2020 and 2019**

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# INTRODUCTORY SECTION



*Transmountain Campus*



**El Paso  
Community  
College**

The Best Place to Start *and Finish!*



February 26, 2021

To the Citizens of El Paso County Community College District:

The comprehensive annual financial report of the El Paso County Community College District (“the District” or “the College” or “EPCC”) for the fiscal year ended August 31, 2020, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The District is reporting as a special purpose government engaged solely in business type activity (BTA). Adhering to Governmental Accounting Standards Board (GASB) Statements 34 (amended by GASB 63) and 35, this presentation of financial reporting combines all fund groups into a single column and includes the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. The Board of Trustees has no financial accountability over the El Paso Community College Foundation or any other governmental unit, and, accordingly, only the financial data for El Paso County Community College District are included in this report.

The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and *Government Auditing Standards* issued by the Comptroller of the United States. Information related to this single audit, including the Schedule of Expenditures of Federal and State Awards and auditor's reports on the internal control and compliance with applicable laws and regulations, is included in the single audit section of this report.

El Paso County Community College District is committed to offering quality educational programs and services for the people of El Paso County at a reasonable cost as stated in the College mission statement. The District provides a wide range of programs, including general academic, technical-vocational, student development services, continuing education, and community service. The College also prides itself in pursuing economic initiatives through workforce and business development, community partnerships and global outreach.

In addition, the faculty, staff and students of El Paso Community College are committed to the philosophy and principles of a learning college. As such they affirm and embrace the core values of communication, competence, integrity, personal growth, respect, student success and trust.

## PROFILE OF DISTRICT

El Paso County Community College District was established as a county junior college district in June 1969, when the citizens of El Paso County voted to create the District. In 2019, the College celebrated its 50<sup>th</sup> Anniversary of service to the El Paso community. The District encompasses all of El Paso County, an area of 1,058 square miles (with an estimated population of 876,120 as of 2020), which includes the City of El Paso and twelve other cities and towns. The District operates as a comprehensive junior college under the State of Texas laws, and is governed by a seven-member Board of Trustees elected to six-year terms from single-member districts. The Board has financial accountability and control over all District activities.

## ECONOMIC CONDITION AND OUTLOOK

El Paso County is situated in the western most tip of Texas and, combined with Ciudad Juárez, Chihuahua, Mexico, represents one of the largest international border communities in the world. Outstanding weather, low cost of living, and competitive labor costs make El Paso an attractive location for businesses. El Paso County businesses have access to El Paso International Airport, which is located only 15 minutes from the central business district. The City of El Paso is currently the sixth largest city in the state of Texas and the 22<sup>th</sup> largest city in the United States. In June 2010, the City of El Paso was named “All-America City” by the National Civic League for its outstanding civic accomplishments in innovation, civic engagement and special efforts to respond to local challenges. It was the first time in four decades that El Paso had received this honor. In 2018, El Paso was honored again as an “All-America City.” El Paso also ranked #18 as America’s Best Performing Cities for growth in jobs, income and high tech GDP among 200 largest metropolitan areas. In December 2020, the El Paso unemployment rate was 7.7%, an increase from the prior year’s 3.6%, which is mostly due to the COVID-19 pandemic.

Additionally, El Paso was ranked #1 (of the best) in Texas as part of the 2017’s Best & Worst Run Cities in America survey conducted by WalletHub. In 2016, El Paso was ranked #3 as one of the nation’s Top Cities to Raise a Family, and the 11<sup>th</sup> Largest Exporter of Goods Nationwide, by the Brookings Institution. In 2017, according to U.S. News and World Report, the City ranked 14<sup>th</sup> as one of the 2017’s Best Places to Live in the U.S. for quality of life.

El Paso has become the home of computer manufacturing, telecommunications, and consumer products. Other industries include copper refining, medical equipment processing, electrical component manufacturing, plastic injection molding, southwestern food products, and natural gas pipeline operations. The Borderplex Alliance, a non-profit organization, is dedicated to economic development and policy advocacy in the El Paso region and is supported by a coalition of business, community and civic leaders who have a vision to bring new investment and jobs to the Borderplex region. Key industries in the Borderplex region include:

- Advanced logistics
- Advanced manufacturing
- Business services
- Defense and Aerospace
- Life Sciences and Healthcare
- Tourism



There are significant opportunities within each of those target industries for manufacturing, engineering and research/development. Other target industries include shared services, data & contact centers, and manufacturing/suppliers. El Paso is home to a youthful population whose labor force is diverse, bilingual and ready for an expanding economy. Coupled with a strong work ethic and situated in a right-to-work state with very low unionization, this rapidly growing labor force continues to attract a variety of industries to the region. Educational needs are provided by a variety of institutions to include the University of Texas at El Paso, Texas Tech University and El Paso Community College.

To accommodate El Paso's growth as a regional healthcare research and education center, the 2003 Texas legislative session approved the addition of the first- and second-year medical studies to the third- and fourth-year medical program offered by the Texas Tech University Health Science Center Paul L. Foster School of Medicine campus. Since then, the accredited medical school has added the Gayle Greve Hunt School of Nursing in El Paso (GGHSON), and the Graduate School of Biomedical Science to address the research and development efforts in healthcare issues associated with the border location and the growth and transformation of Fort Bliss. The newly constructed Medical Sciences Building II (MSB II) boasts five stories, a 500 seat auditorium, and a full-service cafeteria. The additional research space will enable the medical school to reach aggressive enrollment goals, recruit and retain world-class researchers, and expand its programs. Also, the Woody L. Hunt School of Dental Medicine will be the first to open in Texas in nearly 50 years and will be housed at the Texas Tech University Health Services Center El Paso (TTUHSC El Paso).

In January 2017, the Hospitals of Providence (THOP) and Texas Tech University Health Sciences Center (TTUHSC) El Paso in conjunction with Medistar Corporation collaborated on a new multi-million-dollar teaching hospital and a 110,000 sq. ft. medical office building in far west El Paso. The new hospital opened with 106 beds and is operating as part of The Hospitals of Providence (THOP), Tenet's system of hospitals and outpatient centers in El Paso. It serves as a teaching facility for medical students, nursing students, resident physicians, and faculty for TTUHSC's Paul L. Foster School of Medicine, offering training for up to 100 medical residents across a multi-year program.

El Paso is also home to Fort Bliss, the Army's Air Defense Artillery Center and School and the integrated field-testing for the Army's Future Combat System (FCS) program. Fort Bliss, second largest Army installation in the U.S. Army, currently hosts more than 35,000 active military personnel, 37,000 family members, 2,900 reservists, and employs more than 11,000 civilians with an overall business output of \$1.7 billion in the El Paso community. In addition, Fort Bliss has been named the Army's Center for Renewable Energy. The goal has been set to produce enough energy from wind, sun and geothermal energy to power the post by 2025 at a project cost of \$120 million. Also located on Fort Bliss is the Kay Bailey Hutchison Desalination Plant which desalinates the groundwater of the Hueco Bolson for use by El Paso and Fort Bliss. A joint study by Fort Bliss and El Paso area city governments found that desalination was a viable method for increasing El Paso's water supply by 25%. This plant is currently the largest non-seawater desalination plant in the world.

Very near completion and unveiled in 2020 with a major impact on the El Paso economy is the construction of the new \$1.4 billion William Beaumont Army Medical Center that will replace the existing medical center. The LEED Silver facility will consist of a main hospital, inpatient and

outpatient clinics, administrative and research buildings, central utility plant, two access control points and 4,000 parking spaces. It will be comprised of 135 beds, 10 operating rooms, and will have 30 specialty clinics. Additionally, the project supports 15 graduate Medical Education, Nursing and enlisted training programs.

Based on its current partnership in providing educational services to the Fort Bliss soldiers, the District expects that the new Department of Defense's projects and global repositioning will result in additional enrollment in the years to come, which is the basis for a potential new campus to be located on Fort Bliss adjacent to the upcoming William Beaumont Medical Center. In the midst of the new economy, El Paso Community College is a major leader in providing the training and education necessary to prepare its students to enter the workforce.

### GROWTH OF STUDENT POPULATION

Over the last ten years, student enrollment has decreased from approximately 30,723 students in fall 2011 to 26,042 in fall 2020 or 15.23 percent. Over the last six years, the College has experienced an economy-driven single digit decline in enrollment, except for fall 2020. High paying jobs have attracted many students to the workforce, which has affected overall enrollment at most Texas community colleges. However, due to the Pandemic, the fall 2020 enrollment reflected both major economic and instructional changes that greatly impacted the students' financial resources and necessitated a learning environment where the majority of classes were online. These factors contributed to the double digit decline in fall 2020 enrollment. To address the higher unemployment rate that affected students, the College over the past spring, summer, and fall distributed most of the Student CARES funding \$8,295,073 that was available for student aid grants. To assist students with the transition to online classes, hundreds of laptops were made available to help students with this transition in learning modality.

To address the drop in enrollment and provide a managed action plan, the College has adopted strategic enrollment management best practices and created the Enrollment Services Task Force to develop outreach and strategies that can remove any barriers potential students as well as continuing students may be having. To address recent pandemic-driven challenges to students, considerable supplemental funding under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) of 2021 has been received by the College. The College will continue to evaluate and strategize the best use of these funds to benefit students and improve online instruction.

**Operation College Bound** is a growing partnership between EPCC and the largest area school districts which is committed to transforming students' dreams of graduating from college into reality. Every spring, the EPCC Recruitment and Student Services team, along with UTEP and other higher education partners, go out to area high schools to share college and career information. Interactive activities and program information are available. Students also have the opportunity to register for summer and fall classes on-site.

**Adopt an Elementary School Program** is another signature effort to increase college-going rates in the region by creating a college-going culture where college begins in kindergarten. While this doesn't generate immediate enrollment with the children, this effort seeks to increase future enrollment. Additionally, parents and school staff become aware of EPCC and this program has resulted in parents or employees of the school districts enrolling. EPCC has adopted 15 elementary schools in area school districts. Each school that is selected becomes a college bound

school that is kicked off with a campus-wide pep rally with all grades that gets kids excited about going to college. The school and EPCC then permanently strive to ensure kids learn that college can be in their futures. By building strong elementary school and college connections through campus tours, workshops, presentations, outreach programs and parental involvement, EPCC is informing parents and kids that higher education is within reach.

In addition to enrollment initiatives, EPCC also has retention initiatives. If students are retained, they are more likely to graduate and enrollment numbers are maintained. Here is one example of these initiatives:

**Early Alert** is EPCC's retention strategy program targeting first-time-in-college (FTIC) students in order to increase retention rates and reduce the number of students on academic suspension and probation. After a successful pilot that showed more students being retained and successfully completing courses, Early Alert was scaled to all FTIC students at EPCC. A taskforce comprised of faculty, counselors, and staff from admissions/registration, information technology, research/accountability, and financial aid was formed to help keep students enrolled and progress towards earning their degree. Early Alert provides comprehensive support services and integrates faculty, advisors, and tutors into a collaborative online system that applies an intervention process to get students back on track. It effectively closes achievement gaps by connecting academic and student support systems. Faculty report at-risk behaviors, advisors contact students using a case-management approach and provide interventions to help students learn positive behaviors.

A significant growth factor has been the implementation of the Dual Credit program enticing students from the local high schools to enroll in college courses at no cost while finishing their secondary education. Under the Dual Credit program, EPCC offers fundamental core courses to qualified high school seniors and juniors in the high school campuses during daytime periods. Students receive both high school credit and college credit for the courses they take in the dual credit program. This program grew from 396 students at inception in fall 2002 to 5,118 in fall 2020, and is expected to continue growing as expanding the program was one of the 84<sup>th</sup> Legislature's top priorities for providing more access to higher education.

Another contributor to student enrollment growth is the very innovative Early College High School Program undertaken by the College in 2005 and that continues to grow with 4,720 students enrolled in fall 2020 at four college campuses, two rural high schools and six urban high schools from eight different school districts. This program is further explained as a major initiative of the District.

With the hope that the declined enrollment trend will reverse itself, the College continues to serve business and industry with employee training in dozens of areas, from technical training to office skills to Basic English and Math.

#### MAJOR INITIATIVES:

##### *Capital Projects:*

To address future growth of the District, the Board of Trustees contracted with the SmithGroupJJR, a national architecture firm to develop a master plan for the College District and make recommendations for improvements to the College's existing facilities to be based on

enrollment growth patterns and community demographics among other variables. This contract also included the design of the potential Fort Bliss campus. It is expected that these recommendations will enhance the District's ability to continue serving the community through 2025. The \$255 million plan approved by the Board of Trustees in August 2015 addresses classroom and other learning space deficiencies by recommending the construction of additional learning spaces and improvements to the existing infrastructure, to include buildings and their mechanical and technology support systems along with parking facilities and roads. The first phase of the master plan was launched in spring 2016 when the Board of Trustees approved ECM International as the Project Manager for the implementation of those projects identified to be completed by fall 2020. As of August 31, 2020, three of the six projects are completed and fully functional. The remaining three projects have been delayed in light of the COVID-19 crisis but are scheduled to open by fall 2021. The College continues to address internal capital projects to maintain the current infrastructure and mechanical systems. The most recent major projects include:

- Completion of the Art, Science & Writing Lab at the Transmountain campus;
- Replacement of chiller at the Northwest Campus;
- Replacement of library flooring at the Valle Verde and Transmountain campuses;
- Replacement of the H Building dental lab floor at the Rio Grande Campus;
- Replacement of gym storefront at the Valle Verde campus;
- Replacement of the Early College chiller at the Mission del Paso campus;
- Assessment of the underground electrical cable at the Valle Verde campus;
- Assessment of the electrical loop at the Transmountain campus;
- District-wide installation of emergency evacuation chairs.

Pending and future major projects include:

- Completion of the Mission del Paso and Valle Verde classroom additions;
- Completion of the new classroom/parking lot addition to Rio Grande;
- Renovation of space for the Makerspace project at Valle Verde;
- Renovation of Deportes Drive roadway at Valle Verde;
- Renovation of gym locker rooms at Valle Verde;
- Replacement of flooring at the Valle Verde Cafeteria and Annex;
- Expansion of the Valle Verde Instructional Service Center;
- Renovation of space for faculty offices at Valle Verde;
- Replacement of classroom furniture at Mission del Paso and Transmountain;
- Replacement of site-wide electrical transformer/cable at Valle Verde;
- Modifications to the ASC A & B buildings traffic intersection;
- Removal and replacement of the ASC A Building electrical switchgear/transformer;
- Replacement of the ASC B building cooling tower;
- Replacement of the ATC Boiler at Valle Verde;
- Replacement of the HVAC units at the Valle Verde ATC;
- Replacement of the fire alarms at Rio Grande;
- Remodel of space for the Retail Pharmacy Laboratory at Rio Grande;
- Replacement of H Building chiller at Rio Grande;
- Replacement of stairs in the Mechanical Room at Rio Grande;
- Replacement of roof of the Mechanical Room at Transmountain;

- Replacement of the cooling tower at Transmountain;
- Replacement of the electrical loop cable at Transmountain;
- Installation of Early College High School portable restroom at Transmountain;
- Renovation of restroom at Transmountain.

In light of the COVID-19 pandemic, and to insure the safety of faculty and staff who had to be on college facilities to provide essential services to the Career and Technical Education students, the Physical Plant department coordinated with the Safe Campus Taskforce safety measures that included the installation of Plexiglass shields, distancing tape, and signs that enforced the measures prescribed by the local authorities. They also took advantage of minimum physical presence of students and employees to perform various upgrades and repairs that would not have been otherwise possible without any closures of facilities. All facilities construction and renovations are financed by student tuition and fees, unexpended revenue bond proceeds and Plant Funds reserves, and are not paid for by local taxes.

### Academic:

El Paso Community College was one of fifty-eight colleges in nine states participating in the “Achieving the Dream: Community Colleges Count” initiative. This was a multi-year national initiative aimed at helping more community college students, particularly low-income, to succeed. Each college is committed to examining data on student achievement; basing decisions on data; confronting and addressing achievement gaps; monitoring progress closely; and sharing findings broadly. The main focus is the four policy areas of accountability and data; developmental education; financial aid; and funding. The start-up funding for Achieving the Dream was provided by Lumina Foundation for Education for the original 27 colleges in five states, which were included in the initiative’s launch. Additional funding was provided by the Knowledge Works Foundation, the Nellie Mae Education Foundation, Heinz Endowments, Houston Endowment Inc., and College Spark Washington. El Paso Community College was in the first cohort of community colleges to participate in the Achieving the Dream initiative with a proposal of a \$50,000 one-year planning grant and later with a proposal for an implementation grant of \$400,000 over a four-year period. El Paso Community College was named an Achieving the Dream Leader College in 2013 and has been recertified as a Leader College for another three years through 2021. In 2017, EPCC was one of more than 220 participating colleges in 40 states. This status recognizes the College for its work in enhancing student success through initiatives such as College Readiness, the Prep Program, Early College High Schools, Math Emporiums, and Summer Bridge (Project Dream). As a Leader College and mentor, the District participates on numerous national panels, webinars, presentations and hosts several visiting college teams who wish to know more about the Achieving the Dream initiatives.

Over the past year, El Paso Community College has taken its ATD work to a deeper level by seeking to understand and address student outcomes through an equity lens. This work is led on three fronts. First, the EPCC Faculty Data Research team has gathered success data for EPCC programs disaggregated by several factors such as gender, ethnicity and socioeconomic status. The team will examine the data for any trends that speak to equity in student outcomes by program. Second, EPCC has participated in a series of activities in collaboration with Excelencia! and the Center for Urban Education (CUE) to examine and modify our processes to ensure equitable faculty hiring practices. Third, EPCC has established its first cohort of faculty practitioners to examine and further equitable classroom practices. This effort explores the

current literature regarding equity in the classroom and seeks to establish and disseminate appropriate classroom strategies to ensure equity. The current cohort will serve as mentors for subsequent groups of faculty participating in the effort.

As a joint effort by El Paso Community College, the University of Texas at El Paso and the area high schools' superintendents, the El Paso area College Readiness Consortium was created to address the State's initiative to "Close the Gaps." The goals of this consortium are for the area schools to ensure that high school students can enter college-level courses after senior year and for EPCC and UTEP to progress freshman students successfully through core courses in their first semester of college. To ensure college readiness, juniors and seniors are tested on the TSI Placement Test and students not passing one or more areas of TSI receive interventions and are re-tested.

El Paso Community College was selected through a highly competitive national initiative to participate in the Pathways Project led by the American Association of Community Colleges (AACC). This is a national initiative focused on building capacity for community colleges to design and implement structured academic and career pathways, college-wide, for all students. The AACC Pathways Project is funded by the Bill and Melinda Gates Foundation through a \$5.2 million grant and will build on EPCC's nationally recognized work. The goals of Pathways are to help students choose a pathway and stay on track to ensure learning and successful completion resulting in transfer or job. One of the tools used to meet the goals of Pathways is the successful pilot Early Alert Program implemented by Faculty for First Time in College students that allows feedback to students on their academic progress. Pursuant to the Pathways national model, the Texas Success Center under the auspices of the Texas Community College Education Initiative launched the Texas Pathway Project, a statewide strategy focused on building capacity for community colleges to design and implement structured academic and career pathways at scale for all students. The College is one of forty Texas colleges participating in the project by attending a series of six institutes based on the AACC Pathways Institutes designed to engage five to seven-person teams of varying composition addressing institutional change, pathway design and implementation. It is expected that each of these institutes will result into action plans developed by the participating college teams. The ultimate goal of this project is to ensure that students are learning and progressing along the pathway.

In August of 2005, El Paso Community College and Socorro Independent School District jointly created the Mission Early College High School. This initiative is aimed at encouraging high school students to do serious college work while still getting their high school diploma. It enables highly motivated students to earn a high school diploma and an Associate's Degree in Teacher Education, Criminal Justice or General Studies upon graduation. The goals of the school are to reduce dropout rates, attract and better prepare more students for higher education, and assure students of the support necessary to be successful in college. This program started in July 2006 with the first 125 students. In its fifteenth year of operation, the Mission Early College High School has 336 students, has received Exemplary Status from the Texas Education Agency (TEA), and was recognized as a National Blue Ribbon School in 2012. As of December 2020, 1,136 students have been awarded associate's degrees.

During fiscal year 2006, the Ysleta Independent School District (YISD), the Canutillo Independent School District (CISD), and finally the El Paso Independent School District (EPISD) joined in the same initiative to create Early College High Schools at the Valle Verde, Northwest and



Transmountain campuses respectively. The Valle Verde Early College High School started its first class in August 2007 and, in its fourteenth year of operation, has 255 students and also received Exemplary Status from TEA. As of December 2020, 687 associate's degrees have been awarded.

The Northwest and Transmountain Early College High Schools opened their doors in August 2008 and January 2009 and, in fall 2020, had 274 and 376 students respectively. Both schools are considered T-STEM (Science, Technology, Engineering and Math) academies, which are part of the Texas High School Project. The Texas High School Project is a \$261 million public-private partnership dedicated to improving graduation and college-readiness rates. Partners include the Texas Education Agency, the Governor's Office and the Texas Legislature, the Bill and Melinda Gates Foundation, the Michael and Susan Dell Foundation, the Communities Foundation of Texas, the Wallace Foundation, and National Instruments. Both schools have received TEA Exemplary Status and 1,196 of their students have already graduated with an Associate's degree. The EPCC Transmountain Early College High School was recognized as the third best high school in the nation and first in Texas for "Beating the Odds" by Newsweek Magazine.

Funded by the Educate Texas, a public-private initiative of the Communities Foundation of Texas, the Cotton Valley Early College High School located in the rural communities of the far east side of the El Paso County opened its doors in fall 2010 with 68 students from the Fabens, Tornillo and Fort Hancock school districts and, in its tenth year of operation, has 316 students in fall 2020. As of December 2020, 253 students have graduated. Following this initiative, the Clint Independent School District, another rural eastside school district, started the first class of the Clint Early College Academy in fall 2012, also with the support of Educate Texas in partnership with the Meadows Foundation and the Greater Texas Foundation, and, in its eighth year of operations has 564 students. As of December 2020, 365 students have graduated.

In August 2014, EPCC celebrated the opening of the seventh Early College High School through a partnership with the El Paso Independent School District. Burges Early College High School is the first "school within a school model" located on the high school campus. In its seventh year of operations, it has 311 students. As of December 2020, 185 students have graduated.

The eighth Early College High School grand opening features Socorro Early College (SEC) as of August 2015. SEC is the second Early College High School program that is a "school within a school" and has 309 students in its fifth year of operations and in the fall 2020 had 119 graduates. In August 2016, the ninth early college high school for the District, Montwood Rams Early College, opened its doors to 83 students, and represents the third early college for the Socorro Independent School District. In its fifth year of operations, it has 323 students. As of December 2020, 94 students have graduated.

El Paso Community College collaborated again with the Ysleta Independent School District (YISD) and Socorro Independent School District (SISD) to provide additional opportunities to the youth in the region by opening three more Early College High Schools. In fall 2017, Ysleta High School Early College Academy and Parkland Early College Academy (YISD), and Trailblazers Early College opened their doors to 39, 52 and 85 students, respectively. As of fall 2020, they each have 317, 347, and 323 students, respectively.

Continuing its strong partnership with the Socorro Independent School District, three more early college high schools opened in fall 2019, the Empire Early College High School, Falcon Early College High School, and Pebble Hills Early College High School. The initial enrollments for these early college high schools were 66, 70, and 66, respectively. As of fall 2020, they each have 181, 176 and 148 students.

Additionally, two Pathways in Technology Early College High Schools (P-TECHS) also opened in fall 2019. They are the Clint P-Tech in partnership with Clint ISD offering 14 initial students a pathway to an associate of applied science in Automotive Technology, and the Career Center at Riverside P-TECH in partnership with Ysleta ISD offering 17 students three pathways: Automotive Technology, Diesel Technology and Computer Aided Design.

In fall 2020, two more early colleges and one additional P-TECH opened to include the J.M. Hanks Early College High School with 105 students, Tornillo Early College High School with 28 students, and the Fabens P-Tech with enrollment pending during FY 2021.

With twenty Early College High Schools, EPCC gives first-generation college students an opportunity to earn an associate's degree while in high school. These programs have a 72% graduation rate.

As evidence of its strong support of the Dual Credit program, EPCC is part of a new statewide initiative to better the coursework of the Dual Credit students. The TEXAS OnRamps Dual Credit Innovative Collaborative launched by the University of Texas at Austin also includes Austin Community College, Houston Community College and Texas Tech University to ensure that Texas students get the most out of their coursework. Its mission is to bring together educational innovators from across the State to identify best practices of high-quality dual credit instruction that help students reach their goals.

In April 2017, El Paso Community College in collaboration with GECU, celebrated the grand opening of the first EPCC student-run credit union located at the Valle Verde Campus Student Services Center. The main purpose of this full-service branch that also includes a virtual office is to provide the EPCC students with valuable work experience in the financial industry. In addition, it is open to the public and serves the nearby members in the community. As a strong supporter of financial literacy and higher education for the community, GECU is providing an annual scholarship donation of \$10,000 towards EPCC students.

### *Division of Instruction and Workforce Education's Response to COVID-19*

Responding to the issues surrounding the COVID-19 pandemic has been one of the most challenging matters ever faced by the College. Fortunately, due to collaborative, cross-divisional planning and numerous student-centered faculty and staff, EPCC successfully transformed its instructional operations to a virtual format, which continues through today.

In February, 2020, it was increasingly evident that the pandemic would have a major impact in the United States. As a result, in late February 2020, the Distance Learning Support Services department (DLSS) created the Instructional Continuity Blackboard Guide for Faculty to provide instructors guidance with adding content to and creating learning activities in their Blackboard Learn course shells. The Instructional Continuity Blackboard Guide for Students was also created

and provided students with instructions on how to log into Blackboard, access their courses, and use the LMS tools to complete learning activities. During the institution's Spring Break in March 2020, the decision was made that face-to-face activities would cease and that all face-to-face courses would transition to a virtual format.

Faced with a large number of faculty that had never taught online, a series of on-campus Boot Camps were created and scheduled to provide faculty in-person training on Blackboard. As the situation changed through spring break, the boot camps were moved online. This allowed the institution to increase its Blackboard training capacity dramatically. A total of 14 2-hour online Boot Camps were held the week of March 23, 2020 with over 800 faculty in attendance. Both full-time and part-time faculty were able to participate. During the week of spring break, DLSS also recorded over 20 how-videos for faculty taking them through the steps of creating online courses. This was all done with the expectation that we would be online for 2 weeks.

During this transition time, EPCC administration found that many faculty and staff did not have technology sufficient for remote operations. Working across departmental lines, laptop computers and hotspots were acquired and distributed to those employees that needed them in order to effectively work remotely. This process continues as new technology needs are discovered.

EPCC faculty did an extraordinary job of swiftly transitioning over 3,500 face-to-face classes to online in just over two weeks. Instruction resumed in a virtual format on March 30, 2020 and the semester end date was extended until May 15<sup>th</sup>. Plans were immediately developed to address courses that had required hands-on components that could not be done in a virtual environment. Such courses included, but are not limited to, Welding, Nursing, Firefighting, Cosmetology, Culinary Arts, and Allied Health. Each of these programs developed plans to ensure students met both the required contact hours for their courses and the learning objectives. Numerous creative approaches emerged with many program faculty teaching additional hours between the spring and summer semesters.

As the pandemic worsened, it became apparent that instruction would need to remain online for an undetermined amount of time. In April, the College determined that the summer 2020 semester would transition to a largely virtual environment. During April, the institution also developed solid, cross-departmental processes to facilitate spring students that required additional time to complete their semester and be positioned to enroll in Summer classes.

To facilitate the upcoming summer virtual courses, faculty training was expanded to include additional Blackboard tools and functions, pedagogy, best practices, and accessibility. One hundred and fifty faculty participated in Bb Focused Training from March to April, 895 faculty participated in Bb Summer Prep training from April to May, and over 1,500 faculty participated in Bb Fall Prep Training from June to July. During this time, over 400 staff were also trained in Blackboard Collaborate Ultra, a real-time video conferencing tool that is web-based and does not require users to install any software. This tool allows students to easily access College resources, offices, and departments for support.

In Early summer, the institution made the decision to transition the Fall 2020 semester to online. Some Career and Technical Education (CTE) programs and some science programs continued to have components that would require students and faculty to come onto campus, but programs

were asked to reduce any onsite activities to a minimum. Throughout the entire pandemic, all face-to-face activities were vetted through EPCC's Safe Campus Task Force. This process continues through today.

Due to large number of courses transitioning online, the amount of data added to the LMS exceeded EPCC's contracted server space with Blackboard. As a result, additional costs were incurred including an increase of \$48,000 for Academic Years 2019-2020 and 2020-2021. EPCC also increased its Respondus testing proctoring seats to an unlimited level of licenses at an additional cost of \$11,795. This was done to accommodate the increased number of students now testing online. In order to support the College during the transition, and to continue to support faculty, staff, and students in the use of the LMS, two part-time DLSS staff members' hours were increased from 19 to 30. Furthermore, in the months leading up to the fall 2020 semester, the institution approved two faculty who were well versed in teaching online to act as instructional designers. These faculty not only assisted in training sessions, but also acted as resources to assist other faculty in converting their courses to an online format.

Unfortunately, during the fall semester, the pandemic hit the El Paso region quite hard with daily COVID-19 cases peaking over 3,000. In late fall, the El Paso County Judge ordered a 2-week lockdown for El Paso. Although technically exempt from the lockdown, the EPCC administration elected to honor the order and ceased all face-to-face activities for that timeframe. This meant that students and faculty in classes with face-to-face components were once again in a position where additional time would need to be made up. Fortunately, faculty again stepped up and many programs continued instruction during the Christmas break.

Early in the fall semester, the administration made the decision that classes in the spring 2021 semester would also be conducted in a mostly virtual environment. This transition was eased somewhat in the sense that the previous spring semester, which ended up online, could be rolled as a starting point for buildout of the schedule. The college administration has made the decision that the summer 2021 semester will continue in a virtual format, but that planning for the fall 2021 semester will include some face-to-face classes. Instructional Deans were asked to survey faculty for their perceptions of the proper mix of face-to-face courses and many faculty polled their students regarding their comfort level of returning safely to in-person classes. The current plan, approved by the EPCC Board of Trustees, is to offer a 50%-50% mix of face-to-face versus online classes. Instructional coordinators and Deans are currently in the process of creating such a schedule for the fall 2021 semester.

### *Division of Student and Enrollment Services' Response to COVID-19*

Before the pandemic, EPCC enrolled students for classes in person. Students came to one of the five campuses to receive in person assistance in registration, advising, financial aid, testing services, career counseling, transfer services, including veteran students, students with disabilities, and international students. As soon as the pandemic hit, all of the departments received training on using the online system of Blackboard Collaborate, to serve students completely online. Each department developed new processes and staffing schedules to offer their support services. Beyond providing services online, several departments integrated their services into one virtual office to facilitate registration. For the summer 2020, fall 2020 and spring 2021 semesters, students were able to go to one link to receive registration support services to include meeting with an advisor, a registration specialist, a financial aid specialist as well as

receive guidance on how to pay for their tuition. The effort was a complete redesign of our efforts to facilitate the enrollment process that involved new training, processes, and the implementation of new online tools. In addition, a new unit was established to call students directly to prompt and guide the process of completing registration: the EPCC Calling Campaign.

Additionally, the Bursar's virtual office was created just before the start of the fall 2020 semester. Alongside the current online payment system that is, and has always been available, the virtual office has provided an alternate means of communication between the students and the staff, thus, facilitating the registration process.

### Technology:

The District utilizes an ERP system, Ellucian Banner, that is fully integrated, Oracle-based, Internet-native technology solution. Specifically, Ellucian Banner includes the following modules: Finance; Financial Aid; General; Human Resources; Student; and Xtender Solutions are used by the College to integrate its various processes for managing and delivering services to its many customers. In addition, the College is a member of the Texas Connection Consortium (TCC), whose primary purpose is to use Banner to develop software modules for members to comply with reporting requirements of the Texas Higher Education Coordinating Board. The TCC is an association comprised of 40 state universities, colleges, and community college districts that contract with the TCC to meet their state reporting needs by sharing the cost and effort. TCC works together with Ellucian to provide Texas-specific solutions for reporting needs of members.

The Division of Information Technology is committed to implementing and supporting technologies important to the mission of El Paso Community College. The following lists some major infrastructure initiatives:

- **Voice over Internet Protocol (VOIP)** - In July 2016, the Board of Trustees approved the purchase of equipment and services to upgrade the VoIP Project. VoIP was completed district-wide during spring 2018, and all campuses have been migrated and upgraded to the latest Call Manager version. The Department of Networking and Support Systems completed the design and implementation of a dedicated Call Center specifically for Admissions, Registration, and Financial Aid Departments. The Department implemented an outbound dialer for mass communication with students to broadcast important information, completed fall 2020. The College's VOIP also supports emergency broadcasting and 911 calls.
- **EPCC Single Sign-On Solution** - This was a component of a broader plan to use one set of login credentials to eliminate the current use of several unique login credentials for separate systems. The Microsoft Active Directory Federation Services single sign-on solution allows staff and students to use active directory credentials to login and connect to all ERP software applications, including Ellucian Banner information system and Touch-Net payment system. The IT Division has implemented the Single Sign-On system, which facilitated the upgrade to Ellucian Banner 9. The IT Division has integrated libraries, Blackboard, NEOGOV, Civitas Learning, Power BI analytics, Degree Works, and employee contracts with MyEPCC Single Sign-On system, allowing students and staff to access resources using their MyEPCC user accounts.
- **Upgrade to Banner 9** - The College's ERP vendor, Ellucian, required the upgrade of Banner 8 to Banner 9 by December 2018. This upgrade provided a new interface to all Banner Administrative applications and Banner 9 Self-Service applications. To date, the administrative

modules for Finance and HR have been migrated to Banner 9, and Banner 8 modules were decommissioned. Only EPCC custom forms are allowed on Banner 8 until they are transformed into Banner 9. The latest release of Banner 9 delivered many significant enhancements, including a modern user interface and enhanced navigation and process management tools. Ellucian publishes upgrades and fixes throughout the year. To remain compliant with governmental regulations and retain Ellucian support, the Data Base Administrators follow an annual Spring/Fall and Regulatory upgrade schedule for EPCC. In an effort to prepare for the Banner 9 migration back in December of 2018, the ERP team began college-wide training. To date, over 700 employees have been trained in Administrative Banner 9 Navigation. The IT Division has been developing the Banner 9 upgrade roadmap with the input and involvement from the administrative and student services teams and third-party service providers. During fall 2020, the IT Software Applications & Analytics team upgraded hardware, storage, and servers for all enterprise-level databases and the Banner system to increase staff productivity and business efficiencies such as registration, grading, and reporting and to ensure disaster recovery and business continuity. The IT Division continues to implement Self-Service Banner 9, which is expected to be deployed by fall 2021.

- **Ellucian Degree Works** - Degree Works is an add-on to the College's ERP system, Ellucian Banner, a comprehensive academic advising, transfer articulation, and degree audit solution that helps students and advisors successfully negotiate the College's curriculum requirements. Students will be able to track their progress, know what courses they need to take, and stay on a direct path to graduation. Degree Works lends itself to a more robust infrastructure, providing a more comprehensive overview of a student record, streamlined communication, modified and updated processes, and clean data for all degree plans. The implementation and deployment of the Student Educational Planner is still pending, but the IT infrastructure is in place. Degree Works is a centralized source for data that provides administrators with important metrics for planning future term course offerings and streamlining processes for more efficient cost management. Ellucian Degree Works was integrated and implemented during fall 2019. EPCC faculty and staff were training during fall 2019, and students gained access to Degree Works during spring 2020. Degree Works was recently upgraded to the latest version during late fall 2020.

- **Ad Astra Schedule and Analytics Space Management Software** - This software application provides college administrators with historical and program analysis of course demands, including demand trends, time availability, and section to section scheduling conflicts, including quantitative demand for eligible and helpful courses. It provides course-offering analysis metrics highlighting disconnects between offerings and students' course needs. The first initial run for Ad Astra scheduler was summer 2017. The Analytics application was functional in its early stages by fall 2018, and this was the first year of a 5-year historical analysis to affect positive changes in the scheduling of classes. The IT Division assisted the Instruction and Workforce Education with the launching of the Platinum Analytics module. Platinum Analytics will utilize dynamic data points from the College's student success initiatives, SIS, Ellucian Banner, degree audits, student planner, and pathway system to develop schedules, both optimized for our College's student efficiency.

- **Program Maps / Degree Plans** - The Web Development Team and the Curriculum Office worked closely to replace the document-based format with a fully responsive, printable, and ADA-compliant web-based version. Web analytics show the site received over 122,000 views since it launched on April 27 through August 24, 2020.



- **Tutor Finder** - The Web Team worked with the Office of Student Success to create a web-based version of their Tutor Finder document. This tool allows students to view tutors' availability to assist them in the course(s) of their choice.
- **Federal Direct Loan Registration Application** - This online application was developed for students to schedule an in-person loan entrance counseling session that is required every academic year. Counseling sessions are part of the Federal Direct Loan Program's eligibility criteria, and this scheduling application has empowered students to make their appointment for financial aid counseling.
- **My Reports** - The Analytics team introduced the self-service reports feature such as enrollment reports, professional development transcripts, and faculty evaluation reports which are fast, intuitive, on-demand, and eliminate the need for staff to wait to get their information.

### *Division of Information Technology's Response to COVID-19*

The College relied heavily on the Division of Information Technology to ensure the institution had a reliable and robust infrastructure to transition the District to continue delivering instruction and business operations due to the pandemic. The spotlight was on IT departments to respond quickly.

The Network Systems and Technical Support Services Department were key and instrumental in quickly transitioning the District to working remotely and teaching online during the COVID-19 pandemic. Approximately 2,300 laptops were imaged for students, faculty, and staff to use for online instruction and work at home. The Department contracted 864 mobile Wi-Fi hotspots, webcams, and document cameras for remote work by students and staff. An efficient mobile device checkout process is in place for students and staff.

Business continuity required the Division of Information Technology to quickly and efficiently transition the entire district by proceeding with the following:

- Re-negotiated software licensing for MS Teams and MS Stream and Adobe Creative Cloud licensing for all students and employees to use for remote work and online instruction;
- Upgraded and granted secure access to VPN AnyConnect for all employees;
- Implemented IP Communicator for Help Desk to work remotely using the Call Center phone systems;
- To date, the Help Desk has responded to over 90,000 calls from students and staff since transitioning to online instruction and work-at-home. 65% increase in IT Work Requests of varying complexity have been processed and completed while working remotely that PC Technicians have addressed;
- Increased Internet bandwidth to all EPCC campuses to ensure reliable network performance;
- Increased Email quota for all employees since this would be a primary mode of communication;
- Provisioned Soft-Phone (Jabber) district-wide that allows the use of a college phone extension while working remotely;

- The Technology Resource Center (TRC), which is the College's technology training hub, has provided over 236 training workshops on 181 various topics, with over 5,530 attendees on the new Microsoft Applications. The data shows that 2,040 Teams have been created, and over 40,000 MS Teams sessions have occurred since spring 2020;
- The TRC provided a summer Faculty Boot Camp assisting faculty and staff on *Teaching with Microsoft Teams* and offered many tips on using the various applications.

COVID-19 also required the IT Division to provide online services to students and staff. Online services were quickly deployed to ensure the continuity of instruction, support services, and business operations.

