



# Annual Comprehensive Financial Report

For the Fiscal Years Ended  
August 31, 2024 and 2023

Dallas County, Texas

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**DALLAS COLLEGE**  
**DALLAS COUNTY, TEXAS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**PREPARED BY**  
**DALLAS COLLEGE OFFICE OF FINANCE**

**APPROVED BY**  
**DALLAS COLLEGE BOARD OF TRUSTEES**  
**ON DECEMBER 3, 2024**

**DALLAS COLLEGE**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

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**DALLAS COLLEGE**  
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# **INTRODUCTORY SECTION**

**DALLAS COLLEGE**  
**ORGANIZATIONAL DATA**  
**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**BOARD OF TRUSTEES**

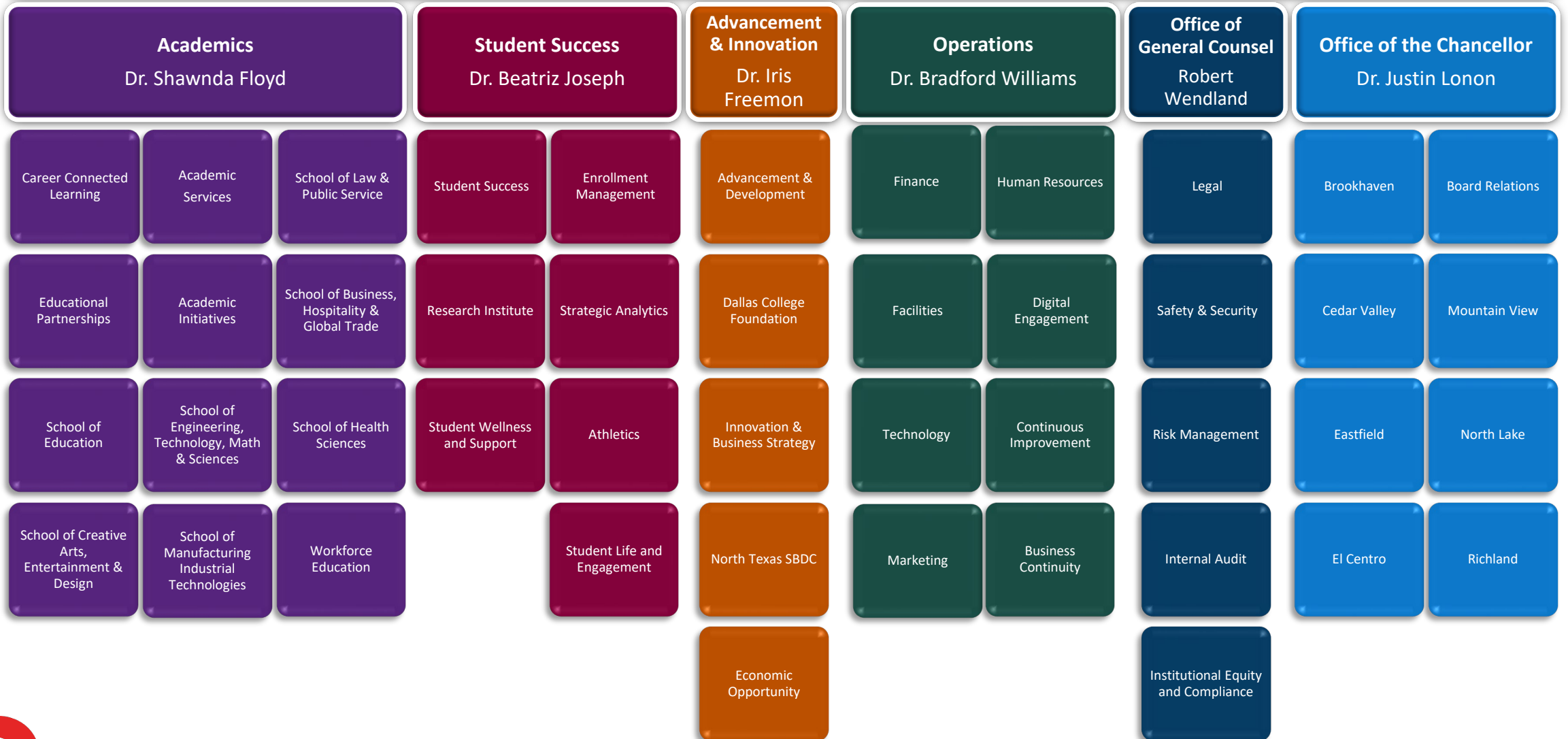
DISTRICT	TRUSTEE	TERM EXPIRES
1	Dr. Catalina Garcia	2030
2	Mr. Philip J. Ritter	2028
3	Mr. Paul Mayer, Chair	2028
4	Ms. Monica Lira Bravo	2028
5	Mr. Cliff Boyd, Vice Chair	2026
6	Ms. Diana Flores	2026
7	Dr. Keshia Nicholas O'Reilly	2030

**ADMINISTRATIVE OFFICERS**

Dr. Justin Lonon	Chancellor
Mr. Louis Burrell	Chief Human Resources Officer
Ms. Lori Cox	Chief Internal Auditor
Dr. Shawnda Floyd	Provost
Dr. Iris Freemon	Vice Chancellor of Advancement & Innovation (Interim)
Mr. Juan Garcia	Chief of Staff
Ms. Dorothy Jones	Chief Marketing Officer
Dr. Beatriz Joseph	Vice Chancellor of Student Success
Ms. Vanessa Lewis	Chief Business Continuity Officer
Dr. Pamela Lockett	Chief Digital Engagement Officer
Ms. Lenora Reece	Chief Continuous Improvement Officer
Ms. Tiska Thomas	Chief Financial Officer
Mr. Robert Wendland	General Counsel
Dr. Bradford Williams	Vice Chancellor of Operations
Mr. Scott Wright	Chief Facilities Officer
Vacant	Chief Information Officer

# Chancellor

## Dr. Justin Lonon





December 3, 2024



Justin Lonon  
Chancellor

On behalf of Dallas College and the community of Dallas County, I am pleased to submit to the members of the Dallas College Board of Trustees our Annual Comprehensive Financial Report (ACFR) for the fiscal years, which ended August 31, 2024 and 2023.

Thanks to your leadership as members of our Board of Trustees – and your commitment to the College's fiduciary responsibilities – we continue to sustain a strong fiscal position and to provide services and programs which help ensure that Dallas County is vibrant, growing, and economically stable for future generations. Dallas College's tuition and property tax rates continue to rank among the lowest for Texas community colleges. We strive to offer a quality education and make it accessible at the best possible value for our students and the citizens of Dallas County.

We know that student and community success is vital to the prosperity of Dallas County, and we are involved in a number of programs that support their success. I would like to share several key examples:

- Dallas College partners with school districts, private and charter school systems to offer dual credit learning opportunities, with a 17% increase in dual credit headcount from 2018-19 to 2023-24 (from 25,558 to 30,032 unduplicated students enrolled). Dallas College offers 62 College and Career Readiness School Model programs approved by the Texas Education Agency including 20 Dallas College Early College High Schools (ECHS) and 42 Pathways in Technology Early College High School (P-TECH) programs providing pathways to certificates and degrees for students. The enrolled students can pursue both a high school diploma and an associate degree at no cost to them or their families. In the 2023-24 academic year, 2,056 associate degrees and 706 certificates were awarded to high school dual credit graduates by Dallas College, a total of 2,762 awards.
- Dallas College graduated 153 students with Bachelor of Applied Science in Early Childhood Education and Teaching. These students represent the first cohort of students to receive baccalaureate degrees from the institution.
- The Dallas County Promise program enrolled 6,410 students for the Fall 2024 semester. This program removes the financial barrier to college and is helping to transform students' perspective on college access. In partnership with the Dallas College Foundation, the Dallas County Promise program is now open to high school seniors from 82 area high schools.

- Dallas College was awarded \$1 million in federal funding, thanks to the support of North Texas congressional leaders, to invest in future teacher educators. A \$6 million grant from the Texas Education Agency and \$3.8 million from the U.S. Department of Education will expand the School of Education's teacher apprenticeship initiatives. This funding aims to improve teacher preparation and support new educators by offering structured, paid on-the-job learning with mentors, alongside targeted coursework. Through the Dallas College Teacher Quality Partnership grant, students will earn teaching credentials while gaining hands-on experience, addressing the growing teacher shortage. Additionally, our paid Teacher Residency Apprenticeship program, which is designed to get well-trained teachers, continues to make an impact. Students in our first cohorts in Fall 2022 earned \$30,000 in year-long residencies have graduated and are already working in local schools.
- Dallas College, as a catalyst for economic mobility, was awarded significant funding to support workforce development across multiple sectors. The Texas Workforce Commission granted \$3.5 million to bolster the construction sector, while an \$8 million Small Business Administration (SBA) grant will support small business growth. Additionally, the U.S. Health Resources and Services Administration (HRSA) awarded \$1 million to increase the number of underrepresented nursing students equipped to provide high-quality, culturally sensitive care in underserved communities. This initiative is especially vital in Dallas County, a federally designated "medically underserved area" where many residents face barriers to healthcare. By expanding training for students not only in hospital fundamentals but also in collaborative, allied health team skills, Dallas College is preparing the next generation of nurses to reduce health disparities and improve community health.

We also opened our new Workforce Development Training Center at the Shops at Red Bird mall.

- The Board of Trustees authorized an election for the issuance of \$1.1 billion of general obligation bonds that was overwhelmingly supported by the taxpayers of Dallas County in 2019. The first tranche of general obligation bonds was issued in January 2023 for \$325.8 million in support of Phase 1. The proceeds have been used to add new instructional buildings at multiple campuses across the College. Also, we are in the early stages of planning for a new downtown education and innovation district to support the needs of Dallas area businesses and entrepreneurs. The bonds will be issued over the next two to eight years to maintain the same debt service tax rate.

As I have mentioned before, the jobs and workforce of the future will all require some postsecondary education. Dallas College is a viable educational partner with businesses and the communities we serve. We will continue to find ways to help students succeed, earn credentials that help them earn a living wage, and support their families and communities.

During the 88<sup>th</sup> Texas legislative session, the budget passed that provided an increase to community college funding. The new funding model is largely based on performance funding that concentrates on completion metrics instead of enrollment. The budget also provided additional funding for disadvantaged dual credit students and the Texas Education Opportunity Grant (TEOG). The changes were favorable to Dallas College as we continue to support the statewide initiative of the 60x30TX plan.

We are continuing the work with our community partners to create relationships that are compassionate, inclusive, and innovative. Those partnerships are born out of the Dallas College culture and elevate the College's readiness to meet the demands of our growing workforce.

Again, I want to thank you, our Board of Trustees, for your leadership and support. I appreciate your dedication and direction as well as our faculty and staff who make a difference in the lives of our students. Together, we will do our best to continue to build for the future together.

Respectfully,

A handwritten signature in black ink, appearing to read 'Justin Lonon', with a stylized flourish at the end.

Justin Lonon  
Chancellor



December 3, 2024

To the Board of Trustees and the Citizens of Dallas County:

Respectfully submitted for your review is the annual comprehensive financial report for Dallas College (College) for the fiscal years ended August 31, 2024 and 2023. The purpose of this report is to provide detailed information about the financial condition and performance of the College. Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. The concept of reasonable assurance ensures that the costs of the controls do not exceed the benefits derived.

### **Annual Comprehensive Financial Report**

Dallas College's annual comprehensive financial report (ACFR) is prepared by the Office of Finance in accordance with Generally Accepted Accounting Principles as established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB). The Notes to the Financial Statements are considered essential to fair presentation and adequate disclosure for this financial report. The Notes are treated as an integral part of the financial statements and should be read in conjunction with them. Additionally, attention should be given to Management's Discussion and Analysis that provides the reader with a narrative introduction, overview, and analysis of the financial statements.

### **Reporting Entity**

The College is a special-purpose government engaged solely in business-type activities (BTA). In compliance with GASB Statements No. 34 and No. 35, as amended, this reporting model is intended to make government financial statements similar to corporate financial statements. It also serves to make the financial statements more comparable across organizations.

The Dallas College Foundation, Inc. (Foundation) has been discretely presented in the College's statements as a component unit by inclusion of the statements and footnotes of the Foundation in the College's statements and footnotes. Because the financial statements of the Foundation are presented in a different format from the College and are incompatible with the College's financial statements, the Foundation's financial statements are presented on separate pages from the College's financial statements. The Foundation is a non-profit organization established in 1973 with its sole purpose being to provide benefits such as scholarships and grants to Dallas College.

Richland Collegiate High School (RCHS) began its first full year of operations in the fiscal year ended August 31, 2007. RCHS was granted a charter by the Texas Education Agency (TEA) in October 2005. The Board of Trustees of Dallas College subsequently approved the charter in May 2006. RCHS receives state reimbursement based on average daily attendance. TEA requirements

necessitate tracking RCHS revenues and expenses separately from those of the College. Because the high school contracts with the College for instructional and administrative services, the legal identity is the same as the College. RCHS shares the same Board of Trustees with Dallas College and RCHS is included as an operating unit in the College's financial statements. More information can be found in Note 25, including Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, Statements of Cash Flows, and other schedules.

### **Organization of Dallas College**

In 1965, Dallas County voters created the Dallas County Junior College District and began operations at El Centro College in 1966 in downtown Dallas. An additional six colleges were added to the district between 1970 and 1978. In 2020, Dallas College received approval to consolidate the seven colleges into one college with seven campuses:

- El Centro Campus (1966) – main campus for accreditation and student aid purposes
- Eastfield Campus (1970)
- Mountain View Campus (1970)
- Richland Campus (1972)
- Cedar Valley Campus (1977)
- North Lake Campus (1977)
- Brookhaven Campus (1978)

A seven-member Board of Trustees is the governing body of the College. The Trustees are elected from single member districts for staggered six-year terms. The Chief Executive Officer of the College is the Chancellor. The Chancellor's executive staff, comprised of the provost, vice chancellors, general counsel, chief officers, and campus presidents, is responsible for the management and daily operation of the College.

### **Mission and Values**

The mission of Dallas College is to transform lives and communities through higher education. Our purpose is to ensure that Dallas is vibrant, growing and economically viable for future generations. The Board of Trustees has established the thematic priorities of:

- Student Success
- Employee Success
- Community Engagement
- Institutional Effectiveness

The Board has developed strategic priorities and initiatives that engage and impact individuals, communities, business sectors, employers, and organizations within each of the thematic priorities.

Together, our campuses enroll more undergraduate (freshman and sophomore) students than any other college, university or community college system in the state of Texas. Since 1965, we have served more than 3 million students by providing:

- The first two years of a bachelor's degree as well as complete bachelor's degrees in Applied Science in Early Childhood Education and Teaching, and Nursing.
- More than 100 high-demand career programs
- Enrichment and certification classes for a lifetime of learning
- Professors who are dedicated to student success, not a research grant
- Unparalleled quality at a tuition that students can afford

Our student population is 19 percent Anglo, 46 percent Hispanic, 20 percent African American, 9 percent Asian, and 9 percent all others combined. The College continues to place an emphasis on diversity, equity, and inclusion in its workforce: 36 percent Anglo, 22 percent Hispanic, 28 percent African American, 8 percent Asian, and 6 percent all others combined.

### **Economic Conditions and Outlook**

Other than Federal grants used for scholarships, Dallas College has three main sources of operating revenue:

- Ad Valorem Taxes – increased by \$14.5 million due to the taxable assessed value increasing. The tax rate decreased slightly.
- Net Tuition and Fees – decreased by \$18.7 million due to an increase in enrollment headcounts offset by increases in dual credit and other enrollment initiatives which provides scholarship of tuition costs to students.
- State Appropriations – increased by \$21.9 million. Appropriations for benefits changed due to accounting of pension liability in 2024.

Certified taxable property values increased by 11.9% in fiscal year 2024 driven primarily by market valuations of residential property in Dallas.

In fiscal year 2024, student headcount increased as the College continued its investments in dual credit programs, workforce initiatives, and programs targeting high demand fields in the marketplace.

Operating expenses increased \$67.9 million in fiscal year 2024 primarily due to increases in instruction, academic support, public service, and operation and maintenance of plant.

Moody's Investors Service, Inc., Standard & Poor's Rating Services, and Fitch Ratings have all reaffirmed their AAA rating on Dallas College's General Obligation bonds.

### **Financial Planning and Budgeting**

Dallas College's financial planning is comprised of three planning processes for schools of study within the College and campus operations:

- Strategic Plan
- Facilities Master Plan
- Annual Budget, including three-year projections

The annual budget process uses an allocation method based largely on three factors:

- Revenues from tuition and state appropriations
- Performance funding based on strategic initiatives
- Facility operations based on building square footage and condition index

Each school of study receives a lump-sum budget allocation, based on total forecasted State appropriations and tuition revenues. This allocation, together with an allocation of the Colleges' fund balance, makes up the total available resources for each school of study's budget. The Provost is responsible for the development and control of the collective schools budget, expenditures, and allocated resources. Campus facilities are administrated centrally. Facilities initiatives are budgeted based on funding from ad valorem taxes and debt funding. The Board of

Trustees approves an operating budget for all operations of the College each fiscal year including any revisions. The Board of Trustees is given updates at least annually on the three-year projections of revenues and expenditures.

The facilities maintenance and improvement plan is developed on a rolling five-year basis and presented to the Board of Trustees. The College completed Facility Master Plans for all campuses which were consolidated into a collegewide plan, prioritized by student needs.

### **Major Initiatives**

In 2020, the Board of Trustees approved the consolidation of seven colleges into one college with multiple campuses. The College completed the consolidation in 2022 and restructured its seven campuses by programs of study. The College continues to improve efficiency, reduce costs, and focus on a student centric model that improves completion and retention while shortening the time to complete a degree or certificate.

In May 2019, the voters authorized \$1.1 billion of general obligation bonds to fund the consolidated collegewide projects. The first tranche of general obligation bonds, Series 2023, was issued in January 2023 and has a par amount of \$325.8 million.

- All projects will be phased over a 6–8-year period.
- Planning for Phase 2 is currently in process.

Major ongoing initiatives include:

- Updates to all information technology equipment and infrastructure
- Support and hypercare for Phase 1 of the new enterprise resource planning system (ERP) that included the finance and human resource modules
- Achievement of milestones for the implementation of Phase 2, the student module, with an expected go-live in the third quarter of FY2025.

### **Independent Audit**

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. The independent firm of certified public accountants of McConnell & Jones, LLP was selected by Dallas College's Board of Trustees starting in fiscal year 2020. In addition to meeting the State statute requirements, the audit is designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related Uniform Guidance and the state of Texas single audit related to the Uniform Grant Management and Standards Single Audit Circular. The auditors' reports related specifically to the single audit are included in the Schedules for Federal and State Single Audit section of Dallas College's annual comprehensive financial report.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College for its annual comprehensive financial report for the fiscal year ended August 31, 2023, for the twelfth consecutive year. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy generally accepted accounting principles and all applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our annual

comprehensive financial report for the fiscal year ended August 31, 2024, continues to meet the Certificate of Achievement program's requirements, and we will be submitting it to the GFOA to determine its eligibility for another certificate.

### **Financial Transparency**

The College continues to provide financial information on its website on the Financial Transparency page: <https://www.dallascollege.edu/about/financial/transparency/pages/default.aspx>. The site includes current and historical data for budgets, audited annual financial reports, bonds, and property tax information.

### **Acknowledgement**

The staff thanks the Board of Trustees for their integrity, interest, and insight concerning the fiscal operations of the College. Also, we wish to thank the Chancellor and the Chancellor's executive staff for their responsible fiscal approach. The timely completion of this report was made possible by the dedication and hard work of the entire Finance staff. We would also like to thank the accounting firm of McConnell & Jones, LLP for their assistance with the audit.

Respectfully submitted,



Tiska S. Thomas,  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Dallas College  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2023

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Dallas College

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of Dallas College, (the "College") as of and for the years ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of August 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

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

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

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



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

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

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

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 through 33 and the Required Supplementary Information on pages 110 through 113, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic



financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards for the year ended August 31, 2024, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas Uniform Grant Management Standards (UGMS) on pages 164 through 173, and the Texas Higher Education Coordinating Board ("THECB") supplemental schedules on pages 122 through 126, are presented for purposes of additional analysis and are not a required part of the financial statements.

Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other information included in the Annual Report***

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section on pages 2 through 12 and on pages 132 through 157, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with Government Auditing Standards, we have also issued our report dated December 3, 2024, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to



## McConnell Jones

provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*McConnell Jones LLP*

Dallas, Texas

December 3, 2024

## DALLAS COLLEGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### (UNAUDITED)

Management's discussion and analysis of the annual financial statements of Dallas College (College) is designed to help readers understand some of the conditions and events contributing to the current financial position of the College as well as to point out trends and changes in the results of operations. Please read it in conjunction with the Chancellor's letter, the transmittal letter, the College's basic financial statements, and notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College. For purposes of the summary and discussion, the terms "2024", "2023", and "2022" refer to fiscal years ended August 31, 2024, August 31, 2023, and August 31, 2022, respectively.

#### FINANCIAL HIGHLIGHTS FOR 2024

- Total assets for 2024 were \$1,756.6 million, decreasing by \$22.7 million from 2023 due to spending restricted funds from bond proceeds. Total liabilities decreased \$29.3 million during 2024 primarily as a result of a decrease in bonds payable. Deferred outflows of resources were \$84.5 million and deferred inflows of resources were \$106.9 million.
- Net position at August 31, 2024 was \$886.8 million, which was an increase of \$22.9 million over 2023.
- Total operating revenues in 2024 were \$103.2 million, down \$41.4 million primarily due to grants and contracts revenues, which were down \$22.3 million. Operating expenses were \$754.5 million, up \$67.9 million from 2023 primarily due to increases in instruction and institutional support. Net non-operating revenues were \$674.2 million, a decrease of \$16.3 million primarily attributed to increases in state appropriations and investment earnings offset by transfer of fiscal 2023 sale proceeds to the Foundation in other non-operating revenues to fund scholarships.
- Bond balances decreased \$61.9 million reflecting scheduled payments and amortization of premiums. Principal payments on bonds decreased \$26.9 million in 2024 as compared to 2023. In May 2019, Dallas County taxpayers approved Dallas College to issue a bond package totaling \$1.1 billion. The first tranche of General Obligation bonds of \$325.8 million were issued in 2023. The proceeds from this issuance were used to fund projects in Phase 1.

#### OVERVIEW OF FINANCIAL STATEMENTS

Dallas College offers higher education and workforce training to Dallas County, Texas and surrounding communities in North Texas. In 2020, Dallas College reorganized its seven previously separate colleges into one accredited college with seven primary campuses. The campuses of the College are:

- El Centro Campus (1966)
- Eastfield Campus (1970)
- Mountain View Campus (1970)
- Richland Campus (1972)
- Cedar Valley Campus (1977)
- North Lake Campus (1977)
- Brookhaven Campus (1978)

The College qualifies as a special-purpose government engaged in business-type activities according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, and the financial statements are prepared on that basis. The resulting financial statement format focuses on the College as a whole. The basic financial statements are designed to emulate the corporate presentation model

**DALLAS COLLEGE**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

whereby the College's fiscal activities are consolidated into one column total. Comparative data from the prior year is shown in a separate column on the face of each of the statements.

The financial position is presented as of August 31, 2024 and 2023 and consists of three primary statements: Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows. As required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, an accrual basis of accounting is employed. This means that transactions are recorded as incurred rather than when cash changes hands.

The Dallas College Foundation, Inc. (Foundation) has been discretely presented in the College's financial statements as a component unit by inclusion of the statements and notes of the Foundation in the College's statements and notes per GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*. Because the financial statements of the Foundation are presented in a different format from the College and are incompatible with the College's financial statements, the Foundation's financial statements are presented on separate pages from the College's financial statements. The Foundation is a non-profit organization established in 1973 with its sole purpose being to provide benefits such as scholarships and grants to the College.

The Richland Collegiate High School (RCHS) is operated by the College under a charter issued by the Texas Education Agency (TEA) in October 2005 and approved by the Board of Trustees of the College in 2006. While RCHS receives state reimbursement based on average daily student attendance, the College receives state funding based on the class contact hours. Because RCHS is not a separately incorporated entity and functions as an operating unit of the College, the legal identity of RCHS is the same as the College. In accordance with TEA's requirement for separate financial reporting for the charter school's activities, more information about RCHS can be found in Note 25, including separate Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, Statements of Cash Flows, and other schedules. In March 2024, the Board elected to cease operations of RCHS effective August 31, 2025.

**DALLAS COLLEGE**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

**Statements of Net Position**

The focus of the Statements of Net Position is to illustrate the financial position at a point in time. These statements present the current financial resources (short-term spendable assets) along with assets planned to be held for more than a year. It also shows amounts owed against those assets and reveals the amount of remaining net position available to the College for further endeavors. In order to show the trends for the two years presented in the Statements of Net Position, a summary of three years of data for the fiscal years ended August 31, 2022, through 2024 is presented in Table 1 below.

**TABLE 1: CONDENSED STATEMENTS OF NET POSITION**  
(In Millions)

	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
<b>ASSETS</b>					
Current Assets	\$ 394.4	\$ 251.1	\$ 121.1	\$ 143.3	\$ 130.0
Capital Assets, net of depreciation	984.3	915.1	812.7	69.2	102.4
Other Non-current Assets	377.9	613.1	390.2	(235.2)	222.9
Total Assets	1,756.6	1,779.3	1,324.0	(22.7)	455.3
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	84.5	79.4	88.7	5.1	(9.3)
<b>LIABILITIES</b>					
Current Liabilities	220.3	207.0	150.6	13.3	56.4
Non-current Liabilities	627.1	669.7	425.9	(42.6)	243.8
Total Liabilities	847.4	876.7	576.5	(29.3)	300.2
<b>DEFERRED INFLOWS OF RESOURCES</b>	106.9	118.1	120.8	(11.2)	(2.7)
<b>NET POSITION</b>					
Net Investment in Capital Assets	690.7	673.5	698.0	17.2	(24.5)
Restricted	188.4	139.5	14.3	48.9	125.2
Unrestricted	7.7	50.9	3.1	(43.2)	47.8
Total Net Position	\$ 886.8	\$ 863.9	\$ 715.4	\$ 22.9	\$ 148.5

## **DALLAS COLLEGE**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **(UNAUDITED)**

##### Changes in Assets

Current assets increased by \$143.3 million in 2024 compared to 2023, mostly from the cash and cash equivalents category as funds were moved from U.S. agency investments to investment pools to take advantage of favorable interest rates. Accounts receivable decreased by \$7.6 million due to a decrease in federal receivables and an increase in receivables allowances.

Current assets increased by \$130.0 million in 2023 compared to 2022, mostly from the cash and cash equivalents category as funds were moved from investment pools to U.S. agency investments to take advantage of more favorable interest rates. Accounts receivable increased by \$12.6 million due to an increase in unbilled receivables.

##### Changes in Deferred Outflows of Resources

Deferred outflows of resources increased by \$5.1 million in 2024 as compared to 2023. Deferred outflows of resources related to pensions increased by \$6.3 million in 2024 compared to 2023 due to the difference between projected and actual investment earnings. Deferred outflows of resources for other post-employment benefits (OPEB) decreased \$0.6 million in 2024 as a result of changes in actuarial assumptions. Net deferred outflows of resources related to debt decreased \$0.6 million for 2024.

Deferred outflows of resources decreased by \$9.3 million in 2023 as compared to 2022. Deferred outflows of resources related to other post-employment benefits decreased by \$22.7 million in 2023 compared to 2022 due to changes in assumptions and changes in proportionate share of employer contributions. Deferred outflows of resources for pensions increased \$14.0 million in 2023 as a result of differences between projected and actual investment earnings. Net deferred outflows of resources related to debt decreased \$0.6 million for 2023.

##### Changes in Liabilities

Current liabilities increased by \$13.3 million in 2024 due to a \$6.9 million increase in current bonds payable and a \$5.2 million increase in unearned revenues. Accounts payable decreased by \$2.6 million due to a decrease in year-end accruals while accrued compensated absences increased \$2.0 million for the year due to increased employee headcount.

Current liabilities increased by \$56.4 million in 2023 due to a \$39.4 million increase in current bonds payable. Accounts payable increased by \$10.8 million due to an increase in year-end accruals.

Non-current liabilities decreased by \$42.6 million in 2024 due to a \$68.7 million decrease in bonds payable. This decrease was offset by a \$25.4 million increase in net pension liability.

Non-current liabilities increased by \$243.8 million in 2023 due to a \$246.8 million increase in bonds payable. This increase was offset by a \$70.3 million decrease in net OPEB liability.

**DALLAS COLLEGE**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

Changes in Deferred Inflows of Resources

Deferred inflows of resources in 2024 compared to 2023 decreased \$11.2 million. Deferred inflows of resources related to OPEB decreased \$6.4 million in 2024 due to changes in proportionate share of employer contributions while deferred inflows of resources related to pension decreased \$4.8 million in 2024 due to changes in actuarial assumptions.

Deferred inflows of resources in 2023 compared to 2022 decreased \$2.7 million. Deferred inflows of resources related to OPEB increased \$45.3 million in 2023 due to the changes in actuarial assumptions while deferred inflows of resources related to pension decreased \$48.0 million in 2023 due to differences in projected and actual investment earnings.

Changes in Net Position

At August 31, 2024, the difference in assets and liabilities was \$886.8 million while at August 31, 2023, the difference was \$863.9 million, an increase of \$22.9 million.

At August 31, 2023, the difference in assets and liabilities was \$863.9 million while at August 31, 2022, the difference was \$715.4 million, an increase of \$148.5 million.

**DALLAS COLLEGE**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

**Statements of Revenues, Expenses, and Changes in Net Position**

The Statements of Revenues, Expenses, and Changes in Net Position presents the operating results, as well as non-operating revenues and expenses. Of the three main sources of revenue — ad valorem taxes, state appropriations, and tuition — only tuition represents an exchange for services. Taxes and state appropriations represent non-exchange transactions and thus are considered non-operating revenues. This approach to presenting revenues and expenses is intended to summarize and simplify the user's analysis of the various services offered to students and the public. Depending on whether revenues or expenses are greater for the year, a net increase or net decrease in net position is created. The ending balances of net position on these statements agree with those shown on the Statements of Net Position (Exhibit 1). Results of operations and non-operating activities are summarized in Table 2 on the following page, which was prepared from the Statements of Revenues, Expenses, and Changes in Net Position (Exhibit 2).

**TABLE 2: REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
(In Millions)

	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
<b>Operating Revenues</b>					
Tuition and Fees (Net)	\$ 56.0	\$ 74.7	\$ 53.3	\$ (18.7)	\$ 21.4
Grants and Contracts	42.4	64.7	57.5	(22.3)	7.2
Auxiliary Enterprises	0.7	0.4	1.0	0.3	(0.6)
Other Operating Revenues	4.1	4.8	2.2	(0.7)	2.6
Total Operating Revenues	103.2	144.6	114.0	(41.4)	30.6
<b>Operating Expenses</b>	754.5	686.6	639.5	67.9	47.1
<b>Operating Loss</b>	(651.3)	(542.0)	(525.5)	(109.3)	(16.5)
<b>Non-Operating Revenues and (Expenses)</b>					
State Appropriations	143.5	121.6	122.0	21.9	(0.4)
Ad Valorem Taxes	417.3	402.8	373.7	14.5	29.1
Federal Revenue	117.0	116.8	111.7	0.2	5.1
Investment Income	45.2	24.6	(16.5)	20.6	41.1
Interest on Capital-Related Debt	(12.0)	(10.4)	(2.5)	(1.6)	(7.9)
Other Non-Operating Revenue (Expense)	(36.8)	35.1	1.7	(71.9)	33.4
Net Non-Operating Revenues	674.2	690.5	590.1	(16.29)	100.4
Increase in Net Position	22.9	148.5	64.5	(125.6)	84.0
Net Position - Beginning of Year	863.9	715.4	650.9	148.5	64.5
Net Position - End of Year	\$ 886.8	\$ 863.9	\$ 715.4	\$ 22.9	\$ 148.5

## DALLAS COLLEGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### (UNAUDITED)

##### Operating Revenues

The two major sources of operating revenues are tuition and various grants and contracts. Tuition revenue is reported net of discounts for tuition paid by various federal, state, and local grants, including those associated with the Title IV Higher Education Administration Program. Additionally, state mandated or locally approved remissions and exemptions are reported as discounts against tuition.

Net tuition decreased by \$18.7 million in 2024 due to an increase in enrollment headcounts offset by increases in dual credit and other enrollment initiatives which provide scholarship of tuition costs to students. Grants and contracts provided 41.1% of operating revenue for 2024, which is a 3.6 % decrease compared to 2023. Auxiliary revenues, including bookstore commissions and vending and food service providers, increased by \$0.3 million in 2024. In 2024, the College continued its efforts to reduce textbook costs to students.

