

**COLUMBUS STATE COMMUNITY COLLEGE**  
A COMPONENT UNIT OF THE STATE OF OHIO

**ANNUAL REPORT**  
Franklin County  
Single Audit

June 30, 2000 and 1999



**STATE OF OHIO**  
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Board of Trustees  
Columbus State Community College  
Columbus, Ohio

We have reviewed the independent auditor's report of the Columbus State Community College, Franklin County, prepared by Crowe, Chizek and Company LLP, for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Columbus State Community College is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

December 30, 2000

COLUMBUS STATE COMMUNITY COLLEGE  
Franklin County

ANNUAL REPORT  
June 30, 2000 and 1999

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## REPORT OF INDEPENDENT AUDITORS

Board of Trustees  
Columbus State Community College  
Columbus, Ohio

We have audited the accompanying general-purpose financial statements of Columbus State Community College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of College's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. The general-purpose financial statements for the year ended June 30, 1999 were audited by other auditors whose report, dated October 9, 1999 expressed an unqualified opinion on those statements.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2000, and the changes in its fund balances and current fund revenues, expenditures and other changes for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis of the general-purpose financial statements rather than to present the financial position, changes in fund balances and current fund revenues, expenditures and other changes of the individual companies. The consolidating information has been subjected to the auditing procedures applied in the

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audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relations to the general-purpose financial statements taken as a whole.

In accordance with *Governmental Auditing Standards*, we also issued our report dated October 13, 2000 on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the College taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

A handwritten signature in cursive script that reads "Crowe, Chizek and Company LLP".

Crowe, Chizek and Company LLP

Columbus, Ohio  
October 13, 2000

COLUMBUS STATE COMMUNITY COLLEGE  
BALANCE SHEET  
June 30, 2000 and 1999

	Current Funds				Loan Funds		Plant Funds		Agency Funds		Annuity Fund		Component Unit Development Foundation	
	Unrestricted		Restricted		2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
	2000	1999	2000	1999										
<b>ASSETS</b>														
Cash and cash equivalents	\$ 51,947,371	\$ 36,866,963			\$ 12,055	\$ 11,005	\$ 3,248		\$ 11,874	\$ 70,283			\$ 166,853	\$ 302,935
Investments	1,903,293	11,285,824					726,530	\$ 243,966					2,875,980	2,281,738
Accounts receivable, net	4,168,057	2,893,509												100,000
Other receivables									276,278	187,462				
Notes receivable					444,818	512,990							10,082	14,733
Accrued interest receivable	466,429	185,456												
Inventories	1,525,892	1,355,523												
Prepaid expenses		5,094												
Deposits with trustees								464,849	815,362					
Investment in plant								119,961,408	111,838,674					
Investment in golf course	39,704											\$ 4,100,000		
Interfund receivables	<u>2,731,849</u>	<u>3,306,998</u>	<u>\$ 153,979</u>	<u>\$ 140,154</u>			<u>652,682</u>	<u>657,710</u>	<u>1,746,610</u>	<u>3,351,048</u>	<u>4,167</u>			
Total assets	<u>\$ 62,782,595</u>	<u>\$ 55,899,367</u>	<u>\$ 153,979</u>	<u>\$ 140,154</u>	<u>\$ 456,873</u>	<u>\$ 523,995</u>	<u>\$ 121,808,717</u>	<u>\$ 113,555,712</u>	<u>\$ 2,034,762</u>	<u>\$ 3,608,793</u>	<u>\$ 4,104,167</u>	<u>\$</u>	<u>\$ 3,052,915</u>	<u>\$ 2,699,406</u>
<b>LIABILITIES AND FUND BALANCE</b>														
Accounts payable – trade	\$ 1,422,183	\$ 1,427,090					\$ 77,619	\$ 77,619						
Accounts payable - other	775,551	623,815												
Compensated absences	1,367,563	1,222,898												
Accrued payroll liabilities	1,234,745	1,009,525												
Interfund payables	5,285,120	7,270,723						4,167						\$ 185,187
Accrued interest								60,652	63,092					
Deferred income	5,037,922	4,627,023											\$ 117,500	
Deposits										\$ 2,034,762	\$ 3,608,793			
Capital lease obligation								548,529	48,821					
Bonds payable								13,560,000	14,215,000					
Annuity payable												\$ 2,400,000		
Total liabilities	15,123,084	16,181,074					14,250,967	14,404,532	2,034,762	3,608,793	2,400,000		117,500	185,187
<b>FUND BALANCE</b>														
Unrestricted – allocated	21,801,595	19,800,952												
Unrestricted – unallocated	25,857,916	19,917,341											817,726	523,563
Restricted			\$ 153,979	\$ 140,154	\$ 456,873	\$ 523,995	726,530	243,966					759,774	905,724
Endowment													1,357,915	1,084,932
Investment in plant							106,831,220	98,907,214			1,704,167			
Total fund balance	<u>47,659,511</u>	<u>39,718,293</u>	<u>153,979</u>	<u>140,154</u>	<u>456,873</u>	<u>523,995</u>	<u>107,557,750</u>	<u>99,151,180</u>	<u></u>	<u></u>	<u>1,704,167</u>	<u></u>	<u>2,935,415</u>	<u>2,514,219</u>
Total liabilities and fund balance	<u>\$ 62,782,595</u>	<u>\$ 55,899,367</u>	<u>\$ 153,979</u>	<u>\$ 140,154</u>	<u>\$ 456,873</u>	<u>\$ 523,995</u>	<u>\$ 121,808,717</u>	<u>\$ 113,555,712</u>	<u>\$ 2,034,762</u>	<u>\$ 3,608,793</u>	<u>\$ 4,104,167</u>	<u>\$</u>	<u>\$ 3,052,915</u>	<u>\$ 2,699,406</u>

See accompanying notes to financial statements.

COLUMBUS STATE COMMUNITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCES  
June 30, 2000 and 1999