The Web Development Team quickly began designing and developing websites to ensure the sites became the hubs for posting information to keep the College community informed and assist with online instruction and work-at-home. The following lists examples of the College's web development in response to COVID-19:

- **Online Assistance** - The Web Development Team created an Online Assistance page in the contact website that centralizes all areas that offer live online assistance and act as a one-stop-shop for users to receive live online support. Accommodations were made across the website to support the transition to virtual assistance that many College areas adopted, such as counseling, enrollment, and student services. The Web Development Team also created a consistent and organized system that allowed each area to post their online hours, a brief description, and a link to their virtual offering. Over 190,000 visits since launching on April 1 through January 14, 2021;
- **COVID-19 Website** - A COVID-19 website was developed in coordination with External Relations, Communications & Development, a continuously expanding resource since the onset of COVID-19 back in spring 2020. One notable feature of the COVID-19 page is that it makes use of the website's popup feature, which will automatically show up for website visitors that have not already engaged with that page. The site has received over 96,000 views since its launch on February 27 through January 14, 2021;
- **Remote Toolkit Website** - A comprehensive Remote Toolkit website was created to support EPCC's transition to remote operations, online instruction, and work-at-home. The Toolkit consolidated many technology resources to aid students, faculty, and staff as they work and learn from home. It has received over 52,000 views since it was first published on March 22 through January 14, 2021;
- **MyEPCC Portal** - MyEPCC's landing page was updated to ensure quick access to centralized online resources and services for the entire College and support remote productivity. The Services page also received an upgrade and now filters the links shown based on the type of user that visits it. Students see only the relevant links to them, and staff can see links specific to them.

The IT Software Applications & Analytics Department also responded quickly by developing applications to accommodate students and staff as the College transitioned to work-at-home and online instruction. Below are a few examples of the applications developed:

- **CARES Emergency Grant Request Application** - As part of the COVID-19 stimulus funding, EPCC students were eligible for CARES funding. An online application was designed and developed for students to apply for the U.S. Department of Education emergency grand fund

appropriated by the CARES act. The funding was allocated to help students who experienced financial hardship due to the COVID-19 pandemic; therefore, the application assisted by determining eligibility with the students' information;

- **Facility Access Report Application** - This online application was developed for students, faculty, and staff to report the days, time and location when they are on campus premises. This form assists the Office of Emergency Management for contact tracing and tracking the well-being of the essential staff on campus and students who returned to campus. The application allows for contacting individuals in the case of possible COVID-19 exposure;
- **Health Screening Application** - To ensure student, faculty, and staff safety, everyone has to self-screen for symptoms or other risk factors of COVID-19 before entering district premises. The Applications Team developed a mobile-friendly online application that is used to answer the self-screening questions every time a person will be on district premises. The form is automated. If any of the answers indicates a positive response, an email is quickly sent to delegated offices where they are contacted with further instructions;
- **MySIO Self-Serve and MySIO Registration Application** - MySIO is an online application integrated with Banner used before the pandemic. As a result of COVID, this application was further upgraded to accommodate students and employees participating in virtual sessions to sign-in and document attendance. Virtual sessions include online tutoring, counseling, new student orientations, enrollment services, and professional development for staff. The MySIO application is being assessed for further use by the District.

#### Financial Services:

The District continues to strive towards efforts to deliver financial related information in an electronic form leveraging technology to work in the most economical, efficient manner. In addition to direct deposit efforts which are continually promoted, various financial related areas have moved towards imaging records for ease of access and retention. Filing cabinets are becoming outdated and considerable time savings are realized by electronically accessing and forwarding records as needed. Also, with the added awareness of easy electronic access to various college information, annual financial, budget and investments reports along with procurement processes are available on the College website for review including the Financial Transparency site dedicated to providing key financial information related to the College.

#### Human Resources:

During the reporting period, Human Resources (HR), Payroll, and Information Technology (IT) have continued their collaborative work with the monthly compliance of the Teachers Retirement System (TRS) TEAMS Report. Even during the pandemic and working remotely, the teams have continued to complete their reports within the defined timelines. HR conducted their 2018-2019 Employee Performance Evaluations on the new PERFORM module, and is currently working on their 2019-2020 evaluations under this same module. Due the District's current hiring freeze and the COVID-19 pandemic, the implementation of the NEOGOV Onboarding module has been delayed again. There is hope to implement the module in either summer or fall 2021. The HR Employment Services team has continued its training under this module virtually.

During the onset of the COVID-19 pandemic, the College established in May 2020 the Safe Campus Task Force (Task Force) comprised of key college academic and non-academic stakeholders to lead the College's efforts in dealing with COVID-19 matters pertaining to employees. The Task Force's objective was to address the College's efforts in handling the distribution of Personal Protective Equipment (PPE) to essential staff and faculty; disinfecting, sanitizing, and reviewing the layout of work stations and classrooms; developing an online Health Screening Agreement to be completed by faculty and staff prior to entering any of the College's facilities; the online Facility Access Report to address contact tracing; and developing the College's Staff Phased Return to Campus (the Plan) for the President, his Cabinet and the Board of Trustees. The Plan proposed to return staff gradually back to campus in percentages of essential full-time and part-time staff. The Plan proposed starting at a level of 25% of the essential employees only in the event the El Paso Community met or exceeded certain data metrics. The percentage would increase gradually to levels of 40%, 50%, 60%, 75%, and up to 90% of the essential full-time and part-time staff returning back to their work location if the Community was able to meet those data metrics. However, the inability of the Community to meet any of the assigned metrics would pause the current level, or revert back to the previous level until all the data metrics have been met. The Task Force Liaisons continue to monitor the metrics on a daily basis, and report to the President, who then briefs the Board of Trustees during the monthly Board meetings on any progress made towards a safe return to college facilities.

### SACSCOC ACCREDITATION

El Paso County Community College District's regional accreditation is with the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), which has standards that address recruitment and admissions, curriculum and instruction, faculty credentials and evaluations, student and academic support services, administrative organization and credentials, Board of Trustee responsibilities, facilities, and financial responsibility. EPCC was a candidate for accreditation in 1973, first accredited in 1978, and last reaffirmed in 2014. EPCC's next Reaffirmation of Accreditation is in 2023.

In 2018, EPCC submitted its Fifth-Year Interim Report addressing approximately 30 percent of the SACSCOC Principles of Accreditation and was required to provide a little more information regarding one Principle in a Referral Report in April 2019. The SACSCOC Board of Trustees met in June 2019 and requested no additional information. The Fifth-Year Interim Report is at the mid-point of the Reaffirmation of Accreditation timeline as the U.S. Department of Education requires accrediting agencies to monitor institutions more often than every 10 years to ensure that institutions continue to meet accreditation standards. SACSCOC selected EPCC's Quality Enhancement Plan (QEP) Impact Report, submitted with the Fifth-Year Interim Report, to be one of the examples shared in the 2019 SACSCOC Annual Conference Resource Room.

EPCC is drafting its Compliance Certification Report (formerly called the self-study), which is due March 2022 as part of the 2023 Reaffirmation of Accreditation process. EPCC is also selecting another topic to be the next EPCC Quality Enhancement Plan and drafting the plan to be submitted to SACSCOC in summer 2022. The Reaffirmation of Accreditation process will include an on-site visit in fall 2022. The SACSCOC Board of Trustees will rule on EPCC's Reaffirmation of Accreditation status at the June 2023 meeting. Each of the EPCC Vice Presidents have identified individuals who work with EPCC's Office of Institutional Accreditation in drafting responses and in compiling documentation to support the narratives for each of the Principles.

In addition, EPCC purchased Compliance Assist from Campus Labs – Anthology to facilitate the compiling of accreditation reports and supporting documents such as Student Learning Outcomes and Area Effectiveness Plans and Assessments.

### INSTITUTIONAL EFFECTIVENESS

Beginning as an effort to ensure an avenue was available for the discussion and resolution of problems and concerns, the Institutional Effectiveness (IE) process has become an important vehicle for assessing the performance of instructional and support service operations at the College. Through the guidance of the District-wide Institutional Effectiveness Committee and the six executive area IE teams, the comprehensive system ensures the effectiveness, including cost, of these operations. While Institutional Effectiveness is mandated for accreditation purposes, it has also become a tool for change management. By incorporating IE into a participatory management process, the District has been noted for having one of the best Institutional Effectiveness models in the state. Every year, the College planning process is linked to the Budget Development process with the use of the effectiveness planning guide. During this process, institutional budgets are linked with the District’s strategic goals by the use of Area Effectiveness Plans, which consist of written objectives for improvement and focus on the District mission.

### FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control system is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Refer to the Management’s Discussion and Analysis for more information on the District’s financial activity and position.

### SINGLE AUDIT

As a recipient of federal, state, and local financial assistance, the District also is responsible for providing adequate internal control to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management, the independent auditors of the District, and during agencies’ monitoring visits.

As a part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The District's single audit for the fiscal year ended August 31, 2020 provided no instances of significant deficiencies or material weaknesses in the internal control, and the auditor’s report was issued with an unmodified opinion on both financial statements and compliance with major programs.

## BUDGETING CONTROLS

In addition, the District maintains budgetary controls through its automated system and procedures. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Trustees. Activities of the Unrestricted and Restricted Funds, Auxiliary Enterprises and Plant Funds are included in the annual appropriated budget. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control and presents Budget to Actual financial information to the Board of Trustees on a monthly basis. Encumbered amounts lapse at year-end; however, encumbrances are re-appropriated as part of the next year's budget.

## DISTRICT FUNCTIONS

The financial results of the District's operations are reported in the Management's Discussion and Analysis report included in the Financial Section of this report. In compliance with GASB No. 35 standards, the Management's Discussion and Analysis is a component of the District's financial statements and provides an overview of the College's financial operations for the fiscal year ended August 31, 2020.

## DEBT ADMINISTRATION

As of August 31, 2020, the District did not have any outstanding General Obligation Bonds. In order to finance building construction and renovation, the District has issued since December 1994, a total of \$273,355,000 in Combined Building Fee Revenue Bonds. As required by the various bond issue covenants, the retirement of these bonds is financed by general use fees and tuition charged to the students on a semester basis. As of August 31, 2020, the District's outstanding bond debt amounts to \$124,665,000 excluding any unamortized discount or premium. Considering the growth of the District and the need for additional facilities as identified during the District's master planning process, the Board of Trustees approved the issuance of additional bonds within the next five years as the mechanism to fund the needed projects. With this expectation, the Board of Trustees approved an incremental increase in the General Use Fee effective spring 2015 from \$10 per credit hour to \$13 per credit hour, to be increased by \$2 in fall 2015 and \$5 in fall 2016. In response to the low interest environment for municipal debt, the District's financial advisor presented multiple financing strategies to the Board of Trustees who authorized the administration to move forward with the issuance of revenue bonds during fall 2016 in combination with the refunding of the 2007 and 2001 outstanding revenue bonds. The additional revenue stream generated by the increase in the General Use Fee combined with the January 2017 issuance of \$30,315,000 Combined Fee Revenue Refunding Bonds created additional debt capacity to fund the October 2016 Combined Fee Revenue Improvement Bonds in the amount of \$105,140,000 that is funding the Master Plan projects approved by the Board of Trustees.

## INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The public accounting firm of Peña Briones McDaniel & Co. was selected by the District's Board of Trustees. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the provisions of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative*



*Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The auditor's reports related specifically to the single audit are included in the Single Audit Section.

### AWARDS AND RECOGNITIONS

During fiscal year 2019/2020, El Paso Community College (EPCC) was recognized for the following accomplishments:

- The EPCC Men's and Women's Cross Country Teams won at the Saints Collegiate Cross Country Invitational hosted by Our Lady of the Lake University in San Antonio, Texas. The Tejanos were led by Gideon Cheplak who finished 1<sup>st</sup> in the 8K race with a time of 25.07. The Tejanas were led by reigning National Champion, Everlyn Kemboi who finished 1<sup>st</sup> in the 6K race with a time of 21.36.
- Minority Access Incorporated named EPCC a winner of the 2019 Diversity Institution Recognition Award at its 20<sup>th</sup> National Role Models Conference. EPCC was also honored to have two professors, Dr. Rebecca Escamilla and Dr. Xiomara C. Chianelli, named as 2019 National Role Models.
- EPCC's Criminal Justice professor, Hector Zamora, a licensed Master Social Worker, was honored as Social Worker of the Year at the annual National Association of Social Workers Texas (NASW-TX)-Rio Grande Branch awards dinner for his professional contributions and efforts to advance social justice and human rights.
- EPCC's Men's Cross Country team won the South Plains Invitational hosted by South Plains Community College. The Women finished in 3<sup>rd</sup> place. The Tejanos were led by Gideon Cheplak who finished 1<sup>st</sup> in the 8K race with a time of 25.17. The Tejanas were led by reigning National Champion, Everlyn Kemboi who finished 3<sup>rd</sup> in the 5K race. The Women are currently ranked 2<sup>nd</sup> in the nation and the Men are ranked 4<sup>th</sup>.
- Lawrence Welsh, EPCC's Professor of English, with co-authors, Ray Gonzalez and Bruce Berman, were named finalists for the 2019 New Mexico-Arizona Book Award. The University of New Mexico Press published *Cutting the Wire: Photographs and Poetry from the U.S. Mexico Border*.
- The EPCC Forensics Team competed at the 2019 Aztec Invitational Tournament at San Diego State University and the 2019 Mills Invitational Tournament at Palomar Community College on October 4 and 5, 2019. The team won 2<sup>nd</sup> place Team Sweepstakes at both tournaments and had three students qualify for the National Forensics Association National Tournament.
- EPCC's Men's Cross Country team won the 29<sup>th</sup> Vanguard Invitational competing against 17 other schools. The Women finished in 2<sup>nd</sup> place. The Men took the first four positions. The Tejanas were led by reigning National Champion, Everlyn Kemboi who finished 1<sup>st</sup>.

- EPCC's Men's Cross Country team moved up to 2<sup>nd</sup> place in this week's United States Track & Field and Cross Country Coaches Association (USTFCCCA) National Junior College Athletic Association (NJCAA) Division 1 Poll. The women's team is ranked 3<sup>rd</sup>.
- The Association of Community College Trustees (ACCT) presented Dr. William Serrata, EPCC President, the 2019 Marie Y. Martin Chief Executive Officer Award. Dr. Serrata was originally announced as a Western region finalist and ACCT presented him the national award during the 50<sup>th</sup> Annual ACCT Leadership Congress. The award honors chief executive officers who demonstrate commitment to excellence and advancing the community college movement.
- The El Paso Community College Forensics Team competed at the 2019 James 'AJ' Johnson Memorial Invitational Swing Tournaments at Colorado College this past weekend, October 19<sup>th</sup> and 20<sup>th</sup>. Three students placed 1<sup>st</sup> in their corresponding categories.
- EPCC Men's Cross-Country team won the National Junior College Athletic Association (NJCAA) Region V Cross Country Championship. Tejano, Gideon Cheplak triumphed in the Men's 8K races placing 1<sup>st</sup> followed by three teammates. This is the 2<sup>nd</sup> year in a row the Men have won the Region V race. Everlyn Kemboi led the Tejanas with a 3<sup>rd</sup> place finish, which helped the EPCC Women's Cross Country team rank 3<sup>rd</sup> in the championship.
- After leading the EPCC Men's Cross Country Team to its 2<sup>nd</sup> straight Region V Championship, Tejano Gideon Cheplak was named the Men's Cross Country Athlete of the Week by the National Junior College Athletic Association (NJCAA).
- The Aspen Institute College Excellence Program named El Paso Community College as one of 150 community colleges eligible to compete for the \$1 million Aspen Prize for Community College Excellence, the nation's signature recognition of high achievement and performance among America's community colleges.
- The EPCC Forensics Team competed at the Fall Texas Intercollegiate Forensic Association Tournament in Dallas, Texas at Southern Methodist University achieving many awards over two days.
- EPCC Cross Country athlete Everlyn Kemboi, 2018 National Champion, finished 2<sup>nd</sup> in the 2019 National Junior College Athletic Association (NJCAA) Division 1 Cross Country National Championships. The Men's team finished in 2<sup>nd</sup> place and the Women finished in 3<sup>rd</sup> place. Two Tejanas earned All-American honors, Everlyn Kemboi and Francisca Jebor. The Tejanos were led by Dennis Kiptoo and Bradley Makuvire, both earning All-American honors.
- The EPCC Men's Cross Country team member, Gideon Cheplak, and Men's Head Coach Felix Hinojosa received regional recognition from the National Junior College Athletic

Association (NJCAA). Cheplak received West Region Men's Cross Country Athlete of the Year honors. He won 4 out of 5 races during the regular season as well as the Region V Championship. Hinojosa coached the EPCC Tejanos to the Region V Championship with their only loss during the season being a meet against only University Teams.

- The EPCC Men's Half Marathon team repeated as National Champions at the 19<sup>th</sup> annual National Junior College held at Ascarate Park, El Paso, Texas. The Women's team finished in 2<sup>nd</sup> place. The Men's team was led by Gideon Chaplak who finished in 2<sup>nd</sup> place. The Women's team was led by Everlyn Kemboi who finished in 2<sup>nd</sup> place.
- The EPCC Forensics Team competed at the 2019 Dahlin Invitational tournament hosted by Palomar College on Nov 22, 2019, and the Griffin Invitational tournament hosted by Grossmont College on Nov 23-24, 2019. Damaris Ostos and Daniel Gamboa took first place at each tournament in Duo interpretation.
- Keri Moe, EPCC Associate Vice President of External relations, Communication and Development, was competitively selected to participate in an Alumni Thematic International Exchange Seminar (Alumni TIES). Ms. Moe was formerly a Fulbright-Hays Scholar in Morocco and is the only community college educator selected to participate in the "Art, Culture, and Transforming Conflict" seminar being held in Santa Fe, New Mexico.
- The book *Cutting the Wire: Photographs and Poetry from the U.S. Mexico Border* written by Lawrence Welsh, El Paso Community College (EPCC) Professor of English, with co-authors, Ray Gonzalez and Bruce Berman, edited by Lisa McNiell, EPCC Professor of Speech, received the Southwest Book Award, sponsored by the Border Regional Library Association (BRLA). The University of New Mexico Press published the book in 2018.
- EPCC was recognized with a 2020-2021 Military Friendly® Schools Gold designation by VIQTY. Now in its 10<sup>th</sup> year, the Military Friendly Schools list has come to set the standard for higher education institutions to provide the best opportunities for veterans and their spouses.
- El Paso Chopin Piano Festival director and former EPCC music professor, Dr. Lucy Scarbrough, was recognized with the prestigious Honorary Medal of Meritorious for Polish Culture for promoting the music of Polish composer Fryderyk Chopin. This medal, bestowed upon her by the Ministry of Culture and National Heritage of the Republic of Poland, is the highest award for Chopin classical music and has never before been presented to a U.S. resident.
- Aylin Garcia, a freshman economics major at EPCC, was competitively selected as a 2020 DREAM Scholar by Achieving the Dream. Aylin competed with hundreds of students nationally, and she is the first EPCC student to receive this recognition.

- Julie Penley, Ph.D., EPCC Vice President of Research, Accreditation & Planning, has been elected to the Texas Women in Higher Education (TWHE) Board of Directors. Penley will serve on the board until 2021 and will work to transform higher education leadership in Texas and beyond.
- The Hispanic Outlook on Education Magazine has once again ranked El Paso Community College on its Top Community Colleges for Hispanics list. For the 15<sup>th</sup> year in a row, EPCC has earned the nationwide distinction of being the #1 granter of associate degrees by 2-year schools. This ranking substantiates EPCC's dynamic efforts to increase degree attainment in the region.
- Dr. Julie Penley, EPCC Vice President of Research, Accreditation & Planning, was selected by the Aspen Institute College Excellence Program as one of 40 leaders for the 2020-21 class of the Aspen Rising Presidents Fellowship, a highly selected leadership program preparing the next generation of community college presidents to transform institutions to achieve higher and more equitable levels of student success.
- EPCC Forensics Team excelled in the 2020 *ProtoCommunications Asynchronous National Tournament* hosted by San Diego State University, Santiago Canyon College, and Mount San Antonio College. Daniel Eduardo Gamboa placed 5<sup>th</sup> in Prose Interpretation and Damaris Ostos placed 4<sup>th</sup> in Dramatic Interpretation.
- EPCC Men's Half Marathon team was named by the National Junior College Athletic Association (NJCAA) as the FY 2019/20 national Top Academic Team of the Year for Half Marathon for the third year in a row. The Men's team earned a combined grade point average (GPA) of 3.68.
- The National Junior College Athletic Association (NJCAA) named four EPCCC athletes to the NJCAA 1<sup>st</sup> Team All American list. Jose Castillo, Baseball, Tyler Droke, Baseball, Eduardo Gallegos, Cross Country Half Marathon and Bradley Makuvire, Cross Country Half Marathon, achieved a 4.0 grade point average (GPA) during the 2019-20 academic school year. The Academic All American list includes a total of 14 EPCC athletes.
- EPCC received The Higher Education Excellence in Diversity (HEED) award for the eighth year in a row from the *INSIGHT Into Diversity* magazine, the oldest and largest diversity-focused publication in higher education. The annual HEED award is the only national honor recognizing U.S. colleges and universities that demonstrate an outstanding commitment to diversity and inclusion.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to El Paso County Community College District for its comprehensive annual financial report for the fiscal year ended August 31, 2020. This was the twenty-fourth consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### ACKNOWLEDGMENTS

The preparation of the Comprehensive Annual Financial Report was made possible by the hard work and diligence of the Budget and Financial Services staff. Additional departments that contributed valuable information to this report include Marketing and External Relations, Human Resources, and the offices of the Vice President of Information Technology, the Vice President of Instruction and Workforce Education, the Vice President for Research, Accreditation and Planning, and the Vice President of Student and Enrollment Services. We would also like to thank the Valle Verde Instructional Service Center for the printing of this report, and the accounting firm of Peña Briones McDaniel & Co. for their assistance in the completion of the audit. Each individual who contributed to this report has our genuine appreciation.

Sincerely,



Josette Shaughnessy, CPA

Vice President, Financial and Administrative Operations

*Fernando Flores*

Fernando Flores, CPA

Associate Vice President, Budget and Financial Services



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**El Paso County Community College District  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

August 31, 2019

*Christopher P. Morill*

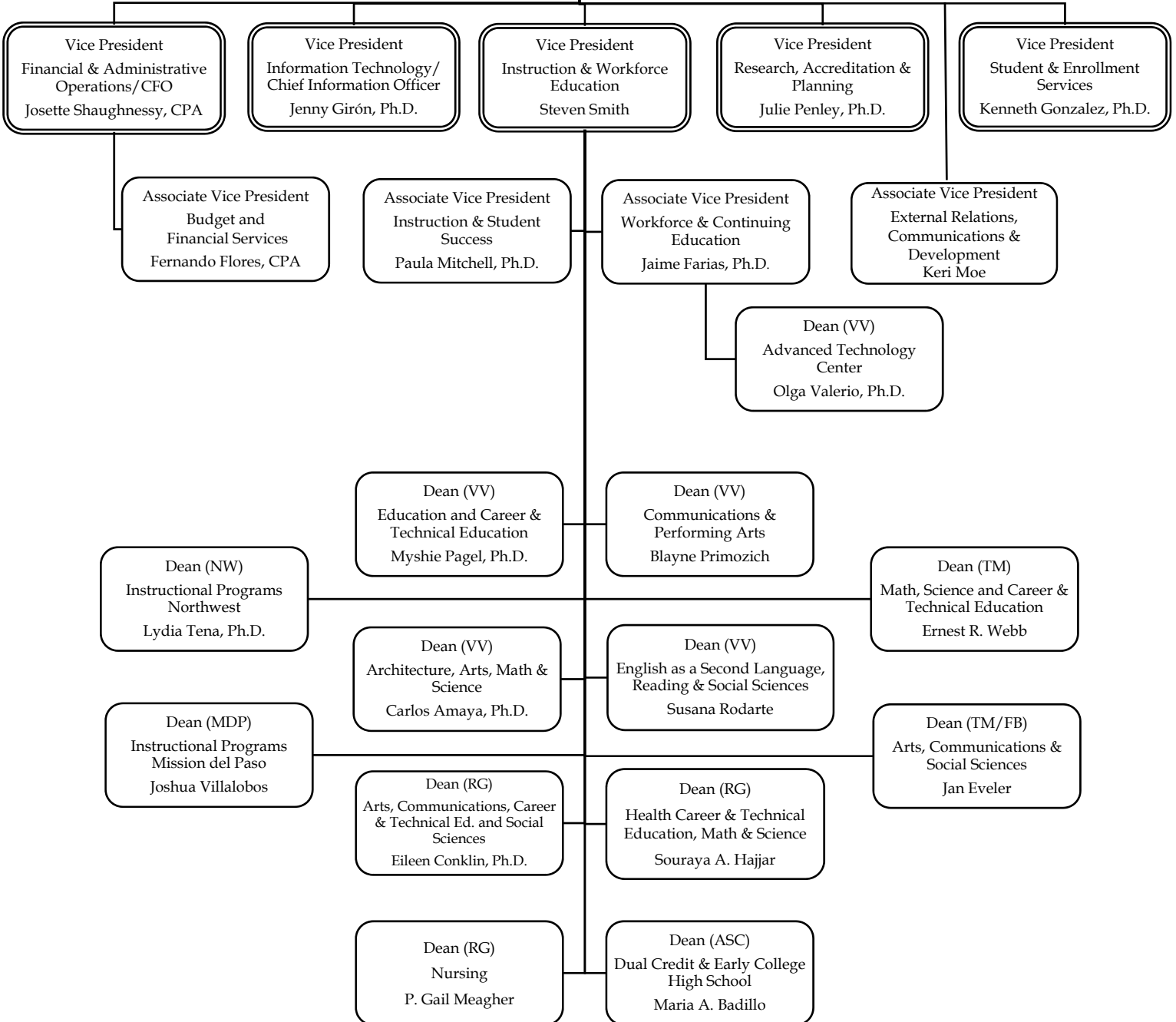
Executive Director/CEO





El Paso Community College  
Board of Trustees

President  
William Serrata, Ph.D.



**EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
PRINCIPAL OFFICIALS**

**For the Fiscal Year Ended August 31, 2020**

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**BOARD OF TRUSTEES**

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OFFICERS

TERM EXPIRES

|                                      |          |
|--------------------------------------|----------|
| Mr. Brian Haggerty, Chair            | May 2021 |
| Dr. Carmen Olivas Graham, Vice Chair | May 2025 |
| Ms. Belen Robles, Secretary          | May 2021 |

MEMBERS

|                          |          |
|--------------------------|----------|
| Ms. Bonnie Soria Najera  | May 2023 |
| Ms. Nina Piña            | May 2025 |
| Ms. Christina R. Sanchez | May 2025 |
| Mr. John E. Uxer, Jr.    | May 2023 |

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**PRINCIPAL ADMINISTRATIVE OFFICERS**

|                              |  |
|------------------------------|--|
| Dr. William Serrata          | President  |
| Dr. Jenny M. Girón           | Vice President, Information Technology                                       |
| Dr. Kenneth P. Gonzalez      | Vice President, Student and Enrollment Services                              |
| Dr. Julie Penley             | Vice President, Research, Accreditation and Planning                         |
| Ms. Josette Shaughnessy, CPA | Vice President, Financial and Administrative Operations                      |
| Mr. Steven Smith             | Vice President, Instruction and Workforce Education                          |
| Dr. Jaime Farias             | Associate Vice President, Workforce and Continuing Education                 |
| Mr. Fernando Flores, CPA     | Associate Vice President, Budget & Financial Services                        |
| Dr. Paula Mitchell           | Associate Vice President, Instruction & Student Success                      |
| Ms. Keri Moe                 | Associate Vice President, External Relations, Communications and Development |
| Ms. Ana P. Zúñiga, CPA       | Comptroller  |

# FINANCIAL SECTION



*Rio Grande Campus*



**El Paso  
Community  
College**

The Best Place to Start *and Finish!*

RENE D. PEÑA, CPA  
CRISTINA A. SALAZAR, CPA  
MELISA COTA GUEVARA, CPA  

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MEMBERS OF AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

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EL PASO, TEXAS 79902-1498  
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## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
El Paso County Community College District  
El Paso, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of El Paso County Community College District (the "College") as of and for the years ended August 31, 2020 and 2019 and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of El Paso County Community College District, as of August 31, 2020 and 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4 - 16 and the Schedule of College's Share of Net Pension Liability, Schedule of College's Contributions, Schedule of College's Proportionate Share of Net Other Post-Employment Benefits (OPEB) Liability and Schedule of College's Contributions for OPEB on pages 60 - 66 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the El Paso County Community College District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State of Texas Single Audit Circular, and are not a required part of the basic financial statements.

Additionally, the accompanying Schedule of Operating Revenues, Schedule of Operating Expenses by Object, Schedule of Non-Operating Revenues and Expenses, and Schedule of Net Position by Source and Availability and statistical section, also are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Schedule of Expenditures of State Awards, Schedule of Operating Revenues, Schedule of Operating Expenses by Object, Schedule of Non-Operating Revenues and Expenses, and Schedule of Net Position by Source and Availability are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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, Schedule of Expenditures of State Awards, Schedule of Operating Revenues, Schedule of Operating Expenses by Object, Schedule of Non-Operating 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020, on our consideration of the El Paso County Community College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 El Paso County Community College 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 El Paso County Community College District's internal control over financial reporting and compliance.



El Paso, Texas  
December 22, 2020

# EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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The following discussion and analysis of El Paso County Community College District's (College's) annual financial statements, prepared by the financial managers of the College, provides an overview of the College's financial operations for the years ended August 31, 2020 and 2019. This section is designed to assist the reader in the interpretation of the financial statements and should be read in conjunction with the disclosure notes that accompany the basic financial statements. Responsibility for the completeness and fairness of the information rests with the management of the College.

## OVERVIEW OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The College is reported as a special-purpose government engaged in business-type activities and uses the accrual method of accounting, which means that revenue is recognized when earned, and expenses are recorded when incurred regardless of when cash is received or paid. The core financial statements required by GASB 34 as amended by GASB 63 are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. Effective fiscal year ending August 31, 2014, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was implemented to reflect certain items that were previously reported as assets and liabilities to be now reported as deferred outflows and inflows of resources. In addition, this statement requires that debt issuance costs be expensed in the year they are incurred.

### **Statement of Net Position**

The purpose of the Statement of Net Position is to report at a point in time the total net assets available to finance future services, and to give the reader a snapshot of the financial condition of El Paso County Community College District (EPCCCD). According to GASB 34, the classification of the components of the Statement of Net Position is as follows:

|                                 |  |
|---------------------------------|--|
| Current Assets:                 | assets available to satisfy current liabilities.   |
| Long-term Assets:               | include capital assets and other assets not classified as current.   |
| Deferred Outflows of Resources: | include consumption of resources applicable to a future period.  |
| Current Liabilities:            | include obligations due within one year.   |
| Long-term Liabilities:          | include bonds payable and other long-term commitments.   |
| Deferred Inflows of Resources:  | include acquisitions of resources applicable to a future period.   |
| Net Position:                   | difference between assets and deferred outflows versus liabilities and deferred inflows is presented in three categories as follows: |

- Net Investment in Capital Assets represents the College's net investment in property, plant and equipment net of accumulated depreciation and amortization on the assets and the related outstanding debt used to construct, purchase or renovate them.
- Restricted Net Position is classified as expendable (available for expenditure in accordance with the restrictions of donors and other external entities) and nonexpendable (permanent endowment corpus only available for investment purposes).
- Unrestricted Net Position is available for any lawful purpose of the College and maintained to ensure sufficient reserve funds for long-term viability of the District.

# EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The intent of the Statement of Revenues, Expenses and Changes in Net Position is to report the burden of the government's functions on non-operating (general) revenues, defined as the amount of the functions that are not supported by charges to users (GASB 34, Par. 38). The statement is divided into Operating Revenues and Expenses, and Non-Operating Revenues and Expenses. Operating revenues are generated from the services provided to students and other customers of the District and represent an exchange for services. Operating expenses are incurred in the production of goods and services that result in operating revenues. Property taxes, state appropriations and Title IV funds represent non-exchange transactions and thus classified under Non-Operating Revenues, which means that Texas community colleges will generally report an operating deficit before taking into account other support. Therefore, revenue and expenses should be considered in total when assessing the change in the College's financial position.

## **Statement of Cash Flows**

The primary purpose of the Statement of Cash Flows is to provide relevant information about the cash receipts and cash payments of the College during the fiscal period. This statement is intended to complement the accrual-basis financial statements by providing functional information about financing, capital and investing activities and reports the effects of the College's operations, capital and non-capital financing transactions, and investing transactions on the College's financial position. This statement also helps users to determine the entity's ability to meet its obligations as they come due and the potential need for external financing. The final portion of the statement reconciles the net income or loss from operations to be provided or used by operations. The statement is structured as follows:

- Cash flows from operating activities
- Cash flows from noncapital financing activities
- Cash flows from capital financing activities
- Cash flows from investing activities



**EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CONDENSED COMPARATIVE FINANCIAL INFORMATION**

To show the trends for the two years shown in the Statement of Net Position (Exhibit 1), a summary of three years of data for the years ended August 31, 2020 through 2018 is presented below:

**Condensed Statement of Net Position**  
(In Millions)

|   | <u>August 31</u> |                 |                 | <u>Change</u>       |                     |
|---|------------------|-----------------|-----------------|---------------------|---------------------|
|   | <u>2020</u>      | <u>2019</u>     | <u>2018</u>     | <u>2019 to 2020</u> | <u>2018 to 2019</u> |
| <b>Assets</b>                                   |                  |                 |                 |                     |                     |
| Cash and Investments                            | \$ 180.2         | \$ 198.8        | \$ 228.3        | \$ (18.6)           | \$ (29.5)           |
| Other Assets                                    | 35.2             | 46.1            | 47.0            | (10.9)              | (0.9)               |
| Capital Assets                                  | 220.9            | 193.8           | 144.9           | 27.1                | 48.9                |
| <b>Total Assets</b>                             | <b>\$ 436.3</b>  | <b>\$ 438.7</b> | <b>\$ 420.2</b> | <b>\$ (2.4)</b>     | <b>\$ 18.5</b>      |
| <b>Deferred Outflows</b>                        | <b>45.5</b>      | <b>44.0</b>     | <b>4.2</b>      | <b>1.5</b>          | <b>39.8</b>         |
| <b>Total Assets &amp; Deferred Outflows</b>     | <b>\$ 481.8</b>  | <b>\$ 482.7</b> | <b>\$ 424.4</b> | <b>\$ (0.9)</b>     | <b>\$ 58.3</b>      |
| <b>Liabilities</b>                              |                  |                 |                 |                     |                     |
| Current Liabilities                             | \$ 65.7          | \$ 79.1         | \$ 73.9         | \$ (13.4)           | \$ 5.2              |
| Noncurrent Liabilities                          | 254.5            | 251.1           | 224.7           | 3.4                 | 26.4                |
| <b>Total Liabilities</b>                        | <b>\$ 320.2</b>  | <b>\$ 330.2</b> | <b>\$ 298.6</b> | <b>\$ (10.0)</b>    | <b>\$ 31.6</b>      |
| <b>Deferred Inflows</b>                         | <b>32.8</b>      | <b>32.6</b>     | <b>18.1</b>     | <b>0.2</b>          | <b>14.5</b>         |
| <b>Total Liabilities &amp; Deferred Inflows</b> | <b>\$ 353.0</b>  | <b>\$ 362.8</b> | <b>\$ 316.7</b> | <b>\$ (9.8)</b>     | <b>\$ 46.1</b>      |
| <b>Net Position</b>                             |                  |                 |                 |                     |                     |
| Net Investment in Capital Assets                | \$ 100.7         | \$ 99.8         | \$ 96.4         | \$ 0.9              | \$ 3.4              |
| Restricted                                      | 53.2             | 50.6            | 46.6            | 2.6                 | 4.0                 |
| Unrestricted                                    | (25.1)           | (30.5)          | (35.3)          | 5.4                 | 4.8                 |
| <b>Total Net Position</b>                       | <b>\$ 128.8</b>  | <b>\$ 119.9</b> | <b>\$ 107.7</b> | <b>\$ 8.9</b>       | <b>\$ 12.2</b>      |

Total Assets decreased by \$2.4 million from fiscal year 2019 to fiscal year 2020 as compared to the increase of \$18.5 million in the previous fiscal year. The following analysis describes this decrease by asset category.

As a major component of the Statement of Net Position, Cash and Investments decreased from fiscal year 2019 by \$18.6 million. This decrease was mostly caused by the following factors: the net cash used in operating activities increased in payments to (1) suppliers by \$10 million due to the completion of master plan projects and the purchase of COVID-19 related supplies and services, and (2) students for scholarships by \$6.6 million mostly due to the distribution of cash grants to students in compliance with the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and as a result of El Paso Community College receiving \$8.3 million to be distributed to eligible students. In addition, due to the pandemic prompting online instruction, fall 2020 enrollment fell by 10% which impacted August 2020 receipts from students that

## EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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decreased by \$4.6 million over the previous fiscal year; also, in light of the declining investment market due to the COVID-19 pandemic, net cash provided by investing activities decreased by \$2 million. Net cash used in capital and related financial activities continue to be impacted as the master plan projects progress towards completion with the use of the 2016 bond proceeds. This overall decrease in cash was offset by an increase in the net cash provided by noncapital financing activities to include an additional \$6.4 million in non-operating federal revenue through the CARES Act, a modest increase in state appropriations during the first year of the new biennium, and an additional increase of \$2.4 million in Ad Valorem taxes.

Other Assets decreased by \$10.9 million, which can be attributed mostly to the COVID-19 pandemic as follows: the net \$2.9 million decrease in Accounts Receivable is due to (1) the 10% student enrollment drop in Fall 2020 when most instruction was conducted online in response to following safety measures, and (2) the \$2 million decrease in allowance for doubtful accounts related to the increase in non-paying students. Notes Receivable decreased by \$3.1 million which is also attributable to the fall 2020 enrollment drop and the slight increase in the allowance for doubtful accounts. Prepaid charges decreased by over \$4.7 million related to the lower Pell Grant disbursements again related to lower enrollment in fall 2020.

Capital Assets increased by \$27.1 million due to the capitalization of \$38.3 million of capital projects mostly related to the construction of buildings funded by the 2016 Revenue Bonds, and the purchase of equipment and library books. Disposition of capital assets and depreciation expense amounting to \$11.2 million offset these capital additions. Contrary to the previous years, and due to the pandemic, the annual public sale that aims at the disposal of obsolete furniture and equipment did not take place.

When comparing fiscal years 2019 and 2018, total assets increased by \$18.5 million due to a combination of the following factors: a decrease of \$29.5 million in Cash and Investments attributable mostly to the decrease of \$36.0 million in the net cash used by capital and related financing activities to account for the spend down of the 2016 bond proceeds used for the construction of the six master plan projects; this decrease in cash was offset by the increases of \$2.1 million in Ad Valorem taxes due to the growth in taxable property, and \$1.1 million in investment earnings due to a favorable investment market. The net decrease in Cash and Investments was offset by an increase in Capital Assets of \$48.9 million due to the capitalization of \$52.7 million of capital projects mostly related to the construction of buildings funded by the 2016 Revenue Bonds reduced by the associated depreciation and the disposition of capital assets through the annual public sale.

As required with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* (GASB 75), deferred outflows or inflows of resources are recorded depending on the plan results during the measurement period. In this context, deferred outflows of resources represent pension and other post-employment benefit contributions made by the District that will benefit employees in the future, but are not considered assets. As of August 31, 2020, deferred outflows of resources of \$45.5 million represent a modest increase of \$1.5 million over fiscal year 2019. This small increase represents a nominal change in the estimates as calculated by the actuaries, as compared to the previous year that had a \$39.8 million increase over FY 2018 due to the changes made by the State Texas Retirement System (TRS) and the Employee Retirement System (ERS) in assumptions and accounting policy. In FY 2019, TRS had a change in assumptions to include the update of post-retirement mortality, termination and retirement dates. Economic assumptions were also updated to include rates of salary increases for individual participants. Both discount rate and long-term rate of return were lowered from 8% to 6.907% and 7.25% respectively. ERS had a change in accounting policy related to the employer allocation method. While previous employer allocation percentages were based on employee contributions for retirees only, those percentages are now based on employer contributions for active employees and retirees. See Notes 10 and 15 regarding pension liability and OPEB that provide detail on the deferred outflows and inflows for both plans.

## EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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Total liabilities decreased from the prior year by \$10.0 million, the combination of a decrease of \$13.4 million and an increase of \$3.4 million in Current Liabilities and Noncurrent Liabilities, respectively. The decrease in Current Liabilities is mostly related to (1) the decrease of \$3.1 million in Accounts Payable due to the College's ability to make more timely payments by August 31, and (2) the decrease of \$11.2 million in Unearned revenue related to lower Pell disbursements associated with the 10% enrollment drop for fall 2020. These decreases were offset by a \$1.6 million increase in the current portion of the Net OPEB Liability to account for the change in actuarial analysis. The Noncurrent Liabilities experienced a net increase of \$3.4 million due to the increase of \$8.6 million in the OPEB liability offset by a decrease of \$1.7 million in the pension liability. These changes represent fluctuations in actuarial analysis as explained in above section. This large increase is offset by a decrease of \$4.3 million in Bonds Payable due to the principal payment of the 2017 Refunding Bond. Notes 2, 6, 7 and 8 to the Financial Statements provide more information regarding noncurrent liabilities. See Note 10 regarding pension liability, and Note 15 regarding postemployment benefits other than pensions (OPEB).

When comparing total liabilities between fiscal years 2019 and 2018, the increase of \$31.6 million is attributable to a combination of \$5.2 million and \$26.4 million increases in Current Liabilities and Noncurrent Liabilities, respectively. The increase in Current Liabilities is related to (1) the increase of \$5.5 million in Accounts Payable due to construction of Master Plan projects, and (2) the increase of \$1.0 million in the current portion of the OPEB liability. These increases were offset by the decrease of \$1.7 million in Unearned revenue related to the lower drawdown of federal funds for lower Pell disbursements associated with the slight decline in fall enrollment as compared to fall 2018. The Non-current liabilities experienced a net increase of \$26.4 million mostly due to the increases of \$15 million and \$15.6 million in the pension and OPEB liabilities respectively. These increases were due to the changes mentioned in above section that addressed the deferred inflows and outflows of resources, and were offset by the decrease of \$4.2 million in Bond Payable due to the principal payment of the 2017 Refunding Bond.

As of August 31, 2020, Deferred Inflows at \$32.8 million represent a modest increase of \$0.2 million over fiscal year 2019. Deferred Inflows represent the District's proportionate share for the net difference between projected and actual investment earnings at the plan level the District may owe to the retirement and health insurance funds in the future, but do not constitute a liability. As explained in above section related to Deferred Outflows, this small increase is mostly due to the changes in actuarial assumptions. The large increase of \$14.5 million from fiscal year 2018 to 2019 also explained in above section is mostly due to the changes in actuarial assumptions and the difference between expected and actual economic experience related to OPEB. These concepts are further explained in Notes 10 and 15 to the financial statements.

Notwithstanding the ongoing impact of GASB 68 and GASB 75, the College experienced an overall increase in Net Position of \$8.9 million, which represents a healthy increase for the College in light of the fiscal challenges caused by the COVID-19 pandemic that started affecting the College community in March 2020. This increase is a combination of the increases in the various components of net position. The increase in Net Investment in Capital Assets of \$0.9 million is mostly attributable to the construction of facilities; Restricted Net Position increased by \$2.6 million due to budget surpluses from the Unrestricted Funds now earmarked for construction and renovation of facilities; the increase in the Unrestricted Net Position of \$5.4 million is attributable to prudent budgeting and cost containment measures which included staff and faculty salary savings from vacant positions, and unused reserves. The previous year's increase in Net Position of \$12.2 million is very comparable to fiscal year 2020 operating results, except for the higher increase in Net Investment in Capital Assets due to the significant progress in the construction of the master plan projects. Management remains conservative with spending to ensure continued growth in the financial Net Position of the College.

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Increase in Net Position is affected by the revenues generated and the expenses incurred by the College. The following condensed financial information shows total revenues and expenses for fiscal years 2020, 2019 and 2018:

**Condensed Statement of Revenue, Expenses, and Changes in Net Position**  
(In Millions)

|  | August 31       |                 |                 | Change          |                |
|--|-----------------|-----------------|-----------------|-----------------|----------------|
|  | 2020            | 2019            | 2018            | 2019 to 2020    | 2018 to 2019   |
| <b>Operating Revenues</b>                                |                 |                 |                 |                 |                |
| Tuition and Fees (net of Discounts)                      | \$ 23.3         | \$ 25.1         | \$ 23.6         | \$ (1.8)        | \$ 1.5         |
| Federal, State & Local Grants & Contracts                | 9.5             | 7.5             | 8.1             | 2.0             | (0.6)          |
| Auxiliary Enterprises                                    | 1.5             | 1.8             | 1.5             | (0.3)           | 0.3            |
| Other  | 2.3             | 2.4             | 3.2             | (0.1)           | (0.8)          |
| <b>Total Operating Revenues</b>                          | <u>\$ 36.6</u>  | <u>\$ 36.8</u>  | <u>\$ 36.4</u>  | <u>\$ (0.2)</u> | <u>\$ 0.4</u>  |
| <b>Operating Expenses</b>                                |                 |                 |                 |                 |                |
| Instruction  | \$ 66.6         | \$ 65.2         | \$ 62.1         | \$ 1.4          | \$ 3.1         |
| Research   | 0.2             | 0.2             | 0.2             | -               | -              |
| Public Service   | 5.0             | 5.3             | 5.5             | (0.3)           | (0.2)          |
| Academic Support   | 27.3            | 24.1            | 22.6            | 3.2             | 1.5            |
| Student Services   | 13.4            | 12.8            | 12.3            | 0.6             | 0.5            |
| Institutional Support                                    | 27.0            | 27.7            | 27.5            | (0.7)           | 0.2            |
| Operation and Maintenance of Plant                       | 11.1            | 11.5            | 11.3            | (0.4)           | 0.2            |
| Scholarships and Fellowships                             | 31.2            | 24.6            | 26.2            | 6.6             | (1.6)          |
| Auxiliary Enterprises                                    | 3.0             | 2.9             | 3.3             | 0.1             | (0.4)          |
| Depreciation   | 5.5             | 5.1             | 5.0             | 0.4             | 0.1            |
| <b>Total Operating Expenses</b>                          | <u>\$ 190.3</u> | <u>\$ 179.4</u> | <u>\$ 176.0</u> | <u>\$ 10.9</u>  | <u>\$ 3.4</u>  |
| <b>Operating Loss</b>                                    | \$ (153.7)      | \$ (142.6)      | \$ (139.6)      | \$ (11.1)       | \$ (3.0)       |
| <b>Non-Operating Revenues (Expenses)</b>                 |                 |                 |                 |                 |                |
| State Appropriations                                     | \$ 41.8         | \$ 41.3         | \$ 44.4         | \$ 0.5          | \$ (3.1)       |
| Maintenance Ad-Valorem Taxes                             | 64.1            | 61.3            | 58.2            | 2.8             | 3.1            |
| Federal Revenue  | 59.7            | 53.3            | 53.3            | 6.4             | -              |
| Other State Revenue                                      | 0.3             | 0.4             | 0.2             | (0.1)           | 0.2            |
| Gain on Sale of Capital Assets                           | -               | -               | 0.8             | -               | (0.8)          |
| Investment Income (Net of Investment Expense)            | 2.1             | 4.0             | 3.0             | (1.9)           | 1.0            |
| Interest on Capital Related Debt                         | (5.4)           | (5.5)           | (5.6)           | 0.1             | 0.1            |
| <b>Net Non-Operating Revenues</b>                        | <u>\$ 162.6</u> | <u>\$ 154.8</u> | <u>\$ 154.3</u> | <u>\$ 7.8</u>   | <u>\$ 0.5</u>  |
| <b>Increase in Net Position</b>                          | \$ 8.9          | \$ 12.2         | \$ 14.7         | \$ (3.3)        | (2.5)          |
| Net Position, Beginning of Year (as previously reported) | 119.9           | 107.7           | 161.9           | 12.2            | (54.2)         |
| <b>Cumulative Effect of Implementing GASB 75</b>         | -               | -               | (68.9)          | -               | 68.9           |
| Net Position, Beginning of Year (as restated)            | <u>119.9</u>    | <u>107.7</u>    | <u>93.0</u>     | <u>12.2</u>     | <u>14.7</u>    |
| <b>Net Position, End of Year</b>                         | <u>\$ 128.8</u> | <u>\$ 119.9</u> | <u>\$ 107.7</u> | <u>\$ 8.9</u>   | <u>\$ 12.2</u> |

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Total operating revenues decreased by a modest \$0.2 million, due to the combination of the following factors. Tuition and fees (net of discounts) decreased by \$1.8 million mostly due to the increase in discounts given to an increased population of dual credit and early college high school students. Revenue from federal, state, local grants and contracts increased by \$2.0 million mostly due the increase in Federal grants and contracts related to the CARES Act award. The College received a total of \$8.3 million of which \$2.6 million was expended as of August 31, 2020. This increase was offset by decreases in (1) other federal grants to include \$0.2 million in federal work study, (2) state grants and contracts of \$0.1 million mostly due to the decrease in Texas Workforce Commission (TWC) grants, and (3) non-governmental grants and contracts of \$0.2 million. Auxiliary Revenue decreased by \$0.3 million due to lost revenue from bookstore and food vendors' commissions as a result of interruption of services on campus sites due to the COVID-19 pandemic. Other operating revenue is very comparable to the previous fiscal year's results.

When comparing the 2019 to the 2018 fiscal year, net tuition and fees increased by \$1.5 million due to the tuition increase effective fall 2018 offset by an increase in exemptions due to the continued growth in dual credit and early college high school students. The decrease of \$0.6 million in Federal, State & Local Grants & Contracts was due to (1) the decrease of \$0.5 million in federal grants and contracts attributable to the decrease in funding by the Department of Health and Human Services for the Bridges to the Future grant, (2) the decrease in state grants and contracts related to the TEOG grant, state work-study and T-Stem offset by increases in TWC contracts and THECB grants. Auxiliary Revenue increased by \$0.3 million mostly due to the increase in the Vehicle Registration fee used to fund security and maintenance of parking lots. Other operating revenue decreased by \$0.8 million mostly due to a decrease in dual credit billings for instructional costs and the absence of insurance reimbursements received in the prior year.

Total operating expenses increased by \$10.9 million as compared to the increase of \$3.4 million in 2019 over fiscal year 2018. Most elements of costs remained comparable to the previous year, except for Instruction, Academic Support and Scholarships and Fellowships. The respective increases of \$1.4 million, \$3.2 million and \$6.6 million in those elements of costs are mostly related to the spend down of the CARES Act funds that were used to acquire additional technology, professional services, and personal protective equipment (PPE) to deal with the COVID-19 pandemic. Starting with March 2020, to keep students, faculty and staff safe from the pandemic, the Board of Trustees directed most instruction to be conducted online. These measures called for additional investment in technology to include network bandwidth expansion, computers for faculty, staff and students, additional training for faculty to administer online instruction, and PPE to ensure safety of essential personnel on college facilities. Most of these expenses were funded by the CARES Act allocation to the College of \$8.3 million received in May 2020. As of August 31, 2020, \$2.6 million of these funds had been expended. Also included in the large increase in Academic Support is the purchase of furniture and equipment for the new facilities funded through the Master Plan. The 3.5% salary increase approved by the Board for all employees during the fiscal year was absorbed by the salary savings generated from vacant positions. Cost containment continues to be the College's practice to generate net position growth that will mitigate the impact of both GASBs 68 and 75, and the COVID-19 negative effect on operating revenues. Auxiliary Enterprises increased slightly by \$0.1 million over the 2019 fiscal year mostly due to a higher bad debt expense related to higher financial aid overpayments.

Depreciation expense at \$5.5 million increased by \$0.4 million over fiscal year 2019 as compared to the increase of \$0.1 million from fiscal year 2018 to fiscal year 2019, due to additional capital outlay in both fiscal years. Information regarding policies for depreciation is disclosed in the Notes to the Financial Statements.

When comparing fiscal year 2019 to fiscal year 2018, total operating expenses increased by \$3.4 million due entirely to the impact of changes by TRS and ERS for the recording of pension and post-employment benefits in compliance with GASBs 68 and 75. Although all elements of costs were impacted, the \$6.4 million increase in benefit costs and the 3% salary increase for all college employees were mitigated by the savings generated from vacated positions and unspent budget reserves. Auxiliary Enterprises decreased by \$0.4 million over the 2018 fiscal year due to a lower bad debt and a reduction in vehicle registration and cafeteria maintenance expenses.

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Non-Operating Revenues and Expenses are comprised of State Appropriations, Maintenance Ad Valorem Taxes, and Federal Revenues that include not only Pell Grant receipts as non-operating revenue, but also this year the CARES Act award receipts. Non-Operating Revenues also include Other State Revenue to account for state student aid.

Non-Operating Revenues increased by \$7.8 million over fiscal year 2019 as compared to the increase of \$0.5 million from fiscal year 2018 to 2019 for the following reasons.

Fiscal year 2020 represented the first year of the 2020-21 biennium during which the 86<sup>th</sup> Legislature passed SB1, the General Appropriations Act, which allocated additional funding to community colleges with a total increase of 3.82% over the previous biennium, to include an increase of the student success point rate to \$203.03 per point or an 18% increase. Based on the model approved for community colleges during the 83<sup>rd</sup> Legislature, core operations remained the same at \$680,406 per year of the biennium, student success points increased by \$1.47 million over the biennium to yield \$4,776,052 per year, and traditional contact hour formula decreased slightly by \$0.8 million to \$26,649,523 per year due to a slight decrease in student enrollment during the base year. Appropriations for state health insurance decreased by \$0.6 million due to the shift from family to single coverage, which should yield a decrease in premium costs borne at 50% by the College. This funding outcome provided a net modest increase in state appropriations of \$0.5 million as compared to the previous year's decrease of \$3.1 million that was caused by the absence of state contributions related to the OPEB funding in accordance with GASB 75. In fiscal year 2018, the State did pass on to the agencies their contribution related to GASB 75. However, in fiscal year 2019, ERS stated that they received significant federal contributions, which were used first to pay out insurance benefit claims. After the federal funds were exhausted, the remaining claims were paid from the employer contributions in the health insurance trust. This process resulted in the OPEB fund accumulating excess contributions and in a growing fund balance, and thereby creating a negative OPEB expense.

Revenue from Ad Valorem taxes increased by \$2.8 million in fiscal year 2020 over fiscal year 2019 due to additional revenue generated from new property added to the tax rolls and increased property values due to a soft reappraisal performed by the El Paso Central Appraisal District. When comparing fiscal years 2019 and 2018, the \$3.1 million increase was due to (1) additional revenue from new property added to the 2018 tax rolls and (2) increased property values due to the reappraisal year. Tax revenue for fiscal years 2020, 2019 and 2018 is based on the tax rates of \$0.141167, \$0.140273, \$0.141638 per \$100 valuation respectively that still represent the lowest tax rates of all major taxing entities in the El Paso County.

Included in Non-Operating Revenue is federal revenue that increased by \$6.4 million over fiscal year 2019 mostly due to the disbursement of CARES Act funding in the amount of \$6.6 million. The College received a total of \$16.6 million under the CARES Act that directed institutions to use no less than 50% of funds received for emergency financial aid grants to eligible students. The College created the process to distribute these funds in an amount not to exceed \$750 per student, and by fall 2020, had disbursed over \$7.5 million or 92% of the funds. The remaining balance will be distributed for the spring 2021 semester.

When comparing fiscal year 2019 to 2018, federal revenue remained flat. Although enrollment of dual credit and early college high school students have steadily risen for the last several years, enrollment of traditional paying students continued to decline in concert with a stronger economy prior to pandemic. The strategic enrollment task force created to address this continued enrollment decline is diligent in applying the strategies developed to identify and reach all populations of the serving area. In addition, student success initiatives continue to focus on identifying at-risk students to promote retention and a college-going culture. Fiscal year 2019 did experience an increase of \$1.3 million over FY 2018 due to the increase in Pell Grant awards because of the increase in the maximum annual award amount, and the awarding of the summer Pell.

There was no activity related to the sale of assets in fiscal year 2020, but the sale of Stanton Building in 2018 created a decrease of \$0.8 million in fiscal 2019 over fiscal year 2018 when the gain on sale of capital assets

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was recorded. The sale proceeds are currently supplementing the funding from the 2016 Revenue Bonds earmarked for the construction of the Rio Grande Classroom and Lab building currently in progress, and scheduled to open summer 2021.

Investment income experienced a dramatic decrease of \$1.99 million over fiscal year 2019 as compared to the increase of \$1.0 million in fiscal year 2019 over fiscal year 2018. This reversed trend is a result of the current economy that slowed down due to the COVID-19 pandemic.

During fiscal year 2016, The College changed depository bank and diversified investment pools by adding TexasDAILY as a second investment pool option. In November 2016, the College issued revenue bonds and invested \$115.3 million into a 3-year flexible repurchase (flex repo) agreement for a guaranteed interest rate of 1.11% for the life of the agreement. This agreement matured on November 30, 2019 and the remaining funds were invested into the TexasDAILY Investment pool. There was a stark contrast between the interest rate environments when comparing the results between Fiscal Year 2019 and Fiscal Year 2020. Interest rates remained higher in Fiscal year 2019 benefitting from the accommodative Federal Reserve policy which maintained rates at over 2.00 % for the entire year resulting in an annual average yield for investments other than revenue bonds of 2.2789%. This rate contributed to the significant increase in interest income for fiscal year 2019 over fiscal year 2018. In fiscal year 2020, interest rates for the first six months with Federal Reserve rates starting the year at 2.25% declined through the middle of March 2020 to 1.25%. Then, on March 15, in response to the declining economy, the Federal Reserve lowered rates to a range of 0 to 25 basis points, dramatically affecting the interest rates earned at the investment pools in which the College's funds are invested. In addition, the College's depository bank lowered the Earnings Credit Rate from 60 to 25 basis points for any funds held at the bank. This precipitous drop in rates resulted in a decrease in interest income of \$1.99 million when compared to the prior fiscal year and an annual average yield for investments of 1.1277% for fiscal year 2020 as compared to 2.2789% for fiscal year 2019.

### **Description of significant capital asset and long-term debt activity**

As the College continues to grow, the administration completed the District-Wide Master Plan to address capital improvement needs and student growth at its five main campuses for the next ten years, and to plan for a potential new campus on Fort Bliss military base property. As part of implementing Phase 1 of the Master Plan approved by the Board of Trustees, the District contracted with ECM International to manage six construction projects at the five campuses. During the 2017 fiscal year, the Board approved the architectural firms to design the new classroom and lab buildings, adding over 400,000 square feet of classrooms, lab and parking space to existing district property at a budgeted cost of over \$115 million. During fiscal year 2018, the Board approved the contractors for the six projects currently underway to be completed on budget and by fall 2020. As of August 31, 2019, Valle Verde Transportation Training Center and the Transmountain Classroom Building opened for the 2019/2020 academic year. The Northwest Campus classroom building opened during Spring 2020, and Mission del Paso Classroom building is scheduled to hold classes during spring 2021. Both the Valle Verde and the Rio Grande Classroom/Lab buildings are now scheduled to open for the summer 2021 sessions.

Aside from the Master Plan projects, other completed major projects during the 2020 fiscal year include the Transmountain Campus Art, Science & Writing Lab; the replacement of the Northwest Campus chiller; the flooring replacement at the Valle Verde and Transmountain campuses libraries, and the Rio Grande H Building Dental lab; the Transmountain electrical loop and the Valle Verde underground electrical cable assessments; the Valle Verde gym storefront replacement; and the replacement of one of the ATC Air Handling Units. Other projects also include the ongoing maintenance of roads and parking lots, and the upgrade of various plumbing and electrical systems. In light of a reduced population on college facilities because of predominantly online instruction and remote work by faculty and staff, the Physical Plant staff took this opportunity to refresh the various facilities and undertake projects that would not proceed as expeditiously with a larger campus population. Aside from the three remaining master plan projects at the Mission del Paso, Valle Verde and Rio Grande campuses, major projects currently in progress include the

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completion of the following: the space build-out for the Makerspace project, the cafeteria flooring replacement, the significant repair of Deportes Drive by the gym, and the ATC boiler replacement, all located at the Valle Verde campus; the restroom renovation, the mechanical room roof replacement, and the Early College High School portable restroom installation, all located at the Transmountain campus; the H Building chiller replacement and the renovation of the Retail Pharmacy Laboratory, both located at the Rio Grande Campus; and finally the Early College High School chiller replacement at Mission del Paso. The College is also in the process of implementing the first phase of the classroom furniture replacement starting with the Mission del Paso and Transmountain campuses. All facilities construction, renovation and improvements are financed by a combination of funds coming from revenue bond proceeds, grants and plant fund reserves.

To accommodate increased enrollment since 1994, the District initiated a financial plan and has since then issued \$273,355,000 in Revenue Bonds, part of which refinanced the 1994, 1995, 1996, 1997, 1997B, 1998, 1999, 2001, and 2007 bond issues. In January 2007, the District issued the Fee Revenue Building and Refunding Bonds in the amount of \$66,280,000 that accomplished (1) the refunding of \$37 million of current debt with expected present value savings of \$1.9 million and (2) generating additional funds of \$31.6 million for renovation and new construction. The refunding of some of the current debt created additional debt capacity for the District to issue additional revenue bonds at no additional cost to the student or the taxpayer.

The general use fee of \$20 per credit hour, and the tuition transfer of \$15 per student in the fall and spring semesters and \$7.50 per student for the summer sessions currently cover all bond debt. The Board of Trustees approved an incremental increase to the general use fee from the \$10 per credit hour that had been in effect since 2000 as part of the 1994 financing plan, to \$13 effective Spring 2015, then to \$15 effective fall 2015 and finally to \$16 effective fall 2016. During the evaluation of the District Master Plan, the Board approved an additional increase of \$4 to the adopted General Use Fee of \$16, thereby creating additional revenue stream to fund the issuance of additional revenue bonds that will finance the approved phases of the District-Wide Master Plan as mentioned above.

In fall 2016, the District took advantage of attractive interest rates that would provide additional debt capacity to fund Phase 1 of the Master Plan. Therefore, the District issued in October 2016 the Combined Fee Revenue Improvement Bonds Series 2016 for \$105,140,000, followed by the January 2017 issuance of the Combined Fee Revenue Refunding Bonds for \$30,315,000 with an interest rate of 2.09%. By refunding the callable maturities of the 2001 and 2007 Bonds that carried an average interest rate of 5%, the College obtained an economic gain of about \$4.6 million over the next nine years. On October 18, 2016, Fitch Ratings assigned an 'A+' rating to a planned \$120 million Combined Fee Revenue Improvement Bonds, Series 2016. In addition, it affirmed the 'A+' rating on \$43.3 million of outstanding EPCC Combined Fee Revenue Building and Refunding Bonds, Series 2007. The rating outlook was revised to stable from positive in light of the additional debt. However, the 'A+' rating was based on consistently positive operating results, healthy reserves, demonstrated ability to monitor expenses during challenging enrollment pressures, and the College's capacity to raise tax revenue. Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

On October 12, 2018, Fitch Ratings assigned an Issuer Default Rating (IDR) of 'AA'. In addition, Fitch upgraded the District's \$105 million in outstanding combined fee revenue bonds, series 2016 to 'AA' from 'A+'. The rating outlook is stable. The report states, "The 'AA' long-term IDR reflects Fitch's expectation of the highest level of operating flexibility and anticipated financial resilience to be maintained by the District throughout the economic cycle. This expectation is largely attributable to its solid expenditure flexibility, modest historical revenue volatility, ample revenue-raising ability, and a strong reserve cushion." The full report is available at [www.fitchratings.com](http://www.fitchratings.com).

On November 15, 2012, Moody's affirmed the College's rating as 'Aa3' with a stable outlook. Moody's outlook reflects that the College will maintain stable and growing enrollment along with stable to moderate revenue growth from tax revenues and tuition increases, as state appropriations are likely to



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decrease. Although the construction of a new campus will create additional debt, Moody's expects that the debt burden will be manageable given the current levels of operations and financial resources.

On October 9, 2013, Moody's affirmed the College's rating of 'Aa3' but revised its outlook as negative as a result of the College being placed on warning by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). Although the College was still accredited, reaffirmation was denied during the October 2012 decennial review by SACSCOC. According to the SACSCOC Board of Trustees, the College failed to demonstrate compliance with Core Requirement 2.8 (faculty), and Comprehensive Standards 3.3.1.1 and 3.3.1.2 (Institutional Effectiveness: educational programs and administrative support services).

In June 2014, the College was reaffirmed as a result of the review by SACSCOC of the First Monitoring Report submitted by the College in April 2014, which demonstrated that the College addressed all issues. Upon reaffirmation, Moody's revised the 'Aa3' rating outlook to stable, and confirmed the College's stable market position as education provider for the region, with consistent positive operating performance and favorable revenue diversity. The report can be found at [www.moody.com](http://www.moody.com).

On March 15, 2011, Standard & Poor's issued a press release upgrading its underlying rating of 'A' to 'A+' on the College's Series 2001 Combined Fee Revenue Building and Refunding Bonds with a stable outlook. This outlook reflected the College's essential role as the only community college in the El Paso area; good revenue diversity from tuition, property taxes and state appropriations; and history of consistently positive financial operations. The rating also cited significant growth pressures, limited revenue flexibility, moderate debt burden, and recent instability in state appropriations as challenges for the College. However, Standard & Poor's expectation is that the District will continue to sustain balanced operating results with stable enrollment and overall district financial resources as long as it can manage the potential significant cuts in state appropriations and issue additional revenue debt with the commensurate increase in financial resources or revenue.

On March 13, 2014, Standard & Poor's issued a press release affirming its 'A+' underlying rating on the same issue as above with a stable outlook. This rating reflected their view of the District's consistently positive operating surpluses, tax base growth, good revenue diversity and the College's essential role as the only community college in the area.

On October 19, 2016, Standard & Poor's assigned a 'A+' long-term rating on the College's Series 2016 Combined Fee Revenue Improvement Bonds. At the same time, it affirmed the 'A+' underlying rating of the College's Series 2001 Combined Fee Revenue Building and Refunding Bonds. Both ratings were given a stable outlook. This rating was based on the College's consistently positive operating surpluses, tax base growth, good revenue diversity and below-average financial resources ratios with significant amount of proposed debt.

On May 21, 2018, S&P Global Ratings assessed its long-term rating on the College's Series 2016 Combined Fee Revenue Improvement Bonds with a rating of 'A+' and stable outlook. This rating reflected their view of the District's consistently positive operating surpluses, tax base growth, good revenue diversity, and below-average financial resources ratios.

On October 7, 2020, as part of its bi-annual surveillance review, S&P Global Ratings re-affirmed its long-term rating on the College's Series 2016 Combined Fee Revenue Improvement Bonds of "A+" and with a stable outlook. This rating reflects S&P's view of the District's consistently positive operating surpluses, tax base growth, good revenue diversity and below-average financial resources ratios. The report also emphasized the College's essential role as the only community college in the El Paso area. The stable outlook reflects S&P's expectation that EPCC will likely sustain positive full-accrual operating results, and maintain financial resource ratios at current levels.

Additional information on both capital assets and long-term debt can be found in Notes 5, 6, 7 and 8 of the Notes to the Financial Statements.

# EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Economic Outlook

Prior to the COVID-19 pandemic, the economic outlook for the State of Texas appeared optimistic for the upcoming biennium, and El Paso Community College was preparing for the 87<sup>th</sup> Legislature accordingly by focusing not only on increasing student enrollment, but also on student success as it is the College's mission to educate its community to prepare them not only for graduation and gainful employment but also for transfer to 4-year universities. However, the pandemic has deeply affected the state economy and in turn the State's ability to generate enough revenue that would support continued state funding for all state agencies and institutions of higher education. While the College was developing the budget for fiscal year 2020/21, all state funded entities were informed of potential cuts in appropriations during fiscal year 2019/20. Although community colleges were exempted from the 5% decrease in funding during the fiscal year in review, the College administration planned for a potential cut and implemented cost containment strategies to prepare for a decrease in appropriation during the next biennium, which included freezing the recruitment of staff, postponing non-critical capital purchases, and significantly reduce travel budgets. At the time of this writing, the State Comptroller announced a more favorable picture of state revenues, which bodes well for a better outcome from the 87<sup>th</sup> Legislature. However, the College is still preparing for potential cuts in state funding and continues to practice the cost containment measures put in place during the last two quarters of fiscal year 2019/20. As part of the previous year's budget planning, the Board of Trustees implemented a 2-year tuition plan that set the tuition rate for the next two years and aimed to accomplish (1) predictable tuition costs for students that encourage them to graduate within two years, and (2) an additional stream of revenue that is set aside as a reserve to deal with the potential decrease in state funding. As the pandemic has created significant unemployment in the region, the College is hopeful that enrollment will pick up as soon as students are able to safely return to face to face instruction. As enrollment and student success are addressed through its established Enrollment Task Force along with the various student success initiatives to include the Achieving the Dream and Pathways, the College is focusing on promoting education in the El Paso community to encourage completion to meet the State goal of the 60x30 initiative, and hopes to fare as well as expected under the current circumstances at the 87<sup>th</sup> Legislative session.

In spite of tuition and tax rate increases over the last five legislative sessions to offset decreased state funding for student enrollment and employee benefits, the College has the lowest tuition rate in the region and the lowest tax rate of all major taxing entities of the El Paso County while still maintaining quantity and quality of service to its student population. This demonstrates the College's ability and flexibility for generating additional revenue, should state funding continue to be insufficient to fund its operations and innovative programs.

In December 2014, the firm of EMSI issued a report summarizing the results of a study documented in "Demonstrating the Economic Value of El Paso Community College" during fiscal year 2012/2013, and detailing the role that the College plays in promoting economic growth, enhancing students' careers, and improving quality of life. The main highlights of this study for the College are as follows:

- Due to El Paso Community College (EPCC) operations and capital spending, the local economy receives roughly \$155.5 million in annual regional income.
- EPCC activities encourage new business, assist existing business and create long-term economic growth. The College enhances worker skills and provides customized training to local business and industry. Past and present skills acquired by EPCC students increase regional income by \$860.6 million.
- Overall impact on the local business community is over \$1.0 billion or approximately 3.9% of the region's Gross Regional Product.

## EL PASO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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- Related to students earning potential, studies demonstrate that education increases lifetime earnings. The average annual income of a student with an Associate Degree at the midpoint of his or her career is \$35,400 or 36% more than someone with a high school diploma. Over the course of a working lifetime, associate's degree graduates in the College service area earn \$368,187 more than someone with a high school diploma. The present value of the higher future wages earned by EPCC students over their working careers is \$1.1 billion. As a result of their attending EPCC, students enjoy an attractive 14.3% annual rate of return on their EPCC educational investment.
- EPCC students remaining in Texas and entering the workforce enhance the economic growth and expand the economic base. Higher student wages and increased business output contribute added present value income of \$5.7 billion.
- EPCC generates a return on public investment, as taxpayers will see a return of \$5.00 for every dollar appropriated by state and local governments to support the College, or an annual rate of return of 13.4% on their investment in EPCC.
- Most importantly, the state and local community will see \$111.2 million worth of social savings associated with improved health, reduced crime, and less welfare and unemployment claims as long as students stay in the workforce.

The above study demonstrates that El Paso Community College plays a critical role in its service area by stimulating the state and local economy, leveraging taxpayer dollars, generating a return on government investment, increasing students' earning potential and certainly contributing to a healthier and more prosperous society.

In addition to its current role, the College may face additional demand from the growth at Fort Bliss, the Army's second largest installation. Fort Bliss currently hosts more than 37,000 active military personnel, over 37,000 family members and employs over 11,000 civilians with a \$1.7 billion impact on the El Paso community. As a designated military friendly school recognized by Victory Media, El Paso Community College prides itself in recognizing and embracing America's military service members, veterans and spouses as students to ensure their success on campus, and therefore is gearing up for the challenges of providing educational services to the Fort Bliss community by addressing its facility needs with the potential construction of its sixth campus in conjunction with the planning of the projects identified by the District Master Plan.

In summary, in light of the current pandemic that has affected the national, state and local economies, El Paso Community College continues to monitor the conditions created by COVID-19 and has taken measures that should mitigate any significant effect on the financial position or results of operations during this fiscal year, and beyond. With an overall stable financial position, the College has demonstrated its ability to generate consistent increases in net position through the efficient and effective use of its resources. The College will continue to monitor those resources to maintain its ability to react to changes from internal and external forces.



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
STATEMENT OF NET POSITION  
August 31, 2020 and 2019

EXHIBIT 1

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b>ASSETS:</b>  |                       |                       |
| <b>Current Assets:</b>  |                       |                       |
| Cash and Cash Equivalents   | \$ 144,832,842        | \$ 130,965,442        |
| Restricted Cash and Cash Equivalents  | 35,391,019            | 67,900,623            |
| Accounts Receivable (net of allowance for doubtful accounts of \$15,489,032 in 2020 and \$17,374,980 in 2019) | 14,038,869            | 17,025,337            |
| Notes Receivable (net of allowance for doubtful accounts of \$6,334,250 in 2020 and \$5,669,852 in 2019 )     | 2,856,378             | 6,018,231             |
| Prepaid charges   | 17,314,106            | 22,062,109            |
| Bond insurance cost   | 248,698               | 260,002               |
| Other Assets  | <u>787,618</u>        | <u>755,856</u>        |
| Total Current Assets  | <u>215,469,530</u>    | <u>244,987,600</u>    |
| <b>Noncurrent Assets:</b>   |                       |                       |
| Capital Assets, net (see Note 5)  | <u>220,847,053</u>    | <u>193,756,080</u>    |
| Total Noncurrent Assets   | <u>220,847,053</u>    | <u>193,756,080</u>    |
| <b>TOTAL ASSETS</b>   | <u>\$ 436,316,583</u> | <u>\$ 438,743,680</u> |
| <b>Deferred Outflows of Resources</b>   |                       |                       |
| Pension   | \$ 15,656,201         | \$ 14,651,046         |
| OPEB  | <u>29,887,140</u>     | <u>29,347,155</u>     |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>   | <u>\$ 45,543,341</u>  | <u>\$ 43,998,201</u>  |
| <b>LIABILITIES AND NET POSITION:</b>  |                       |                       |
| <b>LIABILITIES:</b>   |                       |                       |
| <b>Current Liabilities:</b>   |                       |                       |
| Accounts Payable  | \$ 11,131,691         | \$ 14,213,300         |
| Accrued Liabilities   | 3,308,069             | 3,855,355             |
| Accrued Compensable Balances - Current Portion  | 505,359               | 426,914               |
| Workers' Compensation Reserve - Current Portion   | 422,608               | 459,809               |
| Net Pension Liability - Current Portion   |                       |                       |
| Net OPEB Liability - Current Portion  | 2,719,951             | 1,111,540             |
| Funds Held for Others   | 1,809,406             | 2,139,546             |
| Unearned revenue  | 41,511,792            | 52,699,788            |
| Bonds Payable - Current Portion (including premium of \$557,335 in 2020 and \$557,335 in 2019)                | <u>4,302,335</u>      | <u>4,227,335</u>      |
| Total Current Liabilities   | <u>65,711,211</u>     | <u>79,133,587</u>     |

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
STATEMENT OF NET POSITION (Continued)  
August 31, 2020 and 2019

EXHIBIT 1

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b>LIABILITIES AND NET POSITION:</b>  |                       |                       |
| <b>LIABILITIES:</b>   |                       |                       |
| <b>Noncurrent Liabilities:</b>  |                       |                       |
| Accrued Compensable Balances  | \$ 4,548,226          | \$ 3,842,222          |
| Workers' Compensation Reserve   | 477,392               | 440,191               |
| Net Pension Liability   | 33,777,799            | 35,437,453            |
| Net OPEB Liability  | 83,098,110            | 74,456,590            |
| Bonds Payable (including premium of \$11,704,524 in 2020 and \$12,261,881 in 2019 ) | <u>132,624,524</u>    | <u>136,926,881</u>    |
| <b>Total Noncurrent Liabilities</b>   | <u>254,526,051</u>    | <u>251,103,337</u>    |
| <b>TOTAL LIABILITIES</b>  | <u>\$ 320,237,262</u> | <u>\$ 330,236,924</u> |
| <br>  |                       |                       |
| <b>Deferred Inflows of Resources</b>  |                       |                       |
| Gain on bond refunding  | \$ 383,820            | \$ 460,584            |
| Pension   | 8,475,897             | 2,899,301             |
| OPEB  | <u>23,930,625</u>     | <u>29,248,313</u>     |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>  | <u>\$ 32,790,342</u>  | <u>\$ 32,608,198</u>  |
| <br>  |                       |                       |
| <b>Net Position</b>   |                       |                       |
| Net investment in capital assets  | 100,670,911           | 99,809,384            |
| <b>Restricted for:</b>  |                       |                       |
| <b>Nonexpendable:</b>   |                       |                       |
| Student Aid   | 781,293               | 771,717               |
| <b>Expendable:</b>  |                       |                       |
| Student Aid   | 6,270,171             | 6,264,649             |
| Loans   | 2,843,395             | 2,638,840             |
| Renewals and Replacement  | 652,474               | 635,617               |
| Unexpended Plant Fund   | 24,473,193            | 23,143,503            |
| Debt Service  | 18,192,135            | 17,201,451            |
| <b>Unrestricted</b>   | <u>(25,051,252)</u>   | <u>(30,568,402)</u>   |
| <b>TOTAL NET POSITION (Schedule D)</b>  | <u>\$ 128,832,320</u> | <u>\$ 119,896,759</u> |

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 Years Ended August 31, 2020 and 2019

