



**VENTURA COUNTY
COMMUNITY COLLEGE DISTRICT**

**SPECIAL REPORT
FOR
BOARD OF TRUSTEES
AND
MANAGEMENT ONLY**

JUNE 30, 2010

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

OF VENTURA COUNTY

VENTURA, CALIFORNIA

JUNE 30, 2010

BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Mr. Robert O. Huber	Chair	2012
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Dr. James M. Meznec	Chancellor
Ms. Susan F. Johnson	Vice Chancellor, Business and Administrative Services
Ms. Patricia S. Parham	Vice Chancellor, Human Resources
Mr. Dave Fuhrmann	Associate Vice Chancellor, Information Technology

ORGANIZATION

The Ventura County Community College District was established in 1962 and is comprised of an area of approximately 882 square miles located in Ventura County. There were no changes in the boundaries of the District during the year.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Ventura County Community College District
Ventura, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Ventura County Community College District for the year ended June 30, 2010, and have issued our report thereon dated December 7, 2010. We have also audited the accompanying financial statements of the governmental fund types, fiduciary fund types, and proprietary fund types of the Ventura County Community College District as of and for the year ended June 30, 2010, as listed in the Table of Contents. These basic financial statements are the responsibility of the Ventura County Community College District's management. Our responsibility is to express an opinion on these basic financial statements based upon our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, and significant estimates made, by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Ventura County Community College District prepares its governmental fund type and fiduciary fund type financial statements on the modified accrual basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position - modified accrual basis of the governmental fund types, fiduciary fund types, and the financial position of the proprietary fund types of the Ventura County Community College District as of June 30, 2010, and its respective changes in financial position - modified cash basis - and the changes in financial position and cash flows for the year then ended in conformity with the basis of accounting described in Note 1.

As discussed in Note 9 to the financial statements, the State of California continues to suffer the effects of a recessionary economy, which directly impacts the funding allocations of the Ventura County Community College District.

This report is intended solely for the information of the Board of Trustees and management of the Ventura County Community College District and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co., LLP

Rancho Cucamonga, California
December 7, 2010

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

COMBINING BALANCE SHEET – MODIFIED ACCRUAL BASIS

GENERAL FUNDS

JUNE 30, 2010

	General Unrestricted	General Restricted	Total
ASSETS			
Cash and cash equivalents	\$ 118,138	\$ -	\$ 118,138
Investments	18,924,568	6,200,519	25,125,087
Accounts receivable	14,927,866	2,544,279	17,472,145
Student loan receivable, net	1,794,408	532,633	2,327,041
Due from other funds	962,174	100,721	1,062,895
Prepaid expenditures	228,476	18,724	247,200
Total Assets	\$ 36,955,630	\$ 9,396,876	\$ 46,352,506
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 5,386,117	\$ 1,028,027	\$ 6,414,144
Due to other funds	10,690	762,580	773,270
Other current liabilities	3,210	-	3,210
Deferred revenue	5,789,483	3,596,277	9,385,760
Total Liabilities	11,189,500	5,386,884	16,576,384
FUND BALANCES			
Reserved	228,476	4,009,992	4,238,468
Unreserved			
Designated	14,217,092	-	14,217,092
Undesignated	11,320,562	-	11,320,562
Total Fund Balances	25,766,130	4,009,992	29,776,122
Total Liabilities and Fund Balances	\$ 36,955,630	\$ 9,396,876	\$ 46,352,506

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
MODIFIED ACCRUAL BASIS
GENERAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>General Unrestricted</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Federal revenues	\$ 4,518	\$ 698,026	\$ 693,508
State revenues	131,994,667	71,510,721	(60,483,946)
Local revenues	6,567,194	66,649,174	60,081,980
Total Revenues	<u>138,566,379</u>	<u>138,857,921</u>	<u>291,542</u>
EXPENDITURES			
Current Expenditures			
Academic salaries	62,151,109	61,899,565	251,544
Classified salaries	26,061,873	25,394,382	667,491
Employee benefits	29,110,769	28,939,388	171,381
Books and supplies	2,724,868	1,776,169	948,699
Services and operating expenditures	15,216,213	13,325,427	1,890,786
Capital outlay	534,946	406,305	128,641
Debt service - principal	504,516	504,515	1
Debt service - interest and other	76,298	76,298	-
Total Expenditures	<u>136,380,592</u>	<u>132,322,049</u>	<u>4,058,543</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>2,185,787</u>	<u>6,535,872</u>	<u>4,350,085</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	451,427	391,493	(59,934)
Operating transfers out	(4,974,467)	(4,968,222)	6,245
Other sources	24,427	24,427	-
Other uses	(35,400)	(41,018)	(5,618)
Total Other Financing Sources (Uses)	<u>(4,534,013)</u>	<u>(4,593,320)</u>	<u>(59,307)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (2,348,226)</u>	<u>1,942,552</u>	<u>\$ 4,290,778</u>
FUND BALANCE, BEGINNING OF YEAR		<u>23,823,578</u>	
FUND BALANCE, END OF YEAR		<u><u>\$ 25,766,130</u></u>	

