



Special Report for Board of Trustees  
and Management Only  
June 30, 2020

Ventura County  
Community College District

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**BOARD OF TRUSTEES**

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Mr. Bernardo M. Perez	Chair	December 2020
Mr. Joshua Chancer	Vice Chair	December 2022
Ms. Dianne B. McKay	Trustee	December 2022
Mr. Larry Kennedy	Trustee	December 2020
Ms. Gabriela Torres	Trustee	December 2022
Ms. Ashley Gonzales	Student Trustee	May 2021

**ADMINISTRATION**

Dr. Greg Gillespie	Chancellor
Dr. David El Fattal	Vice Chancellor, Business and Administrative Services
Dr. Larry Buckley	Interim Vice Chancellor, Institutional Effectiveness
Ms. Laura L. Barroso	Associate Vice Chancellor, Human Resources
Mr. Dan Watkins	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.



## Independent Auditor's Report

Board of Trustees  
Ventura County Community College District  
Camarillo, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental funds, fiduciary funds, and proprietary funds of the Ventura County Community College District (the District), as of and for the year ended June 30, 2020, and the related notes to the 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 the modified accrual basis of accounting described in Notes 1 and 2; this includes determining that the modified accrual basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### Auditor's Responsibility

Our responsibility is to express opinions 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. Those standards require that we plan and perform the audit 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 District'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 District'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 governmental funds, proprietary funds, and fiduciary funds of the District as of June 30, 2020, and the changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1 and Note 2, the financial statements of the governmental funds, proprietary funds, and fiduciary funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of Ventura County Community College District as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Matters**

Management has omitted the management's discussion and analysis that the accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Rancho Cucamonga, California  
February 22, 2021

Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

	General Unrestricted	General Restricted	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 53,200	\$ -	\$ 53,200
Investments	92,038,664	18,621,032	110,659,696
Accounts receivable, net	7,153,276	3,878,794	11,032,070
Student receivable, net	3,194,761	506,841	3,701,602
Due from other funds	1,724,931	-	1,724,931
Prepaid expenditures	360,451	99,015	459,466
	<u>\$ 104,525,283</u>	<u>\$ 23,105,682</u>	<u>\$ 127,630,965</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 10,794,598	\$ 913,262	\$ 11,707,860
Due to other funds	-	1,218,269	1,218,269
Other current liabilities	29,040	-	29,040
Unearned revenue	17,532,319	12,917,903	30,450,222
	<u>28,355,957</u>	<u>15,049,434</u>	<u>43,405,391</u>
<b>Fund Balances</b>			
Reserved	413,651	8,056,248	8,469,899
Unreserved			
Designated	20,927,816	-	20,927,816
Undesignated	54,827,859	-	54,827,859
	<u>76,169,326</u>	<u>8,056,248</u>	<u>84,225,574</u>
	<u>\$ 104,525,283</u>	<u>\$ 23,105,682</u>	<u>\$ 127,630,965</u>

Ventura County Community College District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified  
 Accrual Basis  
 Year Ended June 30, 2020

	General Unrestricted		
	Budget	Actual	Variance
<b>Revenues</b>			
Federal revenues	\$ -	\$ -	\$ -
State revenues	169,322,694	95,976,687	(73,346,007)
Local revenues	11,582,303	96,835,693	85,253,390
Total revenues	<u>180,904,997</u>	<u>192,812,380</u>	<u>11,907,383</u>
<b>Expenditures</b>			
Current Expenditures			
Academic salaries	66,851,411	66,695,817	155,594
Classified salaries	33,149,126	30,276,760	2,872,366
Employee benefits	57,534,267	60,141,714	(2,607,447)
Books and supplies	6,101,762	3,066,195	3,035,567
Services and operating expenditures	21,713,922	15,279,241	6,434,681
Capital outlay	5,241,886	1,119,195	4,122,691
Total expenditures	<u>190,592,374</u>	<u>176,578,922</u>	<u>14,013,452</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(9,687,377)</u>	<u>16,233,458</u>	<u>25,920,835</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	214,538	523	(214,015)
Transfers out	(8,696,500)	(15,455,117)	(6,758,617)
Other sources	-	11,723	11,723
Other uses	-	(6,757)	(6,757)
Total other financing sources (uses)	<u>(8,481,962)</u>	<u>(15,449,628)</u>	<u>(6,967,666)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (18,169,339)</u>	<u>783,830</u>	<u>\$ 18,953,169</u>
Fund Balance, Beginning of Year		<u>75,385,496</u>	
Fund Balance, End of Year		<u>\$ 76,169,326</u>	