Net tuition increased by \$21.4 million in 2023 due to enrollment increase. Enrollments are expected to continue to increase as the College invests in dual credit programs and workforce initiatives. Grants and contracts provided 44.7% of operating revenue for 2023, which is a 5.7 % decrease compared to 2022. Auxiliary revenues, including bookstore commissions and vending and food service providers, decreased by \$0.6 million in 2023. In 2023, the College continued its efforts begun in 2017 to reduce textbook costs to students.

##### Non-Operating Revenues

State appropriations increased \$21.9 million in 2024 when compared to 2023. Appropriations for benefits changed due to accounting of pension liability in 2024.

State appropriations decreased \$0.5 million in 2023 when compared to 2022. Appropriations for benefits changed due to accounting of OPEB liability in 2022.

Ad Valorem Tax revenue, net of collection fees and bad debt, increased in 2024 by \$14.5 million due to the taxable assessed value increasing. Taxable property values increased by 11.9% in 2024. The tax rates decreased slightly.

Ad Valorem Tax revenue, net of collection fees and bad debt, increased in 2023 by \$29.1 million due to the taxable assessed value increasing. Taxable property values increased by 15.2% in 2023. The tax rates decreased slightly.

Investment income increased \$20.6 million in 2024 compared to 2023. This was due to the increases in interest rates. During 2024, cash and cash equivalents increased by \$148.8 million and total long-term investments decreased by \$171.4 million as funds were moved from U.S. agency investments to investment pools to take advantage of favorable interest rates. Other non-operating revenues (expenses) reflected the contribution to the Foundation to fund a scholarship. The funds for the scholarship were the 2023 proceeds from the sale of education service broadband ("EBS") license to a national cellular provider.

Investment income increased \$41.1 million in 2023 compared to 2022. During 2023, cash and cash equivalents increased by \$78.1 million and total long-term investments increased by \$49.9 million. This was due to the increase in interest rates. Other non-operating revenues increased due to the sale of

## **DALLAS COLLEGE**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **(UNAUDITED)**

education service broadband ("EBS") license to a national cellular provider.

#### **Revenues by Source**

Generally accepted accounting principles, promulgated by GASB, prohibit reporting state appropriations and ad valorem tax revenues — two major sources of revenue — as operating revenue, on the basis that each represents revenue from non-exchange transactions. Accordingly, state appropriations and revenues recognized from ad valorem taxation are reported as non-operating revenues. This results in reporting large operating losses which are significantly decreased after inclusion of these non-operating revenues and others that really are intended to contribute to operations. State appropriations are restricted by law to be used only for the educational and general expenses of its prime operations. Ad valorem tax revenues are broken into two types: those for maintenance and operations and those for debt service. The maintenance and operations portion is specifically designed to apply to operations, although a portion can be used for paying the debt service on tax notes. The debt service portion is restricted to pay the principal, interest, and other costs associated with tax backed bonds (General Obligation and Refunding Bonds). Interest revenue is obtained through pooled investments, a large portion of which is attributable to operations. Also, federal financial aid is classified as non-operating revenue by GASB even though the portion that relates to tuition is required to be reported as a tuition discount against operations.

All revenues, both operating and non-operating, are presented on the following page in Table 3 and a graph of Revenue by Source (Figure 1).

# DALLAS COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

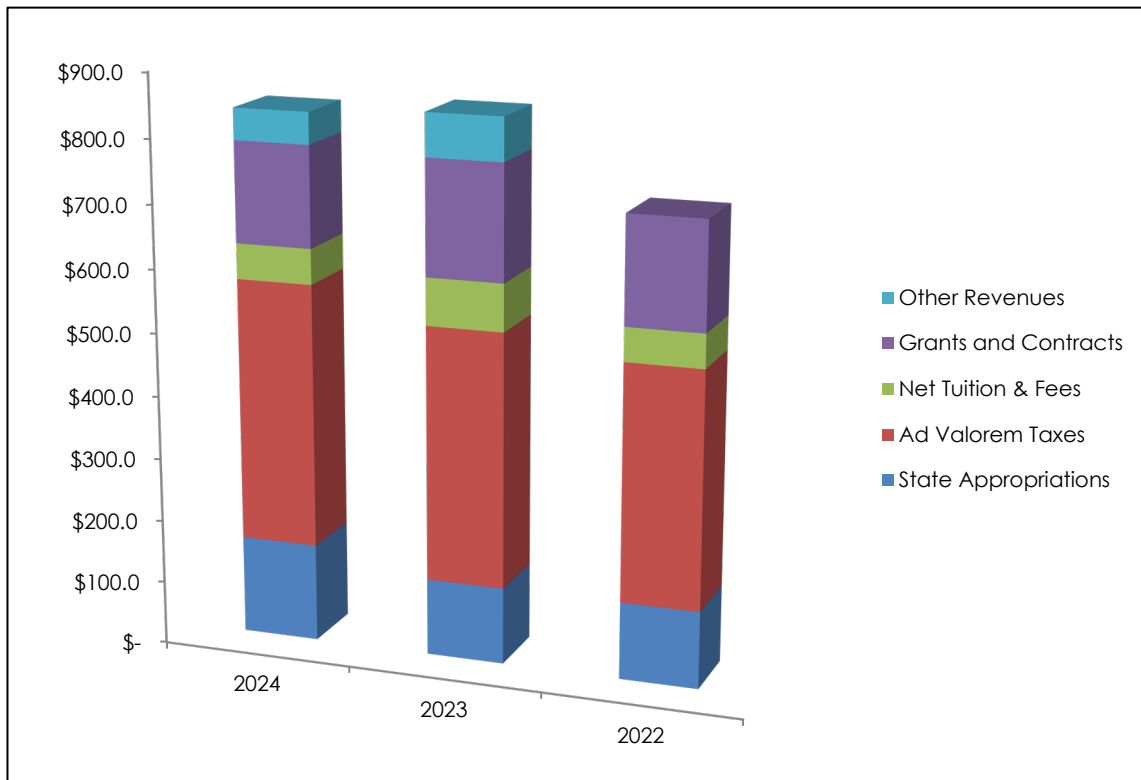
(UNAUDITED)

**TABLE 3: REVENUE BY SOURCE**  
(In Millions)

Revenue Sources	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
State Appropriations	\$ 143.5	\$ 121.5	\$ 122.0	\$ 21.9	\$ (0.5)
Ad Valorem Taxes	417.3	402.8	373.7	14.5	29.1
Net Tuition & Fees	56.0	74.7	53.3	(18.7)	21.4
Grants and Contracts	159.4	181.4	169.1	(22.0)	12.3
Investments	45.2	24.6	(16.5)	20.6	41.1
Auxiliary Enterprises	0.7	0.4	1.0	0.3	(0.6)
Other Revenues	4.1	42.8	5.6	(38.7)	37.2
Total Revenues	\$ 826.2	\$ 848.2	\$ 708.2	\$ (22.1)	\$ 140.0

### REVENUE BY SOURCE

Figure 1



## DALLAS COLLEGE

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

(UNAUDITED)

#### Operating Expenses

Total Operating Expenses were \$754.5 million in 2024 and \$686.6 million in 2023 for an increase of \$67.9 million. Increases in the instruction category were primarily due to headcount increases for vacant and additional positions to meet community needs for skilled workforce instruction. Operating expenses for scholarships decreased by \$29.9 million.

Total Operating Expenses were \$686.6 million in 2023 and \$639.5 million in 2022 for an increase of \$47.1 million. Increases in the instruction category increased primarily for faculty additions and vacancies. Operating expenses for scholarships increased by \$17.5 million.

Operating Expenses are presented in two formats: Natural Classification and Functional Classification. The Natural Classification is intended to show "what" the dollars were spent on and the Functional Classification shows "who" spent the dollars.

#### Natural Classification

In 2024, salary expense increased \$40.9 million over 2023 primarily due to salary increases of 5% for employees except for highly compensated administrators who received increases of 2%, adjustments related to a compensation comparative market study and an increase in the number of faculty, support staff and administrative positions in expectation of projected enrollment growth in skilled workforce instruction. Benefits increased by \$20.8 million in 2024. Scholarships decreased \$29.9 million primarily in CARES Act funding. Supplies and services increased \$31.7 million in 2024 as compared to 2023 primarily due to continuing facilities maintenance initiatives and non-capital equipment upgrades.

In 2023, salary expenses increased \$18.5 million over 2022 primarily due to salary increases of 5%, adjustments of faculty and safety and security salaries and an increase in number of positions in Learning Commons, including student tutoring. Benefits increased by \$3.6 million in 2023. Scholarships increased \$15.9 million primarily in Title IV funds and CARES Act funding. Supplies and services increased \$12.7 million in 2023 as compared to 2022 primarily due to facilities maintenance initiatives.

#### Functional Classification

Instruction and institutional support, at \$218.3 million and \$174.9 million, respectively, represented the largest expense categories in 2024. Instructional costs increased \$47.3 million in 2024 as compared to 2023. Public service decreased \$33.1 million as CARES Act funding ended. Operations and maintenance of plant increased \$11.5 million in 2024 from 2023 due to infrastructure projects. Student services increased \$16.0 million in 2024 due to investment in student centric operations such as counseling and basic needs services as well as enhanced advisory and enrollment management teams. Scholarships and fellowships decreased \$29.9 million in 2024.

# DALLAS COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

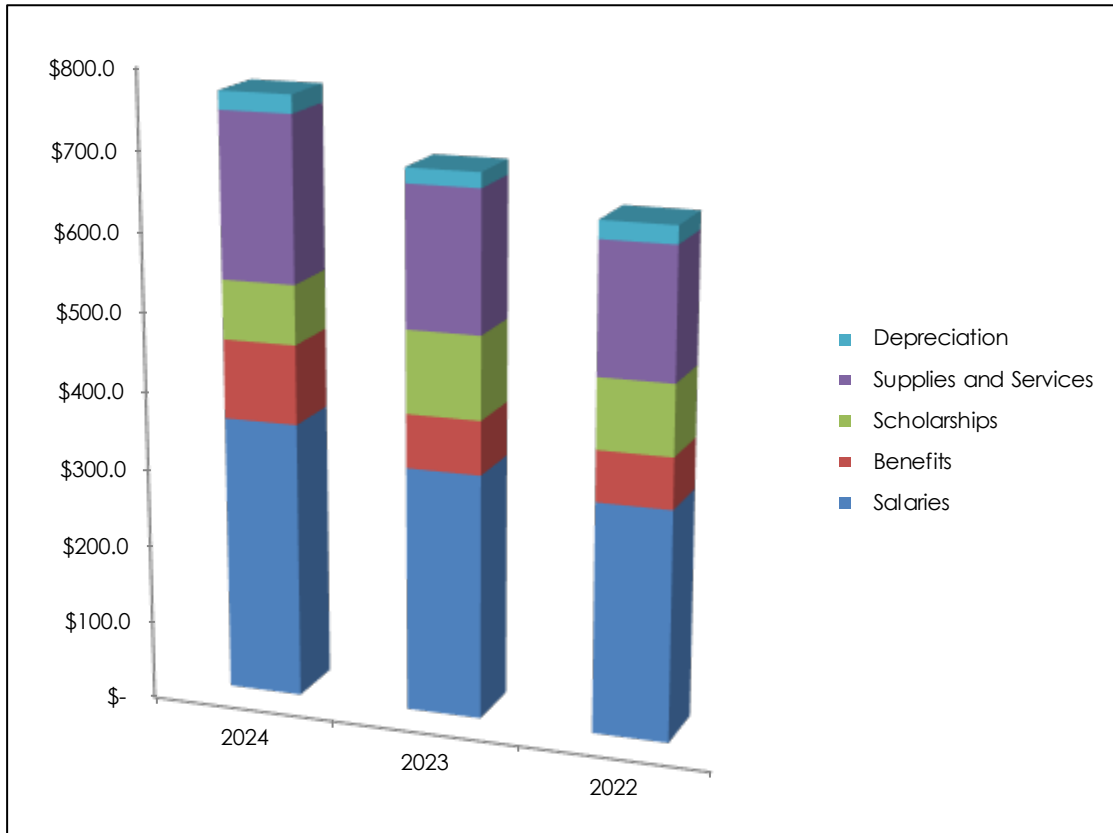
(UNAUDITED)

**TABLE 4: OPERATING EXPENSES – NATURAL CLASSIFICATION**  
(In Millions)

OPERATING EXPENSES	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
Salaries	\$ 354.5	\$ 313.6	\$ 295.1	\$ 40.9	\$ 18.5
Benefits	89.5	68.7	65.1	20.8	3.6
Scholarships	75.9	105.8	89.9	(29.9)	15.9
Supplies and Services	210.8	179.1	166.4	31.7	12.7
Depreciation	23.7	19.4	23.0	4.3	(3.6)
Total Operating Expenses	\$ 754.5	\$ 686.6	\$ 639.5	\$ 67.9	\$ 47.1

### OPERATING EXPENSES – NATURAL CLASSIFICATION

Figure 2



# DALLAS COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

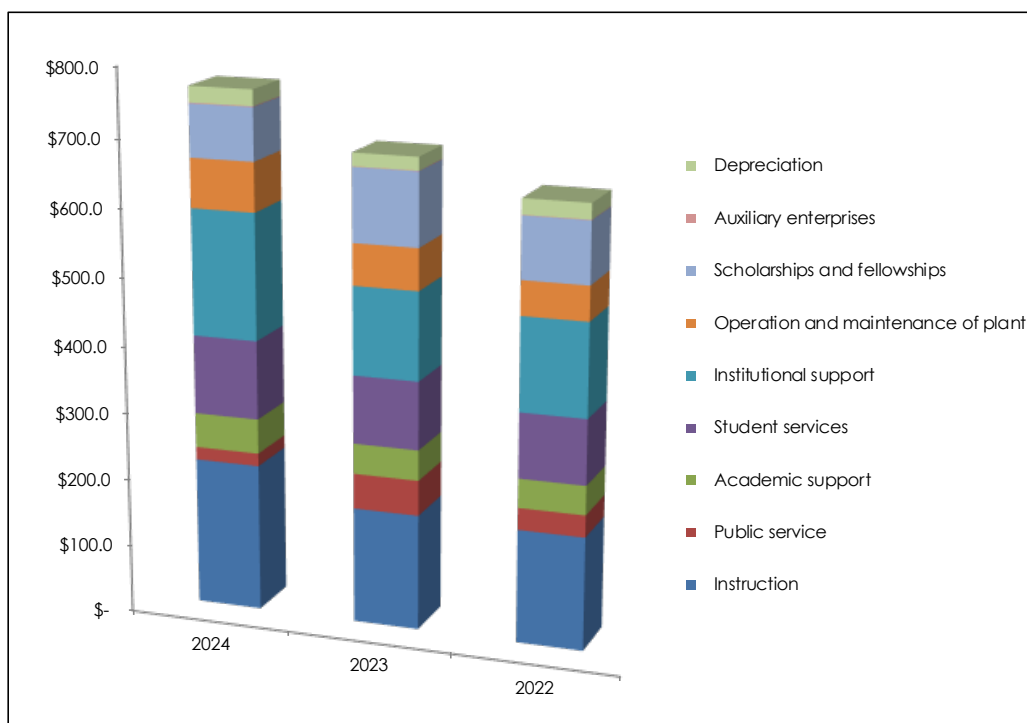
(UNAUDITED)

**TABLE 5: OPERATING EXPENSES – FUNCTIONAL CLASSIFICATION**  
(In Millions)

OPERATING EXPENSES	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
Instruction	\$ 218.3	\$ 171.0	\$ 167.5	\$ 47.3	\$ 3.5
Public service	18.9	52.0	32.3	(33.1)	19.7
Academic support	51.3	44.9	42.9	6.4	2.0
Student services	116.3	100.3	95.8	16.0	4.5
Institutional support	174.9	129.9	137.1	45.0	(7.2)
Operation and maintenance of plant	72.6	61.1	50.4	11.5	10.7
Scholarships and fellowships	77.4	107.3	89.8	(29.9)	17.5
Auxiliary enterprises	1.1	0.7	0.7	0.4	-
Depreciation	23.7	19.4	23.0	4.3	(3.6)
Total Operating Expenses	\$ 754.5	\$ 686.6	\$ 639.5	\$ 67.9	\$ 47.1

### OPERATING EXPENSES – FUNCTIONAL CLASSIFICATION

Figure 3



## **DALLAS COLLEGE**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

#### **The Foundation**

For the fiscal year ended August 31, 2024, the Foundation's total liabilities and net assets were \$120.3 million. The Foundation's liabilities and net assets were \$73.6 million at August 31, 2023. The income from the Foundation is partially used to fund scholarships and grants for the students and employees of the College. However, most of the Foundation's net assets are restricted; and therefore, not available for the College's direct use. Net assets of the Foundation with donor restrictions that are perpetual in nature were \$70.3 million and \$35.7 million for the fiscal years ended August 31, 2024 and 2023, respectively.

#### **Statements of Cash Flows**

The Statements of Cash Flows combine information from the Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position to illustrate the effect of various actions of the College on the availability and ultimate change in the amount of cash from one year to the next. The cash provided or used by operations, capital and non-capital financing, and investing activities combine to show the net change in cash and cash equivalents. The final portion of the Statements of Cash Flows reconciles the net loss from operations to the cash used by operating activities.

#### **Capital Asset and Debt Administration**

For the fiscal year ended August 31, 2024, net capital assets increased \$69.2 million from the fiscal year ended August 31, 2023. Net capital assets increased by \$102.4 million in fiscal 2023 as compared to the fiscal year ended August 31, 2022. More information on Capital Assets can be found in Note 5 and Notes 6-9 for Long-Term Debt activity.

# DALLAS COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

(UNAUDITED)

**TABLE 6: NET CAPITAL ASSETS**  
(In Millions)

	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
CAPITAL ASSETS:					
Land	\$ 38.9	\$ 38.9	\$ 38.9	\$ -	\$ -
Buildings & Building Improvements	1,017.3	931.7	931.7	85.6	-
Land Improvements	62.3	59.2	59.2	3.1	-
Equipment, Furniture, and Software	79.7	73.4	100.9	6.3	(27.5)
Library Books	8.8	8.8	8.8	-	-
Construction In Progress	326.6	329.8	220.3	(3.2)	109.5
Total	1,533.6	1,441.8	1,359.8	91.8	82.0
Less Accumulated Depreciation	(549.3)	(526.7)	(547.1)	(22.6)	20.4
Net Capital Assets	\$ 984.3	\$ 915.1	\$ 812.7	\$ 69.2	\$ 102.4

In October 2021, the College issued \$51,000,000 of Tax Notes (Series 2021 Notes). The proceeds of the notes are being used to pay for planned technology upgrades associated with various facilities of the College.

Dallas College also issued \$22,450,000 of the Series 2022 General Obligation Refunding Bonds, Taxable Series, an early refunding of the 2016 General Obligation Refunding Bonds.

On January 5, 2023, the College issued the first tranche of General Obligation bonds approved by the voters in the May 2019 \$1.1 billion bond election. The Series 2023 Bonds have a par amount of \$325,845,000.

# DALLAS COLLEGE

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

(UNAUDITED)

Principal and interest for bond payments are shown in Table 7 below:

**TABLE 7: BOND PAYMENTS**  
(In Millions)

	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
GO Bonds	\$ 37.3	\$ 18.5	\$ -	\$ 18.8	\$ 18.5
GO Refunding Bonds	9.7	55.5	10.5	(45.8)	45.0
Tax Notes	9.7	9.6	45.4	0.1	(35.8)
Total	\$ 56.7	\$ 83.6	\$ 55.9	\$ (26.9)	\$ 27.7

The total of all bonds outstanding are shown in Table 8 below:

**TABLE 8: TOTAL LONG TERM DEBT OUTSTANDING**  
(In Millions)

	Fiscal Year			Change	
	2024	2023	2022	2024 to 2023	2023 to 2022
GO Bonds	\$ 292.8	\$ 335.2	\$ -	\$ (42.4)	\$ 335.2
GO Refunding Bonds	36.2	45.9	85.2	(9.7)	(39.3)
Tax Notes	12.4	22.2	31.8	(9.8)	(9.6)
Totals	\$ 341.4	\$ 403.3	\$ 117.0	\$ (61.9)	\$ 286.3

Standard & Poor's Rating Services, Moody's Investors Service, Inc., and Fitch Ratings all assigned their highest credit rating of "AAA" for the College's General Obligation bonds. Some of the reasons cited for the rating were (1) a strong tax base, (2) flexible revenue sources, and (3) strong fiscal management. There are only a handful of community colleges in the country that have the highest rating from all three rating agencies. Fitch Ratings reaffirmed their AAA rating of Dallas College in 2024. Standard & Poor's reaffirmed their rating in 2022, and Moody's reaffirmed their rating in 2017.

In fiscal year 2019, the College voters authorized \$1.1 billion of General Obligation bonds to fund College projects which were prioritized by student needs. The projects were expected to be phased over a six-to-eight-year period. General Obligation bonds of \$325.8 million were issued in 2023. This was for Phase 1 of the \$1.1 billion authorized amount. Planning for Phase 2 remains in process.

At the Board of Trustee's meeting held August 13, 2024, authorization was given to execute the defeasance up to a total of \$7.0 million of certain existing debt. The defeasance is expected to occur in 2025.

## **DALLAS COLLEGE**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**(UNAUDITED)**

#### **Currently Known Facts, Decisions and Conditions**

At its September 2024 meeting, the Board of Trustees adopted a tax rate of \$0.086058 for maintenance and operations and \$0.019537 for debt service. The certified tax assessed value increased for fiscal year 2025 by 9.6%.

Initiatives approved by the Board in 2019, which include improvements to Information Technology infrastructure and Public Safety and Security at all locations, continued throughout 2024 and will be completed in 2025. In 2023, the College implemented the first phase of the new enterprise resource planning system (ERP) that included the finance and human resource modules. Phase 2, which includes the student module, began discovery in the third quarter of 2023 and is expected to go-live in the third quarter of 2025.

#### **Contacting Dallas College's Financial Management**

This financial report is designed to provide the College's citizens, taxpayers, students, investors, and creditors with a general overview of its finances and to demonstrate accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of Finance at 4343 IH-30, Mesquite, Texas 75150-2018 or visit our "Financial Transparency" link at the bottom of our homepage: <https://www.dallascollege.edu/pages/default.aspx>.

For financial information about the Dallas College Foundation, Inc., please contact the Foundation at Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, Texas 75215-1816 or visit the Foundation's website at: <https://foundation.dallascollege.edu/financials>

## **FINANCIAL STATEMENTS**

**DALLAS COLLEGE**

**STATEMENTS OF NET POSITION**  
**AUGUST 31, 2024 AND 2023**  
**EXHIBIT 1**

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 319,022,505	\$ 106,496,013
Short-term investments	-	59,428,530
Accounts receivable (net of allowance for uncollectible accounts)	32,499,950	42,227,591
Tuition and fees receivable (net of allowance for uncollectible accounts)	21,372,362	19,084,803
Taxes receivable (net of allowance for uncollectible accounts)	2,675,393	2,861,628
Accrued charges, net	16,385,365	14,745,331
Inventories	-	183,315
Prepaid expenses	2,414,731	6,053,143
<b>Total current assets</b>	<b>394,370,306</b>	<b>251,080,354</b>
<b>NON-CURRENT AND RESTRICTED ASSETS:</b>		
Restricted cash and cash equivalents	150,121,813	213,890,796
Long-term investments	227,838,650	399,216,692
Capital assets, net		
Not subject to depreciation	365,489,785	368,768,078
Subject to depreciation	618,820,871	546,340,053
<b>Total non-current assets</b>	<b>1,362,271,119</b>	<b>1,528,215,619</b>
<b>TOTAL ASSETS</b>	<b>1,756,641,425</b>	<b>1,779,295,973</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on bond refunding	1,050,757	1,642,651
Deferred outflows of resources related to pensions	56,877,168	50,606,801
Deferred outflows of resources related to OPEB	26,552,618	27,145,295
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	42,809,862	45,448,152
Accrued liabilities	9,608,580	8,614,539
Accrued interest	664,003	767,556
Accrued compensable absences	13,110,186	11,105,027
Funds held for others	2,379,862	1,954,271
Unearned revenues	77,119,508	71,923,385
Net OPEB liability - current portion	5,916,651	5,463,608
Bonds payable - current portion	68,695,496	61,752,385
<b>Total current liabilities</b>	<b>220,304,148</b>	<b>207,028,923</b>
<b>NON-CURRENT LIABILITIES:</b>		
Accrued compensable absences	5,656,184	5,826,624
Net pension liability	143,057,386	117,653,085
Net OPEB liability	205,608,387	204,692,556
Bonds payable	272,809,586	341,505,082
<b>Total non-current liabilities</b>	<b>627,131,543</b>	<b>669,677,347</b>
<b>TOTAL LIABILITIES</b>	<b>847,435,691</b>	<b>876,706,270</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred gain on leases	5,547,979	5,599,980
Deferred inflows of resources related to pensions	10,706,988	15,492,731
Deferred inflows of resources related to OPEB	90,619,445	96,975,863
<b>NET POSITION</b>		
Net investment in capital assets	690,688,947	673,509,939
Restricted for:		
Debt service	188,380,838	139,512,117
Unrestricted	7,742,080	50,893,820
<b>TOTAL NET POSITION (Schedule D)</b>	<b>\$ 886,811,865</b>	<b>\$ 863,915,876</b>

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

**DALLAS COLLEGE FOUNDATION, INC.**  
(A Texas Nonprofit Organization)

STATEMENTS OF FINANCIAL POSITION

August 31, 2024 and 2023

EXHIBIT 1A

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 39,320,086	\$ 3,289,588
Accrued interest and dividends receivable	463,157	409,259
Pledges receivable, net	-	18,429
Other assets	-	6,700
Investments	80,556,401	69,849,384
	<b>120,339,644</b>	<b>73,573,360</b>
Total assets	<b>\$ 120,339,644</b>	<b>\$ 73,573,360</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Due to affiliate	\$ 56,562	\$ 81,462
Accounts payable	54,860	55,717
	<b>111,422</b>	<b>137,179</b>
Total liabilities	<b>111,422</b>	<b>137,179</b>
Net assets:		
Without Donor Restrictions	16,732,557	7,673,546
With Donor Restrictions:		
Purpose restrictions	33,202,939	30,022,901
Perpetual in nature	70,292,726	35,739,734
	<b>103,495,665</b>	<b>65,762,635</b>
Total net assets	<b>120,228,222</b>	<b>73,436,181</b>
Total liabilities and net assets	<b>\$ 120,339,644</b>	<b>\$ 73,573,360</b>

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

# DALLAS COLLEGE

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023 EXHIBIT 2

	<b>2024</b>	<b>2023</b>
<b>OPERATING REVENUES:</b>		
Tuition and charges (net of discounts of \$85,272,813 and \$58,112,717, respectively)	\$ 55,970,431	\$ 74,715,056
Federal grants and contracts	27,550,480	54,556,753
State grants and contracts	10,702,115	7,977,862
Non-governmental grants and contracts	4,119,908	2,122,860
Sales and services of educational activities	102,951	128,238
Auxiliary enterprises	731,125	448,023
General operating revenues	<u>4,017,900</u>	<u>4,674,338</u>
 Total operating revenues (Schedule A)	 103,194,910	 144,623,130
<b>OPERATING EXPENSES:</b>		
Instruction	218,332,817	170,965,411
Public service	18,855,802	51,958,176
Academic support	51,355,110	44,917,120
Student services	116,306,014	100,287,144
Institutional support	174,883,254	129,904,498
Operation and maintenance of plant	72,552,806	61,142,815
Scholarships and fellowships	77,399,804	107,270,607
Auxiliary enterprises	1,127,614	689,086
Depreciation	<u>23,670,287</u>	<u>19,440,434</u>
 Total operating expenses (Schedule B)	 <u>754,483,508</u>	 <u>686,575,291</u>
<b>OPERATING LOSS</b>	 (651,288,598)	 (541,952,161)
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
State appropriations	143,460,479	121,553,838
Ad valorem taxes (net of bad debt and collection fee of \$5,081,245 and \$5,033,217, respectively)	417,271,539	402,808,975
Federal revenue, non-operating	117,073,183	116,776,935
Investment income (loss)	45,265,596	24,633,734
Interest on capital related debt	(12,038,878)	(10,360,636)
Loss on disposal of capital assets & easement rights	(325,321)	(324,688)
Other non-operating revenue	10,989	37,816,579
Other non-operating expense	<u>(36,533,000)</u>	<u>(2,438,499)</u>
 Net non-operating revenues (Schedule C)	 674,184,587	 690,466,237
<b>INCREASE IN NET POSITION</b>	 22,895,989	 148,514,076
<b>NET POSITION:</b>		
Net Position—Beginning of Year	<u>863,915,876</u>	<u>715,401,800</u>
 Net Position—End of Year	 <u>\$ 886,811,865</u>	 <u>\$ 863,915,876</u>

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

**DALLAS COLLEGE FOUNDATION, INC.**

(A Texas Nonprofit Organization)

**STATEMENT OF ACTIVITIES**

Year Ended August 31, 2024

**EXHIBIT 2A**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES</b>			
Contributions	\$ 234,633	\$ 43,506,955	\$ 43,741,588
Interest and dividend income	1,012,180	1,679,829	2,692,009
Contributed salaries	1,277,663	-	1,277,663
Net realized and unrealized (losses)/gain on investments, net	9,246,192	395,987	9,642,179
Net assets released from restrictions	7,855,721	(7,855,721)	-
Total revenues	<u>19,626,389</u>	<u>37,727,050</u>	<u>57,353,439</u>
<b>EXPENSES</b>			
Program services:			
Scholarship awards	3,315,342	-	3,315,342
Grants	4,701,552	-	4,701,552
Total program services	<u>8,016,894</u>	<u>-</u>	<u>8,016,894</u>
Non-program services:			
Management and general	1,878,134	-	1,878,134
Fundraising	666,370	-	666,370
Total non-program services	<u>2,544,504</u>	<u>-</u>	<u>2,544,504</u>
Total expenses	<u>10,561,398</u>	<u>-</u>	<u>10,561,398</u>
Transfers between funds, based on donor instructions	(5,980)	5,980	-
Change in net assets	9,059,011	37,733,030	46,792,041
Net assets, beginning of year	<u>7,673,546</u>	<u>65,762,635</u>	<u>73,436,181</u>
Net assets, end of year	<u>\$ 16,732,557</u>	<u>\$ 103,495,665</u>	<u>\$ 120,228,222</u>

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

**DALLAS COLLEGE FOUNDATION, INC.**

(A Texas Nonprofit Organization)

STATEMENT OF ACTIVITIES  
For the Year Ended August 31, 2023  
EXHIBIT 2A Continued

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES</b>			
Contributions	\$ 108,560	5,706,267	\$ 5,814,827
Interest and dividend income	830,024	928,422	1,758,446
Contributed salaries	1,251,838	-	1,251,838
Net realized and unrealized gains on investments, net	3,943,159	353,809	4,296,968
Net assets released from restrictions	5,808,921	(5,808,921)	-
	<u>11,942,502</u>	<u>1,179,577</u>	<u>13,122,079</u>
<b>EXPENSES</b>			
Program services:			
Scholarship awards	1,555,163	-	1,555,163
Grants	4,426,273	-	4,426,273
	<u>5,981,436</u>	<u>-</u>	<u>5,981,436</u>
Total program services	<u>5,981,436</u>	<u>-</u>	<u>5,981,436</u>
Non-program services:			
Management and general	1,019,929	-	1,019,929
Fundraising	612,367	-	612,367
	<u>1,632,296</u>	<u>-</u>	<u>1,632,296</u>
Total non-program services	<u>1,632,296</u>	<u>-</u>	<u>1,632,296</u>
	<u>7,613,732</u>	<u>-</u>	<u>7,613,732</u>
Total expenses	<u>7,613,732</u>	<u>-</u>	<u>7,613,732</u>
Transfers between funds, based on donor instructions	600	(600)	-
Change in net assets	4,329,370	1,178,977	5,508,347
Net assets, beginning of year	3,009,936	64,917,898	67,927,834
Prior Period Adjustment	334,240	(334,240)	
Net assets, end of year	<u>\$ 7,673,546</u>	<u>\$ 65,762,635</u>	<u>\$ 73,436,181</u>