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

General Restricted			Total		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 12,976,900	\$ 9,328,164	\$ (3,648,736)	\$ 12,981,418	\$ 10,026,190	\$ (2,955,228)
11,729,453	9,649,061	(2,080,392)	143,724,120	81,159,782	(62,564,338)
5,107,710	4,496,822	(610,888)	11,674,904	71,145,996	59,471,092
<u>29,814,063</u>	<u>23,474,047</u>	<u>(6,340,016)</u>	<u>168,380,442</u>	<u>162,331,968</u>	<u>(6,048,474)</u>
5,359,783	4,498,822	860,961	67,510,892	66,398,387	1,112,505
8,992,795	8,204,695	788,100	35,054,668	33,599,077	1,455,591
4,517,752	4,034,913	482,839	33,628,521	32,974,301	654,220
2,035,252	1,227,687	807,565	4,760,120	3,003,856	1,756,264
4,681,742	3,149,747	1,531,995	19,897,955	16,475,174	3,422,781
3,113,318	1,999,234	1,114,084	3,648,264	2,405,539	1,242,725
-	-	-	504,516	504,515	1
-	-	-	76,298	76,298	-
<u>28,700,642</u>	<u>23,115,098</u>	<u>5,585,544</u>	<u>165,081,234</u>	<u>155,437,147</u>	<u>9,644,087</u>
<u>1,113,421</u>	<u>358,949</u>	<u>(754,472)</u>	<u>3,299,208</u>	<u>6,894,821</u>	<u>3,595,613</u>
935,681	1,542,103	606,422	1,387,108	1,933,596	546,488
(1,420,938)	(1,262,251)	158,687	(6,395,405)	(6,230,473)	164,932
-	-	-	24,427	24,427	-
<u>(539,028)</u>	<u>(473,629)</u>	<u>65,399</u>	<u>(574,428)</u>	<u>(514,647)</u>	<u>59,781</u>
<u>(1,024,285)</u>	<u>(193,777)</u>	<u>830,508</u>	<u>(5,558,298)</u>	<u>(4,787,097)</u>	<u>771,201</u>
<u>\$ 89,136</u>	165,172	<u>\$ 76,036</u>	<u>\$ (2,259,090)</u>	2,107,724	<u>\$ 4,366,814</u>
	3,844,820			27,668,398	
	<u>\$ 4,009,992</u>			<u>\$ 29,776,122</u>	

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

**COMBINING BALANCE SHEET – MODIFIED ACCRUAL BASIS
SPECIAL REVENUE FUND
JUNE 30, 2010**

	<u>Child Development</u>
ASSETS	
Investments	\$ 511,967
Accounts receivable	6,270
Student receivable	12,912
Total Assets	<u><u>\$ 531,149</u></u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	<u>\$ 50</u>
FUND BALANCE	
Unreserved	
Designated	531,099
Total Liabilities and Fund Balance	<u><u>\$ 531,149</u></u>

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
 MODIFIED ACCRUAL BASIS
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Child Development</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
State revenues	\$ 100,797	\$ 91,473	\$ (9,324)
Local revenues	987,276	934,189	(53,087)
Total Revenues	<u>1,088,073</u>	<u>1,025,662</u>	<u>(62,411)</u>
EXPENDITURES			
Current Expenditures			
Academic salaries	28,277	14,138	14,139
Classified salaries	769,132	767,808	1,324
Employee benefits	306,533	306,533	-
Books and supplies	28,385	23,559	4,826
Services and operating expenditures	13,351	12,317	1,034
Capital outlay	6,000	359	5,641
Total Expenditures	<u>1,151,678</u>	<u>1,124,714</u>	<u>26,964</u>
EXCESS OF REVENUES UNDER EXPENDITURES	<u>(63,605)</u>	<u>(99,052)</u>	<u>(35,447)</u>
OTHER FINANCING SOURCES			
Operating transfers in	-	9,558	9,558
EXCESS OF REVENUES AND OTHER FINANCING SOURCES UNDER EXPENDITURES	<u>\$ (63,605)</u>	<u>(89,494)</u>	<u>\$ (25,889)</u>
FUND BALANCE, BEGINNING OF YEAR		620,593	
FUND BALANCE, END OF YEAR		<u>\$ 531,099</u>	

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

COMBINING BALANCE SHEET – MODIFIED ACCRUAL BASIS

CAPITAL PROJECT FUNDS

JUNE 30, 2010

	Capital Outlay	Bond Construction	Total
ASSETS			
Investments	\$ 16,731,860	\$ 154,199,493	\$ 170,931,353
Accounts receivable	509,788	570,931	1,080,719
Student loan receivable	36,128	-	36,128
Prepaid expenses	5,250	10,000	15,250
Total Assets	\$ 17,283,026	\$ 154,780,424	\$ 172,063,450
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 667,337	\$ 7,792,340	\$ 8,459,677
Due to other funds	80,350	-	80,350
Deferred revenue	1,081,492	-	1,081,492
Total Liabilities	1,829,179	7,792,340	9,621,519
FUND BALANCES			
Reserved	5,250	10,000	15,250
Unreserved			
Designated	15,448,597	146,978,084	162,426,681
Total Fund Balances	15,453,847	146,988,084	162,441,931
Total Liabilities and Fund Balances	\$ 17,283,026	\$ 154,780,424	\$ 172,063,450