**Ventura County Community College District**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified  
Accrual Basis  
Year Ended June 30, 2020

	General Restricted			Total		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>						
Federal revenues	\$14,502,172	\$ 5,166,710	\$(9,335,462)	\$ 14,502,172	\$ 5,166,710	\$(9,335,462)
State revenues	50,815,681	36,078,525	(14,737,156)	220,138,375	132,055,212	(88,083,163)
Local revenues	4,245,651	3,844,511	(401,140)	15,827,954	100,680,204	84,852,250
Total revenues	<u>69,563,504</u>	<u>45,089,746</u>	<u>(24,473,758)</u>	<u>250,468,501</u>	<u>237,902,126</u>	<u>(12,566,375)</u>
<b>Expenditures</b>						
Current Expenditures						
Academic salaries	11,052,192	7,542,980	3,509,212	77,903,603	74,238,797	3,664,806
Classified salaries	20,468,245	13,637,474	6,830,771	53,617,371	43,914,234	9,703,137
Employee benefits	12,142,729	8,873,416	3,269,313	69,676,996	69,015,130	661,866
Books and supplies	9,822,196	3,157,670	6,664,526	15,923,958	6,223,865	9,700,093
Services and operating expenditures	9,207,144	3,282,316	5,924,828	30,921,066	18,561,557	12,359,509
Capital outlay	1,441,078	697,157	743,921	6,682,964	1,816,352	4,866,612
Total expenditures	<u>64,133,584</u>	<u>37,191,013</u>	<u>26,942,571</u>	<u>254,725,958</u>	<u>213,769,935</u>	<u>40,956,023</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,429,920</u>	<u>7,898,733</u>	<u>2,468,813</u>	<u>(4,257,457)</u>	<u>24,132,191</u>	<u>28,389,648</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in	1,372,822	1,614,761	241,939	1,587,360	1,615,284	27,924
Transfers out	(8,002,917)	(7,565,289)	437,628	(16,699,417)	(23,020,406)	(6,320,989)
Other sources	-	-	-	-	11,723	11,723
Other uses	(1,988,873)	(1,860,691)	128,182	(1,988,873)	(1,867,448)	121,425
Total other financing sources (uses)	<u>(8,618,968)</u>	<u>(7,811,219)</u>	<u>807,749</u>	<u>(17,100,930)</u>	<u>(23,260,847)</u>	<u>(6,159,917)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (3,189,048)</u>	<u>87,514</u>	<u>\$ 3,276,562</u>	<u>\$(21,358,387)</u>	<u>871,344</u>	<u>\$22,229,731</u>
Fund Balance, Beginning of Year		<u>7,968,734</u>			<u>83,354,230</u>	
Fund Balance, End of Year		<u>\$ 8,056,248</u>			<u>\$84,225,574</u>	



Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

	<u>Child Development</u>	<u>Other Special Revenue</u>	<u>Total</u>
<b>Assets</b>			
Investments	\$ 335,815	\$ 247,034	\$ 582,849
Accounts receivable	2,579	-	2,579
Student receivable	28,479	-	28,479
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 366,873</u>	<u>\$ 247,034</u>	<u>\$ 613,907</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 288	\$ 1,124	\$ 1,412
Due to other funds	10	-	10
Unearned revenue	2,500	-	2,500
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>2,798</u>	<u>1,124</u>	<u>3,922</u>
<b>Fund Balances</b>			
Unreserved			
Designated	364,075	245,910	609,985
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 366,873</u>	<u>\$ 247,034</u>	<u>\$ 613,907</u>

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified  
Accrual Basis  
Year Ended June 30, 2020

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	Child Development		
	Budget	Actual	Variance
Revenues			
State revenues	\$ 65,000	\$ 76,765	\$ 11,765
Local revenues	724,821	525,374	(199,447)
Total revenues	789,821	602,139	(187,682)
Expenditures			
Current Expenditures			
Classified salaries	528,974	491,194	37,780
Employee benefits	271,540	208,974	62,566
Books and supplies	24,000	14,992	9,008
Services and operating expenditures	20,360	12,575	7,785
Total expenditures	844,874	727,735	117,139
Excess (Deficiency) of Revenues over Expenditures	(55,053)	(125,596)	(70,543)
Other Financing Sources			
Transfers in	57,000	57,000	-
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures	\$ 1,947	(68,596)	\$ (70,543)
Fund Balance, Beginning of Year		432,671	
Fund Balance, End of Year		\$ 364,075	

