

Board of Education Meeting Agenda

Date: Monday, January 9, 2012 **Room #214** **Time:** 6:30 p.m.
 4301 Third Street, Tillamook, Oregon 97141

<u>Item</u>	<u>Description</u>	<u>Resource</u>
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| 1. | Call to Order • Acknowledge Guests ----- | Chair Shaw |
| 2. | Approval of the Agenda ----- | (Action) Chair Shaw |
| 3. | Invitation of Public Comment ----- | Chair Shaw |
| <p>Available at both the beginning and end of the meeting is an opportunity for the public to comment on any issue within the jurisdiction of the Tillamook Bay Community College Board of Education. The Board Chair may determine reasonable time, space and manner limitations. At the conclusion of public comment, individual members of the Board may respond to comments made by those who have addressed the Board, may ask staff to review a matter, or may ask that a matter be put on a future agenda.</p> | | |
| 4. | Approval of the December 5, 2011 Minutes ----- | (Action) Chair Shaw |
| 5. | Reports: | |
| | A. Program/Partner Report:
Jeff Sherman—Open Campus----- | Dean Gates |
| | B. Oregon Community College Association Board Report----- | President Green & Director Swain |
| | C. Financial Report ----- | Comptroller Williams |
| | D. Board Effectiveness ----- | President Green |
| 6. | New Business: | |
| | A. Annual Financial Report ----- | (Action) Comptroller Williams |
| | B. Board of Education Self Evaluation ----- | (Action) President Green |
| 7. | Standing Business: | |
| | A. Strategic Planning and Accreditation ----- | Dean Gates |
| | B. Courses and Curricula----- | Dean Gates |
| | C. Grants and Contracts ----- | Dean Ellison |
| | D. Board of Education Policy ----- | President Green |
| | E. Facilities----- | Dean Ellison |
| | F. Capital Construction Projects ----- | President Green |
| | G. Personnel ----- | President Green |
| 8. | Announcements and General Information ----- | President Green |
| 9. | Invitation of Public Comment ----- | Chair Shaw |
| 10. | Board Member Discussion Items ----- | Chair Shaw |
| 11. | Adjournment ----- | (Action) Chair Shaw |

Approval of Agenda

RECOMMENDATION

Motion to approve the agenda for the January meeting.

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BACKGROUND INFORMATION ----- Chair Shaw



Invitation of Public Comment

RECOMMENDATION

Available at both the beginning and end of the meeting is an opportunity for the public to comment on any issue within the jurisdiction of the Tillamook Bay Community College Board of Education. The Board Chair may determine reasonable time, space and manner limitations. At the conclusion of public comment, individual members of the Board may respond to comments made by those who have addressed the Board, may ask staff to review a matter, or may ask that a matter be put on a future agenda.

BACKGROUND INFORMATION ----- Chair Shaw



Approval of December 5, 2011 Minutes

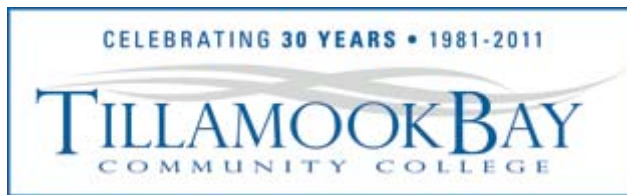
RECOMMENDATION

Motion to approve the December 5, 2011 minutes.

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BACKGROUND INFORMATION ----- Chair Shaw





**Board of Education
Meeting Minutes**

December 5, 2011

Central Campus, Room 214
2301 Third Street, Tillamook OR 97141

Directors Present:

James McGinnis, Steve Shaw, Deborah Lincoln, Ann Swain, Craig Wakefield and Bob Weitman.
Absent Rose Wharton.

Staff Present:

Connie Green, Lori Gates, Kyra Williams, Michele Burton and Sheryl Neu. Molly Lattin

Call to Order:

Chair Shaw Called the meeting to order at 6:30 p.m. and welcomed everyone.

Approval of Agenda:

On a motion by Director Lincoln and seconded by Director Wakefield the Agenda was approved.

Invitation of Public Comment:

There was no public comment.

Approval of minutes:

Chair Shaw asked for approval of the November 7, 2011 Board meeting minutes. Director McGinnis noted a correction on page 3 of the minutes. The date should read 2025 under SB 253. On approval of a motion by Director Lincoln, noting the correction by Director McGinnis, and seconded by Director Wakefield, the minutes were approved as presented.

Amendment to Approval:

Reports:

Programs/Partner Report: Luke Kralik-TBCC Library (Agenda Item 5.A)

Dean Gates introduced Tillamook Bay Community College Librarian Luke Kralik. Mr. Kralik gave a tour of the College's Library followed by a presentation about the library. The college's library is a stand-alone library, but is part of a consortium with other libraries along the coast; including the Tillamook County Library, Lincoln City and others. There is also a library sharing program with Universities and other community colleges. Mr. Kralik and his staff have been working on updating the library by modernizing the book selection as well as adding online data bases. President Green stated that there might have been some concern about the size of library with the accreditation process but there that issue never materialized. In fact the library was commended. During the last accreditation visit the Library was one of the surprise stars of the visit. Chair Shaw asked if Mr. Kralik taught any classes, and indeed Mr. Kralik teaches a library research class which teaches students to develop skills in choosing a topic, and researching the topic. Director Wakefield inquired how Mr. Kralik's relationship with the faculty was. Mr. Kralik responded that he was very comfortable with the staff and felt there was a good working relationship between them. Mr. Kralik was motivated by the fact that he is

Board Effectiveness (Agenda Item 5.D)

President Green specified that her name is on this section, but Sheryl Neu is the one that supports everyone in utilization of their iPads. Sheryl Neu shared shortcuts and better ways to utilize file management in Good Reader.

Strategic Planning and Accreditation (Agenda Item 6.A)

Dean Gates stated that she is working on catching up on projects that were put aside for the accreditation visit. Today the college received the official version of the accreditation report. This final report will be distributed to the staff to begin working on recommendations. President Green also stated that there was confirmation of our report being presented at the Northwest Commission on Colleges and Universities on January 12, 2012 in Seattle; the college has a one hour time slot, with the option to speak

The college staff and faculty have started to work on a self-study called "The Foundations of Excellence" (FOE). This study focuses on what the college has in place to support new students in their first year. There is a nine college task force working on each of the nine dimensions of FOE. The process has the college review what is currently in place and what the college could do better; it culminates in a report that will suggest what actions should be taken in the future. It is a one year process that officially started in September and will end in May/June. The project has a survey of faculty/staff and a second survey of students. The faculty/ staff survey currently has a seventy percent response rate and the student survey currently has a twenty percent response rate.

Courses and Curricula (Agenda Item 6.B)

Dean Gates informed there was nothing new to report.

Grants and Contracts (Agenda Item 6.C)

Comptroller Williams said there was nothing new to report. President Green shared that the college is working on a Title III Grant. This grant could provide up to four hundred thousand dollars per year over the next five years. An independent consultant is working on the grant. He has a ninety percent success rate and does not get paid unless the college receives the grant. Director Swain asked for clarification about Title III. Title III is a way to improve colleges systems and processes. We are hoping to improve our online services and distance learning as two key components.

Board of Education Policy (Agenda Item 6.D)

The Board policies: 109, 203, 210, and 216 were presented for second reading and approval. There was some confusion about Policy 302 which had been approved previously, but was part of the Board packet. Director McGinnis stated a change should be made in Policy 203. Director McGinnis suggested a break in a paragraph starting with "TBCC..." about 5 lines down at the end of the paragraph that should end "even if information is not available." With these improvements Director McGinnis made a motion, with a second from Director Wakefield, to approve all three policies. The motion passed unanimously.

Board Member Discussion Items

Chair Shaw indicated that besides the electronic communication, it would be helpful if the Board members would also get a phone call in cases of an emergency where Board meeting is cancelled. President Green responded that she would call them. Director McGinnis did express concern for President Green, Dean Gates and everyone in the office without the replacement of Mrs. Owens. President Green appreciated his concern, and reiterated that we would get through the February session and see what transpires there with the outcome of resources. President Green believes it will be best in the long run if we wait and be thoughtful about the position.

Adjournment

Chair Shaw made a motion, seconded by Director Wakefield, to close the meeting. The meeting was adjourned at 7:50 pm.

Program/Partner Report

RECOMMENDATION

Information only. No action requested.

BACKGROUND INFORMATION ----- Dean Gates

This month's Program/Partner report is from Jeff Sherman the coordinator of Open Campus. Oregon State University has partnered with Tillamook Bay Community College to create Oregon Open Campus. The Purpose of Open Campus is to improve the quality of community through highly accessible technology and regionally specific education. What makes Open Campus unique is its focus on extraordinary community engagement in developing new modes and opportunities to access learning.



Oregon Community College Association Board Report

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION ----- President Green and Director Swain

The Oregon Community College Association (OCCA) met on December 9, 2011. A large portion of the discussion was focused on the achievement compacts; the Education Investment Board report and the position OCCCA should take. OCCA will be forwarding questions for the community college boards to respond to by the end of January. The questions will be forwarded to the Board when they are received from OCCA.



Financial Report

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- Comptroller Williams

Comptroller Williams will be prepared to present the financial reports and address questions.



Agenda Item 5.C. Attachment #1
Tillamook Bay Community College
Unaudited Summary Financial Information
General Fund
Fiscal Year-to-Date Ended November 2011
41.67% of fiscal year elapsed