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

**DALLAS COLLEGE**

**STATEMENTS OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**  
**EXHIBIT 3**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from students and other customers	\$ 61,666,594	\$ 63,410,215
Receipts from grants and contracts	48,262,962	54,995,417
Payments to suppliers for goods and services	(209,618,182)	(171,563,602)
Payments to or on behalf of employees	(429,528,079)	(374,207,357)
Payments for scholarships and fellowships	(77,474,605)	(108,493,623)
Other receipts	4,017,900	4,674,338
Net cash used by operating activities	<u>(602,673,410)</u>	<u>(531,184,612)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Receipts from ad valorem taxes	421,573,847	408,639,331
Payments for collection of taxes	(4,116,073)	(3,777,213)
Receipts from state appropriations	143,460,479	128,343,392
Receipts from federal grants for non-operating activities	117,045,657	116,825,729
Receipts from federal student direct loan program	24,607,297	26,561,839
Payments of federal direct loans to students	(24,579,771)	(26,610,633)
Receipts from student organizations and other agency transactions	1,883,547	(1,323,564)
Payments to student organizations and other agency transactions	(1,457,956)	1,683,250
Receipts in aid of non-capital activities	10,987	37,816,579
Transfer of funds to related party for scholarships	(36,530,000)	(2,438,499)
Net cash provided by non-capital financing activities	<u>641,898,014</u>	<u>685,720,211</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
Proceeds on issuance of capital debt	-	349,583,158
Proceeds from the sale of capital assets	14,711	86,350
Purchases of capital assets	(93,248,051)	(122,230,428)
Payments on capital debt - principal	(56,840,000)	(61,165,000)
Payments on capital debt - interest	(16,465,923)	(12,375,354)
Net cash used by capital and related financing activities	<u>(166,539,263)</u>	<u>153,898,726</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales and maturities of investments	242,815,000	176,200,738
Proceeds from interest on investments	33,257,168	23,296,909
Purchases of investments	-	(256,835,738)
Net cash provided (used) by investing activities	<u>276,072,168</u>	<u>(57,338,091)</u>
INCREASE (DECREASE) CASH AND CASH EQUIVALENTS	148,757,509	251,096,234
CASH AND CASH EQUIVALENTS, SEPTEMBER 1	<u>320,386,809</u>	<u>69,290,575</u>
CASH AND CASH EQUIVALENTS, AUGUST 31	<u>\$ 469,144,318</u>	<u>\$ 320,386,809</u>

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

**DALLAS COLLEGE**

**STATEMENTS OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**  
**EXHIBIT 3**  
**(CONTINUED)**

	<u>2024</u>	<u>2023</u>
<b>Reconciliation of net operating loss to net cash used by operating activities</b>		
Operating loss	\$ (651,288,598)	\$ (541,952,161)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	23,670,287	19,440,434
Bad debt expense	9,357,876	6,779,900
Payments made directly by State for benefits	(11,774,845)	(6,789,554)
Changes in assets and liabilities:		
Receivables (net)	(2,474,478)	(23,153,156)
Accrued charges	(1,640,033)	(2,386,071)
Inventories	183,315	-
Prepaid expenses	3,638,412	(2,626,417)
Accounts payable	(2,638,290)	10,791,459
Accrued liabilities	994,041	57,765
Compensable absences	1,834,719	908,968
Pension liability	37,179,146	65,454,828
Other Post Employment Benefits Liability	1,368,874	(70,589,250)
Deferred outflows of resources - pension	(6,270,367)	(14,040,691)
Deferred outflows of resources - other post employment benefits	592,677	22,724,713
Deferred outflows of resources - debt	591,893	634,796
Deferred inflows of resources - pension	(4,785,743)	(48,033,822)
Deferred inflows of resources - other post employment benefits	(6,356,418)	45,329,360
Deferred inflows of resources - lease	(52,001)	(48,150)
Unearned revenue	5,196,123	6,312,437
Net cash used by operating activities	<u>\$ (602,673,410)</u>	<u>\$ (531,184,612)</u>
<b>Non-cash investing, capital and financing activities:</b>		
Loss on refunding, net of amortization	\$ -	\$ 634,796
Change in fair value of investments	(11,709,405)	(2,300,758)
Amortization of premium on bonds	4,912,385	(4,051,404)
	<u>\$ (6,797,020)</u>	<u>\$ (5,717,366)</u>

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

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 1. REPORTING ENTITY

Dallas College (College) was established in 1965 in accordance with the laws of the State of Texas to serve the educational needs of Dallas County and the surrounding communities. The College is considered to be a special purpose, primary government involved in business-type activities in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 61, *The Financial Reporting Entity: Omnibus---An Amendment of GASB Statements No. 14 and No. 3*. While the College receives funding from local, state, and federal sources and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

In March 2020, the College's Board of Trustees issued a resolution to reorganize from seven separately accredited colleges into one accredited college with seven primary campuses and to effect a name change of the College. In May 2020, applications made to the Southern Association of Colleges and Schools Commission on Colleges and the Texas Higher Education Coordinating Board for the changes were approved. Effective July 1, 2020, the Dallas College name change and reorganization was implemented. The implementation had no effect on financial statements issued for Fiscal 2020 or prior fiscal years as the financial statements have, since inception, been presented on a consolidated basis for all operations. The College is now comprised of seven primary campuses offering higher education and workforce training to Dallas County, Texas and surrounding communities in North Texas. The primary campuses are:

- El Centro Campus (established 1966) – main campus
- Eastfield Campus (established 1970)
- Mountain View Campus (established 1970)
- Richland Campus (established 1972)
- Cedar Valley Campus (established 1977)
- North Lake Campus (established 1977)
- Brookhaven Campus (established 1978)

In evaluating how to define the College for financial reporting purposes, management has considered all potential component units, including the Dallas College Foundation, Inc. (Foundation). The Foundation is a separate non-profit organization, and its sole purpose is to provide benefits such as scholarships and grants to the students, faculty, and staff of the College, as well as raise money to support capital projects. The Foundation is a legally separate entity which does not provide a financial benefit or impose a financial burden on the College. The College does not appoint any of the Foundation's board members. The financial position and results of operations of the Foundation are included in these financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus---An Amendment of GASB Statements No. 14 and No. 34*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14*, as an affiliated entity because the Foundation's sole function is to fund the College and its students. The complete financials of the Foundation are located on their website at: <https://foundation.dallascollege.edu/financials> or request a copy by writing to: Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, TX. 75215-1816.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Guidelines**—The College is classified as a special-purpose government engaged in business-type activities. The Statements of Net Position display the financial position of the College at the end of each fiscal year and the Statements of Revenues, Expenses, and Changes in Net Position display the operations of the College for the fiscal years ended August 31, 2024 and 2023. The financial statements are prepared using the economic resources measurement focus and the full accrual method of accounting.

The significant accounting policies followed by the College in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The accompanying financial statements also comply with the *Annual Financial Reporting Requirements for Texas Public Community Colleges* established by the Texas Higher Education Coordinating Board (THECB). The College applies all applicable GASB pronouncements.

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

#### **Tuition Discounting**

##### *Texas Public Education Grant (TPEG)*

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called TPEG, is shown with tuition revenue amounts on Schedule A as a separate amount (Texas Education Code §56.0333). When the award for tuition is used by the student, the amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

##### *Title IV, Higher Education Administration (HEA) Program Funds*

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

##### *Other Tuition Discounts*

The College awards certain tuition scholarships from institutional and grant funds to students who qualify. The College also applies certain State or College programs that provide full or partial tuition exemptions to students who qualify. When these amounts are transferred to the

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

student for tuition, the amounts are recorded as tuition revenue and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, College records the amount as a scholarship expense.

**Basis of Accounting**—The financial statements of the College have been prepared on the accrual basis, whereby all revenues are recorded when earned and expenses are recorded when they become a legal or contractual obligation to pay.

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

**Investments**—In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity greater than one year at time of purchase.

**Inventories**—Inventories consist of consumable office and physical plant supplies. Inventories are valued at cost under the first-in, first-out method and are charged to expense as consumed.

**Accrued Charges**—Current accrued charges represent expenses for grants, scholarships, and fellowships related to the periods after August 31, 2024 and 2023, respectively.

The College defers and amortizes the production costs associated with instructional television programs and other related materials on a straight-line basis over the estimated useful life of such media, which ranges from two to five years. These materials are produced and used both internally for instruction and for lease by the College to other educational institutions. At August 31, 2024 and 2023, respectively, the College had no deferred production costs.

**Capital Assets**—Capital assets are stated at cost as of the date of acquisition. Donated capital assets are stated at acquisition value in accordance with GASB Statement No. 72, defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The College reports depreciation under a single-line item as a business-type unit. For equipment, the College's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Library materials purchased during the fiscal year in an aggregate amount of \$5,000 or more are subject to capitalization and depreciation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expenses in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Equipment, furniture, telecommunications, and peripheral equipment apply depreciation on a half-month

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

convention. A full-year convention is applied for buildings, facilities, land improvements, and library books. Estimated useful lives of capital assets are established according to the following:

Buildings	50 years
Facilities and other improvements	20 years
Library books	15 years
Furniture, machinery, vehicles, and other equipment	5 - 10 years
Major maintenance initiatives	10 years
Telecommunications and peripheral equipment	5 years

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

**Pensions**—The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multi-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS' fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**Unearned Revenues**—Tuition and federal, state, and local grant revenue received that relates to a future period have been reported by the College as unearned revenues at August 31.

**Deferred Outflows of Resources**—The Statements of Net Position include a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows of resources in circumstances specifically authorized by GASB.

**Deferred Inflows of Resources**—The Statements of Net Position also include a section for deferred inflows of resources, which represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows of resources in circumstances specifically authorized by GASB.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

**Estimates**—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, the College is aware that actual results could differ from those estimates.

**Operating and Non-Operating Revenues and Expenses Policy**—The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and contracts and grants. Other Operating Revenues consist of a variety of miscellaneous revenues that include such items as child care center revenues, room rental income, ticket sales, credit by exam income, and other miscellaneous income not applicable to any other category. The major non-operating revenues are state appropriations, property tax collections, and Title IV federal revenues not discounted against tuition. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operations of the bookstore and food service are performed by a third party contracted by the College.

**Use of Restricted Resources**—The College's practice is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**Compensated Absences**—The College's policy is to accrue employee annual leave as earned. Sick leave and extenuating circumstance leave is not accrued, as a terminated employee is not paid for accumulated balance of either.

**Self-Insurance**—The College is self-insured for a portion of workers' compensation losses. A liability has been recorded for the estimated amount of eventual loss which will be incurred on claims arising prior to the end of the fiscal year.

**Prior Year Reclassification**—The College makes a prior year reclassification, as necessary, in accordance with GASB Statement No. 100, *Accounting Changes and Errors Corrections—an Amendment of GASB Statement No. 62*. The College reclassified fiscal 2023 operating expenses (See Exhibit 2) from the academic support function to the instruction function in the amount of \$45,836,100. In addition, the College reclassified unspent bond proceeds as of August 31, 2023 to reflect the restrictions placed on the spending of those funds. The reclassifications did not change beginning or ending net position balances.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

***GASB Pronouncements***

Effective with fiscal year 2024, the College implemented the following:

GASB Statement No. 99, *Omnibus 2022*

GASB Statement No. 100, *Accounting Changes and Errors Corrections—an Amendment of GASB Statement No. 62*

Effective with fiscal year 2025, the College will implement the following:

GASB Statement No. 101, *Compensated Absences*

GASB Statement No. 102, *Certain Risk Disclosures*

Effective with fiscal year 2026, the College will implement the following:

GASB Statement No. 103, *Financial Reporting Model Improvements*

GASB Statement No. 104, *Disclosure of Certain Capital Assets*

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **3. AUTHORIZED INVESTMENTS**

The Board has adopted a written investment policy for the investment of its funds as defined in the Public Funds Investment Act (PFIA) of 1995, Section 2256.005 of the Texas Government Code, as amended. This policy is reviewed and approved by the Board annually.

The College may make investments only in the following types of investments:

- Treasury bills, treasury notes, and treasury bonds of the United States and other direct obligations of the agencies and instrumentalities of the United States as permitted by Government Code 2256.009.
- Fully collateralized repurchase agreements and reverse repurchase agreements permitted by Government Code 2256.011.
- Certificates of Deposit and share certificates that are fully guaranteed or insured by the FDIC (Federal Deposit Insurance Corp. a U.S. Government Agency that provides deposit insurance to depositors in U.S. Banks and Thrifts in the event of a bank failure), through an authorized broker/dealer, to one or more than one depository institution, as permitted by Government Code 2256.010.
- Public funds investment pools as permitted by Government Code 2256.016.
- A securities lending program as permitted by Government Code 2256.0115.
- No-load money market mutual funds as permitted by Government Code 2256.014.
- A guaranteed investment contract as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "AA" or its equivalent as permitted by Government Code 2256.009(a).
- Investments that are fully guaranteed or insured by the FDIC.
- Commercial Paper with a maximum maturity of 181 days, rated A1/P1 by a nationally recognized rating agency.

Investment in any and all types of derivatives is prohibited.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 4. DEPOSITS AND INVESTMENTS

Under the terms of a bank depository agreement, College bank deposits are to be fully insured at all times. The College maintains investment pools included in the Statements of Net Position as "Cash and Cash Equivalents" for those items with original maturities of 90 days or less, as "Short-term Investments" for those items with original maturities of 91 days to one year, and as "Long-term Investments" for those items with maturities of greater than one year.

Various restrictions on deposits and investments, including repurchase agreements, are imposed by statute and College policy. These restrictions are summarized below:

**Deposits**—Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned or the College will not be able to recover collateral securities in the possession of an outside party. All deposits with the depository bank of the College must be collateralized in an amount equal to at least 100% of the amount of uninsured collected funds. The collateral must be held by a third-party collateral bank in the name of the College or there may be a surety bond issued by a company mutually agreeable to the College and the depository.

The carrying amount of the College's deposits with financial institutions as of August 31, 2024 was \$928,124 and the bank balance was \$6,495,686. The carrying amount of the College's deposits with financial institutions as of August 31, 2023 was \$(1,212,777), and the bank balance was \$4,277,832. At August 31, 2024 and 2023, all of the College's non-interest bearing deposits with banks were either insured by FDIC or were collateralized with securities through third-party agreements.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

Cash and cash equivalents included on the Statements of Net Position consist of the following:

	<u>2024</u>	<u>2023</u>
Bank deposits		
Local funds - demand	\$ 916,549	\$ (1,225,452)
Total deposits	916,549	(1,225,452)
Cash on hand	11,574	12,675
Cash equivalents		
Investment in TexSTAR	364,724	345,843
Investment in LOGIC	109,908,152	27,593,066
Investment in Lone Star	102,326,165	36,887,774
Investment in Texas CLASS	194,549,864	200,401,230
Investment in Texas Range	61,067,290	56,371,673
Total cash equivalents	<u>468,216,195</u>	<u>321,599,586</u>
Total cash and cash equivalents	<u>\$ 469,144,318</u>	<u>\$ 320,386,809</u>

**Investments**—Disclosures are presented in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures - An Amendment of GASB Statement No. 3*. The College is authorized to invest in obligations and instruments as defined in applicable sections of the current Texas Education Code and the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than "A" by a national investment rating firm, (4) certificates of deposit, (5) Commercial paper with maximum maturity of 181 days, and (6) other instruments and obligations authorized by statute. The investment policies of the College are governed by formally adopted procedures and allow investments as permitted under state laws for public institutions. Permissible investments under College policy include U.S. Treasury notes, certificates of deposit purchased from FDIC-insured state or nationally chartered U.S. banks, fully collateralized repurchase agreements and reverse repurchase agreements, investment pools, and securities issued by U.S. government agencies or municipalities.

At August 31, 2024 and 2023, long-term investments consisted of U.S. government and agency securities.

Investments made by the College are carried at fair value, defined as the price at which two willing parties would complete an exchange.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

At August 31, 2024, the College had the following cash equivalents, investments, and maturities:

	Fair Value	Investment Maturities (In Years)					
		Less than 1	1-2	2-3	3-4	4-5	5-6
U.S. Agency	\$ 214,184,347	\$ -	\$ 14,996,939	\$ 34,977,962	\$ 68,887,338	\$ 85,996,569	\$ 9,325,539
Municipal securities	13,654,303	-	-	-	1,974,060	6,827,993	4,852,250
Commercial paper	-	-	-	-	-	-	-
Investment Pools:							
TexSTAR	364,724	364,724	-	-	-	-	-
LOGIC	109,908,152	109,908,152	-	-	-	-	-
Lone Star	102,326,165	102,326,165	-	-	-	-	-
Texas CLASS	194,549,863	194,549,863	-	-	-	-	-
Texas Range	61,067,290	61,067,290	-	-	-	-	-
Total cash equivalents and investments	<u>\$ 696,054,844</u>	<u>\$ 468,216,194</u>	<u>\$ 14,996,939</u>	<u>\$ 34,977,962</u>	<u>\$ 70,861,398</u>	<u>\$ 92,824,562</u>	<u>\$ 14,177,789</u>

At August 31, 2023, the College had the following cash equivalents, investments, and maturities:

	Fair Value	Investment Maturities (In Years)					
		Less than 1	1-2	2-3	3-4	4-5	5-6
U.S. Agency	\$ 383,539,948	\$ 19,737,250	\$ 59,634,800	\$ 83,372,706	\$ 139,346,129	\$ 72,547,008	\$ 8,902,055
Municipal securities	35,413,994	-	-	1,000,000	23,246,427	6,492,117	4,675,450
Commercial paper	39,691,280	39,691,280	-	-	-	-	-
Investment Pools:							
TexSTAR	345,843	345,843	-	-	-	-	-
LOGIC	27,593,066	27,593,066	-	-	-	-	-
Lone Star	36,887,774	36,887,774	-	-	-	-	-
Texas CLASS	200,401,230	200,401,230	-	-	-	-	-
Texas Range	56,371,673	56,371,673	-	-	-	-	-
Total cash equivalents and investments	<u>\$ 780,244,808</u>	<u>\$ 381,028,116</u>	<u>\$ 59,634,800</u>	<u>\$ 84,372,706</u>	<u>\$ 162,592,556</u>	<u>\$ 79,039,125</u>	<u>\$ 13,577,505</u>

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As previously described, the College's investment policy limits credit risk based on meeting requirements of state law.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The College policy provides that investment maturities are limited to six years with the average maturity of no more than five years as a means of managing exposure to fair value losses arising from increasing interest rates. The College's philosophy is to hold all investments to their maturity.

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The College's investment policy sets guidelines for the maximum percentage of portfolio for any one type of investment. However, all of the College's investments are backed by the U.S. Government and are not subject to concentration of credit risk. Investment in Investment Pools,

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

as the largest component of the portfolio, comprises 67.3% of the College's total portfolio at August 31, 2024 and meets the College's guideline of no more than 85% of the portfolio being Investment Pools.

### Reconciliation of Deposits and Investments to Exhibit 1

	<u>Fair Value August 31, 2024</u>	<u>Fair Value August 31, 2023</u>
Total cash and cash equivalents	\$ 469,144,318	\$ 320,386,809
Total investments	<u>227,838,650</u>	<u>458,645,222</u>
Total	<u>\$ 696,982,968</u>	<u>\$ 779,032,031</u>
Cash and cash equivalents (Exhibit 1)	\$ 319,022,505	\$ 106,496,013
Restricted cash and cash equivalents (Exhibit 1)	150,121,813	213,890,796
Short-term investments (Exhibit 1)	-	59,428,530
Long-term investments (Exhibit 1)	<u>227,838,650</u>	<u>399,216,692</u>
Total	<u>\$ 696,982,968</u>	<u>\$ 779,032,031</u>

There were no investments held by broker-dealers under reverse repurchase agreements as of August 31, 2024 or 2023.

Created in April 2002 through a contract among its participating governing units, TexSTAR is governed by a board of directors to provide for the joint investment of participants' public funds under their control and meets requirements under the Public Funds Investment Act. TexSTAR is rated AAAM by Standard & Poor's. Investments in TexSTAR plus accrued interest may be redeemed by the College at any time. Therefore, investments in TexSTAR are included within cash and cash equivalents in the accompanying Statements of Net Position.

Local Government Investment Cooperative (LOGIC) is managed by JP Morgan Chase and Hilltop Securities, in compliance with the Texas Public Funds Investment Act. LOGIC carries Standard & Poor's AAAM rating. In addition to investing in U.S. Treasury and Agency Securities, LOGIC provides additional diversification by investing in repurchase agreements and prime commercial paper. Investments in LOGIC are included within cash and cash equivalents in the accompanying Statements of Net Position.

Lone Star Investment Pool, managed by First Public, LLC., a subsidiary of Texas Association of School Boards, was created in 1991 with the goal of making the management of public funds safer and easier. Lone Star maintains a Standard & Poor's AAA rating and only holds investments authorized under the Public Funds Investment Act. Investments in Lone Star are included within cash and cash equivalents in the accompanying Statements of Net Position.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

Established in 1996, the Texas Cooperative Liquid Assets Securities System Trust (CLASS) was created as an investment pool for its participants and is administered by Public Trust Advisors, LLC with Wells Fargo Bank Texas N.A. as the custodian. Texas CLASS invests solely in securities which are permitted pursuant to the Texas Public Funds Investment Act and carries Standard & Poor's AAAM rating. Investments in Texas CLASS are included within cash and cash equivalents in the accompanying Statements of Net Position.

The Texas Range Investment Program was created by and for Texas local governments to provide investment options tailored to the needs of Texas public investors. Texas Range portfolios seek to provide these investors with safety, flexibility and competitive yields. Texas Range investments are designed to comply with all Texas statutes, including regulations for the allowable investment of public funds. Texas Range/TexasDAILY Portfolio is rated AAAM by Standards & Poor's. Investments in Texas Range are included within cash and cash equivalents in the accompanying Statements of Net Position.

TexSTAR, LOGIC, Lone Star, Texas CLASS, and Texas Range are not registered with the Securities & Exchange Commission (SEC) as investment companies but they operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, allows 2a7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net positions to compute share price.

Derivatives are investment products which may be a security or a contract that derives its value from another security, currency, commodity, or index, regardless of the source of funds used. The investment policy of the College prohibits investments in derivative securities.

#### **Fair Value of Financial Instruments**

GASB Statement No. 72 regarding Fair Value Measurement and Application for financial reporting purposes categorizes financial instruments within three different levels of risk dependent upon the measurement of their fair value and pricing.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to their fair value measurement of the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the College can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Because the College investments are restricted by Policy and State law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The *exit* or fair market prices used for U.S. Government Agencies' valuations of the portfolio are all Level 1 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date. Commercial paper valuations are recorded at amortized cost. Level 2 inputs are utilized for valuations at the measurement date. Since the investment pools are recorded at net asset value, they are not subject to "leveling".

Fair Value Hierarchy of investments at August 31, 2024 and 2023 are:

	Fiscal Year 2024				Fiscal Year 2023
	Level 1	Level 2	Level 3	Total	Total
U.S. Government Agencies	\$ 214,184,347	\$ -	\$ -	\$ 214,184,347	\$ 383,539,948
Municipal Securities	13,654,303	-	-	13,654,303	35,413,994
Commercial Paper	-	-	-	-	39,691,280
Total fair value	<u>\$ 227,838,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 227,838,650</u>	<u>\$ 458,645,222</u>

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 5. CAPITAL ASSETS

Capital assets activity for the fiscal year ended August 31, 2024 was as follows:

	Balance September 1, 2023	Increases/ Reclassifications	Decreases/ Adjustments	Balance August 31, 2024
Capital assets not subject to depreciation:				
Land	\$ 38,919,062	\$ -	\$ -	\$ 38,919,062
Construction in progress	329,849,016	85,421,788	(88,700,081)	326,570,723
Total not depreciated	368,768,078	85,421,788	(88,700,081)	365,489,785
Capital assets subject to depreciation:				
Buildings and building improvements	931,701,452	85,651,776	-	1,017,353,228
Land improvements	59,165,832	3,132,124	-	62,297,956
Furniture, machinery, vehicles, and other equipment	73,387,602	7,742,444	(1,459,732)	79,670,314
Library books	8,804,127	-	-	8,804,127
Total depreciated	1,073,059,013	96,526,344	(1,459,732)	1,168,125,625
Accumulated depreciation:				
Buildings and building improvements	(447,388,524)	(15,767,930)	-	(463,156,454)
Land improvements	(25,654,436)	(1,301,291)	-	(26,955,727)
Furniture, machinery, vehicles, and other equipment	(46,415,948)	(6,305,513)	1,084,493	(51,636,968)
Library books	(7,260,051)	(295,553)	-	(7,555,604)
Total accumulated depreciation	(526,718,960)	(23,670,287)	1,084,493	(549,304,754)
Net capital assets subject to depreciation	546,340,053	-	-	618,820,871
Net capital assets	\$ 915,108,131	\$ 158,277,845	\$ (89,075,320)	\$ 984,310,656

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

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

	Balance September 1, 2022	Increases/ Reclassifications	Decreases/ Adjustments	Balance August 31, 2023
Capital assets not subject to depreciation:				
Land	\$ 38,919,062	\$ -	\$ -	\$ 38,919,062
Construction in progress	220,359,934	109,489,082	-	329,849,016
Total not depreciated	259,278,996	109,489,082	-	368,768,078
Capital assets subject to depreciation:				
Buildings and building improvements	931,701,452	-	-	931,701,452
Land improvements	59,165,832	-	-	59,165,832
Furniture, machinery, vehicles, and other equipment	100,943,916	12,741,395	(40,297,709)	73,387,602
Library books	8,817,134	-	(13,007)	8,804,127
Total depreciated	1,100,628,334	12,741,395	(40,310,716)	1,073,059,013
Accumulated depreciation:				
Buildings and building improvements	(433,898,287)	(13,490,237)	-	(447,388,524)
Land improvements	(24,653,004)	(1,001,432)	-	(25,654,436)
Furniture, machinery, vehicles, and other equipment	(81,683,532)	(4,621,079)	39,888,663	(46,415,948)
Library books	(6,943,331)	(327,686)	10,966	(7,260,051)
Total accumulated depreciation	(547,178,154)	(19,440,434)	39,899,629	(526,718,960)
Net capital assets subject to depreciation	553,450,179	-	-	546,340,053
Net capital assets	\$ 812,729,175	\$ 102,790,043	\$ (411,087)	\$ 915,108,131

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 6. NON-CURRENT LIABILITIES

Non-current liability activity for the fiscal year ended August 31, 2024 was as follows:

	Balance September 1, 2023	Additions	Reductions	Balance August 31, 2024	Current Portion
Series 2016 General Obligation Refunding Bonds	\$ 24,500,000	\$ -	\$ (6,515,000)	\$ 17,985,000	\$ 8,765,000
Series 2017 General Obligation Refunding Bonds	21,140,000	-	(3,110,000)	18,030,000	3,270,000
Series 2021 Tax Notes	22,220,000	-	(9,795,000)	12,425,000	9,985,000
Series 2022 General Obligation Refunding Bonds	300,000	-	(100,000)	200,000	100,000
Series 2023 General Obligation Bonds	307,355,000	-	(37,320,000)	270,035,000	42,440,000
Unamortized bond premium	27,742,467	-	(4,912,385)	22,830,082	4,135,496
Subtotal bonds	403,257,467	-	(61,752,385)	341,505,082	68,695,496
Accrued interest	767,556	664,003	(767,556)	664,003	664,003
Compensable absences	16,931,651	13,688,430	(11,853,711)	18,766,370	13,110,186
Net pension liability	117,653,085	25,404,301	-	143,057,386	-
Net OPEB liability	210,156,164	1,368,874	-	211,525,038	5,916,651
Total	\$ 748,765,923	\$ 41,125,608	\$ (74,373,652)	\$ 715,517,879	\$ 88,386,336

Non-current liability activity for the fiscal year ended August 31, 2023 was as follows:

	Balance September 1, 2022	Additions	Reductions	Balance August 31, 2023	Current Portion
Series 2016 General Obligation Refunding Bonds	\$ 54,915,000	\$ -	\$ (30,415,000)	\$ 24,500,000	\$ 6,515,000
Series 2017 General Obligation Refunding Bonds	24,095,000	-	(2,955,000)	21,140,000	3,110,000
Series 2021 Tax Notes	31,825,000	-	(9,605,000)	22,220,000	9,795,000
Series 2022 General Obligation Refunding Bonds	-	22,450,000	(22,150,000)	300,000	100,000
Series 2023 General Obligation Bonds	-	325,845,000	(18,490,000)	307,355,000	37,320,000
Unamortized bond premium	6,198,378	26,033,769	(4,489,680)	27,742,467	4,912,385
Subtotal bonds	117,033,378	374,328,769	(88,104,680)	403,257,467	61,752,385
Accrued interest	155,256	(194,862)	807,162	767,556	767,556
Compensable absences	16,022,683	(5,827,145)	6,736,113	16,931,651	11,105,027
Net pension liability	52,198,257	65,454,828	-	117,653,085	-
Net OPEB liability	280,745,414	-	(70,589,250)	210,156,164	5,463,608
Total	\$ 466,154,988	\$ 433,761,590	\$ (151,150,655)	\$ 748,765,923	\$ 79,088,576

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 7. DEBT OBLIGATIONS

The College has authorized debt of General Obligation (GO) bonds. GO bonds are authorized by the Board and approved by the voters of the College's service area and secured by an ad valorem tax rate Interest & Sinking (I&S) portion to cover the debt service of the bonds.

The following table shows the debt service for the GO bonds and Tax Notes for the next five years and thereafter:

	GO & GO Refunding Bonds		Tax Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Year ending August 31:						
2025	\$ 54,575,000	\$ 13,830,000	\$ 9,985,000	\$ 46,825	\$ 64,560,000	\$ 13,876,825
2026	26,955,000	11,792,900	2,440,000	7,686	29,395,000	11,800,586
2027	18,530,000	10,656,350	-	-	18,530,000	10,656,350
2028	19,465,000	9,725,375	-	-	19,465,000	9,725,375
2029	20,420,000	8,786,450	-	-	20,420,000	8,786,450
2030 - 2037	166,305,000	35,438,125	-	-	166,305,000	35,438,125
Total	<u>\$ 306,250,000</u>	<u>\$ 90,229,200</u>	<u>\$ 12,425,000</u>	<u>\$ 54,511</u>	<u>\$ 318,675,000</u>	<u>\$ 90,283,711</u>

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 8. BONDS PAYABLE

A chart of each bond issue is listed below.

Series	Bond Type	Bonds Issued to Date	Range of Interest Rates	Maturities		First Call Date
				First Year	Last Year	
2008	General Obligation Bonds	\$ 211,975,000	3.50%-5.00%	2009	2028	2/15/2019
2009	General Obligation Bonds	\$ 102,985,000	1.50%-5.00%	2010	2029	2/15/2020
2021	Tax Notes	\$ 51,000,000	0.63%	2021	2026	Anytime @ Premium
2023	General Obligation Bonds	\$ 325,845,000	5.00%	2023	2037	8/15/2025

On September 4, 2008, the College issued its second tranche of GO bonds approved by voters in the May 2004 \$450 million bond election. With a par amount of \$211,975,000, these bonds, Series 2008 Bonds, were sold with a reoffering premium of \$9,629,583 and accrued interest of \$983,667. The bonds were sold in \$5,000 increments with interest rates varying from 3.5% to 5.0% and maturity dates from February 15, 2009 to February 15, 2028. A call option can be exercised for maturities after February 15, 2019. The cost of issuance and underwriter's discount totaled \$1,513,305. Proceeds of the bond were utilized to refund the \$125,000,000 outstanding of commercial paper, which matured on September 4, 2008, the same day as the bond proceeds were received. Remaining bond proceeds of \$95,000,000 were utilized for constructing and equipping buildings in the College. The bonds were issued and the tax levied for their payment, pursuant to authority conferred by the Constitution and laws of the State of Texas. Part of these bonds were advance refunded in 2016 (See Advance Refunding Bonds Note 9). The residual balance of the Series 2008 Bonds was paid in full. On October 11, 2022, the College issued the General Obligation Refunding Bonds, Taxable Series 2022 (See Advance Refunding Bonds Note 9). This transaction was done as a private placement and refunded a portion of the Series 2016 General Obligation Refunding Bonds.

On June 4, 2009, the College issued the third tranche of GO bonds, Series 2009 Bonds, for the \$450 million bond election. The Series 2009 Bonds have a par amount of \$102,985,000 and were sold with a reoffering premium of \$7,904,650 and accrued interest of \$439,704. The bonds were sold in \$5,000 increments with interest rates varying from 1.5% to 5.0% and maturity dates from February 15, 2010 to February 15, 2029. The cost of issuance and underwriter's discount totaled \$869,233. Proceeds of the bonds were utilized to continue the constructing and equipping of buildings in the College. The bonds were issued and the tax levied for their payment, pursuant to authority conferred by the Constitution and laws of the State of Texas. Part of these bonds were advance refunded in 2017 (See Advance Refunding Bonds Note 9). The residual balance of the Series 2009 Bonds was paid in full.