EXHIBIT 2

|  | <u>2020</u>           | <u>2019</u>           |
|--|-----------------------|-----------------------|
| <b>REVENUES:</b>   |                       |                       |
| Operating Revenue:   |                       |                       |
| Tuition and Fees (net of discounts of \$52,752,742 in 2020 and \$51,364,076 in 2019) | \$ 23,292,432         | \$ 25,133,302         |
| Federal Grants and Contracts   | 6,336,034             | 3,932,118             |
| State Grants and Contracts   | 2,442,642             | 2,565,515             |
| Non-Governmental Grants and Contracts  | 748,272               | 978,838               |
| Auxiliary Enterprises  | 1,472,294             | 1,757,605             |
| Other Operating Revenues   | <u>2,342,829</u>      | <u>2,379,876</u>      |
| <b>Total Operating Revenues (Schedule A)</b>   | <u>36,634,503</u>     | <u>36,747,254</u>     |
| <b>EXPENSES:</b>   |                       |                       |
| Operating Expenses:  |                       |                       |
| Instruction  | 66,592,292            | 65,192,950            |
| Research   | 186,974               | 180,055               |
| Public Service   | 4,965,210             | 5,276,605             |
| Academic Support   | 27,322,180            | 24,149,179            |
| Student Services   | 13,443,855            | 12,830,991            |
| Institutional Support  | 27,038,666            | 27,667,763            |
| Operation and Maintenance of Plant   | 11,092,662            | 11,455,250            |
| Scholarships and Fellowships   | 31,161,929            | 24,574,969            |
| Auxiliary Enterprises  | 3,028,010             | 2,920,706             |
| Depreciation   | <u>5,486,760</u>      | <u>5,119,947</u>      |
| <b>Total Operating Expenses (Schedule B)</b>   | <u>190,318,538</u>    | <u>179,368,415</u>    |
| <b>Operating Loss</b>  | <u>(153,684,035)</u>  | <u>(142,621,161)</u>  |
| Non-Operating Revenues (Expenses):   |                       |                       |
| State Appropriations   | 41,819,184            | 41,333,463            |
| Maintenance Ad-Valorem Taxes   | 64,101,302            | 61,284,007            |
| Federal Revenue, Non Operating   | 59,745,353            | 53,278,759            |
| Other State Revenue, Non Operating   | 294,395               | 401,287               |
| Gain on Sale of Capital Assets   | -                     | -                     |
| Investment Income (net of investment expenses)                                       | 2,060,427             | 4,050,044             |
| Interest on Capital Related Debt   | <u>(5,401,065)</u>    | <u>(5,476,854)</u>    |
| <b>Net Non-Operating Revenues (Schedule C)</b>                                       | <u>162,619,596</u>    | <u>154,870,706</u>    |
| <b>Increase in Net Position (Schedule D)</b>   | 8,935,561             | 12,249,545            |
| <b>Net Position, Beginning of Year</b>   | <u>119,896,759</u>    | <u>107,647,214</u>    |
| <b>Net Position, End of Year</b>   | <u>\$ 128,832,320</u> | <u>\$ 119,896,759</u> |

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





EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
Years Ended August 31, 2020 and 2019

EXHIBIT 3

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                       |                       |                       |
| Receipts from students and other customers                        | \$ 19,991,057         | \$ 24,605,515         |
| Receipts of grants and contracts                                  | 9,478,012             | 7,550,420             |
| Receipts from collection of loans to students and employees       | 13,112,985            | 14,889,136            |
| Other receipts  | 4,151,932             | 4,866,051             |
| Payments to or on behalf of employees                             | (107,221,197)         | (106,367,722)         |
| Payments to suppliers for goods or services                       | (32,839,197)          | (22,795,793)          |
| Payments of scholarships  | (31,161,929)          | (24,574,969)          |
| Payments of loans issued to students and employees                | (9,951,132)           | (14,584,660)          |
| Net cash used in operating activities                             | <u>(134,439,469)</u>  | <u>(116,412,022)</u>  |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>            |                       |                       |
| Receipts from state appropriations                                | 32,194,450            | 31,877,681            |
| Receipts from ad valorem taxes                                    | 63,661,279            | 61,035,473            |
| Receipts from non operating federal revenue                       | 59,745,353            | 53,278,759            |
| Receipts from non operating state revenue                         | 294,395               | 401,287               |
| Receipts from student organizations and other agency transactions | 1,295,073             | 1,066,034             |
| Payments to student organizations and other agency transactions   | <u>(1,215,597)</u>    | <u>(1,341,073)</u>    |
| Net cash provided by noncapital financing activities              | <u>155,974,953</u>    | <u>146,318,161</u>    |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>   |                       |                       |
| Purchases of capital assets                                       | (32,577,733)          | (54,240,989)          |
| Proceeds from the sale of capital assets                          | -                     | -                     |
| Payments on capital debt and leases - principal                   | (3,670,000)           | (3,595,000)           |
| Payments on capital debt and leases - interest                    | <u>(5,990,382)</u>    | <u>(5,596,229)</u>    |
| Net cash used in capital and related financing activities         | <u>(42,238,115)</u>   | <u>(63,432,218)</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                       |                       |                       |
| Investment earnings   | <u>2,060,427</u>      | <u>4,050,044</u>      |
| Net cash provided by investing activities                         | <u>2,060,427</u>      | <u>4,050,044</u>      |
| <b>DECREASE IN CASH AND CASH EQUIVALENTS</b>                      | (18,642,204)          | (29,476,035)          |
| <b>CASH AND CASH EQUIVALENTS, Beginning of year</b>               | <u>198,866,065</u>    | <u>228,342,100</u>    |
| <b>CASH AND CASH EQUIVALENTS, End of year</b>                     | <u>\$ 180,223,861</u> | <u>\$ 198,866,065</u> |

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS (Continued)  
Years Ended August 31, 2020 and 2019

EXHIBIT 3

|   | <u>2020</u>             | <u>2019</u>             |
|---|-------------------------|-------------------------|
| <b>RECONCILIATION OF OPERATING LOSS TO NET CASH<br/>USED IN OPERATING ACTIVITIES:</b> |                         |                         |
| Operating loss  | \$ (153,684,035)        | \$ (142,621,161)        |
| Adjustments to reconcile operating loss to net cash<br>used in operating activities:  |                         |                         |
| Depreciation expense  | 5,486,760               | 5,119,947               |
| Gain on capital assets  | -                       | -                       |
| Payments made directly by state for benefits  | 9,215,118               | 9,455,782               |
| Change in assets and liabilities  |                         |                         |
| Receivables, net  | 3,426,490               | (584,504)               |
| Notes receivable, net   | 3,161,853               | 304,476                 |
| Prepaid charges   | 4,748,003               | 990,864                 |
| Other assets  | (31,762)                | 94,494                  |
| Deferred outflows of resources - pension  | (1,005,155)             | (11,751,745)            |
| Deferred outflows of resources - OPEB   | (539,985)               | (98,842)                |
| Deferred outflows of resources - bond insurance cost                                  | 11,305                  | 11,305                  |
| Accounts payable  | (3,081,609)             | 5,522,488               |
| Accrued expenses  | (515,326)               | 1,691,351               |
| Compensated absences  | 784,449                 | (8,444)                 |
| Unearned revenue  | (11,187,996)            | (1,757,476)             |
| Net pension liability   | (1,659,654)             | 15,070,027              |
| Net OPEB liability  | 10,249,931              | 15,581,141              |
| Deferred inflows from resources- pension  | 5,576,596               | (1,964,152)             |
| Deferred inflows from resources - OPEB  | (5,317,688)             | (11,390,809)            |
| Deferred inflows from resources- gain on bond refunding                               | (76,764)                | (76,764)                |
| Net cash used in operating activities   | <u>\$ (134,439,469)</u> | <u>\$ (116,412,022)</u> |
| <b>SUPPLEMENTAL NON CASH INFORMATION:</b>   |                         |                         |
| State on-behalf payments  | <u>\$ 9,624,734</u>     | <u>\$ 9,455,782</u>     |
| Amortization of premium of bonds  | <u>\$ 557,335</u>       | <u>\$ 557,335</u>       |
| Amortization of gain on bond refunding  | <u>\$ 76,764</u>        | <u>\$ 76,764</u>        |

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

# EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

## NOTES FINANCIAL STATEMENTS AUGUST 31, 2020

### 1. REPORTING ENTITY

El Paso County Community College District (the "College"), was established in 1969, in accordance with the laws of the State of Texas, to serve the educational needs of El Paso and the surrounding communities. The College is an unincorporated taxing entity governed by an elected seven-member board of trustees. The College is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board ("GASB") Statement No. 14. While the College receives funding from local, state, and federal sources, and must comply with the spending, reporting, and recordkeeping requirements of these entities, it is not a component unit of any other governmental entity.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Report Guidelines

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The college is reported as a special-purpose government engaged in business-type activities.

#### Tuition Discounting

##### Texas Public Education Grants

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

##### Title IV Higher Education Act Program (HEA) Funds

Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the student is awarded and uses these funds for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

##### Other Tuition Discounts

The College awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

#### Basis of Accounting

The financial statements of the College 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.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for the fiscal year beginning September 1. The College's Board of Trustees adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1.

Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The College pools most of its cash into one bank account. Pooled investments consist of cash in interest bearing accounts and repurchase agreements. The College considers cash equivalents to be all highly liquid deposits with original maturities of three months or less. The governing board has designated public funds investment pools comprised of \$168,264,823 and \$197,688,244 to be cash equivalents at August 31, 2020 and 2019, respectively. Additionally, included in cash and cash equivalents at August 31, 2020 and 2019, are \$0 and \$56,730,217, respectively, in repurchase agreements.

Cash and cash equivalents that are externally restricted as to their use are classified as noncurrent assets in the Statement of Net Position, unless they are considered to offset maturing debt and payables that have been set up as a current liability; in that case, they are presented as current assets in the Statement of Net Position.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools* and No. 79 *Certain External Investment Pools and Pool Participants* investments are reported at fair value or may elect to use an amortized cost which is a stable net asset value per share. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase. The College had no short-term or long-term investments at August 31, 2020 and 2019.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Authorized Investments

The Board of Trustees of the College has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act (Section 2256.001 Texas Government Code). Such investments include 1) obligations of the United States 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, and 5) other instruments and obligations authorized by statute. The College's investments are carried at fair value.

For the years ended August 31, 2020 and 2019, management of the College believes that they have substantially complied with the provisions of the Public Funds Investment Act and the College's investment policy.

Allowances for Doubtful Accounts and Loans

Allowances for doubtful accounts and loans are established through charges to current year expenditures. Receivables and loans are reduced by the allowances for doubtful accounts or loans when management believes that the collectability of the receivables or loans is unlikely.

Notes Receivable

Notes receivable are for amounts advanced to students to pay for tuition, fees, and books. The notes are all due within one year.

Capital Assets

Capital assets are stated at cost at date of acquisition. Donated capital assets are valued at their acquisition value on the date received. The College's capitalization policy includes real or personal property with a unit cost of \$5,000 or more and has an estimated life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred.

The College reports depreciation under a single-line item as a business-type unit. Depreciation is computed using the straight-line method over the estimated useful lives of the assets applying the half-year convention. The following lives are used:

|                                    |            |
|------------------------------------|------------|
| Buildings                          | 50 years   |
| Land and Improvements              | 20 years   |
| Furniture, Equipment, and Vehicles | 5-10 years |
| Library Books                      | 15 years   |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows or inflows of resources. These are separate financial statement elements. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows represent an acquisition of net positions that applies to future period(s) and so is not recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred outflows and inflows in circumstances specifically authorized by the GASB.

Pension

The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS 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 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. Benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) 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 SRHP's fiduciary net position. Benefits payments are recognized when due and are payable in accordance with the benefit terms.

Prepaid Charges

Prepaid charges consist primarily of federal grants awarded in current year which are related to academic term in the next fiscal year, are recorded as prepaid charges and recognized as expenses when all obligations have been fulfilled.

Unearned Revenues

Unearned revenues consisting primarily of advance payments of tuition and fees, related to academic terms in the next fiscal year, are recorded as unearned revenues and recognized as revenue in the period when earned.

Compensable Absences

The College accrues an estimated liability for compensable absences that vest in the period earned.

Tax Exempt Status

The College is a political subdivision of the State of Texas and exempt from federal income taxes under the purview of Section 115(1), Income of States, Municipalities, Etc., of the Internal Revenue Code ("IRC"), although unrelated business income may be subject to income taxes under Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations, of the IRC. The College has no unrelated business income tax liability for the years ended August 31, 2020 and 2019.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Student Property Deposits

Students are required to pay the College a \$10 property deposit. The amount is refundable upon request when the student graduates or leaves the College. Unclaimed amounts are recognized as revenue after four years. Effective September 1, 1993, state law requires unclaimed student property deposits are for scholarship use only.

Funds Held for Others

Funds held for others represent refundable student property deposits, direct loans, and funds held by the College for various campus and community organizations.

Property Taxes

Revenue from property taxes, including related penalties and interest, is recognized in the current year, net of allowances for taxes not collected. The College's ad valorem property tax is assessed each October 1 based upon the assessed value of the College as of January 1 of the same year for all real and business personal property located within the College's district. Taxes are due upon receipt of the tax bill and are delinquent if not paid by January 31 of the year following the year in which imposed. Tax liens on real property are executed generally within one month of receipt of notification of delinquency of tax payments.

The use of tax proceeds is restricted to maintenance and operations. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes.

Net Position

Net position is classified based on the existence or absence of restrictions. Accordingly, net position of the College is classified and reported as follows:

Net Investment in Capital Assets

Net Investment in Capital Assets is used to accumulate the net investment in property and equipment. The purchase (sale) of property and equipment, accumulated depreciation, and (increase) decrease in related debt and liabilities is recognized as an (addition) reduction of available net position and is recorded as capital assets and as an addition (reduction) in net position.

Restricted Net Position

Restricted net position includes expendable and non-expendable net position. Non-expendable net position results from contributions whose use by the College is limited to the earnings thereon. Expendable net position is for amounts whose use is restricted by either granting agencies, debt requirements, or the Board of Trustees.

Unrestricted Net Position

Net position whose use is not restricted.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-Operating Revenues and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a business-type activity and as a single proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations, property tax collections and federal Title IV grant programs. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The major nonoperating expense is interest expense on capital related debt. The operation of the Bookstore is not performed by the College.

Concentration of Credit Risk

Financial instruments which potentially subject the College to a concentration of credit risk consist primarily of cash, repurchase agreements, investment pools, and accounts and taxes receivable. The College places its cash and investments in federally insured financial institutions which collateralize the College's deposits with securities issued by the United States Government and in United States Government Treasury notes.

Restricted Resources

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

Use of Estimates

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

Characterization of Title IV Grant Revenue

In response to guidance provided by the Government Accounting Standards Board (GASB) as question/answer 7.72.10 in the Implementation Guide, revenue received for federal Title IV grant programs (i.e. Pell grants) is now characterized as non operating revenue as opposed to operating revenue.

Reclassifications

Certain amounts in the prior-year statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Significant subsequent events have occurred since the year ending August 31, 2020 through the issuance date of this report, see footnote number 22 for disclosure of the events.

New Pronouncements

Effective for fiscal year 2020, the College implemented GASB Statement No. 83, *Certain Asset Retirement Obligations*, which requires that a deferred outflow of resources associated with an Asset Retirement Obligation (ARO) be measured and recorded at the amount of the corresponding liability upon initial measurement if and only if a community college determines that an ARO must be reported in its financials statements. The deferred outflow of resources related to an ARO should be reduced and recognized (for example, as an expense) in a systematic and rational manner over the estimated useful life of the tangible capital asset. As of August 31, 2020, the College had no such obligations.

Effective for fiscal year 2020, the College implemented GASB Statement No. 88, *Related to Debt, including Direct Borrowing and Direct Placement*, resulting in additional debt disclosures that were added to footnote number 6 and 7.

Effective for fiscal year 2020, the College has reviewed and implemented the guidelines of the Implementation Guide No 2018-1, "Implementation Guide Update-2018."

3. DEPOSITS AND INVESTMENTS

At August 31, 2020 and 2019, the carrying amount of the College's deposits was \$11,959,038 and \$1,177,821, respectively, and total cash on hand and bank balances equaled \$13,631,367 and \$2,213,086, respectively.

Cash and Deposits as reported on Exhibit 1, Statement of Net Position, consist of the items reported below:

|                                 | 2020            | 2019            |
|---------------------------------|-----------------|-----------------|
| Bank deposits                   | \$ 11,939,738   | \$ 1,158,521    |
| Cash and cash equivalents       |                 |                 |
| Demand deposits                 | 19,300          | 19,300          |
| Flexible repurchase agreements  | -               | 56,730,217      |
| TexasDAILY                      | 141,232,332     | 96,741,892      |
| TexPool                         | 27,032,491      | 44,216,135      |
| Total Cash and Deposits         | \$ 180,223,861  | \$ 198,866,065  |
|                                 | Fair Value      | Fair Value      |
| Type of Security                | August 31, 2020 | August 31, 2019 |
| Total cash and cash equivalents | \$ 168,264,823  | \$ 197,688,244  |
| Total Investments               | -               | -               |
| Total deposits and investments  | \$ 168,264,823  | \$ 197,688,244  |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

3. DEPOSITS AND INVESTMENTS (Continued)

CASH AND DEPOSITS

| <u>Per Statement of Net Position (Exhibit 1)</u> | <u>2020</u>           | <u>2019</u>           |
|--|-----------------------|-----------------------|
| Cash and Cash Equivalents                        | \$ 144,832,842        | \$ 130,965,442        |
| Restricted Cash and Cash Equivalents (current)   | <u>35,391,019</u>     | <u>67,900,623</u>     |
| Total Cash and Deposits                          | <u>\$ 180,223,861</u> | <u>\$ 198,866,065</u> |

TexasDAILY and TexPool (the Pool) were established for local governments in Texas under the provisions of the Texas Interlocal Cooperation Act and is designed to comply with all of the Texas statutes, including the Public Funds Investment Act (PFIA) and other regulations for the allowable investments of public funds.

TexPool is overseen by the Texas State Comptroller of Public Accounts. PFM Asset Management LLC serves as the investment adviser and administrator for TexasDAILY. Both investment pools seek to maintain a \$1.00 net asset value per share, as required by the PFIA; however, the \$1.00 net asset value is not guaranteed. Accordingly, the fair value of the College's position in TexPool and TexasDAILY is the same value as the value of the shares. The College reports these investments as cash and cash equivalents.

TexasDAILY investments are a money market portfolio with daily liquidity that is rated AAA by Standard & Poor's.

TexPool investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA rated no load money market mutual funds.

Interest Rate Risk

In accordance with state law and the College's investment policy, the College purchases investments with maturities less than two years or invest bond proceeds for a period of time that coincides with the amount of time it takes to use bond proceeds. Both TexasDAILY and TexPool try to minimize this risk by maintaining a weighted average maturity of sixty (60) days or less in their respective portfolios.

Credit Risk

In accordance with state law and the College's investment policy, investments in investment pools must be rated at least AAA by at least one nationally recognized rating service.

Custodial Credit Risk

For a deposit or investment, custodial risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The College's policy requires deposits to be at least 100 percent secured by collateral valued at market value of the principal and accrued interest reduced by the amount of Federal Deposit Insurance Corporation insurance. As of August 31, 2020, and 2019, the College's \$0 and \$56,730,217 of repurchase agreements and \$11,939,738 and \$1,158,521 of bank deposits, respectively, had collateral of \$14,365,079 and \$73,588,184 of underlying securities which were held by the pledging financial institutions' trust departments or agent in the College's name.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

**4. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES**

Receivables at August 31, 2020 and 2019 were as follows:

|  | 2020          | 2019          |
|--|---------------|---------------|
| Student Receivables                    | \$ 20,992,799 | \$ 26,017,365 |
| Taxes Receivables                      | 4,862,070     | 4,422,047     |
| Federal Receivables                    | 1,424,892     | 1,053,873     |
| Agencies and Local Vendors Receivables | 2,057,147     | 2,330,020     |
| Contract and Grants Receivables        | 117,977       | 167,187       |
| Other Receivables                      | 73,016        | 409,825       |
| Total                                  | 29,527,901    | 34,400,317    |
| Less: Allowance for Doubtful Accounts  | 15,489,032    | 17,374,980    |
| Total Receivables, Net                 | \$ 14,038,869 | \$ 17,025,337 |

Student Receivables are due within three months.

Payables at August 31, 2020 and 2019 were as follows:

|                             | 2020          | 2019          |
|-----------------------------|---------------|---------------|
| <b>Accounts Payable:</b>    |               |               |
| Vendor Payable              | \$ 10,967,784 | \$ 14,058,078 |
| Student Payable             | 163,764       | 154,348       |
| Other Payable               | 143           | 874           |
| Total Accounts Payable      | 11,131,691    | 14,213,300    |
| <b>Accrued Liabilities:</b> |               |               |
| Salaries and Benefits       | 976,269       | 1,591,595     |
| Accrued Interest            | 2,231,800     | 2,263,760     |
| Other                       | 100,000       | -             |
| Total Accrued Liabilities   | 3,308,069     | 3,855,355     |
| Total Payables              | \$ 14,439,760 | \$ 18,068,655 |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

5. CAPITAL ASSETS

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

|  | Balance<br>September 1,<br>2019 | Increases            | Decreases              | Balance<br>August 31,<br>2020 |
|--|---------------------------------|----------------------|------------------------|-------------------------------|
| <u>Not Depreciated:</u>                            |                                 |                      |                        |                               |
| Land   | \$ 9,902,446                    | \$ 1,318,837         | \$ -                   | \$ 11,221,283                 |
| Construction in Process                            | <u>70,660,167</u>               | <u>28,150,226</u>    | <u>(11,194,856)</u>    | <u>87,615,537</u>             |
|  | <u>80,562,613</u>               | <u>29,469,063</u>    | <u>(11,194,856)</u>    | <u>98,836,820</u>             |
| <u>Other Capital Assets:</u>                       |                                 |                      |                        |                               |
| Buildings  | 159,369,044                     | 12,101,894           | -                      | 171,470,938                   |
| Land Improvements                                  | <u>18,368,160</u>               | <u>799,548</u>       | <u>-</u>               | <u>19,167,708</u>             |
| Total Buildings and Other Real Estate Improvements | <u>177,737,204</u>              | <u>12,901,442</u>    | <u>-</u>               | <u>190,638,646</u>            |
| Furniture and Equipment                            | 20,317,590                      | 1,156,227            | -                      | 21,473,817                    |
| Library Books                                      | <u>5,797,782</u>                | <u>245,857</u>       | <u>(114,086)</u>       | <u>5,929,553</u>              |
| Total Buildings and Other Capital Assets           | <u>203,852,576</u>              | <u>14,303,526</u>    | <u>(114,086)</u>       | <u>218,042,016</u>            |
| <u>Accumulated Depreciation:</u>                   |                                 |                      |                        |                               |
| Buildings  | 59,624,880                      | 3,363,540            | -                      | 62,988,420                    |
| Land Improvements                                  | <u>9,658,557</u>                | <u>685,187</u>       | <u>-</u>               | <u>10,343,744</u>             |
| Total Buildings and Other Real Estate Improvements | <u>69,283,437</u>               | <u>4,048,727</u>     | <u>-</u>               | <u>73,332,164</u>             |
| Furniture and Equipment                            | 17,632,168                      | 1,148,177            | -                      | 18,780,345                    |
| Library Books                                      | <u>3,743,504</u>                | <u>289,856</u>       | <u>(114,086)</u>       | <u>3,919,274</u>              |
| Total Buildings and Other Capital Assets           | <u>90,659,109</u>               | <u>5,486,760</u>     | <u>(114,086)</u>       | <u>96,031,783</u>             |
| Net Capital Assets                                 | <u>\$ 193,756,080</u>           | <u>\$ 38,285,829</u> | <u>\$ (11,194,856)</u> | <u>\$ 220,847,053</u>         |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

5. CAPITAL ASSETS (Continued)

Capital assets activity for the year ended August 31, 2019, was as follows:

|   | Balance<br>September 1,<br>2018 | Increases            | Decreases             | Balance<br>August 31,<br>2019 |
|---|---------------------------------|----------------------|-----------------------|-------------------------------|
| <u>Not Depreciated:</u>                               |                                 |                      |                       |                               |
| Land  | \$ 9,900,046                    | \$ -                 | \$ -                  | \$ 9,900,046                  |
| Construction in Process                               | <u>21,377,654</u>               | <u>52,650,518</u>    | <u>(3,365,605)</u>    | <u>70,662,567</u>             |
|   | <u>31,277,700</u>               | <u>52,650,518</u>    | <u>(3,365,605)</u>    | <u>80,562,613</u>             |
| <u>Other Capital Assets:</u>                          |                                 |                      |                       |                               |
| Buildings   | 156,341,727                     | 3,447,057            | (419,740)             | 159,369,044                   |
| Land Improvements                                     | <u>17,761,037</u>               | <u>607,123</u>       | <u>-</u>              | <u>18,368,160</u>             |
| Total Buildings and Other Real<br>Estate Improvements | <u>174,102,764</u>              | <u>4,054,180</u>     | <u>(419,740)</u>      | <u>177,737,204</u>            |
| Furniture and Equipment                               | 21,318,877                      | 644,273              | (1,645,560)           | 20,317,590                    |
| Library Books   | <u>5,753,926</u>                | <u>257,623</u>       | <u>(213,767)</u>      | <u>5,797,782</u>              |
| Total Buildings and Other<br>Capital Assets           | <u>201,175,567</u>              | <u>4,956,076</u>     | <u>(2,279,067)</u>    | <u>203,852,576</u>            |
| <u>Accumulated Depreciation:</u>                      |                                 |                      |                       |                               |
| Buildings   | 56,772,910                      | 3,149,517            | (297,547)             | 59,624,880                    |
| Land Improvements                                     | <u>9,009,349</u>                | <u>649,208</u>       | <u>-</u>              | <u>9,658,557</u>              |
| Total Buildings and Other Real<br>Estate Improvements | <u>65,782,259</u>               | <u>3,798,725</u>     | <u>(297,547)</u>      | <u>69,283,437</u>             |
| Furniture and Equipment                               | 18,123,908                      | 1,029,330            | (1,521,070)           | 17,632,168                    |
| Library Books   | <u>3,665,019</u>                | <u>291,892</u>       | <u>(213,407)</u>      | <u>3,743,504</u>              |
| Total Buildings and Other<br>Capital Assets           | <u>87,571,186</u>               | <u>5,119,947</u>     | <u>(2,032,024)</u>    | <u>90,659,109</u>             |
| Net Capital Assets                                    | <u>\$ 144,882,081</u>           | <u>\$ 52,486,647</u> | <u>\$ (3,612,648)</u> | <u>\$ 193,756,080</u>         |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

**6. BONDS PAYABLE**

General information related to bonds payable is summarized below:

| Bond Issue Name                          | Series | Purpose  | Issue Date | Source of Revenue for Debt Service           | Amount Authorized | Amount Outstanding    |
|--|--------|--|------------|--|-------------------|-----------------------|
| Revenue                                  | 2016   | Construction, Improvement, Maintenance, and Acquisition of Property, Building, and Equipment | 10/16      | General Use Fee, Tuition and Interest Income | \$ 105,140,000    | \$ 105,140,000        |
| Revenue                                  | 2017   | Refunding of 2001 and 2007 bonds   | 01/17      | General Use Fee, Tuition and Interest Income | 30,315,000        | 19,525,000            |
| <b>Total Bonds Principal Outstanding</b> |        |  |            |  |                   | <u>\$ 124,665,000</u> |

Bonds payable are due in annual installments varying from \$3,745,000 to \$8,755,000 with interest rates from 2.09% to 5.25% with the final installment due in 2042. Interest expense related to bonds recorded during fiscal year 2020 and 2019 was approximately \$5,958,400 and \$6,034,190, respectively. Bond premium amortization for fiscal year 2020 and 2019 was \$557,335 and \$557,335, respectively. The principal for all bonds is paid annually on April 1 with semi-annual interest payable on April 1 and October 1.

Repayment of the revenue bond indebtedness is collateralized by a first lien on a pledge of certain tuition and fees described below. The bond indentures for all outstanding Revenue Bonds require that the College deposit into an interest and sinking fund the following: 1) Tuition Fee pledged at the maximum amount permitted by Section 130.123 of the Texas Education Code, as amended. Section 130.123 currently limits the maximum pledge to an amount equal to 25% of all tuition collections; 2) the General Use fee of \$20 per semester credit hour from all nonexempt students for each semester and summer term; and 3) investment income derived from any and all funds. Such pledged tuition and fees amounted to \$27,131,485 and \$28,260,970 for the years ended August 31, 2020 and 2019, respectively. The pledged amount equates to 37.1% and 38.1% of the above revenue stream, respectively. Compared to the minimum required pledge-to-debt service coverage ratio of 1.25, the actual coverage ratio was 2.98 and 3.10, respectively. The College has complied with all significant bond covenants for the years ended August 31, 2020 and 2019.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

6. BONDS PAYABLE (Continued)

Revenue bonds Series 2016- Events of default and acceleration clause

The resolution of the College's outstanding Revenue bond of \$105,140,000 does not provide for specific events of default. If the District defaults in the payment of principal, interest or redemption price, as applicable, on the Bonds when due, or if it fails to make payments into any fund or funds created in the Resolution, or defaults in the observation and performance of any other covenants, conditions or obligations set forth in the Resolution, the registered owners may seek a writ of mandamus to compel District officials to carry out their legally imposed duties with respect to the Bonds if there is no other available remedy at law to compel performance of the Bonds or the Resolution and the District's obligations are not uncertain or disputed.

The resolution provides for the defeasance of the Bonds when the payment of the principal of and premium, if any, such Bonds, plus interest thereon to the due date thereof (whether such due date by reason of maturity, redemption or otherwise), is provided by irrevocable depositing with the paying agent/registrant, or other authorized escrow agent, in trust 1) money sufficient to make such payment or 2) government securities to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Bonds.

The bonds contain a redemption option to redeem bonds having stated maturities on and after April 1, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on April 1, 2026, or any date thereafter, at par value thereof plus accrued interest to the date of redemption. The bond has no acceleration clause.

Defeased Bonds

The escrow account holds funds for bonds that have been defeased. The escrow account funds (assets) and the defeased bonds (liabilities) are not reported in the College's financial statements because those obligations have been satisfied in substance. At August 31, 2020, \$2,235,000 of the Series 1991, \$1,750,000 of the Series 1993, \$5,345,000 of the Series 1994, \$1,355,000 of the Series 1995, \$4,725,000 of the Series 1996, \$3,015,000 of the Series 1997, \$8,130,000 of the Series 2001, \$340,000 of Series 2001 and \$39,115,000 of Series 2007 bonds were considered defeased, respectively.

Current Refunding Bonds

On January 4, 2017, the College issued \$30,315,000 of Revenue Bonds with an average interest rate of 2.09% to refund \$340,000 of Series 2001 and \$39,115,000 of Series 2007 bonds with an average interest rate of 5.00%. Net proceeds from the Series 2017 Refunding were \$30,120,037 after payment of \$190,000 in underwriting fees, and other issuance cost. The College also made cash contribution of \$10,281,989 to issue the Series 2017 Current Refunding. These proceeds from the Series 2017 Refunding Bonds and College's contribution were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments of the Current Refunding. The Series 2001 and 2007 bonds are considered fully defeased and the liability for those bonds have been removed from the Investment in Plant Fund Group. Although the current refunding resulted in the recognition of an accounting gain of \$690,876 for the year ended August 31, 2017, the College in effect reduced its aggregate debt service payments over the next nine years by approximately \$6,145,085 and obtained an economic gain (difference between the present value of the old and new debt service payments) of approximately \$4,644,137.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

6. BONDS PAYABLE (Continued)

Refunding Bonds- Events of default and acceleration clause

The College's outstanding bonds from direct placements of \$19,525,000 contains a provision that in case of default, the lender shall have all of the rights and remedies set forth in the Loan Documents, and available at law and in equity, for the enforcement thereof. The outstanding amounts become immediately due and the lenders continues to have the right of interest payments until the debt is paid in full and the cost of insurance. The bond does not allow for prepayment of principal nor does it have an acceleration clause.

7. NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended August 31, 2020, was as follows:

|                                     | Balance<br>September 1,<br>2019 | Additions            | Reductions          | Balance<br>August 31,<br>2020 | Current<br>Portion  |
|-------------------------------------|---------------------------------|----------------------|---------------------|-------------------------------|---------------------|
| <b>Noncurrent liabilities</b>       |                                 |                      |                     |                               |                     |
| Note payable                        | \$ -                            | \$ -                 | \$ -                | \$ -                          | \$ -                |
| Revenue bonds                       | 105,140,000                     | -                    | -                   | 105,140,000                   | -                   |
| Revenue bonds premium               | 12,819,216                      | -                    | 557,357             | 12,261,859                    | 557,335             |
| Revenue bond- direct placement      | 23,195,000                      |                      | 3,670,000           | 19,525,000                    | 3,745,000           |
| Compensated Absences                | 4,269,136                       | 870,426              | 85,977              | 5,053,585                     | 505,359             |
| Workers' Compensation Resc          | 900,000                         | 150,990              | 150,990             | 900,000                       | 422,608             |
| Net Pension Liability               | 35,437,453                      | -                    | 1,659,654           | 33,777,799                    | -                   |
| Net OPEB Liability                  | <u>75,568,130</u>               | <u>10,249,931</u>    | <u>-</u>            | <u>85,818,061</u>             | <u>2,719,951</u>    |
| <b>Total noncurrent liabilities</b> | <u>\$ 257,328,935</u>           | <u>\$ 11,271,347</u> | <u>\$ 6,123,978</u> | <u>\$ 262,476,304</u>         | <u>\$ 7,950,253</u> |



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

7. NONCURRENT LIABILITIES (Continued)

Noncurrent liability activity for the year ended August 31, 2019, was as follows:

|                                     | Balance<br>September 1,<br>2018 | Additions            | Reductions          | Balance<br>August 31,<br>2019 | Current<br>Portion  |
|-------------------------------------|---------------------------------|----------------------|---------------------|-------------------------------|---------------------|
| <b>Noncurrent liabilities</b>       |                                 |                      |                     |                               |                     |
| Note payable                        | \$ -                            | \$ -                 | \$ -                | \$ -                          | \$ -                |
| Revenue bonds                       | 105,140,000                     |                      |                     | 105,140,000                   | -                   |
| Revenue bonds premium               | 13,376,595                      | -                    | 557,379             | 12,819,216                    | 557,335             |
| Revenue bonds- direct placement     | 26,790,000                      |                      | 3,595,000           | 23,195,000                    | 3,670,000           |
| Compensated Absences                | 4,277,580                       | 229,832              | 238,276             | 4,269,136                     | 426,914             |
| Workers' Compensation Reserve       | 900,000                         | 399,834              | 399,834             | 900,000                       | 459,809             |
| Net Pension Liability               | 20,367,426                      | 15,070,027           | -                   | 35,437,453                    | -                   |
| Net OPEB Liability                  | <u>59,013,053</u>               | <u>16,555,077</u>    | <u>-</u>            | <u>75,568,130</u>             | <u>1,111,540</u>    |
| <b>Total noncurrent liabilities</b> | <u>\$ 229,864,654</u>           | <u>\$ 32,254,770</u> | <u>\$ 4,790,489</u> | <u>\$ 257,328,935</u>         | <u>\$ 6,225,598</u> |

Line of Credit

The College has no unused lines of credit as of August 31, 2020 and 2019.

8. DEBT AND LEASE OBLIGATIONS

Debt obligations, consisting of revenue bonds, have minimum future requirements at August 31, 2020, were as follows:

| Year Ended<br>August 31, | Revenue Bonds         |                      | Revenue Bonds-Direct Placement |                     |
|--------------------------|-----------------------|----------------------|--------------------------------|---------------------|
|                          | Principal             | Interest             | Principal                      | Interest            |
| 2021                     | \$ -                  | \$ 4,948,250         | \$ 3,745,000                   | \$ 408,073          |
| 2022                     |                       | 4,948,250            | 3,820,000                      | 329,802             |
| 2023                     |                       | 4,948,250            | 3,905,000                      | 249,964             |
| 2024                     |                       | 4,948,250            | 3,985,000                      | 168,350             |
| 2025                     |                       | 4,948,250            | 4,070,000                      | 85,063              |
| 2026-2030                | 23,335,000            | 22,416,288           |                                |                     |
| 2031-2035                | 28,955,000            | 16,802,375           |                                |                     |
| 2036-2040                | 35,890,000            | 9,555,625            |                                |                     |
| 2041-2042                | <u>16,960,000</u>     | <u>1,197,400</u>     | <u>-</u>                       | <u>-</u>            |
| <b>Total</b>             | <u>\$ 105,140,000</u> | <u>\$ 74,712,938</u> | <u>\$ 19,525,000</u>           | <u>\$ 1,241,252</u> |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

9. LEASES

The College leases various equipment and facilities under annually renewable agreements. Rent expense under operating leases for the fiscal years ended August 31, 2020 and 2019 was \$185,648 and \$254,616, respectively.

Future minimum payments for each of the five subsequent fiscal years for noncancellable operating leases is as follows:

| <u>Year Ended<br/>August 31,</u> | <u>Total</u>          |
|----------------------------------|-----------------------|
| 2021                             | \$ 486,426            |
| 2022                             | 140,457               |
| 2023                             | 60,545                |
| 2024                             | 20,587                |
| 2025                             | <u>7,183</u>          |
| <br>Total                        | <br><u>\$ 715,198</u> |

10. EMPLOYEES' RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

Plan Description

The College participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (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'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 Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/TRS%20Documents/cafr\\_2020.pdf](https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf) (<https://www.trs.texas.gov> Select About TRS, then Publications then Financial Reports); by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (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 2.3 percent (multiplier) times the average of five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formula used the three highest annual salaries. 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 services 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 60 or 62 depending on the 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 adjustment (COLAs). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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

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

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The 85<sup>th</sup> Texas Legislature General Appropriations Act (GAA) established the employer contributions rates for fiscal years 2018 and 2019. 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.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (Continued)

Contributions (Continued)

|   | <u>Contribution Rates</u> |             |              |
|---|---------------------------|-------------|--------------|
|   | <u>2018</u>               | <u>2019</u> | <u>2020</u>  |
| Member  | 7.70%                     | 7.70%       | 7.70%        |
| Non-Employer Contributing Entity (State)              | 3.40%                     | 3.40%       | 3.75%        |
| Employers   | 3.40%                     | 3.40%       | 3.75%        |
| 2018 Member Contributions                             |                           |             | \$ 4,547,599 |
| 2018 Employer Contributions                           |                           |             | \$ 2,185,382 |
| 2018 State of Texas - On behalf Contributions (State) |                           |             | \$ 1,847,522 |
| 2019 Member Contributions                             |                           |             | \$ 4,806,587 |
| 2019 Employer Contributions                           |                           |             | \$ 2,273,416 |
| 2019 State of Texas - On behalf Contributions (State) |                           |             | \$ 1,955,565 |
| 2020 Member Contributions                             |                           |             | \$ 5,072,185 |
| 2020 Employer Contributions                           |                           |             | \$ 2,654,706 |
| 2020 State of Texas - On behalf Contributions (State) |                           |             | \$ 2,270,289 |

The College's contributions to the TRS pension plan in 2020 and 2019 were \$2,654,505 and \$2,273,416, respectively, as reported in the Schedule of College Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2020 and 2019 were \$2,270,289 and \$1,955,565, respectively.

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. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) 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 Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions

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

|  |   |
|--|---|
| Valuation Date                                 | August 31, 2018 rolled forward to August 31, 2019 |
| Actuarial Cost Method                          | Individual Entry Age Normal                       |
| Asset Valuation Method                         | Market Value                                      |
| Actuarial Assumptions:                         |   |
| Single Discount Rate                           | 7.25%   |
| Long-term Expected Investment Rate of Return   | 7.25%   |
| Municipal Bond Rate                            | 2.63% *   |
| Last year ending August 31 in the 2017 to 2116 |   |
| Projected period (100 years)                   | 2116  |
| Inflation                                      | 2.30%   |
| Salary Increases*                              | 3.05% to 9.05% including inflation                |
| Payroll Growth Rate                            | 3.00%   |
| Benefit changes during the year                | None  |
| Ad hoc post-employment benefit changes         | None  |

\*The source for the rate is the Fixed Income Market Date/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 were selected by the TRS board of trustees based upon analysis and recommendations by the system's actuary. The board of trustees has sole authority to determine the actuarial assumptions used for the plan. 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, 2017.

Discount Rate

The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension investments of 7.25 percent and a municipal bond rate of 3.69 percent. 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 benefits payments to determine the total pension liability.