	FY 2010-2011			FY 2011-2012		
	Annual Budget	11/30/10 Actual	Percentage of Budget	Annual Budget	11/30/11 Actual	Percentage of Budget
Resources						
Beginning Fund Balance	\$ 1,130,471	\$ 1,082,233.18	95.73%	\$ 982,678	\$ 746,566.15	75.97%
State	\$ 807,629	\$ 390,946.65	48.41%	\$ 865,821	\$ 432,356.02	49.94%
Property Taxes	\$ 971,401	\$ 797,329.86	82.08%	\$ 1,020,018	\$ 771,992.13	75.68%
Timber Taxes	\$ 302,579	\$ 51,780.83	17.11%	\$ -	\$ -	0.00%
Local Contract	\$ 22,900	\$ -	0.00%	\$ 25,000	\$ -	0.00%
Tuition	\$ 635,539	\$ 425,594.96	66.97%	\$ 866,666	\$ 549,019.36	63.35%
Fees	\$ 146,174	\$ 77,537.00	53.04%	\$ 179,639	\$ 94,721.00	52.73%
Sale of Goods	\$ 3,500	\$ 2,035.00	58.14%	\$ 3,000	\$ 1,524.00	50.80%
Interest	\$ 5,000	\$ 2,082.01	41.64%	\$ 4,000	\$ 1,670.77	41.77%
Rental	\$ 500	\$ 3,995.00	0.00%	\$ 6,500	\$ 1,890.00	29.08%
Miscellaneous	\$ 8,000	\$ 273.40	3.42%	\$ 7,500	\$ 1,305.15	17.40%
Transfers	\$ 76,500	\$ 52,073.27	68.07%	\$ 473,174	\$ 100,454.02	21.23%
Repayment of Short-Term Loan	\$ 69,625	\$ -	0.00%	\$ -	\$ -	0.00%
Total resources	\$ 4,179,818	\$ 2,885,881.16	69.04%	\$ 4,433,996	\$ 2,701,498.60	60.93%
Expenditures						
Instruction	\$ 1,015,308	\$ 409,669.49	40.35%	\$ 1,439,310	\$ 436,642.01	30.34%
Instructional Support	\$ 378,626	\$ 144,762.40	38.23%	\$ 414,559	\$ 193,102.24	46.58%
Student Services	\$ 290,657	\$ 111,480.59	38.35%	\$ 356,831	\$ 117,716.35	32.99%
College Support	\$ 1,160,226	\$ 477,788.72	41.18%	\$ 1,076,027	\$ 511,894.96	47.57%
Plant Operation	\$ 413,112	\$ 110,468.46	26.74%	\$ 379,582	\$ 126,199.21	33.25%
Transfers	\$ 346,600	\$ 288,789.70	83.32%	\$ 266,600	\$ 198,416.72	74.42%
Contingency	\$ 50,000	\$ -	0.00%	\$ 50,000	\$ -	0.00%
Total expenditures	\$ 3,654,529	\$ 1,542,959.36	42.22%	\$ 3,982,909	\$ 1,583,971.49	39.77%
Ending fund balance	\$ 525,289	\$ 1,342,921.80	255.65%	\$ 451,087	\$ 1,117,527.11	247.74%

Agenda Item 5.C. Attachment #2
Tillamook Bay Community College
Unaudited Summary Financial Information (Modified Accrual Basis)
Fiscal Year-to-Date Ended November 2011

	Fund No.	Beginning Working Capital	2011-2012 Revenue	2011-2012 Expenditures	Ending Working Capital	2011-2012 Spendable Budget	2010-2011 Prior Year Expenditures
Adult Basic Education	210	\$ -	\$ 11,594.83	\$ 20,951.47	\$ (9,356.64)	\$ 46,000	\$ 18,972.69
Tutor Grant	211	\$ -	\$ 3,313.25	\$ 5,705.84	\$ (2,392.59)	\$ 13,000	\$ 5,184.96
Sprint Yellow Pages Literacy Grant	215	\$ 2,498.62	\$ -	\$ -	\$ 2,498.62	\$ 1,500	\$ 3.27
United Way Literacy Grant	216	\$ 6,470.26	\$ 375.00	\$ 113.00	\$ 6,732.26	\$ 2,000	\$ 400.00
Learning Standards Grant	219	\$ -	\$ -	\$ 90.72	\$ (90.72)	\$ -	\$ -
Green LMI Implementation Grant	224	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pathways Grant	225	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 8,369.17
Industrial Maintenance Tech	226	\$ 35,374.03	\$ 27,500.00	\$ 28,834.57	\$ 34,039.46	\$ 138,200	\$ 6,390.54
OYA Instruction Contract	227	\$ -	\$ 4,389.32	\$ 4,389.32	\$ -	\$ 56,300	\$ 14,400.50
SESP Oregon Green Tech Certificate	228	\$ -	\$ 4,498.20	\$ 4,789.32	\$ (291.12)	\$ 37,107	\$ -
OYA Instruction Supplemental Contract	229	\$ -	\$ 3,148.12	\$ 3,148.12	\$ -	\$ -	\$ -
SBDC Federal Grant	230	\$ -	\$ -	\$ 9,476.05	\$ (9,476.05)	\$ 30,250	\$ 13,700.86
SBDC State Grant	231	\$ -	\$ -	\$ 12,264.44	\$ (12,264.44)	\$ 24,804	\$ 12,014.29
SBDC Program Income	232	\$ 12,432.20	\$ 2,630.00	\$ 112.25	\$ 14,949.95	\$ 7,653	\$ -
SBDC - EDC Fund	235	\$ -	\$ -	\$ 36,406.27	\$ (36,406.27)	\$ 100,620	\$ 42,965.95
SBDC USDA RBEG	236	\$ -	\$ -	\$ -	\$ -	\$ 8,000	\$ -
TEC Vocational Education Grant	240	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 480.70
Student Assistance	250	\$ 1,972.89	\$ 60.00	\$ 340.00	\$ 1,692.89	\$ 2,500	\$ -
Work Keys Mini Grant	251	\$ 1,732.72	\$ -	\$ 64.50	\$ 1,668.22	\$ 800	\$ -
Bay City Rental	260	\$ 3,490.13	\$ -	\$ -	\$ 3,490.13	\$ -	\$ 1,395.15
First Term to First Year Persistence	271	\$ 3,987.29	\$ -	\$ -	\$ 3,987.29	\$ -	\$ -
Statewide Distance Learning System Development	272	\$ 35,658.40	\$ 10,500.00	\$ 46,158.40	\$ -	\$ -	\$ -
OFAX Assess for Distance Learning	273	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ -
Capital Depreciation & Maintenance Fund	290	\$ 1,049,862.39	\$ 2,020.47	\$ -	\$ 1,051,882.86	\$ 60,000	\$ -
Timber Tax Reserve Fund	291	\$ -	\$ 55,888.28	\$ -	\$ 55,888.28	\$ 283,204	\$ -
Strategic Initiative Fund	295	\$ 1,476,022.49	\$ 2,929.68	\$ 94,611.00	\$ 1,384,341.17	\$ 94,611	\$ 46,200.00
Capital Construction Due Diligence Grant	296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,400.00
Total Special Fund		\$ 2,629,501.42	\$ 133,847.15	\$ 272,455.27	\$ 2,490,893.30	\$ 964,549	\$ 184,878.08

Schedule of Special Fund borrowing from General Fund

	Ending Working Capital	Less Accounts Receivable	Add Liabilities	Ending Cash Balance 11/30/2011
Total of Grants that borrow from the General Fund	\$ (70,277.83)	\$ 14,908.08	\$ -	\$ (85,185.91)
Total of Grants that are not borrowing from the General Fund	\$ 2,561,171.13	\$ 350.00	\$ -	\$ 2,560,821.13
Total Special Fund	\$ 2,490,893.30	\$ 15,258.08	\$ -	\$ 2,475,635.22

	Fund No.	Beginning Working Capital	2011-2012 Revenue	2011-2012 Expenditures	Ending Working Capital	2011-2012 Spendable Budget	2010-2011 Prior Year Expenditures
Community Education	310	\$ 931.43	\$ 1,298.00	\$ 580.68	\$ 1,648.75	\$ 7,695	\$ 1,579.72
Bookstore	320	\$ 61,493.83	\$ 92,293.14	\$ 130,395.03	\$ 23,391.94	\$ 204,286	\$ 81,813.66
Customized Training Projects	330	\$ 11,487.32	\$ 2,032.75	\$ 1,077.28	\$ 12,442.79	\$ 10,826	\$ -
Culinary & Hospitality Program	340	\$ 1,850.08	\$ 2,675.31	\$ 2,989.47	\$ 1,535.92	\$ 8,275	\$ 2,783.91
Total Enterprise Fund		\$ 75,762.66	\$ 98,299.20	\$ 135,042.46	\$ 39,019.40	\$ 231,082	\$ 86,177.29
PERS Pension Bond Fund	410	\$ 12,255.17	\$ 44,916.56	\$ 1,600.00	\$ 55,571.73	\$ 104,637	\$ 1,600.00
General Obligation Bond Fund	420	\$ (5,083.45)	\$ 508,358.20	\$ -	\$ 503,274.75	\$ 651,838	\$ -
Total Debt Service Fund		\$ 7,171.72	\$ 553,274.76	\$ 1,600.00	\$ 558,846.48	\$ 756,475	\$ 1,600.00
Campus Construction Fund - GO Bonds	520	\$ 1,885,437.97	\$ 3,993.26	\$ 23,234.69	\$ 1,866,196.54	\$ 996,000	\$ 168,323.50
Total Capital Projects Fund		\$ 1,885,437.97	\$ 3,993.26	\$ 23,234.69	\$ 1,866,196.54	\$ 996,000	\$ 168,323.50
Associated Students of TBCC	710	\$ 3,687.00	\$ 3,502.80	\$ 3,499.63	\$ 3,690.17	\$ 8,300	\$ 1,880.93
Phi Theta Kappa Honorary Society Fund	720	\$ 267.18	\$ 2,454.35	\$ 1,056.85	\$ 1,664.68	\$ 5,275	\$ 1,106.53
Total Agency Fund		\$ 3,954.18	\$ 5,957.15	\$ 4,556.48	\$ 5,354.85	\$ 13,575	\$ 2,987.46
Tuition Waivers	831	\$ 13,379.00	\$ 21,000.00	\$ 5,676.50	\$ 28,702.50	\$ 21,000	\$ 4,221.50
Board Scholarships	832	\$ 127,374.87	\$ 100,000.00	\$ 36,670.20	\$ 190,704.67	\$ 123,525	\$ 21,634.00
Institutional Work Study	833	\$ 594.75	\$ 29,000.00	\$ 8,785.67	\$ 20,809.08	\$ 29,000	\$ 11,648.75
Foundation Scholarships	834	\$ -	\$ 29,293.65	\$ 27,493.65	\$ 1,800.00	\$ 100,000	\$ 28,819.75
Non-Institutional Scholarships	840	\$ 3,034.25	\$ 31,699.75	\$ 17,519.35	\$ 17,214.65	\$ 35,000	\$ 11,032.85
Total Financial Aid Fund		\$ 144,382.87	\$ 210,993.40	\$ 96,145.37	\$ 259,230.90	\$ 308,525	\$ 77,356.85