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – MODIFIED ACCRUAL BASIS
CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	Capital Outlay	Bond Construction	Total
REVENUES			
Federal revenues	\$ 229,181	\$ -	\$ 229,181
State revenues	5,706,597	-	5,706,597
Local revenues	1,183,122	3,462,935	4,646,057
Total Revenues	7,118,900	3,462,935	10,581,835
EXPENDITURES			
Current Expenditures			
Classified salaries	4,787	-	4,787
Employee benefits	381	-	381
Books and supplies	118,652	234,583	353,235
Services and operating expenditures	618,250	781,081	1,399,331
Capital outlay	9,736,088	60,354,799	70,090,887
Total Expenditures	10,478,158	61,370,463	71,848,621
EXCESS OF REVENUES UNDER EXPENDITURES	(3,359,258)	(57,907,528)	(61,266,786)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	3,941,515	-	3,941,515
Operating transfers out	(99,176)	-	(99,176)
Total Other Financing Sources (Uses)	3,842,339	-	3,842,339
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	483,081	(57,907,528)	(57,424,447)
FUND BALANCE, BEGINNING OF YEAR	14,970,766	204,895,612	219,866,378
FUND BALANCE, END OF YEAR	\$ 15,453,847	\$ 146,988,084	\$ 162,441,931

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

COMBINING BALANCE SHEET – MODIFIED ACCRUAL BASIS

DEBT SERVICE FUNDS

JUNE 30, 2010

	<u>Bond Interest and Redemption</u>
ASSETS	
Investments	\$ 13,997,604
Accounts receivable	47,069
Total Assets	<u>\$ 14,044,673</u>
FUND BALANCE	
Unreserved	
Designated	<u>\$ 14,044,673</u>
Total Fund Balance	<u>\$ 14,044,673</u>

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

GOVERNMENTAL FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – MODIFIED ACCRUAL BASIS
DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Bond Interest and Redemption</u>
REVENUES	
Federal revenues	\$ 41
State revenues	139,494
Local revenues	15,322,317
Total Revenues	<u> 15,461,852</u>
EXPENDITURES	
Current Expenditures	
Debt service - principal	1,265,000
Debt service - interest and other	14,813,631
Total Expenditures	<u> 16,078,631</u>
EXCESS OF REVENUES UNDER EXPENDITURES	<u> (616,779)</u>
FUND BALANCE, BEGINNING OF YEAR	<u> 14,661,452</u>
FUND BALANCE, END OF YEAR	<u><u> \$ 14,044,673</u></u>

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

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

FIDUCIARY FUND TYPES

COMBINING BALANCE SHEET – MODIFIED ACCRUAL BASIS

TRUST FUNDS

JUNE 30, 2010

	<u>Associated Students Organization</u>	<u>Student Representation Fees</u>	<u>Student Center Fees</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	241,049	117,957	3,418,254
Accounts receivable	857	365	11,604
Student loan receivable, net	16,886	21,898	160,015
Due from other funds	-	-	-
Prepaid expenses	-	-	-
Total Assets	<u><u>\$ 258,792</u></u>	<u><u>\$ 140,220</u></u>	<u><u>\$ 3,589,873</u></u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 467	\$ 1,854	\$ -
Due to other funds	-	-	-
Deferred revenue	-	34,362	237,942
Total Liabilities	<u><u>467</u></u>	<u><u>36,216</u></u>	<u><u>237,942</u></u>
FUND BALANCES			
Reserved	-	-	-
Unreserved			
Designated	258,325	104,004	3,351,931
Total Fund Balances	<u><u>258,325</u></u>	<u><u>104,004</u></u>	<u><u>3,351,931</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 258,792</u></u>	<u><u>\$ 140,220</u></u>	<u><u>\$ 3,589,873</u></u>

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

Student Financial Aid	Scholarship and Loan	Student Clubs	Other Trust	Total
\$ 17,838	\$ -	\$ -	\$ -	\$ 17,838
-	568,082	117,131	2,250,025	6,712,498
465,282	1,779	-	24,768	504,655
23,324	11,449	-	65,954	299,526
183,144	-	-	-	183,144
-	-	-	385	385
<u>\$ 689,588</u>	<u>\$ 581,310</u>	<u>\$ 117,131</u>	<u>\$ 2,341,132</u>	<u>\$ 7,718,046</u>
\$ 295,860	\$ 59,524	\$ 484	\$ 34,450	\$ 392,639
392,419	-	-	-	392,419
-	-	-	-	272,304
<u>688,279</u>	<u>59,524</u>	<u>484</u>	<u>34,450</u>	<u>1,057,362</u>
1,309	-	-	-	1,309
-	521,786	116,647	2,306,682	6,659,375
<u>1,309</u>	<u>521,786</u>	<u>116,647</u>	<u>2,306,682</u>	<u>6,660,684</u>
<u>\$ 689,588</u>	<u>\$ 581,310</u>	<u>\$ 117,131</u>	<u>\$ 2,341,132</u>	<u>\$ 7,718,046</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

FIDUCIARY FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – MODIFIED ACCRUAL BASIS**

TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Associated Students Organization</u>	<u>Student Representation Fees</u>	<u>Student Center Fees</u>
REVENUES			
Federal revenues	\$ -	\$ -	\$ -
State revenues	-	-	-
Local revenues	116,757	67,173	507,325
Total Revenues	<u>116,757</u>	<u>67,173</u>	<u>507,325</u>
EXPENDITURES			
Current Expenditures			
Academic salaries	-	-	-
Classified salaries	18,838	-	25,634
Employee benefits	598	-	559
Books and supplies	34,548	916	-
Services and operating expenditures	25,625	71,643	3,552
Capital outlay	13,488	8,315	-
Total Expenditures	<u>93,097</u>	<u>80,874</u>	<u>29,745</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>23,660</u>	<u>(13,701)</u>	<u>477,580</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	13,630	-	-
Operating transfers out	(41,921)	-	(120,444)
Other uses	-	-	-
Total Other Financing Sources (Uses)	<u>(28,291)</u>	<u>-</u>	<u>(120,444)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,631)	(13,701)	357,136
FUND BALANCE, BEGINNING OF YEAR	<u>262,956</u>	<u>117,705</u>	<u>2,994,795</u>
FUND BALANCE, END OF YEAR	<u>\$ 258,325</u>	<u>\$ 104,004</u>	<u>\$ 3,351,931</u>

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

Student Financial Aid	Scholarship and Loan	Student Clubs	Other Trust	Total
\$ 25,006,583	\$ -	\$ -	\$ -	\$ 25,006,583
1,423,590	-	-	-	1,423,590
281	452,443	78,975	1,256,298	2,479,252
<u>26,430,454</u>	<u>452,443</u>	<u>78,975</u>	<u>1,256,298</u>	<u>28,909,425</u>
-	-	-	4,681	4,681
-	-	7,121	104,692	156,285
-	-	676	9,758	11,591
-	-	35,862	690,357	761,683
(9,274)	1,509	53,211	528,550	674,816
-	-	-	115,529	137,332
<u>(9,274)</u>	<u>1,509</u>	<u>96,870</u>	<u>1,453,567</u>	<u>1,746,388</u>
<u>26,439,728</u>	<u>450,934</u>	<u>(17,895)</u>	<u>(197,269)</u>	<u>27,163,037</u>
248,672	10,250	28,247	371,488	672,287
-	-	(17,094)	(12,736)	(192,195)
<u>(26,694,588)</u>	<u>(366,562)</u>	<u>(1,412)</u>	<u>(835,998)</u>	<u>(27,898,560)</u>
<u>(26,445,916)</u>	<u>(356,312)</u>	<u>9,741</u>	<u>(477,246)</u>	<u>(27,418,468)</u>
(6,188)	94,622	(8,154)	(674,515)	(255,431)
7,497	427,164	124,801	2,981,197	6,916,115
<u>\$ 1,309</u>	<u>\$ 521,786</u>	<u>\$ 116,647</u>	<u>\$ 2,306,682</u>	<u>\$ 6,660,684</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

PROPRIETARY FUND TYPES

**COMBINING BALANCE SHEET
PROPRIETARY FUNDS
JUNE 30, 2010**

	<u>Enterprise Funds</u>		
	<u>Bookstore</u>		
	<u>Ventura</u>	<u>Oxnard</u>	<u>Moorpark</u>
ASSETS			
Cash and cash equivalents	\$ 21,779	\$ 8,295	\$ 9,392
Investments	444,462	278,702	2,198,704
Accounts receivable	427,987	71,520	2,090
Student loan receivable	22,697	12,734	12,753
Prepaid expenses	-	3,002	-
Inventories	785,644	348,843	805,872
Furniture and equipment, net	2,205	3,988	47,927
Total Assets	<u>\$ 1,704,774</u>	<u>\$ 727,084</u>	<u>\$ 3,076,738</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts payable	\$ 73,498	\$ 17,786	\$ 81,182
Other current liabilities	-	145	-
Total Liabilities	<u>73,498</u>	<u>17,931</u>	<u>81,182</u>
FUND EQUITY			
Retained earnings	<u>1,631,276</u>	<u>709,153</u>	<u>2,995,556</u>
Total Liabilities and Fund Equity	<u>\$ 1,704,774</u>	<u>\$ 727,084</u>	<u>\$ 3,076,738</u>

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

Cafeteria				Internal
Ventura	Oxnard	Moorpark	Total	Service
				Fund
\$ 3,000	\$ 2,000	\$ 2,900	\$ 47,366	\$ -
45,584	381,389	21,834	3,370,675	11,470,811
645	267	630	503,139	32,215
-	-	-	48,184	-
-	-	-	3,002	-
19,185	14,331	14,639	1,988,514	-
-	5,959	181	60,260	-
<u>\$ 68,414</u>	<u>\$ 403,946</u>	<u>\$ 40,184</u>	<u>\$ 6,021,140</u>	<u>\$ 11,503,026</u>
\$ 24,691	\$ 18,722	\$ 19,636	\$ 235,515	\$ 1,009,737
-	-	-	145	-
<u>24,691</u>	<u>18,722</u>	<u>19,636</u>	<u>235,660</u>	<u>1,009,737</u>
<u>43,723</u>	<u>385,224</u>	<u>20,548</u>	<u>5,785,480</u>	<u>10,493,289</u>
<u>\$ 68,414</u>	<u>\$ 403,946</u>	<u>\$ 40,184</u>	<u>\$ 6,021,140</u>	<u>\$ 11,503,026</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