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate (Continued)

Best estimates of geometric real rates of return for each major asset class included in the System's target allocation as of August 31, 2019 are summarized below:

| Asset Class                                     | FY19 Target Allocation* | New Target Allocation** | Long-Term Expected Geometric Real Rate of Return*** |
|---|-------------------------|-------------------------|---|
| <u>Global Equity</u>                            |                         |                         |   |
| U.S.  | 18.00%                  | 18.00%                  | 6.40%   |
| Non-U.S. Developed                              | 13.00%                  | 13.00%                  | 6.30%   |
| Emerging Markets                                | 9.00%                   | 9.00%                   | 7.30%   |
| Directional Hedge Funds                         | 4.00%                   | 0.00%                   | 0.00%   |
| Private Equity                                  | 13.00%                  | 14.00%                  | 8.40%   |
| <u>Stable Value</u>                             |                         |                         |   |
| U.S. Treasuries ****                            | 11.00%                  | 16.00%                  | 3.10%   |
| Absolute Return                                 | 0.00%                   | 0.00%                   | 0.00%   |
| Stable Value Hedge Funds                        | 4.00%                   | 5.00%                   | 4.50%   |
| <u>Real Return</u>                              |                         |                         |   |
| Global Inflation Linked Bonds ****              | 3.00%                   | 0.00%                   | 0.00%   |
| Real Assets                                     | 14.00%                  | 15.00%                  | 8.50%   |
| Energy and Natural Resources and infrastructure | 5.00%                   | 6.00%                   | 7.30%   |
| Commodities                                     | 0.00%                   | 0.00%                   | 0.00%   |
| <u>Risk Parity</u>                              |                         |                         |   |
| Risk Parity                                     | 5.00%                   | 8.00%                   | 5.8%/6.5% *****                                     |
| <u>Leverage</u>                                 |                         |                         |   |
| Cash  | 1.00%                   | 2.00%                   | 2.50%   |
| Asset Allocation Leverage                       | 0.00%                   | -6.00%                  | 2.70%   |
| Expected Return                                 | 100.00%                 | 100.00%                 | 7.23%   |

\* Target allocations are based on Strategic Asset Allocation as of FY2018.

\*\* New allocations are based on the Strategic Asset Allocation to be implemented in FY2019.

\*\*\* 10-year annualized geometric nominal returns include the real rate of return and inflation of 2.1%.

\*\*\*\* New Target Allocation groups Government Bonds within the stable value allocation. This includes global sovereign nominal and inflation-linked bonds.

\*\*\*\*\* 5.8% (6.5%) return expectation corresponds to Risky Parity with a 10% (12%) target volatility.

Source: Teacher Retirement System of Texas 2019 Comprehensive Annual Financial Report.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used in measuring the 2019 and 2018 Net Pension Liability. The discount rate used in measuring for 2019 and 2018 were 7.25% and 6.907%, respectively.

|  | 1% Decrease<br>in Discount<br>Rate | Discount Rate | 1% Increase in<br>Discount Rate |
|--|------------------------------------|---------------|---------------------------------|
| El Paso County Community<br>College District's proportionate<br>share of the net pension liability |                                    |               |                                 |
| 2019   | \$ 51,921,384                      | \$ 33,777,799 | \$ 19,077,993                   |
| 2018   | \$ 53,483,614                      | \$ 35,437,453 | \$ 20,828,015                   |

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

At August 31, 2020 and 2019, the College reported a liability of \$33,777,799 and \$35,473,453, respectively, for its proportionate share of the TRS's net pension liability. The liability reflects a reduction for State pension support provided to the College. The amount recognized by the College 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 College were as follows:

|  | 2020          | 2019          |
|--|---------------|---------------|
| El Paso County Community College District's proportionate<br>share of the collective net pension liability | \$ 33,777,799 | \$ 35,437,453 |
| State's proportionate share that is associated with College  | 28,424,806    | 30,033,499    |
| Total  | \$ 62,202,605 | \$ 65,470,952 |

The net pension liability was measured as of August 31, 2018 and rolled forward to August 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.

At the measurement date of August 31, 2019, the employer's proportion of the collective net pension liability was 54.30%, which was an increase of 0.18% from its proportion measured as of August 31, 2018.

Changes Since the Prior Actuarial Valuation

- The single discount rate as of August 31, 2018, was a blended rate of 6.907%, and that has changed to the long-term rate of return of 7.25% as of August 31, 2019.
- With the enactment of SB 3 by the 86<sup>th</sup> Texas Legislature, 2019, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected in the actuarial assumptions.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

DEFINED BENEFIT PENSION PLAN (Continued)

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

Changes Since the Prior Actuarial Valuation (Continued)

- The Texas Legislature approved funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, which ever was less.

For the year ended August 31, 2020 and 2019, the College recognized pension expense of \$1,913,814 and \$1,956,491 and revenue of \$1,913,814 and \$1,947,522 for support provided by the State, respectively.

At August 31, 2020, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|--|--------------------------------------|----------------------------------|
| Differences between expected and actual economic experience  | \$ 141,897                           | \$ 1,172,819                     |
| Changes in actuarial assumptions   | 10,479,532                           | 4,330,638                        |
| Net differences between projected and actual investment earnings   | 2,030,732                            | 1,691,564                        |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 349,334                              | 1,280,876                        |
| Contributions paid to TRS subsequent to the measurement date   | <u>2,654,706</u>                     | <u>-</u>                         |
| Total  | <u>\$ 15,656,201</u>                 | <u>\$ 8,475,897</u>              |

The net amounts of the employer's balance of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended August 31, | Pension Expense<br>Amount |
|-----------------------|---------------------------|
| 2021                  | \$ 3,242,579              |
| 2022                  | 302,019                   |
| 2023                  | 1,669,163                 |
| 2024                  | 1,651,027                 |
| 2025                  | 613,750                   |
| Thereafter            | <u>(298,234)</u>          |
| Total                 | <u>\$ 7,180,304</u>       |



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

10. EMPLOYEES' RETIREMENT PLANS (Continued)

OPTIONAL RETIREMENT PLAN

*Plan Description.* The State of Texas has also established a defined contribution plan, the Optional Retirement Program, for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The Optional Retirement Program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution Articles, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

*Funding Policy.* Contributions requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentages of participants' salaries currently contributed by the State and each participant are 6.60% and 6.65%, respectively. The College makes the 100% required contribution which represents the employer's contribution. Benefits fully vest after one year plus one day of employment. Since these are individual annuity contracts, the State has no additional or unfunded liability for this program. Currently the College contributes up to 1.90% of each participant's salary to the Optional Retirement Program under provisions of State law. Senate Bill (S.B.) 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective 1, 2013, limits the amount of the state contribution to 50% of eligible employees in the reporting district. The retirement expense to the College totaled \$154,980, \$167,378 and \$183,697 for 2020, 2019, and 2018, respectively.

The retirement expense to the State for the College totaled \$2,698,453, \$2,405,722, and \$2,314,690 for the fiscal years ended August 31, 2020, 2019 and 2018, respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the College which is recorded as revenue and expense in the restricted fund. The total payroll for all College employees was \$92,190,775, \$91,454,346 and \$89,642,934 for fiscal years 2020, 2019 and 2018, respectively. The total payroll of employees covered by the Teacher Retirement System was \$65,863,820, \$62,436,936 and \$59,059,732 and the total payroll of employees covered by the Optional Retirement System was \$13,234,015, \$13,827,773, and \$14,502,447 for fiscal years 2020, 2019 and 2018, respectively.

Tax Sheltered Annuity Plan for Part Time Employees

*Plan Description.* The College has established a tax sheltered annuity plan for part time employees. An eligible employee is a part time employee who is not eligible for participation in the Teacher Retirement System of Texas or any other public or private retirement system within the meaning of section 3121(b)(7)(F) of the Internal Revenue Code. The Tax Sheltered Annuity Plan provides for the purchase of annuity contracts. These annuity contracts are administered by Metropolitan Life Insurance for the participants. Certificates are issued to the participants evidencing their annuity contracts. A participant is 100% vested in the accumulated value of his annuity contract at all times.

*Funding Policy.* A participant can elect to make salary reduction contributions equal to a percentage of 3.75% of his monthly compensation. The College makes contribution equal to 3.75% of participant's monthly compensation. Since these are individual annuity contracts, the College has no additional or unfunded liability for this program. The retirement expense to the College totaled \$14,945, \$22,832, and \$28,674 for 2020, 2019 and 2018, respectively. Total payroll of employees covered by the Tax Sheltered Annuity Plan for Part Time Employees was \$398,544, \$608,840 and \$764,642 for fiscal years 2020, 2019 and 2018, respectively.

11. DEFERRED COMPENSATION PROGRAM

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. As of August 31, 2020 and 2019, the College had 341 and 356 employees participating in the program. A total of \$1,499,625 and \$1,406,201 in contributions were invested in the plan during the fiscal years ending August 31, 2020 and 2019, respectively. The program is an individual plan owned and maintained individually by each employee of which all participating employees are fully vested.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

12. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1990, the College established a Workers' compensation claim program to account for and finance its uninsured risks of loss related to employee injuries. Under this program, the College retains all risk of loss. The College purchases commercial insurance for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The claims liability of \$900,000 reported at August 31, 2020 and 2019, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is reported with accrued liabilities on the Statement of Net Position. The liability is subject to change based on actual claim development. Estimated future payments for incurred claims are charged to current funds expenditures. Changes in the College's claims liability amount in fiscal 2019 and 2020 were:

|           | Beginning-of-<br>fiscal-Year<br>Liability | Current-year<br>Claims and<br>Changes in<br>Estimates | Claim<br>Payments | Balance at<br>Fiscal<br>Year-End |
|-----------|---|---|-------------------|----------------------------------|
| 2018-2019 | \$ 900,000                                | \$ 399,834  | \$ (399,834)      | \$ 900,000                       |
| 2019-2020 | \$ 900,000                                | \$ 150,990  | \$ (150,990)      | \$ 900,000                       |

13. COMPENSATED ABSENCES

Annual Leave

Full-time employees earn annual leave from 1 to 1.67 days per month depending on the number of years employed with the College and the employee's classification. The College's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of days up to 40 for those employees who accrue 20 days leave per year. Employees with at least six months of service who terminate their employment are entitled to payment for all accumulated unused annual leave up to the maximum allowed. The College recognized an accrual for compensated absences of approximately \$3,651,136 and \$2,927,242 for the unpaid annual leave at August 31, 2020 and 2019, respectively.

Sick Leave

The Board of Trustees has adopted a policy providing that ten percent (10%) of accrued unused sick leave (not to exceed 960 hours) shall be paid to an employee who has at least five years of continuous eligible full-time service, upon separation from employment for any reason other than by death. At August 31, 2020 and 2019, the estimated liability under this policy was approximately \$1,402,449 and \$1,341,894, respectively, which is accrued.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
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14. HEALTH CARE AND LIFE INSURANCE BENEFITS

Certain health care and life insurance benefits for active employees are provided through an insurance 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. For the 2016-2017 biennium, the State changed the methodology of benefit funding for community colleges in the State. SB 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective September 1, 2013, limited the State's portion to 50% of the total contribution made on behalf of both active and retired employees.

State Insurance Contributions per full-time employee

|                                      | 2020                                   |   |
|--------------------------------------|--|---|
| <u>Health Select of Texas Plan *</u> | <u>State/Employer<br/>Contribution</u> | <u>2020 Annualized<br/>Contribution</u> |
| Member Only                          | \$ 624.82                              | \$ 7,497.84                             |
| Member & Spouse                      | 982.82                                 | 11,793.84                               |
| Member & Child(ren)                  | 864.52                                 | 10,374.24                               |
| Member & Family                      | 1,222.52                               | 14,670.24                               |
|                                      | 2019                                   |   |
| <u>Health Select of Texas Plan *</u> | <u>State/Employer<br/>Contribution</u> | <u>2019 Annualized<br/>Contribution</u> |
| Member Only                          | \$ 624.82                              | \$ 7,497.84                             |
| Member & Spouse                      | 982.82                                 | 11,793.84                               |
| Member & Child(ren)                  | 864.52                                 | 10,374.24                               |
| Member & Family                      | 12,222.52                              | 14,670.24                               |
|                                      | 2018                                   |   |
| <u>Health Select of Texas Plan *</u> | <u>State/Employer<br/>Contribution</u> | <u>2018 Annualized<br/>Contribution</u> |
| Member Only                          | \$ 621.90                              | \$ 7,462.80                             |
| Member & Spouse                      | 978.22                                 | 11,738.64                               |
| Member & Child(ren)                  | 860.48                                 | 10,325.76                               |
| Member & Family                      | 1,216.80                               | 14,601.60                               |

\*Includes premium for Basic Term Life Insurance

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14. HEALTH CARE AND LIFE INSURANCE BENEFITS (Continued)

| <u>Cost of Providing Health Care Insurance</u>  | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|---|---------------|---------------|---------------|
| Number of Retirees                              | 453           | 437           | 417           |
| Cost of Health Benefits for Retirees            | \$ 3,710,491  | \$ 3,525,935  | \$ 3,372,926  |
| Number of Active Full Time Employees            | 1,315         | 1,267         | 1,292         |
| Health Benefits for Active Full Time Employees  | \$ 12,583,859 | \$ 12,659,046 | \$ 12,553,552 |
| Health State Appropriation Insurance - Retirees | \$ 1,809,711  | \$ 1,724,580  | \$ 1,649,188  |
| Health State Appropriation Insurance - Active   | \$ 5,214,532  | \$ 5,763,042  | \$ 5,512,155  |
| Net Cost to District                            | \$ 9,270,107  | \$ 8,697,359  | \$ 8,765,135  |

15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The College contributes in a cost sharing, multiple-employer, other postemployment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). 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 State and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefits and contributions provisions of the GBP are authorized by State law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position

Detailed information about GBP's fiduciary net position is available in the separately issued ERS Comprehensive Annual Financial Report (CAFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management/2020-CAFR.pdf>; or by writing to ERS at: 200 East 18<sup>th</sup> Street, Austin, TX 78701; or by calling (877) 275-4377.

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 10 year 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 contributions 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 and (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 benefits and administrative costs with the revenue expected to be generated by the appropriated funds.

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15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Contributions (Continued)

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. 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 contributions. 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  
Fiscal Year 2020

|                      |    |          |
|----------------------|----|----------|
| Retiree only         | \$ | 624.82   |
| Retiree and Spouse   |    | 982.82   |
| Retiree and Children |    | 864.52   |
| Retiree and Family   |    | 1,222.52 |

Maximum Monthly Employer Contribution  
Retiree Health and Basic Life Premium  
Fiscal Year 2019

|                      |    |          |
|----------------------|----|----------|
| Retiree only         | \$ | 624.82   |
| Retiree and Spouse   |    | 982.82   |
| Retiree and Children |    | 864.52   |
| Retiree and Family   |    | 1,222.52 |

Maximum Monthly Employer Contribution  
Retiree Health and Basic Life Premium  
Fiscal Year 2018

|                      |    |          |
|----------------------|----|----------|
| Retiree only         | \$ | 621.90   |
| Retiree and Spouse   |    | 978.22   |
| Retiree and Children |    | 860.48   |
| Retiree and Family   |    | 1,216.80 |

Contributions of premiums to the GBP plan for the current year and prior fiscal year by source is summarized in the following table.

Premium Contributions by Source  
Group Benefits Program Plan  
For the Years Ended August 31, 2019 and 2018

|  | 2019         | 2018         |
|--|--------------|--------------|
| Employers  | \$ 1,356,502 | \$ 1,724,580 |
| Members (Employees)                              | 521,018      | 517,884      |
| Nonemployer Contributing Entity (State of Texas) | 1,356,502    | 1,724,580    |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
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15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of August 31, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumption :

|  |  |
|--|--|
| Valuation Date   | August 31, 2019  |
| Actuarial Cost Method                                  | Entry Age  |
| Amortization Method                                    | Level Percentage of Payroll, Open  |
| Remaining Amortization Period                          | 30 Years   |
| Asset Valuation Method                                 | Not Applicable   |
| Actuarial Assumption Discount Rate                     | 2.97%  |
| Salary Increases*                                      | 2.50% to 9.50%, including inflation  |
| Annual Healthcare Trend Rate                           |  |
| HealthSelect   | 7.30% for FY21, 7.40% for FY22, 7.00% for FY23, decreasing 0.5% per year to 4.50% for FY 2028 and later years  |
| HealthSelect Medicare Advantage                        | 10.8% for FY21, 7.40% for FY22, 7.00% for FY23, decreasing 0.50% per year to an ultimate rate of 4.50% for FY28 and later years  |
| Inflation Assumption Rate                              | 2.50%  |
| Ad hoc Postemployment Benefit Changes                  | None   |
| Mortality assumptions:                                 |  |
| Service Retirees, survivors and other inactive members | Tables based on TRS experience with full generational projection using Scale BB from Base Year 2018  |
| Disability Retirees                                    | Tables based on TRS experience with full generational projection using Scale BB from Base Year 2018 using a 3 year set forward and minimum mortality rates of four per 100 male members and two per 100 female members |
| Active members   | Sex District RP-2014 Employee Mortality multiplied by 90% with Ultimate MP projection Scale from the year 2014   |

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS and TRS retirement plan actuaries for the period (ex. September 1, 2010 to August 31, 2017) for higher education members.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Investment Policy

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

Discount Rate

Because the GPB does not accumulate funds in advance of retirement, the discount rate that was used to measure the 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 3.96%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 2.97%, which amounted to a decrease of 0.99%. The source of the municipal bond rate was the Bond Buyer Index of general obligations bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefits 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 College's proportionate share of the collective net OPEB liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate was used (2.97% for 2019 and 3.96% for 2018) in measuring the net OPEB liability.

|   | 1% Decrease<br>in Discount<br>Rate | Discount Rate | 1% Increase in<br>Discount Rate |
|---|------------------------------------|---------------|---------------------------------|
| El Paso County Community<br>College District's proportionate<br>share of the net OPEB liability |                                    |               |                                 |
| 2019  | \$ 102,407,368                     | \$ 85,818,061 | \$ 73,052,982                   |
| 2018  | \$ 89,712,661                      | \$ 75,568,130 | \$ 64,855,960                   |

Changes Since the Prior Actuarial Valuation

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

- Assumed expenses, assumed per capita health benefit costs, and assumed health benefit cost, retiree contribution, and expense trends have been updated to reflect recent experience and its effects on our short-term expectations.
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- The percentage of future retirees assumed to be married and electing coverage for their spouse have been updated to reflect recent plan experience and expected trends.
- The discount rate assumption was decreased from 3.96% to 2.97% to utilize the updated yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.
- The percentage of future retirees and future retiree spouses assume to use tobacco have been updated to reflected recent plant experience and expected trends.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Change of Benefits Terms Since Prior Measurement Date

The following benefit revisions have been adopted since the prior valuation:

- An increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect for those HealthSelect retirees and dependent for whom Medicare is not primary.

These minor benefit changes have been reflected in the fiscal year 2020 assumed per capita health benefits costs.

Healthcare Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 7.30% and ultimate rate is 4.5% for 2019 and 2018, respectively. The following schedule show the impact on the College's proportionate share of the collective net OPEB liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (7.30% for 2019 and 2018) in measuring the net OPEB liability.

|   | 1% Decrease<br>in Healthcare<br>Cost Trend<br>Rate | Current<br>Healthcare Cost<br>Trend Rate | 1% Increase in<br>Healthcare Cost<br>Trend Rate |
|---|--|--|---|
| El Paso County Community<br>College District's proportionate<br>share of the net OPEB liability |  |  |   |
| 2019  | \$ 72,060,666                                      | \$ 85,818,061                            | \$ 103,795,824                                  |
| 2018  | \$ 63,993,372                                      | \$ 75,568,130                            | \$ 90,491,313                                   |

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

At August 31, 2020 and 2019, the College reported a liability of \$85,818,061 and \$75,568,130, respectively, for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the College for OPEB. The amount recognized by the College 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 College were as follows:

|   | 2020           | 2019           |
|---|----------------|----------------|
| El Paso County Community College District's proportionate<br>share of the collective net OPEB liability | \$ 85,818,061  | \$ 75,568,130  |
| State's proportionate share that is associated with College   | 87,334,390     | 73,416,152     |
| Total   | \$ 173,152,451 | \$ 148,984,282 |

The net OPEB liability was measured as of August 31, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of the date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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15. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

At the measurement date of August 31, 2019, the employer's proportion of the collective net OPEB liability was 50.72, which is a decrease of 0.49% from its proportion measured as of August 31, 2018.

For the year ended August 31, 2020 and 2019, the College recognized OPEB expense of \$1,356,502 and \$704,301 and revenue of \$1,356,502 and \$704,301, respectively, for support provided by the State.

At August 31, 2020, the College 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<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|--|--------------------------------------|----------------------------------|
| Differences between expected and actual economic experience  | \$ -                                 | \$ 2,233,064                     |
| Changes in actuarial assumptions   | 6,107,214                            | 19,177,084                       |
| Net differences between projected and actual investment earnings   | 35,282                               | -                                |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 22,388,142                           | 2,520,477                        |
| Contributions paid to ERS subsequent to the measurement date   | 1,356,502                            | -                                |
| Total  | \$ 29,887,140                        | \$ 23,930,625                    |

The net amounts of the employer's balance of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended August 31, | OPEB Expense<br>Amount |
|-----------------------|------------------------|
| 2021                  | \$ 1,090,682           |
| 2022                  | (265,820)              |
| 2023                  | 2,087,228              |
| 2024                  | 2,665,994              |
| 2025                  | 378,431                |
| Thereafter            | -                      |
| Total                 | \$ 5,956,515           |

16. CONTRACT AND GRANT AWARDS

Contracts and grants awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants (AICPA) audit and accounting guide, *State and Local Governments*, 8.99. For Federal and State Contracts and grants award, funds expended but not collected are reported as Receivables on Exhibit 1. Contract and grant awards that are not yet funded, and for which the College has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed under multi-year awards or for fiscal periods that differ from the College's fiscal year for which monies have not been received nor funds expended totaled approximately \$69,274,883 and \$57,213,823 at August 31, 2020 and 2019, respectively. Of this amount, \$68,984,169 and \$55,417,212 were related to Federal Contract and Grant Awards, \$290,714 and \$1,796,611 were from State and Other Contract and Grant Awards.

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17. RELATED PARTY

The El Paso Community College Foundation (the Foundation, a nonprofit organization) is governed by a nineteen-member Board of Directors, independent of the College. At any given time, the Foundation Board could have up to 25 members. Although the Foundation is not financially accountable to the College, the Foundation has received from the College both in-kind assistance in the form of donated services and use of facilities and equipment. The Foundation solicits donations for the benefit of the College. It remitted gifts of \$209,198, \$360,731 and \$164,451 to the College during the years ended August 31, 2020, 2019 and 2018, respectively. The College donated certain services, such as office space, utilities, supplies, and staff salaries and benefits to the Foundation with approximate value of \$42,423 for each year.

18. PROPERTY TAXES

The College's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business property located in the District.

At August 31, 2020:

|                                       |                          |
|---------------------------------------|--------------------------|
| Assessed Valuation of the College     | \$ 54,111,681,956        |
| Less: Exemptions and abatements       | <u>(8,978,911,648)</u>   |
| Net Assessed Valuation of the College | <u>\$ 45,132,770,308</u> |

|  | Current<br>Operations | Debt<br>Service | Total       |
|--|-----------------------|-----------------|-------------|
| Tax rate per \$100 valuation for authorized (maximum per enabling legislation) | \$ 0.15               | \$ 0.50         | \$ 0.65     |
| Tax rate per \$100 valuation for assessed                                      | \$ 0.141167           | \$ -            | \$ 0.141167 |

At August 31, 2019:

|                                       |                          |
|---------------------------------------|--------------------------|
| Assessed Valuation of the College     | \$ 51,603,968,623        |
| Less: Exemptions and abatements       | <u>(8,260,256,548)</u>   |
| Net Assessed Valuation of the College | <u>\$ 43,343,712,075</u> |

|  | Current<br>Operations | Debt<br>Service | Total       |
|--|-----------------------|-----------------|-------------|
| Tax rate per \$100 valuation for authorized (maximum per enabling legislation) | \$ 0.15               | \$ 0.50         | \$ 0.65     |
| Tax rate per \$100 valuation for assessed                                      | \$ 0.140273           | \$ -            | \$ 0.140273 |

Taxes levied for the years ended August 31, 2020 and 2019, were \$63,796,947 and \$60,879,799, respectively, (which includes any penalty and interest assessed, if applicable.) Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES FINANCIAL STATEMENTS  
AUGUST 31, 2020

18. PROPERTY TAXES (Continued)

| <u>Tax Collected</u>             | <u>2020</u>               | <u>2019</u>          |
|----------------------------------|---------------------------|----------------------|
|                                  | <u>Current Operations</u> |                      |
| Current Taxes Collected          | \$ 62,458,178             | \$ 59,671,583        |
| Delinquent Taxes                 | 619,455                   | 741,740              |
| Penalties and Interest Collected | <u>549,741</u>            | <u>576,288</u>       |
| Total Collections                | <u>\$ 63,627,374</u>      | <u>\$ 60,989,611</u> |

The table above reflects actual taxes collected for the 2020-2019 period. Tax collections for the years ended August 31, 2020, 2019 and 2018, were 98% of the current tax levy as reported in the statement of revenues, expenses and changes in net position. Allowances for uncollectible taxes for the years ended August 31, 2020, 2019 and 2018 respectively, of \$670,871, \$605,876 and \$593,674 are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to local maintenance and operations.

19. PENDING LAWSUITS AND CLAIMS

On August 31, 2020 various lawsuits and claims involving the College were pending. While the ultimate liability with respect to litigation and other claims asserted against the College cannot be reasonably estimated at this time, management believes that this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the College.

20. COMMITMENTS

Encumbrances, primarily construction and technology related, outstanding at August 31, 2020 and 2019, respectively, that were provided for in the subsequent year's budget aggregated approximately \$19,643,133 and \$37,317,494, respectively.

21. FUND BALANCE

Net position reclassified in fund balance formatted for the internal purposes at August 31, 2020 and 2019 were as follows:

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| Current funds:                            |                       |                       |
| Fund balance, unrestricted                | \$ (28,768,506)       | \$ (34,044,897)       |
| Fund balance, auxiliary enterprises       | 3,717,254             | 3,476,495             |
| Fund balance, restricted                  | <u>6,270,171</u>      | <u>6,264,649</u>      |
| Total Current Fund Balance                | \$ (18,781,081)       | \$ (24,303,753)       |
| Fund balance, loan funds                  | 2,843,395             | 2,638,840             |
| Fund balance, endowment and similar funds | 781,293               | 771,717               |
| Fund balance, plant funds                 | <u>143,988,713</u>    | <u>140,789,955</u>    |
| Total Fund Balance                        | <u>\$ 128,832,320</u> | <u>\$ 119,896,759</u> |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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22. SUBSEQUENT EVENTS

Management has evaluated events through December 22, 2020, the date the financial statements were available. The following items were noted:

Sale of EBS Spectrum

Subsequent to August 31, 2020 year end, the College finalized their July 30, 2020 agreement to sell and transfer to buyer all rights to Education Broadband Services (EBS) channels C1, C2, C3, C3, JC1, JC2 and JC3 under the call sign WHR931, the license to transmit within FCC designated geographic area. In July 2020, \$600,000 deposit was received from the buyer and recorded in unearned revenue and in November 2020 the final payment of \$2,400,000 was received by the College and the transaction was finalized.

Purchase of Land

In August of 2020, the College entered into an agreement to purchase approximately 13.74 acres of real property in El Paso, Texas. \$50,000 earnest money was paid in August with a balance of \$2,414,004 to be paid at the time of closing. In October 2020, the land was purchased and the balance of \$2,414,004 was paid.

COVID-19 Pandemic

In December 2019, a novel strain of the Coronavirus known as COVID-19 was reported to have surfaced in China. The World Health Organization has characterized COVID-19 as a pandemic. The spread of the virus caused significant business and enrollment interruption to the College beginning in March 2020, when the College complied with the Stay Home Stay Safe order issued by the State of Texas and the El Paso County. Except for employees deemed essential for the college operations, most faculty and staff had to transition from working on college sites to remote office work and online delivery of instruction to its students, except for Career and Technical Education programs that require some face-to-face instruction. Although the College has experienced a decline in enrollment in Fall 2020, and has planned for continued decline until the health crisis is resolved, it has taken budgetary measures to mitigate the decrease in revenues. However, the extent of the impact of COVID-19 on the College's operational and financial performance will depend on the future developments, duration and spread of the outbreak along with the length of the Stay at Home orders, all of which are highly uncertain and cannot be predicted at this time.

23. NEW ACCOUNTING PRONOUNCEMENTS

The following are the new Governmental Accounting Standards Board (GASB) Statements that have future implementation dates. The College has not early implemented, nor has it completed the process of evaluating the impact on its financial position that will result from adopting the listed Governmental Accounting Board Statements listed below:

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 96, Subscription-Based Information Technology Agreements, effective for fiscal years beginning after June 15, 2022.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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NOTES FINANCIAL STATEMENTS  
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23. NEW ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, postponed the effective dates of certain provisions in Statements and Implementation Guides that first became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. The following statements that would impact the College are postponed until the effective dates as prescribed by GASB statement No. 95:

- Statement 83, *Certain Asset Retirement Obligations*, effective for reporting periods beginning after June 15, 2019.
- Statement 84 and Implementation Guide 2019-2, *Fiduciary Activities*, effective for reporting periods beginning after December 15, 2019.
- Statement 87 and Implementation Guide 2019-3, *Leases*, effective for fiscal years beginning after June 15, 2021 and all reporting periods thereafter.
- Statement 88, *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements*, effective for reporting periods beginning after June 15, 2019.
- Statement 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*, effective for reporting periods beginning after December 15, 2020.
- Statement 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, effective for reporting periods beginning after December 15, 2020.
- Statement 91, *Conduit Debt Obligations*, effective for reporting periods beginning after December 15, 2021.
- Statement 92, *Omnibus 2020*, effective for reporting periods beginning after June 15, 2021.
- Statement 93, *Replacement of Interbank Offered Rates*, effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter.

## REQUIRED SUPPLEMENTARY INFORMATION

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Schedule of College's Proportionate Share of Net Pension Liability  
Year Ended August 31, 2020

| Fiscal year ending August 31 *   | 2020**                 | 2019 **                | 2018 **                |
|--|------------------------|------------------------|------------------------|
| Total TRS pension liability  | \$ 209,961,325,288     | \$ 209,611,328,793     | \$ 179,336,534,819     |
| Less: TRS' net position  | <u>157,978,199,075</u> | <u>154,568,901,833</u> | <u>147,361,922,120</u> |
| TRS' net pension liability   | \$ 51,983,126,213      | \$ 55,042,426,960      | \$ 31,974,612,699      |
| <br>   |                        |                        |                        |
| TRS net position as percentage of total pension liability (NPL)                          | 75.24%                 | 73.74%                 | 82.17%                 |
| <br>   |                        |                        |                        |
| College's proportionate share of collective net pension liability (%)                    | 0.064978391%           | 0.064382068%           | 0.063698741%           |
| <br>   |                        |                        |                        |
| College's proportionate share of collective net pension liability (\$)                   | \$ 33,777,799          | \$ 35,437,453          | \$ 20,367,426          |
| State of Texas's total proportionate of NPL associated with College                      | <u>28,424,806</u>      | <u>30,033,499</u>      | <u>17,685,867</u>      |
| Total  | \$ 62,202,605          | \$ 65,470,952          | \$ 38,053,293          |
| <br>   |                        |                        |                        |
| College's covered payroll amount   | \$ 62,436,836          | \$ 59,059,732          | \$ 57,268,363          |
| Ratio of College proportionate share of collective NPL/ College's covered payroll amount | 0.540991523            | 0.600027325            | 0.355648825            |

\* - The amounts presented above are as of the measurement date of the collective net pension liability (NPL).

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

| 2017 **                | 2016 **                | 2015 **                |
|------------------------|------------------------|------------------------|
| \$ 171,797,150,487     | \$ 163,887,375,172     | \$ 159,496,075,886     |
| <u>134,008,637,473</u> | <u>128,538,706,212</u> | <u>132,779,243,085</u> |
| \$ 37,788,513,014      | \$ 35,348,668,960      | \$ 26,716,832,801      |
| 78.00%                 | 78.43%                 | 83.25%                 |
| 0.067230998%           | 0.066472200%           | 0.000741112%           |
| \$ 25,405,594          | \$ 23,497,039          | \$ 19,796,127          |
| <u>20,079,936</u>      | <u>19,607,661</u>      | <u>16,454,821</u>      |
| \$ 45,485,530          | \$ 43,104,700          | \$ 36,250,948          |
| \$ 55,861,257          | \$ 52,955,705          | \$ 50,179,385          |
| 0.454798108            | 0.443711192            | 0.394507167            |



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Schedule of College's Contributions for Pensions  
Year Ended August 31, 2020

| <u>Fiscal year ending August 31 *</u>            | <u>2020**</u>    | <u>2019 **</u>   | <u>2018 **</u>   | <u>2017 **</u>   | <u>2016 **</u>   | <u>2015 **</u>   |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Legally required contributions                   | \$ 2,654,706     | \$ 2,273,416     | \$ 2,185,382     | \$ 2,093,604     | \$ 2,136,099     | \$ 1,967,912     |
| Actual contributions                             | <u>2,654,706</u> | <u>2,273,416</u> | <u>2,185,382</u> | <u>2,093,604</u> | <u>2,136,099</u> | <u>1,967,912</u> |
| Contributions deficiency (excess)                | -                | -                | -                | -                | -                | -                |
| College's covered payroll amount                 | \$ 65,863,820    | \$ 62,436,836    | \$ 59,059,732    | \$ 57,268,363    | \$ 55,861,257    | \$ 52,955,705    |
| Contributions as a percentage of covered payroll | 0.040305983      | 0.036411454      | 0.037002911      | 0.036557776      | 0.038239365      | 0.037161473      |

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

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION  
FOR THE YEAR ENDED AUGUST 31, 2020

Changes of Benefit Terms include:

- No changes for the year ended August 31, 2020.

Changes of Assumptions

Changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period were as follows:

- The single discount rate as of August 31, 2018, was a blended rate of 6.907%, and that has changed to the long-term rate of return of 7.25% as of August 31, 2019
- With the enactment of SB 3 by the 86th Texas Legislature, 2019, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected in the actuarial assumptions.
- The Texas Legislature approved funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Schedule of College's Share of Net OPEB Liability  
Year Ended August 31, 2020

| Fiscal year ending August 31 *   | 2020**            | 2019 **            | 2018 **            |
|--|-------------------|--------------------|--------------------|
| Total ERS OPEB liability   | \$ 34,622,611,079 | \$ 30,018,171,986  | \$ 34,782,794,000  |
| Less: ERS' net position  | <u>59,936,464</u> | <u>380,429,662</u> | <u>709,783,000</u> |
| ERS' net pension liability   | \$ 34,562,674,615 | \$ 29,637,742,324  | \$ 34,073,011,000  |
| ERS net position as percentage of total OPEB liability   | 0.17%             | 1.27%              | 2.04%              |
| College's proportionate share of collective net OPEB liability (%)   | 0.248296930%      | 0.254960430%       | 0.173195880%       |
| College's proportionate share of collective net OPEB liability (\$)  | \$ 85,818,061     | \$ 75,564,515      | \$ 59,013,053      |
| State of Texas's total proportionate of net OPEB liability associated with College                               | <u>87,334,390</u> | <u>73,416,152</u>  | <u>56,251,142</u>  |
| Total  | \$ 173,152,451    | \$ 148,980,667     | \$ 115,264,195     |
| College's covered-employee payroll amount  | \$ 65,163,070     | \$ 64,120,419      | \$ 62,840,747      |
| Ratio of College proportionate share of collective net OPEB liability/ College's covered employee payroll amount | 1.316973878       | 1.178478185        | 0.93908898         |

\* - The amounts presented above are as of the measurement date of the collective net OPEB liability.

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Schedule of College's Contributions for OPEB  
 Year Ended August 31, 2020

| Fiscal year ending August 31 *                            | 2020**           | 2019 **        | 2018 **          |
|---|------------------|----------------|------------------|
| Legally required contributions                            | \$ 1,356,502     | \$ 704,301     | \$ 1,723,738     |
| Actual contributions                                      | <u>1,356,502</u> | <u>704,301</u> | <u>1,723,738</u> |
| Contributions deficiency (excess)                         | -                | -              | -                |
| <br>  |                  |                |                  |
| College's covered-employee payroll amount                 | \$ 61,886,764    | \$ 65,163,070  | \$ 64,120,419    |
| Contributions as a percentage of covered-employee payroll | 0.021919097      | 0.010808285    | 0.026882825      |

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

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

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB  
FOR THE YEAR ENDED AUGUST 31, 2020

Changes of Benefit Terms include:

The following benefit revisions have been adopted since the prior valuation. The benefit changes for HealthSelect retirees and dependents for whom Medicare is not primary include:

- HealthSelect retirees and dependents for who Medicare is not primary is an increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect (CDHP) from \$6,650 to \$6,750 for individuals and from \$13,300 to \$13,500 for families in order to remain consistent with Internal Revenue Service maximums.

These minor benefit changes are provided for in the FY 2020 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

Changes of Assumptions

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

- The percentage of current retirees and their 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.
- Percentage of future retirees assumed to be married and electing coverage for their spouse have been updated to reflect recent plan experience and expected trends.
- Assumptions for Expenses, Assumed Per Capita Health Benefit Cost and Health Benefits Cost and Retiree Contributions and Expense trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The discount rate was changed from 3.96% to 2.97% to utilized the updated 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 percentage of future retirees and future retiree spouses assume to use tobacco have been updated to reflect recent plan experience and expected trends.