Agenda Item 5.C - Attachment #3

Tillamook Bay Community College

Summary Financial Information - Cash Status

Preliminary for Fiscal Year-to-Date Ended November 2011

41.67% of Budget Period Expended

	General Fund			Special Fund			Enterprise Fund - Community Ed			Enterprise Fund - Bookstore		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Beginning Cash Balance (Note 1)		\$ 776,303			\$ 2,504,288			\$ 1,126			\$ 27,746	
Beginning Fund Balance	\$ 982,678	\$ 746,566	75.97%	\$ 2,487,093	\$ 2,629,501	105.73%	\$ 2,500	\$ 931	37.24%	\$ 30,000	\$ 61,494	204.98%
Resources												
State Aid	\$ 865,821	\$ 432,356	49.94%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Grants and Contracts	\$ 25,000	\$ -	0.00%	\$ 826,211	\$ 125,832	15.23%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Tuition and Fees	\$ 1,046,305	\$ 643,740	61.53%	\$ 5,000	\$ 2,630	52.60%	\$ 7,000	\$ 1,298	18.54%	\$ -	\$ -	0.00%
Local Taxes	\$ 1,020,018	\$ 771,992	75.68%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Timber	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Sale of Goods	\$ 3,000	\$ 1,524	50.80%	\$ 1,000	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 200,000	\$ 92,293	46.15%
Interest	\$ 4,000	\$ 1,671	41.78%	\$ 10,500	\$ 4,950	47.14%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Rental	\$ 6,500	\$ 1,890	29.08%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ 7,500	\$ 1,305	17.40%	\$ 2,000	\$ 435	21.75%	\$ -	\$ -	0.00%	\$ 1,000	\$ -	0.00%
Transfers	\$ 473,174	\$ 100,454	21.23%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total Revenues	\$ 3,451,318	\$ 1,954,932	56.64%	\$ 844,711	\$ 133,847	15.85%	\$ 7,000	\$ 1,298	18.54%	\$ 201,000	\$ 92,293	45.92%
Expenditures												
Salaries and Wages	\$ 2,633,878	\$ 991,171	37.63%	\$ 393,605	\$ 86,151	21.89%	\$ 4,725	\$ 579	12.25%	\$ 43,077	\$ 17,920	41.60%
Operating Expenditures	\$ 976,431	\$ 355,012	36.36%	\$ 108,135	\$ 71,844	66.44%	\$ 2,450	\$ 1	0.04%	\$ 158,050	\$ 111,733	70.69%
Capital Outlay	\$ 56,000	\$ 39,371	70.31%	\$ 8,000	\$ 14,759	184.49%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ 266,600	\$ 198,417	74.42%	\$ 468,235	\$ 99,701	21.29%	\$ 520	\$ -	0.00%	\$ 2,159	\$ 743	34.41%
Other budgetary accounts (Note 2)	\$ 50,000	\$ -	0.00%	\$ 2,313,029	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 1,000	\$ -	0.00%
Total expenditures	\$ 3,982,909	\$ 1,583,971	39.77%	\$ 3,291,004	\$ 272,455	8.28%	\$ 7,695	\$ 580	7.54%	\$ 204,286	\$ 130,396	63.83%
Ending Fund Balance	\$ 451,087	\$ 1,117,527		\$ 40,800	\$ 2,490,893		\$ 1,805	\$ 1,649		\$ 26,714	\$ 23,391	
Adjustments to bring Ending Fund Balance to Ending Cash Balance												
Assets												
Receivables		\$ 278,385			\$ 15,258			\$ -			\$ 552	
Inventories		\$ 3,433			\$ -			\$ -			\$ 39,033	
NET EFFECT ON CASH		\$ (281,818)			\$ (15,258)			\$ -			\$ (39,585)	
Liabilities												
Accounts Payable		\$ (118,803)			\$ -			\$ -			\$ -	
Unearned Revenue (Note 3)		\$ 85,133			\$ -			\$ -			\$ -	
Payroll		\$ 99,035			\$ -			\$ -			\$ 5,854	
NET EFFECT ON CASH		\$ 65,365			\$ -			\$ -			\$ 5,854	
NET ADJUSTMENTS		\$ (216,453)			\$ (15,258)			\$ -			\$ (33,731)	
ENDING CASH BALANCE		\$ 901,074			\$ 2,475,635			\$ 1,649			\$ (10,340)	

Agenda Item 5.C - Attachment #3

Tillamook Bay Community College

Summary Financial Information - Cash Status

Preliminary for Fiscal Year-to-Date Ended November 2011

41.67% of Budget Period Expended

	Enterprise Fund - Customized Training			Enterprise Fund - Culinary & Hospitality			Debt Service Funds			Capital Projects Funds		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Beginning Cash Balance (Note 1)		\$ 10,103			\$ 1,785			\$ (2,160)			\$ 1,898,458	
Beginning Fund Balance	\$ -	\$ 11,487	0.00%	\$ 3,000	\$ 1,850	0.00%	\$ 4,000	\$ 7,172	179.30%	\$ 1,900,000	\$ 1,885,438	99.23%
Resources												
State Aid	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Grants and Contracts	\$ 10,826	\$ 833	7.69%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Tuition and Fees	\$ -	\$ 1,200	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Local Taxes	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 650,988	\$ 508,230	78.07%	\$ -	\$ -	0.00%
Timber	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Sale of Goods	\$ -	\$ -	0.00%	\$ 5,275	\$ 2,675	50.71%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Interest	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 900	\$ 131	14.56%	\$ 7,500	\$ 3,993	53.24%
Rental	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 110,000	\$ 44,914	40.83%	\$ -	\$ -	0.00%
Total Revenues	\$ 10,826	\$ 2,033	0.00%	\$ 5,275	\$ 2,675	50.71%	\$ 761,888	\$ 553,275	72.62%	\$ 7,500	\$ 3,993	53.24%
Expenditures												
Salaries and Wages	\$ 6,316	\$ 191	3.02%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 34,080	\$ 10,632	31.20%
Operating Expenditures	\$ 4,170	\$ 876	21.01%	\$ 8,275	\$ 2,989	36.12%	\$ 1,600	\$ 1,600	100.00%	\$ 960,000	\$ 12,603	1.31%
Capital Outlay	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 754,875	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ 340	\$ 10	2.94%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 1,920	\$ -	0.00%
Other budgetary accounts (Note 2)	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total expenditures	\$ 10,826	\$ 1,077	9.95%	\$ 8,275	\$ 2,989	36.12%	\$ 756,475	\$ 1,600	0.21%	\$ 996,000	\$ 23,235	2.33%
Ending Fund Balance	\$ -	\$ 12,443		\$ -	\$ 1,536		\$ 9,413	\$ 558,847		\$ 911,500	\$ 1,866,196	
Adjustments to bring Ending Fund Balance to Ending Cash Balance												
Assets												
Receivables	\$ -	\$ -		\$ -	\$ -		\$ 51,942	\$ -		\$ -	\$ -	
Inventories	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
NET EFFECT ON CASH	\$ -	\$ -		\$ -	\$ -		\$ (51,942)	\$ -		\$ -	\$ -	
Liabilities												
Accounts Payable	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
Unearned Revenue (Note 3)	\$ -	\$ -		\$ -	\$ -		\$ 51,942	\$ -		\$ -	\$ -	
Payroll	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
NET EFFECT ON CASH	\$ -	\$ -		\$ -	\$ -		\$ 51,942	\$ -		\$ -	\$ -	
NET ADJUSTMENTS	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
ENDING CASH BALANCE	\$ -	\$ 12,443		\$ -	\$ 1,536		\$ 9,413	\$ 558,847		\$ 911,500	\$ 1,866,196	

Agenda Item 5.C - Attachment #3

Tillamook Bay Community College

Summary Financial Information - Cash Status

Preliminary for Fiscal Year-to-Date Ended November 2011

41.67% of Budget Period Expended

	Agency Fund			Financial Aid Fund		
	Budget	Actual	%	Budget	Actual	%
Beginning Cash Balance (Note 1)		\$ 3,954			\$ 144,383	
Beginning Fund Balance	\$ 2,000	\$ 3,954	197.70%	\$ 145,285	\$ 144,383	0.00%
Resources						
State Aid	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Grants and Contracts	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Tuition and Fees	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Local Taxes	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Timber	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Sale of Goods	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Interest	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Rental	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ 6,300	\$ 2,454	38.95%	\$ 133,000	\$ 60,993	45.86%
Transfers	\$ 6,600	\$ 3,503	53.08%	\$ 150,000	\$ 150,000	100.00%
Total Revenues	\$ 12,900	\$ 5,957	46.18%	\$ 283,000	\$ 210,993	74.56%
Expenditures						
Salaries and Wages	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Operating Expenditures	\$ 13,575	\$ 4,556	33.56%	\$ 308,525	\$ 96,145	31.16%
Capital Outlay	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Other budgetary accounts (Note 2)	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total expenditures	\$ 13,575	\$ 4,556	33.56%	\$ 308,525	\$ 96,145	31.16%
Ending Fund Balance	\$ 1,325	\$ 5,355		\$ 119,760	\$ 259,231	
Adjustments to bring Ending Fund Balance to Ending Cash Balance						
Assets						
Receivables		\$ -			\$ -	
Inventories		\$ -			\$ -	
NET EFFECT ON CASH		\$ -			\$ -	
Liabilities						
Accounts Payable		\$ -			\$ -	
Unearned Revenue (Note 3)		\$ -			\$ -	
Payroll		\$ -			\$ -	
NET EFFECT ON CASH		\$ -			\$ -	
NET ADJUSTMENTS		\$ -			\$ -	
ENDING CASH BALANCE		\$ 5,355			\$ 259,231	

\$ 6,071,626

Cell: A10

Comment: Note 1. Negative Amount indicates borrowing from the General Fund.

Cell: A33

Comment: Note 2. Contingency in the General Fund and Enterprise Fund and Reserves in Special Fund.

Cell: A47

Comment: Note 3. Assessed but unreceived property taxes and deferred tuition and fees when applicable.

Board Effectiveness

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- President Green

Sheryl Neu will provide training on how the iPad can act like an iPod. Connie and Sheryl will also make sure that all members can use Flipboard for accessing community college information nationally.



Annual Financial Report

RECOMMENDATION

Accept and approve for filing and distribution the 2010-2011 Annual Financial Report.

BACKGROUND INFORMATION ----- Comptroller Williams

Comptroller Williams will be prepared to present the Annual Financial Report and address questions.

Auditing standards now require formal written communications between the auditor and the Board. A letter from the auditor is also included. Comptroller Williams will be prepared to address the letter.



TILLAMOOK BAY COMMUNITY COLLEGE TILLAMOOK COUNTY, OREGON

ANNUAL FINANCIAL REPORT Year Ended June 30, 2011

KENNETH KUHNS & CO.

Certified Public Accountants
570 Liberty Street S.E., Suite 210
Salem, Oregon 97301-3594

Telephone: (503) 585-2550

**TILLAMOOK BAY COMMUNITY COLLEGE
TILLAMOOK COUNTY, OREGON**

**ANNUAL FINANCIAL REPORT
Year Ended June 30, 2011**

**TILLAMOOK BAY COMMUNITY COLLEGE
Tillamook County, Oregon**

OFFICERS AND MEMBERS OF THE GOVERNING BOARD

June 30, 2011

CHAIRPERSON

James P. McGinnis

P.O. Box 1166, Tillamook, Oregon 97141

VICE-CHAIRPERSON

Stephen J. Shaw

9831 Kilchis River Road, Tillamook, Oregon 97141

OTHER MEMBERS

Deborah Lincoln

6670 Pacific Overlook, Neskowin, Oregon 97149

Ann Swain

P.O. Box 540, Rockaway Beach, Oregon 97136

Craig Wakefield

P.O. Box 394, Oceanside, Oregon 97134

Robert Weitman

1015 Hollyridge Drive, Tillamook, Oregon 97141

Rose Wharton

35025 Highway 101 South, Cloverdale, Oregon 97112

PRESIDENT, CLERK, AND REGISTERED AGENT

Constance Green

4301 Third Street, Tillamook, Oregon 97141

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INDEPENDENT AUDITOR'S REPORT

KENNETH KUHNS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
570 LIBERTY STREET S.E., SUITE 210
SALEM OREGON 97301-3594
TELEPHONE (503) 585-2550

INDEPENDENT AUDITOR'S REPORT

December 13, 2011

Board of Education
Tillamook Bay Community College
Tillamook, Oregon

We have audited the statement of net assets of Tillamook Bay Community College as of June 30, 2011, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Tillamook Bay Community College as of June 30, 2011, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 2 through 7 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kenneth Kuhns & Co.