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified  
Accrual Basis  
Year Ended June 30, 2020

	Other Special Revenue			Total		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>						
State revenues	\$ -	\$ -	\$ -	\$ 65,000	\$ 76,765	\$ 11,765
Local revenues	140,000	73,632	(66,368)	864,821	599,006	(265,815)
Total revenues	<u>140,000</u>	<u>73,632</u>	<u>(66,368)</u>	<u>929,821</u>	<u>675,771</u>	<u>(254,050)</u>
<b>Expenditures</b>						
Current Expenditures						
Classified salaries	7,493	5,342	2,151	536,467	496,536	39,931
Employee benefits	126	91	35	271,666	209,065	62,601
Books and supplies	5,177	306	4,871	29,177	15,298	13,879
Services and operating expenditures	16,420	6,758	9,662	36,780	19,333	17,447
Total expenditures	<u>29,216</u>	<u>12,497</u>	<u>16,719</u>	<u>874,090</u>	<u>740,232</u>	<u>133,858</u>
Excess (Deficiency) of Revenues over Expenditures	<u>110,784</u>	<u>61,135</u>	<u>(49,649)</u>	<u>55,731</u>	<u>(64,461)</u>	<u>(120,192)</u>
<b>Other Financing Sources</b>						
Transfers in	<u>(125,000)</u>	<u>-</u>	<u>125,000</u>	<u>(68,000)</u>	<u>57,000</u>	<u>125,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures	<u>\$ (14,216)</u>	<u>61,135</u>	<u>\$ 75,351</u>	<u>\$ (12,269)</u>	<u>(7,461)</u>	<u>\$ 4,808</u>
Fund Balance, Beginning of Year		<u>184,775</u>			<u>617,446</u>	
Fund Balance, End of Year		<u>\$ 245,910</u>			<u>\$ 609,985</u>	

Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

	<u>Capital Outlay</u>	<u>Bond Construction</u>	<u>Total</u>
<b>Assets</b>			
Investments	\$ 39,759,582	\$ -	\$ 39,759,582
Accounts receivable	-	895	895
Student receivable	137,092	-	137,092
Prepaid expenses	18,371	-	18,371
	<u>\$ 39,915,045</u>	<u>\$ 895</u>	<u>\$ 39,915,940</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 2,093,535	\$ -	\$ 2,093,535
Due to other funds	-	895	895
Unearned revenue	4,053,378	-	4,053,378
	<u>6,146,913</u>	<u>895</u>	<u>6,147,808</u>
<b>Fund Balances</b>			
Reserved	33,768,132	-	33,768,132
	<u>\$ 39,915,045</u>	<u>\$ 895</u>	<u>\$ 39,915,940</u>

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis  
Year Ended June 30, 2020

	Capital Outlay	Bond Construction	Total
<b>Revenues</b>			
State revenues	\$ 134,947	\$ -	\$ 134,947
Local revenues	2,079,590	15,898	2,095,488
Total revenues	<u>2,214,537</u>	<u>15,898</u>	<u>2,230,435</u>
<b>Expenditures</b>			
Current Expenditures			
Books and supplies	491,269	-	491,269
Services and operating expenditures	629,826	-	629,826
Capital outlay	9,076,319	1,223,049	10,299,368
Total expenditures	<u>10,197,414</u>	<u>1,223,049</u>	<u>11,420,463</u>
Deficiency of Revenues over Expenditures	<u>(7,982,877)</u>	<u>(1,207,151)</u>	<u>(9,190,028)</u>
<b>Other Financing Sources</b>			
Transfers in	13,733,452	-	13,733,452
Other sources	19,467	-	19,467
Total other financing sources	<u>13,752,919</u>	<u>-</u>	<u>13,752,919</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures	5,770,042	(1,207,151)	4,562,891
Fund Balance, Beginning of Year	<u>27,998,090</u>	<u>1,207,151</u>	<u>29,205,241</u>
Fund Balance, End of Year	<u>\$ 33,768,132</u>	<u>\$ -</u>	<u>\$ 33,768,132</u>

Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

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	<u>Bond Interest and Redemption</u>
Assets	
Investments	\$ 24,132,653
Accounts receivable	<u>88,342</u>
Total assets	<u>\$ 24,220,995</u>
Fund Balance	
Reserved	<u>\$ 24,220,995</u>