## SUPPLEMENTARY INFORMATION

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Schedule of Operating Revenues  
 Year Ended August 31, 2020  
 (With Memorandum Totals for the Year Ended August 31, 2019)

Schedule A

|  | Unrestricted         | Restricted          | Total<br>Educational<br>Activities | Auxiliary<br>Enterprises | 2020<br>Total        | 2019<br>Total        |
|--|----------------------|---------------------|------------------------------------|--------------------------|----------------------|----------------------|
| <b>Tuition:</b>                              |                      |                     |                                    |                          |                      |                      |
| State-funded credit courses:                 |                      |                     |                                    |                          |                      |                      |
| In-district resident tuition                 | \$ 51,901,345        | \$ -                | \$ 51,901,345                      | \$ -                     | \$ 51,901,345        | \$ 51,772,709        |
| Non-resident tuition                         | 5,733,987            | -                   | 5,733,987                          | -                        | 5,733,987            | 5,166,769            |
| TPEG - credit (set aside)*                   | 2,158,122            | -                   | 2,158,122                          | -                        | 2,158,122            | 2,266,225            |
| State-funded continuing education            | 966,607              | -                   | 966,607                            | -                        | 966,607              | 1,410,973            |
| Non-state funded educational programs        | 488,670              | -                   | 488,670                            | -                        | 488,670              | 712,936              |
| <b>Total Tuition</b>                         | <b>61,248,731</b>    | <b>-</b>            | <b>61,248,731</b>                  | <b>-</b>                 | <b>61,248,731</b>    | <b>61,329,612</b>    |
| <b>Fees:</b>                                 |                      |                     |                                    |                          |                      |                      |
| General use fee                              | 10,582,080           | -                   | 10,582,080                         | -                        | 10,582,080           | 10,519,980           |
| Student fee                                  | 3,272,763            | -                   | 3,272,763                          | 2,215                    | 3,274,978            | 3,739,926            |
| Laboratory fee                               | 867,290              | -                   | 867,290                            | -                        | 867,290              | 840,315              |
| Other fees                                   | 74,310               | -                   | 74,310                             | 862,693                  | 937,003              | 1,006,329            |
| <b>Total Fees</b>                            | <b>14,796,443</b>    | <b>-</b>            | <b>14,796,443</b>                  | <b>864,908</b>           | <b>15,661,351</b>    | <b>16,106,550</b>    |
| <b>Scholarship Allowances and Discounts:</b> |                      |                     |                                    |                          |                      |                      |
| Bad debt allowance                           | (693,884)            | -                   | (693,884)                          | -                        | (693,884)            | (661,732)            |
| Remissions and exemptions - local            | (285,606)            | -                   | (285,606)                          | -                        | (285,606)            | (275,958)            |
| Remissions and exemptions - state            | (17,656,972)         | -                   | (17,656,972)                       | -                        | (17,656,972)         | (16,080,892)         |
| Federal grants to students                   | (29,900,539)         | -                   | (29,900,539)                       | -                        | (29,900,539)         | (30,457,241)         |
| TPEG awards                                  | (2,028,837)          | -                   | (2,028,837)                        | -                        | (2,028,837)          | (1,611,057)          |
| State grants to students                     | (2,186,904)          | -                   | (2,186,904)                        | -                        | (2,186,904)          | (2,277,196)          |
| <b>Total Scholarship Allowances</b>          | <b>(52,752,742)</b>  | <b>-</b>            | <b>(52,752,742)</b>                | <b>-</b>                 | <b>(52,752,742)</b>  | <b>(51,364,076)</b>  |
| <b>Total Net Tuition and Fees</b>            | <b>23,292,432</b>    | <b>-</b>            | <b>23,292,432</b>                  | <b>864,908</b>           | <b>24,157,340</b>    | <b>26,072,086</b>    |
| <b>Additional Operating Revenues:</b>        |                      |                     |                                    |                          |                      |                      |
| Federal grants and contracts                 | 308,356              | 6,027,678           | 6,336,034                          | -                        | 6,336,034            | 3,932,118            |
| State grants and contracts                   | -                    | 2,442,642           | 2,442,642                          | -                        | 2,442,642            | 2,565,515            |
| Dual credit cost recovery                    | 495,840              | -                   | 495,840                            | -                        | 495,840              | 430,125              |
| Non-governmental grants and contracts        | -                    | 748,272             | 748,272                            | -                        | 748,272              | 978,838              |
| General operating revenues                   | 1,846,989            | -                   | 1,846,989                          | -                        | 1,846,989            | 1,949,751            |
| <b>Total Additional Operating Revenues</b>   | <b>2,651,185</b>     | <b>9,218,592</b>    | <b>11,869,777</b>                  | <b>-</b>                 | <b>11,869,777</b>    | <b>9,856,347</b>     |
| <b>Auxiliary Enterprises:</b>                |                      |                     |                                    |                          |                      |                      |
| Bookstore**                                  | -                    | -                   | -                                  | 404,556                  | 404,556              | 425,648              |
| Other  | -                    | -                   | -                                  | 202,830                  | 202,830              | 393,173              |
| <b>Total Net Auxiliary Enterprises</b>       | <b>-</b>             | <b>-</b>            | <b>-</b>                           | <b>607,386</b>           | <b>607,386</b>       | <b>818,821</b>       |
| <b>Total Operating Revenues</b>              | <b>\$ 25,943,617</b> | <b>\$ 9,218,592</b> | <b>\$ 35,162,209</b>               | <b>\$ 1,472,294</b>      | <b>\$ 36,634,503</b> | <b>\$ 36,747,254</b> |
|  |                      |                     |                                    |                          | (Exhibit 2)          | (Exhibit 2)          |

\*In accordance with Education code 56.033, \$2,158,122 and \$2,266,225 for the years August 31, 2020 and 2019, respectively, of tuition was set aside for Texas Public Education grants (TPEG).

\*\*The College bookstore is outsourced to an independent third-party.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

Schedule B

Schedule of Operating Expenses by Object

Year Ended August 31, 2020

(With Memorandum Totals for the Year Ended August 31, 2019)

|   | Operating Expenses    |                     |                      |                      | 2020<br>Total         | 2019<br>Total         |
|---|-----------------------|---------------------|----------------------|----------------------|-----------------------|-----------------------|
|   | Salaries<br>and Wages | Benefits            |                      | Other<br>Expenses    |                       |                       |
|   |                       | State               | Local                |                      |                       |                       |
| <b>Unrestricted - Educational Activities</b>                        |                       |                     |                      |                      |                       |                       |
| Instruction   | \$ 44,377,709         | \$ -                | \$ 10,192,128        | \$ 1,450,265         | \$ 56,020,102         | \$ 56,051,890         |
| Research  | 119,223               | -                   | 27,382               | 23,163               | 169,768               | 167,090               |
| Public Service  | 2,856,320             | -                   | 636,402              | 718,900              | 4,211,622             | 4,582,832             |
| Academic Support  | 14,480,341            | -                   | 3,325,667            | 5,983,519            | 23,789,527            | 21,132,782            |
| Student Services  | 8,239,960             | -                   | 1,892,453            | 1,277,282            | 11,409,695            | 11,073,592            |
| Institutional Support   | 15,038,149            | -                   | 3,453,778            | 6,843,786            | 25,335,713            | 26,032,951            |
| Operation and Maintenance of Plant                                  | 2,762,698             | -                   | 746,882              | 7,583,082            | 11,092,662            | 11,455,250            |
| Scholarships and Fellowships  | -                     | -                   | -                    | 2,143,913            | 2,143,913             | 2,242,642             |
| <b>Total Unrestricted Educational Activities</b>                    | <b>87,874,400</b>     | <b>-</b>            | <b>20,274,692</b>    | <b>26,023,910</b>    | <b>134,173,002</b>    | <b>132,739,029</b>    |
| <b>Restricted - Educational Activities</b>                          |                       |                     |                      |                      |                       |                       |
| Instruction   | 2,663,758             | 5,025,429           | 460,080              | 2,422,923            | 10,572,190            | 9,141,060             |
| Research  | 8,263                 | -                   | 1,427                | 7,516                | 17,206                | 12,965                |
| Public Service  | 206,565               | 323,456             | 35,678               | 187,889              | 753,588               | 693,773               |
| Academic Support  | 909,025               | 1,639,785           | 157,005              | 826,838              | 3,532,653             | 3,016,397             |
| Student Services  | 528,764               | 933,111             | 91,327               | 480,958              | 2,034,160             | 1,757,399             |
| Institutional Support   | -                     | 1,702,953           | -                    | -                    | 1,702,953             | 1,634,812             |
| Scholarships and Fellowships  | -                     | -                   | -                    | 29,018,016           | 29,018,016            | 22,332,327            |
| <b>Total Restricted Educational Activities</b>                      | <b>4,316,375</b>      | <b>9,624,734</b>    | <b>745,517</b>       | <b>32,944,140</b>    | <b>47,630,766</b>     | <b>38,588,733</b>     |
| <b>Total Educational Activities</b>                                 | <b>92,190,775</b>     | <b>9,624,734</b>    | <b>21,020,209</b>    | <b>58,968,050</b>    | <b>181,803,768</b>    | <b>171,327,762</b>    |
| Auxiliary Enterprises   | 718,917               | -                   | 389,388              | 1,919,705            | 3,028,010             | 2,920,706             |
| Depreciation Expense - Buildings and other real estate improvements | -                     | -                   | -                    | 4,048,727            | 4,048,727             | 3,798,725             |
| Depreciation Expense - Equipment, furniture, and library books      | -                     | -                   | -                    | 1,438,033            | 1,438,033             | 1,321,222             |
| <b>Total Operating Expenses</b>                                     | <b>\$ 92,909,692</b>  | <b>\$ 9,624,734</b> | <b>\$ 21,409,597</b> | <b>\$ 66,374,515</b> | <b>\$ 190,318,538</b> | <b>\$ 179,368,415</b> |
|   |                       |                     |                      |                      | (Exhibit 2)           | (Exhibit 2)           |



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

Schedule C

Schedule of Non-Operating Revenues and Expenses

Year Ended August 31, 2020

(With Memorandum Totals for the Year Ended August 31, 2019)

|                                     | Unrestricted         | Restricted           | Auxiliary<br>Enterprises | 2020<br>Total         | 2019<br>Total         |
|-------------------------------------|----------------------|----------------------|--------------------------|-----------------------|-----------------------|
| <b>NON-OPERATING REVENUES:</b>      |                      |                      |                          |                       |                       |
| <b>State Appropriations:</b>        |                      |                      |                          |                       |                       |
| Education and general state support | \$ 32,194,450        | \$ -                 | \$ -                     | \$ 32,194,450         | \$ 31,877,681         |
| State group insurance               | -                    | 6,925,302            | -                        | 6,925,302             | 7,051,191             |
| State retirement matching           | -                    | <u>2,699,432</u>     | -                        | <u>2,699,432</u>      | <u>2,404,591</u>      |
| Total State Appropriations          | <u>32,194,450</u>    | <u>9,624,734</u>     | -                        | <u>41,819,184</u>     | <u>41,333,463</u>     |
| Maintenance ad valorem taxes        | 64,101,302           | -                    | -                        | 64,101,302            | 61,284,007            |
| Federal Revenue, Non Operating      | 150,260              | 59,595,093           | -                        | 59,745,353            | 53,278,759            |
| Other State Revenue, Non Operating  | -                    | 294,395              | -                        | 294,395               | 401,287               |
| Gain on sale of capital assets      | -                    | -                    | -                        | -                     | -                     |
| Investment income                   | <u>1,942,092</u>     | <u>106,058</u>       | <u>12,277</u>            | <u>2,060,427</u>      | <u>4,050,044</u>      |
| Total Non-Operating Revenues        | <u>98,388,104</u>    | <u>69,620,280</u>    | <u>12,277</u>            | <u>168,020,661</u>    | <u>160,347,560</u>    |
| <b>NON-OPERATING EXPENSES:</b>      |                      |                      |                          |                       |                       |
| Interest on capital related debt    | <u>5,401,065</u>     | -                    | -                        | <u>5,401,065</u>      | <u>5,476,854</u>      |
| Total Non-Operating Expenses        | <u>5,401,065</u>     | -                    | -                        | <u>5,401,065</u>      | <u>5,476,854</u>      |
| Net Non-Operating Revenues          | <u>\$ 92,987,039</u> | <u>\$ 69,620,280</u> | <u>\$ 12,277</u>         | <u>\$ 162,619,596</u> | <u>\$ 154,870,706</u> |
|                                     |                      |                      |                          | (Exhibit 2)           | (Exhibit 2)           |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

Schedule D

Schedule of Net Position by Source and Availability

Year Ended August 31, 2020

(With Memorandum Totals for the Year Ended August 31, 2019)

|  | Detail by Source    |                     |                    |                    |  | Available for Current Operations |                     |             |
|--|---------------------|---------------------|--------------------|--------------------|--|----------------------------------|---------------------|-------------|
|  | Restricted          |                     |                    |                    | Capital Assets<br>Net of<br>Depreciation &<br>Related Debt | Total                            | Yes                 | No          |
|  | Unrestricted        | Expendable          | Non-<br>Expendable |                    |  |                                  |                     |             |
| <b>Current:</b>                                    |                     |                     |                    |                    |  |                                  |                     |             |
| Unrestricted                                       | \$ (28,768,506)     | \$ -                | \$ -               | \$ -               | \$ (28,768,506)  | \$ (28,768,506)                  | \$ -                |             |
| Restricted   |                     | 6,270,171           |                    |                    | 6,270,171  | 6,270,171                        |                     |             |
| Auxiliary Enterprises                              | 3,717,254           |                     |                    |                    | 3,717,254  | 3,717,254                        |                     |             |
| Loan   |                     | 2,843,395           |                    |                    | 2,843,395  |                                  |                     | 2,843,395   |
| <b>Endowment:</b>                                  |                     |                     |                    |                    |  |                                  |                     |             |
| Quasi:   |                     |                     |                    |                    |  |                                  |                     |             |
| Restricted   |                     |                     | 781,293            |                    | 781,293  |                                  |                     | 781,293     |
| <b>Plant:</b>                                      |                     |                     |                    |                    |  |                                  |                     |             |
| Unexpended   |                     | 24,473,193          |                    |                    | 24,473,193   |                                  |                     | 24,473,193  |
| Renewals   |                     | 652,474             |                    |                    | 652,474  | 652,474                          |                     |             |
| Debt Service                                       |                     | 18,192,135          |                    |                    | 18,192,135   |                                  |                     | 18,192,135  |
| Investment in Plant                                | -                   | -                   | -                  | 100,670,911        | 100,670,911  | -                                |                     | 100,670,911 |
| <b>Total Net Position,<br/>August 31, 2020</b>     | <b>(25,051,252)</b> | <b>52,431,368</b>   | <b>781,293</b>     | <b>100,670,911</b> | <b>128,832,320</b><br>(Exhibit 1)                          | <b>(18,128,607)</b>              | <b>146,960,927</b>  |             |
| <b>Total Net Position,<br/>August 31, 2019</b>     | <b>(30,568,402)</b> | <b>49,884,060</b>   | <b>771,717</b>     | <b>99,809,384</b>  | <b>119,896,759</b><br>(Exhibit 1)                          | <b>(23,668,136)</b>              | <b>143,564,895</b>  |             |
| <b>Net Increase (Decrease) in<br/>Net Position</b> | <b>\$ 5,517,150</b> | <b>\$ 2,547,308</b> | <b>\$ 9,576</b>    | <b>\$ 861,527</b>  | <b>\$ 8,935,561</b><br>(Exhibit 2)                         | <b>\$ 5,539,529</b>              | <b>\$ 3,396,032</b> |             |



# STATISTICAL SECTION



*Transportation Training Center  
Valle Verde Campus*



**El Paso  
Community  
College**

The Best Place to Start *and Finish!*

## STATISTICAL SECTION

This part of the El Paso County Community College District's Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government'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 government'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 service the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Reports for the relevant years.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 1  
Net Position by Component and Changes in Net Position  
Last Ten Fiscal Years  
(unaudited)

Net Position by Component

|                                       | For the Year Ended August 31, |                       |                         |                       |
|---------------------------------------|-------------------------------|-----------------------|-------------------------|-----------------------|
|                                       | <u>2020</u>                   | <u>2019</u>           | <u>2018 as restated</u> | <u>2017</u>           |
| Net investment in capital assets      | \$ 100,670,911                | \$ 99,809,384         | \$ 96,438,897           | \$ 92,819,547         |
| Restricted - expendable               | 52,431,368                    | 49,884,060            | 45,797,561              | 40,499,821            |
| Restricted - nonexpendable            | 781,293                       | 771,717               | 753,741                 | 742,942               |
| Unrestricted                          | (25,051,252)                  | (30,568,402)          | (35,342,985)            | 27,836,906            |
| Total primary government net position | <u>\$ 128,832,320</u>         | <u>\$ 119,896,759</u> | <u>\$ 107,647,214</u>   | <u>\$ 161,899,216</u> |

Changes in Net Position

|  | For the Year Ended August 31, |                       |                         |                       |
|--|-------------------------------|-----------------------|-------------------------|-----------------------|
|  | <u>2020</u>                   | <u>2019</u>           | <u>2018 as restated</u> | <u>2017</u>           |
| Net position at beginning of year  | \$ 119,896,759                | \$ 107,647,214        | \$ 161,899,216          | \$ 144,397,259        |
| Total revenues - page 76   | 204,655,164                   | 197,094,814           | 196,292,946             | 191,464,935           |
| Total expenses - page 78   | (195,719,603)                 | (184,845,269)         | (181,659,444)           | (173,962,978)         |
| Change in accounting principles - 2018 GASB 75,<br>2015 GASB 68 and 2013 GASB 65 |                               | -                     | (68,885,504)            | -                     |
| Change in net position   | <u>8,935,561</u>              | <u>12,249,545</u>     | <u>(54,252,002)</u>     | <u>17,501,957</u>     |
| Net position at end of year  | <u>\$ 128,832,320</u>         | <u>\$ 119,896,759</u> | <u>\$ 107,647,214</u>   | <u>\$ 161,899,216</u> |

For the Year Ended August 31,

| <u>2016</u>           | <u>2015 as restated</u> | <u>2014</u>           | <u>2013 as restated</u> | <u>2012</u>           | <u>2011</u>           |
|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| \$ 90,353,349         | \$ 84,541,270           | \$ 78,237,413         | \$ 79,937,511           | \$ 76,631,932         | \$ 68,925,159         |
| 27,445,329            | 28,457,827              | 29,895,813            | 23,103,969              | 21,450,792            | 26,857,747            |
| 737,859               | 733,942                 | 741,151               | 737,449                 | 740,985               | 738,681               |
| 25,860,722            | 18,829,803              | 34,714,354            | 27,875,471              | 26,263,067            | 20,628,820            |
| <u>\$ 144,397,259</u> | <u>\$ 132,562,842</u>   | <u>\$ 143,588,731</u> | <u>\$ 131,654,400</u>   | <u>\$ 125,086,776</u> | <u>\$ 117,150,407</u> |

For the Year Ended August 31,

| <u>2016</u>           | <u>2015 as restated</u> | <u>2014</u>           | <u>2013 as restated</u> | <u>2012</u>           | <u>2011</u>           |
|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| \$ 132,562,842        | \$ 143,588,731          | \$ 131,654,400        | \$ 125,086,776          | \$ 117,150,407        | \$ 111,512,628        |
| 182,238,275           | 182,544,087             | 181,503,948           | 179,796,871             | 182,493,532           | 187,197,068           |
| (170,403,858)         | (171,140,882)           | (169,569,617)         | (172,442,933)           | (174,557,163)         | (181,559,289)         |
| -                     | (22,429,094)            | -                     | (786,314)               |                       |                       |
| <u>11,834,417</u>     | <u>(11,025,889)</u>     | <u>11,934,331</u>     | <u>6,567,624</u>        | <u>7,936,369</u>      | <u>5,637,779</u>      |
| <u>\$ 144,397,259</u> | <u>\$ 132,562,842</u>   | <u>\$ 143,588,731</u> | <u>\$ 131,654,400</u>   | <u>\$ 125,086,776</u> | <u>\$ 117,150,407</u> |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 2  
Revenues by Source  
Last Ten Fiscal Years  
(unaudited)

For the Year Ended August 31,

|                                       | 2020                  | 2019                  | 2018                  | 2017                  |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Tuition and Fees (Net of Discounts)   | \$ 23,292,432         | \$ 25,133,302         | \$ 23,584,940         | \$ 25,742,814         |
| Federal Grants and Contracts          | 6,336,034             | 3,932,118             | 4,355,674             | 5,276,629             |
| State Grants and Contracts            | 2,442,642             | 2,565,515             | 2,642,357             | 2,871,915             |
| Non-Governmental Grants and Contracts | 748,272               | 978,838               | 1,083,799             | 1,569,774             |
| Auxiliary enterprises                 | 1,472,294             | 1,757,605             | 1,492,505             | 1,849,813             |
| Other Operating Revenues              | 2,342,829             | 2,379,876             | 3,225,812             | 4,200,043             |
| Total Operating Revenues              | <u>36,634,503</u>     | <u>36,747,254</u>     | <u>36,385,087</u>     | <u>41,510,988</u>     |
| State Appropriations                  | 41,819,184            | 41,333,463            | 44,401,521            | 40,715,392            |
| Ad Valorem Taxes                      | 64,101,302            | 61,284,007            | 58,183,388            | 54,511,241            |
| Federal Grants, Non Operating         | 59,745,353            | 53,278,759            | 53,302,826            | 52,053,316            |
| Other State Grants, Non Operating     | 294,395               | 401,287               | 202,541               | 954,951               |
| Gain on Sale of Capital Asset         | -                     | -                     | 819,749               | -                     |
| Investment income                     | 2,060,427             | 4,050,044             | 2,997,834             | 1,719,047             |
| Total Non-Operating Revenues          | <u>168,020,661</u>    | <u>160,347,560</u>    | <u>159,907,859</u>    | <u>149,953,947</u>    |
| Total Revenues                        | <u>\$ 204,655,164</u> | <u>\$ 197,094,814</u> | <u>\$ 196,292,946</u> | <u>\$ 191,464,935</u> |

For the Year Ended August 31,

|                                       | 2020           | 2019           | 2018           | 2017           |
|---------------------------------------|----------------|----------------|----------------|----------------|
| Tuition and Fees (Net of Discounts)   | 11.38%         | 12.75%         | 12.02%         | 13.45%         |
| Federal Grants and Contracts          | 3.10%          | 2.00%          | 2.22%          | 2.76%          |
| State Grants and Contracts            | 1.19%          | 1.30%          | 1.35%          | 1.50%          |
| Non-Governmental Grants and Contracts | 0.37%          | 0.50%          | 0.55%          | 0.82%          |
| Auxiliary enterprises                 | 0.72%          | 0.89%          | 0.76%          | 0.97%          |
| Other Operating Revenues              | 1.14%          | 1.21%          | 1.64%          | 2.19%          |
| Total Operating Revenues              | <u>17.90%</u>  | <u>18.64%</u>  | <u>18.54%</u>  | <u>21.68%</u>  |
| State Appropriations                  | 20.43%         | 20.97%         | 22.62%         | 21.27%         |
| Ad Valorem Taxes                      | 31.32%         | 31.09%         | 29.64%         | 28.47%         |
| Federal Grants, Non Operating         | 29.18%         | 27.02%         | 27.14%         | 27.18%         |
| Other State Grants, Non Operating     | 0.14%          | 0.20%          | 0.10%          | 0.50%          |
| Gain on Sale of Capital Asset         | 0.00%          | 0.00%          | 0.42%          | 0.00%          |
| Investment income                     | 1.01%          | 2.05%          | 1.53%          | 0.90%          |
| Total Non-Operating Revenues          | <u>82.10%</u>  | <u>81.36%</u>  | <u>81.46%</u>  | <u>78.32%</u>  |
| Total Revenues                        | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |



For the Year Ended August 31,

| 2016           | 2015           | 2014           | 2013 as restated | 2012           | 2011           |
|----------------|----------------|----------------|------------------|----------------|----------------|
| \$ 22,587,165  | \$ 19,754,484  | \$ 20,354,706  | \$ 22,181,240    | \$ 20,414,460  | \$ 19,907,092  |
| 4,892,826      | 3,823,954      | 3,988,745      | 4,015,782        | 4,979,369      | 6,405,026      |
| 3,558,974      | 4,774,266      | 3,671,854      | 2,796,080        | 3,290,648      | 4,600,579      |
| 1,442,291      | 1,238,976      | 1,404,758      | 1,691,132        | 1,381,894      | 1,176,653      |
| 1,860,428      | 1,689,805      | 1,799,345      | 1,987,554        | 2,149,564      | 2,004,136      |
| 1,670,723      | 2,102,201      | 1,811,196      | 2,156,824        | 1,956,063      | 822,643        |
| 36,012,407     | 33,383,686     | 33,030,604     | 34,828,612       | 34,171,998     | 34,916,129     |
| 40,164,623     | 41,640,965     | 41,286,052     | 38,284,946       | 38,364,441     | 41,206,833     |
| 52,876,467     | 49,302,345     | 47,104,419     | 42,729,975       | 42,055,081     | 37,689,872     |
| 52,353,783     | 57,538,440     | 59,466,875     | 63,124,632       | 67,420,731     | 72,591,478     |
| 499,605        | 505,193        | 446,157        | 663,584          | 339,489        | 431,302        |
| -              | -              | -              | -                | -              | -              |
| 331,390        | 173,458        | 169,841        | 165,122          | 141,792        | 361,454        |
| 146,225,868    | 149,160,401    | 148,473,344    | 144,968,259      | 148,321,534    | 152,280,939    |
| \$ 182,238,275 | \$ 182,544,087 | \$ 181,503,948 | \$ 179,796,871   | \$ 182,493,532 | \$ 187,197,068 |

For the Year Ended August 31,

| 2016    | 2015    | 2014    | 2013 as restated | 2012    | 2011    |
|---------|---------|---------|------------------|---------|---------|
| 12.39%  | 10.82%  | 11.21%  | 12.34%           | 11.19%  | 10.63%  |
| 2.68%   | 2.09%   | 2.20%   | 2.23%            | 2.73%   | 3.42%   |
| 1.95%   | 2.62%   | 2.02%   | 1.56%            | 1.80%   | 2.46%   |
| 0.79%   | 0.68%   | 0.77%   | 0.94%            | 0.76%   | 0.63%   |
| 1.02%   | 0.93%   | 0.99%   | 1.11%            | 1.18%   | 1.07%   |
| 0.92%   | 1.15%   | 1.00%   | 1.20%            | 1.07%   | 0.44%   |
| 19.76%  | 18.29%  | 18.20%  | 19.37%           | 18.73%  | 18.65%  |
| 22.04%  | 22.81%  | 22.75%  | 21.29%           | 21.02%  | 22.01%  |
| 29.02%  | 27.01%  | 25.95%  | 23.77%           | 23.04%  | 20.13%  |
| 28.72%  | 31.51%  | 32.76%  | 35.11%           | 36.94%  | 38.78%  |
| 0.27%   | 0.28%   | 0.25%   | 0.37%            | 0.19%   | 0.23%   |
| 0.00%   | 0.00%   | 0.00%   | 0.00%            | 0.00%   | 0.00%   |
| 0.18%   | 0.10%   | 0.09%   | 0.09%            | 0.08%   | 0.19%   |
| 80.24%  | 81.71%  | 81.80%  | 80.63%           | 81.27%  | 81.35%  |
| 100.00% | 100.00% | 100.00% | 100.00%          | 100.00% | 100.00% |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 3  
Program Expenses by Function  
Last Ten Fiscal Years  
(unaudited)

|                                    | For the Year Ended August 31, |                       |                       |                       |
|------------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|
|                                    | 2020                          | 2019                  | 2018                  | 2017                  |
| Instruction                        | \$ 66,592,292                 | \$ 65,192,950         | \$ 62,106,611         | \$ 61,817,038         |
| Research                           | 186,974                       | 180,055               | 166,368               | 71,007                |
| Public service                     | 4,965,210                     | 5,276,605             | 5,457,106             | 5,768,757             |
| Academic support                   | 27,322,180                    | 24,149,179            | 22,612,583            | 21,588,054            |
| Student services                   | 13,443,855                    | 12,830,991            | 12,290,768            | 11,723,867            |
| Institutional support              | 27,038,666                    | 27,667,763            | 27,575,125            | 24,617,974            |
| Operation and maintenance of plant | 11,092,662                    | 11,455,250            | 11,288,934            | 11,071,739            |
| Scholarships and fellowships       | 31,161,929                    | 24,574,969            | 26,246,643            | 26,082,325            |
| Auxiliary enterprises              | 3,028,010                     | 2,920,706             | 3,318,159             | 3,544,678             |
| Depreciation                       | 5,486,760                     | 5,119,947             | 5,039,611             | 4,945,803             |
| Total Operating Expenses           | <u>190,318,538</u>            | <u>179,368,415</u>    | <u>176,101,908</u>    | <u>171,231,242</u>    |
| Interest on capital related debt   | 5,401,065                     | 5,476,854             | 5,557,536             | 2,731,736             |
| Total Non-Operating Expenses       | <u>5,401,065</u>              | <u>5,476,854</u>      | <u>5,557,536</u>      | <u>2,731,736</u>      |
| Total Expenses                     | <u>\$ 195,719,603</u>         | <u>\$ 184,845,269</u> | <u>\$ 181,659,444</u> | <u>\$ 173,962,978</u> |

|                                    | For the Year Ended August 31, |                |                |                |
|------------------------------------|-------------------------------|----------------|----------------|----------------|
|                                    | 2020                          | 2019           | 2018           | 2017           |
| Instruction                        | 34.02%                        | 35.27%         | 34.19%         | 35.53%         |
| Research                           | 0.10%                         | 0.10%          | 0.09%          | 0.04%          |
| Public service                     | 2.54%                         | 2.85%          | 3.00%          | 3.32%          |
| Academic support                   | 13.96%                        | 13.06%         | 12.45%         | 12.41%         |
| Student services                   | 6.87%                         | 6.94%          | 6.77%          | 6.74%          |
| Institutional support              | 13.82%                        | 14.97%         | 15.18%         | 14.15%         |
| Operation and maintenance of plant | 5.67%                         | 6.20%          | 6.21%          | 6.36%          |
| Scholarships and fellowships       | 15.92%                        | 13.29%         | 14.45%         | 14.99%         |
| Auxiliary enterprises              | 1.55%                         | 1.58%          | 1.83%          | 2.04%          |
| Depreciation                       | 2.80%                         | 2.77%          | 2.77%          | 2.84%          |
| Total Operating Expenses           | <u>97.24%</u>                 | <u>97.04%</u>  | <u>96.94%</u>  | <u>98.43%</u>  |
| Interest on capital related debt   | 2.76%                         | 2.96%          | 3.06%          | 1.57%          |
| Total Non-Operating Expenses       | <u>2.76%</u>                  | <u>2.96%</u>   | <u>3.06%</u>   | <u>1.57%</u>   |
| Total Expenses                     | <u>100.00%</u>                | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |

For the Year Ended August 31,

| 2016           | 2015           | 2014           | 2013 as restated | 2012           | 2011           |
|----------------|----------------|----------------|------------------|----------------|----------------|
| \$ 59,652,029  | \$ 57,670,958  | \$ 57,157,664  | \$ 57,143,086    | \$ 56,569,373  | \$ 57,782,436  |
| 72,795         | 69,457         | 64,399         | 67,172           | 46,990         | 46,835         |
| 5,749,966      | 6,149,566      | 6,369,946      | 6,007,731        | 5,741,054      | 5,623,512      |
| 20,291,983     | 19,735,815     | 18,451,025     | 18,006,899       | 18,022,725     | 18,684,484     |
| 11,392,376     | 10,135,782     | 10,023,566     | 10,275,524       | 9,899,398      | 10,409,484     |
| 23,190,040     | 21,351,304     | 20,701,313     | 19,932,692       | 20,028,102     | 20,167,121     |
| 10,429,127     | 10,580,794     | 10,025,991     | 9,163,297        | 9,554,646      | 8,907,338      |
| 29,383,576     | 35,311,744     | 36,337,411     | 39,964,638       | 44,001,068     | 50,636,516     |
| 3,430,975      | 3,333,261      | 3,424,490      | 4,755,196        | 3,008,770      | 2,180,466      |
| 4,682,201      | 4,474,342      | 4,515,734      | 4,460,995        | 4,787,773      | 4,033,896      |
| 168,275,068    | 168,813,023    | 167,071,539    | 169,777,230      | 171,659,899    | 178,472,088    |
| 2,128,790      | 2,327,859      | 2,498,078      | 2,665,703        | 2,897,264      | 3,087,201      |
| 2,128,790      | 2,327,859      | 2,498,078      | 2,665,703        | 2,897,264      | 3,087,201      |
| \$ 170,403,858 | \$ 171,140,882 | \$ 169,569,617 | \$ 172,442,933   | \$ 174,557,163 | \$ 181,559,289 |

For the Year Ended August 31,

| 2016    | 2015    | 2014    | 2013 as restated | 2012    | 2011    |
|---------|---------|---------|------------------|---------|---------|
| 35.01%  | 33.70%  | 33.71%  | 33.13%           | 32.42%  | 31.82%  |
| 0.04%   | 0.04%   | 0.04%   | 0.04%            | 0.03%   | 0.03%   |
| 3.37%   | 3.59%   | 3.76%   | 3.48%            | 3.29%   | 3.10%   |
| 11.91%  | 11.53%  | 10.88%  | 10.44%           | 10.32%  | 10.29%  |
| 6.69%   | 5.92%   | 5.91%   | 5.96%            | 5.67%   | 5.73%   |
| 13.61%  | 12.48%  | 12.21%  | 11.56%           | 11.47%  | 11.11%  |
| 6.12%   | 6.18%   | 5.91%   | 5.31%            | 5.47%   | 4.91%   |
| 17.24%  | 20.63%  | 21.43%  | 23.18%           | 25.21%  | 27.89%  |
| 2.01%   | 1.95%   | 2.02%   | 2.76%            | 1.72%   | 1.20%   |
| 2.75%   | 2.61%   | 2.66%   | 2.59%            | 2.74%   | 2.22%   |
| 98.75%  | 98.64%  | 98.53%  | 98.45%           | 98.34%  | 98.30%  |
| 1.25%   | 1.36%   | 1.47%   | 1.55%            | 1.66%   | 1.70%   |
| 1.25%   | 1.36%   | 1.47%   | 1.55%            | 1.66%   | 1.70%   |
| 100.00% | 100.00% | 100.00% | 100.00%          | 100.00% | 100.00% |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 4  
 Tuition and Fees  
 Last Ten Academic Years  
 (unaudited)

| Academic Year<br>(Fall) | Resident<br>Fees per Semester Credit Hour (SCH) |                     | Cost for<br>12 SCH<br>In-District | Increase from<br>Prior Year<br>In-District |
|-------------------------|---|---------------------|-----------------------------------|--|
|                         | In-District<br>Tuition                          | General<br>Use Fees |                                   |  |
| 2019-20                 | \$ 105.00                                       | \$ 20.00            | \$ 1,500.00                       | 0.00%                                      |
| 2018-19                 | 105.00  | 20.00               | 1,500.00                          | 9.65%                                      |
| 2017-18                 | 94.00   | 20.00               | 1,368.00                          | 0.00%                                      |
| 2016-17                 | 94.00   | 20.00               | 1,368.00                          | 15.15%                                     |
| 2015-16                 | 84.00   | 15.00               | 1,188.00                          | 15.12%                                     |
| 2014-15                 | 76.00   | 10.00               | 1,032.00                          | 0.00%                                      |
| 2013-14                 | 76.00   | 10.00               | 1,032.00                          | 6.17%                                      |
| 2012-13                 | 71.00   | 10.00               | 972.00                            | 5.19%                                      |
| 2011-12                 | 67.00   | 10.00               | 924.00                            | 10.79%                                     |
| 2010-11                 | 59.50   | 10.00               | 834.00                            | 0.00%                                      |

| Academic Year<br>(Fall) | Non - Resident<br>Fees per Semester Credit Hour (SCH) |                     | Cost for<br>12 SCH<br>Out of State | Increase from<br>Prior Year<br>Out of State |
|-------------------------|---|---------------------|------------------------------------|---|
|                         | Non-Resident<br>Tuition<br>Out of State               | General<br>Use Fees |                                    |   |
| 2019-20                 | \$ 215.00   | \$ 20.00            | \$ 2,820.00                        | 0.00%                                       |
| 2018-19                 | 215.00  | 20.00               | 2,820.00                           | 6.82%                                       |
| 2017-18                 | 200.00  | 20.00               | 2,640.00                           | 0.00%                                       |
| 2016-17                 | 200.00  | 20.00               | 2,640.00                           | 30.95%                                      |
| 2015-16                 | 153.00  | 15.00               | 2,016.00                           | 11.26%                                      |
| 2014-15                 | 141.00  | 10.00               | 1,812.00                           | 0.00%                                       |
| 2013-14                 | 141.00  | 10.00               | 1,812.00                           | 0.00%                                       |
| 2012-13                 | 141.00  | 10.00               | 1,812.00                           | 45.19%                                      |
| 2011-12                 | 94.00   | 10.00               | 1,248.00                           | 12.43%                                      |
| 2010-11                 | 82.50   | 10.00               | 1,110.00                           | 0.00%                                       |

Note: In addition students may incur course related fees such as laboratory fees, testing fees and certification fees. Information obtained from the college's tuition and fee schedules.

Source: El Paso County Community College District Class Schedule

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 5  
Assessed Value and Taxable Assessed Value of Property  
Last Ten Fiscal Years  
(unaudited)

| Fiscal Year | Assessed Valuation of Real Property | Assessed Valuation of Personal Property | Assessed Valuation of Property | Less: Exemptions | Taxable Assessed Value (TAV) | Ratio of Taxable Assessed Value to Assessed Value | Direct Rate                  |                  |             |
|-------------|-------------------------------------|---|--------------------------------|------------------|------------------------------|---|------------------------------|------------------|-------------|
|             |                                     |   |                                |                  |                              |   | Maintenance & Operations (a) | Debt Service (a) | Total (a)   |
| 2019-20     | \$ 47,101,330,680                   | \$ 7,010,351,276                        | \$ 54,111,681,956              | \$ 8,978,911,648 | \$ 45,132,770,308            | 83.41%  | \$ 0.141167                  | \$ -             | \$ 0.141167 |
| 2018-19     | 45,213,397,113                      | 6,390,571,510                           | 51,603,968,623                 | 8,260,256,548    | 43,343,712,075               | 83.99%  | 0.140273                     |                  | 0.140273    |
| 2017-18     | 42,733,364,761                      | 6,369,033,219                           | 49,102,397,980                 | 8,011,429,287    | 41,090,968,693               | 83.68%  | 0.141638                     |                  | 0.141638    |
| 2016-17     | 41,452,594,928                      | 6,061,666,996                           | 47,514,261,924                 | 7,213,971,097    | 40,300,290,827               | 84.82%  | 0.134909                     |                  | 0.134909    |
| 2015-16     | 40,279,585,458                      | 6,042,803,315                           | 46,322,388,773                 | 6,906,577,355    | 39,415,811,418               | 85.09%  | 0.133811                     |                  | 0.133811    |
| 2014-15     | 39,227,150,006                      | 5,816,060,261                           | 45,043,210,267                 | 6,668,113,144    | 38,375,097,123               | 85.20%  | 0.128122                     |                  | 0.128122    |
| 2013-14     | 38,527,163,556                      | 5,644,064,474                           | 44,171,228,030                 | 6,331,204,351    | 37,840,023,679               | 85.67%  | 0.124359                     |                  | 0.124359    |
| 2012-13     | 37,861,722,951                      | 5,675,946,355                           | 43,537,669,306                 | 6,134,901,937    | 37,402,767,369               | 85.91%  | 0.114086                     |                  | 0.114086    |
| 2011-12     | 36,401,060,000                      | 5,227,036,177                           | 41,628,096,177                 | 5,592,871,383    | 36,035,224,794               | 86.56%  | 0.115442                     |                  | 0.115442    |
| 2010-11     | 35,118,376,418                      | 4,685,813,189                           | 39,804,189,607                 | 4,884,780,918    | 34,919,408,689               | 87.73%  | 0.107329                     |                  | 0.107329    |

Notes: Property is assessed at full market value.  
(a) per \$100 Taxable Assessed Valuation

Source: Local Appraisal District

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 6  
 State Appropriation per FTSE and Contact Hour  
 Last Ten Fiscal Years  
 (unaudited)

| Fiscal Year | State<br>Appropriation | Appropriation per FTSE |                                    | Appropriation per Contact Hour   |                                 |                           | State<br>Appropriation<br>per Contact<br>Hour |
|-------------|------------------------|------------------------|------------------------------------|----------------------------------|---------------------------------|---------------------------|---|
|             |                        | FTSE                   | State<br>Appropriation<br>per FTSE | Academic<br>Contact<br>Hours (a) | Voc/Tec<br>Contact<br>Hours (b) | Total<br>Contact<br>Hours |   |
| 2019-20     | \$ 32,194,450          | 17,355                 | \$ 1,855                           | 8,056,976                        | 1,798,392                       | 9,855,368                 | \$ 3.27                                       |
| 2018-19     | 31,877,681             | 17,604                 | 1,811                              | 8,083,392                        | 1,859,836                       | 9,943,228                 | 3.21  |
| 2017-18     | 31,890,289             | 17,645                 | 1,807                              | 8,101,744                        | 1,858,069                       | 9,959,813                 | 3.20  |
| 2016-17     | 32,173,961             | 18,104                 | 1,777                              | 8,226,656                        | 1,961,319                       | 10,187,975                | 3.16  |
| 2015-16     | 32,128,072             | 18,084                 | 1,777                              | 8,062,864                        | 2,123,761                       | 10,186,625                | 3.15  |
| 2014-15     | 33,792,708             | 18,367                 | 1,840                              | 8,067,120                        | 2,250,842                       | 10,317,962                | 3.28  |
| 2013-14     | 33,884,773             | 18,936                 | 1,789                              | 8,378,864                        | 2,342,228                       | 10,721,092                | 3.16  |
| 2012-13     | 32,619,755             | 19,793                 | 1,648                              | 8,755,212                        | 2,408,232                       | 11,163,444                | 2.92  |
| 2011-12     | 30,977,449             | 20,199                 | 1,534                              | 8,925,088                        | 2,477,978                       | 11,403,066                | 2.72  |
| 2010-11     | 31,155,773             | 20,483                 | 1,521                              | 8,944,096                        | 2,575,676                       | 11,519,772                | 2.70  |

Note:

FTSE is defined as the number of full time students plus total hours taken by part-time students divided by 12.