On October 21, 2021, pursuant to authority conferred by the Constitution and the laws of the State of Texas, including Section 45.108 and 130.084, Texas Education Code, as amended, the College issued \$51,000,000 of Tax Notes ("Series 2021 Notes"). The proceeds of the notes are being used to pay for planned technology upgrades associated with various facilities of the College. The notes are direct obligations of the College payable from a continuing direct annual ad valorem tax

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

pursuant to the College's maintenance tax authority, with limits prescribed by law, on all taxable property in the district. Debt issue costs of \$80,875 were expensed. On July 12, 2022, \$7,769,911 of the 2021 Notes were defeased. Debt issue costs related to the defeasance were \$10,000 and were expensed. As of August 31, 2024, the outstanding amount of the 2021 Notes was \$12,425,000.

On January 5, 2023, the College issued the first tranche of GO bonds approved by the voters in the May 2019 \$1.1 billion bond election. The Series 2023 Bonds have a par amount of \$325,845,000 and were sold with a reoffering premium of \$26,033,769. The bonds were sold in \$5,000 increments with an interest rate of 5.0% and maturity dates from February 15, 2023 to February 15, 2037. The cost of issuance and underwriter's discount totaled \$1,857,335. The bond issuance was delayed due to a lawsuit filed in 2019 to invalidate the voting results; the lawsuit has since been resolved in our favor. In April 2022, the Board approved the reimbursement resolution allowing the College to reimburse itself for expenditures related to the bond projects. In January 2023, \$98,187,706 of the bond proceeds were used for the reimbursement. Proceeds of the bonds are being utilized for the purpose of constructing and equipping school buildings for the College and acquiring real property. The bonds were issued and the tax levied for their payment, pursuant to authority conferred by the Constitution and laws of the State of Texas.

In 2024, the College incurred \$16,462,921 on bond interest cost, of which \$16,462,921 was expensed after premium amortization for GO Bonds and Advance Refunding Bonds. In 2023, the College incurred \$12,375,354 on bond interest cost, of which \$12,375,354 was expensed after premium amortization.

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **9. ADVANCE REFUNDING BONDS**

On June 2, 2016, the College advance refunded \$131,580,000 of its outstanding Series 2008 General Obligation Bonds ("Series 2008 Bonds") by issuing \$122,415,000 of Series 2016 General Obligation Refunding Bonds ("Series 2016 Refunding Bonds"). All Series 2016 Refunding Bonds have been issued to date. The average interest rate is 1.603% with coupons of 3% or 5%. After payment of \$665,812 in underwriting fees and issuance costs, all resources from the Series 2016 Refunding Bonds, including a transfer of \$2,167,946 from prior issue debt service funds, were used to purchase U.S. Government Securities. These were deposited in an irrevocable trust with an escrow agent for all future bond payments on the refunded Series 2008 Bonds. The Series 2008 Bonds that were refunded are considered fully defeased for maturities 2019 and later and the liability for those bonds have been removed from the Statements of Net Position. Advance Refunding of the Series 2008 Bonds reduces the College's debt service by \$28,302,750. An economic gain of \$22,580,683 was obtained by the advance refunding. The difference of the reacquisition price of the new debt and the net carrying amount of the defeased bonds resulted in a \$7,421,376 deferred outflows of resources and is being amortized over the life of the new debt by the effective interest method.

On July 6, 2017, the College advance refunded \$64,105,000 of its outstanding Series 2009 General Obligation Bonds ("Series 2009 Bonds") by issuing \$60,665,000 of Series 2017 General Obligation Refunding Bonds ("Series 2017 Refunding Bonds"). All Series 2017 Refunding Bonds have been issued to date. The average interest rate is 1.780% with coupons of 3% or 5%. After payment of \$441,703 in underwriting fees and issuance costs, all resources from the Series 2017 Refunding Bonds, including a transfer of \$1,290,002 from prior issue debt service funds, were used to purchase U.S. Government Securities. These were deposited in an irrevocable trust with an escrow agent for all future bond payments on the refunded Series 2009 Bonds. The Series 2009 Bonds that were refunded are considered fully defeased for maturities 2020 and later and the liability for those bonds have been removed from the Statements of Net Position. Advance Refunding of the Series 2009 Bonds reduces the College's debt service by \$15,619,702. An economic gain of \$10,541,225 was obtained by the advance refunding. The difference of the reacquisition price of the new debt and the net carrying amount of the defeased bonds resulted in \$2,461,665 deferred outflows of resources and is being amortized over the life of the new debt by the effective interest method.

On October 11, 2022, the College advance refunded \$22,450,000 of its outstanding Series 2016 General Obligation Refunding Bonds ("Series 2016 Refunding Bonds") by issuing \$22,450,000 of General Obligation Refunding Bonds, Taxable Series 2022 ("Series 2022 Refunding Bonds"). All Series 2022 Refunding Bonds have been issued to date. The interest rate and coupon rate are 3.85%. After payment of \$69,664 in underwriting fees and issuance costs, all resources from the Series 2022 Refunding Bonds, including a transfer of \$1,330,000 from prior issue debt service funds, were used to purchase U.S. Government Securities. These were deposited in an irrevocable trust with an escrow agent for all future bond payments on the refunded Series 2016 Refunding Bonds. The Series 2016 Refunding Bonds that were refunded are considered fully defeased for maturities 2027 and later and the liability for those bonds have been removed from the Statements of Net Position. Advance Refunding of the Series 2016 Refunding Bonds reduces the College's debt

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

service by \$3,075,738. An economic gain of \$1,631,427 was obtained by the advance refunding. The difference of the reacquisition price of the new debt and the net carrying amount of the defeased bonds resulted in \$798,308 deferred outflows of resources and is being amortized over the life of the new debt by the effective interest method.

<b>Series</b>	<b>Bond Type</b>	<b>Bonds Issued to Date</b>	<b>Range of Interest Rates</b>	<b>Maturities</b>		
				<b>First Year</b>	<b>Last Year</b>	<b>First Call Date</b>
2016	General Obligation Refunding Bonds	\$ 122,415,000	3.00% - 5.00%	2017	2028	2/15/2027
2017	General Obligation Refunding Bonds	\$ 60,665,000	3.00% - 5.00%	2018	2029	2/15/2028
2022	General Obligation Refunding Bonds	\$ 22,450,000	3.85%	2023	2026	2/15/2023

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**10. DEFEASED BONDS OUTSTANDING**

As of August 31, 2024, the College had \$200,000 in remaining principal for GO Refunding Bonds Taxable Series 2022 which was issued on October 11, 2022 in the original amount of \$22,450,000. These bonds were defeased from the 2016 General Obligation Refunding bonds.

As of August 31, 2023, the College had \$300,000 of these defeased bonds outstanding.

On August 13, 2024, the College's Trustees authorized the defeasance of up to \$7 million of certain tax notes and bonds. The defeasance is expected to occur in fiscal 2025.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 11. EMPLOYEES' RETIREMENT PLAN

The State of Texas has joint contributory retirement plans for almost all its employees. Full-time employees participate in either the Teacher Retirement System of Texas (TRS) or the Optional Retirement System (ORP).

##### **Teacher Retirement System of Texas – Defined Benefit Plan**

*Plan Description* - College participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by TRS. The TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

*Pension Plan Fiduciary Net Position* - Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained online at <https://www.trs.texas.gov/TRS%20Documents/2023%20ACFR%20Final%2011-20-2023.pdf>, or by writing to TRS at 1000 Red River Street, Austin, Texas, 78701-2698.

*Benefits Provided* - TRS provides service and disability retirement, as well as death and survivor benefits to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular actions, the time required to amortize TRS' unfunded actuarial liabilities would be

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The 85<sup>th</sup> Texas Legislature, General Appropriations Act (GAA) affirmed that contribution rates for fiscal years 2018 and 2019 would remain the same as the previous years. The TRS Pension Reform Bill (Senate Bill 12) of the 86<sup>th</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86<sup>th</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

<b>Contribution Rates</b>	<b>2024</b>	<b>2023</b>
Member rates	8.25%	8.00%
Non-employer contributing entity (State)	8.25%	8.00%
Employers	8.25%	8.00%
Fiscal Year 2023 Member contributions		\$ 10,705,275
Fiscal Year 2023 State of Texas on-behalf contributions		\$ 8,355,553
Fiscal Year 2023 College Contributions		\$ 10,702,155

The College's contributions to the TRS pension plan fiscal year 2024 were \$12,394,628 as reported in the Schedule of College Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for fiscal year 2024 were \$10,131,895.

- As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

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

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

*Actuarial Assumptions* – The total pension liability in the August 31, 2022, actuarial valuation rolled forward to August 31, 2023 using the following actuarial assumptions:

Valuation date	8/31/2022 rolled forward to August 31, 2023
Actuarial cost method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial assumptions:	
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate	4.13% *
Last year ending August 31 in Projection Period (100 years)	2122
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None

\* Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20 Year Municipal GO AA Index".

The actuarial methods and assumptions were selected by the TRS Board of Trustees based upon analysis and recommendations by the system's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the four-year period ending August 31, 2021 and were adopted in July 2022. The actuarial assumptions used in the

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022.

*Discount Rate* – The single discount rate used to measure the total pension liability was 7.00%. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers, and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.50% of payroll in fiscal year 2024 gradually increasing to 9.56% in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the system's target asset allocation as of August 31, 2023, are summarized in the following chart.

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Table 3.A.1: Asset Allocations			
Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
USA	18.0 %	4.0 %	1.0 %
Non-US Developed	13.0	4.5	0.9
Emerging Markets	9.0	4.8	0.7
Private Equity*	14.0	7.0	1.5
<b>Stable Value</b>			
Government Bonds	16.0	2.5	0.5
Absolute Return*	0.0	3.6	0.0
Stable Value Hedge Funds	5.0	4.1	0.2
<b>Real Return</b>			
Real Estate	15.0	4.9	1.1
Energy, Natural Resources & Infrastructure	6.0	4.8	0.4
Commodities	0.0	4.4	0.0
<b>Risk Parity</b>	8.0	4.5	0.4
<b>Asset Allocation Leverage</b>			
Cash	2.0	3.7	0.0
Asset Allocation Leverage	(6.0)	4.4	(0.1)
Inflation Expectation			2.3
Volatility Drag****			(0.9)
<b>Expected Return</b>	<b>100.0 %</b>		<b>8.0 %</b>
*Absolute Return includes Credit Sensitive Investments.			
**Target allocations are based on the FY2023 policy model.			
***Capital Market Assumptions come from Aon Hewitt (as of 6/30/2023).			
****The volatility drag results from the conversion between arithmetic and geometric mean returns.			

Source: Teacher Retirement System of Texas 2023 Annual Comprehensive Financial Report

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

**Discount Rate Sensitivity Analysis** – The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (7.00%) in measuring the 2023 Net Pension Liability.

	<b>1% Decrease in Discount Rate (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase in Discount Rate (8.00%)</b>
College's proportionate share of the net pension liability	\$ 213,878,714	\$ 143,057,386	\$ 84,169,413

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* - At August 31, 2024, College reported a liability of \$143,057,386 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for state pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the College were as follows:

College's proportionate share of the collective net pension liability	\$ 143,057,386
State's proportionate share that is associated with College	111,657,440
Total	<u><u>\$ 254,714,826</u></u>

The net pension liability was measured as of August 31, 2022 and rolled forward to August 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net pension liability was 0.2082641648% which was a decrease of 0.0100863283% from its proportion measured as of August 31, 2022 (0.1981778365%).

**Changes Since the Prior Actuarial Valuation** – The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

For the fiscal year ended August 31, 2024, the College recognized pension expense of \$16,859,307 and revenue of \$16,859,307 for support provided by the State. Refer to the Schedule of On-Behalf Contributions for this information posted on the TRS website under GASB Statements No. 67, *Financial Reporting for Pension Plans*, and No. 68, *Accounting and Financial Reporting for Pensions*.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

At August 31, 2024, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 5,097,183	\$ 1,732,268
Changes in actuarial assumptions	13,530,427	3,311,204
Difference between projected and actual investment earnings	20,818,322	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	5,036,608	5,663,516
Contributions paid to TRS subsequent to the measurement date (calculated by the College)	<u>12,394,628</u>	<u>-</u>
Total	<u>\$ 56,877,168</u>	<u>\$ 10,706,988</u>

The \$12,394,628 reported as deferred outflows of resources resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2025.

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

<u>Year Ending August 31</u>	<u>Pension Expense Amount</u>
2025	\$ 7,215,356
2026	3,521,009
2027	16,648,247
2028	5,317,413
2029	<u>1,073,527</u>
Total	<u>\$ 33,775,552</u>

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### **Optional Retirement Plan – Defined Contribution Plan**

*Plan Description* - Eligible faculty and administrative personnel may participate in an optional retirement plan in lieu of the TRS plan. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

*Funding Policy* - Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. Benefits fully vest after one year plus one day of employment. In certain circumstances, the reporting college is required to make all or a portion of the state's contribution amounts. Senate Bill (SB) 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

Since these are individual annuity contracts, the state and the College have no additional or unfunded liability for this program.

<b>Optional Retirement Plan Contribution Rates</b>	<b>2024*</b>	<b>2023*</b>
Member Contribution of Annual Compensation	6.65%	6.65%
State Contribution of Participant's Salary	6.60%	6.60%
College Contribution of Participant's Annual Compensation for:		
Participants Enrolled Prior to September 1, 1995	1.90%	1.90%
Participants Enrolled After September 1, 1995	0.00%	0.00%

\* State Contribution is 50% of eligible employees based on headcount maximum and no adjustments for enrollment growth.

The total ORP expense to the state for the College was \$1,588,904 and \$1,483,299 for fiscal years 2024 and 2023, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the college.

<b>Year Ended August 31</b>	<b>Total Payroll for All College Employees</b>	<b>College's Payroll Covered by TRS</b>	<b>College's Payroll Covered by ORP</b>	<b>State's Contribution for ORP</b>
2024	\$ 354,527,214	\$ 273,061,987	\$ 48,148,615	\$ 1,588,904
2023	313,533,096	239,498,850	44,948,455	1,483,299
2022	290,798,333	205,157,346	47,702,457	1,539,838
2021	300,601,170	208,020,613	52,543,547	1,685,932

**DALLAS COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**12. DEFERRED COMPENSATION PLAN**

The College has established a deferred compensation plan under which selected executives may elect to defer a portion of their earnings for tax and investment purposes pursuant to authority granted in Government Code §609.001. For the fiscal years ended August 31, 2024 and 2023, the College had one employee participating in the program.

It is the opinion of the College's legal counsel that the College has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The College believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 13. COMPENSATED ABSENCES

Full-time staff and administrators earn annual leave from one to two days per month. The policy of the College is that an employee may carry his or her accrued leave forward from one fiscal year to another fiscal year with a maximum number of 48 days. Employees with at least 60 days of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. Sick leave, which can be accumulated up to 66 days, is earned at the rate of one day per month. The policy of the College is to recognize the cost of sick leave when paid. Employees are not entitled to be paid for sick leave accrued but not taken upon termination. Accordingly, no liability for sick leave is reflected in the accompanying Statements of Net Position. The same applies to extenuating circumstance leave, which accrues at a rate of 2 days per year to a maximum of 4 days and is not payable on termination.

	<b>Accrued Liability for Unpaid Annual Leave for the Fiscal Year Ended August 31,</b>	
	<b>2024</b>	<b>2023</b>
Balance as of September 1,	\$ 16,931,651	\$ 16,022,683
Leave Accruals/Adjustments	13,688,430	10,622,694
Leave Used	(10,606,297)	(8,705,022)
Accrued Leave Paid Terminated Employees	(1,247,414)	(1,008,704)
Balance as of August 31,	<u>\$ 18,766,370</u>	<u>\$ 16,931,651</u>
Current Liability	\$ 13,110,186	\$ 11,105,027
Non-Current Liability	\$ 5,656,184	\$ 5,826,624

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 14. HEALTH CARE AND LIFE INSURANCE BENEFITS

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees. Employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums.

#### State/Employer Contribution for Health Care Insurance (includes basic life insurance rate)

HealthSelect of Texas Plan	2024 State/Employer Contribution	2024 Annualized Contribution
Member Only	\$ 624.82	\$ 7,497.84
Member & Spouse	982.82	11,793.84
Member & Child(ren)	864.52	10,374.24
Member & Family	1,222.52	14,670.24

HealthSelect of Texas Plan	2023 State/Employer Contribution	2023 Annualized Contribution
Member Only	\$ 624.82	\$ 7,497.84
Member & Spouse	982.82	11,793.84
Member & Child(ren)	864.52	10,374.24
Member & Family	1,222.52	14,670.24

The cost of retirees and active employees' health care is provided.

Cost of Providing Health Care Insurance	2024	2023
Number of Retirees	1,582	1,611
Cost of Health Benefits for Retirees	\$ 13,482,105	\$ 13,627,648
Number of Active Full-Time Employees	3,611	3,375
Cost of Health Benefits for Active Full-Time Employees	\$ 30,465,719	\$ 29,159,534
State Appropriation for Health Insurance-Retirees	\$ 6,447,205	\$ 6,527,920
State Appropriation for Health Insurance-Active	\$ 12,652,561	\$ 12,640,616
Net Cost to College	\$ 24,848,057	\$ 23,618,646

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 15. POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSIONS

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

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

**Benefits Provided** — Retiree health benefits offered through the GBP are available to most state of Texas retirees and their eligible dependents. Participants need at least 10 years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

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

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

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

**Maximum Monthly Employer Contribution  
Retiree Health and Basic Life Premium  
Fiscal Year 2024**

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

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

**Premium Contributions by Source  
Group Benefits Program Plan  
For the Years Ended August 31, 2024 and 2023**

<b>Contribution Rates</b>	<b>2024</b>	<b>2023</b>
Member contributions	\$1,440,529	\$1,406,551
State of Texas on-behalf contributions	5,096,488	6,527,920
College Contributions	4,841,290	4,284,857

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

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

#### Actuarial Assumptions ERS Group Benefits Program Plan

Valuation date	August 31, 2023
Actuarial cost method	Entry Age
Amortization Method	Level Percent of Payroll, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Not applicable
Actuarial assumptions:	
Discount rate	3.81%
Projected annual salary increase	2.30% to 8.95%, including inflation
Annual healthcare trend rate	5.60% for FY2025, 5.30% for FY2026, 5.00% for FY2027, decreasing 10 basis points per year to 4.30% for FY2032 and later years
Inflation assumption rate	2.30%
Ad hoc post-employment benefit changes	None

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**Investment Policy** — The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2022 to require that all funds in the plan be invested in cash and equivalent securities.

**Discount Rate** — Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bond rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 3.59%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.81%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return applicable is zero years.

**Discount Rate Sensitivity Analysis** — The following schedule shows the impact on College's proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.81%) in measuring the net OPEB Liability.

	<b>1% Decrease in Discount Rate (2.81%)</b>	<b>Discount Rate (3.81%)</b>	<b>1% Increase in Discount Rate (4.81%)</b>
College's proportionate share of the net OPEB liability	\$ 245,444,420	\$ 211,525,038	\$ 184,242,811

**Healthcare Trend Rate Sensitivity Analysis** — The initial healthcare trend rate is 5.6% and the ultimate rate is 4.3%. The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (5.6% decreasing to 4.3%) in measuring the net OPEB Liability.

	<b>1% Decrease in Healthcare Cost Trend Rates (4.60% decreasing to 3.30%)</b>	<b>Current Healthcare Cost Trend Rates (5.60% decreasing to 4.30%)</b>	<b>1% Increase in Healthcare Cost Trend Rates (6.60% decreasing to 5.30%)</b>
College's proportionate share of the net OPEB liability	\$ 181,940,932	\$ 211,525,038	\$ 249,097,001

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** — At August 31, 2024, College reported a liability of \$211,525,038 for its proportionate share of the ERS's net OPEB Liability. This liability reflects a decrease for state support provided to the College for OPEB. The amount recognized by the College as its proportionate share of the net OPEB liability, the state support and the total portion of the net OPEB liability that was associated with College were as follows:

College's proportionate share of the collective net OPEB liability	\$ 211,525,038
State's proportionate share that is associated with College	171,732,513
Total	<u>\$ 383,257,551</u>

The net OPEB liability was measured as of August 31, 2023 and the total OPEB liability was used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.79170882%, which was slightly higher than the proportion measured at August 31, 2022 of 0.73772745%.

For the year ended August 31, 2024, the College recognized a reduction of OPEB expense of \$5,096,488 and revenue of \$5,096,488 for support provided by the State.

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

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

The discount rate assumption was changed from 3.59% as of August 31, 2022 to 3.81% as of August 31, 2023 as a result of requirements of GASB Statement No. 74 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

**Changes of Benefit Terms Since Prior Measurement Date** — There were no changes of benefit terms since the prior valuation.

At August 31, 2024, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ -	\$ 5,594,950
Changes in actuarial assumptions	7,056,246	66,062,087
Difference between projected and actual investment earnings	17,089	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	14,637,993	18,962,408
Contributions paid to ERS subsequent to the measurement date (calculated by the College)	4,841,290	-
Total	<u>\$ 26,552,618</u>	<u>\$ 90,619,445</u>

The \$4,841,290 reported as deferred outflows of resources related to OPEB resulting from College contributions paid subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending August 31, 2025.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

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

<b>Year Ending August 31</b>	<b>OPEB Expense Amount</b>
2025	\$ (21,168,493)
2026	(20,270,668)
2027	(17,531,140)
2028	(9,534,772)
2029	(403,044)
Total	<u><u>\$ (68,908,117)</u></u>

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 16. COMMITMENTS AND CONTINGENCIES

**Commitments** — The College has entered into contracts for the planning and construction of new facilities, as well as for the renovation and repair of existing campuses. Commitments remaining under such contracts at August 31, 2024 are \$44,296,976.

**Pending Lawsuits and Claims** — On August 31, 2024, various claims and lawsuits involving the College are pending. In the opinion of College administration, the potential loss on all claims and lawsuits, to the extent not provided for by insurance or otherwise, will not be significant to the financial statements of the College. A lawsuit was filed in 2019 to invalidate the voting results authorizing College to issue general obligation bonds to improve College facilities and technologies. The lawsuit was ruled in the College's favor during fiscal year 2023 and the College has commenced with the issuance of bonds and improvements to the facilities.

**Contingencies** — The College has received Federal, State, and other financial assistance in the form of contracts and grants that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agency for expenses disallowed under terms and conditions specified in the grant agreements. In the opinion of College management, such disallowed expenses, if any, will not be significant to the financial statements of the College.

On August 25, 2008, College sold a building to the University of North Texas. A clause in the original deed requires that the College remain in the line of guarantors on two ground leases, which are in effect through 2047 and 2048. The probability of having to pay the ground leases is remote since the University of North Texas is the current owner and the College follows them or any future owners in the line of priority for the guarantee. The potential amount owed through the end of the leases is in excess of \$3.0 million. However, because the probability of having to pay is remote, the College has not accrued a liability.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### 17. DISAGGREGATION OF RECEIVABLES AND PAYABLES

**Receivables**—Receivables for the fiscal years ended August 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Ad valorem taxes	\$ 14,318,683	\$ 13,539,746
Student tuition and charges	42,670,852	36,844,232
Accounts Receivable		
Federal grants	20,349,147	28,276,692
State grants	242,042	1,864,678
Local grants	4,606,453	2,526,886
Leases	5,547,979	5,599,980
Interest on investments	1,661,042	2,833,677
Other receivables	356,647	1,125,678
Total receivables	<u>89,752,845</u>	<u>92,611,569</u>
Less allowances for uncollectible amounts		
Ad valorem taxes	(11,643,290)	(10,678,118)
Student tuition and charges	(21,298,490)	(17,759,429)
Other receivables	<u>(263,360)</u>	<u>-</u>
Total allowances	<u>(33,205,140)</u>	<u>(28,437,547)</u>
Total receivables, net of allowances	<u><u>\$ 56,547,705</u></u>	<u><u>\$ 64,174,022</u></u>

The College implemented GASB Statement No. 87 for Leases in FY 2023. The College has one lease which qualifies for GASB Statement No. 87. The College is the lessor on the lease and the lease is for land owned by the College. The lease requires annual fixed payments and terminates on December 31, 2051. The rent paid under the lease through December 31, 2036 is \$500,000 per year. In years 2037 through 2046, the annual rent will be \$525,000 per year and for calendar years 2047 through 2051, the annual rent is \$550,000 per year.

As of August 31, 2024, the College's receivable for lease payments was \$5,547,979. The College also recognized a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

Principal and interest requirements to maturity for the lease receivable at August 31, 2024 are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 56,162	\$ 443,838	\$ 500,000
2026	60,655	439,345	500,000
2027	65,507	434,493	500,000
2028	70,748	429,252	500,000
2029 - 2032	344,300	1,655,700	2,000,000
Thereafter	4,950,607	4,866,059	9,816,666
Total	<u>\$ 5,547,979</u>	<u>\$ 8,268,687</u>	<u>\$ 13,816,666</u>

**Payables**—Accounts Payable for the fiscal years ended August 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Vendors payable	\$ 43,344,122	\$ 46,001,453
Students payable	(534,260)	(553,301)
Total accounts payable	<u>\$ 42,809,862</u>	<u>\$ 45,448,152</u>

**Leases**—The college has entered into agreements for the lease of equipment and office space. Included in operating expenses is \$5,529,240 and \$4,992,390 of rent paid during fiscal years 2024 and 2023, respectively.

Future minimum lease payments under non-cancelable leases having an initial term in excess of one year as of August 31, 2024 are as follows:

<u>Year Ending</u>	<u>Minimum Future Lease Payments</u>
2025	\$ 3,926,074
2026	2,995,582
2027	2,826,561
2028	1,551,441
Thereafter	6,829,048
Total	<u>\$ 18,128,706</u>

There are currently no lease obligations beyond the year ending August 31, 2033

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**18. FUNDS HELD IN TRUST BY OTHERS**

The College holds funds for certain student organizations and other agencies. These amounts are reflected in the basic financial statements as funds held for others in the amounts of \$2,379,862 and \$1,954,271 for 2024 and 2023, respectively.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**19. CONTRACTS AND GRANT AWARDS**

Contracts and grant awards are accounted for in accordance with generally accepted accounting principles in the United States. Funds received but not expended during the reporting period are shown as deferred revenues on the Statements of Net Position. Revenues are recognized on the Statements of Revenues, Expenses, and Changes in Net Position as funds are actually expended. For Federal contract and grant awards, funds expended but not collected are reported as accounts receivables on the Statements of Net Position. Non-federal contract and grant awards for which funds are expended but not collected are also reported as accounts receivables on the Statements of Net Position. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant award funds already committed, or funds awarded during fiscal years 2024 and 2023 for which monies have not been received nor funds expended totaled \$116,736,744 and \$137,465,625, respectively.

These amounts are comprised of the following:

<b>Contracts and Grant Awards</b>	<b>2024</b>	<b>2023</b>
Federal	\$109,516,926	\$129,531,352
State	1,635,841	3,867,754
Local	5,583,977	4,066,519
Total Contracts and Grant Awards	<u>\$116,736,744</u>	<u>\$137,465,625</u>

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 20. SELF-INSURED PLANS

The College is exposed to various risks of loss related torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College has assessed its risks and selected a combination of insurance coverages and self-insurance to mitigate losses in these areas.

The College after deductibles fully insures its buildings, structures, contents, and equipment with the purchase of commercial property insurance and also procures general and excess liability insurance coverages for operating errors and omissions. Settlements with claimants for torts, property thefts and damage, and errors and omissions during the fiscal years ended August 31, 2024, 2023, and 2022 did not exceed insurance coverages after deductibles.

The College self-insures for injuries to employees (workers' compensation) and autos. At August 31, 2024 and 2023, the College accrued against losses \$3,514 for auto claims.

Prior to August 31, 1998, the College was self-insured for workers' compensation. Effective September 1, 1998, the College implemented a guaranteed cost workers' compensation insurance program to handle employee injury claims. The College returned to a self-insured plan effective September 1, 2002 and is backed with excess workers' compensation coverage. The accrued liability balance is based upon third party actuarial information for expected future payments on incurred claims. Future payments for the incurred claims will be paid from the accrued liability. Settlements of workers' compensation claims during the fiscal years ended August 31, 2024, 2023, and 2022 did not exceed minimum dollar amounts required to invoke excess workers' compensation coverages.

In 2023, the Self-insurance liability for claims prior to August 31, 1998 were merged with claims for the workers' compensation plan after September 1 2002. Prior to the merger in 2023, no claims were paid from the accrual of \$244,361 balance at August 31, 2022. As a result, the liability accrual was transferred to that for the after September 1, 2002 liability.

Self-insurance activity for the current workers' compensation plan for the fiscal years ended August 31, 2024 and 2023 was as follows:

Accrued Claim Liability for the Fiscal Year Ended August 31	Balance September 1	Additions	Reductions in Liability/ Claims Paid		Balance August 31
2024	\$ 800,000	\$ 528,422	\$ (528,422)		\$ 800,000
2023	\$ 650,000	\$ 592,607	\$ (442,607)		\$ 800,000

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**21. AD VALOREM TAX**

Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year. Taxes levied for the fiscal years ended August 31, 2024 and 2023 were \$425,348,301 and \$400,440,135, respectively (which includes any penalties and interest assessed, if applicable).

Tax rates for the fiscal years ended August 31, 2024 and 2023 are as follows:

	<b>2024</b>		
	<b>Current Operations</b>	<b>Debt Service</b>	<b>Total</b>
Authorized tax rate per \$100 valuation (Maximum per enabling legislation)	\$ 0.16000	\$ 0.50000	\$ 0.66000
Assessed tax rate per \$100 valuation	\$ 0.09026	\$ 0.01977	\$ 0.11003

	<b>2023</b>		
	<b>Current Operations</b>	<b>Debt Service</b>	<b>Total</b>
Authorized tax rate per \$100 valuation (Maximum per enabling legislation)	\$ 0.16000	\$ 0.50000	\$ 0.66000
Assessed tax rate per \$100 valuation	\$ 0.09604	\$ 0.01986	\$ 0.11590

At August 31, 2024 and 2023 certified valuation for property taxed by the College was as follows:

	<b>2024</b>	<b>2023</b>
Assessed valuation of College	\$ 503,256,838,570	\$ 447,161,730,350
Less: exempt property	(44,669,264,000)	(41,026,552,570)
Less: exemptions and Capped Loss	(72,525,072,857)	(61,035,410,249)
Net assessed valuation of College	<u>\$ 386,062,501,713</u>	<u>\$ 345,099,767,531</u>

The Dallas County Tax Assessor-Collector is the Collecting Agency for the levy and remits the collections to the College, net of a collection fee. Tax proceeds are used for either maintenance and operations of the College or restricted for the funding interest and sinking requirements for GO bond debt service.

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

Gross taxes collected for fiscal year 2024:

<b>Gross Taxes Collected - 2024</b>	<b>Maintenance &amp; Operations</b>	<b>Interest &amp; Sinking</b>	<b>2024 Total</b>
Current	\$ 344,398,038	\$ 75,806,112	\$ 420,204,150
Delinquent	1,821,825	312,599	2,134,424
Penalties & Interest	14,210	-	14,210
Total Gross Collections	<u>\$ 346,234,073</u>	<u>\$ 76,118,711</u>	<u>\$ 422,352,784</u>
Less:			
Appraisal & Collection Fees	(3,904,826)	(211,248)	(4,116,073)
Bad Debt Expense	(602,515)	(362,657)	(965,172)
Total Net Collections	<u>\$ 341,726,732</u>	<u>\$ 75,544,807</u>	<u>\$ 417,271,539</u>

Gross taxes collected for fiscal year 2023:

<b>Gross Taxes Collected - 2023</b>	<b>Maintenance &amp; Operations</b>	<b>Interest &amp; Sinking</b>	<b>2023 Total</b>
Current	\$ 333,840,699	\$ 69,321,461	\$ 403,162,160
Delinquent	2,066,063	82,342	2,148,405
Penalties & Interest	2,531,627	-	2,531,627
Total Gross Collections	<u>\$ 338,438,389</u>	<u>\$ 69,403,803</u>	<u>\$ 407,842,192</u>
Less:			
Appraisal & Collection Fees	(3,328,643)	(448,569)	(3,777,212)
Bad Debt Expense	(1,052,619)	(203,385)	(1,256,004)
Total Net Collections	<u>\$ 334,057,127</u>	<u>\$ 68,751,849</u>	<u>\$ 402,808,976</u>

Tax collections for the fiscal years ended August 31, 2024 and 2023 were approximately 99% of the current tax levy for both years. Allowances for uncollectible taxes (See Note 17) are based upon historical experience in collecting ad valorem taxes.