	<u>Current Funds</u>						<u>Loan Funds</u>		<u>Plant Funds</u>		<u>Annuity Fund</u>		<u>Component Unit</u>	
	<u>Unrestricted</u>		<u>Restricted</u>		<u>Total Current Funds</u>				<u>Investment in Plant</u>				<u>Development Foundation</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
<b>Revenue and other additions</b>														
Unrestricted current fund revenue	\$ 86,949,629	\$ 76,022,763			\$ 86,949,629	\$ 76,022,763								
State appropriations & grants – restricted			\$ 2,288,421	\$ 2,694,453	2,288,421	2,694,453			\$ 449,944	\$ 114,218				
Federal grants & contracts – restricted			6,112,843	5,666,525	6,112,843	5,666,525								
Private gifts, grants & contracts – restricted			122,689	121,110	122,689	121,110					\$ 1,700,000		\$ 926,770	\$ 1,058,865
Interest & adjustments on loans							\$ 9,089	\$ 10,351						
Investment income – restricted													219,712	288,912
Other additions		7,088				7,088			61,101	54,788				
Plant fund revenue											112,500			
Expended for plant facilities (includes \$6,340,880 and \$2,342,198 charged to current fund expenditures for 2000 and 1999)									7,089,409	5,850,480				
<b>Total revenues and other additions</b>	<b>86,949,629</b>	<b>76,029,851</b>	<b>8,523,953</b>	<b>8,482,088</b>	<b>95,473,582</b>	<b>84,511,939</b>	<b>9,089</b>	<b>10,351</b>	<b>7,600,454</b>	<b>6,019,486</b>	<b>\$ 1,812,500</b>		<b>1,146,482</b>	<b>1,347,777</b>
<b>Expenditures and other deductions</b>														
Educational and general expenditures	70,777,243	65,194,624	8,510,128	8,481,024	79,287,371	73,675,648							725,286	727,862
Auxiliary enterprises	6,663,040	5,821,871			6,663,040	5,821,871								
Other expenditures	13,483	16,877			13,483	16,877								
Loan cancellations & write-offs							75,548	57,580						
Administration and collection cost							663	304						
Payments to annuitants											108,333			
Expended for plant facilities									748,529	3,650,397				
<b>Total expenditures and other deductions</b>	<b>77,453,766</b>	<b>71,033,372</b>	<b>8,510,128</b>	<b>8,481,024</b>	<b>85,963,894</b>	<b>79,514,396</b>	<b>76,211</b>	<b>57,884</b>	<b>748,529</b>	<b>3,650,397</b>	<b>108,333</b>		<b>725,286</b>	<b>727,862</b>
Transfers among fund-additions (deductions)														
Nonmandatory														
Student support services														
Mandatory														
Debt services	(1,400,000)	(1,400,000)			(1,400,000)	(1,400,000)			1,400,000	1,400,000				
Computer leases payable	(154,645)	(123,281)			(154,645)	(123,281)			154,645	123,281				
<b>Total transfers</b>	<b>(1,554,645)</b>	<b>(1,523,281)</b>			<b>(1,554,645)</b>	<b>(1,523,281)</b>			<b>1,554,645</b>	<b>1,523,281</b>				
<b>Net increase (decrease) for the year</b>	<b>7,941,218</b>	<b>3,473,198</b>	<b>13,825</b>	<b>1,064</b>	<b>7,995,043</b>	<b>3,474,262</b>	<b>(67,122)</b>	<b>(47,533)</b>	<b>8,406,570</b>	<b>3,892,370</b>	<b>1,704,167</b>		<b>421,196</b>	<b>619,915</b>
<b>Fund balances, beginning of year</b>	<b>39,718,293</b>	<b>36,245,095</b>	<b>140,154</b>	<b>139,090</b>	<b>39,858,447</b>	<b>36,384,185</b>	<b>523,995</b>	<b>571,528</b>	<b>99,151,180</b>	<b>95,258,810</b>			<b>2,514,219</b>	<b>1,894,304</b>
<b>Fund balance at end of year</b>	<b>\$ 47,659,511</b>	<b>\$ 39,718,293</b>	<b>\$ 153,979</b>	<b>\$ 140,154</b>	<b>\$ 47,813,490</b>	<b>\$ 39,858,447</b>	<b>\$ 456,873</b>	<b>\$ 523,995</b>	<b>\$107,557,750</b>	<b>\$ 99,151,180</b>	<b>\$ 1,704,167</b>		<b>\$ 2,935,415</b>	<b>\$ 2,514,219</b>

See accompanying notes to financial statements.

COLUMBUS STATE COMMUNITY COLLEGE  
STATEMENT OF CURRENT FUND, REVENUE, EXPENDITURES AND OTHER CHANGES  
June 30, 2000 and 1999

	Unrestricted				Unrestricted		Restricted		Total Current Funds	
	Educational and General		Auxiliary		Total Unrestricted		Educational and General		Total Current Funds	
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
<b>Revenues and other additions</b>										
Educational and general										
Tuition, fees and other student charges	\$ 35,061,822	\$ 33,467,959			\$ 35,061,822	\$ 33,467,959			\$ 35,061,822	\$ 33,467,959
State appropriations	39,229,674	33,070,151			39,229,674	33,070,151			39,229,674	33,070,151
Federal grants and contracts							\$ 6,112,843	\$ 5,666,525	6,112,843	5,666,525
State grants and contracts							2,288,421	2,694,453	2,288,421	2,694,453
Private gifts, grants and contracts	2,400,221	489,141			2,400,221	489,141	122,689	121,110	2,522,910	610,251
Sales and services	7,568	10,202	\$ 7,134,047	\$ 6,501,035	7,141,615	6,511,237			7,141,615	6,511,237
Interest income	2,569,908	2,083,220			2,569,908	2,083,220			2,569,908	2,083,220
Other sources	539,067	401,055			539,067	401,055			539,067	401,055
Other additions										
President's discretionary fund revenues	7,322	7,088			7,322	7,088			7,322	7,088
Total revenues and other additions	79,815,582	69,528,816	7,134,047	6,501,035	86,949,629	76,029,851	8,523,953	8,482,088	95,473,582	84,511,939
<b>Expenditures and other deductions</b>										
Educational and general										
Instructional and department research	35,261,754	32,669,809			35,261,754	32,669,809			35,261,754	32,669,809
Public service	2,988,510	1,195,738			2,988,510	1,195,738			2,988,510	1,195,738
Academic support	2,274,003	2,165,211			2,274,003	2,165,211			2,274,003	2,165,211
Student services	6,679,402	6,507,201			6,679,402	6,507,201			6,679,402	6,507,201
Institutional support	11,747,868	9,882,017			11,747,868	9,882,017			11,747,868	9,882,017
Operation and maintenance of plant	11,825,706	12,774,648			11,825,706	12,774,648			11,825,706	12,774,648
Scholarships and fellowships							8,510,128	8,481,024	8,510,128	8,481,024
Total educational and general expenditures	70,777,243	65,194,624			70,777,243	65,194,624	8,510,128	8,481,024	79,287,371	73,675,648
President's discretionary fund expenses	13,483	16,877			13,483	16,877			13,483	16,877
Auxiliary enterprises expenses			6,663,040	5,821,871	6,663,040	5,821,871			6,663,040	5,821,871
Transfer-additions (deductions)										
Mandatory	1,513,397	1,466,731	41,248	56,550	1,554,645	1,523,281			1,554,645	1,523,281
Nonmandatory	103,305	103,305	(103,305)	(103,305)						
Total expenditures and transfers	72,407,428	66,781,537	6,600,983	5,775,116	79,008,411	72,556,653	8,510,128	8,481,024	87,518,539	81,037,677
Net increase (decrease) in fund balance	\$ 7,408,154	\$ 2,747,279	\$ 533,064	\$ 725,919	\$ 7,941,218	\$ 3,473,198	\$ 13,825	\$ 1,064	\$ 7,955,043	\$ 3,474,262

See accompanying notes to financial statements.



COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES**

Organization: In 1967, Columbus State Community College (the College) became part of the State of Ohio higher education system and was chartered as the Columbus Technical Institute. In 1986, the College was established as a college district by the Ohio Board of Regents. On July 1, 1987, the College was granted a provision charter as a state community college, which was made permanent on September 10, 1993. As such, the College is one of the state-supported colleges and universities in Ohio. The College is a component unit of the primary reporting entity of the State of Ohio.

Statutory Requirements: The accounts of the College are maintained in accordance with the *Uniform Manual of Accounts and Financial Reports for State-Assisted Colleges and Universities of Ohio*, published by the Auditor of State of Ohio. Essentially, this manual follows the principles promulgated by the American Institute of Certified Public Accountants' industry audit guide entitled *Audits of Colleges and Universities*, prepared by the committee on college and university accounting and auditing. Also, similar principles are recommended by the American Council on Education.

Accrual Basis: The financial statements of the College are prepared on the accrual basis in accordance with generally accepted accounting principles for state-assisted colleges and universities. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized when incurred, without regard to the time of receipt or payment. The statement of current fund revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operation or the net income or loss as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amount so provided are accounted for as (1) expenditures, in the case of normal replacement of moveable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and, (3) as transfers of a nonmandatory nature for all other cases.

Fund Accounting: In order to ensure observance of limitations and restrictions placed on the use of the resources available to the College, its accounts are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with the activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly all financial transactions have been recorded and reported by fund group.

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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Within each fund group, fund balances restricted by outside sources are so indicated or distinguished from unrestricted funds allocated to specific purposes by actions of the Board of Trustees. Externally restricted funds may only be used in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use on achieving any of its institutional purposes. All accounts are classified into the following groups:

- Current Funds
- Endowment Funds
- Loan Funds
- Plant Funds
- Annuity Funds
- Agency Funds

Current funds are available for current operations and are subdivided as follows:

Educational and General funds are unrestricted and available for general operating purposes.

Auxiliary Enterprise funds are available for the operation of the bookstore, childcare center and golf course.

Restricted funds are available for current operating purposes but only in compliance with restrictions specified by donors or grantors.

Endowment funds represent contributions in which the donor has stipulated, as a condition of the gift, that the principal be maintained intact and only the investment income of the fund be expended as the donor specified.

Loan funds are available for loans to students. Loans granted are receivables until repaid, at which time such monies are then available for new loans.

Plant funds include two self-balancing subgroups:

Unexpended funds include resources derived from various sources to finance the acquisition of long-life assets.

Investment in Plant includes all long-life assets in the service of the College and construction in progress. Physical properties, which include land, buildings, improvements, equipment and library books, are principally stated at cost. In accordance

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COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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with generally accepted accounting principles for colleges and universities, depreciation is not provided.

To the extent current funds are used to finance plant assets, the amounts so provided are accounted for (a) as expenditures of current funds and additions to property and equipment in plant funds, in the case of moveable equipment and capital projects; (b) as mandatory transfers, in the case of required provisions for debt amortization and interest; and, (c) as transfers of a nonmandatory nature in other cases.

Annuity funds include the private gifts and annuitant expenses of the donors and annuitants.

Agency funds include resources held by the College on behalf of others in the capacity of custodian or fiscal agents.

Cash and Investments: Cash consists primarily of petty cash, cash held in demand accounts and time deposits maturing within one year. Investments consist primarily of overnight repurchase agreements.

Investments in debt securities that are not classified as held-to-maturity and equity securities that have readily determinable fair values are carried on the College's books at their market values at June 30, 2000 and 1999. All other investments are carried at amortized cost which, including accrued interest, approximate market value. Securities received as a gift are recorded at fair market value at the date of the gift.

Inventories: The College's inventories consist principally of books and supplies of the bookstore. Bookstore inventories are stated at the lower of cost or market basis (first-in, first-out).

Deferred Income: Deferred credits in the current unrestricted fund are principally comprised of receipts relating to tuition and lab fees received in advance of services to be provided. The College recognizes tuition and lab fee revenue over the academic quarter for which these receipts relate.

Allocated Fund Balance: As of June 30, 2000 and 1999, the Board of Trustees had allocated \$21,801,595 and \$19,800,952 of unrestricted fund balance to cover the cost of specific projects.

Gifts and Pledges: Gifts are recorded when received. Gifts pledged are not included in the financial statements because it is not practicable to determine the net realizable value or period of collection.

Government Grants and Contracts: Government grants and contracts with the College normally provide for the recovery of direct costs and indirect costs. The College recognizes revenue associated with direct costs as incurred. There was no indirect cost recovery for these programs. Grant

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COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Development Foundation: The Development Foundation operates under a separate board exclusively to generate, receive, hold, invest, manage and allocate funds and property for the advancement, achievement and support of the educational programs and services of the College and its beneficiaries (students and the community). The Development Foundation has been included in the College's financial statements as a component unit of the College.

The Columbus State Community College Development Foundation, Inc. (the Development Foundation) is a not-for-profit Ohio corporation formed in 1982.

President's Discretionary Fund: The President's Discretionary Fund is a separate fund from the operating and capital funds. The source of funds is from other than public (governmental) monies or student fees, as specified by the Board of Trustees. Expenditures are to promote or enhance the College's image, educational programs, operations, entertainment, contributions and other appropriate expenditures not provided for in the College's operating budget. For purposes of presentation, the activities of the President's Discretionary Fund have been included with unrestricted fund activities.

Income Taxes: The College is exempt from income taxes as a political subdivision under federal income tax laws and regulations of the Internal Revenue Service.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

In accordance with GAB Statement No. 3, cash deposits are categorized to give an indication of the level of risk assumed by the College. The categories are as follows:

- Category 1 - Insured or collateralized with securities held by the College or by its agent in the College's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the College's name.
- Category 3 - Uncollateralized.

As of June 30, 2000:

Carrying	Bank	<u>Balance per Bank Risk Category</u>
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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2000 and 1999

<u>Amount</u>	<u>Balance</u>	<u>1</u>	<u>2</u>	<u>3</u>
\$ 52,141,401	\$ 54,665,894	\$ 200,000	\$ 54,465,894	\$ --

The difference between cash carrying amount and bank balance represents normal reconciling items (outstanding checks, cash on hand and deposits in transit). Of the total cash in bank accounts, \$7,141,401 was held in demand accounts and \$45,000,000 was in certificates of deposit.

**NOTE 3 - INVESTMENTS**

Statement No. 3 of the Government Accounting Standards Board requires government entities to categorize investments to give an indication of the level of risk assumed by the entity at year-end. These categories follow:

- Category 1 - Investments that are insured or registered, or for which securities are held by the College or its agent in the name of the College.
- Category 2 - Investments that are uninsured and unregistered, with securities held by the broker's trust department or agent in the College's name.
- Category 3 - Investments that are uninsured and unregistered, with the securities held by the broker or dealer, or by its trust department or agent, but not in the College's name.

