

**BORGER JUNIOR COLLEGE DISTRICT**  
Borger, Texas

**ANNUAL FINANCIAL REPORT**  
August 31, 2021 and 2020



## TABLE OF CONTENTS

	PAGE
<b>ORGANIZATIONAL DATA .....</b>	<b>1</b>
<b>INDEPENDENT AUDITOR'S REPORT .....</b>	<b>3</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS .....</b>	<b>7</b>
 <b>FINANCIAL STATEMENTS</b>	
Exhibit 1A Statements of Net Position - Primary Institution .....	21
1B Statements of Net Position - Component Unit .....	23
2A Statements of Revenues, Expenses, and Changes in Net Position - Primary Institution .....	24
2B Statements of Revenues, Expenses, and Changes in Net Position - Component Unit .....	25
3A Statements of Cash Flows - Primary Institution .....	26
3B Statements of Cash Flows - Component Unit .....	27
Notes to Financial Statements .....	28
 <b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of the College's Proportionate Share of the Net Pension Liability .....	64
Schedule of the College's Contributions to the Pension Plan .....	65
Schedule of the College's Proportionate Share of the Net OPEB Liability .....	66
Schedule of College's Contributions to the OPEB Plan .....	67
Notes to Required Supplementary Information .....	68
 <b>OTHER SUPPLEMENTAL INFORMATION</b>	
Schedule A Schedule of Operating Revenues .....	71
B Schedule of Operating Expenses by Object .....	73
C Schedule of Nonoperating Revenues and Expenses .....	74
D Schedule of Net Position by Source and Availability .....	75
E Schedule of Expenditures of Federal Awards .....	76
Notes to Schedule of Expenditures of Federal Awards .....	77
F Schedule of Expenditures of State of Texas Awards .....	78
Notes to Schedule of Expenditures of State of Texas Awards .....	79

## TABLE OF CONTENTS (CONTINUED)

	PAGE
<b>SINGLE AUDIT SECTION</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	83
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	87
Schedule of Findings and Questioned Costs .....	91
Schedule of Corrective Action for Audit Findings and Questioned Costs.....	97
Summary Schedule of Prior Audit Findings.....	98
Borger Junior College District Corrective Action Plan.....	99
Borger Junior College District Summary Schedule of Prior Audit Findings .....	103
<b>STATISTICAL SUPPLEMENT (Unaudited).....</b>	<b>107</b>

**BORGER JUNIOR COLLEGE DISTRICT  
ORGANIZATIONAL DATA  
August 31, 2021**

**Board of Regents**

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<b>Officers</b>		<b>Elected/ Appointed</b>	<b>Current Term</b>	<b>Term Expires May</b>
Scott Radach	Chair	2006	2020	2026
Dr. Shad Goldston	Vice-Chair	2012	2018	2024
Marlene McKinney	Secretary	2010	2016	2022

**Members**

Colin Archer	2021	2020	2026
Jesus Heredia, Jr.	2017	2018	2024
Kenny Morrison	2018	2020	2026
Patrick Nonhof	2013	2016	2022
Stephanie Palmer	2019	2020	2024
David Speed – Spring Creek	2019	2020	2022

**Principal Administrative Officers**

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Dr. Glendon Forgey	President
Dr. Shannon Carroll	Executive Vice President of Academic Affairs
Jackie Brand	Vice-President of Institutional Advancement
Taryn Fraley	Dean of Workforce
Cassi Laxton	Provost of Allen Campus - Perryton
Ilene Walton	Provost of Rahl Campus - Dalhart
Teri Langwell	Chief Financial Officer
Jody Nolen	Executive Assistant to the President

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## Independent Auditor's Report

Board of Regents  
Borger Junior College District  
Borger, Texas

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component unit of Borger Junior College District (the College) as of and for the years ended August 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



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## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the College as of August 31, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the College's Proportionate Share of the Net Pension Liability, and the Schedule of the College's Contributions to the Pension Plan, Schedule of the College's Proportionate Share of the Net OPEB Liability, Schedule of College's Contributions to the OPEB Plan and Notes to Required Supplemental Information on pages 8-17 and pages 64-67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the College and its discretely presented component unit. The accompanying supplemental information listed in the table of contents, Schedules A, B, C and D, is likewise presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, Schedule E, and Schedule of Expenditures of State of Texas Awards, Schedule F, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State of Texas Uniform Grants Management Standards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of State of Texas Awards, and the Other Supplemental Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of State of Texas Awards, and the Other Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2021, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over the College's financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*CMMS CPAS & ADVISORS PLLC*

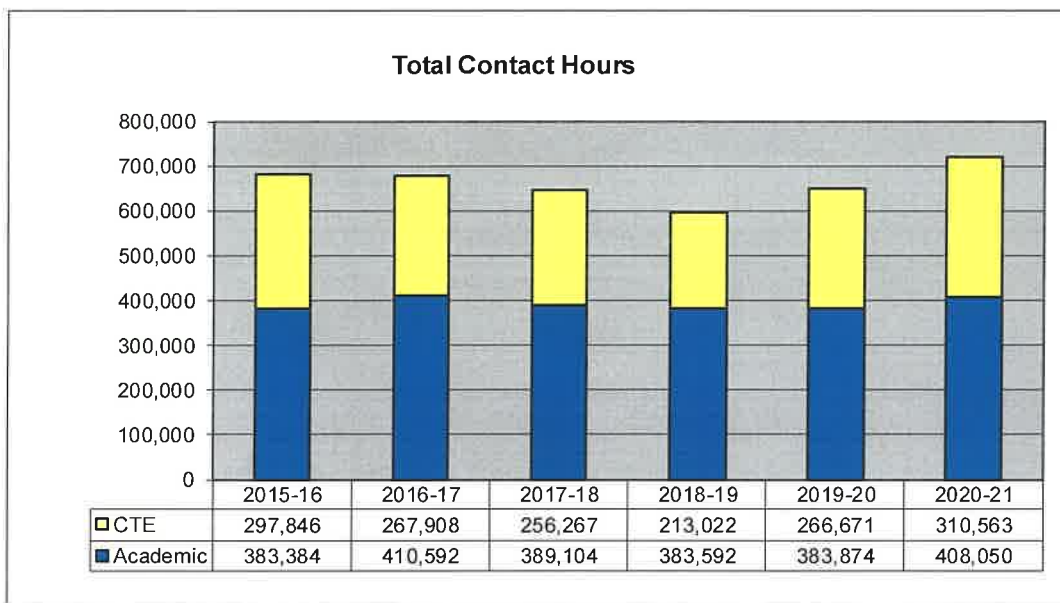
Amarillo, Texas  
December 9, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Financial and Enrollment Highlights**

- The institution's net position at year-end was \$1,419,552, an increase of \$420,934 or 42% for the year. This increase was primarily due a decrease in accounts payable of \$254,062 and a decrease in bonds payable of \$405,000
- Contact hours enrollment was up 10.46% overall with an increase of academic contact hours of 24,176 contact hours (6.30%) and career and technical contact hours up 43,892 (16.46%). Much of the increase in career and technical hours had to do with continuing education.