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis  
Year Ended June 30, 2020

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	Bond Interest and Redemption
Revenues	
State revenues	\$ 134,945
Local revenues	22,010,736
Total Revenues	22,145,681
Expenditures	
Current Expenditures	
Debt service - principal	10,800,000
Debt service - interest and other	9,601,801
Total Expenditures	20,401,801
Excess of Revenues over Expenditures	1,743,880
Other Financing Sources (Uses)	
Other sources - refunding bonds	115,180,000
Other uses - payment to bond escrow agent	(114,511,448)
Total Other Financing Sources (Uses)	668,552
Excess of Revenues and Other Financing Sources over Expenditures	2,412,432
Fund Balance, Beginning of Year	21,808,563
Fund Balance, End of Year	\$ 24,220,995

Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

	Associated Students Organization	Student Representation Fees	Student Center Fees	Student Financial Aid
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	1,743,620	171,560	6,206,467	605,085
Accounts receivable	6,223	618	22,951	530,519
Student receivable, net	150,805	38,436	148,416	10,156
Due from other funds	-	-	-	4,010
Fixed assets	2,965	-	4,977	-
<b>Total assets</b>	<b>\$ 1,903,613</b>	<b>\$ 210,614</b>	<b>\$ 6,382,811</b>	<b>\$ 1,149,770</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 883	\$ 86	\$ -	\$ 640,003
Due to other funds	-	-	-	509,767
Unearned revenue	261,009	42,882	234,224	-
<b>Total liabilities</b>	<b>261,892</b>	<b>42,968</b>	<b>234,224</b>	<b>1,149,770</b>
<b>Fund Balances</b>				
Unreserved				
Designated	1,641,721	167,646	6,148,587	-
<b>Total fund balances</b>	<b>1,641,721</b>	<b>167,646</b>	<b>6,148,587</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,903,613</b>	<b>\$ 210,614</b>	<b>\$ 6,382,811</b>	<b>\$ 1,149,770</b>



Ventura County Community College District  
Combining Balance Sheet – Modified Accrual Basis  
June 30, 2020

	Scholarship and Loan	Student Clubs	Other Trust	Total
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 5,000	\$ 5,000
Investments	845,267	165,910	2,545,110	12,283,019
Accounts receivable	3,149	-	131,470	694,930
Student receivable, net	4,643	-	25,877	378,333
Due from other funds	-	-	-	4,010
Fixed assets	-	-	-	7,942
<b>Total assets</b>	<b>\$ 853,059</b>	<b>\$ 165,910</b>	<b>\$ 2,707,457</b>	<b>\$ 13,373,234</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 11,774	\$ 1,031	\$ 31,491	\$ 685,268
Due to other funds	-	-	-	509,767
Unearned revenue	-	-	-	538,115
<b>Total liabilities</b>	<b>11,774</b>	<b>1,031</b>	<b>31,491</b>	<b>1,733,150</b>
<b>Fund Balances</b>				
Unreserved				
Designated	841,285	164,879	2,675,966	11,640,084
<b>Total fund balances</b>	<b>841,285</b>	<b>164,879</b>	<b>2,675,966</b>	<b>11,640,084</b>
<b>Total liabilities and fund balances</b>	<b>\$ 853,059</b>	<b>\$ 165,910</b>	<b>\$ 2,707,457</b>	<b>\$ 13,373,234</b>

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis  
Year Ended June 30, 2020

	Associated Students Organization	Student Representation Fees	Student Center Fees	Student Financial Aid
<b>Revenues</b>				
Federal revenues	\$ -	\$ -	\$ -	\$ 43,735,047
State revenues	-	-	-	5,365,603
Local revenues	703,923	85,856	499,270	-
Total revenues	<u>703,923</u>	<u>85,856</u>	<u>499,270</u>	<u>49,100,650</u>
<b>Expenditures</b>				
Current Expenditures				
Academic salaries	-	-	-	-
Classified salaries	38,551	-	44,882	-
Employee benefits	3,915	-	2,224	-
Books and supplies	168,365	683	12,048	-
Services and operating expenditures	67,882	68,284	1,055	-
Capital outlay	1,148	-	3,579	-
Total expenditures	<u>279,861</u>	<u>68,967</u>	<u>63,788</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>424,062</u>	<u>16,889</u>	<u>435,482</u>	<u>49,100,650</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	7,565,289
Transfers out	(106,692)	-	-	(523)
Other uses	(744)	-	-	(56,665,939)
Total other financing sources (uses)	<u>(107,436)</u>	<u>-</u>	<u>-</u>	<u>(49,101,173)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	316,626	16,889	435,482	(523)
Fund Balance, Beginning of Year	<u>1,325,095</u>	<u>150,757</u>	<u>5,713,105</u>	<u>523</u>
Fund Balance, End of Year	<u>\$ 1,641,721</u>	<u>\$ 167,646</u>	<u>\$ 6,148,587</u>	<u>\$ -</u>