Kenneth Kuhns & Co.

MANAGEMENT'S DISCUSSION AND ANALYSIS

TILLAMOOK BAY COMMUNITY COLLEGE

Management's Discussion and Analysis

This section of Tillamook Bay Community College's (the College) annual financial report presents an analysis of the College's financial performance during the fiscal year ended June 30, 2011. This report has been prepared by management, along with the financial statements and related footnote disclosures, and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes and current known facts.

Accounting Standards

The financial statements have been prepared in accordance with Governmental Accounting Standards Board Statement No. 35, "Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities" which were adopted in November, 1999. The College was required to adopt this standard for the fiscal year ended June 30, 2004.

Using the Financial Statements

This discussion and analysis is intended to serve as an introduction to Tillamook Bay Community College's basic financial statements, which are comprised of entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances, in a manner similar to a private-sector business. These statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole. The entity-wide statements are comprised of the following:

- The *Statement of Net Assets* presents the College's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in the net assets are indicators of the improvement or deterioration of the College's financial health when considered along with non-financial facts such as enrollment levels and the condition of the facilities.
- The *Statement of Revenues, Expenses and Changes in Net Assets* presents the revenues earned and the expenses incurred during the year. All changes in net assets are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs regardless of the timing when the cash is received or occurred. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived assets is reflected in the financial statements as depreciation, which amortizes the cost of the capital assets over the expected useful life of these assets. Revenues and expenses are reported as either operating or non-operating. The primary sources of operating revenues include tuition, grants and contracts. State appropriations and property taxes are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss although overall net assets remain positive.
- The *Statement of Cash Flows* presents information on cash flows from operating activities, noncapital financing activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating the College's ability to meet financial obligations as they become due.
- The *Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

Financial Highlights

In the spring of 2010, the Board raised FY 2011 tuition rates by \$3, to \$75 per credit, effective for Fall 2010. Tuition rates increased by 4% and enrollment increased by just over 19%. Tuition and fees revenue increased by \$204,317 from 2010.

The College's largest net asset comprises amounts invested in capital assets, net of related debt. Current assets include a significant amount of cash and investments. These assets will be used to support ongoing operations and construct additional facilities within the College's service area. The State's appropriation for community college support is split into 5 or 3 payments in the first and second years of the biennium. In FY 2011, the College received 3 quarterly payments. In FY 2012, the College will receive 5 payments.

Analysis of the Statement of Net Assets

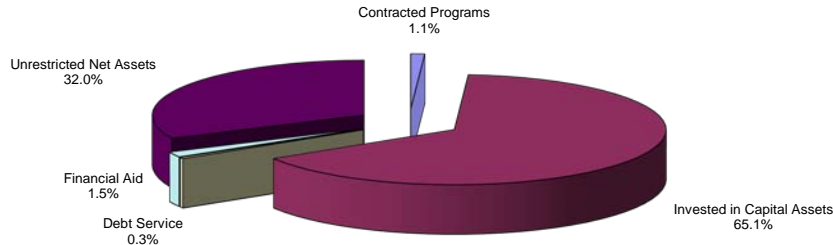
This Statement includes all assets and liabilities of the College using the accrual basis of accounting. Net assets is the difference between assets and liabilities, and is one measure of the financial condition of the College.

	<u>2011</u>	<u>2010</u>
Assets		
Current assets	\$ 5,960,802	\$ 5,220,725
Capital assets, net of depreciation	13,311,616	14,174,894
Pension asset	1,424,085	1,341,422
Other noncurrent assets	117,239	124,470
Total assets	<u>20,813,742</u>	<u>20,861,511</u>
Liabilities		
Current liabilities	1,007,613	755,789
Long term debt	10,384,946	10,695,943
Total liabilities	<u>11,392,559</u>	<u>11,451,732</u>
Net Assets		
Invested in capital assets, net of related debt	6,136,111	6,983,411
Restricted	275,874	230,143
Unrestricted	3,009,198	2,196,225
Total net assets	<u>\$ 9,421,183</u>	<u>\$ 9,409,779</u>

Current assets include operational cash and investments. The College's current assets of \$5,960,802 are sufficient to cover the College's current liabilities of \$1,007,613. This represents a current ratio of 5.9. Receivables consist of taxes, student accounts and various operating receivables. The College's two largest non-current assets are its investment in capital assets of \$13,311,616, net of depreciation, and the pension asset from a June 2005 pension obligation bond financing.

The College's current liabilities consist primarily of accounts payable, payroll and payroll taxes payable, compensated absences payable, unearned revenue from tuition and fees and the current portion of the long-term debt. The non-current liabilities consist of pension obligation bonds and general obligation bonds long-term debt of \$10,384,946.

The largest portion of the College's net assets is the \$6,136,111 invested in capital assets, net of related debt. The College's restricted net assets consist of amounts set aside for grants and contracts, debt service, and financial aid. The College's unrestricted net assets consist of amounts for the continuing operation of the College. The following chart shows the allocation of net assets for the College:



Analysis of the Statement of Revenues, Expenses and Changes in Net Assets

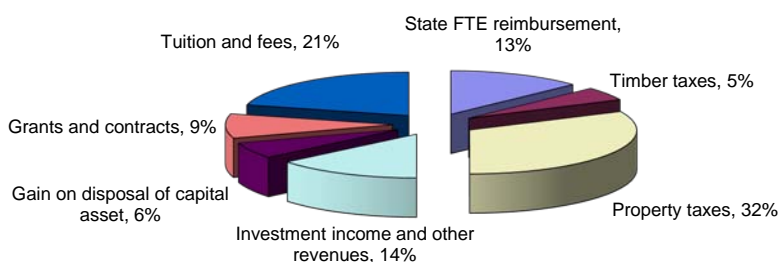
The Statement of Revenues, Expenses and Changes in Net Assets presents the operating results of the College as well as the non-operating revenues and expenses. Annual state reimbursements and property taxes, while budgeted for operations, are considered non-operating revenues according to accounting principles generally accepted in the United States of America (GAAP).

	2011	2010	% Change
Operating Revenues:			
Federal sources	\$ 138,729	\$ 133,679	3.8%
State sources	132,261	49,518	167.1%
Tuition and fees	1,029,907	825,590	24.7%
Local sources	170,362	140,869	20.9%
Other sources	415,313	297,653	39.5%
Total operating revenues	1,886,572	1,447,309	30.4%
Operating Expenses:			
Instruction	1,390,983	1,299,236	7.1%
Instructional support	625,909	475,996	31.5%
Student services	506,577	488,823	3.6%
College support	1,104,910	864,886	27.8%
Plant operations and maintenance	312,420	268,935	16.2%
Financial aid	220,550	145,053	52.0%
Depreciation	354,898	378,765	-6.3%
Total operating expenses	4,516,247	3,921,694	15.2%
Operating Loss	(2,629,675)	(2,474,385)	6.3%
Non-Operating Revenues(Expenses):			
State community college support	648,576	1,171,433	-44.6%
State timber tax	490	194	152.6%
State bond match for construction	-	2,987,475	-100.0%
State stimulus funds for construction	-	139,131	-100.0%
Property taxes	1,600,577	1,605,723	-0.3%
County timber tax	279,864	332,900	-15.9%
Investment income	27,135	39,717	-31.7%
Income(loss) from pension asset	252,536	211,863	19.2%
Miscellaneous income	-	2,797	-100.0%
Interest expense	(460,578)	(469,709)	-1.9%
Amortization of bond premium	5,997	5,997	0.0%
Amortization of bond issue costs	(7,231)	(7,231)	0.0%
Gain(loss) on disposal of capital assets	293,713	-	100.0%
Total non-operating revenues(expenses)	2,641,079	6,020,290	-56.1%
Change in net assets	11,404	3,545,905	-99.7%
Net assets, beginning of year	9,409,779	5,863,874	60.5%
Net assets, end of year	\$ 9,421,183	\$ 9,409,779	0.1%

Revenues:

The most significant sources of operating revenue for the College are federal, state and local grants and contracts and student tuition and fees. Tuition and fees totaled \$1,029,907, an increase of 24.7% due to increased enrollment and tuition rates in FY 2011. Intergovernmental grants and contracts increased 36.2% mainly due to one-time grants and contracts received in FY 2011.

The largest non-operating revenue source is from property taxes. The College received \$1,600,577 for property taxes in this fiscal year. This represents a \$5,146 decrease over the prior year primarily as a result of a lower levy for debt service in FY 2010-11. Additional non-operating revenues of \$648,576 were received from the State of Oregon for FTE reimbursement allocation, a decrease of 44.6% due to the timing of State disbursements and reductions in the State's appropriation. Timber tax receipts totaled \$279,864, a decrease of 15.9%. Investment income decreased by 31.7% primarily due to continued spending of the general obligation bond proceeds and falling interest rates. The following chart shows the allocation of revenues for the College:



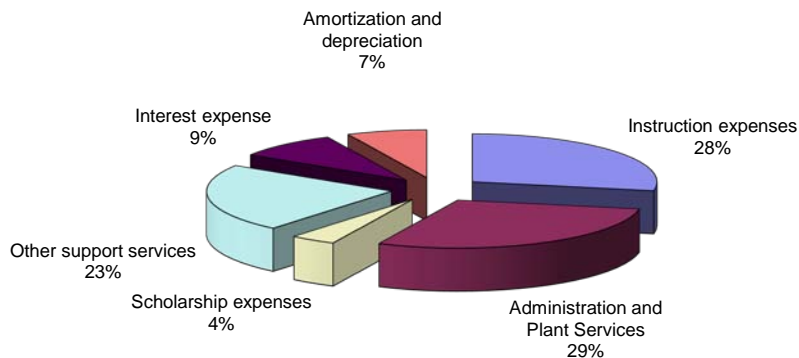
Expenses:

Operating expenses totaling \$4,516,247 include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Administration and Plant Services expenses represent the largest percentage of expenses at \$1,417,330 or 29% of total expenses. Instruction costs represent \$1,390,983 or 28% of total expenses.

In FY 2004-2005, the College established several institutional scholarships and work study programs. During FY 2011, financial aid expenses increased by 52%, primarily due to increased use of available scholarship programs.