Under GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, ad valorem taxes are imposed non-exchange revenue. Assets from imposed non-exchange transactions are recorded when the entity has an enforceable legal claim to the asset or when the entity receives resources, whichever comes first. The enforceable legal claim date for ad valorem taxes is the assessment date. Accordingly, the College has recognized all assessed taxes in the current year and recorded a receivable for uncollected taxes.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**22. TAX INCREMENT FINANCING DISTRICTS**

The College participates in a tax increment financing district ("TIF"). The following table summarizes the obligations of the College's involvement in the TIF:

<b>TIF Title</b>	<b>Percentage of Incremental Tax Committed</b>	<b>Expiration Date</b>	<b>Taxes Forgone in 2024</b>	<b>Taxes Forgone in 2023</b>
City of Garland #1	100%	2024	\$ 95,668	\$ 94,058

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**23. INCOME TAXES**

The College is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, etc.*, although unrelated income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, etc., Organizations*. The College had no material unrelated business income tax liability for the fiscal years ended August 31, 2024 or 2023.

## DALLAS COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

#### 24. COMPONENT UNITS

##### **DALLAS COLLEGE FOUNDATION, INC. —** **DISCRETELY PRESENTED COMPONENT UNIT**

Dallas College Foundation, Inc. (the "Foundation") was established as a separate non-profit organization in 1973 to raise funds to provide student scholarships and assistance in the development and growth of the College. Under GASB Statement No. 61, *The Financial Reporting Entity: Omnibus--An Amendment of GASB Statements No. 14 and No. 34*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit. Accordingly, the Foundation's financial statements are included in the College's annual comprehensive financial report as a discretely presented component unit as Exhibit 1A – Statements of Financial Position and Exhibit 2A – Statements of Activities for August 31, 2024 and 2023.

For financial information about the Dallas College Foundation, Inc., please contact the Foundation at: Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, Texas 75215-1816 or visit their website at: <https://foundation.dallascollege.edu/financials>.

The following excerpts and notes are from the Foundation's audited financial statements.

**DALLAS COLLEGE FOUNDATION, INC.**

(A Texas Nonprofit Organization)

## STATEMENTS OF FINANCIAL POSITION

August 31, 2024 and 2023

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 39,320,086	\$ 3,289,588
Accrued interest and dividends receivable	463,157	409,259
Pledges receivable, net	-	18,429
Other assets	-	6,700
Investments	80,556,401	69,849,384
	<u>120,339,644</u>	<u>73,573,360</u>
Total assets	<u>\$ 120,339,644</u>	<u>\$ 73,573,360</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Due to affiliate	\$ 56,562	\$ 81,462
Accounts payable	54,860	55,717
	<u>111,422</u>	<u>137,179</u>
Total liabilities	<u>111,422</u>	<u>137,179</u>
Net assets:		
Without Donor Restrictions	16,732,557	7,673,546
With Donor Restrictions:		
Purpose restrictions	33,202,939	30,022,901
Perpetual in nature	70,292,726	35,739,734
	<u>103,495,665</u>	<u>65,762,635</u>
Total net assets	<u>120,228,222</u>	<u>73,436,181</u>
Total liabilities and net assets	<u>\$ 120,339,644</u>	<u>\$ 73,573,360</u>

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

# **DALLAS COLLEGE FOUNDATION, INC.**

## **NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

### **NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### General

The Dallas College Foundation, Inc. (the “Foundation”) is a nonprofit organization established in 1973. The Foundation’s purpose is to provide financial support such as scholarships and grants to the Dallas College (the “College”), its students, faculty, and staff.

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.

The Foundation reports information regarding its financial position and activities according to two classes of net assets:

- Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be used for any operating purpose of the Foundation.
- With Donor Restrictions – Net assets that are subject to donor-imposed stipulations that require the passage of time and/or the occurrence of a specific event, for them to be used. Some restricted net assets are required by donors to be maintained in perpetuity, with only the revenue from investments to be used for stated purposes

#### Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks and investments that are available for current use with maturity dates of less than three months from the date of acquisition.

#### Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Fixed income securities and mutual funds are measured at net asset value (NAV). Realized and unrealized gains and losses are reported in the statements of activities. Investment managers administer the Foundation’s portfolio in a manner consistent with the investment goals and policies established by the Foundation’s Board of Directors.

#### Revenue Recognition

The Foundation records contributions received as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Contributions are recognized as revenues in the period unconditional promises to give are received by the Foundation. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are re-

## **DALLAS COLLEGE FOUNDATION, INC.**

### **NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

#### **NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

corded at their estimated fair value. Contributions to be received after one year are discounted using the risk-free rate as of the date the unconditional promise to give was received by the Foundation. Amortization of discounts is recorded as additional contributions in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible receivables is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fund-raising activity. Amounts deemed by management to be uncollectible are charged to expenses. Recoveries on receivables previously charged off are credited to expenses. Management believes that all outstanding pledges are collectible and no allowance is necessary as of August 31, 2024 and 2023.

Interest income is recognized on the accrual basis. Dividends are recorded on the ex-dividend date.

##### Federal Income Taxes

The Foundation is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the Code) of 1986, as amended, as an organization described in Section 501(c)(3) of the Code.

Thus, no provision for income taxes is included in the accompanying combined financial statements. The Foundation follows the accounting guidance for accounting for uncertainty in income taxes. The Foundation recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Foundation applied the uncertain tax position guidance to all tax positions for which the statute of limitations remained open and determined there were no material unrecognized tax benefits as of that date. The Foundation does not believe there is any uncertainty with respect to its tax position which would result in a material change to the financial statements.

The Foundation is subject to federal and state income taxes to the extent it has unrelated business income. In accordance with the guidance for uncertainty in income taxes, management has evaluated their material tax positions and determined that there are no income tax effects with respect to its financial statements. The Foundation is no longer subject to examination by federal authorities for years prior to August 31, 2017. For state authorities, the statute of limitations is generally three or four years; however, the statute of limitations will remain open for any state returns not filed.

On December 22, 2017, the United States enacted tax reform legislation commonly known as the Tax Cuts and Jobs Act of 2017 (the "Act"), resulting in significant modifications to existing tax law. There were no material effects on the Foundation's financial statements as a result of the Act. Foundation management is evaluating the ongoing impact of the Act on the Foundation.

##### Use of Estimates

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

**DALLAS COLLEGE FOUNDATION, INC.****NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

**NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - Continued

are (a) present values of contributions receivable expected to be received beyond one year, and (b) the valuation of the investments at fair value.

Functional Expenses

The Foundation's expenses are summarized and categorized based upon their functional classification as either program services or non-program services (development and management and general). Specific expenses that are readily identifiable to a single function are charged directly to that function. Certain categories of expenses are attributable to more than one function and require allocation on a reasonable basis that is consistently applied. Salaries are allocated based on the estimated percentage of time spent by each employee in the applicable functional area. Professional services includes expenses for audit, form 990 preparation, investment portfolio management, consultants, and website services.

**NOTE B - INVESTMENTS**

Investments are composed of the following as of August 31:

	<b>2024</b>		<b>2023</b>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
Fixed income securities	\$ 2,993,787	\$ 4,954,942	\$ 2,801,357	\$ 4,617,035
Equity investments	3,706,539	5,874,008	3,231,977	4,687,855
Mutual funds	51,989,091	62,165,784	50,252,455	52,515,964
Exchange traded funds	3,038,404	3,063,764	2,830,209	2,820,874
U.S. Treasury Notes	4,418,751	4,497,903	5,146,414	5,207,656
Total Investments	<u>\$ 66,146,572</u>	<u>\$ 80,556,401</u>	<u>\$ 64,262,412</u>	<u>\$ 69,849,384</u>

Investment securities are exposed to various risks, such as interest rate, custodial and market credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could significantly affect the amounts reported in the financial statements. Certificates of Deposit and U.S. Treasury Notes are classified as investments due to their maturity dates at the time of purchase. The maturity dates exceed the three-month period that determines how cash equivalents are defined.

For the years ended August 31, 2024 and 2023, the components of investment earnings are:

	<b>2024</b>	<b>2023</b>
Interest and dividend income	\$ 2,692,009	\$ 1,758,446
Net loss/gain on investments carried at fair value	9,642,179	4,296,968
Total return on investments	<u>\$ 12,334,188</u>	<u>\$ 6,055,414</u>

**DALLAS COLLEGE FOUNDATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

**NOTE C - PLEDGES RECEIVABLE**

Pledges receivable consist of the following unconditional promises to give:

	<b>August 31,</b>	
	<b>2024</b>	<b>2023</b>
Pledges Receivable - Less than one year	\$ -	\$ 21,650
Pledges Receivable - More than one year	-	-
Total Pledges Receivable	-	21,650
Less unamortized discounts	-	(3,221)
Total Pledges Receivable (net)	\$ -	\$ 18,429

**NOTE D - DONOR RESTRICTED NET ASSETS**

Donor restricted net assets are available for the following purposes:

	<b>August 31,</b>	
	<b>2024</b>	<b>2023</b>
Student scholarships for tuition and books	\$ 45,266,228	\$ 45,830,100
Professional development, student related activities, and program support	58,229,437	19,932,535
Total donor restricted net assets	\$ 103,495,665	\$ 65,762,635

**NOTE E – CORRECTION OF DONOR RESTRICTED NET ASSETS**

During 2024, management of the Foundation identified a clerical discrepancy that resulted in an overstatement of donor restricted net assets. Internal research revealed that \$1,288,583 of the overstatement pertained to grant expenses from 2023 that should have been released from restrictions during that year. Additionally, \$334,240 related to net assets that should have been released in 2022.

As a result, the comparative financial statements for 2024 and 2023 have been corrected to reflect the reclassification of \$1,622,823 from donor restricted net assets to unrestricted net assets.

**NOTE F - NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets released from restrictions consisting of funds with donor restrictions were due mainly to satisfaction of purpose restrictions. Net assets released from restrictions amounted to \$7,855,721 and \$5,808,921 for the years ended August 31, 2024 and 2023, respectively.

**NOTE G - CONCENTRATION OF CREDIT RISK**

The Foundation maintains deposits in financial institutions. At times these deposits exceed amounts insured by the Federal Deposit Insurance Corporation (FDIC). The Foundation did not experience any losses in such accounts and believes it is not exposed to any significant credit risk in this regard.

## **DALLAS COLLEGE FOUNDATION, INC.**

### **NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

#### **NOTE H - RELATED PARTY TRANSACTIONS AND CONTRIBUTED SERVICES**

The Foundation's payments to the College for scholarships and grants totaled \$5,072,798 and \$3,435,317 for fiscal years 2024 and 2023, respectively. At August 31, 2024 and 2023, the Foundation recorded a total of \$56,562 and \$81,462, respectively, for scholarships and grants payable to the College.

The salaries of Foundation employees have been donated by the College. The estimated fair value of these contributed services is \$1,277,663 and \$1,251,838 for fiscal years 2024 and 2023, respectively, and has been included in contributed salaries in revenue and management and general expenses in the accompanying statements of activities. The College also provided office space and equipment at no cost to the Foundation. Because the Foundation does not have a clearly measurable basis to estimate the value of these contributed facilities and equipment, no amounts have been reflected in the Foundation's financial statements.

#### **NOTE I - FAIR VALUE MEASUREMENTS**

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

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

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

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

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

# DALLAS COLLEGE FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

August 31, 2024 and 2023

### NOTE I - FAIR VALUE MEASUREMENTS - Continued

Following is a summary of the Foundation's investments by level, within the fair value hierarchy, as of:

August 31, 2024	Fair Value Measurement Using Input Considered as:			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity investments	\$ 5,874,008	\$ -	\$ -	\$ 5,874,008
US Treasury Bills	-	4,497,902	-	4,497,902
	<u>\$ 5,874,008</u>	<u>\$ 4,497,902</u>	<u>\$ -</u>	<u>\$ 10,371,910</u>
Investments measured at NAV	\$ -	\$ -	\$ -	\$ 70,184,491
Investments at fair value	<u>\$ 5,874,008</u>	<u>\$ 4,497,902</u>	<u>\$ -</u>	<u>\$ 80,556,401</u>

Following is a summary of the Foundation's investments by level, within the fair value hierarchy, as of:

August 31, 2023	Fair Value Measurement Using Input Considered as:			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity investments	\$ 4,687,855	\$ -	\$ -	\$ 4,687,855
US Treasury Bills	-	5,207,656	-	5,207,656
	<u>\$ 4,687,855</u>	<u>\$ 5,207,656</u>	<u>\$ -</u>	<u>\$ 9,895,511</u>
Investments measured at NAV	\$ -	\$ -	\$ -	\$ 59,953,871
Investments at fair value	<u>\$ 4,687,855</u>	<u>\$ 5,207,656</u>	<u>\$ -</u>	<u>\$ 69,849,384</u>

Change in valuation techniques may result in transfers in or out of an investment's assigned level within the hierarchy. The investment Portfolio recognizes transfers between fair value hierarchy levels at approximate date of the event or change in circumstances that cause the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

### NOTE J - ENDOWMENTS

The Foundation's endowment consists of several individual funds established for a variety of purposes. These individual funds consist of both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

## **DALLAS COLLEGE FOUNDATION, INC.**

### **NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

#### **NOTE J - ENDOWMENTS - Continued**

In September 2007, the State of Texas enacted the Uniform Prudent Management of Investment Funds Act ("UPMIFA"). UPMIFA provides standards and guidelines for the management, investment, and expenditure of charitable funds and for endowment spending by institutions organized and operated exclusively for a charitable purpose.

##### Interpretation of Relevant Law

The management of the Foundation has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions due to endowment funds (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Any remaining portion of the donor-restricted endowment fund that is not classified in endowed donor-restricted net assets is classified as donor restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Foundation and the donor restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

##### Investment Return Objectives and Risk Parameters

The Foundation board has adopted investment and spending policies for endowed assets that attempt to preserve the real (inflation-adjusted) purchasing power of the trust assets, to provide an adequate level of income to meet the original intent of the Foundation's benefactors and to maximize the total rate of return earned by the trust without assuming an unreasonable degree of risk. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor specified period(s) as well as board designated funds.

##### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

# DALLAS COLLEGE FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

August 31, 2024 and 2023

### NOTE K - ENDOWMENTS - Continued

#### Spending Policy

The Foundation will make earnings available each year for use by endowment supported funds. The available funds will be up to 5% of the three-year average of the aggregate investment portfolio market value at December 31<sup>st</sup> of the year preceding the disbursement of the funds. The spending limit will not exceed 5% of the December 31<sup>st</sup> market value. An amount in excess of the annual spending limit will be permitted for programs and endowments where donors have determined a need for a higher level of spending.

Endowment Net Asset Composition by Type of Fund as of August 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$ -	\$ 89,042,057	\$ 89,042,057
Endowment net assets, beginning of year	\$ -	\$ 54,666,541	\$ 54,666,541
Contributions	-	36,100,293	36,100,293
Adjustments	-	-	-
Investment income:			
Dividends and interest	-	892,561	892,561
Net realized and unrealized gains/losses	-	388,399	388,399
Net transfers	-	(706)	(706)
Amount appropriated for expenditures	-	(3,005,031)	(3,005,031)
Endowment net assets, end of year	\$ -	\$ 89,042,057	\$ 89,042,057

Endowment Net Asset Composition by Type of Fund as of August 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$ -	\$ 54,666,541	\$ 54,666,541
Endowment net assets, beginning of year	\$ -	\$ 53,613,598	\$ 53,613,598
Contributions	-	516,905	516,905
Adjustments	-	350,180	350,180
Investment income:			
Dividends and interest	-	908,540	908,540
Net realized and unrealized gains/losses	-	346,138	346,138
Net transfers	-	(2,933)	(2,933)
Amount appropriated for expenditures	-	(1,065,887)	(1,065,887)
Endowment net assets, end of year	\$ -	\$ 54,666,541	\$ 54,666,541

**DALLAS COLLEGE FOUNDATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

August 31, 2024 and 2023

**NOTE L - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Foundation structures its financial assets to be available when its general expenditures and other obligations are due. Financial assets available for general expenditures, without donor or other restrictions limiting their use, within one year of August 31, 2024 and 2023 are comprised of the following:

	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	\$ 39,320,086	\$ 3,289,588
Pledges receivable within one year	-	21,650
Investments	80,556,401	69,849,384
Total financial assets available	119,876,487	73,160,622
Less net assets held to meet donor-imposed restrictions	103,495,665	65,762,635
Financial assets available for general expenditure within one year	\$ 16,380,822	\$ 7,397,987

Expenditures, with donor restrictions, are supported with current and accumulated donor restricted contributions and endowed investment earnings. Sufficient reserves are provided by placing Foundation financial assets in excess of daily requirements in various short-term investments such as certificates of deposit and treasury instruments.

**NOTE M - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 26, 2024, the date financial statements were available to be issued.

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **25. RICHLAND COLLEGIATE HIGH SCHOOL - CHARTER HIGH SCHOOL OPERATED BY THE COLLEGE**

In January 2005, the College's Board of Trustees approved the application to the Texas Education Agency (TEA) for a charter to operate the Richland Collegiate High School of Mathematics, Science, and Engineering, designed to enroll students only at the junior and senior levels. TEA approved the application in October 2005. In May 2006, the Board approved the contract with TEA for operating a charter through July 31, 2010. The charter agreement has since been renewed and is in effect through August 31, 2025. The charter high school opened in August 2006 with its first class of 176 students at the junior level. Students receive high school and college credit concurrently.

Funding is received from the State of Texas for the charter high school based on average daily attendance. Expenses consist of contracted services for instruction and other functions provided through Dallas College as well as direct expenses for equipment and supplies. The high school has no direct employees or real property.

Beginning with Fall 2010 classes, a new area of emphasis for students to select from was added - performing and other arts. Because of the expanded offerings, the "Mathematics, Science, and Engineering" portion of the school's name has been dropped and is now simply Richland Collegiate High School.

The Richland Collegiate High School has the same legal identity as the College and is governed by the same Board. For operating purposes, in accord with TEA requirements, all revenue and expenses are tracked through a separate general ledger account. For financial reporting purposes, fiscal information for the charter high school is included in the financial statements of the College.

At the March 5, 2024 meeting, the College's Board of Trustees issued a resolution to discontinue Richland Collegiate High School effective August 31, 2025. The TEA approved the closure and effective date on March 14, 2024.

The Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, the Statements of Cash Flows, the Schedule of Expenses, and the Schedule of Assets for the fiscal years ended August 31, 2024, and 2023 for Richland Collegiate High School alone are presented below. Included also is a Budgetary Comparison Schedule for 2024.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**RICHLAND COLLEGIATE HIGH SCHOOL  
STATEMENTS OF NET POSITION WITH TEA CLASSIFICATIONS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**EXHIBIT 1**

<b>DATA CONTROL CODES</b>	<b>ASSETS</b>	<b>2024</b>	<b>2023</b>
	<b>CURRENT ASSETS:</b>		
1110	Cash and cash equivalents	\$ 10,947,516	\$ 8,065,940
1120	Short-term Investments	-	-
1240	Accounts receivable (net) - governments	-	-
1290	Accounts receivable (net) - others	-	-
	<b>Total current assets</b>	<b>10,947,516</b>	<b>8,065,940</b>
	<b>NON-CURRENT AND RESTRICTED ASSETS:</b>		
1539	Furniture and Equipment	22,092	25,205
1910	Investments	2,526,349	1,481,694
1900	<b>Total non-current assets</b>	<b>2,548,442</b>	<b>1,506,899</b>
1000	<b>TOTAL ASSETS</b>	<b>13,495,958</b>	<b>9,572,839</b>
	<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
1700	Deferred outflows of resources	-	-
	<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES:</b>		
2110	Accounts payable	7,820	12,300
2123	Funds Held for Others	-	-
2501	Due to College (parent organization)	6,000,532	3,249,249
	<b>Total current liabilities</b>	<b>6,008,351</b>	<b>3,261,549</b>
2000	<b>TOTAL LIABILITIES</b>	<b>6,008,351</b>	<b>3,261,549</b>
	<b>DEFERRED INFLOWS OF RESOURCES</b>		
2600	Deferred inflows of resources	-	-
	<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>
	<b>NET POSITION</b>		
3200	Invested in capital assets, net of related debt	22,092	25,205
3600	Unrestricted	7,465,514	6,286,086
3000	<b>TOTAL NET POSITION</b>	<b>\$ 7,487,606</b>	<b>\$ 6,311,290</b>

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### RICHLAND COLLEGIATE HIGH SCHOOL STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023 EXHIBIT 2

College Presentation			TEA Classifications		
	2024	2023	Data Control Codes		2024 2023
OPERATING REVENUES:				OPERATING REVENUES:	
Federal grants and contracts	\$ -	\$ -	5929	Federal grants revenue distributed by TEA	\$ - \$ -
Total operating revenues	-	-	5020	Total operating revenues	- -
OPERATING EXPENSES:				OPERATING EXPENSES:	
Instruction	722,023	1,433,683	0011	Instruction	991,128 1,720,578
Public Service	269,105	286,894	0012	Instructional resources and media services	- -
Academic support	39,838	32,604	0013	Curriculum development & instructional	18,633 23,360
Student services	504,713	365,366	0023	School leadership	335,034 297,821
			0031	Guidance, counseling and evaluation services	414,639 296,241
			0033	Health services	72,000 69,000
			0034	Student transportation	- -
			0035	Food service	19,373 1,424
Institutional support	708,323	712,582	0036	Co-Curricular/Extra-curricular	- -
Plant Maintenance and operation	-	-	0041	General administration	373,290 414,762
Depreciation	3,112	3,113	0051	Plant maintenance and operation	1,813 1,813
			0052	Security and monitoring services	- -
			0053	Data processing services	21,205 9,243
Total operating expenses	2,247,115	2,834,242	6030	Total operating expenses	2,247,115 2,834,242
OPERATING LOSS	(2,247,115)	(2,834,242)	1100	OPERATING LOSS	(2,247,115) (2,834,242)
NON-OPERATING REVENUES (EXPENSES):				NON-OPERATING REVENUES (EXPENSES):	
State appropriations	3,307,500	2,789,334	5800	State appropriations	3,307,500 2,789,334
Investment income	115,931	91,881	5742	Investment income	115,931 91,881
Net non-operating revenues	3,423,431	2,881,215		Net non-operating revenues	3,423,431 2,881,215
INCREASE IN NET POSITION	1,176,316	46,974	1200	INCREASE IN NET POSITION	1,176,316 46,974
NET POSITION:				NET POSITION:	
Net Position—Beginning of Year	6,311,290	6,264,317	0100	Net Position—Beginning of Year	6,311,290 6,264,317
Net Position—End of Year	\$ 7,487,606	\$ 6,311,290	3000	Net Position—End of Year	\$ 7,487,606 \$ 6,311,290

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**RICHLAND COLLEGIATE HIGH SCHOOL  
STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023  
EXHIBIT 3**

	<u><b>2024</b></u>	<u><b>2023</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers for goods and services	\$ 3,764,349	\$ (2,831,129)
Net cash used in operating activities	<u>3,764,349</u>	<u>(2,831,129)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations	3,307,500	2,789,334
Net cash provided by non-capital financing activities	<u>3,307,500</u>	<u>2,789,334</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Net cash used by capital and related financing activities	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipts from interest on investments	115,931	91,881
Purchase of investments	-	-
Sale of investments	-	-
Net cash provided (used) by investing activities	<u>115,931</u>	<u>91,881</u>
Increase (decrease) in cash and cash equivalents	7,187,780	50,086
Cash and cash equivalents - September 1	<u>5,267,766</u>	<u>5,217,680</u>
Cash and cash equivalents - August 31	<u><u>\$ 12,455,546</u></u>	<u><u>\$ 5,267,766</u></u>
<b>Reconciliation of net operating loss to net cash used in operating activities</b>		
Operating loss	\$ (2,247,115)	\$ (2,834,242)
Depreciation	3,112	3,112
Adjustments to reconcile net loss to net cash used in operating activities:		
<b>Changes in assets and liabilities:</b>		
Receivables (net)	-	-
Inventories	-	-
Due to College	6,000,532	-
Accounts payable	7,820	-
Funds held for others	-	-
Net cash used in operating activities	<u><u>\$ 3,764,349</u></u>	<u><u>\$ (2,831,129)</u></u>

# DALLAS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023

### RICHLAND COLLEGIATE HIGH SCHOOL BUDGETARY COMPAISON SCHEDULE FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Original to Final Budget Variance</u>	<u>Percent Original to Final Budget</u>	<u>Actual to Budget Variance</u>	<u>Percent Actual to Final Budget</u>
	<u>Original</u>	<u>Final</u>					
<b>REVENUES</b>							
Local Support:							
5740 Local and intermediate sources	\$ 75,000	\$ 75,000	\$ 115,931	\$ -	0.00%	\$ (40,931)	-54.57% <sup>d</sup>
3600 Decrease/use of fund balance	1,165,000	-	-	1,165,000	-100.00%	-	n/a
State program revenues:							
5810 Foundation School Program Act Revenues	3,871,635	3,024,174	3,307,500	847,461	-21.89% <sup>a</sup>	(283,326)	-9.37%
Total revenues	<u>\$ 5,111,635</u>	<u>\$ 3,099,174</u>	<u>\$ 3,423,431</u>	<u>\$ 847,461</u>	<u>16.58%</u>	<u>\$ (324,257)</u>	<u>-10.46%</u>
<b>EXPENDITURES</b>							
State program expenditures							
0011 11 Instruction	2,896,635	1,570,831	991,128	1,325,804	-45.77% <sup>b,c</sup>	579,703	36.90% <sup>c</sup>
0013 13 Curriculum and staff development	61,000	23,000	18,633	38,000	-62.30% <sup>b,c</sup>	4,367	18.99% <sup>c</sup>
0023 23 School leadership	511,000	429,778	335,034	81,222	-15.89% <sup>b,c</sup>	94,744	22.04% <sup>c</sup>
0031 31 Guidance, counseling and evaluation services	643,000	499,000	414,639	144,000	-22.40% <sup>b,c</sup>	84,361	16.91% <sup>c</sup>
0033 33 Health services	72,000	72,000	72,000	-	0.00%	-	0.00%
0035 35 Food Service	85,000	20,100	19,373	64,900	-76.35% <sup>b,c</sup>	727	3.62%
0041 41 General administration	659,000	458,465	373,290	200,535	-30.43% <sup>b,c</sup>	85,175	18.58% <sup>c</sup>
0051 51 Facilities maintenance and operations	15,000	2,500	1,813	12,500	-83.33% <sup>b,c</sup>	687	27.47% <sup>e</sup>
0052 52 Security and monitoring services	80,000	-	-	80,000	-100.00% <sup>b,c</sup>	-	0.00%
0053 53 Data processing services	89,000	23,500	21,205	65,500	-73.60% <sup>b,c</sup>	2,295	9.77%
Total expenditures	5,111,635	3,099,174	2,247,115	2,012,461	39.37%	852,059	27.49%
1200 Net change in fund balances	-	-	1,176,316	1,165,000	n/a	1,176,316	n/a
0100 Fund balance—beginning	6,311,290	6,311,290	6,311,290	-	0.00%	-	0.00%
3600 Decrease/Use of fund balance	(1,165,000)	-	-	-	n/a	-	n/a
3000 Fund balance—ending	<u>\$ 5,146,290</u>	<u>\$ 6,311,290</u>	<u>\$ 7,487,606</u>	<u>\$ 1,165,000</u>	<u>22.64%</u>	<u>\$ 1,176,316</u>	<u>18.64%</u>

#### Variance Explanations

- <sup>a</sup> Actual student enrollment was lower than anticipated
- <sup>b</sup> Expenses realigned once decision was made not to renew charter
- <sup>c</sup> Anticipated expenses were not realized
- <sup>d</sup> Reflects unrealized market gains
- <sup>e</sup> Expense realized in various other functions

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**RICHLAND COLLEGIATE HIGH SCHOOL  
SCHEDULE OF EXPENSES  
FOR THE YEARS AUGUST 31, 2024 AND 2023**

<b>Expenses</b>	<b>Totals</b>	
	<b>2024</b>	<b>2023</b>
6100 Payroll Costs	\$ 1	\$ 1
6200 Professional and Contracted Services	1,900,554	2,147,130
6300 Supplies and Materials	284,769	594,637
6400 Other Operating Costs	61,791	92,474
Total Expenses	<u>\$ 2,247,115</u>	<u>\$ 2,834,242</u>

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**RICHLAND COLLEGIATE HIGH SCHOOL  
SCHEDULE OF ASSETS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024**

Asset Object	Ownership Interest		
	Local	State	Federal
1110 Cash	\$ -	\$ 10,947,516	\$ -
1120 Investments	-	2,526,350	-
1510 Land and improvements	-	-	-
1520 Building and improvements	-	-	-
1531 Vehicles	3,480	-	-
1539 Furniture and Equipment	18,612	-	-
	<u>\$ 22,092</u>	<u>\$ 13,473,866</u>	<u>\$ -</u>

**RICHLAND COLLEGIATE HIGH SCHOOL  
SCHEDULE OF ASSETS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2023**

Asset Object	Ownership Interest		
	Local	State	Federal
1110 Cash	\$ -	\$ 8,065,940	\$ -
1120 Investments	-	1,481,694	-
1510 Land and improvements	-	-	-
1520 Building and improvements	-	-	-
1531 Vehicles	4,350	-	-
1539 Furniture and Equipment	20,855	-	-
	<u>\$ 25,205</u>	<u>\$ 9,547,634</u>	<u>\$ -</u>

## **DALLAS COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

#### **26. Related Parties**

During the year, the College furnished certain services such as office space, utilities, and some staff assistance to the Foundation as discussed in Notes 1 and 24.

The Foundation's payments to the College for scholarships and grants amounted to \$ 5,072,798 and \$3,435,317 for fiscal years 2024 and 2023, respectively. At August 31, 2024 and 2023, the Foundation recorded a total of \$ 56,562 and \$81,462, respectively, for scholarships and grants payable to the College.

The College paid the salaries and benefits of certain Foundation employees. The value of these contributed services is \$1,277,663 and \$1,251,838 for fiscal years 2024 and 2023, respectively. Also, the College provided office space and equipment at no cost to the Foundation. Because the College does not have a clearly measurable basis to estimate the value of these contributed facilities and equipment, no amounts can be disclosed.

In fiscal 2024, the College elected to transfer unrestricted funds in the amount of \$36,000,000 to the Foundation for student scholarships. These funds were from the sale of communications licenses that were sold in fiscal 2023.

In fiscal years 2024 and 2023, the College elected to transfer \$500,000 of funds held in its quasi-endowment fund to the Foundation for student scholarships. The quasi-endowment is funded with designated receipts from a land lease agreement of one of its properties. As collections continue on the land lease agreement, the College will transfer additional funds to the Foundation.