Ventura County Community College District  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis  
Year Ended June 30, 2020

	Scholarship and Loan	Student Clubs	Other Trust	Total
<b>Revenues</b>				
Federal revenues	\$ -	\$ -	\$ -	\$ 43,735,047
State revenues	-	-	797	5,366,400
Local revenues	364,890	57,678	1,471,632	3,183,249
Total revenues	<u>364,890</u>	<u>57,678</u>	<u>1,472,429</u>	<u>52,284,696</u>
<b>Expenditures</b>				
Current Expenditures				
Academic salaries	-	-	9,282	9,282
Classified salaries	-	351	279,044	362,828
Employee benefits	-	27	43,919	50,085
Books and supplies	-	34,911	433,874	649,881
Services and operating expenditures	-	52,320	326,147	515,688
Capital outlay	-	1,053	63,459	69,239
Total expenditures	<u>-</u>	<u>88,662</u>	<u>1,155,725</u>	<u>1,657,003</u>
Excess (Deficiency) of Revenues over Expenditures	<u>364,890</u>	<u>(30,984)</u>	<u>316,704</u>	<u>50,627,693</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	21,516	63,942	91,863	7,742,610
Transfers out	(2,263)	(4,850)	(87,536)	(201,864)
Other uses	(427,710)	-	(15,126)	(57,109,519)
Total other financing sources (uses)	<u>(408,457)</u>	<u>59,092</u>	<u>(10,799)</u>	<u>(49,568,773)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>(43,567)</u>	<u>28,108</u>	<u>305,905</u>	<u>1,058,920</u>
Fund Balance, Beginning of Year	<u>884,852</u>	<u>136,771</u>	<u>2,370,061</u>	<u>10,581,164</u>
Fund Balance, End of Year	<u>\$ 841,285</u>	<u>\$ 164,879</u>	<u>\$ 2,675,966</u>	<u>\$ 11,640,084</u>

Ventura County Community College District  
Combining Balance Sheet  
June 30, 2020

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
<b>Assets</b>					
Cash and cash equivalents	\$ 2,000	\$ 3,000	\$ 6,000	\$ 11,000	\$ -
Investments	387,808	540,641	201,224	1,129,673	7,209,840
Accounts receivable	-	-	-	-	23,369
<b>Total assets</b>	<b>\$ 389,808</b>	<b>\$ 543,641</b>	<b>\$ 207,224</b>	<b>\$ 1,140,673</b>	<b>\$ 7,233,209</b>
<b>Liabilities and Fund Equity</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 639,553
<b>Fund Equity</b>					
Retained earnings	389,808	543,641	207,224	1,140,673	6,593,656
<b>Total liabilities and fund equity</b>	<b>\$ 389,808</b>	<b>\$ 543,641</b>	<b>\$ 207,224</b>	<b>\$ 1,140,673</b>	<b>\$ 7,233,209</b>

Ventura County Community College District  
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings  
Year Ended June 30, 2020