PROPRIETARY FUND TYPES

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Enterprise Funds</u>		
	<u>Bookstore</u>		
	<u>Ventura</u>	<u>Oxnard</u>	<u>Moorpark</u>
OPERATING REVENUES			
Sales revenues	\$ 3,492,701	\$ 1,888,240	\$ 4,473,722
Charges to other funds	-	-	-
Total Operating Revenues	<u>3,492,701</u>	<u>1,888,240</u>	<u>4,473,722</u>
OPERATING EXPENSES			
Classified salaries	467,661	270,093	472,518
Employee benefits	212,559	117,568	231,165
Books and supplies	2,562,427	1,384,874	3,265,456
Services and other operating expenditures	178,856	117,169	185,561
Capital outlay	233	1,670	-
Total Operating Expenses	<u>3,421,736</u>	<u>1,891,374</u>	<u>4,154,700</u>
Operating Income (Loss)	<u>70,965</u>	<u>(3,134)</u>	<u>319,022</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	-	-	-
Miscellaneous revenues	-	-	-
Operating transfers in	-	-	-
Operating transfers out	(174,996)	-	(105,000)
Other sources	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(174,996)</u>	<u>-</u>	<u>(105,000)</u>
NET INCOME (LOSS)	(104,031)	(3,134)	214,022
RETAINED EARNINGS, BEGINNING OF YEAR	1,735,307	712,287	2,781,534
RETAINED EARNINGS, END OF YEAR	<u>\$ 1,631,276</u>	<u>\$ 709,153</u>	<u>\$ 2,995,556</u>

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

Cafeteria				Internal Service Fund
Ventura	Oxnard	Moorpark	Total	
\$ 659,038	\$ 407,290	\$ 772,967	\$ 11,693,958	\$ -
-	-	-	-	7,515,240
<u>659,038</u>	<u>407,290</u>	<u>772,967</u>	<u>11,693,958</u>	<u>7,515,240</u>
172,747	156,223	195,064	1,734,306	-
51,827	56,015	92,786	761,920	7,173,669
296,396	200,185	363,836	8,073,174	-
94,838	81,988	117,614	776,026	9,869
-	-	-	1,903	-
<u>615,808</u>	<u>494,411</u>	<u>769,300</u>	<u>11,347,329</u>	<u>7,183,538</u>
<u>43,230</u>	<u>(87,121)</u>	<u>3,667</u>	<u>346,629</u>	<u>331,702</u>
-	-	-	-	170,295
-	30	-	30	218,970
-	144,884	-	144,884	100,000
-	-	-	(279,996)	-
-	-	-	-	50
<u>-</u>	<u>144,914</u>	<u>-</u>	<u>(135,082)</u>	<u>489,315</u>
43,230	57,793	3,667	211,547	821,017
493	327,431	16,881	5,573,933	9,672,272
<u>\$ 43,723</u>	<u>\$ 385,224</u>	<u>\$ 20,548</u>	<u>\$ 5,785,480</u>	<u>\$ 10,493,289</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

PROPRIETARY FUND TYPES

**COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Enterprise Funds</u>		
	<u>Bookstore</u>		
	<u>Ventura</u>	<u>Oxnard</u>	<u>Moorpark</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 70,965	\$ (3,134)	\$ 319,022
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation	12,058	7,825	4,695
Changes in assets and liabilities			
(Increase) decrease in:			
Accounts receivable	(424,635)	(61,386)	62,057
Prepaid expenses	-	(3,002)	-
Inventory	(89,782)	43,930	92,109
Increase (decrease) in:			
Accounts payable	(6,830)	(31,662)	21,917
Other current liabilities	-	145	-
Net Cash Flows from Operating Activities	<u>(438,224)</u>	<u>(47,284)</u>	<u>499,800</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Transfers out	(174,996)	-	(105,000)
Transfers in	-	-	-
Interest income	-	-	-
Other income	-	-	-
Acquisition of fixed assets	-	-	(24,379)
Net Cash Flows from Investing Activities	<u>(174,996)</u>	<u>-</u>	<u>(129,379)</u>
Net change in cash and cash equivalents	(613,220)	(47,284)	370,421
Cash and cash equivalents - Beginning	1,079,461	334,281	1,837,675
Cash and cash equivalents - Ending	<u>\$ 466,241</u>	<u>\$ 286,997</u>	<u>\$ 2,208,096</u>

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

Cafeteria				Internal Service Fund
Ventura	Oxnard	Moorpark	Total	
\$ 43,230	\$ (87,121)	\$ 3,667	\$ 346,629	\$ 331,702
-	996	1,089	26,663	-
1,651	1,179	262	(420,872)	17,776
-	-	-	(3,002)	-
(2,678)	(2,285)	(2,604)	38,690	-
(857)	(701)	(4,243)	(22,376)	(109,288)
-	-	-	145	-
41,346	(87,932)	(1,829)	(34,123)	240,190
-	-	-	(279,996)	-
-	144,884	-	144,884	100,000
-	-	-	-	170,295
-	30	-	30	219,020
-	-	-	(24,379)	-
-	144,914	-	(159,461)	489,315
41,346	56,982	(1,829)	(193,584)	729,505
7,238	326,407	26,563	3,611,625	10,741,306
\$ 48,584	\$ 383,389	\$ 24,734	\$ 3,418,041	\$ 11,470,811

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

NOTE 1 - ORGANIZATION

The Ventura County Community College District (the District) was established in 1962 as a political subdivision of the State of California and provides educational services to residents of Ventura County. The District operates under a locally elected five-member Board of Trustees form of government which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates three colleges located within Ventura County. While the District is a political subdivision of the State of California, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39.