**DALLAS COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024 AND 2023**

**27. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 3, 2024. There were no events that require disclosure in the notes to the financial statements.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**REQUIRED SCHEDULES FOR  
NET PENSION LIABILITY**

# DALLAS COLLEGE

## SCHEDULE OF COLLEGE'S SHARE OF NET PENSION LIABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 SCHEDULE G

<u>Fiscal Year Ending August 31*,</u>	<u>2023**</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
College's proportional share of collective net pension liability (%)	0.2082641648%	0.1981778365%	0.2049686305%	0.2157006320%	0.2228132703%	0.2127551871%	0.2001928395%	0.14467900%	0.18790100%
College's proportional share of collective net pension liability (\$)	\$ 143,057,386	\$ 117,653,085	\$ 52,198,257	\$ 115,524,858	\$ 115,825,304	\$ 117,105,618	\$ 64,010,885	\$ 54,672,053	\$ 66,420,502
State's proportional share of net pension liability associated with College	111,657,440	89,560,283	40,090,176	87,890,090	81,123,674	83,945,791	43,126,165	36,957,144	35,699,280
Total	<u>\$ 254,714,826</u>	<u>\$ 207,213,368</u>	<u>\$ 92,288,433</u>	<u>\$ 203,414,948</u>	<u>\$ 196,948,978</u>	<u>\$ 201,051,409</u>	<u>\$ 107,137,050</u>	<u>\$ 91,629,197</u>	<u>\$ 102,119,782</u>
College's covered payroll amount	\$ 239,498,850	\$ 210,779,384	\$ 205,157,346	\$ 208,020,613	\$ 196,305,385	\$ 181,268,264	\$ 153,203,688	\$ 153,203,688	\$ 139,925,162
Ratio of ER proportional share of collective NPL/ER's covered payroll amount	59.73%	55.82%	25.44%	55.54%	59.00%	64.60%	41.78%	35.69%	47.47%
TRS net position as percentage of total pension liability	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

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

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

# DALLAS COLLEGE

## SCHEDULE OF COLLEGE'S CONTRIBUTIONS FOR THE FISCAL YEARS ENDED AUGUST 31, 2015 THROUGH AUGUST 31, 2024 SCHEDULE H

<u>Fiscal Year Ending August 31*,</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Legally required contributions	\$ 12,394,628	\$ 10,702,155	\$ 9,247,075	\$ 8,746,374	\$ 8,806,805	\$ 7,720,102	\$ 7,092,691	\$ 6,742,779	\$ 5,563,829	\$ 5,076,059
Actual contributions	<u>12,394,628</u>	<u>10,702,155</u>	<u>9,247,075</u>	<u>8,746,374</u>	<u>8,806,805</u>	<u>7,720,102</u>	<u>7,092,691</u>	<u>6,742,779</u>	<u>5,563,829</u>	<u>5,076,059</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll amount	\$ 273,061,987	\$ 239,498,850	\$ 210,779,384	\$ 205,157,346	\$ 208,020,613	\$ 196,305,385	\$ 181,268,624	\$ 164,785,196	\$ 153,203,688	\$ 139,925,162
Ratio of actual contributions/ER covered payroll amount	4.54%	4.47%	4.39%	4.26%	4.23%	3.93%	3.91%	4.09%	3.63%	3.63%

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

## DALLAS COLLEGE

### NOTES TO SCHEDULES FOR NET PENSION LIABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

The College implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in fiscal year 2015 restating its beginning of the year Net Position. As part of the implementation, Schedule G – *Schedule of College's Share of Net Pension Liability* and Schedule H – *Schedule of College's Contributions* were added to the College's Required Supplementary Information section of its financial statement footnotes. Each of these schedules are required to present 10 years of comparative information. Additional information will be presented on Schedules G and H as it becomes available.

Changes in Benefit Terms include:

- There were no changes in benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of Assumptions:

- The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

Change in the College's Contributions to the Pension Plan:

Legally required contributions from fiscal year to year have increased. Cost of living salary raises issued by the College's Board of Trustees and staffing additions reflecting College initiatives primarily resulted in the year-over-year increases.

The table below depicts dollar amount and percentage of changes each fiscal year when compared to the prior year:

<b>Fiscal Year</b>	<b>Covered Payroll Amount</b>	<b>Change</b>	<b>% Change</b>	<b>State Contributions</b>	<b>Change</b>	<b>% Change</b>
2024	\$ 273,061,987	\$33,563,137	14.0%	\$ 22,527,614	\$ 3,367,706	17.6%
2023	239,498,850	28,719,466	13.6%	19,159,908	2,824,506	17.3%
2022	210,779,384	5,622,038	2.7%	16,335,402	948,601	6.2%
2021	205,157,346	(2,863,267)	-1.4%	15,386,801	(214,745)	-1.4%
2020	208,020,613	11,715,228	6.0%	15,601,546	2,252,780	16.9%
2019	196,305,385	15,036,761	8.3%	13,348,766	1,022,500	8.3%
2018	181,268,624	16,483,428	10.0%	12,326,266	1,121,275	10.0%
2017	164,785,196	11,581,508	7.6%	11,204,991	781,165	7.5%
2016	153,203,688	13,278,526	9.5%	10,423,826	908,564	9.5%

**REQUIRED SCHEDULES FOR  
NET OTHER POST EMPLOYMENT  
BENEFITS LIABILITY**

# DALLAS COLLEGE

## SCHEDULE OF COLLEGE'S SHARE OF NET OTHER POST EMPLOYMENT BENEFITS LIABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 SCHEDULE I

Fiscal Year Ending August 31*,	2023 **	2022	2021	2020	2019	2018	2017
College's proportional share of collective net OPEB liability (%)	0.79170882%	0.73772745%	0.78255455%	0.81179332%	0.81560594%	0.81355841%	0.59972600%
College's proportional share of collective net OPEB liability (\$)	\$ 211,525,038	\$ 210,156,164	\$ 280,745,414	\$ 268,254,113	\$ 281,895,232	\$ 241,120,349	\$ 204,344,713
State's proportional share of net OPEB liability associated with College	171,732,513	185,192,188	234,409,324	215,864,278	226,015,783	190,256,699	189,046,665
Total	<u>\$ 383,257,551</u>	<u>\$ 395,348,352</u>	<u>\$ 515,154,738</u>	<u>\$ 484,118,391</u>	<u>\$ 507,911,015</u>	<u>\$ 431,377,048</u>	<u>\$ 393,391,378</u>
College's covered payroll amount	\$ 285,196,083	\$ 256,492,148	\$ 252,859,803	\$ 249,831,503	\$ 237,461,267	\$ 221,755,590	\$ 210,417,154
Ratio of ER proportional share of collective NPL/ER's covered payroll amount	74.17%	81.93%	111.03%	107.37%	118.71%	108.73%	97.11%
ERS net position as percentage of total OPEB liability	0.63%	0.57%	0.38%	0.32%	0.17%	1.27%	2.04%

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

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

# DALLAS COLLEGE

## SCHEDULE OF COLLEGE'S CONTRIBUTIONS TO OTHER POST EMPLOYMENT BENEFITS LIABILITY FOR THE FISCAL YEARS ENDED AUGUST 31, 2018 THROUGH AUGUST 31, 2024 SCHEDULE J

<u>Fiscal Year Ending August 31*,</u>	<u>2024 **</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contributions	\$ 4,841,290	\$ 4,893,600	\$ 4,284,857	\$ 19,637,807	\$ 21,917,027	\$ 18,977,419	\$ 16,282,310
Actual contributions	4,841,290	4,893,600	4,284,857	12,347,202	11,900,644	11,724,677	10,818,471
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,290,605</u>	<u>\$ 10,016,383</u>	<u>\$ 7,252,742</u>	<u>\$ 5,463,839</u>
College's covered payroll amount	\$ 321,993,002	\$ 285,196,083	\$ 256,492,148	\$ 252,859,803	\$ 249,831,503	\$ 237,461,267	\$ 221,755,590
Ratio of actual contributions/ER covered payroll amount	1.50%	1.72%	1.67%	7.77%	8.77%	7.99%	7.34%

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

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

\*\* Beginning in FY 2022, actuarially determined contributions only include the employer's contributions. Prior years included the State's on-behalf contributions.

## **DALLAS COLLEGE**

### **NOTES TO SCHEDULES FOR OTHER POST EMPLOYMENT BENEFITS LIABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

#### **Changes in Benefit Terms**

Under Q/A #4.107 of GASB's Implementation Guide No. 2017-2, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, any plan changes that have been adopted and communicated to plan members by the time the valuation is prepared must be included in the valuation. Accordingly, this valuation reflects the minor benefit changes that became effective September 1, 2023, since these changes were communicated to plan members in advance of the preparation of this report. These changes, which are not expected to have a significant impact on plan costs for FY2024, are provided for in the FY2024 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

#### **Changes in Assumptions**

##### Actuarial Assumptions

The following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

The discount rate was changed from 3.59% as of August 31, 2022, to 3.81% as of August 31, 2023 as a result of requirements by GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, to utilize the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit revisions have been adopted since the prior valuation. These changes are not expected to have a significant impact on plan costs for FY 2024.

## **SUPPLEMENTARY INFORMATION**

**SUPPLEMENTARY SCHEDULES FOR  
STATEMENTS OF NET POSITION AND  
STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION**

# DALLAS COLLEGE

## SCHEDULE OF OPERATING REVENUES FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 (WITH MEMORANDUM TOTALS FOR THE FISCAL YEAR ENDED AUGUST 31, 2023) SCHEDULE A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2024	2023
Tuition:						
State funded credit courses:						
In-district resident tuition	\$ 67,653,890	\$ -	\$ 67,653,890	\$ -	\$ 67,653,890	\$ 65,585,454
Out-of-district resident tuition	25,281,521	-	25,281,521	-	25,281,521	22,997,124
Non-resident tuition	30,425,111	-	30,425,111	-	30,425,111	24,615,814
TPEG - credit (set aside) *	6,016,034	-	6,016,034	-	6,016,034	5,767,946
State-funded continuing education	7,535,807	-	7,535,807	-	7,535,807	9,818,775
TPEG - non-credit (set aside) *	762,180	-	762,180	-	762,180	987,372
Non-state funded educational programs	2,384,571	-	2,384,571	-	2,384,571	2,101,463
Total Tuition	<u>140,059,114</u>	<u>-</u>	<u>140,059,114</u>	<u>-</u>	<u>140,059,114</u>	<u>131,873,948</u>
Fees:						
Installment plan fees	1,184,130	-	1,184,130	-	1,184,130	953,825
Contract training fees	-	-	-	-	-	-
Prior year tuition and fees	-	-	-	-	-	-
Total fees	<u>1,184,130</u>	<u>-</u>	<u>1,184,130</u>	<u>-</u>	<u>1,184,130</u>	<u>953,825</u>
Scholarship allowances and discounts:						
Bad debt allowance	(8,646,851)	-	(8,646,851)	-	(8,646,851)	6,781,500
Remissions and exemptions - state	(1,301,938)	-	(1,301,938)	-	(1,301,938)	(2,125,576)
Remissions and exemptions - local	(28,361,587)	-	(28,361,587)	-	(28,361,587)	(23,560,298)
Title IV federal grants	(29,495,299)	-	(29,495,299)	-	(29,495,299)	(26,147,428)
Other federal grants	(3,336,102)	-	(3,336,102)	-	(3,336,102)	(4,499,832)
State grants	(4,427,927)	-	(4,427,927)	-	(4,427,927)	(3,605,556)
TPEG awards	(4,353,989)	-	(4,353,989)	-	(4,353,989)	(1,295,010)
Rising Star program	(237)	-	(237)	-	(237)	(2,031)
Other local grants	(5,348,883)	-	(5,348,883)	-	(5,348,883)	(3,658,486)
Total scholarship allowances	<u>(85,272,813)</u>	<u>-</u>	<u>(85,272,813)</u>	<u>-</u>	<u>(85,272,813)</u>	<u>(58,112,717)</u>
Total net tuition and fees	<u>55,970,431</u>	<u>-</u>	<u>55,970,431</u>	<u>-</u>	<u>55,970,431</u>	<u>74,715,056</u>
Additional operating revenues:						
Federal grants and contracts	-	27,550,480	27,550,480	-	27,550,480	54,556,753
State grants and contracts	-	10,702,115	10,702,115	-	10,702,115	7,977,862
Non-governmental grants and contracts	-	4,119,908	4,119,908	-	4,119,908	2,122,860
Sales and services of educational activities	102,951	-	102,951	-	102,951	128,238
Other operating revenues	4,017,899	-	4,017,900	-	4,017,900	4,674,338
Total additional operating revenues	<u>4,120,850</u>	<u>42,372,503</u>	<u>46,493,354</u>	<u>-</u>	<u>46,493,354</u>	<u>69,460,051</u>
Auxiliary Enterprises:						
Bookstore	-	-	-	62,549	62,549	119,505
Food Service	-	-	-	626,782	626,782	124,065
Center for Educational Telecommunications	-	-	-	551	551	164,472
Business Incubation Center	-	-	-	-	-	-
Student Programs	-	-	-	41,243	41,243	39,981
Total net auxiliary enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,125</u>	<u>731,125</u>	<u>448,023</u>
Total Operating Revenues	<u>\$ 60,091,281</u>	<u>\$ 42,372,503</u>	<u>\$ 102,463,785</u>	<u>\$ 731,125</u>	<u>\$ 103,194,910</u>	<u>\$ 144,623,130</u>
					(Exhibit 2)	(Exhibit 2)

\* In accordance with Education Code 56.033, \$6,778,214 and \$6,755,318 for years August 31, 2024 and 2023, respectively, of tuition was set aside for Texas Public Education Grants (TPEG)

# DALLAS COLLEGE

## SCHEDULE OF OPERATING EXPENSES BY OBJECT FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2023) SCHEDULE B

	Operating Expenses				2024	2023
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
UNRESTRICTED - Educational Activities						
Instruction	\$ 157,067,048	\$ -	\$ 20,515,303	\$ 8,941,949	\$ 186,524,300	\$ 152,304,991
Public Service	1,080,301	-	250,696	(647,584)	683,413	1,484,243
Academic Support	36,808,020	-	6,254,178	4,740,196	47,802,394	45,161,698
Student Services	63,170,822	-	10,711,762	33,595,878	107,478,462	98,212,504
Institutional Support	69,323,506	-	14,473,352	78,904,525	162,701,383	101,313,119
Operation and Maintenance of Plant	13,419,005	-	4,041,775	55,092,026	72,552,806	61,142,815
Total unrestricted educational activities	340,868,702	-	56,247,066	180,626,990	577,742,758	459,619,370
RESTRICTED - Educational Activities						
Instruction	\$ 7,912,135	\$ 12,868,633	\$ 1,585,637	\$ 9,442,112	\$ 31,808,517	\$ 18,660,420
Public Service	1,004,716	-	228,400	16,939,273	18,172,389	50,473,933
Academic Support	-	3,548,619	-	4,097	3,552,716	(244,578)
Student Services	1,342,436	6,413,185	239,460	832,471	8,827,552	2,074,640
Institutional Support	1,780,626	8,044,174	360,418	1,996,653	12,181,871	28,591,379
Scholarships and Fellowships	1,545,920	-	271	75,853,613	77,399,804	107,270,607
Total restricted educational activities	13,585,833	30,874,611	2,414,186	105,068,219	151,942,849	206,826,401
TOTAL EDUCATIONAL ACTIVITIES	354,454,535	30,874,611	58,661,252	285,695,209	729,685,607	666,445,771
AUXILIARY ENTERPRISES	72,679	-	2,969	1,051,966	1,127,614	689,086
DEPRECIATION EXPENSE - Buildings and other real estate improvements	-	-	-	15,769,607	15,769,607	14,491,337
DEPRECIATION EXPENSE - Equipment and furniture	-	-	-	7,900,680	7,900,680	4,949,097
TOTAL OPERATING EXPENSES	\$ 354,527,214	\$ 30,874,611	\$ 58,664,221	\$ 310,417,462	\$ 754,483,508 (Exhibit 2)	\$ 686,575,291 (Exhibit 2)

# DALLAS COLLEGE

## SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2023) SCHEDULE C

	Unrestricted	Restricted	Auxiliary Enterprises	2024	2023
NON-OPERATING REVENUES:					
State Appropriations:					
Education and general state support	\$ 107,964,648	\$ -	\$ -	\$ 107,964,648	\$ 94,591,630
State group insurance	-	19,099,766	-	19,099,766	19,168,536
State retirement matching	-	11,774,845	-	11,774,845	3,298,645
SBDC state match	-	961,277	-	961,277	1,402,019
Starlink	-	278,292	-	278,292	278,967
Hazlewood state reimbursement	74,151	-	-	74,151	24,707
Foundation school program	3,307,500	-	-	3,307,500	2,789,334
Total state appropriations	<u>111,346,299</u>	<u>32,114,180</u>	<u>-</u>	<u>143,460,479</u>	<u>121,553,838</u>
Ad valorem taxes	341,726,732	75,544,807	-	417,271,539	402,808,975
Federal revenue, non-operating	-	117,073,183	-	117,073,183	116,776,935
Gifts	-	-	-	-	-
Investment income	31,513,827	10,369,801	3,381,968	45,265,596	24,633,734
Gain on sale of investment	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-
Other non-operating revenue	<u>10,989</u>	<u>-</u>	<u>-</u>	<u>10,989</u>	<u>37,816,578</u>
Total non-operating revenues	<u>484,597,847</u>	<u>235,101,971</u>	<u>3,381,968</u>	<u>723,081,786</u>	<u>703,590,060</u>
NON-OPERATING EXPENSES:					
Interest on capital related debt	12,038,878	-	-	12,038,878	10,360,636
Loss on disposal of capital assets	325,321	-	-	325,321	324,688
Other non-operating expense	<u>36,533,000</u>	<u>-</u>	<u>-</u>	<u>36,533,000</u>	<u>2,438,499</u>
Total non-operating expenses	<u>48,897,199</u>	<u>-</u>	<u>-</u>	<u>48,897,199</u>	<u>13,123,823</u>
NET NON-OPERATING REVENUES	<u>\$ 435,700,648</u>	<u>\$ 235,101,971</u>	<u>\$ 3,381,968</u>	<u>\$ 674,184,587</u>	<u>\$ 690,466,237</u>
				(Exhibit 2)	(Exhibit 2)

# DALLAS COLLEGE

## SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 (WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2023) SCHEDULE D

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ (301,028,319)	\$ -	\$ -	\$ -	\$ (301,028,319)	\$ (301,028,319)	\$ -
Auxiliary enterprises	15,915,633	-	-	-	15,915,633	15,915,633	-
Restricted	-	-	-	-	-	-	-
Loan	152,087	-	-	-	152,087	-	152,087
Endowment:							
Quasi:							
Unrestricted	(1,073,972)	-	-	-	(1,073,972)	-	(1,073,972)
Restricted	-	-	-	-	-	-	-
Plant:							
Unexpended	293,776,651	-	-	-	293,776,651	-	293,776,651
Debt Service	-	188,380,838	-	-	188,380,838	-	188,380,838
Investment in Plant	-	-	-	690,688,947	690,688,947	-	690,688,947
TOTAL NET POSITION--							
August 31, 2024	7,742,080	188,380,838	-	690,688,947	886,811,865 (Exhibit 1)	(285,112,686)	1,171,924,551
TOTAL NET POSITION--							
August 31, 2023	50,893,820	139,512,117	-	673,509,939	863,915,876 (Exhibit 1)	(251,576,271)	966,978,071
NET INCREASE (DECREASE) IN NET POSITION	\$ (43,151,740)	\$ 48,868,721	\$ -	\$ 17,179,008	\$ 22,895,989 (Exhibit 2)	\$ (33,536,415)	\$ 204,946,480

**TEXAS EDUCATION AGENCY  
REQUIRED SCHEDULES**

**DALLAS COLLEGE**

**RICHLAND COLLEGIATE HIGH SCHOOL  
J4 SCHEDULE OF STATE ALLOTMENT PROGRAM FUNDS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

Data Codes	<b>Section A: Compensatory Education Programs</b>	Column 1 Responses
	Districts are required to use at least 55% of state compensatory education state allotment funds on direct program costs. Statutory Authority: Texas Education Code, 48.104.	
AP1	Did your School expend any state compensatory education program state allotment funds during the district's fiscal year?	<b>Yes</b>
AP2	Does the School have written policies and procedures for its state compensatory education program?	<b>Yes</b>
AP3	List the total state allotment funds received for state compensatory education programs during the school's fiscal year.	<b>\$55,517</b>
AP4	List the actual direct program expenditures for state compensatory education programs during the School's fiscal year. (PICs 26, 28, 29, 30, 34)	<b>\$133,109</b>
	<b>Section B: Bilingual Education Programs</b>	
	Districts are required to use at least 55% of bilingual education state allotment funds on direct program costs. Statutory Authority: Texas Education Code, 48.105.	
AP5	Did your School expend any bilingual education program state allotment funds during the School's fiscal year?	<b>Yes</b>
AP6	Does the School have written policies and procedures for its bilingual education program?	<b>Yes</b>
AP7	List the total state allotment funds received for bilingual education programs during the School's fiscal year.	<b>\$16,618</b>
AP8	List the actual direct program expenditures for bilingual education programs during the School's fiscal year. (PIC 25)	<b>\$13,509</b>

**DALLAS COLLEGE**

**RICHLAND COLLEGIATE HIGH SCHOOL  
SCHEDULE OF REAL PROPERTY OWNERSHIP  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

<b>Description (list each parcel separately)</b>	<b>Property Address</b>	<b>Total Assessed Value</b>	<b>Ownership Interest - Local</b>	<b>Ownership Interest - State</b>	<b>Ownership Interest - Federal</b>
NA					

**DALLAS COLLEGE**

**RICHLAND COLLEGIATE HIGH SCHOOL  
SCHEDULE OF RELATED PARTY TRANSACTIONS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

<b>Related Party Name</b>	<b>Name of Relation to the Related Party</b>	<b>Relationship</b>	<b>Type of Transaction</b>	<b>Description of Terms and Conditions</b>	<b>Source of Funds Used</b>	<b>Payment Frequency</b>	<b>Total Paid During FY</b>	<b>Principal Balance Due</b>
NA								

**STATISTICAL SECTION  
(UNAUDITED)**

## **DALLAS COLLEGE**

### **STATISTICAL SECTION TABLE OF CONTENTS**

This part of Dallas College's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about College's overall financial health. The statistical tables are not audited.

#### **FINANCIAL TRENDS**

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

- Net Position by Component and Changes in Net Position
- Revenues by Source
- Program Expenses by Function

#### **REVENUE CAPACITY**

These schedules contain information to help the reader assess College's most significant local revenue sources.

- Tuition and Fees
- Assessed Value and Taxable Assessed Value of Property
- State Appropriations per FTSE, Contact Hour and Student Success Points
- Principal Taxpayers
- Property Tax Levies and Collections

#### **DEBT CAPACITY**

These schedules present information to help the reader assess the affordability of College's current level of outstanding debt.

- Ratios of Outstanding Debt
- Legal Debt Margin Information
- Pledged Revenue Coverage

#### **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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

- Demographic and Economic Information – Taxing District
- Principal Employers

#### **OPERATING INFORMATION**

These schedules contain employment, enrollment, and infrastructure data to help the reader understand how the information in College's annual comprehensive financial report relates to the services College provides and the activities it performs.

- Faculty, Staff, and Administrative Statistics
- State and Employer Contribution for Health Care Insurance
- Enrollment Details
- Student Profile
- Transfers to Senior Institutions
- Capital Asset Information

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 1**  
**NET POSITION BY COMPONENT AND CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)  
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended August 31,									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Net Position</b>										
Net Investment in Capital Assets	\$ 690,689	\$ 673,510	\$ 701,894	\$ 661,556	\$ 545,136	\$ 446,460	\$ 402,522	\$ 368,475	\$ 343,315	\$ 302,684
Restricted - expendable	188,381	139,512	91,250	17,726	2,619	617	4,742	1,837	2,319	8,596
Unrestricted	7,742	50,894	(77,742)	(28,387)	6,018	50,856	33,010	251,590	223,071	207,813
Total net position	<u>\$ 886,812</u>	<u>\$ 863,916</u>	<u>\$ 715,402</u>	<u>\$ 650,895</u>	<u>\$ 553,773</u>	<u>\$ 497,933</u>	<u>\$ 440,274</u>	<u>\$ 621,902</u>	<u>\$ 568,705</u>	<u>\$ 519,093</u>
<b>Changes in Net Position</b>										
Operating revenues	\$ 103,195	\$ 144,623	\$ 113,949	\$ 120,628	\$ 108,209	\$ 108,667	\$ 113,109	\$ 109,721	\$ 106,552	\$ 101,738
Operating expenses	754,484	686,575	639,528	611,265	596,347	554,143	529,385	497,066	479,990	472,035
Operating loss	(651,289)	(541,952)	(525,579)	(490,637)	(488,138)	(445,476)	(416,276)	(387,345)	(373,438)	(370,297)
Non-operating revenues net of expenses	674,185	690,466	590,086	587,759	543,978	503,135	473,178	440,542	423,050	415,137
Increase in Net Position	22,896	148,514	64,507	97,122	55,840	57,659	56,902	53,197	49,612	44,840
Net Position at Beginning of year	863,916	715,402	650,895	553,773	497,933	440,274	621,902	568,705	519,093	534,846
Cumulative effect of change in principal	-	-	-	-	-	-	(238,530)	-	-	(60,593)
Net Position at Beginning of year, restated	863,916	715,402	650,895	553,773	497,933	440,274	383,372	568,705	519,093	474,253
Net Position at End of year	<u>\$ 886,812</u>	<u>\$ 863,916</u>	<u>\$ 715,402</u>	<u>\$ 650,895</u>	<u>\$ 553,773</u>	<u>\$ 497,933</u>	<u>\$ 440,274</u>	<u>\$ 621,902</u>	<u>\$ 568,705</u>	<u>\$ 519,093</u>

Notes: GASB Statement No. 65 applied to the 2013 beginning Net Position.  
GASB Statement No. 68 applied to the 2015 beginning Net Position.  
GASB Statement No. 75 applied to the 2018 beginning Net Position.

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 2**  
**REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

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

(Amounts Expressed in Thousands)

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Tuition and charges (net of discounts)	\$ 55,970	\$ 74,715	\$ 53,306	\$ 63,946	\$ 64,927	\$ 71,217	\$ 76,150	\$ 75,078	\$ 70,969	\$ 64,915
Federal grants and contracts	27,550	54,557	49,295	34,347	25,237	19,880	18,209	17,089	18,071	16,376
State grants and contracts	10,702	7,978	6,443	7,887	6,609	7,380	12,082	9,158	10,587	12,343
Non-governmental grants and contracts	4,120	2,123	1,723	14,689	7,785	5,582	1,963	3,960	2,358	2,511
Sales and services of educational activities	104	128	95	33	201	537	572	635	591	551
Auxiliary enterprises	731	448	1,006	1,242	1,300	1,798	2,036	2,103	2,066	3,417
General operating revenues	4,018	4,674	2,081	1,700	2,150	2,273	2,097	1,699	1,910	1,626
<b>Total Operating Revenues</b>	<b>103,195</b>	<b>144,623</b>	<b>113,949</b>	<b>123,844</b>	<b>108,209</b>	<b>108,667</b>	<b>113,109</b>	<b>109,722</b>	<b>106,552</b>	<b>101,739</b>
State appropriations	143,460	121,554	122,041	136,855	123,546	117,381	118,624	118,602	116,142	116,564
Maintenance ad valorem taxes	417,272	402,809	373,727	358,328	332,488	307,215	282,182	262,107	240,887	224,008
Federal revenue, non-operating	117,073	116,777	111,707	91,947	84,421	73,348	74,999	70,883	73,159	86,497
Gifts	-	-	-	-	4	29	106	95	138	112
Investment income	45,266	24,634	(16,512)	1,027	7,039	12,537	5,752	3,436	3,564	4,040
Gain on sale of investment	-	-	-	-	-	-	-	-	-	-
Contributions in aid of construction	-	-	-	73	-	-	-	-	-	-
Gain on disposal of capital assets & easements	-	-	-	258	-	-	-	230	-	-
Other non-operating revenue	11	37,817	3,350	1,580	652	65	560	600	1,998	187
<b>Total Non-operating Revenues</b>	<b>723,082</b>	<b>703,590</b>	<b>594,313</b>	<b>590,068</b>	<b>548,150</b>	<b>510,575</b>	<b>482,223</b>	<b>455,953</b>	<b>435,888</b>	<b>431,408</b>
<b>Total Revenues</b>	<b>\$ 826,277</b>	<b>\$ 848,213</b>	<b>\$ 708,262</b>	<b>\$ 713,912</b>	<b>\$ 656,359</b>	<b>\$ 619,242</b>	<b>\$ 595,332</b>	<b>\$ 565,675</b>	<b>\$ 542,440</b>	<b>\$ 533,147</b>

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

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Tuition and charges (net of discounts)	6.68%	8.81%	7.53%	8.96%	9.89%	11.50%	12.79%	13.26%	13.08%	12.18%
Federal grants and contracts	3.29%	6.43%	6.96%	4.81%	3.84%	3.21%	3.06%	3.02%	3.33%	3.07%
State grants and contracts	1.28%	0.94%	0.91%	1.11%	1.01%	1.19%	2.03%	1.62%	1.95%	2.32%
Non-governmental grants and contracts	0.49%	0.25%	0.24%	2.06%	1.19%	0.90%	0.33%	0.70%	0.43%	0.47%
Sales and services of educational activities	0.01%	0.02%	0.01%	0.00%	0.03%	0.09%	0.10%	0.11%	0.11%	0.10%
Auxiliary enterprises	0.09%	0.05%	0.14%	0.17%	0.20%	0.29%	0.34%	0.37%	0.38%	0.64%
General operating revenues	0.48%	0.55%	0.29%	0.24%	0.33%	0.37%	0.35%	0.30%	0.35%	0.30%
<b>Total Operating Revenues</b>	<b>12.31%</b>	<b>17.05%</b>	<b>16.08%</b>	<b>17.35%</b>	<b>16.49%</b>	<b>17.55%</b>	<b>19.00%</b>	<b>19.38%</b>	<b>19.63%</b>	<b>19.08%</b>
State appropriations	18.52%	14.33%	17.23%	19.17%	18.82%	18.96%	19.92%	20.97%	21.41%	21.86%
Maintenance ad valorem taxes	49.79%	47.49%	52.77%	50.19%	50.66%	49.61%	47.40%	46.34%	44.41%	42.02%
Federal revenue, non-operating	13.97%	13.77%	15.77%	12.88%	12.86%	11.84%	12.60%	12.53%	13.49%	16.22%
Gifts	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.02%	0.02%	0.03%	0.02%
Investment income	5.40%	2.90%	-2.33%	0.14%	1.07%	2.02%	0.97%	0.61%	0.66%	0.76%
Gain on sale of investment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions in aid of construction	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gain on disposal of capital assets & easements	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%
Other non-operating revenue	0.00%	4.46%	0.48%	0.22%	0.10%	0.01%	0.09%	0.11%	0.37%	0.04%
<b>Total Non-operating Revenues</b>	<b>87.69%</b>	<b>82.95%</b>	<b>83.92%</b>	<b>82.65%</b>	<b>83.51%</b>	<b>82.45%</b>	<b>81.00%</b>	<b>80.62%</b>	<b>80.37%</b>	<b>80.92%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 3**  
**PROGRAM EXPENSES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

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

(Amounts Expressed in Thousands)

	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Instruction	\$ 218,333	\$ 170,965	\$ 167,459	\$ 189,038	\$ 216,862	\$ 206,218	\$ 203,692	\$ 194,996	\$ 186,114	\$ 180,091
Public service	18,856	51,958	32,269	24,526	14,917	10,079	11,186	11,432	14,325	11,920
Academic support	51,355	44,917	42,851	28,134	27,040	25,313	23,315	23,073	22,517	20,384
Student services	116,306	100,287	95,838	85,155	68,174	63,747	55,694	48,807	47,798	44,666
Institutional support	174,883	129,904	137,115	140,657	116,642	111,966	99,268	87,717	82,314	77,177
Operation and maintenance of plant	72,553	61,143	50,410	42,949	56,054	48,209	47,073	44,236	39,480	35,296
Scholarships and fellowships	77,400	107,271	89,865	71,938	65,352	55,474	56,038	53,531	52,338	65,101
Auxiliary enterprises	1,128	689	720	7,207	9,388	10,493	9,544	9,281	9,226	9,585
Depreciation	23,670	19,440	23,001	22,152	21,918	22,644	23,575	23,993	25,878	27,815
<b>Total Operating Expenses</b>	<b>754,484</b>	<b>686,575</b>	<b>639,528</b>	<b>611,756</b>	<b>596,347</b>	<b>554,143</b>	<b>529,385</b>	<b>497,066</b>	<b>479,990</b>	<b>472,035</b>
Interest on capital debt	12,039	10,361	2,570	1,727	4,051	6,833	7,920	8,385	11,574	15,098
Loss on disposal of capital assets	325	325	61	-	26	218	185	-	596	857
Other non-operating expense	36,533	2,438	1,596	784	95	390	941	7,026	668	317
<b>Total Non-operating Expenses</b>	<b>48,897</b>	<b>13,124</b>	<b>4,227</b>	<b>2,511</b>	<b>4,172</b>	<b>7,441</b>	<b>9,046</b>	<b>15,411</b>	<b>12,838</b>	<b>16,272</b>
<b>Total Expenses</b>	<b>\$ 803,381</b>	<b>\$ 699,699</b>	<b>\$ 643,755</b>	<b>\$ 614,267</b>	<b>\$ 600,519</b>	<b>\$ 561,584</b>	<b>\$ 538,431</b>	<b>\$ 512,477</b>	<b>\$ 492,828</b>	<b>\$ 488,307</b>

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

	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Instruction	26.79%	24.43%	26.01%	30.77%	36.11%	36.72%	37.83%	38.05%	37.76%	36.88%
Public service	2.31%	7.43%	5.01%	3.99%	2.49%	1.79%	2.08%	2.23%	2.91%	2.44%
Academic support	6.30%	6.42%	6.66%	4.58%	4.50%	4.51%	4.33%	4.50%	4.57%	4.17%
Student services	14.27%	14.33%	14.89%	13.86%	11.35%	11.35%	10.34%	9.52%	9.70%	9.15%
Institutional support	22.90%	18.57%	21.30%	22.90%	19.42%	19.94%	18.44%	17.12%	16.70%	15.81%
Operation and maintenance of plant	8.90%	8.74%	7.83%	6.99%	9.34%	8.58%	8.74%	8.63%	8.01%	7.23%
Scholarships and fellowships	9.50%	15.33%	13.96%	11.71%	10.88%	9.88%	10.41%	10.45%	10.62%	13.33%
Auxiliary enterprises	0.14%	0.10%	0.11%	1.18%	1.57%	1.87%	1.77%	1.81%	1.87%	1.96%
Depreciation	2.90%	2.78%	3.57%	3.61%	3.65%	4.03%	4.38%	4.68%	5.25%	5.70%
<b>Total Operating Expenses</b>	<b>94.00%</b>	<b>98.12%</b>	<b>99.34%</b>	<b>99.59%</b>	<b>99.31%</b>	<b>98.67%</b>	<b>98.32%</b>	<b>96.99%</b>	<b>97.39%</b>	<b>96.67%</b>
Interest on capital debt	1.48%	1.48%	0.40%	0.28%	0.67%	1.22%	1.47%	1.64%	2.35%	3.09%
Loss on disposal of capital assets	0.04%	0.05%	0.01%	0.00%	0.00%	0.04%	0.03%	0.00%	0.12%	0.18%
Other non-operating expense	4.48%	0.35%	0.25%	0.13%	0.02%	0.07%	0.18%	1.37%	0.14%	0.06%
<b>Total Non-operating Expenses</b>	<b>6.00%</b>	<b>1.88%</b>	<b>0.66%</b>	<b>0.41%</b>	<b>0.69%</b>	<b>1.33%</b>	<b>1.68%</b>	<b>3.01%</b>	<b>2.61%</b>	<b>3.33%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 4  
TUITION AND FEES  
LAST TEN ACADEMIC YEARS  
(UNAUDITED)**

**Resident  
Fees per Semester Credit Hour (SCH)**

<b>Academic Year (Fall)</b>	<b>In-District Tuition</b>	<b>Out-of-District Tuition</b>	<b>Cost for 12 SCH In-District</b>	<b>Cost for 12 SCH Out-of-District</b>	<b>Increase from Prior Year In-District</b>	<b>Increase from Prior Year Out-of-District</b>
2023-24	\$ 79	\$ 135	\$ 948	\$ 1,620	0.00%	0.00%
2022-23	79	135	948	1,620	0.00%	0.00%
2021-22	79	135	948	1,620	0.00%	0.00%
2020-21	79	135	948	1,620	0.00%	0.00%
2019-20	79	135	948	1,620	33.90%	21.62%
2018-19	59	111	708	1,332	0.00%	0.00%
2017-18	59	111	708	1,332	0.00%	0.00%
2016-17	59	111	708	1,332	0.00%	0.00%
2015-16	59	111	708	1,332	13.46%	14.43%
2014-15	52	97	624	1,164	0.00%	0.00%

**Non-Resident  
Fees per Semester Credit Hour (SCH)**

<b>Academic Year (Fall)</b>	<b>Non-Resident Tuition Out-of-State</b>	<b>Non-Resident Tuition International</b>	<b>Cost for 12 SCH Out-of-State</b>	<b>Cost for 12 SCH International</b>	<b>Increase from Prior Year Out-of-State</b>	<b>Increase from Prior Year International</b>
2023-24	\$ 200	\$ 200	\$ 2,400	\$ 2,400	0.00%	0.00%
2022-23	200	200	2,400	2,400	0.00%	0.00%
2021-22	200	200	2,400	2,400	0.00%	0.00%
2020-21	200	200	2,400	2,400	0.00%	0.00%
2019-20	200	200	2,400	2,400	14.94%	14.94%
2018-19	174	174	2,088	2,088	0.00%	0.00%
2017-18	174	174	2,088	2,088	0.00%	0.00%
2016-17	174	174	2,088	2,088	0.00%	0.00%
2105-16	174	174	2,088	2,088	13.73%	13.73%
2014-15	153	153	1,836	1,836	0.00%	0.00%

Source: Dallas College Office of Finance

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees, and certification fees.