The following summarizes the carrying value and fair value of investments at June 30, 2000 and 1999:

	<u>Cost</u>	<u>Carrying Value</u>	<u>Fair Value</u>
<b>June 30, 2000</b>			
Overnight repurchase agreement	\$ 1,903,293	\$ 1,903,293	\$ 1,903,293
Common and preferred stock	893,909	1,708,169	1,708,169
Bonds due beyond one year	792,509	788,501	788,501
Money market funds	379,310	379,310	379,310
Star Ohio	<u>726,530</u>	<u>726,530</u>	<u>726,530</u>
Total investments	<u>\$ 4,695,551</u>	<u>\$ 5,505,803</u>	<u>\$ 5,505,803</u>

(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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	<u>Cost</u>	<u>Carrying Value</u>	<u>Fair Value</u>
<b>June 30, 1999</b>			
Overnight repurchase agreement	\$ 11,285,824	\$ 11,285,824	\$ 11,285,824
Common and preferred stock	755,944	1,433,329	1,433,329
Bonds due beyond one year	654,099	660,564	660,564
Money market funds	187,845	187,845	187,845
Star Ohio	<u>243,966</u>	<u>243,966</u>	<u>243,966</u>
Total investments	<u>\$ 13,127,678</u>	<u>\$ 13,811,528</u>	<u>\$ 13,811,528</u>

The collateral for the repurchase agreement, which consists of U.S. Government securities, is held by the Federal Reserve Bank of Cleveland in the member bank's name (Category 3). The Star Ohio investment account is an external investment pool. Oversight of the pool is through the Treasurer of State. The fair value of the College's position in the pool is the same as the value of its pool share. Such investments are not required to be categories in accordance with Government Accounting Standards Board Statement No. 3. All other investments are Category 1.

**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2000 and 1999 are net of allowance for doubtful accounts as summarized below:

	<u>2000</u>	<u>1999</u>
Accounts receivable, gross	\$ 5,326,840	\$ 4,035,637
Allowance for doubtful accounts	<u>(1,158,783)</u>	<u>(1,046,128)</u>
Accounts receivable, net	<u>\$ 4,168,057</u>	<u>\$ 2,989,509</u>

**NOTE 5 - NOTES RECEIVABLE**

Notes receivable (net allowance for doubtful accounts of \$5,711 and \$10,062, as of June 30, 2000 and 1999, respectively) primarily represent Perkins loans outstanding. The fund balances related to this program principally represent advances that are ultimately refundable to the federal government.

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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**NOTE 6 – INVESTMENT IN PLANT**

The June 30, 2000 and 1999 investment in plant consists of the following:

	<u>2000</u>	<u>1999</u>
Land	\$ 19,277,319	\$ 19,212,028
Improvements other than buildings	4,713,491	4,115,462
Buildings	63,278,402	51,567,167
Moveable equipment and furniture	28,216,460	24,525,824
Construction in-progress	<u>4,475,736</u>	<u>12,418,193</u>
Total	<u>\$ 119,961,408</u>	<u>\$ 111,838,674</u>

**NOTE 7 – BONDS PAYABLE**

Bonds payable at June 30, 2000 consist of the following:

	<u>Original Issuance Amount</u>	<u>Bond Interest Rates</u>	<u>Amount Outstanding</u>
Series 1993 due serially through 2010	\$ 6,565,000	3.95 - 5.00%	\$ 4,470,000
Series 1997 due serially through 2016	9,995,000	3.95 - 5.75%	9,090,000

Principal and interest amounts due within each of the next five years and thereafter on obligations outstanding at June 30, 2000 are as follows:

Years Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2001	\$ 715,000	\$ 719,593
2002	730,000	686,360
2004	770,000	651,103
2005	810,000	613,080
2006	830,000	572,463
2007 and thereafter	<u>9,705,000</u>	<u>3,139,144</u>
Total	<u>\$ 13,560,000</u>	<u>\$ 6,381,743</u>

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2000 and 1999

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The bonds are serviced by the general receipts of the College, except for receipts expressly excluded as stated in the trust indentures dated November 1, 1993 and April 1, 1997.

At the sole option of the College, the Series 1993 and 1997 bonds maturing on or after June 1, 2004 and December 1, 2007, respectively, are subject to prior redemption, in whole on any date or in part (in integral multiples of \$5,000). The following summarizes redemption prices (expressed as percentages of the principal amount redeemed), plus accrued interest to the redemption date:

<u>Redemption Dates (inclusive)</u>	<u>Redemption Price</u>
Series 1993	
6/1/2003 to 5/31/2004	102%
6/1/2004 to 5/31/2005	101%
6/1/2005 and thereafter	100%
Series 1997	
12/1/2007 to 11/30/2008	101%
12/1/2008 and thereafter	100%

The Series 1993 and 1997 bonds maturing on June 1, 2010 and December 1, 2016, respectively, in the aggregate principal amount of \$1,550,000 and \$4,205,000, respectively (the "Term Bonds"), are also subject to mandatory sinking-fund redemption in part by lot pursuant to the terms of the First Supplement Trust Agreement.

The mandatory sinking fund redemptions will occur at a redemption price equal to 100% of the principal amount redeemed plus interest accrued to the redemption date, without premium, and according to the following schedules:

<u>Year</u>	<u>Series 1993</u>	<u>Series 1997</u>
2008	\$ 500,000	
2009	515,000	
2010	535,000	
2011		\$ 610,000
2012		640,000
2013		680,000
2014		715,000
2015		760,000
2016		800,000

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(Continued)



COLUMBUS STATE COMMUNITY COLLEGE  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2000 and 1999

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Term bonds redeemed other than by mandatory redemption, or purchases for cancellation, may be credited against the applicable mandatory redemption requirements.

**NOTE 8 – LEASES**

The institution had certain lease agreements in effect for data processing and other equipment, with a carrying value of approximately \$474,000 and \$358,214 as of June 30, 2000 and 1999, respectively, which are considered capital leases. These agreements had ending dates ranging through March 2005 and had imputed interest rates ranging from 4.8% to 6.8%.

For fiscal year 2000, the interest portion of the lease payment of \$23,958 is included in the instructional support category of the education and general expenditures. Correspondingly, the reduction of the principal portion of the lease payment of \$154,645 during the fiscal year is shown as a mandatory transfer from the current fund to the plant fund.

Future minimum-lease payments under these capital leases are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$172,116	\$ 26,548	\$198,664
2002	182,645	16,020	198,665
2003	104,109	6,817	110,926
2004	76,537	2,706	79,243
2005	<u>13,122</u>	<u>81</u>	<u>13,203</u>
	\$548,529	\$ 52,172	\$600,701

The College also leases classroom space for its off-campus sites under operating leases, which have ending dates ranging through December 2007. Future minimum lease payments under operating leases at June 30, 2000 are as follows:

2001	\$ 337,908
2002	337,908
2003	337,908
2004	337,908
2005	337,908

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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**NOTE 9 – STATE SUPPORT**

The College is a state-assisted institution of higher education that receives a student enrollment-based instructional subsidy from the State of Ohio. This subsidy is determined annually based on a formula devised by the Ohio Board of Regents adjusted to state resources available.