**Statements of Net Position**

The Statements of Net Position include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources.

	Primary Institution		
	2021	2020	2019 (Restated)
<b>Current assets</b>			
Cash and cash equivalents	\$ 930,090	\$ 1,054,697	\$ 568,345
Accounts receivables, net	2,083,520	1,974,726	1,737,398
Other current assets	57,708	94,073	23,322
Total current assets	3,071,318	3,123,496	2,329,065

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Statements of Net Position (Continued)**

	<b>Primary Institution</b>		
	<b>2021</b>	<b>2020</b>	<b>2019</b>
			(Restated)
<b>Noncurrent assets</b>			
Restricted cash and cash equivalents	-	200,000	195,000
Capital assets, net	12,772,901	12,089,666	12,452,892
Other noncurrent assets	1,600	1,600	1,600
Total noncurrent assets	<u>12,774,501</u>	<u>12,291,266</u>	<u>12,649,492</u>
<b>Total assets</b>	<u>\$ 15,845,819</u>	<u>\$ 15,414,762</u>	<u>\$ 14,978,557</u>
<b>Deferred outflows of resources</b>			
Deferred outflows	\$ 4,002,106	\$ 5,406,879	\$ 5,944,094
Total Deferred outflows	<u>\$ 4,002,106</u>	<u>\$ 5,406,879</u>	<u>\$ 5,944,094</u>
<b>Current liabilities</b>			
Accounts payable	\$ 445,530	\$ 699,592	\$ 620,723
Accrued liabilities	-	-	112
Accrued compensated absences - current portion	103,912	93,877	93,877
Funds held for others	603,577	375,259	430,722
Unearned revenues	2,074,512	2,079,262	1,888,509
Bonds and Note payable - current portion	-	200,000	197,082
Total current liabilities	<u>3,227,531</u>	<u>3,447,990</u>	<u>3,231,025</u>
<b>Noncurrent liabilities</b>			
Bonds payable	-	205,000	405,000
Net pension liability	2,555,461	2,770,323	3,513,193
Net OPEB liability	8,554,270	9,865,183	8,436,134
Total noncurrent liabilities	<u>11,109,731</u>	<u>12,840,506</u>	<u>12,354,327</u>
<b>Total liabilities</b>	<u>\$ 14,337,262</u>	<u>\$ 16,288,496</u>	<u>\$ 15,585,352</u>
<b>Deferred inflow of resources</b>			
Deferred inflows	\$ 4,091,111	\$ 3,534,527	\$ 3,820,909
Total deferred inflows	<u>\$ 4,091,111</u>	<u>\$ 3,534,527</u>	<u>\$ 3,820,909</u>
<b>Net Position</b>			
Net invested in capital assets	\$ 12,772,901	\$ 11,684,666	\$ 11,850,810
Restricted for:			
Expendable:			
Student aid	634,297	649,464	560,719
Debt service	-	200,000	195,000
Unrestricted (deficit)	<u>(11,987,646)</u>	<u>(11,535,512)</u>	<u>(11,090,139)</u>
<b>Total net position</b>	<u>\$ 1,419,552</u>	<u>\$ 998,618</u>	<u>\$ 1,516,390</u>

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Statements of Net Position (Continued)**

Cash and cash equivalents consist of cash in the local financial institution's accounts and TexPool. Unrestricted cash and cash equivalents decreased by \$124,607 or 11.8%.

Accounts receivable consists primarily of student receivables related to tuition and fees for the fall 2021 semester. Accounts receivable increased by \$108,794 or 5.5%, increasing the balance to \$2,083,520.

Other current assets decreased by \$36,365 reflecting a balance of \$57,708.

**Noncurrent Assets**

Restricted cash and cash equivalents consist of funds reserved for bond payments. The balance of restricted cash and cash equivalents decreased due to the final bond payment reflecting a balance of \$-0-.

Total capital assets consist of land, library books, construction in progress, buildings, land improvements, and equipment and totals approximately \$28 million at year-end. Accumulated depreciation totals approximately \$15 million, resulting in net capital assets of approximately \$13 million. This reflects an increase of \$683,235 in net capital assets. Capital assets are detailed in Note 6 of the notes to the financial statements. At year-end, asset additions totaled \$1,473,276, and depreciation expense was \$790,041. The asset additions for this year include the new Perryton Cosmetology Center at \$225,000, and grant equipment purchases of \$1.2 million.

**Current Liabilities**

Accounts payable and accrued liabilities represent amounts due at year-end for goods and services received prior to year-end, but for which cash has not been expended. At year-end the balance of accounts payable was \$445,530, a decrease of \$254,062 over the 2020 balance. Accrued compensated absences increased 10.7% to a total of \$103,912. Funds held for others increased \$228,318 (60.8%), bringing the balance to \$603,577.

Unearned revenues represent payments recorded primarily for tuition and fees and food service from students for the upcoming fall 2021 semester. Unearned revenues of \$2,074,512, decreased \$4,750 over last year's ending balance of \$2,079,262.

Notes and bonds payable (current portion) represent the College's long-term debt which is payable within the next fiscal year. The noncurrent portion of debt, \$-0-, decreased \$200,000 from the prior year.