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 5**  
**ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY**  
**LAST TEN FISCAL YEARS**  
(UnAUDITED)

Fiscal Year	(In Thousands)					Ratio to Market Value	Direct Rate per \$100 TAV		
	Market Value	Exempt Property	Exemptions	Capped Value Loss	Assessed Value August 31,		Maintenance & Operations	Debt Service	Total
2023-24	\$ 503,256,839	\$ (44,652,994)	\$ (46,233,941)	\$ (26,307,402)	\$ 386,062,502	0.00%	\$ 0.09026	\$ 0.01977	\$ 0.11003
2022-23	447,161,730	(41,010,751)	(38,903,825)	(22,147,387)	345,099,767	77.18%	0.09604	0.01986	0.11590
2021-22	382,353,955	(38,103,745)	(37,247,251)	(7,522,101)	299,480,858	78.33%	0.10351	0.02000	0.12351
2020-21	350,355,051	(36,172,448)	(35,543,398)	(7,470,729)	271,168,476	77.40%	0.10400	0.02000	0.12400
2019-20	345,979,905	(33,197,583)	(34,346,508)	(8,751,924)	269,683,890	77.95%	0.10400	0.02000	0.12400
2018-19	319,258,574	(28,682,821)	(31,865,436)	(7,999,051)	250,711,266	78.53%	0.10400	0.02000	0.12400
2017-18	289,539,455	(26,440,233)	(29,440,088)	(4,910,530)	228,748,604	79.00%	0.10400	0.02024	0.12424
2016-17	271,612,210	(24,971,706)	(26,095,025)	(4,017,502)	216,527,977	79.72%	0.10400	0.01893	0.12293
2015-16	246,799,391	(23,738,621)	(24,127,574)	(1,653,865)	197,279,331	79.94%	0.10400	0.01970	0.12370
2014-15	229,252,906	(22,361,172)	(23,163,610)	(905,615)	182,822,509	79.75%	0.10400	0.02078	0.12478
2013-14	215,247,998	(21,135,859)	(22,099,779)	(271,740)	171,740,620	79.79%	0.10400	0.02070	0.12470

Source: Dallas County Appraisal District

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 6A**  
**GENERAL APPROPRIATIONS ACT BEFORE CONTACT HOUR ADJUSTMENTS**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Appropriation Funding Elements</b>										
State Appropriation Contact Hour Funding	N/A	\$ 75,250,292	\$ 75,250,292	\$ 83,339,382	\$ 83,339,382	\$ 78,979,053	\$ 78,979,053	\$ 77,308,120	\$ 77,308,906	\$ 78,753,201
State Appropriation Student Success Points	N/A	15,263,981	15,263,981	10,475,426	10,475,427	8,063,145	8,063,145	7,419,486	7,419,486	7,892,826
State Appropriation Core Operations	N/A	680,406	680,406	680,406	680,406	680,406	680,406	500,000	500,000	500,000
State Appropriation Non-Formula Items	N/A	1,831,907	1,831,907	1,928,323	1,928,323	1,928,323	1,928,323	2,138,298	2,138,299	2,138,299
<b>Total</b>	N/A	<b>\$ 93,026,586</b>	<b>\$ 93,026,586</b>	<b>\$ 96,423,537</b>	<b>\$ 96,423,538</b>	<b>\$ 89,650,927</b>	<b>\$ 89,650,927</b>	<b>\$ 87,365,904</b>	<b>\$ 87,366,691</b>	<b>\$ 89,284,326</b>
<b>Appropriation Funding Elements</b>	<u>2024</u>									
FY2024 Formula Funding (+ Transition Funding)	\$ 96,999,738									
FY 2024 Non-Formula Support	1,831,907									
<b>Total</b>	<b>\$ 98,831,645</b>									

Note: After the introduction of HB8, the passage of House Bill 8 in 2023 shifted Texas away from a static system tied primarily to students' time in class to a modern and dynamic outcomes-based formula. Community Colleges are no longer funded based on previous

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 6B**  
**STATE APPROPRIATIONS PER FTSE**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)  
(AMOUNTS EXPRESSED IN THOUSANDS)

Appropriation per FTSE				
<b>Fiscal Year</b>	<b>State Appropriation (Unrestricted)</b>		<b>FTSE</b>	<b>State Appropriation per FTSE</b>
2023-24	\$	96,999	44,702	\$ 2,170
2022-23		91,195	42,661	2,138
2021-22		91,195	41,240	2,211
2020-21		94,495	43,553	2,170
2019-20		94,495	52,394	1,804
2018-19		87,723	50,759	1,728
2017-18		87,723	49,323	1,779
2016-17		85,408	48,781	1,751

Note: FTSE is defined as the number of credit hours divided by 30 plus the number of CE contact hours divided by 900.  
Source: Dallas College Office of Finance End of Semester Student Statistics Report

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 6C**  
**STATE APPROPRIATION PER FUNDED CONTACT HOUR**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

<b>Fiscal Year</b>	Appropriation per Funded Contact Hour					
	<b>CH - State Appropriation (Unrestricted)</b>	<b>Academic Contact Hours</b>	<b>Technical Contact Hours</b>	<b>Continuing Education Contact Hours</b>	<b>Total Funded Contact Hours</b>	<b>CH - State Appropriation per Funded Contact Hour</b>
2023-24	N/A	19,207	6,279	1,384	26,870	N/A
2022-23	\$ 75,250,292	17,927	5,793	1,533	25,253	2.98
2021-22	75,250,292	17,730	5,898	1,252	24,880	3.02
2020-21	83,339,382	19,021	6,290	906	26,217	3.60
2019-20	83,339,382	23,046	6,607	1,785	31,438	3.01
2018-19	78,979,053	22,184	6,477	2,027	30,688	2.86
2017-18	78,979,053	21,680	6,215	2,076	29,971	2.93
2016-17	77,308,120	21,145	5,946	2,894	29,985	2.85

Note: FTSE is defined as the number of credit hours divided by 30 plus the number of CE contact hours divided by 900.  
Source: Dallas College Office of Finance End of Semester Student Statistics Report

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 6D**  
**STATE APPROPRIATION PER STUDENT SUCCESS POINT - ANNUALIZED**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

Appropriation per SSP			
<u>Fiscal Year</u>	<u>SSP - State Appropriation (Unrestricted)</u>	<u>Year Average Student Success Points</u>	<u>Appropriation per Success Point</u>
2023-24	N/A	N/A	N/A
2022-23	\$ 15,263,981	N/A	N/A
2021-22	15,263,981	N/A	N/A
2020-21	10,475,426	112,308	93
2019-20	10,475,427	130,383	80
2018-19	8,063,145	123,319	65
2017-18	8,063,145	116,330	69
2016-17	7,419,486	102,421	72

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 6E**  
**STATE APPROPRIATION PER STUDENT SUCCESS POINTS**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Success Point Elements</b>										
Math Readiness	n/a	n/a	n/a	4,198	4,847	5,569	3,323	3,023	3,052	1,836
Read Readiness	n/a	n/a	n/a	4,900	2,623	1,758	1,853	1,612	1,469	1,136
Write Readiness	n/a	n/a	n/a	4,130	1,568	870	1,207	1,428	1,375	1,120
Students Who Pass FCL Math Course	n/a	n/a	n/a	13,192	15,599	13,560	12,487	12,091	11,024	11,597
Students Who Pass FCL Read Course	n/a	n/a	n/a	19,219	11,643	12,153	12,509	11,024	10,065	9,927
Students Who Pass FCL Write Course	n/a	n/a	n/a	16,952	11,268	10,513	9,815	8,588	8,205	8,555
Students Who Complete 15 SCH	n/a	n/a	n/a	19,861	22,227	21,250	20,228	18,685	16,721	17,899
Students Who Complete 30 SCH	n/a	n/a	n/a	13,061	20,857	18,951	18,227	11,243	10,489	10,727
Student Transfers to a 4-Yr Inst	n/a	n/a	n/a	5,898	18,699	18,255	16,821	10,700	10,716	10,276
Degrees, CCCs, or Certs (Undup)	n/a	n/a	n/a	9,579	13,667	13,773	13,311	19,871	19,889	19,898
Degrees or Certs in Critical Fields	n/a	n/a	n/a	1,318	6,438	7,010	6,549	4,156	3,355	3,791
<b>Annual Success Points - Total</b>	n/a	n/a	n/a	<b>112,308</b>	<b>129,436</b>	<b>123,662</b>	<b>116,330</b>	<b>102,421</b>	<b>96,360</b>	<b>96,762</b>

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 7  
PRINCIPAL TAXPAYERS  
LAST TEN TAX YEARS  
(UNAUDITED)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Fiscal Year (\$000 omitted)									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Boeing Distribution/Aviall Inc	Aviation	\$ 1,578,482	\$ 1,803,331	\$ 2,266,628	\$ 1,581,159	\$ 1,584,926	\$ 1,246,146	\$ 1,260,763	\$ 1,331,756	\$ 1,391,864	\$ 880,195
Oncor Electric Delivery	Electric Utility	2,193,493	2,121,267	2,054,597	1,852,579	1,679,107	1,509,118	1,508,284	1,442,296	1,405,137	1,422,920
ATT/Southwestern Bell/Cingular	Telephone Utility	1,016,354	1,040,420	966,992	998,133	1,012,002	907,666	939,772	1,102,603	980,206	955,497
Amazon.com	Distribution	1,753,185	1,604,481	910,209	626,506	(a)	(a)	(a)	(a)	(a)	(a)
Atmos Energy	Natural Gas Distributor	1,030,264	923,270	802,600	739,796	695,048	(a)	416,898	397,625	(a)	(a)
Southwest Airlines	Airline	1,071,351	782,434	799,056	828,719	788,890	690,626	633,988	584,260	575,936	604,995
Texas Instruments	Manufacturing	1,164,691	888,051	780,382	838,899	793,308	746,139	708,168	667,341	649,076	654,639
Northpark Land Partners	Real Estate Development	(a)	725,978	678,663	740,206	733,710	700,213	675,069	667,810	643,717	624,382
Wal-Mart	Retail	910,693	747,872	667,911	761,867	787,579	754,920	812,274	844,098	868,287	760,546
Post Apartment Homes LP	Real Estate Development	(a)	(a)	599,306	(a)	514,486	499,463	484,850	601,337	556,464	581,770
FM Village Fixed Rate LLC	Real Estate Development	772,277	(a)	(a)	565,934	514,687	494,726	495,502	471,339	(a)	(a)
Verizon/GTE	Telephone Utility	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	490,628	457,225
Crescent Real Estate	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	661,172	756,101
Billingsley Arts	Real Estate Development	946,938	754,804	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
DCI Tech Infomart LP	Real Estate Development	(a)	(a)	(a)	(a)	(a)	508,215	(a)	(a)	(a)	(a)
<b>Totals</b>		<b>\$ 12,437,728</b>	<b>\$ 11,391,908</b>	<b>\$ 10,526,344</b>	<b>\$ 9,533,798</b>	<b>\$ 9,103,743</b>	<b>\$ 8,057,232</b>	<b>\$ 7,935,568</b>	<b>\$ 8,110,465</b>	<b>\$ 8,222,487</b>	<b>\$ 7,698,270</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 386,062,502</b>	<b>\$ 345,099,767</b>	<b>\$299,480,858</b>	<b>\$271,168,476</b>	<b>\$269,683,890</b>	<b>\$250,711,266</b>	<b>\$228,748,604</b>	<b>\$216,527,977</b>	<b>\$197,279,331</b>	<b>\$182,822,509</b>

(a) Not in top ten taxpayers  
Source: Dallas County Tax Office

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 7  
PRINCIPAL TAXPAYERS  
LAST TEN TAX YEARS  
(UNAUDITED)  
(CONTINUED)**

Taxpayer	Type of Business	% Taxable Assessed Value (TAV) by Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Boeing Distribution/Aviall Inc	Aviation	0.41%	0.52%	0.76%	0.58%	0.59%	0.50%	0.55%	0.62%	0.71%	0.48%
Oncor Electric Delivery	Electric Utility	0.57%	0.61%	0.69%	0.68%	0.62%	0.60%	0.66%	0.67%	0.71%	0.78%
ATT/Southwestern Bell/Cingular	Telephone Utility	0.26%	0.30%	0.32%	0.37%	0.38%	0.36%	0.41%	0.51%	0.50%	0.52%
Amazon.com	Distribution	0.45%	0.46%	0.30%	0.23%	(a)	(a)	(a)	(a)	(a)	(a)
Atmos Energy	Natural Gas Distributor	0.27%	0.27%	0.27%	0.27%	0.26%	(a)	0.18%	0.18%	(a)	(a)
Southwest Airlines	Airline	0.28%	0.23%	0.27%	0.31%	0.29%	0.28%	0.28%	0.27%	0.29%	0.33%
Texas Instruments	Manufacturing	0.30%	0.26%	0.26%	0.31%	0.29%	0.30%	0.31%	0.31%	0.33%	0.36%
Northpark Land Partners	Real Estate Development	(a)	0.21%	0.23%	0.27%	0.27%	0.28%	0.30%	0.31%	0.33%	0.34%
Wal-Mart	Retail	0.24%	0.22%	0.22%	0.28%	0.29%	0.30%	0.36%	0.39%	0.44%	0.42%
Post Apartment Homes LP	Real Estate Development	(a)	(a)	0.20%	(a)	0.19%	0.20%	0.21%	0.28%	0.28%	0.32%
FM Village Fixed Rate LLC	Real Estate Development	0.20%	(a)	(a)	0.21%	0.19%	0.20%	0.22%	0.22%	(a)	(a)
Verizon/GTE	Telephone Utility	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.25%	0.25%
Crescent Real Estate	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.34%	0.41%
Billingsley Arts	Real Estate Development	0.25%	0.22%	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
DCI Tech Infomart LP	Real Estate Development	(a)	(a)	(a)	(a)	(a)	0.20%	(a)	(a)	(a)	(a)
<b>Totals</b>		<b>3.22%</b>	<b>3.30%</b>	<b>3.51%</b>	<b>3.52%</b>	<b>3.38%</b>	<b>3.21%</b>	<b>3.47%</b>	<b>3.75%</b>	<b>4.17%</b>	<b>4.21%</b>

(a) Not in top ten taxpayers  
Source: Dallas County Tax Office

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 8**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN TAX YEARS**  
(UNAUDITED)  
(IN THOUSANDS)

<b>Fiscal Year Ended Aug 31</b>	<b>Levy (a)</b>	<b>Cumulative Levy Adjustments</b>	<b>Adjusted Tax Levy (b)</b>	<b>Collections- Year of Levy ( c )</b>	<b>Percentage c/b</b>	<b>Prior Coll of Prior Levies (d)</b>	<b>Curr Coll of Prior Levies (e)</b>	<b>Total Collections (c+d+e)</b>	<b>Cumulative Collections of Adjusted Levy</b>
2024	\$ 425,348	\$ 541	\$ 425,889	\$ 420,195	98.66%	\$ -	\$ -	98.66%	5,694
2023	400,440	3,903	404,343	401,723	99.35%	-	(3,076)	98.59%	2,620
2022	370,349	5,536	375,885	373,384	99.33%	998	136.65	99.64%	1,366
2021	336,632	21,176	357,808	357,194	99.83%	(699)	261.75	99.71%	1,051
2020	334,832	(538)	334,294	332,504	99.46%	767	134.26	99.73%	889
2019	311,382	(2,782)	308,600	307,443	99.63%	420	66.55	99.78%	671
2018	284,665	(1,630)	283,035	281,796	99.56%	628	50.23	99.80%	560
2017	266,593	(4,159)	262,434	261,343	99.58%	583	33.81	99.82%	474
2016	244,303	(2,629)	241,674	240,051	99.33%	1,159	24.88	99.82%	439
2015	228,474	(3,029)	225,445	223,940	99.33%	1,118	20.21	99.84%	366

Source: Dallas County Appraisal District and Dallas College Office of Finance

- (a) As reported in notes to the financial statements for the year of the levy
- (b) As of August 31st of the current reporting year
- (c) Property tax current year only - does not include penalties and interest
- (d) Represents collections of Prior Years' Taxes
- (e) Represents all penalties and Interest both current and prior years

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 9**  
**RATIOS OF OUTSTANDING DEBT**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

	For the Fiscal Year Ended August 31 (In Thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>General Bonded Debt</b>										
General obligation bonds	\$ 329,080	\$ 381,037	\$ 85,208	\$ 97,841	\$ 147,720	\$ 198,789	\$ 249,019	\$ 289,255	\$ 320,121	\$ 334,957
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	\$ 329,080	\$ 381,037	\$ 85,208	\$ 97,841	\$ 147,720	\$ 198,789	\$ 249,019	\$ 289,255	\$ 320,121	\$ 334,957
<b>Other Debt</b>										
Revenue bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,160
Tax notes	12,425	22,220	31,825	26,260	-	-	-	-	-	-
Total outstanding debt	\$ 341,505	\$ 403,257	\$ 117,033	\$ 124,101	\$ 147,720	\$ 198,789	\$ 249,019	\$ 289,255	\$ 320,121	\$ 350,117
<b>General Bonded Debt Ratios</b>										
Per Capita	\$ 126.26	\$ 131.48	\$ 29.67	\$ 35.85	\$ 55.37	\$ 75.36	\$ 95.11	\$ 112.33	\$ 125.37	\$ 132.97
Per FTSE	7,362	9,647	1,993	2,070	2,642	3,673	4,704	5,502	6,280	6,762
As a percentage of Taxable Assessed Value	0.09%	0.09%	0.02%	0.04%	0.05%	0.08%	0.11%	0.13%	0.16%	0.18%
<b>Total Outstanding Debt Ratios</b>										
Per Capita	\$ 131.03	\$ 139.74	\$ 41.63	\$ 45.47	\$ 55.37	\$ 75.36	\$ 95.11	\$ 112.33	\$ 125.37	\$ 138.99
Per FTSE	7,640	10,253	2,796	2,626	2,642	3,673	4,704	5,502	6,280	7,068
As a percentage of Taxable Assessed Value	0.09%	0.10%	0.03%	0.05%	0.05%	0.08%	0.11%	0.13%	0.16%	0.19%

Source: Dallas College Office of Finance

Notes: Ratios calculated using population and TAV from current year.

Debt per student calculated using full-time equivalent enrollment.

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 10**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

	For the Fiscal Year Ended August 31 (In Thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Taxable Assessed Value	\$ 386,062,502	\$ 345,099,767	\$ 299,480,858	\$ 271,168,476	\$ 269,683,890	\$ 250,711,266	\$ 228,748,604	\$ 216,527,977	\$ 197,279,331	\$ 182,822,509
<b>General Bonded Debt</b>										
Statutory Tax Levy Limit for Debt Service	\$ 1,930,313	\$ 1,725,499	\$ 1,497,404	\$ 1,355,842	\$ 1,348,419	\$ 1,253,556	\$ 1,143,743	\$ 1,082,640	\$ 986,397	\$ 914,113
Less: Funds Restricted for Payment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	1,930,313	1,725,499	1,497,404	1,355,842	1,348,419	1,253,556	1,143,743	1,082,640	986,397	914,113
Current Year Debt Service Requirements	78,437	73,540	59,872	54,482	53,643	50,038	46,278	40,685	36,441	33,562
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 1,851,876	\$ 1,651,959	\$ 1,437,532	\$ 1,301,360	\$ 1,294,776	\$ 1,203,518	\$ 1,097,465	\$ 1,041,955	\$ 949,956	\$ 880,551
Net Current Requirements as a % of Statutory Limit	4.06%	4.26%	4.00%	4.02%	3.98%	3.99%	4.05%	3.76%	3.69%	3.67%

Source: Taxable Assessed Value from Dallas County Appraisal District

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

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 11  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year Ended August 31</b>	<b>Pledged Revenues (\$000 omitted)</b>						<b>Debt Service Requirements (\$000 omitted)</b>			
	<b>Tuition</b>	<b>All Fees</b>	<b>Auxiliary Revenue</b>	<b>Lease Revenue</b>	<b>Interest Income</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Coverage Ratio</b>
2024	\$ 42,435	\$ 1,184	\$ 731	\$ 500	\$ 23,186	\$ 68,036	\$ -	\$ -	\$ -	0.00
2023	41,816	954	448	500	15,799	59,517	-	-	-	0.00
2022	37,823	814	402	500	1,241	40,780	-	-	-	0.00
2021	40,244	647	933	467	837	43,128	-	-	-	0.00
2020	39,767	623	696	400	5,442	46,928	-	-	-	0.00
2019	42,800	808	969	400	7,731	52,708	-	-	-	0.00
2018	43,973	889	958	400	4,628	50,848	-	-	-	0.00
2017	41,329	923	1,005	400	3,000	46,657	-	-	-	0.00
2016	41,252	885	1,029	350	2,147	45,663	2,265	622	2,887	15.82
2015	40,516	859	1,939	250	1,668	45,232	2,175	721	2,896	15.62

Source: Dallas College Office of Finance

Notes: Auxiliary Revenues includes subcontracted Bookstore and Food Service commissions.

In 2013 Pledged Tuition was changed to 25% per student per semester as allowed by law.

Revenue bonds were defeased in 2016 but shows the principal and interest attributable for 2016.

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 12**  
**DEMOGRAPHIC AND ECONOMIC INFORMATION - TAXING DISTRICT**  
(UNAUDITED)

<b>Calendar Year</b>	<b>Population</b>	<b>Personal Income (In Thousands)</b>	<b>Personal Income per Capita</b>	<b>Unemployment Rate</b>
2024	2,606,358	\$ 196,583,986	\$ 75,585	4.2%
2023	2,687,159	186,760,534	69,501	4.3%
2022	2,662,619	172,389,791	64,774	3.9%
2021	2,729,078	165,854,429	60,773	7.7%
2020	2,667,720	164,854,425	61,796	6.9%
2019	2,637,772	-	-	3.5%
2018	2,618,148	155,610,208	58,993	3.8%
2017	2,574,984	146,737,911	55,947	4.2%
2016	2,553,385	134,777,874	52,784	4.2%
2015	2,519,000	135,803,263	53,186	4.3%

Source: Federal Reserve Bank of St. Louis Economic Research (FRED)  
Dallas County only

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 13  
PRINCIPAL EMPLOYERS  
FISCAL YEARS 2015 THROUGH 2024  
(UNAUDITED)**

<b>Employer</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Wal-Mart Stores, Inc.	36,600	38,000	37,000	37,000	37,000	37,000	34,000	34,000	25,534	22,700
Baylor Scott & White	25,000	25,000	24,000	23,865	23,865	17,097	16,500	16,500	16,860	22,000
Texas Health Resources	29,000	28,000	27,000	23,466	23,466	19,230	22,296	22,296	19,131	16,205
Amazon	37,000	24,000	21,000	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Dallas Independent School District	22,857	22,222	22,674	22,674	22,222	18,314	19,740	19,740	20,000	20,793
Lockheed Martin Aeronautics Co.	23,000	21,500	22,000	22,200	22,200	14,126	14,350	13,750	13,700	12,600
UT Southwestern Medical Center	23,000	21,539	21,539	17,000	17,000	13,122	13,048	13,018	(a)	(a)
University of North Texas System	(a)	(a)	(a)	13,620	13,620	(a)	(a)	(a)	(a)	(a)
Bank of America	(a)	(a)	(a)	13,600	16,000	20,000	13,500	13,500	14,465	15,400
City of Dallas	15,300	(a)	14,000	13,114	13,114	(a)	13,350	13,336	13,000	13,000
JP Morgan Chase	18,000	17,000	(a)	12,554	(a)	13,500	(a)	(a)	12,600	13,000
AT&T, Inc.	(a)	15,500	15,000	(a)	16,000	15,800	(a)	(a)	(a)	(a)
American Airlines Group	35,000	20,000	21,500	(a)	(a)	24,700	27,000	27,000	25,000	23,700
Texas Instruments Inc.	(a)	(a)	(a)	(a)	(a)	(a)	13,000	13,000	13,000	13,000
<b>Total Top Ten</b>	<b>264,757</b>	<b>232,761</b>	<b>225,713</b>	<b>199,093</b>	<b>204,487</b>	<b>192,889</b>	<b>186,784</b>	<b>186,140</b>	<b>173,290</b>	<b>172,398</b>

<b>Employer</b>	<b>Percentage of Total Employment</b>									
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Wal-Mart Stores, Inc.	0.85%	0.90%	0.90%	1.36%	1.01%	1.00%	0.91%	0.94%	0.72%	0.67%
Baylor Scott & White	0.58%	0.59%	0.58%	0.87%	0.65%	0.46%	0.44%	0.46%	0.48%	0.65%
Texas Health Resources	0.67%	0.66%	0.65%	0.86%	0.64%	0.52%	0.60%	0.62%	0.54%	0.48%
Amazon	0.86%	0.57%	0.51%	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Dallas Independent School District	0.53%	0.53%	0.55%	0.83%	0.61%	0.49%	0.53%	0.55%	0.57%	0.62%
Lockheed Martin Aeronautics Co.	0.53%	0.51%	0.53%	0.81%	0.61%	0.38%	0.39%	0.38%	0.39%	0.37%
UT Southwestern Medical Center	0.53%	0.51%	0.52%	0.62%	0.46%	0.35%	0.35%	0.36%	(a)	(a)
University of North Texas System	(a)	(a)	(a)	0.50%	0.37%	(a)	(a)	(a)	(a)	(a)
Bank of America	(a)	(a)	(a)	0.50%	0.44%	0.54%	0.36%	0.37%	0.41%	0.46%
City of Dallas	0.36%	(a)	0.34%	0.48%	0.36%	(a)	0.36%	0.37%	0.37%	0.39%
JP Morgan Chase	0.42%	0.40%	(a)	0.46%	(a)	0.36%	(a)	(a)	0.36%	0.39%
AT&T, Inc.	(a)	0.37%	0.36%	(a)	0.44%	0.43%	(a)	(a)	(a)	(a)
American Airlines Group	0.81%	0.47%	0.52%	(a)	(a)	0.66%	0.73%	0.75%	0.71%	0.70%
Texas Instruments Inc.	(a)	(a)	(a)	(a)	(a)	(a)	0.35%	0.36%	0.37%	0.39%
<b>Total Top Ten</b>	<b>6.14%</b>	<b>5.50%</b>	<b>5.47%</b>	<b>7.30%</b>	<b>5.59%</b>	<b>5.19%</b>	<b>5.03%</b>	<b>5.15%</b>	<b>4.91%</b>	<b>5.11%</b>
<b>Total Employment</b>	<b>4,309,438</b>	<b>4,231,700</b>	<b>4,125,700</b>	<b>2,729,078</b>	<b>3,657,500</b>	<b>3,716,000</b>	<b>3,716,000</b>	<b>3,612,900</b>	<b>3,531,000</b>	<b>3,370,500</b>

(a) Not in ten largest employers

Source: Dallas Business Journal Book of Lists North Texas Largest Employers

DestinationDFW Largest Employers in the Dallas-Fort Worth Area

Total Employment from Bureau of Labor Statistics-Dallas, Ft. Worth & Arlington Statistical Area as of August

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 14**  
**FACULTY, STAFF AND ADMINISTRATIVE STATISTICS**  
**LAST TEN FISCAL YEARS**  
(UNAUDITED)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Faculty</b>										
Full-Time	1,045	919	914	891	907	914	883	868	873	845
Part-Time	2,028	1,561	1,095	1,295	1,520	2,444	2,434	2,447	2,374	2,260
Total	3,073	2,480	2,009	2,186	2,427	3,358	3,317	3,315	3,247	3,105
<b>Percent</b>										
Full-Time	34.0%	37.1%	45.5%	40.8%	37.4%	27.2%	26.6%	26.2%	26.9%	27.2%
Part-Time	66.0%	62.9%	54.5%	59.2%	62.6%	72.8%	73.4%	73.8%	73.1%	72.8%
<b>Staff and Administrators</b>										
Full-Time	2,678	2,382	2,416	2,209	2,723	2,710	2,670	2,569	2,515	2,448
Part-Time	1,123	697	553	490	908	1,329	1,322	1,459	1,442	1,587
Total	3,801	3,079	2,969	2,699	3,631	4,039	3,992	4,028	3,957	4,035
<b>Percent</b>										
Full-Time	70.5%	77.4%	81.4%	81.8%	75.0%	67.1%	66.9%	63.8%	63.6%	60.7%
Part-Time	29.5%	22.6%	18.6%	18.2%	25.0%	32.9%	33.1%	36.2%	36.4%	39.3%
<b>Total Employees</b>										
Full-Time	3,723	3,301	3,330	3,100	3,630	3,624	3,553	3,437	3,388	3,293
Part-Time	3,151	2,258	1,648	1,785	2,428	3,773	3,756	3,906	3,816	3,847
Total	6,874	5,559	4,978	4,885	6,058	7,397	7,309	7,343	7,204	7,140
<b>Percent</b>										
Full-Time	54.2%	59.4%	66.9%	63.5%	59.9%	49.0%	48.6%	46.8%	47.0%	46.1%
Part-Time	45.8%	40.6%	33.1%	36.5%	40.1%	51.0%	51.4%	53.2%	53.0%	53.9%
FTSE per Full-Time Faculty	42.8	44.9	53.0	53.0	61.7	59.2	59.9	60.6	58.4	58.6
FTSE per Full-Time Staff Member	19.5	17.3	21.4	21.4	20.5	20.0	19.8	20.5	20.3	20.2
Average Annual Faculty Salary	\$105,531	\$105,110	\$102,710	\$ 97,036	\$ 96,995	\$ 91,487	\$ 91,059	\$ 89,846	\$ 85,678	\$ 85,785