In FY 2010-11, the College made interest payments on PERS bonds, General Obligation bonds, and amortized bond issuance costs totaling \$467,809. This was a decrease of \$9,131.

The following chart shows the allocation of expenses for the College:



Analysis of the Statement of Cash Flows

This statement provides an assessment of the financial health of the College. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the College during a period. The statement of cash flows also helps users assess the ability of the College to meet obligations as they become due and the need for external financing.

	2011	2010
Cash Provided By (Used In):		
Operating Activities	\$ (1,951,881)	\$ (2,032,861)
Noncapital Financing Activities	2,424,369	2,969,609
Capital Financing Activities	169,493	(3,110,465)
Investing Activities	27,135	39,717
Net increase (decrease) in cash	669,116	(2,134,000)
Cash -- Beginning of year	4,831,748	6,965,748
Cash -- End of year	<u>\$ 5,500,864</u>	<u>\$ 4,831,748</u>

The major sources of funds included in the operating activities include student tuition and fees and grants and contracts. Major uses were payments made to employees and suppliers.

State reimbursements, property taxes and timber taxes are the primary source of non-capital financing. The accounting standards require that we reflect these sources of revenue as non-operating even though the College's budget depends on these revenues for operations. Property taxes are assessed to property owners within the College's tax base.

Additional capital financing in 2011 was provided by the proceeds from the sale of real property received in November 2010. The capital funds will be used to provide strategic investment in college programs and services.

Budgetary Highlights

Tillamook Bay Community College adopts an annual budget at the fund level. The level of control established through a Board resolution for each fund is the major expense function level (i.e., Instruction, Instructional Support, Student Services, College Support, Plant Operations and Maintenance, Plant Additions, Financial Aid, and Contingencies and Other). The College generally budgets each governmental fund type under the modified accrual basis of accounting and the accrual basis for the enterprise fund. Appropriation transfers between existing budget categories can be authorized by resolution of the Tillamook Bay Community College Board of Education.

Capital Assets and Debt Administration

Capital Assets:

The College's investment in capital assets at June 30, 2011 amounts to \$13,311,616, net of accumulated depreciation. Investment in capital assets includes land, buildings, equipment and library collections.

Capital assets decreased during the fiscal year primarily due to the sale of real property. More detailed information about the College's capital assets is included in Note 3 to the financial statements.

Debt:

There was a decrease of \$280,997 in the College's debt during the current fiscal year. At the end of the current fiscal year, the College has debt outstanding of \$10,695,943 in pension obligation bonds, general obligation bonds, and general obligation bond premiums.

Economic Factors and Next Year's Budget

The next few years will continue to be very challenging for the College. The College must continue to find the proper balance between affordability for its students and the accessibility to and quality of its instructional programs and services. It is evident that the College cannot rely upon the State for additional resources, but must continue to align its expenses with available resources.

During the 2010-11 fiscal year, the College received approximately \$522.9 thousand dollars less in state revenue than fiscal year 2009-10. The primary causes for the difference is the timing of state FTE reimbursements and decreases in the State's appropriation. The College reserves excess FTE reimbursements in one period to reduce the impact of revenue stream fluctuations from year to year.

In a continuing effort to raise additional resources, the Board also raised tuition rates by \$5, to \$80 per credit, effective for Fall 2011.

In an effort to reduce the budgeted expenses for FY 2009-2010, cost of living adjustments for all staff and faculty were eliminated. In addition, all full-time staff were furloughed 12 working days for the year and all full-time faculty were furloughed 8 working days. One staff position was eliminated and several other staff members received further reductions in working hours. In FY 2010-2011, the College reinstated cost of living adjustments. In addition, the College restored 1 working day for full-time staff and full-time faculty. In FY 2011-2012, the College delayed implementing step adjustments for all staff and faculty until January 1st. There was no change to the number of furlough days.

Currently, the College's credit courses are accredited by contract with Portland Community College. In January 2009, the College was granted Candidate for Accreditation status by the Northwest Commission on Colleges and Universities. This is a status of affiliation with the Commission which indicates that the institution has achieved initial recognition and is progressing toward accreditation. Accreditation will allow the College to manage federal and state student financial aid funds directly and allow the College to be more timely and responsive to local educational and economic needs. Progress towards accreditation will require ongoing investment of College resources to support the process. Tillamook Bay Community College expects to host its final evaluation visit as a Candidate in Fall 2013.

In May 2007, a bond issue in the amount of \$9,865,000 was passed by the voters for the purpose of funding land acquisition and capital construction in North, Central and South Tillamook County. On September 11, 2007, the College sold general obligation bonds. The first principal payment was due in June 2008 and interest is due in December and June. Property taxes are levied to make these payments. Construction of a new main campus building was completed in Central Tillamook County in December 2009. Proceeds remaining from the bonds will be used to construct facilities in North and South Tillamook County. A building site for South Tillamook County has been located and detailed project and site design is underway. The scope of the project in North Tillamook County is being re-evaluated to address local community needs.

Contacting the College's Financial Management

This financial report is designed to provide our stakeholders, taxpayers and creditors with a general overview of the College's finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to:

Administrative Services
Tillamook Bay Community College
4301 3rd Street
Tillamook, OR 97141

BASIC FINANCIAL STATEMENTS

TILLAMOOK BAY COMMUNITY COLLEGE

Statement of Net Assets

June 30, 2011

ASSETS

Current assets:

Cash and investments	\$ 5,500,864
Receivables, net:	
Accounts	29,567
Property taxes	146,573
Timber taxes	87,898
Grants	146,584
Inventories	40,644
Prepaid expenses	8,672
Total current assets	5,960,802

Noncurrent assets:

Pension asset	1,424,085
Unamortized bond issue costs	117,239
Capital assets:	
Land	889,979
Buildings and improvements	12,293,880
Equipment	851,293
Library collection	97,238
Construction in progress	53,727
Total capital assets	14,186,117
Less accumulated depreciation	(874,501)
Net capital assets	13,311,616
Total noncurrent assets	14,852,940
Total assets	20,813,742

LIABILITIES

Current liabilities:

Accounts payable	205,601
Payroll payable	276,387
Compensated absences payable	109,454
Scholarships payable	1,648
Due to student organizations	3,954
Accrued interest payable	15,493
Unearned revenue	84,079
Current maturities of long-term obligations	310,997
Total current liabilities	1,007,613

Noncurrent liabilities:

General obligation bonds payable, less current maturities	8,685,000
Pension bonds payable, less current maturities	1,610,000
General obligation bond premium, less current maturities	89,946
Total noncurrent liabilities	10,384,946
Total liabilities	11,392,559

NET ASSETS

Invested in capital assets, net of related debt	6,136,111
Restricted for grants and contracts	100,125
Restricted for debt service	31,366
Restricted for financial aid	144,383
Unrestricted	3,009,198
Total net assets	\$ 9,421,183

The notes to the financial statements are an integral part of this statement.

TILLAMOOK BAY COMMUNITY COLLEGE

Statement of Revenues, Expenses and Changes in Net Assets

For the year ended June 30, 2011

Operating revenues:	
Federal sources	\$ 138,729
State sources	132,261
Tuition and fees	1,029,907
Local sources	170,362
Other sources	415,313
Total operating revenues	<u>1,886,572</u>
Operating expenses:	
Instruction	1,390,983
Instructional support	625,909
Student services	506,577
College support	1,104,910
Plant operations and maintenance	312,420
Financial aid	220,550
Depreciation	354,898
Total operating expenses	<u>4,516,247</u>
Operating income(loss)	<u>(2,629,675)</u>
Nonoperating revenues(expenses)	
State community college support	648,576
State timber tax	490
Property taxes	1,600,577
County timber tax	279,864
Investment income	27,135
Income from pension asset	252,536
Interest expense	(460,578)
Amortization of bond premium	5,997
Amortization of bond issue costs	(7,231)
Gain on disposition of capital assets	293,713
Total nonoperating revenues(expenses)	<u>2,641,079</u>
Change in net assets	11,404
Net assets - July 1, 2010	<u>9,409,779</u>
Net assets - June 30, 2011	<u><u>\$ 9,421,183</u></u>

The notes to the financial statements are an integral part of this statement.

TILLAMOOK BAY COMMUNITY COLLEGE

Statement of Cash Flows

For the year ended June 30, 2011

Cash flows from operating activities:	
Tuition and fees	\$ 1,086,293
Grants and contracts	398,337
Sales of goods and services	222,401
Financial aid receipts	108,837
Other cash receipts	82,845
Payments to employees for services	(2,541,388)
Payments to suppliers for goods and services	(1,088,656)
Payments for student scholarships and grants	<u>(220,550)</u>
Net cash used in operating activities	<u>(1,951,881)</u>
Cash flows from noncapital financing activities:	
Principal paid on pension bonds	(20,000)
Interest paid on pension bonds	(78,966)
Cash received from State community college support	648,576
Cash received from property taxes and timber taxes	<u>1,874,759</u>
Net cash provided by noncapital financing activities	<u>2,424,369</u>
Cash flows from capital and related financing activities:	
Proceeds from sale of real property	1,183,823
Principal paid on general obligation bonds	(255,000)
Interest paid on general obligation bonds	(382,037)
Acquisition of capital assets	<u>(377,293)</u>
Net cash provided by capital and related financing activities	<u>169,493</u>
Cash flows from investing activities:	
Interest on investments	<u>27,135</u>
Net increase in cash and cash equivalents	669,116
Cash and cash equivalents - July 1, 2010	<u>4,831,748</u>
Cash and cash equivalents - June 30, 2011	<u><u>\$ 5,500,864</u></u>
Reconciliation of operating income(loss) to net cash used in operating activities:	
Operating income(loss)	\$ (2,629,675)
Adjustments to reconcile operating income(loss) to net cash used in operating activities:	
Depreciation	354,898
Amortization of pension asset	169,873
Decrease(increase) in:	
Accounts receivable	2,927
Grants receivable	(44,245)
Inventories	(17,953)
Prepaid expenses	(5,518)
Increase(decrease) in:	
Accounts payable	58,128
Payroll payable	84,393
Compensated absences payable	20,357
Scholarship payable	830
Due to student organizations	1,475
Unearned revenue	<u>52,629</u>
Total adjustments	<u>677,794</u>
Net cash used in operating activities	<u><u>\$ (1,951,881)</u></u>
Noncash capital, investing and financing activities:	
Unamortized bond premium	\$ (5,997)
Amortization of bond premium	5,997
Unamortized bond issue costs	7,231
Amortization of bond issue costs	(7,231)
Disposition of capital assets	(293,713)
Gain on disposition of capital assets	293,713
Income from pension asset	252,536
Pension asset	<u>(252,536)</u>
Total noncash capital, investing and financing activities	<u><u>\$ -</u></u>

The notes to the financial statements are an integral part of this statement.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Tillamook Bay Community College have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), including GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*. The College follows the “business-type activities” reporting requirements of GASB Statement Nos. 34 and 35.