In addition to the current operating subsidies, the State of Ohio provides the funding for and constructs major plant facilities on the College's campus. The funding is obtained from the issuance of revenue bonds by the Ohio Public Facilities Commission (OPFC), which in turn initiates the construction and subsequent lease of the facility by the Ohio Board of Regents. Such facilities are reflected as buildings or construction in progress in the accompanying balance sheet.

Neither the obligation for the revenue bonds issued by OPFC nor the annual debt service charges for principal and interest on bonds are reflected in the College's financial statements. The debt service is funded through appropriations to the Ohio Board of Regents by the General Assembly.

The facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund and future payments to be received by such fund, which is established in the custody of the Treasurer of State of Ohio.

**NOTE 10 – CAPITAL PROJECTS COMMITMENTS**

At June 30, 2000, the College was committed to future capital expenditures as follows:

Contractual commitments	
Rhodes/Madison Renovation	\$ 61,445
Spring Street Bridge	808,195
Grant Avenue Renovation	95,524
Parking Garage	<u>137,269</u>
Total future project costs	<u>\$ 1,102,433</u>

**NOTE 11 – RETIREMENT PLANS**

The College's faculty is covered by State Teachers Retirement System of Ohio (STRS). Substantially all other employees are covered by the School Employees Retirement System of Ohio (SERS). These retirement programs are statewide cost sharing multiple employer defined benefit pension plans. They

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefits are established by State statute. STRS and SERS issue separate, publicly available financial reports that include financial statements and required supplementary information.

The Ohio Revised Code provides STRS and SERS statutory authority for employee and employer contributions. The required, actuarially-determined contribution rates for plan members and the College for 2000 were 9.3% and 14% covered payroll, for STRS respectively, and 9% and 14% of covered payroll for SERS, respectively.

The College's contributions, which represent 100% of the required contributions, for the year ended June 30, 2000 and for each of the two preceding years is as follows:

	STRS Annual Required <u>Contributions</u>	STRS Annual Required <u>Contributions</u>
2000	\$ 3,429,484	\$ 2,209,560
1999	3,196,616	2,067,199
1998	2,958,634	1,804,791

Alternative Retirement Plan: The State of Ohio requires public institutions of higher education to offer an alternative retirement plan. This option is an alternate to participating in the State Teachers Retirement System. The alternative retirement plan shall be a defined-contribution plan, with the Ohio employer contribution rate of 5.76% for STRS and 3.1% for SERS. The College has implemented the alternative retirement plan. There were no contributions made during fiscal year 1999. In fiscal year 2000, the College's contributions were \$17,144 for STRS and \$5,802 for SERS.

In addition to the retirement benefits described above, STRS and SERS provide post-retirement health care benefits. STRS and SERS provide comprehensive health care benefits to retirees with 10 or more years of qualifying service credit and offer coverage to their dependents on a deduction basis. Coverage includes hospitalization, medical expenses, prescription drugs and reimbursement of monthly Medicare premiums. STRS and SERS determine the amount, if any, of the associated health care cost that will be absorbed by STRS and SERS. Under Ohio law, medical costs paid from the funds of STRS and SERS are included on the employer contribution rate. STRS and SERS currently allocated 8% and 4.9% of covered payroll, respectively, to fund the health care program for retirees.

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000 and 1999

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**NOTE 12 – COMPENSATED ABSENCES**

Columbus State Community College employees earn vacation and sick leave on a monthly basis. Employees may accrue vacation benefits up to a maximum of 240 hours (30 days). For all classes of employees, any earned but unused vacation benefit is payable on termination.

Sick leave may be accrued without limit. However, earned but unused sick leave benefits are payable only on retirement from the College with 10 or more years of state service. The amount of sick leave benefit payable at retirement is one fourth of the accrued but unused sick leave, up to a maximum of 30 days.

The College follows the policy of accruing sick leave liability. The College accrues a sick leave liability for those employees who are currently eligible to receive termination payments along with other employees who are expected to become eligible to receive such payments. This liability is calculated using the “vesting method” which is set forth in GASB Statement No. 16, *Accounting for Compensated Absences*. Under the vesting method, the College calculates the probability that groups of employees will be come eligible to receive termination payments. These probability ratios are then applied by the College to the accumulated leave balance for that current group of College employees.

As of June 30, 2000 and 1999, the estimated accrued vacation and sick leave liability was approximately \$1,367,563 and \$1,222,898.

**NOTE 13 – ENCUMBRANCES**

Encumbrances are contractual commitments made by the College for the purchase of goods and services. However, as of the balance sheet date, such goods have not been delivered or services rendered. Encumbrances (excluding amounts for Board allocations) were \$570,999 as of June 30, 2000.

**NOTE 14 – PENDING LITIGATION**

At June 30, 2000, there were several lawsuits and claims pending against the College. In the opinion of management, the ultimate liabilities, if any, resulting from such lawsuits and claims will not materially affect the financial position of the College.

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COLUMBUS STATE COMMUNITY COLLEGE  
BALANCE SHEET – CURRENT FUNDS  
June 30, 2000

	Current Funds				Total Current Funds
	Unrestricted		Total Unrestricted	Restricted	
	Educational and General	Auxiliary		Educational and General	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 51,090,783	\$ 856,588	\$ 51,947,371		\$ 51,947,371
Investments	1,903,293		1,903,293		1,903,293
Accounts receivable, net	3,355,059	812,998	4,168,057		4,168,057
Accrued interest receivable	466,429		466,429		466,429
Inventories		1,525,892	1,525,892		1,525,892
Investment in golf course		39,704	39,704		39,704
Interfund receivables		2,731,849	2,731,849	\$ 153,979	2,885,828
<b>Total assets</b>	<b><u>\$ 56,815,564</u></b>	<b><u>\$ 5,967,031</u></b>	<b><u>\$ 62,782,595</u></b>	<b><u>\$ 153,979</u></b>	<b><u>\$ 62,936,574</u></b>
<b>LIABILITY AND FUND BALANCE</b>					
<b>Liabilities</b>					
Accounts payable	\$ 4,320,039	\$ 480,003	\$ 4,800,042		\$ 4,800,042
Deferred income	5,037,922		5,037,922		5,037,922
Interfund payable	5,285,120		5,285,120		5,285,120
<b>Total liabilities</b>	<b>14,643,081</b>	<b>480,003</b>	<b>15,123,084</b>		<b>15,123,084</b>
<b>Fund balance</b>					
Unrestricted-allocated	21,801,595		27,288,623		21,801,595
Unrestricted-unallocated	20,370,888	5,487,028	20,370,888		25,857,916
Restricted				\$ 153,979	153,979
Endowment					
Investment in plant					
<b>Total fund balance</b>	<b><u>42,172,483</u></b>	<b><u>5,487,028</u></b>	<b><u>47,659,511</u></b>	<b><u>153,979</u></b>	<b><u>47,813,490</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 56,815,564</u></b>	<b><u>\$ 5,967,031</u></b>	<b><u>\$ 62,782,595</u></b>	<b><u>\$ 153,979</u></b>	<b><u>\$ 62,936,574</u></b>

COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF CURRENT REVENUES – EDUCATIONAL AND GENERAL  
For the Year Ended June 30, 2000

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Tuition, fees and other charges</b>			
Instructional	\$ 31,616,125		\$ 31,616,125
Non-credit instructional	595,387		595,387
Laboratory fees	1,310,582		1,310,582
Application & matriculation	463,749		463,749
Parking and parking fines	746,390		746,390
Other	<u>329,589</u>		<u>329,589</u>
Total tuition, fees & other student charges	<u>35,061,822</u>		<u>35,061,822</u>
<b>State appropriations</b>			
Instructional subsidy	35,486,826		35,486,826
Other through Regents	<u>3,742,848</u>		<u>3,742,848</u>
Total state appropriations	<u>39,229,674</u>		<u>39,229,674</u>
<b>Gifts, grants &amp; contracts</b>			
Federal		\$ 6,112,843	6,112,843
State		2,288,421	2,288,421
Private	<u>2,400,221</u>	<u>122,689</u>	<u>2,522,910</u>
Total gifts, grants & contracts	<u>2,400,221</u>	<u>8,523,953</u>	<u>10,924,174</u>
<b>Sales &amp; service</b>			
Data center services	<u>7,568</u>		<u>7,568</u>
Total sales & service	<u>7,568</u>		<u>7,568</u>
<b>Other sources</b>			
Interest	2,569,908		2,569,908
Rental	191,307		191,307
Food service	141,584		141,584
Other	<u>206,176</u>		<u>206,176</u>
Total other sources	<u>3,108,975</u>		<u>3,108,975</u>
Total current revenue	<u>\$ 79,808,260</u>	<u>\$ 8,523,953</u>	<u>\$ 88,332,213</u>

(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
 SCHEDULE OF CURRENT EXPENDITURES – EDUCATIONAL AND GENERAL (Continued)  
 For the Year Ended June 30, 2000

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Instructional &amp; departmental research</b>			
Business	\$ 7,631,774		\$ 7,631,774
Engineering	4,634,026		4,4,634,026
Health	7,045,896		7,045,896
General	14,782,522		14,782,522
Public service	<u>1,167,536</u>		<u>1,167,536</u>
Total instructional & departmental research	<u>35,261,754</u>		<u>35,261,754</u>
<b>Public service</b>			
K-12 initiatives	159,290		159,290
Non-credit instruction	<u>2,829,220</u>		<u>2,829,220</u>
Total public service	<u>2,988,510</u>		<u>2,988,510</u>
<b>Academic support</b>			
Libraries	1,063,791		1,063,791
Distance learning	57,505		57,505
Academic administration	<u>1,152,707</u>		<u>1,152,707</u>
Total academic support	<u>2,274,003</u>		<u>2,274,003</u>
<b>Student services</b>			
Vice President	189,475		189,475
Student health services	251,716		251,716
Counseling	1,082,913		1,082,913
Admissions	635,531		635,531
Registration	773,644		773,644
Financial aid & veterans office	1,207,182		1,207,182
Student activities	866,317		866,317
Handicapped	687,374		687,374
Data processing center	<u>985,250</u>		<u>985,250</u>
Total student services	<u>6,679,402</u>		<u>6,679,402</u>

(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
 SCHEDULE OF CURRENT EXPENDITURES – EDUCATIONAL AND GENERAL (Continued)  
 For the Year Ended June 30, 2000

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Institutional support</b>			
President's office	\$ 1,435,186		\$ 1,435,186
Vice President for Business	2,081,842		2,081,842
Vice President for Education	527,997		527,997
Vice President for Planning	296,085		296,085
Personnel	987,365		987,365
Public relations	2,111,957		2,111,957
Safety and security	1,321,627		1,321,627
Word processing	269,689		269,689
Office services	763,718		763,718
Data center operations	1,106,353		1,106,353
Facilities planning	454,926		454,926
Institutional research	<u>391,123</u>		<u>391,123</u>
 Total institutional support	 <u>11,747,868</u>		 <u>11,747,868</u>
<b>Operation and maintenance of plant</b>			
Administration	83,877		83,877
Custodial and maintenance	3,755,833		3,755,833
Equipment and improvements	5,712,392		5,712,392
Utilities	2,116,332		2,116,332
Property insurance	<u>157,272</u>		<u>157,272</u>
 Total operation and maintenance of plant	 <u>11,825,706</u>		 <u>11,825,706</u>
<b>Scholarships and fellowships</b>			
Scholarships			
Grant-in-aid		<u>\$ 8,510,128</u>	<u>8,510,128</u>
 Total scholarships and fellowships		 <u>8,510,128</u>	 <u>8,510,128</u>
 Total current expenditures – educational and general	 <u>\$ 70,777,243</u>	 <u>\$ 8,510,128</u>	 <u>\$ 79,287,371</u>



COLUMBUS STATE COMMUNITY COLLEGE  
STATEMENT OF AUXILIARY OPERATIONS  
For the Year Ended June 30, 2000

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	<u>Bookstore</u>	<u>Child Care Center</u>	<u>Golf Course</u>	<u>Total</u>
Sales	\$ 6,387,832			\$ 6,387,832
Less: Cost of sales	<u>4,961,079</u>	<u>          </u>	<u>          </u>	<u>4,961,079</u>
Gross margin	1,426,753			1,426,753
Tuition		\$ 262,199		262,199
Golf course sales			\$ 376,549	376,549
Registration		425		425
Private gifts			13,593	13,593
Title 20	<u>          </u>	<u>93,449</u>	<u>          </u>	<u>93,449</u>
Total revenue	1,426,753	356,073	390,142	2,172,968
Operating expenditures	<u>873,624</u>	<u>477,899</u>	<u>350,438</u>	<u>1,701,961</u>
Net income (loss)	553,129	(121,826)	39,704	471,007
Transfer in (out)	<u>(41,248)</u>	<u>103,305</u>	<u>          </u>	<u>62,057</u>
Net increase (decrease) in fund balance	511,881	(18,521)	39,704	533,064
Fund balance at beginning of year	<u>5,075,781</u>	<u>(121,817)</u>	<u>          </u>	<u>4,953,964</u>
Fund balance at end of year	<u>\$ 5,587,662</u>	<u>\$ (140,338)</u>	<u>\$ 39,704</u>	<u>\$ 5,487,028</u>

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COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF DEVELOPMENT FOUNDATION OPERATIONS  
For the Year Ended June 30, 2000

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	Current Funds		Endowment	Total All
	Unrestricted	Restricted	Fund	Funds
Revenues and support				
Contributions	\$ 373,456	\$ 273,562	\$ 272,983	\$ 920,001
Game machines		6,769		6,769
Investment income – realized	(14,614)	107,543		92,929
Investment income – unrealized	34,993	91,790		126,783
Total revenues and support	393,835	479,664	272,983	1,146,482
Expenses				
Scholarships	472,653			472,653
Operating expenses		252,633		252,633
Total expenses	472,653	252,633		725,286
Excess (deficiency) of revenue and support over expenses	(78,818)	227,031	272,983	421,196
Interfund transfers	372,981	(372,981)		
Net increase/(decrease) in fund balances	294,163	(145,950)	272,983	421,196
Fund balance, beginning of year	523,563	905,724	1,084,932	2,514,219
Fund balance, end of year	\$ 817,726	\$ 759,774	\$ 1,357,915	\$ 2,935,415