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Noncurrent Liabilities**

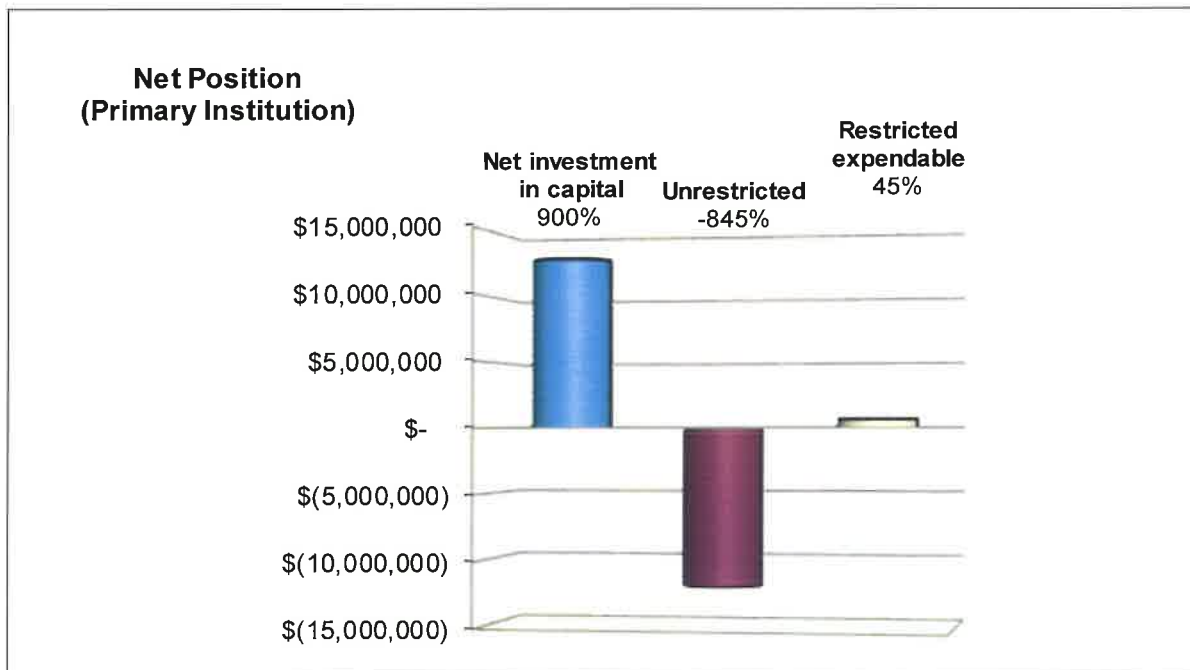
Notes and bonds payable along with net pension liability and net OPEB liability (detailed in Note 2, 9, 10, and 21 of Notes to Financial Statements) represent the College's long-term liabilities which are payable more than twelve months from year-end. The net pension liability of \$2,555,461, reflects a decrease of \$214,862 (see Note 10 – Employees' Retirement Plans). The net OPEB liability is \$8,554,270 for year-end 2021, which is a decrease of \$1,310,913 (see Note 21 – Defined Other Postemployment Benefit Plan).

**Net Position**

Net position represents the difference between the College's assets and deferred outflows of resources and liabilities and deferred inflows of resources. Total net position at August 31, 2021, was approximately \$1,419,500. Compared to the prior year, net position increased approximately \$421,000 for the current year.

Restricted expendable net position consists of \$634,297 set aside for student aid. These balances have specific restrictions placed on them by parties external to the College, such as donors and grant agencies.

Unrestricted net position represents those balances from operational activities that have not been restricted by parties external to the College. Unrestricted net position totals (\$11,987,646) which was a decrease of \$452,134.



**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

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

The Statements of Revenues, Expenses and Changes in Net Position present the operating results of the College, as well as the nonoperating revenues and expenses.

	<b>Primary Institution</b>		
	<b>2021</b>	<b>2020</b>	<b>2019 (Restated)</b>
<b>Operating revenues</b>			
Tuition and fees, net	\$ 1,707,689	\$ 1,806,541	\$ 1,448,058
Grants and contracts	3,852,278	2,396,755	1,553,943
Auxiliary enterprises	644,609	624,279	814,669
Other	80,577	95,787	108,172
Total operating revenues	6,285,153	4,923,362	3,924,842
<b>Operating expenses</b>			
Institutional expense	11,814,155	11,646,765	10,912,714
Auxiliary enterprises	1,541,188	1,424,133	1,631,229
Depreciation	790,041	768,361	779,759
Total operating expenses	14,145,384	13,839,259	13,323,702
Operating loss	(7,860,231)	(8,915,897)	(9,398,860)
<b>Nonoperating revenues (expenses)</b>			
State appropriations	3,070,521	3,172,309	3,124,720
Ad valorem taxes	2,365,647	2,440,421	2,474,830
Federal revenue, nonoperating	2,377,205	2,010,586	2,168,371
Gifts	337,447	911,767	372,738
Investment income, net of investment expenses	1,480	6,931	11,794
Interest on capital related debt	(4,862)	(12,916)	(24,852)
Gain (loss) on impairment of fixed assets	2,500	(96,336)	(92,145)
Other nonoperating revenues (expenses)	131,227	(34,637)	(12,484)
Net nonoperating revenues (expenses)	8,281,165	8,398,125	8,022,972
Increase (Decrease) in net position	420,934	(517,772)	(1,375,888)
<b>Net Position – Beginning of Year</b>	998,618	1,516,390	2,180,165
<b>Prior Period Adjustment</b>	-	-	712,113
<b>Net Position - Beginning of Year, Restated</b>	998,618	1,516,390	2,892,278
<b>Net Position – End of Year</b>	\$ 1,419,552	\$ 998,618	\$ 1,516,390

**Operating Revenues**

Tuition and fees, net of discounts, was \$1,707,689 for the year and represents a decrease of \$98,852 or 5.5% compared to the previous year balance of \$1,806,541. For 2021, gross tuition and fees increased \$146,128 totaling \$4,104,787. Federal grants to students totaled \$1,964,955 for the current year, compared to the prior year balance of \$1,607,618, an increase of \$357,337 or 18%.



**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

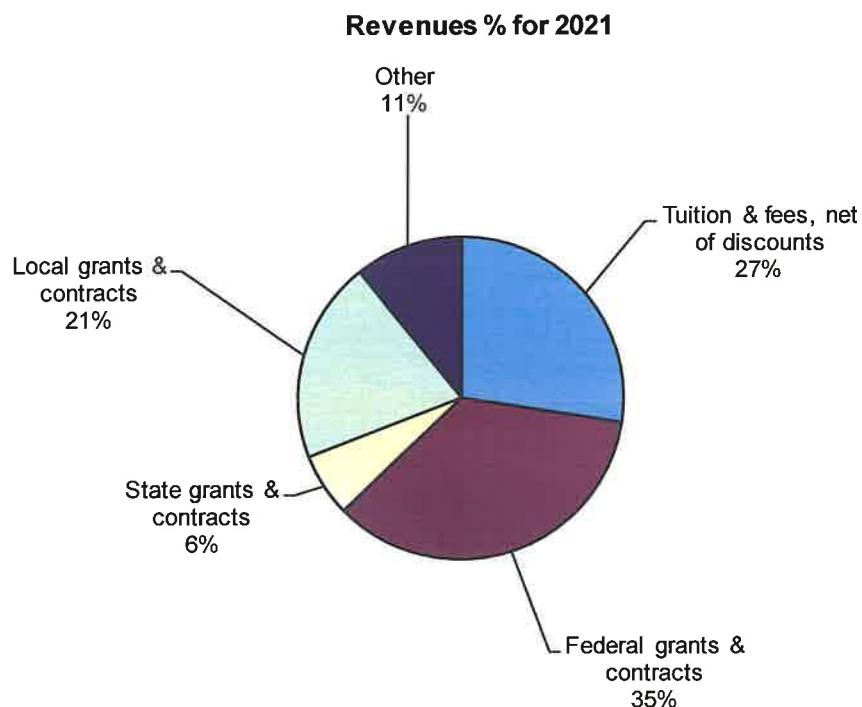
**Operating Revenues (Continued)**

Gross tuition and fees are netted against discounts and scholarship allowances. Fiscal year (FY) 2021 discounts consist of federal grants to students of \$1,964,955, scholarship allowances of \$376,882, and state remissions and exemptions of \$55,261 – all totaled \$2,397,098 in discounts and allowances. In FY 2020, discounts consist of federal grants to students of \$1,607,618; scholarship allowances of \$469,403, and TPEG/state remissions and exemptions of \$75,097 – all totaled \$2,152,118 in discounts and allowances.