In June 1999, the GASB approved Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, followed by Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public College and Universities*, as amended by GASB Statements No. 37 and No. 38. These statements are scheduled for a phased implementation (based on size of the government) through fiscal years ending in 2004. The District has implemented those changes. We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Ventura County Community College District for the year ended June 30, 2010, and have issued our report thereon dated December 7, 2010.

These financial statements have been prepared specifically for the Board of Trustees and management of the Ventura County Community College District to provide an analysis of the financial position and results of operations had the District not implemented GASB Statements No. 34 and No. 35. Fund financial statements are included in this report to present the operations of the individual funds used by the District.

Financial Reporting Entity

The District has adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component unit.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

The District, along with the Santa Paula Redevelopment Agency (the Agency) and the City of Santa Paula, formed the Santa Paula Redevelopment/Community College Joint Powers Improvement Authority (the Authority). The Authority was formed under an agreement dated November 2, 1992, under The Joint Powers Act. The purpose of the Authority is to carry out the intent of the agreement to finance Public Capital Improvements which benefit the District. The Authority is governed by a five member commission. The commission is composed of three members appointed by the District and two members appointed by the Agency. The activity of the Authority is reported in the financial statements of the District using the blended presentation method and is included as part of the capital outlay fund. Below is a breakout of the financial reporting activity of the Authority:

	<u>2010</u>
Revenues	
Distribution from Santa Paula Redevelopment Agency	\$ 70,893
Interest	5,122
Total Revenues	<u>76,015</u>
Expenses	
Santa Paula Center Building Lease Payments	<u>62,750</u>
Net Change	13,265
Beginning Balance	<u>255,582</u>
Ending Balance	<u><u>\$ 268,847</u></u>

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund types and fiduciary fund types are reported using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

Proprietary fund types are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the related liabilities are incurred.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

The District applies all GASB pronouncements, as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the statement of cash flows. Restricted cash and cash equivalents represented balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

Investments

Investments held at June 30, 2010, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in County and State investment pools are determined by the program sponsor.

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectable accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at \$1,554,106 for the year ended June 30, 2010.

Prepaid Expenditures

Prepaid expenditures represent payments made to vendors and others for services that will benefit periods beyond June 30, 2010.

Inventories

Inventories consist primarily of bookstore merchandise and cafeteria food and supplies held for resale to the students and faculty of the colleges. Inventories are stated at cost, utilizing the weighted average method. The cost is recorded as an expense as the inventory is consumed.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Capital Assets and Depreciation

The District's capital expenditures have been accounted for as expenditures within the governmental and fiduciary fund types incurring the cost. These assets have not been capitalized within the individual funds and depreciation expense is not recorded. Capital assets are capitalized within the proprietary fund types and depreciations expense is recorded within the individual fund incurring the expense. Depreciation on capitalized assets is provided on the straight-line basis over the following estimated useful lives:

Vehicles and equipment	2 - 15 years
Improvements	5 - 20 years

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The amount of the liability expected to be paid from current resources is recognized at year-end in the governmental fund that will pay the benefit.

The District also participates in "load banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The District recognizes this liability in the same manner as vacation benefits.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees, therefore, are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

Deferred Revenue

Deferred revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Deferred revenues include (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these recalculations and corrections are accrued in the year in which Full Time Equivalent Students (FTES) are generated.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Ventura bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

The voters of the District passed a General Obligation Bond in March 2002 for the acquisition, construction, and rehabilitation of facilities on the three community college campuses and the Camarillo site. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above and remitted to the District when collected. The property tax revenue received for the repayment of the bonds for the years ended June 30, 2010 and 2009, was \$15,220,105 and \$16,440,924, respectively.

Budgets and Budgetary Accounting

Annual budgets are adopted on a modified accrual basis for the District's General Funds and Special Revenue Fund. The District's Board of Trustees adopts a tentative operating budget no later than July 1 in accordance with State law. The Board revises the budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. It is this final revised budget that is presented in these financial statements. The District employs budget control by minor object and by individual appropriation accounts. The Board approves pooled budget categories for operational expenditures (supplies, operating expenses, and capital outlay). Actual expenditures are charged to the specific expenditure account number. Expenditures cannot legally exceed appropriations by major object account. A public hearing must be conducted to receive comments prior to adoption. The District's Board satisfied these requirements.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Financial Presentation

These financial statements have been prepared specifically for the Board of Trustees and management of the Ventura County Community College District to provide an analysis of the financial position and results of operations of the District's individual funds had the District not implemented GASB Statements No. 34 and No. 35.

New Accounting Pronouncements

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Classifications*. The objectives of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this Statement are effective for the financial statements for periods beginning after June 15, 2010. The District does not anticipate a significant impact in reporting.

NOTE 3 - CASH AND INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Deposits and Investments

Deposits and investments as of June 30, 2010, consist of the following:

Cash on hand and in banks	\$ 183,342
Investments	232,119,995
Total Deposits and Investments	<u>\$ 232,303,337</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County investment pool.

Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity Date</u>
County Pool	<u>\$ 233,038,976</u>	344*

* Weighted average days to maturity

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County pool is not required to be rated. Presented below is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of the year-end for each investment type.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Minimum Legal Rating</u>	<u>Rating June 30, 2010</u>
County Pool	<u>\$ 233,038,976</u>	N/A	AAAf

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2010, the District did not have any deposits exposed to custodial credit risk because all balances were Federal Deposit Insurance Corporation (FDIC) insured.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 4 - ACCOUNTS RECEIVABLE

Receivables at June 30, 2010, consist of the following:

	General	Special Revenue	Capital Projects	Debt Service	Fiduciary	Proprietary	Total
Federal Government							
Categorical aid	\$ 1,753,072	\$ -	\$ -	\$ -	\$ 450,969	\$ -	\$ 2,204,041
State Government							
Apportionment	13,945,395	-	-	-	-	-	13,945,395
Categorical aid	254,048	-	-	-	14,313	-	268,361
Lottery	846,262	-	-	-	-	-	846,262
Other State	-	-	97,168	-	-	-	97,168
Local Sources							
Interest	387,865	-	572,663	47,069	14,605	32,117	1,054,319
Other local	285,503	6,270	410,888	-	24,768	503,237	1,230,666
Accounts receivable	<u>\$ 17,472,145</u>	<u>\$ 6,270</u>	<u>\$ 1,080,719</u>	<u>\$ 47,069</u>	<u>\$ 504,655</u>	<u>\$ 535,354</u>	<u>\$ 19,646,212</u>
Student loan receivable	\$ 3,838,313	\$ 12,912	\$ 36,128	\$ -	\$ 342,360	\$ 48,184	\$ 4,277,897
Less: reserve	<u>(1,511,272)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,834)</u>	<u>-</u>	<u>(1,554,106)</u>
Student loan receivable, net	<u>\$ 2,327,041</u>	<u>\$ 12,912</u>	<u>\$ 36,128</u>	<u>\$ -</u>	<u>\$ 299,526</u>	<u>\$ 48,184</u>	<u>\$ 2,723,791</u>

NOTE 5 - INTERFUND TRANSACTIONS

Interfund Receivables/Payables (Due To/Due From)

Individual fund interfund receivable and payable balances at June 30, 2010, are as follows:

Funds	Interfund Receivables	Interfund Payables
General Unrestricted	\$ 962,174	\$ 10,690
General Restricted	100,721	762,580
Capital Outlay	-	80,350
Student Financial Aid	183,144	392,419
Total	<u>\$ 1,246,039</u>	<u>\$ 1,246,039</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Operating Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended. Interfund transfers for the year ended June 30, 2010, are as follows:

The General Unrestricted Fund transferred to the General Restricted Fund	\$ 1,542,103
The General Unrestricted Fund transferred to the Child Development Fund	9,558
The General Unrestricted Fund transferred to the Capital Outlay Fund	3,071,289
The General Unrestricted Fund transferred to the Associated Students Organization Fund	4,050
The General Unrestricted Fund transferred to the Other Trust Fund	96,338
The General Unrestricted Fund transferred to the Cafeteria Fund (Oxnard)	144,884
The General Unrestricted Fund transferred to the Internal Service Fund	100,000
The General Restricted Fund transferred to the General Unrestricted Fund	289,133
The General Restricted Fund transferred to the Capital Outlay Fund	720,226
The General Restricted Fund transferred to the Student Financial Aid Fund	248,672
The General Restricted Fund transferred to the Other Trust Fund	4,220
The Capital Outlay Fund transferred to the General Unrestricted Fund	99,176
The Associated Students Organization Fund transferred to the Scholarship and Loan Fund	10,000
The Associated Students Organization Fund transferred to the Student Clubs Fund	8,081
The Associated Students Organization Fund transferred to the Other Trust Fund	23,840
The Student Center Fees Fund transferred to the Capital Outlay Fund	120,000
The Student Center Fees Fund transferred to the Associated Students Organization Fund	444
The Student Clubs Fund transferred to the Other Trust Fund	17,094
The Other Trust Fund transferred to the General Unrestricted Fund	3,184
The Other Trust Fund transferred to the Associated Students Organization Fund	9,136
The Other Trust Fund transferred to the Scholarship and Loan Fund	250
The Other Trust Fund transferred to the Student Clubs Fund	166
The Bookstore Fund (Ventura) transferred to the Other Trust Fund	174,996
The Bookstore Fund (Moorpark) transferred to the Capital Outlay Fund	30,000
The Bookstore Fund (Moorpark) transferred to the Student Clubs Fund	20,000
The Bookstore Fund (Moorpark) transferred to the Other Trust Fund	55,000
Total	<u><u>\$ 6,801,840</u></u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2010, consist of the following:

	General	Special Revenue	Capital Projects	Fiduciary	Proprietary	Total
Accrued payroll and benefits	\$ 2,193,904	\$ -	\$ -	\$ -	\$ -	\$ 2,193,904
Accrued vacation	734,662	-	-	-	105,277	839,939
Construction	-	-	8,459,677	-	-	8,459,677
Student liabilities	1,399,862	-	-	59,424	-	1,459,286
Load banking	-	-	-	-	1,008,059	1,008,059
Other	2,085,716	50	-	333,215	131,916	2,550,897
Total	<u>\$ 6,414,144</u>	<u>\$ 50</u>	<u>\$ 8,459,677</u>	<u>\$ 392,639</u>	<u>\$ 1,245,252</u>	<u>\$ 16,511,762</u>