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
Operating Revenues					
Sales revenues	\$ 32,023	\$ 15,195	\$ 19,141	\$ 66,359	\$ -
Other operating	-	-	-	-	511,105
Charges to other funds	-	-	-	-	17,114,346
Total operating revenues	<u>32,023</u>	<u>15,195</u>	<u>19,141</u>	<u>66,359</u>	<u>17,625,451</u>
Operating Expenses					
Classified salaries	8,098	-	4,131	12,229	-
Employee benefits	137	-	71	208	16,005,583
Services and other operating expenditures	11,400	-	675	12,075	36,576
Total operating expenses	<u>19,635</u>	<u>-</u>	<u>4,877</u>	<u>24,512</u>	<u>16,042,159</u>
Operating Income	<u>12,388</u>	<u>15,195</u>	<u>14,264</u>	<u>41,847</u>	<u>1,583,292</u>
Nonoperating Revenues (Expenses)					
Transfers in	-	-	-	-	75,000
Transfers out	(276)	(800)	-	(1,076)	-
Other uses	(8,845)	-	-	(8,845)	-
Total nonoperating revenues (expenses)	<u>(9,121)</u>	<u>(800)</u>	<u>-</u>	<u>(9,921)</u>	<u>75,000</u>
Net Income	3,267	14,395	14,264	31,926	1,658,292
Retained Earnings, Beginning of Year	<u>386,541</u>	<u>529,246</u>	<u>192,960</u>	<u>1,108,747</u>	<u>4,935,364</u>
Retained Earnings, End of Year	<u>\$ 389,808</u>	<u>\$ 543,641</u>	<u>\$ 207,224</u>	<u>\$ 1,140,673</u>	<u>\$ 6,593,656</u>

Ventura County Community College District  
Combining Statement of Cash Flows  
Year Ended June 30, 2020

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
Cash Flows from Operating Activities					
Operating income	\$ 12,388	\$ 15,195	\$ 14,264	\$ 41,847	\$ 1,583,292
Adjustments to reconcile operating income to net cash flows from operating activities					
Changes in assets and liabilities					
Accounts receivable	645	1,002	918	2,565	(2,509)
Accounts payable	-	-	-	-	(135,829)
Net Cash Flows from Operating Activities	13,033	16,197	15,182	44,412	1,444,954
Cash Flows from Investing Activities					
Transfers in	-	-	-	-	75,000
Transfers out	(276)	(800)	-	(1,076)	-
Other uses	(8,845)	-	-	(8,845)	-
Net Cash Flows from Investing Activities	(9,121)	(800)	-	(9,921)	75,000
Net Change in Cash and Cash Equivalents	3,912	15,397	15,182	34,491	1,519,954
Cash and Cash Equivalents - Beginning	385,896	528,244	192,042	1,106,182	5,689,886
Cash and Cash Equivalents - Ending	\$ 389,808	\$ 543,641	\$ 207,224	\$ 1,140,673	\$ 7,209,840

**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 is a comprehensive, public, two-year institution offering 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 legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

In June 1999, 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, No. 38, and No. 39. These statements were implemented over a phase (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, 2020, and have issued our report thereon dated February 22, 2021.

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. These fund financial statements do not include the adoption of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as the District was not required to adopt GASB Statement No. 54 under the reporting requirements of GASB Statement No. 35.

**Financial Reporting Entity**

The District has adopted accounting policies 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. The District has no component units.

**Note 2 - Summary of Significant Accounting Policies****Basis of Accounting - Measurement Focus, 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.

**Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the Statement of Cash Flows.

**Investments**

Investments 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.

**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 \$2,262,308 for the year ended June 30, 2020.



**Prepaid Expenditures**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The costs of prepaid items is recorded as an expense when consumed rather than when purchased.

**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 certain fiduciary funds, 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

**Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables".

**Compensated Absences**

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignation and retirements that occur prior to year end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. 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.

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 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, retirement 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. Retirement credit for unused sick leave is applicable to all academic 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.

**Unearned Revenue**

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized. Unearned revenue includes (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.

**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 of District capital assets. 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.

**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 (e.g. 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.

### **On Behalf Payments**

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2020, which amounted to \$5,237,651 (10.328 percent) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2020. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Senate Bill 90 (Chapter 33, Statutes of 2019), which was signed by the Governor on June 27, 2019, appropriated for an additional 2019-20 contribution on behalf of school employers of \$1.1 billion for CalSTRS. A proportionate share of these contributions has been recorded in these financial statements.

### **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.

### **Change in Accounting Principles**

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 84, Fiduciary Activities
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, Replacement of Interbank Offered Rates
- Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)

- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*.

The provisions of this Statement have been implemented as of June 30, 2020, with the exception of Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The District has already implemented this standard as of June 30, 2020.

### **Note 3 - Deposits 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 deposits all receipts and collections of monies with their County Treasurer. 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.

**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, 2020, consist of the following:

Cash on hand and in banks	\$ 69,200
Investments	<u>195,757,312</u>
Total deposits and investments	<u><u>\$ 195,826,512</u></u>

**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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Ventura County Investment Pool. The Ventura County Investment Pool purchases shorter term investments and attempts to time cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District maintains an investment of \$195,757,312 with the Ventura County Investment Pool with an average weighted maturity of 249 days.