Grants and contracts totaled \$3,852,278, for the year. This includes all restricted revenues made available by government agencies. Grant revenues are recorded only to the extent the funds have been expended for the designated purpose. Total grants and contracts increased \$1,455,523 or 37% over the previous year balance of \$2,396,755. The largest portion of this increase was due to the Higher Education Relief Funds awarded for COVID relief.

Auxiliary enterprises consist of various enterprise entities that provide goods or services to students, faculty, staff or the general public and charge a fee directly related to the cost of those goods or services. Auxiliary revenue was \$644,609 (net of discounts) for the year, an increase of \$20,330 from the prior year balance of \$624,279. The Borger Community Activity Center and the residential life are the primary auxiliary components, which generated \$196,410 and \$639,923 in revenue, respectively, in the current year.

The chart below depicts the various components of operating revenue as a percentage of total revenues.



**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Operating Expenses by Functional Classification**

	Primary Institution					
	2021	%	2020	%	2019	%
Instruction	\$ 5,914,562	42%	\$ 6,303,420	46%	\$ 6,103,557	46%
Academic support	148,152	1%	202,084	1%	183,948	1%
Student services	1,137,454	8%	876,744	6%	777,170	6%
Institutional support	3,735,954	26%	2,655,931	19%	2,550,383	19%
Operations and maintenance of plant	751,198	5%	1,221,523	9%	1,049,407	8%
Scholarships and fellowships	126,835	1%	387,063	3%	248,249	2%
Auxiliary enterprises	1,541,188	11%	1,424,133	10%	1,631,229	12%
Depreciation	790,041	6%	768,361	6%	779,759	6%
<b>Total by function</b>	<b>\$ 14,145,384</b>	<b>100%</b>	<b>\$ 13,839,259</b>	<b>100%</b>	<b>\$ 13,323,702</b>	<b>100%</b>

Instruction includes expenses for all activities that are part of the College's instructional programs – academic, workforce and technical. Instruction expenses of \$5,914,562 decreased \$388,858 or 6.2% compared to the previous year balance of \$6,303,420. Salaries account for \$3,358,241 or 56% of total instruction. Instruction continues to outdistance all other classifications, accounting for 42% of the total expenses by function.

Academic support includes expenses to provide support services for the College. This includes costs associated with libraries, academic administration, curriculum development, and technical support including computer service. Academic support totaled \$148,152, representing a 27% decrease from the prior year balance of \$202,084.

Student services consists of expenses related to providing the office of admissions and records and activities that primarily contribute to student's emotional and physical well-being and their intellectual, cultural, and social development outside the context of the formal instructional programs. Student services expenses of \$1,137,454 increased by \$261,010 or 29% compared to the previous year-end total of \$876,444.

Institutional support consists of expenses incurred for central executive-level management, fiscal operations, administrative data processing, employee and records, support services (excluding auxiliary enterprises), and community and alumni relations (including development and fund raising). Institutional support totaling \$3,735,954 increased \$1,080,023 or 40% from the prior year total of \$2,655,931.

Operations and maintenance of plant consists of all expenses of operations and maintenance of the physical plant. Included are maintenance and repairs to buildings, utilities, and salaries and benefits for maintenance and custodial staffs. Operational and maintenance totaling \$751,198 decreased by \$470,325 or 38.5% from the prior year total of \$1,221,523.

Scholarships and fellowships include amounts awarded for scholarships, which the College grants to students, by the College's own selection process, or from an entitlement program, equaled \$126,835 a decrease of \$260,228 or 67.2%.

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Operating Expenses by Functional Classification (Continued)**

Auxiliary enterprises' expenses include all costs to operate the activity center, resident halls, and food service. Auxiliary enterprises totaled \$1,341,188, an increase of \$117,055 or 8.2% as compared to the prior year total of \$1,424,133.

**Operating Expenses by Natural Classification**

	Primary Institution					
	2021	%	2020	%	2019	%
Salaries and wages	\$ 5,388,408	38%	\$ 5,208,584	38%	\$ 5,306,083	40%
State and local benefits	2,512,403	18%	2,858,659	21%	2,441,056	18%
Scholarships and fellowships	126,835	1%	387,063	3%	248,249	2%
Other expenses	3,967,827	28%	3,192,459	24%	2,917,326	22%
Auxiliary enterprises	1,359,870	10%	1,424,133	9%	1,631,229	12%
Depreciation	790,041	6%	768,361	5%	779,759	6%
<b>Total by natural classification</b>	<b>\$ 14,145,384</b>	<b>100%</b>	<b>\$ 13,839,259</b>	<b>100%</b>	<b>\$ 13,323,702</b>	<b>100%</b>

Salaries and wages, along with benefits, clearly represent the largest operating expense, accounting for 56% of the total expenses. Total dollar expenses for salaries and wages, increased \$179,824 (3.5%) over last year, and, as a percentage of total expenses, salaries and wages, was at 38% of total expenditures.

State and local benefits totaled \$2,512,403 for the year, decreasing \$346,256 (18%) from the previous year \$2,858,659. The benefit plans (health insurance, retirement, etc.) are determined by the state and are an uncontrollable expense for the College.

**Nonoperating Revenues (Expenses)**

State appropriations of \$3,070,521 indicates a decrease in revenue of \$101,788 or 3.2% from the previous year balance of \$3,172,309.

Ad valorem taxes of \$2,365,647 were down in 2021 by 3.1% or \$74,774 from the prior year balance of \$2,440,421. The tax rate is capped at \$0.22 per \$100 of valuation.

Federal revenue, nonoperating of \$2,377,205 increased \$366,619 or 18.2% from the previous year total of \$2,010,586. Federal revenue, nonoperating consists of all Title IV financial aid funds.