Source: Dallas College Office of Finance

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 15**  
**STATE AND EMPLOYER CONTRIBUTION FOR HEALTH CARE INSURANCE**  
**LAST TEN FISCAL YEARS**  
(INCLUDES BASIC LIFE INSURANCE RATE)  
(UNAUDITED)

<b>Cost of Providing Health Care Insurance</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Number of Retirees	1,582	1,611	1,581	1,481	1,375	1,355	1,315	1,272	1,229	1,200
Cost of Health Benefits for Retirees	\$13,482,105	\$13,627,648	\$13,470,123	\$12,789,460	\$11,900,644	\$11,724,677	\$11,220,884	\$10,812,824	\$ 9,828,159	\$ 8,926,494
Cost per Retiree	\$ 8,522	\$ 8,459	\$ 8,520	\$ 8,636	\$ 8,655	\$ 8,653	\$ 8,533	\$ 8,501	\$ 7,997	\$ 7,439
Number of Active Full-Time Employees	3,611	3,375	3,243	3,284	3,662	3,690	3,620	3,496	3,396	3,334
Cost of Health Benefits for Active Full-Time Employees	\$30,465,719	\$29,159,534	\$27,420,656	\$30,361,142	\$32,159,245	\$31,837,080	\$31,080,279	\$29,816,889	\$27,282,077	\$24,662,718
Cost per Active Employee	\$ 8,437	\$ 8,640	\$ 8,455	\$ 9,245	\$ 8,782	\$ 8,628	\$ 8,586	\$ 8,529	\$ 8,034	\$ 7,397
State Appropriation for Health Insurance	\$19,099,766	\$19,168,536	\$19,170,252	\$19,672,337	\$19,672,337	\$19,492,899	\$18,648,112	\$16,620,205	\$15,475,496	\$14,641,581
Net Cost to Dallas College	\$24,848,058	\$23,618,646	\$21,720,527	\$23,512,795	\$24,387,552	\$24,068,858	\$23,653,051	\$24,009,508	\$21,634,740	\$18,947,631
Dallas College % of total premium	56.5%	55.2%	53.1%	54.5%	55.4%	55.3%	55.9%	59.1%	58.3%	56.4%
Total employees	5,193	4,986	4,824	4,765	5,037	5,045	4,935	4,768	4,625	4,534
State funding per total employee	\$ 3,678	\$ 3,844	\$ 3,974	\$ 4,129	\$ 3,906	\$ 3,864	\$ 3,779	\$ 3,486	\$ 3,346	\$ 3,229
Dallas College cost per total employee	\$ 4,785	\$ 4,737	\$ 4,503	\$ 4,934	\$ 4,842	\$ 4,771	\$ 4,793	\$ 5,036	\$ 4,678	\$ 4,179
<b>Cost of Providing Retirement Benefits</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actual Cost of TRS and ORP Benefits	\$25,928,753	\$22,341,124	\$19,543,648	\$19,395,694	\$19,395,694	\$17,223,224	\$16,438,431	\$15,404,550	\$14,669,866	\$13,866,958
Dallas College's Contribution	\$14,190,156	\$12,252,925	\$10,855,177	\$10,909,270	\$10,909,270	\$9,879,370	\$9,410,721	\$8,925,116	\$7,002,933	\$8,007,973
State's Contribution	\$11,738,597	\$10,088,199	\$8,688,471	\$8,486,424	\$8,486,424	\$7,343,853	\$7,027,710	\$6,479,434	\$7,666,933	\$5,858,985
<b>Cost of Providing All Benefits</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Dallas College's Contribution	\$39,038,214	\$35,871,571	\$32,575,704	\$34,422,065	\$35,296,822	\$33,948,228	\$33,063,772	\$32,934,624	\$28,637,673	\$26,955,604
State's Contribution	30,838,363	29,256,735	27,858,723	28,158,761	28,158,761	26,836,752	25,675,822	23,099,639	23,142,429	20,500,566
Total	\$69,876,577	\$65,128,306	\$60,434,427	\$62,580,826	\$63,455,583	\$60,784,980	\$58,739,594	\$56,034,263	\$51,780,102	\$47,456,170
<b>Cost of Providing All Benefits Percentage Share</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Dallas College	55.9%	55.1%	53.9%	55.0%	55.6%	55.8%	56.3%	58.8%	55.3%	56.8%
State	44.1%	44.9%	46.1%	45.0%	44.4%	44.2%	43.7%	41.2%	44.7%	43.2%

Note: Amounts shown are before Pension and OPEB adjusting entries.

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 16**  
**ENROLLMENT DETAILS**  
**LAST FIVE FISCAL YEARS**  
(UNAUDITED)

Student Classification	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
00-30 Hours	46,625	67.71%	46,827	70.46%	50,524	71.85%	52,943	69.41%	57,613	67.85%
31-60 Hours	16,837	24.45%	15,124	22.76%	15,452	21.98%	11,158	14.63%	20,717	24.40%
>60 Hours	5,398	7.84%	4,509	6.78%	4,340	6.17%	12,178	15.97%	6,578	7.75%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

Semester Hour Load	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Less Than 3	1,990	2.89%	2,086	3.14%	1,945	2.77%	2,141	2.81%	2,295	2.70%
3-5 Semester Hours	17,121	24.86%	17,865	26.88%	19,578	27.84%	20,504	26.88%	22,586	26.60%
6-8 Semester Hours	17,853	25.93%	17,621	26.51%	19,394	27.58%	19,773	25.92%	21,569	25.40%
9-11 Semester Hours	11,886	17.26%	11,437	17.21%	11,846	16.85%	12,885	16.89%	13,654	16.08%
12-14 Semester Hours	15,084	21.91%	13,359	20.10%	13,543	19.26%	15,892	20.83%	18,892	22.25%
15-17 Semester Hours	4,160	6.04%	3,472	5.22%	3,432	4.88%	4,348	5.70%	4,699	5.53%
18 and over	766	1.11%	620	0.93%	578	0.82%	736	0.96%	1,213	1.43%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

Average Course Load	8.1	7.8	7.7	7.9	8
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Tuition Status	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Texas Resident (In-District)	52,494	76.23%	51,962	78.19%	55,780	79.33%	60,782	79.68%	68,426	80.59%
Texas Resident (Out-Of-District)	9,709	14.10%	9,110	13.71%	10,100	14.36%	11,065	14.51%	11,386	13.41%
Non Resident Tuition	6,657	9.67%	5,388	8.11%	4,436	6.31%	4,432	5.81%	5,096	6.00%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

Source: Dallas College Office of Finance

Note: This table includes credit students only, as continuing education units are not tracked by semester hour and students are not tracked by residency. In Fall 2017, the College began offering credit courses in eight-week sessions within the semester. Courses in the second eight-week session were reported in the Spring 2018 semester.

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 17  
STUDENT PROFILE  
LAST FIVE FISCAL YEARS  
(UNAUDITED)**

	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
Gender	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Female	40,467	58.77%	39,353	59.21%	42,357	60.24%	46,399	60.83%	49,420	58.20%
Male	28,393	41.23%	27,107	40.79%	27,959	39.76%	29,880	39.17%	35,488	41.80%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
Ethnic Origin	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
White	9,607	13.95%	10,050	15.12%	11,249	16.00%	12,841	16.83%	14,531	17.11%
Hispanic	34,858	50.62%	33,770	50.81%	34,647	49.27%	36,581	47.96%	40,370	47.55%
African American	13,717	19.92%	13,050	19.64%	14,747	20.97%	15,859	20.79%	17,306	20.38%
Asian	4,892	7.10%	4,613	6.94%	4,950	7.04%	5,572	7.30%	6,544	7.71%
Foreign	1,582	2.30%	1,098	1.65%	597	0.85%	637	0.84%	824	0.97%
Native American	218	0.32%	179	0.27%	207	0.29%	230	0.30%	271	0.32%
Other	3,986	5.79%	3,700	5.57%	3,919	5.57%	4,559	5.98%	5,062	5.96%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
Age	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Under 18	22,753	33.04%	22,498	33.85%	21,912	31.16%	22,956	30.09%	22,533	26.54%
18-21	22,922	33.29%	21,814	32.82%	22,679	32.25%	25,381	33.27%	30,060	35.40%
22-24	7,464	10.84%	6,821	10.26%	7,498	10.66%	8,084	10.60%	9,872	11.63%
25-30	6,761	9.82%	6,609	9.94%	7,981	11.35%	8,887	11.65%	9,933	11.70%
31-35	3,209	4.66%	3,093	4.65%	3,863	5.49%	4,122	5.40%	4,386	5.17%
36-50	4,083	5.93%	4,046	6.09%	4,781	6.80%	5,194	6.81%	5,902	6.95%
51 and Over	1,668	2.42%	1,579	2.38%	1,602	2.28%	1,655	2.17%	2,222	2.62%
Total	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%	84,908	100.00%

Average Age	22	22	23	23	23
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Source: Dallas College Office of Finance

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 18**  
**TRANSFERS TO SENIOR INSTITUTIONS**  
**2022 FALL STUDENTS AS OF FALL 2023**  
(UNAUDITED) (INCLUDES ONLY PUBLIC SENIOR COLLEGES IN TEXAS)

**The coordinating board has not published the data yet.**

**DALLAS COLLEGE  
STATISTICAL SUPPLEMENT 18  
TRANSFERS TO SENIOR INSTITUTIONS  
2022 FALL STUDENTS AS OF FALL 2023  
(CONTINUED)**

**The coordinating board has not published the data yet.**

**DALLAS COLLEGE**  
**STATISTICAL SUPPLEMENT 19**  
**CAPITAL ASSET INFORMATION**  
**FISCAL YEARS 2015 THROUGH 2024**  
(UNAUDITED)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Academic buildings</b>	93	89	89	89	89	89	89	89	89	89
Square footage	4,228,400	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370
<b>Libraries</b>										
Square footage	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765
Number of volumes	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505
<b>Administrative and support buildings</b>	8	8	8	8	8	8	8	8	8	8
Square footage	354,915	326,215	326,215	326,215	326,215	326,215	326,215	326,215	326,215	326,215
<b>Dining Facilities</b>										
Square footage	69,923	60,069	60,069	60,069	60,069	60,069	60,069	60,069	60,069	60,069
<b>Athletic Facilities</b>	6	6	6	6	6	6	6	6	6	6
Square footage	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050
Athletic fields	48	43	43	43	43	43	43	43	43	43
Gymnasiums	9	8	8	8	8	8	8	8	8	8
Fitness centers	10	10	10	10	10	10	10	10	10	10
Tennis courts	42	22	22	22	22	22	22	22	22	22
<b>Plant Facilities</b>	20	3	3	3	3	3	3	3	3	3
Square footage	95,941	81,332	81,332	81,332	81,332	81,332	81,332	81,332	81,332	81,332
<b>Transportation</b>										
Cars / SUV's	46	55	55	55	48	48	29	75	56	36
Light trucks/vans	96	73	73	77	109	109	93	94	94	79
Buses	9	14	14	14	9	9	8	6	8	8
<b>Total Square Footage</b>	<b>5,148,994</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>	<b>4,714,801</b>

Source: Dallas College Office of Finance

Notes: Most buildings are multi-purpose rather than being dedicated to a single activity. Therefore, estimates have been made on square footage attributable to non-academic purposes.

Information will be presented prospectively.

Transportation includes vehicles under fleet leasing program.

**SCHEDULES FOR  
FEDERAL AND STATE SINGLE AUDIT**



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

Board of Trustees  
Dallas College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dallas College (the "College") as of and for the year ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise College's basic financial statements, and have issued our report thereon dated December 3, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered College's internal control over financial reporting 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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of College'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 College'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether College'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



## McConnell Jones

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 College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*McConnell Jones LLP*

Dallas, Texas  
December 3, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
Dallas College

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

***Opinion on Each Major Federal and State Program***

We have audited the compliance of Dallas College, (the "College") with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the State of Texas Uniform Management Standards (UGMS) that could have a direct and material effect on each of the College's major federal and state programs for the year ended August 31, 2024. The College's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2024.

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

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

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

***Responsibilities of Management for Compliance***

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



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

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

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

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

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

## *Report on Internal Control over Compliance*

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



## McConnell Jones

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*McConnell Jones LLP*

Dallas, Texas  
December 3, 2024

# DALLAS COLLEGE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 SCHEDULE E

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
<b>U.S. Department of Education</b>				
<b>Direct Programs:</b>				
<b>Student Financial Assistance Cluster</b>				
		P007A219619		
		P007A229619		
		P007A239619		
Federal Supplemental Educational Opportunity Grant	84.007A (1)	P007A249619	\$ 2,438,865	\$ -
		P033A239619		
Federal Work-Study Program	84.033A (1)	P033A249619	1,973,384	-
		P033A239619		
Federal Work-Study Program	84.033A (1)	P033A249619	66,315	-
		P063P226818		
		P063P236818		
		P063P246818		
		P063Q226818(ACA 22/23)		
		P063Q236818(ACA 23/24)		
Federal PELL Grant Program	84.063P (1)		73,561,168	-
		P268K236818		
Federal Direct Student Loans	84.268 (1)	P268K246818	24,579,771	-
<b>Total Student Financial Assistance</b>			<b>102,619,503</b>	<b>-</b>
<b>TRIO</b>				
		P042A20-1077, 1737, 1873		
TRIO Student Support Services	84.042A (2)	P042A210299	1,543,135	-
TRIO Talent Search	84.044A (2)	P044A211048	261,740	-
TRIO Upward Bound	84.047A (2)	P047A22-0757, 0852	577,259	-
<b>Total TRIO</b>			<b>2,382,134</b>	<b>-</b>
<b>Coronavirus Aid, Relief, and Economic Security Act</b>				
HEERF Education Stabilization Fund	84.425F (7)	P425F202345	14,129,755	-
<b>Total Direct Coronavirus Aid, Relief, and Economic Security Act</b>			<b>14,129,755</b>	<b>-</b>
<b>Other Direct Programs</b>				
		P031S170019		
		P031S20-0116, 0026, 0172		
Higher Education Institutional Aid	84.031S (5)	P031S210233	2,891,508	-
Fund for the Improvement of Postsecondary Education	84.116	P116Z230135	24,092	-
Teacher Quality Partnership Grants	84.336	S336S230049	125,039	-
<b>Total Other Direct Programs</b>			<b>3,040,639</b>	<b>-</b>
<b>Total Direct U. S. Department of Education</b>			<b>122,172,031</b>	<b>-</b>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

# DALLAS COLLEGE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

### SCHEDULE E (CONTINUED)

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
<b>Pass-Through From:</b>				
<b>Texas Higher Education Coordinating Board</b>				
Career and Technical Education- Basic Grants to States	84.048	27618	\$ 19,929	\$ -
Career and Technical Education- Basic Grants to States	84.048	29627	127,084	-
Career and Technical Education- Basic Grants to States	84.048	29753	1,682,011	-
ESF Education Stabilization Fund	84.425C (7)	24086	(289)	-
ESF Education Stabilization Fund	84.425C (7)	25705	(79,500)	(79,500)
ESF Education Stabilization Fund	84.425C (7)	28569	21,985	-
<b>Total Pass-Through Texas Higher Education Coordinating Board</b>			<b>1,771,220</b>	<b>(79,500)</b>
<b>Dallas County Local Workforce Development Board</b>				
Adult Education -Basic Grants to States	84.002A	DCCCD - AEL 2018-1	(15,345)	-
Adult Education -Basic Grants to States	84.002A	DCCCD - AEL 2018-1	3,466,319	-
Adult Education -Basic Grants to States	84.002A	DC-AEL 2024-1	503,921	-
<b>Total Pass-Through Dallas County Local Workforce Development Board</b>			<b>3,954,895</b>	<b>-</b>
<b>University of Texas at Dallas</b>				
Fund for the Improvement of Postsecondary Education	84.116	P116Z230261	107,835	-
<b>Total Pass-Through U.S. Department of Education</b>			<b>5,833,950</b>	<b>(79,500)</b>
<b>Total U. S. Department of Education</b>			<b>128,005,981</b>	<b>(79,500)</b>
<b>U.S. Department of Commerce</b>				
<b>Direct Programs:</b>				
Economic Adjustment Assistance	11.307 (6)	ED22HDQ3070118	1,014,749	435,945
<b>Total U.S. Department of Commerce</b>			<b>1,014,749</b>	<b>435,945</b>
<b>U.S. Department of Defense</b>				
<b>Pass-Through From:</b>				
<b>North Central Texas Council of Governments</b>				
Economic Adjustment Assistance for State Governments	12.617	TRN7157	12,000	-
<b>Total U.S. Department of Defense</b>			<b>12,000</b>	<b>-</b>
<b>U.S. Department of Labor</b>				
<b>Direct Programs:</b>				
H-1B Job Training Grants	17.268	HG-33032-19-60-A-48	5,314,429	-
H-1B Job Training Grants	17.268	HG-35908-21-60-A-48	1,693,267	-
Registered Apprenticeship (fka Apprenticeship USA Grants)	17.285	AP-38631-22-60-A-48	653,641	-
<b>Total Direct U. S. Department of Labor</b>			<b>7,661,337</b>	<b>-</b>
<b>Pass-Through From:</b>				
<b>Dallas County Local Workforce Development Board</b>				
WIOA Youth Activities	17.259 (3)	RLC 4-2019	(1,049)	-
WIOA Youth Activities	17.259 (3)	DC 1-2023	548,199	-
WIOA Youth Activities	17.259 (3)	DC 2-2023	52,014	-
<b>Total Pass-Through Dallas County Local Workforce Development Board</b>			<b>599,164</b>	<b>-</b>
<b>Total Pass-Through U.S. Department of Labor</b>			<b>599,164</b>	<b>-</b>
<b>Total U.S. Department of Labor</b>			<b>8,260,501</b>	<b>-</b>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

# DALLAS COLLEGE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024 SCHEDULE E (CONTINUED)

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
<b>U.S. Department of State</b>				
<b>Pass-Through From:</b>				
<b>University of Texas at Dallas</b>				
AEECA/ESF PD Programs	19.900	22010484	\$ 3,541	\$ -
<b>Total U.S. Department of State</b>			<b>3,541</b>	<b>-</b>
<b>U.S. Department of the Treasury</b>				
<b>Pass-Through From:</b>				
<b>Texas Higher Education Coordinating Board</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	27271	(866)	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	27272	55,743	49,982
<b>Total Pass-Through Texas Higher Education Coordinating Board</b>			<b>54,877</b>	<b>49,982</b>
<b>City of Dallas</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SBC-2022-00019143	9,261	-
<b>Total Pass-Through City of Dallas</b>			<b>9,261</b>	<b>-</b>
<b>Total U.S. Department of the Treasury</b>			<b>64,138</b>	<b>49,982</b>
<b>National Science Foundation</b>				
<b>Direct Programs:</b>				
STEM Education (fka Education and Human Resources)	47.076 (5)	1902318	21,194	-
Mathematical and Physical Sciences	47.049 (5)	2223745	3,307	3,307
STEM Education (fka Education and Human Resources)	47.076 (5)	2301051	119,456	-
<b>Total Direct National Science Foundation</b>			<b>143,957</b>	<b>3,307</b>
<b>Pass-Through From:</b>				
<b>Texas Tech University</b>				
STEM Education (fka Education and Human Resources)	47.076 (5)	21P684-02	74,819	-
<b>Texas A&amp;M University - Commerce</b>				
STEM Education (fka Education and Human Resources)	47.076 (5)	RMY3LXEM29P3	131,961	-
<b>University of North Texas</b>				
NSF Technology, Innovation, and Partnerships	47.084 (5)	GF30172-2	21,521	-
<b>Total Pass-Through National Science Foundation</b>			<b>228,301</b>	<b>-</b>
<b>Total National Science Foundation:</b>			<b>372,258</b>	<b>3,307</b>

The accompanying notes are an integral part of the Schedule of Expenditures Federal Awards.

# DALLAS COLLEGE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

### SCHEDULE E (CONTINUED)

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
<b>U. S. Small Business Administration</b>				
<b>Direct Programs:</b>				
Small Business Development Centers	59.037	SBAOEDSB230018	\$ 1,552,246	\$ 1,153,457
Small Business Development Centers	59.037	SBAOEDSB240124	1,718,582	1,272,080
<b>Total Direct U. S. Small Business Administration</b>			<b>3,270,828</b>	<b>2,425,537</b>
<b>Pass-Through From:</b>				
<b>Dallas Entrepreneurship Center</b>				
Community Navigator Pilot Program	59.077	SBAHQ22CNP0041	16,667	-
<b>Total Pass-Through U. S. Small Business Administration</b>			<b>16,667</b>	<b>-</b>
<b>Total U. S. Small Business Administration</b>			<b>3,287,495</b>	<b>2,425,537</b>
<b>U.S. Department of Veterans Affairs</b>				
<b>Direct Program:</b>				
Post-9/11 Veterans Educational Assistance	64.027		1,018,865	-
<b>Total U.S. Department of Veterans Affairs</b>			<b>1,018,865</b>	<b>-</b>
<b>U.S. Department of Health &amp; Human Services</b>				
<b>Direct Program:</b>				
Nurse Education, Practice, Quality and Retention Grants	93.359	US647224	340,413	-
<b>Total Direct U.S. Department of Health &amp; Human Services</b>			<b>340,413</b>	<b>-</b>
<b>Pass-Through From:</b>				
<b>Dallas County Local Workforce Development Board</b>				
Child Care and Development Block Grant - Program Year 22	93.575 (4)	DCCCD-CQI 2-2020	20,427	-
Child Care and Development Block Grant - Program Year 23	93.575 (4)	DCCCD-CQI 1-2023	202,693	-
<b>Total Pass-Through Dallas County Local Workforce Development Board</b>			<b>223,120</b>	<b>-</b>
<b>Texas Workforce Commission</b>				
Child Care and Development Block Grant	93.575 (4)	0623CAT001	46,981	-
Child Care and Development Block Grant	93.575 (4)	0623INT001	1,612,909	-
Child Care and Development Block Grant	93.575 (4)	0624SSD001	6,615	-
<b>Total Pass-Through Texas Workforce Commission</b>			<b>1,666,505</b>	<b>-</b>
<b>Healthy Futures of Texas</b>				
Teenage Pregnancy Prevention Program	93.297	1 TP1AH000284-01-00	17,000	-
<b>Total Pass-Through Healthy Futures of Texas</b>			<b>17,000</b>	<b>-</b>
<b>Total Pass-Through Department of Health &amp; Human Services</b>			<b>1,906,625</b>	<b>-</b>
<b>Total Department of Health &amp; Human Services</b>			<b>2,247,038</b>	<b>-</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 144,286,566</b>	<b>\$ 2,835,271</b>

(1) Clustered Student Financial Assistance Programs	\$ 102,619,503
(2) Clustered TRIO Programs	\$ 2,382,134
(3) Clustered WIA Programs	\$ 599,164
(4) Clustered CCDF Programs	\$ 1,889,625
(5) Clustered R&D Programs	\$ 3,263,766
(6) Clustered Entitlement Programs	\$ 1,014,749
(7) Education Stabilization Fund	\$ 14,071,951

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

**DALLAS COLLEGE**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024  
SCHEDULE F**

State Grantor / Program Title	Grant #	Expenditures
<b>Texas Higher Education Coordinating Board</b>		
Texas Education Opportunity Grant	36002	\$ 7,749,265
College Work-Study Program	22339	104,449
Work Study Student Mentorship Program	22349	105,213
Nursing Shortage Reduction Program	24546, 24547	19,469
Nursing Shortage Reduction Program	28848	121,733
Nursing Innovation Grant Program	29979	128,173
TRUE 2023 IT Consortium	00282	188,061
TRUE 2023 Logistics	00283	45,946
<b>Total Texas Higher Education Coordinating Board</b>		<b>8,462,309</b>
<b>Texas Education Agency</b>		
Tri-Agency Grant for Regional Conveners	SAS # A116-23	190,888
TX Educator Preparation Program Quality Review	SAS # A131-23	9,929
<b>Total Texas Education Agency</b>		<b>200,817</b>
<b>Texas State Board of Public Accountancy</b>		
5th Year Accounting Scholarship 23/24		6,724
<b>Total Texas State Board of Public Accountancy</b>		<b>6,724</b>
<b>Texas Workforce Commission</b>		
<b>Skills Development Funds</b>		
Skills Development Fund - Construction Consortium	0622SDF002	845,257
Skills Development Fund - Gainwell Tech	0623SDF001	177,183
Skills Development Fund - Business Consortium	0623SDF002	517,811
<b>Total Skills Development Funds</b>		<b>1,540,251</b>
<b>Skills for Small Business</b>		
Skills for Small Business	0623SSD002	153,114
Skills for Small Business	0624SSD001	179,958
<b>Total Skills for Small Business</b>		<b>333,072</b>
<b>Total Texas Workforce Commission</b>		<b>1,873,323</b>
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>		<b>10,543,173</b>

The accompanying notes are an integral part of the Schedule of Expenditures of State Awards.

## DALLAS COLLEGE

### NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

#### 1. GENERAL

The accompanying Schedules of Expenditures of Federal and State Awards ("Schedules") present the activity of all Federal and State award programs of Dallas College ("College"). The reporting entity of the College is defined in the notes to the financial statements of the College. All Federal and State awards received directly from Federal or State agencies or Federal awards passed through other government agencies are included on the schedules.

#### 2. BASIS OF ACCOUNTING

The expenditures included in the Schedules are reported for the College's fiscal year ended August 31, 2024. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported represent funds which have been expended by the College for the purposes of the awards. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the Schedules may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various funding agencies in the preparation of the Schedules.

#### 3. RELATIONSHIP TO FINANCIAL STATEMENTS

Federal and State award revenues are reported in the financial statements of the College for the fiscal year ended August 31, 2024, as follows:

	<u>Federal</u>	<u>State</u>
Total revenues per Schedule A	\$ 27,550,480	\$ 10,702,115
Federal revenue, non-operating per Exhibit 2	117,073,183	-
Fall tuition-related grants deferred to next year	(337,097)	(158,942)
Total expenditures for federal/state awards	<u>\$ 144,286,566</u>	<u>\$ 10,543,173</u>

## DALLAS COLLEGE

### NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

#### 4. AMOUNTS PASSED THROUGH TO OTHERS

##### Amounts Passed Through by the College – Federal:

The following amounts were passed through to the listed sub-recipients by the College.

These amounts were funded by the Small Business Administration for the North Texas Small Business Development Center, ALN 59.037. (Award SBAOEDSB230018 and SBAOEDSB240124)

Collin College	\$ 264,737
Grayson County Junior College District	74,278
McLennan Community College	255,280
Navarro College	210,205
North Central Texas College	305,969
Northeast Texas Community College	257,994
Paris Junior College	67,280
Tarrant County College District	243,395
Trinity Valley Community College	170,174
Tyler Junior College	285,409
University of Texas at Tyler	290,816

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\$ 2,425,537

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These amounts were funded by the National Science Foundation for the Texas Oklahoma Regional Undergraduate Symposium, ALN 47.049. (Award 2223745)

Southern Nazarene University	\$ 3,307
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\$ 3,307

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These amounts were funded by the U.S. Department of Treasury for Texas Reskilling and Upskilling through Education (TRUE) Grant Program, ALN 21.027. (Award 27272)

Amarillo College	\$ 48,096
Navarro College	1,886

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\$ 49,982

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**DALLAS COLLEGE**

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

These amounts were funded by the Department of Commerce for the EDA Grow the Biotech Workforce ALN 11.307. (Award ED22HDQ3070118)

Collin College	\$ 96,795
BioNorth Texas Foundation	199,694
Dallas Fort Worth Hospital Council	9,354
University of Texas Arlington	130,102
	<hr/>
	\$ 435,945

These amounts were funded by the Department of Education for Texas Reskilling and Upskilling for Education (TRUE) Institutional Capacity Grants ALN 84.425. (Award 25705)

Paris Junior College	\$ (79,500)
	<hr/>
	\$ (79,500)

Total Amounts Passed Through – Federal	<hr/>
	\$ 2,835,271

**DALLAS COLLEGE**

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

**Amounts Passed Through by the College – State:**

The following amounts were passed through to the listed sub-recipients by the College. These amounts were funded by State Appropriation for the North Texas Small Business Development Center.

Collin College	\$ 118,350
Grayson County Junior College District	102,569
McLennan Community College	112,592
Navarro College	109,653
North Central Texas College	150,479
Northeast Texas Community College	19,595
Paris Junior College	42,312
Tarrant County College District	167,435
Trinity Valley Community College	138,487
Tyler Junior College	66,631
University of Texas at Tyler	91,607
	<hr/>
	\$ 1,119,710 <hr/>

These amounts were funded by the Texas Higher Education Coordinating Board for The Texas Reskilling and Upskilling through Education (TRUE) 2023 Grant Program (Award 00282)

Paris Junior College	<hr/> \$ 29,572 <hr/>
Total Amounts Passed Through - State	<hr/> \$ 1,149,282 <hr/>
Total Amounts Passed Through – Federal and State	<hr/> \$ 3,984,553 <hr/>

**DALLAS COLLEGE**

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024**

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

Although Direct Loans “are made to students (not the institution of higher education)” as confirmed in the June 2010 *Compliance Supplement*, page 5-3-48, they also recommend the amounts for such loans be included on the face of the Schedule of Expenditures of Federal Awards (SEFA). Subtracting the effect of including these loans on the SEFA, actual expenditures of Federal awards for the 2024 fiscal year are \$119,706,795.

<b>Federal Grantor ALN Number/ Program Name</b>	<b>New Loans Processed</b>	<b>Administrative Cost Recovered</b>	<b>Total Loans Processed and Administrative Cost Recovered</b>
Department of Education 84.268 Direct Loans	\$ 24,579,771	\$ -	\$ 24,579,771

**6. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not agree with the amounts reported in the related Federal and State Financial reports filed with grantor agencies because of differences between the fiscal year of the College and various program years, as well as accruals that would be reflected in the next report filed with the agencies.

**7. INDIRECT COST**

As a non-federal entity, the College has a negotiated indirect cost rate approved by a federal agency, therefore, the College is not eligible to elect the 10% de minimis indirect cost rate.

**DALLAS COLLEGE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year Ended August 31, 2024**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No

**State Awards**

Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the State of Texas <i>Single Audit Circular</i> ?	No

**DALLAS COLLEGE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year Ended August 31, 2024**

Identification of major programs:

<u>ALN/Grant Numbers/State Identifying Number Cluster</u>	<u>Name of Federal and State Programs or</u>
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Major Federal Programs:

84.007A(1), 84.033A(1), 84.063P(1), 84.268(1) 84.002A 17.268 59.037	Student Financial Assistance Cluster Adult Education -Basic Grants to States H-1B Job Training Grants Small Business Development Centers
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Major State Programs:

N/A	Texas Education Opportunity Grant
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Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000 for federal programs \$750,000 for state programs
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Auditee qualified as low-risk auditee for federal programs?	Yes
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Auditee qualified as low-risk auditee for state programs?	Yes
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**DALLAS COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended August 31, 2024**

**SECTION II - FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS  
REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

None noted.

**DALLAS COLLEGE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year Ended August 31, 2024**

**SECTION III - FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AND  
STATE AWARDS**

None noted.

**DALLAS COLLEGE**

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS**

**Year Ended August 31, 2024**

**Prior finding not repeated**

Richland Collegiate High School (the “School”), operated by the College under a charter issued by the Texas Education Agency (TEA), did not meet the minimum spending requirement for the TEA program intent code (PIC) 22 in the current fiscal year or the three-year running average. Therefore, the School was not in compliance with the TEA spending requirement for PIC 22.

During the current year’s audit, the School closely monitored their spending and the three-year spending average. Our compliance testing on allotments did not identify any similar issues. (Finding code: 2023-001)

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