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COLUMBUS STATE COMMUNITY COLLEGE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended June 30, 2000

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Federal Grantor Agency/Pass-Through Agency/Program Title	<u>Federal CFDA Number</u>	<u>Pass- Through Entity Number</u>	<u>Disbursements</u>
<u>U.S. Department of Education</u>			
Student financial aid cluster:			
Federal Supplemental Educational Opportunity Grant	84.007		\$ 302,904
Federal Family Education Loans	84.032		10,429,123 (1)
Federal Work Study Program	84.033		333,149
Federal Perkins Loan Program	84.038		18,666
Federal Pell Grant Program	84.063		5,745,006
Title III Grant	84.031A		70,000
TRIO	84.071A		<u>6,000</u>
Total student financial aid			<u>16,904,848</u>
Passed through State Department of Education:			
Vocational Education – Basic Grants to States	84.048	20-C2	150,296
Technical Preparation Grant	84.243	3E-00	<u>396,071</u>
			546,367
Total U.S. Department of Education			17,451,215
U.S. Department of Health & Human Services:			
Temporary Assistance to Needy Families	Unknown		240,049
U.S. Department of Labor:			
Employment Services and job Training – Pilot and Demonstration Program	17.249	WK-BE	<u>67,695</u>
Total Federal assistance			<u>\$17,758,959</u>

(1) The College does not make Federal Family Education Loans. Amount represents the amount of new loans processed under the Federal Family Education Loan Program during the year.

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COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2000

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1. Summary of Auditor's Results

- a. An unqualified opinion was issued on the financial statements of Columbus State Community College for the year ended June 30, 2000.
- b. An unqualified opinion was issued to Columbus State Community College for compliance with major programs.
- c. The audit did not disclose any noncompliance that is material to the financial statements.
- d. There were no audit findings required to be disclosed under OMB Circular A-133 Section 510(a).
- e. Major Programs Identified:

Student Financial Assistance Cluster:

Federal Supplemental Educational Opportunity Grant  
Federal Family Education Loan  
Federal Work Study Program  
Federal Perkins Loan Program  
Federal Pell Grant Program  
Title III Grant Program  
TRIO Program

- f. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- g. The auditee was not considered to be a low-risk auditee.

2. Findings related to financial statements that are required to be reported in accordance with GAGAS:

None.

3. Findings and questioned costs for federal awards including audit findings as described in OMB Circular A-133 Section 510(a):

None.

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

Board of Trustees  
Columbus State Community College  
Columbus, Ohio

We have audited the financial statements of Columbus State Community College (College) as of and for the year ended June 30, 2000, and have issued our report thereon dated October 13, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the College's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all

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matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of Columbus State Community College in a separate letter dated October 13, 2000.

This report is intended solely for the information and use of the audit committee, management and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Crowe, Chizek and Company LLP".

Crowe, Chizek and Company LLP

Columbus, Ohio  
October 13, 2000



REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees  
Columbus State Community College  
Columbus, Ohio

**Compliance**

We have audited the compliance of Columbus State Community College (College) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the College. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, the College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

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## Internal Control Over Compliance

The management of the College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Crowe, Chizek and Company LLP".

Crowe, Chizek and Company LLP

Columbus, Ohio  
October 13, 2000



COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF RESOLUTION OF PRIOR YEAR'S AUDIT FINDINGS  
June 30, 2000 and 1999

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There were no findings in the June 30, 1999 audit.

**COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

June 30, 2000

COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.

FINANCIAL STATEMENTS  
June 30, 2000

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## REPORT OF INDEPENDENT AUDITORS

Board of Trustees  
Columbus State Community College  
Development Foundation, Inc.  
Columbus, Ohio

We have audited the accompanying balance sheet of Columbus State Community College Development Foundation, Inc. (a not-for-profit component unit of Columbus State Community College) as of June 30, 2000, and the related statement of revenues, support and expenses and changes in fund balances for the year then ended. These financial statements are the Columbus State Community College Development Foundation Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year comparative totals have been derived from the Organization's 1999 financial statements which were audited by other auditors.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Columbus State Community College Development Foundation, Inc. as of June 30, 2000, and the results of its operations and the changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

A handwritten signature in cursive script that reads "Crowe, Chizek and Company LLP".

Crowe, Chizek and Company LLP

Columbus, Ohio  
October 13, 2000

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COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.  
BALANCE SHEET  
June 30, 2000  
(with Comparative Totals from 1999)

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	Current Funds		Endowment	2000	1999
	Unrestricted	Restricted	Fund	Total	Total
<b>ASSETS</b>				<b>Funds</b>	<b>Funds</b>
Cash	\$ 166,853			\$ 166,853	\$ 302,935
Investments (Note 2)	870,893	\$ 647,172	\$ 1,357,915	2,875,980	2,281,738
Accounts receivable					100,000
Student Emergency Loans (Note 3)	<u>                    </u>	<u>10,082</u>	<u>                    </u>	<u>10,082</u>	<u>14,733</u>
Total assets	<u>\$ 1,037,746</u>	<u>\$ 657,254</u>	<u>\$ 1,357,915</u>	<u>\$ 3,052,915</u>	<u>\$ 2,699,406</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Deferred Revenue		\$ 117,500		\$ 117,500	
Due to CSCC General Fund					\$ 185,187
Fund balance	<u>\$ 1,037,746</u>	<u>539,754</u>	<u>\$ 1,357,915</u>	<u>2,935,415</u>	<u>2,514,219</u>
Total liabilities and fund balance	<u>\$ 1,037,746</u>	<u>\$ 657,254</u>	<u>\$ 1,357,915</u>	<u>\$ 3,052,915</u>	<u>\$ 2,699,406</u>

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

COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.  
STATEMENT OF REVENUES, SUPPORT AND EXPENSES AND  
CHANGES IN FUND BALANCES  
Year ended June 30, 2000  
(with Comparative Totals from 1999)