NOTE 7 - DEFERRED REVENUE

Deferred revenue at June 30, 2010, consist of the following:

	General	Capital Projects	Fiduciary	Total
Federal categorical aid	\$ 41,701	\$ -	\$ -	\$ 41,701
State categorical aid	1,783,196	-	-	1,783,196
Schedule maintenance	-	1,030,161	-	1,030,161
Lottery	449,221	-	-	449,221
Other State	136,246	-	-	136,246
Enrollment/student fees	6,350,168	51,331	34,362	6,435,861
Local	625,228	-	237,942	863,170
Total	<u>\$ 9,385,760</u>	<u>\$ 1,081,492</u>	<u>\$ 272,304</u>	<u>\$ 10,739,556</u>

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 8 - FUND BALANCES

Fund balances are composed of the following elements:

	General	Special Revenue	Capital Projects	Debt Service
Reserved				
Prepaid expenditures	\$ 247,200	\$ -	\$ 15,250	\$ -
Restricted programs	3,991,268	-	-	-
Total Reserved	<u>4,238,468</u>	<u>-</u>	<u>15,250</u>	<u>-</u>
Unreserved				
Designated				
Capital outlay	-	-	162,426,681	-
Debt repayment	-	-	-	14,044,673
General reserves	6,790,970	531,099	-	-
Budget rollover	2,470,407	-	-	-
Revenue shortfall contingency	4,955,715	-	-	-
Total Designated	<u>14,217,092</u>	<u>531,099</u>	<u>162,426,681</u>	<u>14,044,673</u>
Undesignated	<u>11,320,562</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Unreserved	<u>25,537,654</u>	<u>531,099</u>	<u>162,426,681</u>	<u>14,044,673</u>
Total	<u><u>\$ 29,776,122</u></u>	<u><u>\$ 531,099</u></u>	<u><u>\$ 162,441,931</u></u>	<u><u>\$ 14,044,673</u></u>

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation

The District is involved in various litigation. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the District's financial statements.

State and Federal Allowances, Awards, and Grants

The District has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, in the opinion of management, any required reimbursements will not be material.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Construction Commitments

As of June 30, 2010, the District had the following commitments with respect to the unfinished capital projects:

CAPITAL PROJECTS	Remaining Construction Commitment	Expected Date of Completion
Moorpark College PE Renovation	\$ 19,290	12/31/11
Moorpark College EATM Building	7,126,407	12/31/13
Moorpark College Academy Center	573,234	12/31/10
Moorpark College Health/Science Complex	5,371,834	12/31/11
Moorpark College Planning and Development	424,848	12/31/13
Moorpark College CW Planning and Development	4,985	12/31/13
Moorpark College Infrastructure	423,169	12/31/13
Moorpark College Data Switch Project	141,496	12/31/13
Moorpark College Piped Utility Systems	4,694	12/31/13
Oxnard College Learning Resources Center Renovation	10,929,243	12/31/13
Oxnard College Planning and Development Cost	535,915	12/31/13
Oxnard College CW Planning and Development Cost	2,299	12/31/13
Oxnard College PA/Classroom and Auditorium	4,258,584	06/01/11
Oxnard College Data Switch Project	78,921	03/31/11
Oxnard College INF Improvements Campus Site Finishes	7,446	12/31/13
Oxnard College Dental Hygiene Expansion and Renovation	1,500	12/31/13
Oxnard College Fire and Sheriff Academy	1,000,000	12/31/11
Ventura College Secondary and Tertiary	4,463	12/31/11
Ventura College Electrical Systems Upgrade	8,050	12/31/13
Ventura College Modernization	2,637,405	12/31/12
Ventura College Swimming Pool Demolition	63,274	06/30/11
Ventura College Renovate Athletic Facilities	61,095	12/31/11
Ventura College GP and High Tech Project	11,603,919	12/31/11
Ventura College Planning and Development Cost	572,531	12/31/13
Ventura College CW Planning and Development Cost	4,264	12/31/13
Ventura College Piped Utility System	10,825	12/31/13
Ventura College Renovate Theater Building	9,961,643	12/31/13
Ventura College Telephone Data Switch	79,290	03/31/11
Ventura College Maintenance Projects	14,459	12/31/13
Ventura College Fire and Sheriff Academy	4,000,000	12/31/11
Fire/Sheriff Planning and Development Cost	18,556	12/31/11
Fire/Sheriff Data Switch Project	3,717	03/31/11
Fire/Sheriff Academy	4,759,306	12/31/11
	<u>\$ 64,706,662</u>	

The projects are funded through a combination of general obligation bonds and capital project apportionments from the State Chancellor's Office.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Deferral of State Apportionments

The State legislature has not enacted a budget as of June 30, 2010. As a result, certain apportionments owed to the District for funding of FTES, which are attributable to the 2009-2010 fiscal year, have been deferred to the 2010-2011 fiscal year. The total amount of funding deferred into the 2010-2011 fiscal year was \$13,829,694. These deferrals of apportionment are considered permanent with future funding also being subject to deferral into future years. As of the audit report date, the District had received all of the deferrals owed to them by the State.