Sources:

Institutional Data (Institutional Research and Associate Vice President Budget & Financial Services Departments)

(a) Source CBM004

(b) Source CBM00C



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

Statistical Supplement 7

Principal Taxpayers

Last Ten Tax Years

(unaudited)

| Taxpayer   | Type of Business | Taxable Assessed Value (TAV) by Tax Year (\$000 omitted) |               |               |
|--|------------------|--|---------------|---------------|
|  |                  | 2020   | 2019          | 2018          |
| El Paso Electric Company                         | Utility          | \$ 644,986   | \$ 602,789    | \$ 568,704    |
| Western Refining Company LP                      | Refining         | 484,076  | 500,819       | 481,540       |
| Walmart  | Retail           | 293,546  | 291,985       | 264,566       |
| Sierra Providence Physical Rehab Tenet Hospitals | Hospital         | 213,204  | 220,057       | 218,511       |
| River Oaks Properties LTD                        | Properties       | 208,932  | 180,162       | 174,269       |
| Texas Gas Service                                | Utility          | 153,108  | 141,813       | 131,636       |
| Union Pacific Railroad                           | Railroad         | 124,406  | 108,682       | 104,757       |
| Simon Property Group                             | Properties       | 121,130  | 127,863       | 128,440       |
| Hawkins & I-10 Acquisition Company               | Properties       | 97,030   | 99,979        | 94,055        |
| Tenet Hospitals Limited                          | Hospital         | 89,709   | 89,362        | 86,193        |
| El Paso Outlet Center Holding Co                 | Properties       |  |               |               |
| Southwestern Bell Telephone                      | Utility          |  |               |               |
| Cardinal Health 5 LLC                            | Hospital         |  |               |               |
| Totals   |                  | \$ 2,430,127   | \$ 2,363,511  | \$ 2,252,671  |
| Total Taxable Assessed Value                     |                  | \$ 45,132,770  | \$ 43,343,712 | \$ 41,090,969 |

| Taxpayer   | Type of Business | % of Taxable Assessed Value (TAV) by Tax Year |       |       |
|--|------------------|---|-------|-------|
|  |                  | 2020  | 2019  | 2018  |
| El Paso Electric Company                         | Utility          | 1.43%   | 1.39% | 1.38% |
| Western Refining Company LP                      | Refining         | 1.07%   | 1.16% | 1.17% |
| Walmart  | Retail           | 0.65%   | 0.67% | 0.64% |
| Sierra Providence Physical Rehab Tenet Hospitals | Hospital         | 0.47%   | 0.51% | 0.53% |
| River Oaks Properties LTD                        | Properties       | 0.46%   | 0.42% | 0.42% |
| Texas Gas Service                                | Utility          | 0.34%   | 0.33% | 0.32% |
| Union Pacific Railroad                           | Railroad         | 0.28%   | 0.25% | 0.25% |
| Simon Property Group                             | Properties       | 0.27%   | 0.29% | 0.31% |
| Hawkins & I-10 Acquisition Company               | Properties       | 0.21%   | 0.23% | 0.23% |
| Tenet Hospitals Limited                          | Hospital         | 0.20%   | 0.21% | 0.21% |
| El Paso Outlet Center Holding Co                 | Properties       |   |       |       |
| Southwestern Bell Telephone                      | Utility          |   |       |       |
| Cardinal Health 5 LLC                            | Hospital         |   |       |       |
| Totals   |                  | 5.38%   | 5.45% | 5.48% |

Source: Local County Appraisal District



Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)

|    | 2017       | 2016          | 2015          | 2014          | 2013          | 2012          | 2011          |
|----|------------|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 534,623    | \$ 450,842    | \$ 407,000    | \$ 328,530    | \$ 286,055    | \$ 264,012    | \$ 257,067    |
|    | 454,064    | 488,623       | 565,133       | 488,902       | 474,080       | 910,434       | 422,701       |
|    | 263,256    | 264,748       | 272,917       | 264,534       | 87,331        | 77,495        | 86,063        |
|    | 216,577    | 207,305       | 248,180       | 223,489       | 218,264       | 231,585       | 236,237       |
|    | 174,437    | 168,924       | 165,442       | 163,812       | 169,519       | 159,706       | 162,192       |
|    | 117,028    | 95,624        | 87,700        | 93,750        | 84,076        | 75,576        | 73,393        |
|    | 98,398     | 92,872        | 87,158        | 89,551        |               |               |               |
|    | 132,761    | 136,652       | 137,076       | 177,170       | 195,509       | 195,371       | 195,470       |
|    | 141,649    | 149,544       | 84,675        | 101,325       |               |               |               |
|    | 88,014     |               |               |               |               |               |               |
|    |            | 90,594        | 93,771        |               | 89,948        | 92,013        | 82,502        |
|    |            |               |               | 81,141        | 84,111        | 92,762        | 103,544       |
|    |            |               |               |               | 79,833        | 81,411        | 70,601        |
| \$ | 2,220,807  | \$ 2,145,728  | \$ 2,149,052  | \$ 2,012,204  | \$ 1,768,726  | \$ 2,180,365  | \$ 1,689,770  |
| \$ | 40,300,291 | \$ 39,415,811 | \$ 38,375,097 | \$ 37,840,024 | \$ 37,402,767 | \$ 36,035,225 | \$ 34,919,409 |

% of Taxable Assessed Value (TAV) by Tax Year

|  | 2017  | 2016  | 2015  | 2014  | 2013  | 2012  | 2011  |
|--|-------|-------|-------|-------|-------|-------|-------|
|  | 1.33% | 1.14% | 1.06% | 0.87% | 0.76% | 0.73% | 0.73% |
|  | 1.13% | 1.24% | 1.47% | 1.29% | 1.27% | 2.53% | 1.21% |
|  | 0.65% | 0.67% | 0.71% | 0.70% | 0.23% | 0.22% | 0.25% |
|  | 0.54% | 0.53% | 0.65% | 0.59% | 0.58% | 0.64% | 0.68% |
|  | 0.43% | 0.43% | 0.43% | 0.43% | 0.45% | 0.44% | 0.46% |
|  | 0.29% | 0.24% | 0.23% | 0.25% |       |       |       |
|  | 0.24% | 0.24% | 0.23% | 0.24% | 0.00% | 0.00% | 0.00% |
|  | 0.33% | 0.35% | 0.36% | 0.47% | 0.52% | 0.54% | 0.56% |
|  | 0.35% | 0.38% | 0.22% | 0.27% |       |       |       |
|  | 0.22% |       |       |       |       |       |       |
|  |       | 0.23% | 0.24% |       | 0.24% | 0.26% | 0.24% |
|  |       |       |       | 0.21% | 0.22% | 0.26% | 0.30% |
|  |       |       |       |       | 0.21% | 0.23% | 0.20% |
|  | 5.51% | 5.44% | 5.60% | 5.32% | 4.48% | 6.05% | 4.63% |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 8  
 Property Tax Rates per \$100 of Assessed Value  
 Direct and Overlapping  
 Last Ten Tax Years  
 (unaudited)

| Fiscal Year | College District   |                     |             | Other El Paso County Taxable Entities |                 |                   |                           | Total       |
|-------------|--------------------|---------------------|-------------|---------------------------------------|-----------------|-------------------|---------------------------|-------------|
|             | Current Operations | (1)<br>Debt Service | Total       | El Paso County                        | City of El Paso | (2) ISD's Average | University Medical Center |             |
| 2019-20     | \$ 0.141167        | \$ -                | \$ 0.141167 | 0.488997                              | 0.907301        | 1.308688          | 0.267747                  | \$ 3.113900 |
| 2018-19     | 0.140273           | -                   | 0.140273    | 0.447819                              | 0.843332        | 1.361033          | 0.251943                  | 3.044400    |
| 2017-18     | 0.141638           | -                   | 0.141638    | 0.452694                              | 0.803433        | 1.346622          | 0.251943                  | 2.996330    |
| 2016-17     | 0.134909           | -                   | 0.134909    | 0.452694                              | 0.759656        | 1.346622          | 0.234456                  | 2.928337    |
| 2015-16     | 0.133811           | -                   | 0.133811    | 0.452694                              | 0.729725        | 1.324366          | 0.220682                  | 2.861278    |
| 2014-15     | 0.128122           | -                   | 0.128122    | 0.452694                              | 0.699784        | 1.297260          | 0.220682                  | 2.798542    |
| 2013-14     | 0.124359           | -                   | 0.124359    | 0.433125                              | 0.678378        | 1.291044          | 0.214393                  | 2.741299    |
| 2012-13     | 0.114086           | -                   | 0.114086    | 0.408870                              | 0.658404        | 1.277033          | 0.192363                  | 2.650756    |
| 2011-12     | 0.115442           | -                   | 0.115442    | 0.361196                              | 0.658404        | 1.269678          | 0.192363                  | 2.597083    |
| 2010-11     | 0.107329           | -                   | 0.107329    | 0.363403                              | 0.653700        | 1.256527          | 0.182124                  | 2.563083    |

Notes:

- (1) - 1975 General Obligation Bonds were paid off in 1995. Therefore the Debt Service portion was allocated to Current Operations
- (2) - Independent School Districts (ISD'S)

Source:

City of El Paso - Consolidated Tax Office - Property Tax History

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

Statistical Supplement 9

Property Tax Levies and Collections

Last Ten Tax Years

(unaudited)

(amounts expressed in thousands)

| Fiscal Year Ended August 31 | Levy (a)      | Cumulative Levy Adjustments | Adjusted Tax Levy (b) | Collections- Year of Levy (c) | Percentage | Prior Collections of Prior Levies (d) | Current Collections of Prior Levies (e) | Total Collections (C+D+E) | Cumulative Collections of Adjusted Levy |
|-----------------------------|---------------|-----------------------------|-----------------------|-------------------------------|------------|---------------------------------------|---|---------------------------|---|
| 2019-20                     | \$ 64,207,746 | \$ (410,799)                | \$ 63,796,947         | \$ 62,458,178                 | 97.90%     | \$ -                                  | \$ -                                    | \$ 62,458,178             | 97.90%                                  |
| 2018-19                     | 61,267,243    | (387,445)                   | 60,879,798            | 59,671,583                    | 98.02%     | -                                     | -                                       | 59,671,583                | 98.02%                                  |
| 2017-18                     | 58,644,632    | (510,712)                   | 58,133,920            | 57,149,858                    | 98.31%     | -                                     | 355,688                                 | 57,505,546                | 98.92%                                  |
| 2016-17                     | 54,843,817    | (853,570)                   | 53,990,247            | 53,328,020                    | 98.77%     | 93,722                                | 116,625                                 | 53,538,367                | 99.16%                                  |
| 2015-16                     | 53,139,540    | (695,979)                   | 52,443,561            | 51,740,083                    | 98.66%     | 262,192                               | 80,627                                  | 52,082,902                | 99.31%                                  |
| 2014-15                     | 49,473,303    | (483,217)                   | 48,990,086            | 48,244,378                    | 98.48%     | 397,143                               | 62,256                                  | 48,703,777                | 99.42%                                  |
| 2013-14                     | 47,455,189    | (715,320)                   | 46,739,869            | 46,062,532                    | 98.55%     | 389,074                               | 41,647                                  | 46,493,253                | 99.47%                                  |
| 2012-13                     | 42,884,204    | (517,356)                   | 42,366,848            | 41,705,331                    | 98.44%     | 434,911                               | 22,152                                  | 42,162,394                | 99.52%                                  |
| 2011-12                     | 41,810,318    | (418,501)                   | 41,391,817            | 40,618,634                    | 98.13%     | 564,586                               | 15,775                                  | 41,198,995                | 99.53%                                  |
| 2010-11                     | 37,798,782    | (371,013)                   | 37,427,769            | 36,538,292                    | 97.62%     | 683,542                               | 11,495                                  | 37,233,330                | 99.48%                                  |

Sources: Local Tax Assessor/Collector's and District records.

(a) As reported in notes to the financial statements for the year of the levy.

(b) As of August 31st of the current reporting year.

(c) Property tax only - does not include penalties and interest.

(d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.

(e) Represents current year collections of prior years levies.

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 10  
 Ratios of Outstanding Debt  
 Last Ten Fiscal Years  
 (unaudited)

|   | For the Year Ended August 31, |                       |                       |                       |
|---|-------------------------------|-----------------------|-----------------------|-----------------------|
|   | 2020                          | 2019                  | 2018                  | 2017                  |
| <b>General Bonded Debt</b>                |                               |                       |                       |                       |
| General Obligation Bonds                  | \$ -                          | \$ -                  | \$ -                  | \$ -                  |
| Less: Funds Restricted for Debt Service   |                               |                       |                       |                       |
| <b>Net General Bonded Debt</b>            | <b>\$ -</b>                   | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ -</b>           |
| <br>                                      |                               |                       |                       |                       |
| Per Capita                                | \$ -                          | \$ -                  | \$ -                  | \$ -                  |
| Per Student                               | -                             | -                     | -                     | -                     |
| As a percentage of Taxable Assessed Value | 0.00%                         | 0.00%                 | 0.00%                 | 0.00%                 |
| <br>                                      |                               |                       |                       |                       |
| <b>Other Debt</b>                         |                               |                       |                       |                       |
| Revenue Bonds - See Note 6                | \$ 124,665,000                | \$ 128,335,000        | \$ 131,930,000        | \$ 135,455,000        |
| Revenue Bonds Premium- See Note 7         | 12,261,859                    | 12,819,216            | 13,376,595            | 13,933,930            |
| Notes - See Note 9                        | -                             | -                     | -                     | 376,287               |
| Capital Lease Obligations                 | -                             | -                     | -                     | -                     |
| <b>Total Outstanding Debt</b>             | <b>\$ 136,926,859</b>         | <b>\$ 141,154,216</b> | <b>\$ 145,306,595</b> | <b>\$ 149,765,217</b> |
| <br>                                      |                               |                       |                       |                       |
| <b>Total Outstanding Debt Ratios</b>      |                               |                       |                       |                       |
| Per Capita                                | \$ 156.29                     | \$ 162.43             | \$ 168.61             | \$ 175.27             |
| Per Student                               | \$ 7,890                      | \$ 8,018              | \$ 8,235              | \$ 8,272              |
| As a percentage of Taxable Assessed Value | 0.30%                         | 0.33%                 | 0.35%                 | 0.37%                 |

Notes:

Ratios calculated using population and TAV from current year.  
 Debt per student calculated using full-time equivalent enrollment.

For the Year Ended August 31,

|    | 2016       |    | 2015       |    | 2014       |    | 2013       |    | 2012       |    | 2011       |
|----|------------|----|------------|----|------------|----|------------|----|------------|----|------------|
| \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          |
| \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          |
| \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          | \$ | -          |
|    | -          |    | -          |    | -          |    | -          |    | -          |    | -          |
|    | 0.00%      |    | 0.00%      |    | 0.00%      |    | 0.00%      |    | 0.00%      |    | 0.00%      |
| \$ | 43,350,000 | \$ | 47,095,000 | \$ | 50,660,000 | \$ | 54,090,000 | \$ | 57,355,000 | \$ | 60,490,000 |
|    | 1,673,230  |    | 1,850,918  |    | 2,028,606  |    | 2,206,293  |    | 2,383,982  |    | 2,561,669  |
|    | 770,409    |    | 1,253,808  |    | 1,775,622  |    | 2,282,065  |    | 2,773,157  |    | 3,249,518  |
|    | -          |    | -          |    | -          |    | -          |    | 3,310      |    | 32,654     |
| \$ | 45,793,639 | \$ | 50,199,726 | \$ | 54,464,228 | \$ | 58,578,358 | \$ | 62,515,449 | \$ | 66,333,841 |
| \$ | 54.06      | \$ | 59.79      | \$ | 65.47      | \$ | 71.06      | \$ | 76.56      | \$ | 82.03      |
| \$ | 2,532      | \$ | 2,733      | \$ | 2,876      | \$ | 2,960      | \$ | 3,095      | \$ | 3,238      |
|    | 0.12%      |    | 0.13%      |    | 0.14%      |    | 0.16%      |    | 0.17%      |    | 0.19%      |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 11  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 (unaudited)

|  | For the Year Ended August 31, |                   |                   |                   |
|--|-------------------------------|-------------------|-------------------|-------------------|
|  | 2020                          | 2019              | 2018              | 2017              |
| Taxable Assessed Value   | \$ 45,132,770,308             | \$ 43,343,712,075 | \$ 41,090,968,693 | \$ 40,300,290,827 |
| <b>General Obligation Bonds</b>                                      |                               |                   |                   |                   |
| Statutory Tax Levy Limit for Debt Service                            | 225,663,852                   | 216,718,560       | 205,454,843       | 201,501,454       |
| Less: Funds Restricted for Repayment of General Obligation Bonds     |                               |                   |                   |                   |
| Net Statutory Tax Levy Limit for Debt Service                        | 225,663,852                   | 216,718,560       | 205,454,843       | 201,501,454       |
| Current Year Debt Service Requirements                               |                               | -                 | -                 | -                 |
| Excess of Statutory Limit for Debt Service over Current Requirements | \$ 225,663,852                | \$ 216,718,560    | \$ 205,454,843    | \$ 201,501,454    |
| Net Current Requirements as a % of Statutory Limit                   | 0.00%                         | 0.00%             | 0.00%             | 0.00%             |

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars taxable assessed valuation.

Source: Local Appraisal District

For the Year Ended August 31,

| 2016              | 2015              | 2014              | 2013              | 2012              | 2011              |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ 39,415,811,418 | \$ 38,375,097,123 | \$ 37,840,023,679 | \$ 37,402,767,369 | \$ 36,035,224,794 | \$ 34,919,408,689 |
| 197,079,057       | 191,875,486       | 189,200,118       | 187,013,837       | 180,176,124       | 174,597,043       |
| 197,079,057       | 191,875,486       | 189,200,118       | 187,013,837       | 180,176,124       | 174,597,043       |
| -                 | -                 | -                 | -                 | -                 | -                 |
| \$ 197,079,057    | \$ 191,875,486    | \$ 189,200,118    | \$ 187,013,837    | \$ 180,176,124    | \$ 174,597,043    |
| 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 12  
Pledged Revenue Coverage  
Last Ten Fiscal Years  
(unaudited)

Revenue Bonds

| Fiscal Year<br>Ended August 31 | Pledged Revenues |                    |                    |               | Debt Service Requirements |              |              | Coverage<br>Ratio |
|--------------------------------|------------------|--------------------|--------------------|---------------|---------------------------|--------------|--------------|-------------------|
|                                | (1)<br>Tuition   | General Use<br>Fee | Interest<br>Income | Total         | Principal                 | Interest     | Total        |                   |
| 2020                           | \$ 15,312,183    | \$ 10,582,080      | \$ 1,237,221       | \$ 27,131,484 | \$ 3,745,000              | \$ 5,356,323 | \$ 9,101,323 | 2.98              |
| 2019                           | 15,332,403       | 10,519,980         | 2,408,587          | 28,260,970    | 3,670,000                 | 5,433,026    | 9,103,026    | 3.10              |
| 2018                           | 13,911,776       | 10,665,480         | 1,390,400          | 25,967,656    | 3,595,000                 | 5,508,161    | 9,103,161    | 2.85              |
| 2017                           | 14,252,246       | 10,766,265         | 607,319            | 25,625,830    | 3,525,000                 | 5,546,997    | 9,071,997    | 2.82              |
| 2016                           | 12,840,898       | 8,076,123          | 266,445            | 21,183,466    | 3,930,000                 | 2,167,653    | 6,097,653    | 3.47              |
| 2015                           | 12,089,402       | 6,323,817          | 124,829            | 18,538,048    | 3,745,000                 | 2,354,880    | 6,099,880    | 3.04              |
| 2014                           | 12,311,513       | 5,687,950          | 124,482            | 18,123,945    | 3,565,000                 | 2,532,830    | 6,097,830    | 2.97              |
| 2013                           | 12,344,375       | 6,017,817          | 122,109            | 18,484,301    | 3,430,000                 | 2,671,050    | 6,101,050    | 3.03              |
| 2012                           | 11,657,934       | 6,151,759          | 95,371             | 17,905,064    | 3,265,000                 | 2,833,800    | 6,098,800    | 2.94              |
| 2011                           | 9,654,356        | 6,288,519          | 98,245             | 16,041,120    | 3,135,000                 | 2,964,745    | 6,099,745    | 2.63              |

Note:

(1) Effective February 2007, pledged coverage ratio includes 25% of gross tuition.



EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 13  
 Demographic and Economic Statistics - Taxing District  
 Last Ten Fiscal Years  
 (unaudited)

| Calendar Year | District Population (1) | District Personal Income (thousands of dollars) (2) | District Personal Income Per Capita (2) | District Unemployment Rate (3) |
|---------------|-------------------------|---|---|--------------------------------|
| 2020          | 876,120                 | \$ 31,651,549                                       | \$ 37,715                               | 7.30%                          |
| 2019          | 869,040                 | 30,301,500  | 35,836                                  | 3.70%                          |
| 2018          | 861,806                 | 29,209,200  | 34,575                                  | 3.90%                          |
| 2017          | 854,479                 | 27,744,310  | 32,952                                  | 3.80%                          |
| 2016          | 847,036                 | 27,348,677  | 32,598                                  | 5.30%                          |
| 2015          | 839,545                 | 26,606,169  | 31,799                                  | 5.10%                          |
| 2014          | 831,949                 | 25,891,399  | 31,156                                  | 7.00%                          |
| 2013          | 824,296                 | 25,076,766  | 30,186                                  | 8.80%                          |
| 2012          | 816,533                 | 24,695,912  | 30,088                                  | 10.30%                         |
| 2011          | 808,637                 | 23,758,564  | 29,381                                  | 10.60%                         |

Note: District population numbers were reinstated from the years 2011 to 2019.

Sources:

- (1) Texas Demographic Center
- (2) Bureau of Economic Analysis (estimate)
- (3) Texas Workforce Commission

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 14  
 Principal Employers  
 Last Ten Fiscal Years  
 (unaudited)

| Employer                                  | 2020                |                                | 2019                |                                | 2018                |                                | 2017                |                                |
|---|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
|   | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment |
| Fort Bliss Civilian Employees             | 11,450              | 3.34%                          | 11,532              | 3.27%                          | 13,000              | 3.59%                          | 11,329              | 3.31%                          |
| El Paso Independent School District       | 7,789               | 2.27%                          | 7,875               | 2.23%                          | 9,000               | 2.49%                          | 7,875               | 2.30%                          |
| Ysleta Independent School District        | 7,463               | 2.17%                          | 6,022               | 1.71%                          | 6,000               | 1.66%                          | 6,022               | 1.76%                          |
| T & T Staff Management Inc.               | 6,150               | 1.79%                          | 5,800               | 1.64%                          | 5,348               | 1.48%                          | 5,348               | 1.56%                          |
| City of El Paso                           | 5,899               | 1.72%                          | 5,556               | 1.57%                          | 6,836               | 1.89%                          | 6,836               | 2.00%                          |
| Socorro Independent School District       | 5,664               | 1.65%                          | 5,793               | 1.64%                          | 5,532               | 1.53%                          | 5,155               | 1.51%                          |
| Tenet Hospital Ltd                        | 5,293               | 1.54%                          | 5,293               | 1.50%                          | 3,600               | 0.99%                          | 3,407               | 0.99%                          |
| Wal-Mart                                  | 4,834               | 1.41%                          | 4,834               | 1.37%                          | 4,834               | 1.34%                          | 4,834               | 1.41%                          |
| University Medical Center                 | 3,575               | 1.04%                          | 3,081               | 0.87%                          | 2,900               | 0.80%                          | 2,858               | 0.83%                          |
| University of Texas at El Paso            | 3,357               | 0.98%                          | 3,360               | 0.95%                          | 3,332               | 0.92%                          | 3,332               | 0.97%                          |
| County of El Paso                         | 2,939               | 0.86%                          | 2,914               | 0.83%                          | 2,892               | 0.80%                          | 2,892               | 0.84%                          |
| El Paso Health Care System, LTD           | 2,504               | 0.73%                          | 2,585               | 0.73%                          | 2,300               | 0.64%                          | 2,100               | 0.61%                          |
| Bureau of Customs - Border Patrol Div     | 2,408               | 0.70%                          | 2,408               | 0.68%                          | 2,408               | 0.67%                          | 2,408               | 0.70%                          |
| El Paso County Community College District | 2,337               | 0.68%                          | 3,077               | 0.87%                          | 3,102               | 0.86%                          | 3,123               | 0.91%                          |
| Alorica                                   | 2,050               | 0.60%                          | 2,061               | 0.58%                          | 2,400               | 0.66%                          | 2,500               | 0.73%                          |
| Clint Independent School District         | 1,607               | 0.47%                          | 1,500               | 0.43%                          | 1,450               | 0.40%                          |                     |                                |
| Datamark Inc.                             | 1,200               | 0.35%                          | 1,200               | 0.34%                          |                     |                                | 2,300               | 0.67%                          |
| Elcom, Inc.                               |                     | 0.00%                          |                     |                                |                     |                                |                     |                                |
| AT&T                                      |                     | 0.00%                          |                     |                                |                     |                                |                     |                                |
| <b>Total</b>                              | <b>76,519</b>       | <b>22.30%</b>                  | <b>74,891</b>       | <b>21.23%</b>                  | <b>74,934</b>       | <b>20.70%</b>                  | <b>72,319</b>       | <b>21.12%</b>                  |

Note:

Percentages are calculated using total employment figures from the Texas Workforce Commission

Sources:

City of El Paso Economic & International Development  
 Texas Workforce Commission  
 Fort Bliss Public Information Website  
 Independent School Districts

| 2016                |                                | 2015                |                                | 2014                |                                | 2013                |                                | 2012                |                                | 2011                |                                |
|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment | Number of Employees | Percentage of Total Employment |
| 12,251              | 3.64%                          | 12,834              | 4.00%                          | 12,000              | 3.98%                          | 10,700              | 3.64%                          | 10,804              | 3.60%                          | 8,000               | 2.51%                          |
| 8,380               | 2.49%                          | 9,000               | 2.80%                          | 9,000               | 2.99%                          | 9,000               | 3.06%                          | 9,000               | 3.00%                          | 9,000               | 2.83%                          |
| 7,602               | 2.26%                          | 7,851               | 2.44%                          | 7,851               | 2.60%                          | 8,000               | 2.72%                          | 8,000               | 2.67%                          | 7,155               | 2.25%                          |
| 5,348               | 1.59%                          | 5,020               | 1.56%                          | 5,020               | 1.67%                          | 5,020               | 1.71%                          | 5,020               | 1.67%                          | 4,687               | 1.47%                          |
| 5,484               | 1.63%                          | 6,570               | 2.05%                          | 6,570               | 2.18%                          | 5,545               | 1.88%                          | 6,390               | 2.13%                          | 6,500               | 2.04%                          |
| 5,039               | 1.50%                          | 6,299               | 1.96%                          | 6,299               | 2.09%                          | 5,805               | 1.97%                          | 7,000               | 2.33%                          | 7,000               | 2.20%                          |
| 5,100               | 1.51%                          | 3,053               | 0.95%                          | 3,053               | 1.01%                          | 3,053               | 1.04%                          | 3,053               | 1.02%                          | 3,053               | 0.96%                          |
| 2,826               | 0.84%                          | 3,071               | 0.96%                          | 3,065               | 1.02%                          | 2,948               | 1.00%                          | 2,095               | 0.70%                          | 3,078               | 0.97%                          |
| 2,858               | 0.85%                          | 2,455               | 0.76%                          | 2,455               | 0.81%                          | 2,455               | 0.83%                          | 2,455               | 0.82%                          |                     |                                |
| 3,700               | 1.10%                          | 3,700               | 1.15%                          | 3,700               | 1.23%                          | 2,718               | 0.92%                          | 3,770               | 1.26%                          | 2,867               | 0.90%                          |
| 2,892               | 0.86%                          | 2,834               | 0.88%                          | 2,800               | 0.93%                          | 2,771               | 0.94%                          | 2,771               | 0.92%                          |                     |                                |
| 2,300               | 0.68%                          | 3,000               | 0.93%                          |                     |                                |                     |                                |                     |                                |                     |                                |
| 2,408               | 0.71%                          |                     |                                |                     |                                |                     |                                |                     |                                |                     |                                |
| 3,167               | 0.94%                          | 3,066               | 0.95%                          | 3,121               | 1.04%                          | 3,192               | 1.08%                          | 3,194               | 1.06%                          | 3,252               | 1.02%                          |
| 2,500               | 0.74%                          |                     |                                |                     |                                |                     |                                |                     |                                |                     |                                |
| 1,611               | 0.48%                          | 2,150               | 0.67%                          | 2,150               | 0.71%                          | 2,150               | 0.73%                          | 2,150               | 0.72%                          |                     |                                |
|                     |                                | 2,900               | 0.90%                          |                     |                                |                     |                                |                     |                                |                     |                                |
|                     |                                | 2,444               | 0.76%                          | 2,444               | 0.81%                          |                     |                                |                     |                                |                     |                                |
| <b>73,466</b>       | <b>21.81%</b>                  | <b>76,247</b>       | <b>23.72%</b>                  | <b>69,528</b>       | <b>23.07%</b>                  | <b>63,357</b>       | <b>21.52%</b>                  | <b>65,702</b>       | <b>21.90%</b>                  | <b>54,592</b>       | <b>17.15%</b>                  |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 15  
Faculty, Staff, and Administrators Statistics  
Last Ten Fiscal Years  
(unaudited)

|  | Fiscal Year Ended August 31, |              |              |              |              |              |              |              |              |              |
|--|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | 2020                         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         | 2013         | 2012         | 2011         |
| <b>Faculty</b>                                 |                              |              |              |              |              |              |              |              |              |              |
| Full-time                                      | 432                          | 453          | 460          | 460          | 472          | 466          | 471          | 470          | 419          | 417          |
| Part-time                                      | 596                          | 844          | 841          | 857          | 881          | 887          | 916          | 988          | 1,043        | 1,113        |
| <b>Total</b>                                   | <b>1,028</b>                 | <b>1,297</b> | <b>1,301</b> | <b>1,317</b> | <b>1,353</b> | <b>1,353</b> | <b>1,387</b> | <b>1,458</b> | <b>1,462</b> | <b>1,530</b> |
| <b>Percent</b>                                 |                              |              |              |              |              |              |              |              |              |              |
| Full-time                                      | 42.0%                        | 34.9%        | 35.4%        | 34.9%        | 34.9%        | 34.4%        | 34.0%        | 32.2%        | 28.7%        | 27.3%        |
| Part-time                                      | 58.0%                        | 65.1%        | 64.6%        | 65.1%        | 65.1%        | 65.6%        | 66.0%        | 67.8%        | 71.3%        | 72.7%        |
| <b>Staff and Administrators</b>                |                              |              |              |              |              |              |              |              |              |              |
| Full-time                                      | 760                          | 775          | 788          | 790          | 770          | 769          | 774          | 748          | 761          | 799          |
| Part-time                                      | 549                          | 1,005        | 1,013        | 1,016        | 1,044        | 944          | 960          | 986          | 971          | 923          |
| <b>Total</b>                                   | <b>1,309</b>                 | <b>1,780</b> | <b>1,801</b> | <b>1,806</b> | <b>1,814</b> | <b>1,713</b> | <b>1,734</b> | <b>1,734</b> | <b>1,732</b> | <b>1,722</b> |
| <b>Percent</b>                                 |                              |              |              |              |              |              |              |              |              |              |
| Full-time                                      | 58.1%                        | 43.5%        | 43.8%        | 43.7%        | 42.4%        | 44.9%        | 44.6%        | 43.1%        | 43.9%        | 46.4%        |
| Part-time                                      | 41.9%                        | 56.5%        | 56.2%        | 56.3%        | 57.6%        | 55.1%        | 55.4%        | 56.9%        | 56.1%        | 53.6%        |
| <b>FTSE per Full-time Faculty</b>              | 40.17                        | 38.86        | 38.36        | 39.36        | 38.31        | 39.41        | 40.20        | 42.11        | 48.21        | 49.12        |
| <b>FTSE per Full-Time Staff Member</b>         | 22.84                        | 22.71        | 22.39        | 22.92        | 23.49        | 23.88        | 24.47        | 26.46        | 26.54        | 25.64        |
| <b>Average Annual Faculty Full-Time Salary</b> | \$ 56,250                    | \$ 58,176    | \$ 57,744    | \$ 57,035    | \$ 56,213    | \$ 55,344    | \$ 55,176    | \$ 56,660    | \$ 55,660    | \$ 54,275    |

Source: Institutional Data (Institutional Research and Human Resources Departments)





| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 19,445    | 65.29%  | 17,062    | 57.49%  | 17,085    | 56.07%  | 18,585    | 57.85%  | 16,792    | 54.66%  | 16,627    | 55.59%  |
| 8,056     | 27.05%  | 9,208     | 31.03%  | 9,813     | 32.21%  | 9,900     | 30.81%  | 10,173    | 33.11%  | 9,728     | 32.53%  |
| 2,282     | 7.66%   | 3,406     | 11.48%  | 3,570     | 11.72%  | 3,642     | 11.34%  | 3,758     | 12.23%  | 3,554     | 11.88%  |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 224       | 0.75%   | 233       | 0.79%   | 186       | 0.61%   | 231       | 0.72%   | 276       | 0.90%   | 218       | 0.73%   |
| 6,897     | 23.16%  | 6,485     | 21.85%  | 6,301     | 20.68%  | 6,422     | 19.99%  | 5,738     | 18.68%  | 5,507     | 18.41%  |
| 8,574     | 28.79%  | 8,255     | 27.82%  | 8,063     | 26.47%  | 8,741     | 27.21%  | 7,504     | 24.42%  | 7,299     | 24.40%  |
| 5,876     | 19.73%  | 5,571     | 18.77%  | 6,210     | 20.38%  | 6,290     | 19.58%  | 5,319     | 17.31%  | 5,226     | 17.47%  |
| 6,041     | 20.28%  | 6,688     | 22.54%  | 7,120     | 23.37%  | 7,779     | 24.21%  | 8,667     | 28.21%  | 8,464     | 28.30%  |
| 1,427     | 4.79%   | 1,577     | 5.31%   | 1,636     | 5.37%   | 1,717     | 5.34%   | 1,853     | 6.03%   | 1,874     | 6.27%   |
| 744       | 2.50%   | 867       | 2.92%   | 952       | 3.12%   | 947       | 2.95%   | 1,366     | 4.45%   | 1,321     | 4.42%   |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

8.2

8.4

8.6

8.6

9.1

9.1

| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 28,449    | 95.52%  | 28,348    | 95.53%  | 29,037    | 95.30%  | 30,723    | 95.63%  | 28,982    | 94.33%  | 28,287    | 94.58%  |
| 1,334     | 4.48%   | 1,328     | 4.47%   | 1,431     | 4.70%   | 1,404     | 4.37%   | 1,741     | 5.67%   | 1,622     | 5.42%   |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 17  
 Student Profile  
 Last Ten Fiscal Years  
 (unaudited)

|        | Fall 2019 |         | Fall 2018 |         | Fall 2017 |         | Fall 2016 |         |
|--------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
|        | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| Gender |           |         |           |         |           |         |           |         |
| Female | 17,388    | 57.67%  | 17,544    | 57.60%  | 16,496    | 56.90%  | 17,344    | 56.45%  |
| Male   | 12,765    | 42.33%  | 12,915    | 42.40%  | 12,497    | 43.10%  | 13,382    | 43.55%  |
| Total  | 30,153    | 100.00% | 30,459    | 100.00% | 28,993    | 100.00% | 30,726    | 100.00% |

|                  | Fall 2019 |         | Fall 2018 |         | Fall 2017 |         | Fall 2016 |         |
|------------------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
|                  | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| Ethnic Origin    |           |         |           |         |           |         |           |         |
| White            | 2,124     | 7.04%   | 2,165     | 7.11%   | 2,153     | 7.43%   | 2,427     | 7.90%   |
| Hispanic         | 25,344    | 84.05%  | 25,830    | 84.80%  | 24,601    | 84.85%  | 26,078    | 84.87%  |
| African American | 524       | 1.74%   | 584       | 1.92%   | 613       | 2.11%   | 717       | 2.33%   |
| Asian            | 170       | 0.56%   | 192       | 0.63%   | 199       | 0.69%   | 266       | 0.87%   |
| Native American  | 88        | 0.29%   | 79        | 0.26%   | 72        | 0.25%   | 73        | 0.24%   |
| Other            | 1,903     | 6.31%   | 1,609     | 5.28%   | 1,355     | 4.67%   | 1,165     | 3.79%   |
| Total            | 30,153    | 100.00% | 30,459    | 100.00% | 28,993    | 100.00% | 30,726    | 100.00% |

|           | Fall 2019 |         | Fall 2018 |         | Fall 2017 |         | Fall 2016 |         |
|-----------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
|           | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| Age       |           |         |           |         |           |         |           |         |
| Under 18  | 5,256     | 17.43%  | 7,483     | 24.57%  | 6,132     | 21.15%  | 6,595     | 21.46%  |
| 18 - 21   | 12,979    | 43.04%  | 12,271    | 40.29%  | 12,002    | 41.40%  | 12,538    | 40.81%  |
| 22 - 24   | 4,801     | 15.92%  | 3,998     | 13.13%  | 3,987     | 13.75%  | 4,264     | 13.88%  |
| 25 - 35   | 5,157     | 17.10%  | 4,828     | 15.85%  | 4,919     | 16.97%  | 5,188     | 16.88%  |
| 36 - 50   | 1,620     | 5.37%   | 1,538     | 5.05%   | 1,591     | 5.49%   | 1,756     | 5.72%   |
| 51 & over | 340       | 1.13%   | 341       | 1.12%   | 362       | 1.25%   | 385       | 1.25%   |
| Total     | 30,153    | 100.00% | 30,459    | 100.00% | 28,993    | 100.00% | 30,726    | 100.00% |

|             |      |      |      |      |
|-------------|------|------|------|------|
| Average Age | 22.6 | 22.0 | 22.4 | 22.4 |
|-------------|------|------|------|------|