Current year gifts of \$337,447, generally considered one-time in nature, decreased from the 2020 level by \$574,320 or 63%. This was reflective of the volatility of large, nonrecurring donations and the year-to-year fluctuations that can exist. Investment income, net of investment expenses was \$1,480.

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Statements of Cash Flows**

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. This statement also helps users assess the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

	<b>Primary Institution</b>		
	<b>2021</b>	<b>2020</b>	<b>2019</b>
Cash provided (used) from:			
Operating activities	\$ (6,733,991)	\$ (7,283,021)	\$ (7,530,739)
Noncapital financing activities	8,288,542	8,478,911	8,123,971
Capital and related financing activities	(1,880,638)	(711,469)	(872,933)
Investing activities	1,480	6,931	11,794
Increase (decrease) in cash	(324,607)	491,352	(267,907)
<b>Cash (restricted and unrestricted) – beginning of year</b>	<b>1,254,697</b>	<b>763,345</b>	<b>1,031,252</b>
<b>Cash (restricted and unrestricted) – end of year</b>	<b>\$ 930,090</b>	<b>\$ 1,254,697</b>	<b>\$ 763,345</b>

The primary cash receipts from operating activities consist of tuition, fees, and grant revenues. Cash outlays include payment of wages, benefits, supplies, utilities, and scholarships. Federal funds received for student programs continue to be a significant cash source for operating activities.

State appropriations and ad valorem tax revenues are the primary sources of noncapital financing. Other noncapital financing activity includes gifts and endowments. Although the local tax rate is capped at its current level as a result of Board action in 1965, the College is the benefactor of increased values through the expansion of industry. Gifts from private donations continue to be an important revenue source.

The main financing activities include the purchase of capital assets primarily related to facilities, equipment, and technology enhancements. The reinvesting in the infrastructure of the College continues to be emphasized.

Cash and equivalents (restricted and unrestricted) balance of \$930,090 for FY 2020, decreased \$324,607. The balance was comprised of unrestricted cash and cash equivalents.

**Component Unit**

The Frank Phillips College Development Corporation, considered a component unit, continues to play a vital role in providing scholarships to students attending Frank Phillips College. In 2021, the Development Corporation contributed \$46,034 in scholarships to the College as compared to \$54,409 in FY 2020. Investment income, net of expenses was \$494,214, which showed an increase of \$262,308 for the year as compared to \$231,906 in 2020. Overall, the Development Corporation's net position of \$2,556,231 increased \$458,945 from the previous year-end total net position.

**BORGER JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ending August 31, 2021**

**Factors That Will Affect the Future for Frank Phillips College**

Frank Phillips College continues to see improvement in many areas. The College has implemented portions of a new student information and enterprise resource planning system with implementation of final modules scheduled in 2022.

Although the legislature did not appropriate additional funds for the Texas community College system, Frank Phillips College saw increased state appropriations due to enrollment growth. Additional opportunities for future enrollment growth include but are not limited to certified driver's license (CDL), agriculture equipment specialist, embryo transfer specialist, industrial equipment operator specialist, diesel mechanics, and a partnership with the Texas Department of Criminal Justice to offer programs at the Dalhart prison unit. All these events will have a strong positive impact on the College, both operationally and financially.

More specifically, in our effort to increase capacity, the Allen campus in Perryton is in negotiations with the local economic development corporation to lease buildings to further expand workforce programs such as welding, CDL, etc. in the area. The Rural Nursing Education Consortium continues to grow. The 2021-22 College goals adopted by the Board of Regents reflect the focus of the College to maintaining enrollment as well as growing online and CTE programs. Fall 2021 enrollment showed a 34.2% increase even as the pandemic continued. The College was the highest ranked Texas College for the percentage of enrollment growth since 2019 and now exceeds three other colleges in total enrollment.

The College has successfully partnered with Borger High School to implement the Boomtown Scholarship Program and the Pathways Scholarship with Perryton High School. These two scholarship programs will cover the 60 hours of tuition and fees toward seeking an associate's degree. The College has also partnered with Dalhart High School to implement the Rahl Endowed Scholarship for the Future of Dalhart Fund which will provide similar scholarship opportunities. These programs have had a positive impact on helping to increase enrollment numbers. In addition, a proposal was provided to citizens of the Plemons-Stinnett-Phillips ISD to join the tax paying district in exchange for not having to pay tuition and fees. The addition of the PSP ISD into the tax paying district could more than double College tax collections at the current rate and more than offset any loss of tuition and fee waivers.

Federal economic policy is always a concern and could negatively affect the College. As a result of inflationary pressures, the College has had to increase tuition and fee rates. Fortunately, federal funds and philanthropic efforts have continued to provide funding to assist students and to alleviate and detrimental enrollment effects resulting from the tuition and fee increases.

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## **FINANCIAL STATEMENTS**

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**BORGER JUNIOR COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION - PRIMARY INSTITUTION**  
**AUGUST 31, 2021 and 2020**  
**Exhibit 1A**

	<b>Primary Institution</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 930,090	\$ 1,054,697
Accounts receivable, net	2,083,520	1,974,726
Inventories	18,882	18,882
Other assets	38,826	75,191
Total current assets	3,071,318	3,123,496
<b>NONCURRENT ASSETS</b>		
Restricted cash and cash equivalents	-	200,000
Capital assets, net	12,772,901	12,089,666
Other noncurrent assets	1,600	1,600
Total noncurrent assets	12,774,501	12,291,266
<b>TOTAL ASSETS</b>	<b>\$ 15,845,819</b>	<b>\$ 15,414,762</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred outflows on net pension liability	\$ 1,063,203	\$ 1,402,499
Deferred outflows related to OPEB	2,938,903	4,004,380
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>\$ 4,002,106</b>	<b>\$ 5,406,879</b>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 445,530	\$ 699,592
Accrued compensable absences - current portion	103,912	93,877
Funds held for others	603,577	375,259
Unearned revenues	2,074,512	2,079,262
Bonds payable - current portion	-	200,000
Total current liabilities	3,227,531	3,447,990
<b>NONCURRENT LIABILITIES</b>		
Bonds payable	-	205,000
Net pension liability	2,555,461	2,770,323
Net OPEB liability	8,554,270	9,865,183
Total noncurrent liabilities	11,109,731	12,840,506
<b>TOTAL LIABILITIES</b>	<b>\$ 14,337,262</b>	<b>\$ 16,288,496</b>

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

**BORGER JUNIOR COLLEGE DISTRICT  
STATEMENTS OF NET POSITION - PRIMARY INSTITUTION  
AUGUST 31, 2021 and 2020  
Exhibit 1A, Continued**