**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 Ventura County pool is not required to be rated. However, as of June 30, 2020, the County portfolio was rated AA Af/S1+ by Standard and Poor's.

**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, 2020, the District did not have any deposits exposed to custodial credit risk because all balances were Federal Deposit Insurance Corporation (FDIC) insured.

**Note 4 - Accounts Receivable**

Receivables at June 30, 2020, consist of the following:

	General	Special Revenue	Capital Projects	Debt Service	Fiduciary	Proprietary	Total
<b>Federal Government</b>							
Categorical aid	\$ 2,292,280	\$ -	\$ -	\$ -	\$ 507,602	\$ -	\$ 2,799,882
Other Federal aid	18,790	-	-	-	-	-	18,790
<b>State Government</b>							
Apportionment	4,949,932	-	-	-	-	-	4,949,932
Categorical aid	875,590	-	-	-	21,032	-	896,622
Lottery - restricted and unrestricted	1,335,226	-	-	-	-	-	1,335,226
Other State	20	-	-	-	1,885	-	1,905
<b>Local Sources</b>							
Interest	1,074,177	-	895	88,342	32,940	-	1,196,354
Foundation	50,140	-	-	-	131,276	-	181,416
Other local	449,997	2,579	-	-	195	23,369	476,140
Accounts receivable	11,046,152	2,579	895	88,342	694,930	23,369	11,856,267
Less reserve	(14,082)	-	-	-	-	-	(14,082)
Accounts receivable, net	<u>\$ 11,032,070</u>	<u>\$ 2,579</u>	<u>\$ 895</u>	<u>\$ 88,342</u>	<u>\$ 694,930</u>	<u>\$ 23,369</u>	<u>\$ 11,842,185</u>
	General	Special Revenue	Capital Projects	Debt Service	Fiduciary	Proprietary	Total
Student receivable	\$ 5,275,666	\$ 28,479	\$ 137,092	\$ -	\$ 1,052,495	\$ -	\$ 6,493,732
Less reserve	(1,574,064)	-	-	-	(674,162)	-	(2,248,226)
Student receivable, net	<u>\$ 3,701,602</u>	<u>\$ 28,479</u>	<u>\$ 137,092</u>	<u>\$ -</u>	<u>\$ 378,333</u>	<u>\$ -</u>	<u>\$ 4,245,506</u>

**Note 5 - Interfund Transactions****Interfund Receivables/Payables (Due To/Due From)**

Individual fund interfund receivable and payable balances at June 30, 2020, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Funds		
General Unrestricted	\$ 1,724,931	\$ -
General Restricted	-	1,218,269
Special Revenue Fund	-	10
Bond Construction Fund	-	895
Student Financial Aid	4,010	509,767
	<u>4,010</u>	<u>509,767</u>
Total	<u>\$ 1,728,941</u>	<u>\$ 1,728,941</u>

**Note 6 - Transfers**

Interfund transfers consist of operating and equity transfers from funds receiving revenue to funds through which the resources are to be expended. Interfund transfers for the year ended June 30, 2020, are as follows:

The General Unrestricted Fund transferred to the General Restricted Fund	\$ 1,613,961
The General Unrestricted Fund transferred to the Capital Outlay Fund	13,703,916
The General Unrestricted Fund transferred to the Scholarships and Loan Fund	5,240
The General Unrestricted Fund transferred to the Student Clubs Fund	20,000
The General Unrestricted Fund transferred to the Other Trust Fund	37,000
The General Unrestricted Fund transferred to the Internal Service Fund	75,000
The General Restricted Fund transferred to the Student Financial Aid Fund	7,565,289
The Associated Students Organization Fund transferred to the Scholarship and Loan Fund	15,000
The Associated Students Organization Fund transferred to the Student Clubs Fund	43,942
The Associated Students Organization Fund transferred to the Other Trust Fund	47,750
The Student Financial Aid Fund transferred to the General Unrestricted Fund	523
The Scholarship & Loan Fund transferred to the Other Trust Fund	2,263
The Student Clubs Fund transferred to the Other Trust Fund	4,850
The Other Trust Fund transferred to Capital Outlay Fund	29,536
The Other Trust Fund transferred to the Special Revenue Fund	57,000
The Other Trust Fund transferred to Scholarship and Loan Fund	1,000
The Food Service Fund (Moorpark) transferred to the Scholarship and Loan Fund	276
The Food Service Fund (Oxnard) transferred to the General Restricted Fund	800
	<u>800</u>
Total	<u>\$ 23,223,346</u>