Reporting Entity

Tillamook Bay Community College (the College) was formed on March 31, 1981, in accordance with Oregon Revised Statutes Chapter 341. The College is governed by a seven member Board of Education whose members are elected independently.

The financial statements of the College include all accounts of the College. The Board of Education is not financially accountable for any other entity that is significant to the College’s financial statements. Financial accountability is determined in accordance with criteria set forth in GAAP, primarily on the basis of authority to appoint a voting majority of an organization’s governing board, ability to impose its will on that organization, the potential for that organization to provide specific financial benefits or impose specific financial burdens and that organization’s fiscal dependency.

Measurement Focus and Basis of Accounting

The basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

The College applies all applicable Governmental Accounting Standards Board (GASB) pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The College has elected not to follow subsequent private-sector guidance.

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an entity’s ongoing operations. The principal operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the College and sales of goods and services. Operating expenses include the cost of faculty, administration and support expenses, bookstore operations, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Estimates

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

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are carried at fair value. The College invests in the Oregon Local Government Investment Pool. This investment is authorized by Oregon Revised Statutes. For purposes of the statement of cash flows; cash, demand deposits, the Oregon Local Government Investment Pool and short-term investments purchased with original maturities of three months or less are considered to be cash and cash equivalents.

The College is required by Oregon law to insure its deposits with financial institutions through Federal depository insurance funds coverage or participation in institution collateral pools that insure public deposits. Amounts at the Oregon Local Government Investment Pool are exempt from such requirements.

Property Taxes Receivable

Ad valorem property taxes are levied on all taxable property as of July 1. Property taxes become an enforceable lien on that date for real property and personal property. Collection dates are November 15, February 15 and May 15. Discounts are allowed if amounts due are received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes receivable are recognized as revenues when levied.

Accounts/Grants Receivable

Student accounts receivable are recorded as tuition and fees as assessed.

Unreimbursed grant expenditures due from grantor agencies are recorded in the financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as unearned revenue.

Inventories

Inventories, primarily books and supplies, are valued at the lower of cost (first-in/first-out method) or market.

Capital Assets

Capital assets include land, buildings and improvements, equipment, and library books with an estimated useful life greater than one year. The College's capitalization threshold is \$5,000 for all capital assets except for library books. Library books are capitalized regardless of cost. Donated assets are recorded at their fair market value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value or functionality to the asset are not capitalized, but are expensed as incurred.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Library books	10
Equipment	5 to 10

Compensated Absences

Employees of the College are permitted to accumulate earned but unused vacation and sick pay. Vacation pay is recorded as a liability and an expense when earned. A liability does not exist for unpaid accumulated sick leave since College policy does not allow payment upon separation of service.

Leases

Leases which meet certain criteria established by the Financial Accounting Standards Board are classified as capital leases. Leases which do not meet criteria of a capital lease are classified as operating leases.

Retirement Plan

All eligible employees are participants in the Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and charged to expense as funded.

Restricted Net Assets

Restricted net assets reported in the Statement of Net Assets represent amounts for which constraints were imposed by creditors, grantors, contributors or laws or regulations. The College's policy is to first use restricted resources when an expense is incurred for which both restricted and unrestricted net assets are available.

2 – CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2011:

Cash on hand	\$ 557
Deposits with financial institutions	225,036
Investments	<u>5,275,271</u>
Total cash and investments	<u>\$ 5,500,864</u>

Deposits with Financial Institutions

Deposits with financial institutions are bank demand deposits. The total bank balance, as shown on the bank's records at June 30, 2011, is \$212,111. These deposits were fully covered by federal depository insurance.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

2 – CASH AND INVESTMENTS (continued)

Deposits with Financial Institutions (continued)

The Oregon State Treasurer is responsible for monitoring public funds held by bank depositories in excess of FDIC insured amounts, and for assuring that public funds on deposit are collateralized to the extent required by Oregon Revised Statutes (ORS) Chapter 295. ORS Chapter 295 requires depository banks to place and maintain on deposit with a third-party custodian bank securities having a value of 10%, 25%, or 110% of public funds on deposit depending primarily on the capitalization level of the depository bank.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The College does not have a policy for deposits custodial credit risk. Of the College's bank balance, none was exposed to custodial credit risk as of June 30, 2011, because deposits were not in excess of FDIC insurance.

Investments

State statutes authorize the College to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, commercial paper and the Oregon Local Government Investment Pool, among others. The College has no investment policy that would further limit its investment choices.

At June 30, 2011, the College's investments consisted of:

Investment in Oregon Local Government	
Investment Pool	\$ 5,275,197
Other	74
Total Investments	\$ 5,275,271

The Oregon Local Government Investment Pool is an open-ended, no-load diversified portfolio pool. The fair value of the College's position in the pool is substantially the same as the value of the College's participant balance. The College's investment in the Oregon Local Government Pool is approximately 99.99% of total investments.

The Oregon Local Government Investment Pool is an external investment pool which is part of the Oregon Short-Term Fund. Investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council. Investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The Oregon Short-Term Fund does not receive credit quality ratings from nationally recognized statistical rating organizations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund manages this risk by limiting the maturity of the investments held by the fund. Weighted average maturities of the investments in the Oregon Short-Term Fund at June 30, 2011 were: 55% mature within 93 days, 23% mature from 94 days to one year, and 22% mature from one to three years.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

3 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2011 was as follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Capital assets not being depreciated:				
Land	\$ 1,004,622	\$ -	\$ 114,643	\$ 889,979
Construction in progress	2,893	50,834	-	53,727
Total capital assets not being depreciated	<u>1,007,515</u>	<u>50,834</u>	<u>114,643</u>	<u>943,706</u>
Capital assets being depreciated:				
Buildings and improvements	13,295,560	197,885	1,199,565	12,293,880
Equipment	730,073	121,220	-	851,293
Library collection	85,447	11,791	-	97,238
Total capital assets being depreciated	<u>14,111,080</u>	<u>330,896</u>	<u>1,199,565</u>	<u>13,242,411</u>
Less accumulated depreciation for:				
Buildings and improvements	666,018	245,959	424,098	487,879
Equipment	239,220	100,394	-	339,614
Library collection	38,463	8,545	-	47,008
Total accumulated depreciation	<u>943,701</u>	<u>354,898</u>	<u>424,098</u>	<u>874,501</u>
Total capital assets being depreciated, net	<u>13,167,379</u>	<u>(24,002)</u>	<u>775,467</u>	<u>12,367,910</u>
Total capital assets, net	<u>\$ 14,174,894</u>	<u>\$ 26,832</u>	<u>\$ 890,110</u>	<u>\$ 13,311,616</u>

4 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2011 are as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due within One Year	Interest Matured and Paid
General obligation bonds payable	\$ 9,220,000	\$ -	\$ 255,000	\$ 8,965,000	\$ 280,000	\$ 382,037
Pension bonds payable	1,655,000	-	20,000	1,635,000	25,000	78,966
Premium on general obligation bonds	101,940	-	5,997	95,943	5,997	-
Total long-term obligations	<u>\$ 10,976,940</u>	<u>\$ -</u>	<u>\$ 280,997</u>	<u>\$ 10,695,943</u>	<u>\$ 310,997</u>	<u>\$ 461,003</u>

Bonds Payable

In June 2005, the College issued \$1,695,000 of Limited Tax Pension Obligation Bonds and transferred the net proceeds to the State of Oregon Public Employees Retirement System to payoff the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset is being used to pay a portion of the College's annual required contribution. Principal payments are due annually beginning in June 2009 through June 30, 2028. Interest is payable in December and June of each year with fixed rates ranging from 4.643% to 4.831%.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

4 – LONG-TERM OBLIGATIONS (continued)

Bonds Payable (continued)

Future bonded debt requirements for the Series 2005 bond issue are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011-12	\$ 25,000	\$ 78,037	\$ 103,037
2012-13	30,000	76,877	106,877
2013-14	40,000	75,484	115,484
2014-15	45,000	73,627	118,627
2015-16	55,000	71,537	126,537
2016-17	65,000	68,984	133,984
2017-18	70,000	65,966	135,966
2018-19	80,000	62,716	142,716
2019-20	95,000	59,001	154,001
2020-21	105,000	54,590	159,590
2021-22	120,000	49,518	169,518
2022-23	130,000	43,721	173,721
2023-24	145,000	37,440	182,440
2024-25	165,000	30,435	195,435
2025-26	180,000	22,464	202,464
2026-27	200,000	13,768	213,768
2027-28	85,000	4,106	89,106
	<u>\$ 1,635,000</u>	<u>\$ 888,271</u>	<u>\$ 2,523,271</u>

In May 2007, a bond issue in the amount of \$9,865,000 was passed by the voters for the purpose of funding land acquisition and capital construction in North, Central and South Tillamook County. On September 11, 2007, the College sold general obligation bonds. Principal payments are due annually beginning in June 2008 through June 15, 2027. Interest is payable in December and June of each year with fixed rates ranging from 3.9% to 5.0%

Future bonded debt requirements for the Series 2007 bond issue are as follows:

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

4 – LONG-TERM OBLIGATIONS (continued)

Bonds Payable (continued)

	Principal	Interest	Total
2011-12	\$ 280,000	\$ 371,838	\$ 651,838
2012-13	300,000	360,637	660,637
2013-14	350,000	348,638	698,638
2014-15	370,000	334,737	704,737
2015-16	400,000	316,238	716,238
2016-17	450,000	296,237	746,237
2017-18	485,000	273,738	758,738
2018-19	520,000	254,337	774,337
2019-20	560,000	233,538	793,538
2020-21	605,000	211,137	816,137
2021-22	650,000	186,938	836,938
2022-23	695,000	160,937	855,937
2023-24	745,000	133,138	878,138
2024-25	795,000	103,337	898,337
2025-26	850,000	71,538	921,538
2026-27	910,000	37,538	947,538
	<u>\$ 8,965,000</u>	<u>\$ 3,694,501</u>	<u>\$ 12,659,501</u>

5 – RETIREMENT PLAN

Plan Description

The College participates in the State of Oregon Public Employees Retirement System (PERS), a cost-sharing multiple-employer pension plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The system is a statewide defined benefit retirement plan for units of state government, community colleges, school districts, and political subdivisions. PERS is administered under Oregon Revised Statutes Chapter 238 and Chapter 238A by the Public Employees Retirement Board. Participation by state government units, community colleges, and school districts is mandatory. Participation by most political subdivisions is optional but irrevocable if elected. A stand-alone financial report is not available for the College. However, the State of Oregon Public Employees Retirement System issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to PERS, PO Box 23700, Tigard, Oregon 97281-3700 or by calling (503) 598-7377.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

5 – RETIREMENT PLAN (continued)

Funding Policy

PERS members are required to contribute 6% of their annual covered salary. The Oregon Supreme Court has ruled that the College may pay the members' required contribution. The College started paying the 6% member contribution in November 1996. The College is required to contribute an actuarially determined rate. The current rate is 11.72% (including 10.44% contributed from the pension asset) of annual covered payroll for member employees of the State and Local Government Rate Pool. The current rate is 12.46% (including 10.44% contributed from the pension asset) of annual covered payroll for member employees of the Oregon Public Service Retirement Plan. The contribution requirements of plan members and the College are established and may be amended by the Public Employees Retirement Board. The College's contributions to PERS (including contributions from the pension asset) for the years ending June 30, 2011, 2010 and 2009, totaled \$200,211, \$167,665 and \$215,211 respectively, equal to the required contributions each year.