	<b>Primary Institution</b>	
	<b>2021</b>	<b>2020</b>
<b>LIABILITIES AND NET POSITION, CONTINUED</b>		
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred inflows on net pension liability	\$ 1,009,798	\$ 1,073,332
Deferred inflows related to OPEB	3,081,313	2,461,195
<b>TOTAL DEFERRED INFLOWS</b>	<u>\$ 4,091,111</u>	<u>\$ 3,534,527</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 12,772,901	\$ 11,684,666
Restricted for:		
Expendable:		
Student aid	634,297	649,464
Debt service	-	200,000
Unrestricted (deficit)	(11,987,646)	(11,535,512)
<b>TOTAL NET POSITION (Schedule D)</b>	<u>\$ 1,419,552</u>	<u>\$ 998,618</u>

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

**BORGER JUNIOR COLLEGE DISTRICT  
STATEMENTS OF NET POSITION - COMPONENT UNIT  
AUGUST 31, 2021 and 2020  
Exhibit 1B**

		<b>Component Unit - Foundation</b>	
		<b>2021</b>	<b>2020</b>
<b>ASSETS</b>			
Cash and cash equivalents		\$ 231,837	\$ 76,906
Short-term investments		2,063,154	1,722,971
Investments		307,064	311,608
Due from others		210	210
<b>TOTAL ASSETS</b>		<b>\$ 2,602,265</b>	<b>\$ 2,111,695</b>
<b>LIABILITIES</b>			
Due to others		\$ 46,034	\$ 14,409
<b>TOTAL LIABILITIES</b>		<b>\$ 46,034</b>	<b>\$ 14,409</b>
<b>NET POSITION</b>			
Net position restricted for:			
Expendable - Other, primarily donor restrictions		\$ 2,556,231	\$ 2,097,286
<b>TOTAL NET POSITION</b>		<b>\$ 2,556,231</b>	<b>\$ 2,097,286</b>

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

**BORGER JUNIOR COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -**  
**PRIMARY INSTITUTION**  
**YEARS ENDED AUGUST 31, 2021 and 2020**  
**Exhibit 2A**

	<b>Primary Institution</b>	
	<b>2021</b>	<b>2020</b>
<b>OPERATING REVENUES</b>		
Tuition and fees, net of discounts of \$2,397,098 and \$2,152,118 in 2021 and 2020, respectively	\$ 1,707,689	\$ 1,806,541
Federal grants and contracts	2,197,163	459,127
State grants and contracts	394,232	267,255
Local grants and revenues	1,260,883	1,670,373
Auxiliary enterprises, net of discounts of \$191,724 and \$194,816 in 2021 and 2020, respectively	644,609	624,279
General operating revenues	80,577	95,787
Total operating revenues (Schedule A)	6,285,153	4,923,362
<b>OPERATING EXPENSES</b>		
Instruction	5,914,562	6,303,420
Academic support	148,152	202,084
Student services	1,137,454	876,744
Institutional support	3,735,954	2,655,931
Operation and maintenance of plant	751,198	1,221,523
Scholarships and fellowships	126,835	387,063
Auxiliary enterprises	1,541,188	1,424,133
Depreciation	790,041	768,361
Total operating expenses (Schedule B)	14,145,384	13,839,259
Operating loss	(7,860,231)	(8,915,897)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State appropriations	3,070,521	3,172,309
Ad valorem property taxes	2,365,647	2,440,421
Federal revenue, nonoperating	2,377,205	2,010,586
Gifts	337,447	911,767
Investment income, net of investment expenses	1,480	6,931
Interest on capital related debt	(4,862)	(12,916)
Gain (loss) on capital assets	2,500	(96,336)
Other nonoperating revenues (expenses), net	131,227	(34,637)
Net nonoperating revenues (Schedule C)	8,281,165	8,398,125
Increase (Decrease) in net position	420,934	(517,772)
<b>NET POSITION - BEGINNING OF YEAR</b>	998,618	1,516,390
<b>NET POSITION - END OF YEAR</b>	\$ 1,419,552	\$ 998,618

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

**BORGER JUNIOR COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -**  
**COMPONENT UNIT - FOUNDATION**  
**YEARS ENDED AUGUST 31, 2021 and 2020**  
**Exhibit 2B**

	<b>Component Unit - Foundation</b>	
	<b>2021</b>	<b>2020</b>
<b>OPERATING EXPENSES</b>		
Institutional support	\$ 2,855	\$ 6,212
Scholarships and fellowships	46,034	54,409
Total operating expense	48,889	60,621
Total operating loss	(48,889)	(60,621)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Gifts	13,620	42,210
Investment income (loss), net of investment expenses	494,214	231,906
Net nonoperating revenues	507,834	274,116
Increase in net position	458,945	213,495
<b>NET POSITION - BEGINNING OF YEAR</b>	2,097,286	1,883,791
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,556,231</u>	<u>\$ 2,097,286</u>

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

**BORGER JUNIOR COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS - PRIMARY INSTITUTION**  
**YEARS ENDED AUGUST 31, 2021 and 2020**  
**Exhibit 3A**

	<b>Primary Institution</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 2,271,255	\$ 2,326,007
Receipts from grants and contracts	3,819,514	2,508,845
Payments to suppliers for goods or services	(5,545,394)	(4,608,586)
Payments to or on behalf of employees	(7,455,194)	(7,130,231)
Payments of scholarships	(126,835)	(387,063)
Other payments or receipts	302,663	8,007
Net cash used by operating activities	(6,733,991)	(7,283,021)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations	3,070,521	3,172,309
Ad valorem tax revenues	2,372,142	2,418,886
Receipts from nonoperating federal revenue	2,377,205	2,010,586
Gifts and grants (other than capital)	337,447	911,767
Other	131,227	(34,637)
Net cash provided by noncapital financing activities	8,288,542	8,478,911
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(1,473,276)	(508,670)
Principal payments on debt	(405,000)	(197,082)
Advance on line of credit	1,000,000	-
Payment on line of credit	(1,000,000)	-
Proceeds from sale of fixed assets	2,500	7,199
Cash paid for interest	(4,862)	(12,916)
Net cash used by capital and related financing activities	(1,880,638)	(711,469)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment earnings	1,480	6,931
Net cash provided by investing activities	1,480	6,931
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(324,607)</b>	<b>491,352</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>		
<b>(RESTRICTED AND UNRESTRICTED)</b>	<b>1,254,697</b>	<b>763,345</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>		
<b>(RESTRICTED AND UNRESTRICTED)</b>	<b>\$ 930,090</b>	<b>\$ 1,254,697</b>
<b>Reconciliation of operating loss to net cash used by operating activities:</b>		
Operating loss	\$ (7,860,231)	\$ (8,915,897)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	790,041	768,361
Change in deferred outflows of financial resources	1,404,773	537,215
Change in deferred inflows of financial resources	556,584	(286,382)
Changes in assets and liabilities:		
Receivables, net	(115,289)	(215,793)
Other assets	36,365	(70,751)
Accounts payable	(254,062)	78,757
Unearned revenue	(4,750)	190,753
Funds held for others	228,318	(55,463)
Accrued liabilities	10,035	-
Net pension liability	(214,862)	(742,870)
Net OPEB liability	(1,310,913)	1,429,049
Net cash used by operating activities	\$ (6,733,991)	\$ (7,283,021)