**Note 7 - Accounts Payable**

Accounts payable at June 30, 2020, consist of the following:

	General	Special Revenue	Capital Projects	Fiduciary	Proprietary	Total
Accrued payroll and benefits	\$ 3,829,569	\$ -	\$ -	\$ -	\$ 2,137	\$ 3,831,706
Accrued vacation	863,064	-	-	-	-	863,064
Construction	-	-	2,093,535	-	-	2,093,535
Student liabilities	4,089,129	-	-	9,976	-	4,099,105
Load banking	-	-	-	-	637,329	637,329
Federal categorical aid	1,059	-	-	24,465	-	25,524
State categorical aid	169,259	-	-	1,041	-	170,300
Other State	158,968	-	-	-	-	158,968
Local	2,596,812	1,412	-	649,786	87	3,248,097
	<u>\$11,707,860</u>	<u>\$ 1,412</u>	<u>\$ 2,093,535</u>	<u>\$ 685,268</u>	<u>\$ 639,553</u>	<u>\$15,127,628</u>
Total						

**Note 8 - Unearned Revenue**

Unearned revenue at June 30, 2020, consists of the following:

	General	Special Revenue	Capital Projects	Fiduciary	Total
State categorical aid	\$ 12,121,301	\$ -	\$ -	\$ -	\$ 12,121,301
Scheduled maintenance	-	-	3,209,896	-	3,209,896
Other State	36,702	-	-	-	36,702
RDA	2,325,384	-	732,398	-	3,057,782
Enrollment/student fees	15,907,259	2,500	111,084	538,115	16,558,958
Local	59,576	-	-	-	59,576
	<u>\$ 30,450,222</u>	<u>\$ 2,500</u>	<u>\$ 4,053,378</u>	<u>\$ 538,115</u>	<u>\$ 35,044,215</u>
Total					

**Note 9 - Fund Balances**

Fund balances are composed of the following elements:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<b>Reserved</b>				
Prepaid expenditures	\$ 459,466	\$ -	\$ 18,371	\$ -
Revolving cash	53,200	-	-	-
Restricted programs	7,957,233	-	-	-
Capital outlay	-	-	33,749,761	-
Debt repayment	-	-	-	24,220,995
	<u>8,469,899</u>	<u>-</u>	<u>33,768,132</u>	<u>24,220,995</u>
<b>Total reserved</b>				
<b>Unreserved</b>				
<b>Designated</b>				
General reserves	9,718,964	609,985	-	-
Budget rollover	5,038,852	-	-	-
Revenue shortfall contingence	5,000,000	-	-	-
STRS	1,000,000	-	-	-
Energy efficiency	170,000	-	-	-
	<u>20,927,816</u>	<u>609,985</u>	<u>-</u>	<u>-</u>
<b>Total designated</b>	<u>20,927,816</u>	<u>609,985</u>	<u>-</u>	<u>-</u>
<b>Undesignated</b>	<u>54,827,859</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total unreserved</b>	<u>75,755,675</u>	<u>609,985</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 84,225,574</u>	<u>\$ 609,985</u>	<u>\$ 33,768,132</u>	<u>\$ 24,220,995</u>

**Note 10 - 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.

**Construction Commitments**

As of June 30, 2020, the District had the following commitments with respect to the unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Moorpark College Gym Renovation	\$ 774,568	September 2020
Moorpark College Zoo Tiger & Lion Habitat	178,621	May 2021
Moorpark College Kinesiology Outdoor Classroom Phase 2	179,235	September 2020
Oxnard College Fire Warehouse	745,851	March 2021
Mass Notification System	485,721	January 2021
	<u>\$ 2,363,996</u>	

The projects are funded with designated resources.



Independent Auditor's Reports  
June 30, 2020

Ventura County Community College  
District



**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  
Ventura County Community College District  
Camarillo, California

We have audited, 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, the financial statements of the governmental funds, proprietary funds, and fiduciary funds of Ventura County Community College District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements and have issued our report thereon dated February 22, 2021.

**Emphasis of Matter**

As discussed in Note 1 and Note 2, the financial statements of the governmental funds, proprietary funds, and fiduciary funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of Ventura County Community College District as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Internal Control over Financial Reporting**

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

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

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

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California  
February 22, 2021