Source: Institutional Data (Institutional Research Department)



| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 16,827    | 56.50%  | 16,907    | 56.97%  | 17,400    | 57.11%  | 18,407    | 57.29%  | 17,645    | 57.43%  | 17,177    | 57.43%  |
| 12,956    | 43.50%  | 12,769    | 43.03%  | 13,068    | 42.89%  | 13,720    | 42.71%  | 13,078    | 42.57%  | 12,732    | 42.57%  |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 2,437     | 8.18%   | 2,357     | 7.94%   | 2,462     | 8.08%   | 2,619     | 8.15%   | 2,560     | 8.33%   | 2,648     | 8.85%   |
| 25,151    | 84.45%  | 25,247    | 85.08%  | 25,857    | 84.86%  | 27,571    | 85.82%  | 26,253    | 85.45%  | 25,444    | 85.08%  |
| 736       | 2.47%   | 704       | 2.37%   | 727       | 2.39%   | 727       | 2.26%   | 684       | 2.23%   | 701       | 2.34%   |
| 251       | 0.84%   | 248       | 0.84%   | 280       | 0.92%   | 298       | 0.93%   | 291       | 0.95%   | 271       | 0.91%   |
| 89        | 0.30%   | 96        | 0.32%   | 109       | 0.36%   | 115       | 0.36%   | 115       | 0.37%   | 102       | 0.34%   |
| 1,119     | 3.76%   | 1,024     | 3.45%   | 1,033     | 3.39%   | 797       | 2.48%   | 820       | 2.67%   | 743       | 2.48%   |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

| Fall 2015 |         | Fall 2014 |         | Fall 2013 |         | Fall 2012 |         | Fall 2011 |         | Fall 2010 |         |
|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent | Number    | Percent |
| 5,868     | 19.70%  | 4,666     | 15.72%  | 4,318     | 14.17%  | 4,585     | 14.27%  | 2,656     | 8.64%   | 2,474     | 8.27%   |
| 12,181    | 40.90%  | 12,478    | 42.05%  | 13,008    | 42.69%  | 13,743    | 42.78%  | 13,570    | 44.18%  | 13,174    | 44.06%  |
| 4,291     | 14.41%  | 4,514     | 15.21%  | 4,543     | 14.91%  | 4,610     | 14.35%  | 4,630     | 15.07%  | 4,549     | 15.21%  |
| 5,145     | 17.27%  | 5,390     | 18.16%  | 5,626     | 18.47%  | 5,857     | 18.23%  | 6,203     | 20.19%  | 5,974     | 19.97%  |
| 1,847     | 6.20%   | 2,121     | 7.15%   | 2,355     | 7.73%   | 2,688     | 8.37%   | 2,935     | 9.55%   | 3,001     | 10.03%  |
| 451       | 1.51%   | 507       | 1.71%   | 618       | 2.03%   | 644       | 2.00%   | 729       | 2.37%   | 737       | 2.46%   |
| 29,783    | 100.00% | 29,676    | 100.00% | 30,468    | 100.00% | 32,127    | 100.00% | 30,723    | 100.00% | 29,909    | 100.00% |

22.8

23.3

23.7

23.8

24.5

24.7

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Statistical Supplement 18  
 Transfers to Senior Institutions

(Includes only public senior colleges in Texas)

2017 Fall Students as of Fall 2019

2016 Fall Students as of Fall 2018

|   | 2017 Fall Students as of Fall 2019 |                        |                        |                                       |                                   | 2016 Fall Students as of Fall 2018 |                        |                        |                                       |                                   |        |
|---|------------------------------------|------------------------|------------------------|---------------------------------------|-----------------------------------|------------------------------------|------------------------|------------------------|---------------------------------------|-----------------------------------|--------|
|   | Transfer Student Count             | Transfer Student Count | Transfer Student Count | Total of all Sample Transfer Students | % of all Sample Transfer Students | Transfer Student Count             | Transfer Student Count | Transfer Student Count | Total of all Sample Transfer Students | % of all Sample Transfer Students |        |
|   | Academic                           | Technical              | Tech-Prep              | Students                              | Students                          | Academic                           | Technical              | Tech-Prep              | Students                              | Students                          |        |
| 1 Angelo State University   |                                    | 5                      |                        | 5                                     | 0.13%                             | 4                                  |                        |                        | 4                                     | 0.10%                             |        |
| 2 Lamar University  |                                    | 3                      |                        | 3                                     | 0.08%                             | 7                                  |                        |                        | 7                                     | 0.17%                             |        |
| 3 Midwestern State University                                     |                                    | 2                      |                        | 2                                     | 0.05%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 4 Prairie View A&M University                                     |                                    | 0                      |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 5 Sam Houston State University                                    |                                    | 5                      |                        | 5                                     | 0.13%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |        |
| 6 Stephen F. Austin State University                              |                                    | 2                      |                        | 2                                     | 0.05%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |        |
| 7 Sul Ross State University                                       |                                    | 18                     |                        | 18                                    | 0.47%                             | 31                                 |                        |                        | 31                                    | 0.77%                             |        |
| 8 Sul Ross State University - Rio Grande College                  |                                    | 0                      |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 9 Tarleton State University                                       |                                    | 0                      |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |        |
| 10 Texas A&M International University                             |                                    | 3                      |                        | 3                                     | 0.08%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 11 Texas A&M University - College Station                         | 48                                 |                        | 2                      | 50                                    | 1.31%                             | 49                                 | 1                      | 2                      | 52                                    | 1.29%                             |        |
| 12 Texas A&M University - Central Texas                           | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 13 Texas A&M University - Commerce                                | 2                                  |                        |                        | 2                                     | 0.05%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |        |
| 14 Texas A&M University - Corpus Christi                          | 3                                  |                        |                        | 3                                     | 0.08%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 15 Texas A&M University - Galveston                               | 1                                  |                        |                        | 1                                     | 0.03%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |        |
| 16 Texas A&M University - Kingsville                              | 2                                  |                        |                        | 2                                     | 0.05%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 17 Texas A&M University - San Antonio                             | 1                                  |                        |                        | 1                                     | 0.03%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 18 Texas A&M University - Texarkana                               | 1                                  |                        |                        | 1                                     | 0.03%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 19 Texas A&M University - Health Science Center                   | 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 20 Texas Southern University                                      | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 21 Texas State University - San Marcos                            | 41                                 |                        | 2                      | 45                                    | 1.18%                             | 51                                 | 1                      |                        | 52                                    | 1.29%                             |        |
| 22 Texas Tech University  | 112                                |                        | 5                      | 118                                   | 3.08%                             | 109                                | 4                      |                        | 113                                   | 2.81%                             |        |
| 23 Texas Tech University - Health Science Center                  | 6                                  |                        | 1                      | 7                                     | 0.18%                             | 9                                  | 1                      |                        | 10                                    | 0.25%                             |        |
| 24 Texas Tech University - Health Science Center - El Paso        | 118                                |                        |                        | 5                                     | 123                               | 3.22%                              | 91                     |                        | 1                                     | 92                                | 2.29%  |
| 25 Texas Women's University                                       | 3                                  |                        |                        | 2                                     | 5                                 | 0.13%                              | 7                      |                        |                                       | 7                                 | 0.17%  |
| 26 University of Houston  | 7                                  |                        |                        | 7                                     | 0.18%                             | 6                                  |                        |                        | 6                                     | 0.15%                             |        |
| 27 University of Houston - Downtown                               | 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 28 University of Houston - Clear Lake                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |        |
| 29 University of Houston - Victoria                               | 2                                  |                        | 1                      | 3                                     | 0.08%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 30 University of North Texas                                      | 17                                 |                        |                        | 17                                    | 0.44%                             | 26                                 |                        |                        | 26                                    | 0.65%                             |        |
| 31 University of North Texas at Dallas                            | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 32 University of North Texas Health Science Center                | 0                                  |                        |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |        |
| 33 University of Texas - Arlington                                | 12                                 |                        |                        | 4                                     | 16                                | 0.42%                              | 16                     | 1                      | 5                                     | 22                                | 0.55%  |
| 34 University of Texas - Austin                                   | 60                                 |                        | 2                      | 1                                     | 63                                | 1.65%                              | 57                     | 1                      | 1                                     | 59                                | 1.47%  |
| 35 University of Texas - Dallas                                   | 6                                  |                        |                        | 6                                     | 0.16%                             | 8                                  |                        |                        | 8                                     | 0.20%                             |        |
| 36 University of Texas - El Paso                                  | 3,123                              |                        | 68                     | 58                                    | 3,249                             | 84.94%                             | 3,301                  | 63                     | 63                                    | 3,427                             | 85.16% |
| 37 University of Texas - Pan American                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 38 University of Texas - Permian Basin                            | 19                                 |                        |                        | 19                                    | 0.50%                             | 13                                 | 1                      |                        | 14                                    | 0.35%                             |        |
| 39 University of Texas - Rio Grande Valley (formerly Brownsville) | 2                                  |                        |                        | 2                                     | 0.05%                             | 7                                  |                        |                        | 7                                     | 0.17%                             |        |
| 40 University of Texas - San Antonio                              | 29                                 |                        | 3                      | 32                                    | 0.84%                             | 45                                 | 2                      |                        | 47                                    | 1.17%                             |        |
| 41 University of Texas - Tyler                                    | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 42 University of Texas Health Science Center - Houston            | 0                                  |                        |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 1                                     | 4                                 | 0.10%  |
| 43 University of Texas Health Science Center - San Antonio        | 3                                  |                        |                        | 3                                     | 0.08%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |        |
| 44 University of Texas Medical Branch - Galveston                 | 1                                  |                        |                        | 1                                     | 0.03%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |        |
| 45 University of Texas M.D. Anderson Cancer Center                | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 46 University of Texas Southwestern Medical Center - Dallas       | 1                                  |                        |                        | 1                                     | 0.03%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |        |
| 47 West Texas A&M University                                      | 10                                 |                        |                        | 10                                    | 0.26%                             | 6                                  |                        |                        | 6                                     | 0.15%                             |        |
| <b>Totals</b>   | <b>3,668</b>                       | <b>84</b>              | <b>73</b>              | <b>3,825</b>                          | <b>100.00%</b>                    | <b>3,876</b>                       | <b>75</b>              | <b>73</b>              | <b>4,024</b>                          | <b>100.00%</b>                    |        |

Source: Texas Higher Education Coordinating Board

| 2015 Fall Students as of Fall 2017 |                        |                        |                                       |                                   | 2014 Fall Students as of Fall 2016 |                        |                        |                                       |                                   | 2013 Fall Students as of Fall 2015 |                        |                        |                                       |                                   |
|------------------------------------|------------------------|------------------------|---------------------------------------|-----------------------------------|------------------------------------|------------------------|------------------------|---------------------------------------|-----------------------------------|------------------------------------|------------------------|------------------------|---------------------------------------|-----------------------------------|
| Transfer Student Count             | Transfer Student Count | Transfer Student Count | Total of all Sample Transfer Students | % of all Sample Transfer Students | Transfer Student Count             | Transfer Student Count | Transfer Student Count | Total of all Sample Transfer Students | % of all Sample Transfer Students | Transfer Student Count             | Transfer Student Count | Transfer Student Count | Total of all Sample Transfer Students | % of all Sample Transfer Students |
| Academic                           | Technical              | Tech-Prep              |                                       |                                   | Academic                           | Technical              | Tech-Prep              |                                       |                                   | Academic                           | Technical              | Tech-Prep              |                                       |                                   |
| 6                                  |                        |                        | 6                                     | 0.13%                             | 2                                  |                        |                        | 2                                     | 0.04%                             | 7                                  |                        |                        | 8                                     | 0.18%                             |
| 2                                  |                        | 1                      | 3                                     | 0.07%                             | 5                                  |                        |                        | 5                                     | 0.11%                             | 5                                  |                        |                        | 5                                     | 0.11%                             |
| 2                                  |                        |                        | 2                                     | 0.04%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 2                                  |                        |                        | 2                                     | 0.04%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 5                                  |                        |                        | 5                                     | 0.11%                             | 4                                  |                        | 1                      | 5                                     | 0.11%                             | 4                                  | 1                      | 1                      | 6                                     | 0.14%                             |
| 2                                  |                        |                        | 2                                     | 0.04%                             | 2                                  |                        |                        | 2                                     | 0.04%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 26                                 |                        | 1                      | 27                                    | 0.60%                             | 22                                 | 1                      | 1                      | 24                                    | 0.54%                             | 39                                 | 3                      | 3                      | 45                                    | 1.02%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 4                                  |                        |                        | 4                                     | 0.09%                             | 5                                  |                        |                        | 5                                     | 0.11%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |
| 70                                 | 2                      | 1                      | 73                                    | 1.62%                             | 53                                 | 3                      | 3                      | 59                                    | 1.33%                             | 54                                 |                        | 1                      | 55                                    | 1.24%                             |
| 3                                  |                        |                        | 3                                     | 0.07%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 3                                  |                        |                        | 3                                     | 0.07%                             | 2                                  | 1                      |                        | 3                                     | 0.07%                             | 4                                  |                        |                        | 4                                     | 0.09%                             |
| 9                                  |                        |                        | 9                                     | 0.20%                             | 10                                 |                        |                        | 10                                    | 0.23%                             | 7                                  |                        |                        | 7                                     | 0.16%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 2                                  |                        |                        | 2                                     | 0.04%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |
| 3                                  |                        |                        | 3                                     | 0.07%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |
| 3                                  |                        | 1                      | 4                                     | 0.09%                             | 2                                  | 1                      |                        | 3                                     | 0.07%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 4                                  |                        |                        | 4                                     | 0.09%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 3                                     | 0.07%                             |
| 53                                 | 3                      | 2                      | 58                                    | 1.29%                             | 66                                 | 4                      | 3                      | 73                                    | 1.65%                             | 52                                 | 10                     | 1                      | 63                                    | 1.43%                             |
| 106                                | 2                      | 3                      | 111                                   | 2.46%                             | 129                                | 5                      | 5                      | 139                                   | 3.14%                             | 165                                | 3                      | 6                      | 174                                   | 3.95%                             |
| 9                                  |                        |                        | 9                                     | 0.20%                             | 4                                  |                        |                        | 4                                     | 0.09%                             | 10                                 | 1                      | 1                      | 12                                    | 0.27%                             |
| 81                                 | 4                      | 6                      | 91                                    | 2.02%                             | 58                                 |                        | 5                      | 63                                    | 1.42%                             | 45                                 |                        | 3                      | 48                                    | 1.09%                             |
| 2                                  |                        |                        | 2                                     | 0.04%                             | 6                                  | 1                      |                        | 7                                     | 0.16%                             | 9                                  |                        |                        | 9                                     | 0.20%                             |
| 10                                 |                        | 1                      | 11                                    | 0.24%                             | 11                                 |                        |                        | 11                                    | 0.25%                             | 8                                  | 2                      | 1                      | 11                                    | 0.25%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 2                                  |                        |                        | 2                                     | 0.04%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 3                                  |                        |                        | 3                                     | 0.07%                             | 0                                  |                        | 1                      | 1                                     | 0.02%                             |
| 29                                 | 2                      |                        | 31                                    | 0.69%                             | 17                                 | 1                      |                        | 18                                    | 0.41%                             | 40                                 | 2                      | 1                      | 43                                    | 0.98%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 2                                  |                        |                        | 2                                     | 0.04%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 20                                 | 1                      | 2                      | 23                                    | 0.51%                             | 17                                 |                        | 1                      | 18                                    | 0.41%                             | 26                                 | 1                      | 3                      | 30                                    | 0.68%                             |
| 85                                 | 7                      | 4                      | 96                                    | 2.13%                             | 82                                 | 4                      | 2                      | 88                                    | 1.99%                             | 115                                | 3                      | 3                      | 121                                   | 2.75%                             |
| 7                                  |                        |                        | 7                                     | 0.16%                             | 6                                  |                        |                        | 6                                     | 0.14%                             | 11                                 |                        |                        | 11                                    | 0.25%                             |
| 3,698                              | 70                     | 71                     | 3,839                                 | 85.17%                            | 3,581                              | 87                     | 113                    | 3,781                                 | 85.33%                            | 3,427                              | 87                     | 109                    | 3,623                                 | 82.25%                            |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 16                                 |                        |                        | 16                                    | 0.35%                             | 13                                 | 1                      |                        | 14                                    | 0.32%                             | 17                                 | 1                      | 2                      | 20                                    | 0.45%                             |
| 2                                  |                        |                        | 2                                     | 0.04%                             | 2                                  | 2                      |                        | 4                                     | 0.09%                             | 6                                  |                        |                        | 6                                     | 0.14%                             |
| 48                                 | 1                      |                        | 49                                    | 1.10%                             | 49                                 | 1                      |                        | 50                                    | 1.13%                             | 59                                 | 1                      | 5                      | 65                                    | 1.48%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 4                                  |                        |                        | 4                                     | 0.09%                             | 2                                  |                        |                        | 2                                     | 0.05%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 3                                  | 1                      |                        | 4                                     | 0.09%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 0                                  |                        |                        | 0                                     | 0.00%                             | 3                                  |                        |                        | 3                                     | 0.07%                             | 1                                  |                        |                        | 1                                     | 0.02%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 1                                  |                        |                        | 1                                     | 0.02%                             | 0                                  |                        |                        | 0                                     | 0.00%                             | 0                                  |                        |                        | 0                                     | 0.00%                             |
| 7                                  |                        |                        | 7                                     | 0.16%                             | 10                                 | 1                      |                        | 11                                    | 0.25%                             | 14                                 |                        |                        | 14                                    | 0.32%                             |
| 4,323                              | 92                     | 93                     | 4,508                                 | 100.00%                           | 4,183                              | 114                    | 134                    | 4,431                                 | 100.00%                           | 4,148                              | 115                    | 142                    | 4,405                                 | 100.00%                           |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
Statistical Supplement 19  
Capital Asset Information  
Last Ten Fiscal Years  
(unaudited)

|   | Fiscal Year Ended August 31, |         |         |         |         |         |         |         |         |         |
|---|------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|   | 2020                         | 2019    | 2018    | 2017    | 2016    | 2015    | 2014    | 2013    | 2012    | 2011    |
| Academic buildings                      | 33                           | 32      | 30      | 25      | 25      | 25      | 25      | 25      | 25      | 25      |
| Square footage                          | 1,015,662                    | 985,293 | 921,924 | 994,344 | 994,344 | 994,344 | 994,344 | 994,344 | 985,927 | 985,927 |
| Libraries                               | 5                            | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       |
| Square footage                          | 120,537                      | 120,537 | 120,537 | 93,801  | 93,801  | 93,801  | 93,801  | 93,801  | 93,801  | 93,801  |
| Number of Volumes<br>(in thousands)     | 205,362                      | 201,295 | 198,994 | 195,858 | 192,736 | 194,768 | 189,068 | 180,748 | 179,432 | 177,750 |
| Administrative and<br>support buildings | 23                           | 23      | 24      | 11      | 11      | 9       | 9       | 9       | 8       | 8       |
| Square footage                          | 751,110                      | 751,110 | 759,950 | 627,638 | 627,638 | 625,401 | 625,401 | 625,401 | 596,034 | 596,034 |
| Athletic Facilities                     | 8                            | 8       | 8       | 7       | 7       | 7       | 7       | 7       | 7       | 7       |
| Square footage                          | 296,906                      | 296,906 | 296,906 | 296,906 | 296,906 | 296,906 | 296,906 | 296,906 | 296,906 | 296,906 |
| Baseball and<br>softball fields         | 204,059                      | 204,059 | 204,059 | 204,059 | 204,059 | 204,059 | 204,059 | 204,059 | 204,059 | 204,059 |
| Gymnasiums                              | 38,953                       | 38,953  | 38,953  | 33,807  | 33,807  | 33,807  | 33,807  | 33,807  | 33,807  | 33,807  |
| Tennis Court                            | 59,040                       | 59,040  | 59,040  | 59,040  | 59,040  | 59,040  | 59,040  | 59,040  | 59,040  | 59,040  |
| Plant facilities                        | 2                            | 2       | 2       | 6       | 6       | 6       | 6       | 6       | 6       | 6       |
| Square footage                          | 7,415                        | 7,415   | 7,415   | 19,609  | 19,609  | 19,609  | 19,609  | 19,609  | 19,609  | 19,609  |
| Transportation                          |                              |         |         |         |         |         |         |         |         |         |
| Cars                                    | 58                           | 52      | 58      | 58      | 58      | 56      | 53      | 53      | 54      | 52      |
| Light Trucks/Vans                       | 77                           | 70      | 67      | 70      | 65      | 64      | 66      | 68      | 74      | 78      |
| Buses                                   | 1                            | 1       | 1       | 3       | 3       | 3       | 3       | 3       | 3       | 1       |

Source: Institutional Data (Auxiliary Services Department)

# SINGLE AUDIT SECTION



*Northwest Campus*



**El Paso  
Community  
College**

The Best Place to Start *and Finish!*

INDEPENDENT AUDITOR'S REPORT ON THE  
SCHEDULES OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS

See page 1 of the Financial Section

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Schedule of Expenditures of Federal Awards  
 Year Ended August 31, 2020

Schedule E

|  | Federal<br>CFDA<br>Number | Pass-through<br>Grantor's<br>Number | Direct Awards | Pass-Through<br>Awards | Total         | Subrecipients<br>Expenditures |
|--|---------------------------|-------------------------------------|---------------|------------------------|---------------|-------------------------------|
| <b>U.S. Department of Education:</b>                             |                           |                                     |               |                        |               |                               |
| Direct Programs:   |                           |                                     |               |                        |               |                               |
| Student Financial Aid Cluster                                    |                           |                                     |               |                        |               |                               |
| Supplemental Education Opportunity Grants                        | 84.007                    |                                     | \$ 1,074,005  | -                      | \$ 1,074,005  | \$ -                          |
| Federal College Work Study Program                               | 84.033                    |                                     | 668,526       | -                      | 668,526       |                               |
| Federal Pell Grant Program                                       | 84.063                    |                                     | 50,698,192    |                        | 50,698,192    |                               |
| Federal Direct Student Loans                                     | 84.268                    |                                     | 4,566,868     | -                      | 4,566,868     | -                             |
| Total Student Financial Assistance Cluster                       |                           |                                     | 57,007,591    | -                      | 57,007,591    | -                             |
| TRIO Cluster   |                           |                                     |               |                        |               |                               |
| TRIO Student Support Services                                    | 84.042                    |                                     | 687,980       | -                      | 687,980       | -                             |
| Total TRIO Cluster   |                           |                                     | 687,980       | -                      | 687,980       | -                             |
| Higher Education Institutional Aid                               | 84.031                    |                                     | 545,901       | -                      | 545,901       | -                             |
| Migrant Education-High School Equivalency Program                | 84.141                    |                                     | 482,674       | -                      | 482,674       | -                             |
| Migrant Education-College Assistance Migrant Program             | 84.149                    |                                     | 264,967       | -                      | 264,967       | -                             |
| Child Care Access Means Parents in School                        | 84.335A                   |                                     | 59,901        | -                      | 59,901        | -                             |
| Education Stabilization Fund - Cares Act Student Aid             | 84.425E                   |                                     | 6,556,750     | -                      | 6,556,750     | -                             |
| Education Stabilization Fund - Higher Education Emergency Relief | 84.425F                   |                                     | 2,605,645     | -                      | 2,605,645     | -                             |
| Pass-Through From:   |                           |                                     |               |                        |               |                               |
| Texas Higher Education Coordinating Board                        |                           |                                     |               |                        |               |                               |
| Career and Technical Education - Basic Grants to States          |                           |                                     |               |                        |               |                               |
| Formula Allocation   | 84.048                    | 194229                              | -             | (108)                  | (108)         | -                             |
|  | 84.048                    | 204235                              | -             | 719,342                | 719,342       | -                             |
| Austin Community College   |                           |                                     |               |                        |               |                               |
| Perkins State Leadership Grant                                   | 84.048                    | N/A                                 | -             | 5,457                  | 5,457         | -                             |
| Total Career and Technical Education - Basic Grants to States    |                           |                                     | -             | 724,691                | 724,691       | -                             |
| University of Texas at El Paso                                   |                           |                                     |               |                        |               |                               |
| Higher Education Institutional Aid                               | 84.031                    | 226150834B                          | -             | 545,675                | 545,675       | -                             |
| Total U.S. Department of Education                               |                           |                                     | \$ 68,211,409 | \$ 1,270,366           | \$ 69,481,775 | \$ -                          |
| <b>U.S. Department of Agriculture:</b>                           |                           |                                     |               |                        |               |                               |
| Pass- Through From:  |                           |                                     |               |                        |               |                               |
| University of Texas at El Paso                                   |                           |                                     |               |                        |               |                               |
| Hispanic Serving Institutions Education Grants                   | 10.223                    | 226300285A-03                       | \$ -          | \$ 2,921               | \$ 2,921      | \$ -                          |
| Total U.S. Department of Agriculture                             |                           |                                     | \$ -          | \$ 2,921               | \$ 2,921      | \$ -                          |
| <b>U.S. Department of Defense:</b>                               |                           |                                     |               |                        |               |                               |
| Direct Program:  |                           |                                     |               |                        |               |                               |
| Procurement Technical Assistance for Business Firms              | 12.002                    |                                     | \$ 339,466    | \$ -                   | \$ 339,466    | \$ -                          |
| Total U.S. Department of Defense                                 |                           |                                     | \$ 339,466    | \$ -                   | \$ 339,466    | \$ -                          |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Schedule of Expenditures of Federal Awards (continued)  
 Year Ended August 31, 2020

Schedule E

|  | Federal<br>CFDA<br>Number | Pass-through<br>Grantor's<br>Number | Direct Awards | Pass-Through<br>Awards | Total      | Subrecipients<br>Expenditures |
|--|---------------------------|-------------------------------------|---------------|------------------------|------------|-------------------------------|
| <b>U.S. Department of Justice:</b>   |                           |                                     |               |                        |            |                               |
| <b>Direct Program:</b>   |                           |                                     |               |                        |            |                               |
| Corrections Training and Staff Development                                       | 16.601                    |                                     | \$ 90,668     | \$ -                   | \$ 90,668  | \$ -                          |
| Total U.S. Department of Justice   |                           |                                     | \$ 90,668     | \$ -                   | \$ 90,668  | \$ -                          |
| <b>U.S. Department of Labor:</b>   |                           |                                     |               |                        |            |                               |
| <b>Direct Program:</b>   |                           |                                     |               |                        |            |                               |
| Occupational Safety and Health - Susan Harwood Training Grants                   | 17.502                    |                                     | \$ 106,122    | \$ -                   | \$ 106,122 | \$ -                          |
| <b>Pass-Through From:</b>  |                           |                                     |               |                        |            |                               |
| Texas Workforce Commission   |                           |                                     |               |                        |            |                               |
| WIOA Dislocated Worker Formula Grants  | 17.278                    | 1019ATP001                          | -             | 440                    | 440        | -                             |
| WIOA Dislocated Worker Formula Grants  | 17.278                    | 1020ATP001                          | -             | 41,085                 | 41,085     | -                             |
| American Association of Community Colleges Apprenticeship                        |                           |                                     |               |                        |            |                               |
| AACC - Expanding Apprenticeships   | 17.285                    | AP-33025-19-75-A-11                 | -             | 9,035                  | 9,035      | -                             |
| Total U.S. Department of Labor   |                           |                                     | \$ 106,122    | \$ 50,560              | \$ 156,682 | \$ -                          |
| <b>National Endowment of the Humanities</b>                                      |                           |                                     |               |                        |            |                               |
| <b>Direct Program</b>  |                           |                                     |               |                        |            |                               |
| Promotion of the Humanities - Division of Preservation and Access                | 45.149                    |                                     | \$ 2,753      | \$ -                   | \$ 2,753   | \$ -                          |
| National Leadership Grants - Accelerating Promising Practices for Small Business | 45.312                    |                                     | 24,558        | -                      | 24,558     | -                             |
| Total National Endowment of the Humanities                                       |                           |                                     | \$ 27,311     | \$ -                   | \$ 27,311  | \$ -                          |
| <b>National Science Foundation:</b>  |                           |                                     |               |                        |            |                               |
| <b>Pass-Through From:</b>  |                           |                                     |               |                        |            |                               |
| University of Texas at El Paso   |                           |                                     |               |                        |            |                               |
| Geosciences - UTEP - Slates FY 18  | 47.050                    | 226100976B                          | \$ -          | \$ 18,825              | \$ 18,825  | \$ -                          |
| Geosciences - UTEP - ROCCS   | 47.050                    | EAR-1559716                         | -             | 1,388                  | 1,388      | -                             |
| Education and Human Resources UTEP/NSF-H-AGEP                                    | 47.076                    | 226100968B                          | -             | 41,539                 | 41,539     | -                             |
| Education and Human Resources UTEP/LSAMP 2018                                    | 47.076                    | 226100996D                          | -             | 466                    | 466        | -                             |
| Total National Science Foundation  |                           |                                     | \$ -          | \$ 62,218              | \$ 62,218  | \$ -                          |



|   | Federal<br>CFDA<br>Number | Pass-through<br>Grantor's<br>Number | Direct Awards | Pass-Through<br>Awards | Total         | Subrecipients<br>Expenditures |
|---|---------------------------|-------------------------------------|---------------|------------------------|---------------|-------------------------------|
| <b>U.S. Small Business Administration:</b>            |                           |                                     |               |                        |               |                               |
| Pass-Through From:                                    |                           |                                     |               |                        |               |                               |
| University of Texas at San Antonio                    |                           |                                     |               |                        |               |                               |
| UTSA SBDC SBA 2018                                    | 59.037                    | 8-603001-Z-0049-32-EPCC             | \$ -          | \$ 24,644              | \$ 24,644     | \$ -                          |
| UTSA SBDC SBA 2019                                    | 59.037                    | 9-603001-Z-0049-33-EPCC             | -             | 85,162                 | 85,162        | -                             |
| UTSA SBDC SBA 2020                                    | 59.037                    | 10-603001-Z-0049-34-EPCC            | -             | 100,734                | 100,734       | -                             |
| Small Business Development Center                     | 59.037                    | 10-603001-Z-0049-34-EPCC            | -             | 17,893                 | 17,893        | -                             |
| Total U.S. Small Business Administration              |                           |                                     | \$ -          | \$ 228,433             | \$ 228,433    | \$ -                          |
| <b>U.S. Department of Health and Human Services:</b>  |                           |                                     |               |                        |               |                               |
| Direct Programs:                                      |                           |                                     |               |                        |               |                               |
| Research and Development Cluster                      |                           |                                     |               |                        |               |                               |
| National Institutes of Health                         |                           |                                     |               |                        |               |                               |
| Biomedical Research and Research Training             | 93.859                    |                                     | \$ 266,922    | \$ -                   | \$ 266,922    | \$ 41,405                     |
| Pass-Through From:                                    |                           |                                     |               |                        |               |                               |
| Research and Development Cluster                      |                           |                                     |               |                        |               |                               |
| National Institutes of Health                         |                           |                                     |               |                        |               |                               |
| University of Texas at El Paso                        |                           |                                     |               |                        |               |                               |
| UTEP Bridges to the Future 2019                       | 93.859                    | 226141158B                          | -             | 3,060                  | 3,060         | -                             |
| UTEP Bridges to the Future 2020                       | 93.859                    | 226141158B                          | -             | 18,082                 | 18,082        | -                             |
| Total Research and Development Cluster                |                           |                                     | \$ 266,922    | \$ 21,142              | \$ 288,064    | \$ 41,405                     |
| Texas Workforce Commission                            |                           |                                     |               |                        |               |                               |
| Temporary Assistance for Needy Families               |                           |                                     |               |                        |               |                               |
| Apprenticeship Program FY 19                          | 93.558                    | 1019ATP001                          | \$ -          | \$ 56                  | \$ 56         | \$ -                          |
| Apprenticeship Program FY 20                          | 93.558                    | 1020ATP001                          | -             | 8,411                  | 8,411         | -                             |
| Total Texas Workforce Commission                      |                           |                                     | \$ -          | \$ 8,467               | \$ 8,467      | \$ -                          |
| VOLAR Center for Independent Living                   |                           |                                     |               |                        |               |                               |
| Administration for Community Living                   |                           |                                     |               |                        |               |                               |
| Developmental Disabilities Basic Support and Advocacy | 93.630                    | N/A                                 | \$ -          | \$ 3,655               | \$ 3,655      | \$ -                          |
| Total U.S. Department of Health and Human Services    |                           |                                     | \$ 266,922    | \$ 33,264              | \$ 300,186    | \$ 41,405                     |
| Total Federal Financial Assistance:                   |                           |                                     | \$ 69,041,898 | \$ 1,647,762           | \$ 70,689,660 | \$ 41,405                     |

**EL PASO COUNTY COMMUNITY COLLEGE DISTRICT**

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NOTES TO SUPPLEMENTARY SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS  
AUGUST 31, 2020

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of El Paso County Community College District under programs of the federal government for the year ended August 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows of the College.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

This schedule has been prepared on the accrual basis of accounting. Revenues are recorded for financial reporting purposes when the College has met the qualifications for the respective program. Expenditures reported on the Schedule also are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The College has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. STUDENT LOANS PROCESSED AND ADMINISTRATIVE COST RECOVERED**

| <u>Federal Grantor<br/>CFDA Number/Program Name</u> | <u>New Loans<br/>Processed</u> | <u>Administrative<br/>Cost<br/>Recovered</u> | <u>Total Loans<br/>Processed and<br/>Administrative<br/>Cost Recovered</u> |
|---|--------------------------------|--|--|
| U.S. Department of Education                        |                                |  |  |
| 84.268 Federal Direct Student Loans                 | \$ 4,566,868                   | \$ -   | \$ 4,566,868   |

**4. AMOUNTS PASSED THROUGH BY THE COLLEGE**

Of the federal expenditures presented in the schedule, the College provided awards to subrecipient as follows:

| <u>CFDA Number</u> | <u>Primary Award</u> | <u>Recipient</u>               | <u>Amount Provided<br/>to Subrecipient</u> |
|--------------------|----------------------|--------------------------------|--|
| 93.859             | CK004956             | University of Texas at El Paso | \$ 18,155                                  |
| 93.859             | CK004955             | New Mexico State University    | \$ 23,250                                  |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

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NOTES TO SUPPLEMENTARY SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS  
AUGUST 31, 2020

5. FEDERAL ASSISTANCE RECONCILIATION

Federal Revenue - Per Schedule E

|  |    |                     |
|--|----|---------------------|
| Per Schedule of Expenditures of Federal Awards | \$ | 70,689,660          |
| Direct Student Loans                           |    | (4,566,868)         |
| Funds passed through to others                 |    | (41,405)            |
| Non Operating Federal Revenue from Schedule C  |    | <u>(59,745,353)</u> |
| Total Federal Revenue per Schedule A           | \$ | <u>6,336,034</u>    |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 Schedule of Expenditures of State Awards  
 Year Ended August 31, 2020

Schedule F

|  | State<br>Grantor's<br>Number  | Disbursements<br>And<br>Expenditures |
|--|-------------------------------|--------------------------------------|
| <b><u>Texas Workforce Commission:</u></b>                |                               |                                      |
| TWC - Skills for Small Business 2018                     | 1018SSD000                    | \$ 1,148                             |
| TWC - Technimark Skills Development                      | 1018SDF000                    | 8,895                                |
| TWC - Delfingen Skills Development                       | 1019SDF000                    | 28,152                               |
| TWC - Apprenticeship FY 2019                             | 1019ATP001                    | 794                                  |
| TWC - Skills for Transition FY 2019                      | 1019SDF001                    | 6,200                                |
| TWC - SDF Manufacturing Consortium                       | 1019SDF002                    | 123,001                              |
| TWC - Apprenticeship FY 2020                             | 1020ATP001                    | 105,961                              |
| TWC - The Hospitals of Providence                        | 1020SDF001                    | 20,244                               |
| Total Texas Workforce Commission                         |                               | <u>\$ 294,395</u>                    |
| <b><u>Texas Higher Education Coordinating Board:</u></b> |                               |                                      |
| TEOG Initial   | N/A                           | \$ 1,306,067                         |
| TEOG Renewal   | N/A                           | 880,837                              |
| State Work-study 2019/2020                               | N/A                           | 111,813                              |
| Regional Networks  | 11710/15216/17348/19098/20500 | 13,791                               |
| Work Study Student Mentorship                            | 15557/17511/19484/20832       | 88,785                               |
| College Readiness & Success Models                       | 18678                         | 7,965                                |
| THECB - SRSM 2018  | 20512                         | 32,754                               |
| SGPD   | N/A                           | 33,050                               |
| Total Texas Higher Education Coordinating Board          |                               | <u>\$ 2,475,062</u>                  |
| <b><u>Texas Education Agency</u></b>                     |                               |                                      |
| Education Service Center Region                          |                               |                                      |
| Texas College & Career Readiness SM                      | N/A                           | <u>\$ 630</u>                        |
| Total State Financial Assistance                         |                               | <u>\$ 2,770,087</u>                  |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO SUPPLEMENTARY SCHEDULE  
OF EXPENDITURES OF STATE AWARDS  
AUGUST 31, 2020

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of state awards includes the state grant activity of El Paso County Community College District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the State of Texas Single Audit. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. AMOUNTS PASSED THROUGH BY THE COLLEGE

None

3. STATE ASSISTANCE RECONCILIATION

State Revenue - Per Schedule F

|  |                     |
|--|---------------------|
| Per Schedule of Expenditures of State Awards | \$ 2,770,087        |
| SGPD Awards from prior period set-asides     | (33,050)            |
| Non Operating State Revenue from Schedule C  | <u>(294,395)</u>    |
| Total State Revenue per Schedule A           | <u>\$ 2,442,642</u> |



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

Board of Trustees  
El Paso County Community College District  
El Paso, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of El Paso County Community College District (the "College") as of and for the fiscal year ended August 31, 2020 and the related notes to the financial statements, which collectively comprise El Paso County Community College District basic financial statements, and have issued our report thereon dated December 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the El Paso County Community College 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 El Paso County Community College District's internal control. Accordingly, we do not express an opinion on the effectiveness of the El Paso County Community College District's internal control.

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

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial 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*.

### Texas Public Funds Investment Act

We have also performed tests designed to verify the College's compliance with the requirements of the Texas Public Funds Investment Act (the Act). The results of our testing disclosed no instances of non-compliance with the Act. However, providing an opinion on compliance with the Act was not an objective of our audit and, accordingly, we do not express such an opinion.

### 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.



El Paso, Texas  
December 22, 2020



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

Board of Trustees  
El Paso County Community College District  
El Paso, Texas

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

We have audited El Paso County Community College District's (the "College") compliance with the types of compliance requirements described in the U. S. Office of Management and Budget ("OMB") *Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the College's major federal and state programs for the fiscal year ended August 31, 2020. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

**Auditor's Responsibility**

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

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

### Opinion on Each Major Federal and State Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2020.

### Report on Internal Control Over Compliance

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or 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 federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 and State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.



December 22, 2020  
El Paso, Texas

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED AUGUST 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiencies identified? \_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_ yes X no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiencies identified? \_\_\_ yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_ yes X no

Identification of major programs:

| <u>CFDA Number(s)</u>           | <u>Name of Federal Program or Cluster</u>                                  |
|---------------------------------|--|
| 84.007; 84.033; 84.063; 84.268; | Student Financial Aid Cluster  |
| 84.425E                         | Education Stabilization Fund - Cares Act Student Aid                       |
| 84.425F                         | Education Stabilization Fund - Higher Education Emergency Relief           |
| 84.048                          | Career and Technical Education - Basic Grants to States Formula Allocation |

EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED AUGUST 31, 2020

Federal Awards (Continued)

Dollar threshold used to distinguish between Type A and Type B Programs: \$2,120,690

Auditee qualified as low-risk auditee?  yes  no

State Awards

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiencies identified?  yes  none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with State of Texas Single Audit Circular?  yes  no

Identification of major programs:

| <u>Grantor's Number</u> | <u>Name of State Program</u> |
|-------------------------|------------------------------|
| ---                     | TEOG Program                 |

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**EL PASO COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2020**

**Section II - Financial Statement Findings - None for both Federal and State Awards**

**Section III - Federal Awards Findings and Questioned Costs**

**For the year ended August 31, 2020 and 2019, no findings or questioned costs were noted.**

**Section III - State Awards Findings and Questioned Costs**

**For the years ended August 31, 2020 and 2019, no findings or questioned costs were noted.**



**EPCC featured on the cover of *The Hispanic Outlook on Education*® Magazine, Volume 30 - Number 5, February/March 2020.**