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

**BORGER JUNIOR COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS - COMPONENT UNIT  
YEARS ENDED AUGUST 31, 2021 and 2020  
Exhibit 3B**

	<b>Component Unit - Foundation</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers for goods or services	\$ (2,855)	\$ (6,212)
Payments of scholarships	(46,034)	(54,409)
Net cash used by operating activities	(48,889)	(60,621)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Contributions	13,620	42,210
Cash paid for purchasing investments	(304,014)	(235,177)
Investment earnings (loss)	494,214	231,906
Net cash provided by investing activities	203,820	38,939
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	154,931	(21,682)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	76,906	98,588
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 231,837</u>	<u>\$ 76,906</u>
<b>Reconciliation of operating income (loss) to net cash used by operating activities:</b>		
Operating loss	\$ (48,889)	\$ (60,621)
Net cash used by operating activities	<u>\$ (48,889)</u>	<u>\$ (60,621)</u>

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

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 1 - REPORTING ENTITY**

Borger Junior College District (Frank Phillips College or the College) was established in 1948, in accordance with the laws of the State of Texas, to serve the educational needs of Borger, Texas, and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the College receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

The Frank Phillips College Development Corporation (the Foundation) is a nonprofit organization with the sole purpose of supporting the educational and other activities of the College. The College does not appoint a voting majority nor does it fund or is it obligated to pay debt related to the Foundation. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. During the years ended August 31, 2021 and 2020, the Foundation distributed approximately \$46,000 and \$54,000 to the College for restricted purposes.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Guidelines**

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The College applies all applicable GASB pronouncements. The College is reported as a special-purpose government engaged in business-type activities.

**Tuition Discounting**

*Texas Public Education Grants*

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

*Title IV, Higher Education Act Program Funds*

Certain Title IV Higher Education Act (HEA) Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue.



**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Title IV, Higher Education Act Program Funds (Continued)*

When the award is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

*Other Tuition Discounts*

The College awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amount is recorded as tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

**Basis of Accounting**

The financial statements of the College have been prepared on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

**Budgetary Data**

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

**Deferred Inflows**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Governments are only permitted to report deferred inflows in circumstances specifically authorized by the GASB. As of August 31, 2021, the College reported a deferred inflow of \$1,009,798 and \$3,081,313 related to the net pension liability and net OPEB liability, respectively. As of August 31, 2020, the College reported a deferred inflow of \$1,073,332 and \$2,461,195 related to the net pension liability and net OPEB liability, respectively.

**Deferred Outflows**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows (Continued)**

not be recognized as an outflow of resources (expense) until then. Governments are only as permitted to report deferred outflows in circumstances specifically authorized by the GASB. As of August 31, 2021, the College reported a deferred outflow of \$1,063,203 and \$2,938,903, related to the net pension liability and the net OPEB liability, respectively. As of August 31, 2020, the College reported a deferred outflow of \$1,402,499 and \$4,004,380, related to the net pension liability and the net OPEB liability, respectively.

**Cash and Cash Equivalents**

The College's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Restricted cash consists of restricted funds from donors.

**Investments**

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

**Inventories**

Inventories consist of consumable office supplies, food, and pro shop. Inventories are valued at the lower of cost or market using the first-in, first-out (FIFO) method and are charged to expense as consumed.

**Capital Assets**

Capital assets are recorded at cost at the date of acquisition or fair value at the date of donation. For equipment, the College's capitalization policy includes all items with a unit cost of \$5,000 and an estimated useful life in excess of one year. Renovations to buildings, infrastructures, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are charged to operating expense in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

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

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Unearned Revenues**

Tuition, fees, and other revenues received and related to the following fiscal year have been deferred. Tuition and fees of \$2,068,334 and \$2,018,511 have been reported as unearned revenue at August 31, 2021 and 2020, respectively. CARES Act revenue of \$6,178 and \$60,751 have been reported as unearned revenue at August 31, 2021 and 2020, respectively.

**Pensions**

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

**Other Postemployment Benefits**

The fiduciary net position of the Employee Retirement System of Texas (ERS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of information about assets, liabilities and additions to / deductions from ERS's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

**Estimates**

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

**Operating and Nonoperating Revenue and Expense Policy**

The College distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and related fees. The major nonoperating revenues are state appropriations, federal Title IV revenue and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operations of the bookstore and food service are not performed by the College. When both restricted and unrestricted resources are available for use, it is the College's practice to use restricted resources first and then unrestricted resources as they are needed.

**Reclassifications**

Certain prior year amounts have been reclassified to conform with current year presentations.

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 3 - AUTHORIZED INVESTMENTS**

The College is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the state of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

Cash and cash equivalents included on Exhibit 1A, Statements of Net Position, as of August 31, 2021 and 2020, consist of the items reported below:

	<u><b>2021</b></u>	<u><b>2020</b></u>
Bank deposits		
Demand deposits	\$ 922,825	\$ 1,247,775
Cash and cash equivalents		
Petty cash on hand	3,682	3,339
TexPool	<u>3,583</u>	<u>3,583</u>
<b>Total cash and cash equivalents</b>	<u><b>\$ 930,090</b></u>	<u><b>\$ 1,254,697</b></u>

The following represents a reconciliation of cash and cash equivalents, as of August 31, 2021 and 2020, as reported on Exhibit 1A:

	<u><b>2021</b></u>	<u><b>2020</b></u>
Unrestricted cash and cash equivalents - current	\$ 930,090	\$ 1,054,697
Restricted cash and cash equivalents - noncurrent	<u>-</u>	<u>200,000</u>
<b>Total cash and cash equivalents</b>	<u><b>\$ 930,090</b></u>	<u><b>\$ 1,254,697</b></u>

**Custodial Credit Risk:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College's investments are registered and held by the College or by its agent in the College's name. The College had approximately \$36,000 of uninsured bank deposits as of August 31, 2021.

**Interest Rate Risk:** In accordance with state law and College policy, the College does not purchase any investments with maturities greater than 10 years.