	<u>Current Funds</u>		<u>Endowment Fund</u>	2000	1999
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Total Funds</u>	<u>Total Funds</u>
<b>Revenues and support</b>					
Contributions	\$ 373,456	\$ 273,562	\$ 272,983	\$ 920,001	\$ 1,053,421
Game machines		6,769		6,769	5,443
Investment income					
Realized	(14,614)	107,543		92,929	57,091
Unrealized	<u>34,993</u>	<u>91,790</u>		<u>126,783</u>	<u>231,821</u>
Total revenues and support	393,835	479,664	272,983	1,146,482	1,347,776
<b>Expenses</b>					
Scholarships		472,653		472,653	504,374
Operating expenses	252,633			252,633	95,487
Other expenses					<u>128,000</u>
Total expenses	<u>252,633</u>	<u>472,653</u>		<u>725,286</u>	<u>727,861</u>
Excess of revenues and support over expenses	141,202	7,011	272,983	421,196	619,915
Inter-fund transfers	<u>372,981</u>	<u>(372,981)</u>			
Net increase/(decrease) in fund balances	514,183	(365,970)	272,983	421,196	619,915
Fund balance, beginning of year	<u>523,563</u>	<u>905,724</u>	<u>1,084,932</u>	<u>2,514,219</u>	<u>1,894,304</u>
Fund balance, end of year	<u>\$1,037,746</u>	<u>\$ 539,754</u>	<u>\$ 1,357,915</u>	<u>\$ 2,935,415</u>	<u>\$ 2,514,219</u>

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

COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000

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**NOTE 1 - SIGNIFICANT ACCOUNTING AND REPORTING POLICIES**

Organization: Columbus State Community College Development Foundation, Inc. (the Foundation) is an Ohio not-for-profit corporation and is a component unit of the Columbus State Community College. The Foundation was formed in 1982 to receive contributions that are to be used to support the educational undertaking of Columbus State Community College. The Foundation operates exclusively for the benefit of Columbus State Community College.

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

Basis of Accounting: The financial statements of the Foundation have been prepared on the accrual basis of accounting.

Fund Accounting: To ensure observance of restrictions placed on the use of resources available to the Foundation, its accounts are maintained in accordance with principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

The assets, liabilities and fund balances of the Foundation are reported in two self-balancing fund groups:

Current funds which include (i) unrestricted funds presently available for use by the Foundation and (ii) restricted funds presently available for use, but expendable only for operating purposes specified by the donor.

Endowment funds represent contributions in which the donor has stipulated, as a condition of the gift, that the principal be maintained intact and only the investment income of the fund be expended as the donor has specified.

Gifts: Gifts are recorded at their fair market value as of the date received.

Investments: Investments are valued at market value, which is generally determined by use of published market quotations. Realized gains or losses from sale or redemption of investments are based on the cost of the specific investment sold or redeemed. Purchases and sales of investments are reflected on a trade-date basis.

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(Continued)

COLUMBUS STATE COMMUNITY COLLEGE  
DEVELOPMENT FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000

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**NOTE 2 - INVESTMENTS**

The Foundation pools unrestricted, restricted and endowment funds for investment purposes. Investment income is allocated to the appropriate fund based on its share of the pooled investments. Investments as of June 30, 2000 are summarized as follows:

	<u>Cost</u>	<u>Market</u>
Obligations due within one year	\$ 323,228	\$ 321,644
Common and preferred stock	893,909	1,708,169
Bonds due beyond one year	<u>848,591</u>	<u>846,167</u>
Total investments	<u>\$ 2,065,728</u>	<u>\$ 2,875,980</u>

**NOTE 3 - STUDENT EMERGENCY LOANS**

Student emergency loans are recorded net of an allowance for uncollectible accounts. The following summarizes outstanding student emergency loans as of June 30, 2000:

Student emergency loans	\$ 16,240
Allowance for uncollectible accounts	<u>(6,158)</u>
Net student emergency loans	<u>\$ 10,082</u>



**COLUMBUS STATE COMMUNITY COLLEGE  
PRESIDENT'S DISCRETIONARY FUND**

**STATEMENT OF CASH RECEIPTS,  
DISBURSEMENTS AND FUND BALANCES**

June 30, 2000

COLUMBUS STATE COMMUNITY COLLEGE  
PRESIDENT'S DISCRETIONARY FUND

STATEMENT OF CASH RECEIPTS,  
DISBURSEMENTS AND FUND BALANCES  
June 30, 2000

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## REPORT OF INDEPENDENT AUDITORS

Board of Trustees  
Columbus State Community College  
President's Discretionary Fund  
Columbus, Ohio

We have audited the accompanying statement of cash receipts, disbursements and fund balances of the President's Discretionary Fund of Columbus State Community College (Fund) as of June 30, 2000, and for the year then ended. This financial statement is the responsibility of the College's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described in Note 1, this financial statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the Fund's fund balances as of June 30, 2000 and its revenue collected and expenses paid during the year ended June 30, 2000, on the basis of accounting described in Note 1.

A handwritten signature in cursive script that reads "Crowe, Chizek and Company LLP".

Crowe, Chizek and Company LLP

Columbus, Ohio  
October 13, 2000

COLUMBUS STATE COMMUNITY COLLEGE  
 PRESIDENT'S DISCRETIONARY FUND  
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND FUND BALANCES  
 Year Ended June 30, 2000

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**Revenues**

Video games	\$ 6,871
Rental income	<u>451</u>
Total revenues	<u>7,322</u>

**Expenses**

Flowers	1,669
Ohio Hunger Task Force	1,250
Humor Workshop	1,131
ADA - Ohio	1,000
Community Shelter Board	1,000
Hannah Neil Center	1,000
Trustees Dinner	951
Blue Chip Foundation	750
The Gathering	700
YWCA	500
Carnegie Society Fund	500
Homeless Families Foundation	500
Chamber of Commerce	500
ACF - Columbus Chapter	450
Better Business Bureau	350
Asian American Commerce Group	250
M.L. King Jr. Breakfast	201
A Taste of Asia	200
NAACP	150
Columbus Bar Association	105
Westerville Chamber of Commerce	100
CPS Hall of Fame	90
CSCC Culinary Academy	90
CMACAO	40
Notary License	<u>6</u>
Total expenses	<u>13,483</u>
Net expenses over revenues	6,161
Fund balance, beginning of year	<u>8,528</u>
Fund balance, end of year	<u>\$ 2,367</u>

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The accompanying notes are an integral part of this financial statement.

COLUMBUS STATE COMMUNITY COLLEGE  
PRESIDENT'S DISCRETIONARY FUND  
NOTES TO FINANCIAL STATEMENT  
June 30, 2000

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**NOTE 1 - SIGNIFICANT ACCOUNTING AND REPORTING POLICIES**

Purpose of Fund: The President's Discretionary Fund is a separate fund of the Columbus State Community College (the College) and is separate from the operating and capital funds of the College. The source of funds is from other than public (governmental) monies or student fees, as specified by the Board of Trustees.

The purpose of the fund is to enhance the mission of the College. Expenditures are to promote or enhance the College's image, educational programs, operations, entertainment, contributions and other appropriate expenditures not provided for in the College's operating budget.

Basis of Accounting: The President's Discretionary Fund prepares its financial statements in accordance with the cash basis of accounting. Consequently, revenues are recognized when received rather than earned, and expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statement is not intended to present the financial position of the President's Discretionary Fund or the results of its operations in accordance with generally acceptance accounting principles.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43216-1140  
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800-282-0370  
Facsimile 614-466-4490

**COLUMBUS STATE COMMUNITY COLLEGE**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 16, 2001**