Pension Asset

The pension asset is the result of the transfer of the College's pension bond proceeds to PERS to cover the College's share of the cost sharing plan's unfunded actuarial liability. This pension asset is being used to pay a portion of the College's annual required contribution. During the 2010-11 fiscal year, changes in the pension asset were as follows:

Asset balance - July 1, 2010	\$ 1,341,422
Investment income	252,536
Contributions to cost sharing pool	<u>(169,873)</u>
Asset balance - June 30, 2011	<u>\$ 1,424,085</u>

6 – OPERATING LEASES

The College has entered into a number of operating leases for classroom and office space and photocopiers. Estimated future minimum lease payments total \$8,182 for the 2011-12 fiscal year.

7 – RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College is a member of Property and Casualty Coverage for Education (PACE) and pays an annual premium to PACE for its property, crime, commercial general liability, automobile liability and physical damage, and other coverages. The College is also a member of Special Districts Insurance Services (SDIS) and pays an annual premium to SDIS for workers' compensation coverage. PACE and SDIS are to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

8 – CONTINGENCIES AND COMMITMENTS

Grants receivable and grant receipts are subject to adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including claims already collected, could become a liability to the College.

TILLAMOOK BAY COMMUNITY COLLEGE
Notes to Basic Financial Statements
June 30, 2011

9 – BUDGET

The College budgets all College funds required to be budgeted in accordance with the Oregon Local Budget Law on a Non GAAP budgetary basis. The College follows these procedures in establishing its budget:

1. In the spring of each year, the Dean of Administrative Services of the College, acting as Budget Officer, submits a proposed budget to the budget committee which consists of the Board of Education and an equal number of concerned citizens of the community. Estimated revenues and expenditures are budgeted by fund and department cost centers.
2. The budget committee conducts public hearings for the purpose of obtaining taxpayer comments.
3. The budget committee approves a balanced budget to submit to the Board of Education. The estimated expenditures for each fund may not be increased by more than 10 percent by the Board and ad valorem taxes for all funds may not exceed the amount shown in the budget document unless the Board republishes the budget and holds additional public hearings.
4. The Board legally adopts the budget before July 1 through a Board resolution. The resolution authorizing appropriations for each fund set the level by which expenditures cannot legally exceed appropriations. The level of control established by the resolution for each fund is at the major expense function level (i.e. Instruction, Student Services, etc.). Appropriations lapse at year end.
5. The Board may change the budget throughout the year by appropriation transfers between levels of control and supplemental budgets as authorized by Oregon Revised Statutes. During the fiscal year ended June 30, 2011, the Board adopted 1 supplemental budget as allowed by state law.

During the 2010-11 fiscal year, the College exceeded the transfers out appropriation by \$5,009 in the General Fund and the college support appropriation by \$9,600 in the Special Revenue Fund.

OTHER SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION
Description of Budgeted College Funds

Other supplementary information consists of schedules required by the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual are presented on a Non GAAP budgetary basis for each College fund required to be budgeted in accordance with the Oregon Local Budget Law, and for the Agency Fund.

Budgeted College funds are as follows:

General Fund - Accounts for all resources traditionally associated with operating the College which are not required legally or by sound financial management to be accounted for in another fund.

Special Revenue Fund - Accounts for proceeds of specific revenue sources restricted for particular educational and related support programs.

Financial Aid Fund - Accounts for financial aid and scholarship programs.

Capital Projects Fund - Accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Fund - Accounts for debt service payments on the College's Limited Tax Pension Obligation Bonds which are funded by transfers from other funds and debt service payments on the College's General Obligation Bonds which are funded by property taxes.

Enterprise Fund - Accounts for the operations of the College's bookstore, community education program and customized training projects.

Agency Fund - Accounts for assets held by the College as an agency for the student government, student honorary society and college staff.

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
GENERAL FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
REVENUES:				
State sources	\$ 807,629	\$ 807,629	\$ 891,685	\$ 84,056
Local sources				
Property taxes, current year	944,300	944,300	949,106	4,806
Property taxes, prior years	27,101	27,101	40,538	13,437
County timber taxes	302,579	302,579	279,864	(22,715)
Local Contract	22,900	22,900	22,900	-
Tuition and fees	781,713	993,174	1,010,647	17,473
Other resources	17,000	17,000	20,903	3,903
	<u>2,903,222</u>	<u>3,114,683</u>	<u>3,215,643</u>	<u>100,960</u>
EXPENDITURES:				
Instruction	1,015,308	1,203,532	1,201,988	1,544
Instructional support	378,626	378,626	352,763	25,863
Student services	290,657	290,657	268,849	21,808
College support	1,160,226	1,185,226	1,142,117	43,109
Plant operations and maintenance	413,112	413,112	295,108	118,004
Contingency	575,289	575,289	-	575,289
	<u>3,833,218</u>	<u>4,046,442</u>	<u>3,260,825</u>	<u>785,617</u>
Revenues over (under) expenditures	<u>(929,996)</u>	<u>(931,759)</u>	<u>(45,182)</u>	<u>886,577</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Short Term Loans	69,625	69,625	-	(69,625)
Transfers in	76,500	79,363	62,224	(17,139)
Transfers out	(346,600)	(347,700)	(352,709)	(5,009)
	<u>(200,475)</u>	<u>(198,712)</u>	<u>(290,485)</u>	<u>(91,773)</u>
Revenues and other sources over (under) expenditures and other uses	(1,130,471)	(1,130,471)	(335,667)	794,804
FUND BALANCE, BEGINNING	<u>1,130,471</u>	<u>1,130,471</u>	<u>1,082,231</u>	<u>(48,240)</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 746,564</u>	<u>\$ 746,564</u>

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
SPECIAL REVENUE FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
REVENUES:				
Federal sources	\$ 162,700	\$ 187,079	\$ 138,729	\$ (48,350)
State sources	62,964	119,628	132,261	12,633
Tuition and fees	5,000	5,000	6,240	1,240
Local sources	154,214	162,379	146,078	(16,301)
Other resources	1,107,100	1,107,100	1,264,945	157,845
Total revenues	1,491,978	1,581,186	1,688,253	107,067
EXPENDITURES:				
Instruction	163,611	150,711	114,677	36,034
Instructional support	243,483	342,728	261,076	81,652
Student services	4,675	4,675	1,000	3,675
College support	-	14,400	24,000	(9,600)
Plant operations and maintenance	2,750	2,750	2,052	698
Reserves	2,357,900	2,357,900	-	2,357,900
Total expenditures	2,772,419	2,873,164	402,805	2,470,359
Revenues over (under) expenditures	(1,280,441)	(1,291,978)	1,285,448	2,577,426
OTHER FINANCING SOURCES (USES):				
Transfers in	100,000	100,000	100,000	-
Transfers out	(68,148)	(71,011)	(60,762)	10,249
Repayment of Short Term Loans	(65,625)	(65,625)	-	65,625
Total other financing sources (uses)	(33,773)	(36,636)	39,238	75,874
Revenues and other sources over (under) expenditures and other uses	(1,314,214)	(1,328,614)	1,324,686	2,653,300
FUND BALANCE, BEGINNING	1,321,005	1,335,405	1,304,815	(30,590)
FUND BALANCE, ENDING	\$ 6,791	\$ 6,791	\$ 2,629,501	\$ 2,622,710

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
FINANCIAL AID FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Other resources	\$ 106,475	\$ 106,475	\$ 108,837	\$ 2,362
EXPENDITURES:				
Financial aid	257,922	257,922	220,550	37,372
Revenues over (under) expenditures	(151,447)	(151,447)	(111,713)	39,734
OTHER FINANCING SOURCES (USES):				
Transfers in	150,000	150,000	150,000	-
Revenues and other sources over (under) expenditures and other uses	(1,447)	(1,447)	38,287	39,734
FUND BALANCE, BEGINNING	108,000	108,000	106,095	(1,905)
FUND BALANCE, ENDING	<u>\$ 106,553</u>	<u>\$ 106,553</u>	<u>\$ 144,382</u>	<u>\$ 37,829</u>

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
CAPITAL PROJECTS FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Other resources	\$ 20,000	\$ 20,000	\$ 10,474	\$ (9,526)
EXPENDITURES:				
Plant Additions	960,000	960,000	255,493	704,507
Revenues over (under) expenditures	(940,000)	(940,000)	(245,019)	694,981
OTHER FINANCING SOURCES (USES):				
Transfers out	(4,428)	(4,428)	-	4,428
Revenues and other sources over (under) expenditures and other uses	(944,428)	(944,428)	(245,019)	699,409
FUND BALANCE, BEGINNING	2,225,000	2,225,000	2,130,457	(94,543)
FUND BALANCE, ENDING	\$ 1,280,572	\$ 1,280,572	\$ 1,885,438	\$ 604,866

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
DEBT SERVICE FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Local sources				
Property taxes, current year	\$ 597,537	\$ 597,537	\$ 573,154	\$ (24,383)
Property taxes, prior years	13,500	13,500	24,737	11,237
Other resources	1,050	1,050	1,068	18
Total revenues	<u>612,087</u>	<u>612,087</u>	<u>598,959</u>	<u>(13,128)</u>
EXPENDITURES:				
College support	1,600	1,600	1,600	-
Debt service:				
Principal	275,000	275,000	275,000	-
Interest	461,003	461,003	461,003	-
Total expenditures	<u>737,603</u>	<u>737,603</u>	<u>737,603</u>	<u>-</u>
Revenues over (under) expenditures	(125,516)	(125,516)	(138,644)	(13,128)
OTHER FINANCING SOURCES (USES):				
Transfers in	90,000	90,000	95,012	5,012
Revenues and other sources over (under) expenditures and other uses	(35,516)	(35,516)	(43,632)	(8,116)
FUND BALANCE, BEGINNING	<u>40,326</u>	<u>40,326</u>	<u>50,804</u>	<u>10,478</u>
FUND BALANCE, ENDING	<u>\$ 4,810</u>	<u>\$ 4,810</u>	<u>\$ 7,172</u>	<u>\$ 2,362</u>

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
ENTERPRISE FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Tuition and fees	\$ 10,000	\$ 10,000	\$ 13,020	\$ 3,020
Local sources	3,000	3,000	1,384	(1,616)
Other resources	150,750	200,750	220,044	19,294
Total revenues	<u>163,750</u>	<u>213,750</u>	<u>234,448</u>	<u>20,698</u>
EXPENDITURES:				
Instruction	13,075	13,075	5,510	7,565
Student services	172,122	222,122	200,425	21,697
Contingency	3,500	3,500	-	3,500
Total expenditures	<u>188,697</u>	<u>238,697</u>	<u>205,935</u>	<u>32,762</u>
Revenues over (under) expenditures	<u>(24,947)</u>	<u>(24,947)</u>	<u>28,513</u>	<u>53,460</u>
OTHER FINANCING SOURCES (USES):				
Repayment of Short Term Loans	(4,000)	(4,000)	-	4,000
Transfers out	(3,924)	(3,924)	(1,464)	2,460
Total other financing sources (uses)	<u>(7,924)</u>	<u>(7,924)</u>	<u>(1,464)</u>	<u>6,460</u>
Revenues and other sources over (under) expenditures and other uses	<u>(32,871)</u>	<u>(32,871)</u>	<u>27,049</u>	<u>59,920</u>
FUND BALANCE, BEGINNING	<u>68,503</u>	<u>68,503</u>	<u>48,715</u>	<u>(19,788)</u>
FUND BALANCE, ENDING	<u>\$ 35,632</u>	<u>\$ 35,632</u>	<u>\$ 75,764</u>	<u>\$ 40,132</u>

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Revenues, Expenditures and Changes in
Due to Others - Budget and Actual
AGENCY FUND
Year Ended June 30, 2011**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Other resources	\$ 5,350	\$ 5,350	\$ 6,752	\$ 1,402
EXPENDITURES:				
Student services	7,900	9,000	8,576	424
Financial aid	5,200	5,200	4,400	800
Total expenditures	13,100	14,200	12,976	1,224
Revenues over (under) expenditures	(7,750)	(8,850)	(6,224)	2,626
OTHER FINANCING SOURCES (USES):				
Transfers in	6,600	7,700	7,699	(1)
Revenues and other sources over (under) expenditures and other uses	(1,150)	(1,150)	1,475	2,625
DUE TO OTHERS, BEGINNING	2,000	2,000	2,479	479
DUE TO OTHERS, ENDING	\$ 850	\$ 850	\$ 3,954	\$ 3,104

TILLAMOOK BAY COMMUNITY COLLEGE

**Schedule of Property Tax Transactions
Year Ended June 30, 2011**

<u>Fiscal Year Ended</u>	<u>Uncollected Balances July 1, 2010</u>	<u>Add Taxes Levied</u>	<u>Discounts Allowed</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Uncollected Balances June 30, 2011</u>
Current						
2010-11	\$ -	\$ 1,629,826	\$ 38,525	\$ (1,196)	\$ 1,514,282	\$ 75,823
Prior years						
2009-10	77,651	-	-	(381)	35,983	41,287
2008-09	33,820	-	-	(277)	12,394	21,149
2007-08	17,739	-	-	(15)	11,033	6,691
2006-07	3,213	-	-	(114)	2,567	532
2005-06	321	-	-	(1)	23	297
2004-05	361	-	-	(1)	22	338
and prior	501	-	-	-	45	456
TOTALS	<u>\$ 133,606</u>	<u>\$ 1,629,826</u>	<u>\$ 38,525</u>	<u>\$ (1,985)</u>	<u>\$ 1,576,349</u>	<u>\$ 146,573</u>

NOTE

2010-2011 assessed valuation \$3,897,063,492
Billing rate per thousand dollars of assessed value \$.2636 plus \$.1573 for bonds

**INDEPENDENT AUDITOR'S COMMENTS REQUIRED BY
OREGON STATE REGULATIONS**

INDEPENDENT AUDITOR'S COMMENTS
REQUIRED BY OREGON STATE REGULATIONS

December 13, 2011

Board of Education
Tillamook Bay Community College
Tillamook, Oregon

We have audited the financial statements of Tillamook Bay Community College as of and for the year ended June 30, 2011, and have issued our report thereon dated December 13, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Internal Control

Management of Tillamook Bay Community College is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Tillamook Bay Community College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Tillamook Bay Community College's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance

As part of obtaining reasonable assurance about whether Tillamook Bay Community College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe Tillamook Bay Community College was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

- The College overexpended the Transfers Out appropriation by \$5,009 in the General Fund and the College Support appropriation by \$9,600 in the Special Revenue Fund. ORS 294.435(4) provides that no greater amount be expended than appropriated except as specifically provided by law.

This report is intended solely for the information and use of the Board of Education, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.

Kenneth Kuhns & Co.

Kenneth Kuhns & Co.

Board of Education Self Evaluation

RECOMMENDATION

Approval and implementation of Attachment 1: Board of Director's Self-Evaluation Survey.

BACKGROUND INFORMATION ----- President Green

Board Policy 100.2 23 states "Annually, the Board of Education will do a Board Self-Evaluation to review its effectiveness as a governing board." Attached is the proposed Board of Director's Self-Evaluation Survey. The Board will discuss the evaluation, the suggested time frame, and process for 2012 evaluation. The proposed time frame for evaluation is to email the evaluation to Board members by January 15, 2012. The Board will respond by January 25, 2012 and the results will be presented at the February 6, 2012 Board meeting



Tillamook Bay Community College

2011-2012

Board of Director's Self Evaluation Survey

	Considerations	5 Definitely Agree	4 Agree	3 Somewhat Agree	2 Do Not Agree	1 Strongly Disagree
1	I understand my role and responsibilities as a board member.					
2	I understand the Mission and Core Themes of TBCC.					
3	I am involved in the board's work and progress.					
4	Communication from the college is timely and of interest.					
5	The Board establishes, reviews regularly, revises as necessary, and exercises broad oversight of institutional policies, including those regarding its own organization and operation.					
6	The board monitors progress toward the strategic goals and outcomes.					
7	Board meetings are of appropriate length and frequency.					
8	The board effectively represents TBCC to the community.					

What is the greatest opportunity for the College and the Board?

What is the greatest challenge for the College and the Board?

Please list areas where you feel the College and/or the Board is strongest:

Please list areas where you feel the College and/or the Board could be stronger:

What other activities might board members be more involved in to assist the College?

Other comments:



Strategic Planning and Accreditation

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION ----- Dean Gates

Tillamook Bay Community College will be reviewed by the Northwest Commission on Colleges and Universities on January 12. President Green and Dean Gates will appear before the Commission in Bellevue, Washington along with the chair of TBCC's evaluation committee, Sandra Fowler-Hill. Two members of the Commission are assigned to review TBCC materials and ask questions. Following the meeting TBCC will be notified in writing of the Commission's action.

TBCC's Planning and Steering Committee met last month to discuss plans for TBCC's participation in Foundations of Excellence. The College has completed a Current Practices Inventory (CPI), including baseline data on new students, and surveys have been completed by faculty/staff and students. The Committee decided to do the official campus "launch" in early January. Messages will go out to all contracted faculty/staff reminding them of the Foundations of Excellence work and announcing that Dimension chairs will be contacting committee members and the target date for Dimension Reports (March 1). Dimension Committee Chairs felt that it would be best to have data from the CPI and surveys complete before convening their committees.



Courses and Curricula

RECOMMENDATION

There are no new additions or deletions of courses or curricula to report this month.

BACKGROUND INFORMATION----- Dean Gates



Grants and Contractsⁱ

RECOMMENDATION

Information only – no action requested. Review the CASE Consortium Grant.

BACKGROUND INFORMATION ----- Comptroller Williams

TBCC has been awarded a three year grant/contract totaling \$438,717 as part of the Credential, Acceleration, and Support for Employment (CASE) Consortium project.

The purpose of the CASE Consortium project is to increase attainment of degrees, certificates, and other industry-recognized credentials and better prepare TAA-certified and other unemployed/underemployed workers for high-wage, high-skill employment through the provision of career pathways, career coaches, and credit for prior learning. TBCC will focus on the first two strategies.

Agreement Period – October 1, 2011 – September 30, 2014

ⁱ **TBCC Policy** - ARTICLE 106: CONTRACT REVIEW BOARD



Board of Education Policy

RECOMMENDATION

There are no new or revised policies to report this month.

BACKGROUND INFORMATION-----President Green



Facilities

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- Dean Ellison

- Central Campus Update



Capital Construction Projects

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- President Green

- **South County Project**
 - Request for Proposal #2011-12-01 was issued publicly in mid-December 2011, and a second notice is scheduled for the first week of January, 2012 (due to the lack of response) for Site Development and Installation of underground utilities
 - Purchase Order to Modern Building Systems for a module building was issued in the amount of \$323,990 that included the foundation. This P.O. was through an Intergovernmental Cooperative Purchasing Agreement between Tillamook Bay Community College and the Beaverton School District.
 - A mandatory pre-bid meeting will be held at Tillamook Bay Community College at 2:00 PM January 12, 2012. (Changed from January 4, due to second public notice).
 - Proposals are due for opening on February 1, 2012.
 - Contract Review Board (TBCC Board of Education) will review the proposals February 6, 2012 utilizing the Alternative Contract Review Process. Proposals will be awarded on February 7, 2012.
 - Projected completion, April 2012.
- **North County Project**
 - Project planning and discussions are continuing.



Personnel

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- President Green

Barbara Casteel, TBCC's Phi Theta Kappa (PTK) International Honor Society Advisor, has been chosen to serve as a PTK 2012 Faculty Scholar. Only 25 Scholars are chosen each year from nearly 3,000 applicants. Barb will participate in PTK's Faculty Scholar Conference to explore PTK's 2012/2013 Honors Study Topic, *The Culture of Competition*. She will also serve as a facilitator during PTK's 2012 Honors Institute.



Announcements and General Information

RECOMMENDATION

Information only – no action requested.

BACKGROUND INFORMATION----- President Green

TBCC Board member Debbie Lincoln received the “Early Bloomer of the Year” award from the Tillamook County Master Gardeners on December 8. The Early Bloomer Award is given to a member of the current year’s graduating class of Master Gardeners who ‘demonstrates outstanding dedication and service.’

Oregon Coast Bank was recognized as Business of the Year at the Pacific City-Nestucca Valley Chamber of Commerce banquet on December 6. The Pacific City Branch is managed by TBCC Board member Rose Wharton.



Invitation of Public Comment

RECOMMENDATION

Available at both the beginning and end of the meeting is an opportunity for the public to comment on any issue within the jurisdiction of the Tillamook Bay Community College Board of Education. The Board Chair may determine reasonable time, space and manner limitations. At the conclusion of public comment, individual members of the Board may respond to comments made by those who have addressed the Board, may ask staff to review a matter, or may ask that a matter be put on a future agenda.

BACKGROUND INFORMATION ----- Chair Shaw



Board Member Discussion Items

RECOMMENDATION

Information only—no action required.

BACKGROUND INFORMATION ----- Chair Shaw