**Credit Risk:** State law limits investments in commercial paper to those rated not less than A-1 or P-1 and no-load money market mutual funds to those rated not less than AAA. As of August 31, 2021 and 2020, the College did not have any investments in commercial paper or no-load money market mutual funds.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS (CONTINUED)**

The following is a summary of the investments at fair value of the Foundation at August 31, 2021 and 2020.

	<u><b>2021</b></u>	<u><b>2020</b></u>
Managed equity funds – short term	\$ 2,040,942	\$ 1,572,085
Stocks – short term	22,212	-
Certificates of deposit – short term	61,758	150,886
Certificates of deposit – long term	<u>245,306</u>	<u>311,608</u>
<b>Total investments at fair value</b>	<u><b>\$ 2,370,218</b></u>	<u><b>\$ 2,034,579</b></u>

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 to 2	2 to 3	3 to 4
August 31, 2021:					
Managed equity funds	\$ 2,040,942	\$2,040,942	\$ -	\$ -	\$ -
Stocks	22,212	22,212	-	-	-
Certificates of deposit	307,064	61,758	122,302	123,004	-
Total	\$ 2,370,218	\$2,124,912	\$ 122,302	\$ 123,004	\$ -

**Participation in External Investment Pools**

As of August 31, 2021 and 2020, the carrying amount of amounts invested in investment pools was \$3,583, respectively. Investment pools are recorded at cost, which approximated market value. All investment pools are uninsured and are not registered with the Securities and Exchange Commission. Investment pools are not subject to custodial credit risk as they are not evidenced by securities that exist in physical or book entry form.

The College's investment in investment pools is TexPool Participant Services. TexPool Participant Services' regulatory oversight agent is the Texas Treasury Safekeeping Trust Company and their credit risk rating is AAAm. Their financial reports may be obtained by writing Federated Investment Management Company, 1001 Texas Avenue, Suite 1400, Houston, TX 77002.

**NOTE 5 - FAIR VALUE MEASUREMENTS**

The College adopted Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, as guidance on fair value measurements. The standard established a three-level valuation hierarchy for disclosure based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). An asset's fair value measurement level within the hierarchy is based on the lowest level of input that is significant to the valuation.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)**

The three levels are defined as follows:

- Level 1 – Quoted prices for identical assets or liabilities in active markets.
- Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The College uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the College measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

The College did not have any assets or liabilities measured at fair value on a recurring or non-recurring basis for years ended August 31, 2021 and 2020.

The Foundation had the following:

**Assets Measured at Fair Value on a Recurring Basis**

		<b>Fair Value Measurements Using:</b>		
	<b><u>Fair Value</u></b>	<b><u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u></b>	<b><u>Significant Other Observable Inputs (Level 2)</u></b>	<b><u>Significant Unobservable Inputs (Level 3)</u></b>
<b><u>August 31, 2021:</u></b>				
Restricted Investments:				
Certificate of deposits	\$ 307,064	\$ -	\$ 307,064	\$ -
Stocks	22,212	22,212	-	-
Managed equity funds	<u>2,040,942</u>	<u>2,040,942</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 2,370,218</u></b>	<b><u>\$ 2,063,154</u></b>	<b><u>\$ 307,064</u></b>	<b><u>\$ -</u></b>
<b><u>August 31, 2020:</u></b>				
Restricted Investments:				
Certificate of deposits	\$ 462,494	\$ -	\$ 462,494	\$ -
Managed equity funds	<u>1,572,085</u>	<u>1,572,085</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 2,034,579</u></b>	<b><u>\$ 1,572,085</u></b>	<b><u>\$ 462,494</u></b>	<b><u>\$ -</u></b>

The Foundation did not have any assets or liabilities measured at fair value on a nonrecurring basis at August 31, 2021 and 2020.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 6 - CAPITAL ASSETS**

Capital assets activity for the year ended August 31, 2021, was as follows:

	Balance September 1, 2020	Additions	Deductions	Balance August 31, 2021
Not depreciated:				
Land	\$ 495,144	\$ -	\$ -	\$ 495,144
Total not depreciated	495,144	-	-	495,144
Other capital assets:				
Buildings	15,832,887	-	-	15,832,887
Building and land improvements	5,686,001	-	-	5,686,001
Furniture, machinery, vehicles and other equipment	1,985,064	892,102	57,560	2,819,606
Telecommunications and peripheral equipment	1,421,503	581,174	-	2,002,677
Library books	1,191,714	-	-	1,191,714
Total other capital assets	26,117,169	1,473,276	57,560	27,532,885
Total cost of capital assets	26,612,313	1,473,276	57,560	28,028,029
Accumulated depreciation:				
Buildings	7,464,997	221,224		7,686,221
Building and land improvements	3,872,921	176,447		4,049,368
Furniture, machinery, vehicles and other equipment	1,140,433	160,704	57,560	1,243,577
Telecommunications and peripheral equipment	874,855	227,463		1,102,318
Library books	1,169,441	4,203		1,173,644
Total accumulated depreciation	14,522,647	790,041	57,560	15,255,128
Capital assets, net	\$ 12,089,666	\$ 683,235	\$ -	\$ 12,772,901

Capital assets activity for the year ended August 31, 2020, was as follows:

	Balance September 1, 2019 (restated)	Additions	Deductions	Balance August 31, 2020
Not depreciated:				
Land	\$ 495,144	\$ -	\$ -	\$ 495,144
Total not depreciated	495,144	-	-	495,144
Other capital assets:				
Buildings	15,867,940	-	35,053	15,832,887
Building and land improvements	5,705,893	-	19,892	5,686,001
Furniture, machinery, vehicles and other equipment	2,230,102	285,226	530,264	1,985,064
Telecommunications and peripheral equipment	3,539,250	220,225	2,337,972	1,421,503

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

	Balance September 1, 2019 (restated)	Additions	Deductions	Balance August 31, 2020
Library books	1,188,495	3,219	-	1,191,714
Total other capital assets	28,531,680	508,670	2,923,181	26,117,169
Total cost of capital assets	29,026,824	508,670	2,923,181	26,612,313
Accumulated depreciation:				
Buildings	7,211,527	259,432	5,962	7,464,997
Building and land improvements	3,695,753	183,140	5,972	3,872,921
Furniture, machinery, vehicles and other equipment	1,343,083	104,186	306,836	1,140,433
Telecommunications and peripheral equipment	3,158,628	217,103	2,500,876	874,855
Library books	1,164,941	4,500	-	1,169,441
Total accumulated depreciation	16,573,932	768,361	2,819,646	14,522,647
Capital assets, net	\$ 12,452,892	\$ (259,691)	\$ 103,535	\$ 12,089,666

As of August 31, 2021, the College recognized a gain of \$2,500 on the disposal of fully depreciated assets. As of August 31, 2020, the College recognized a loss of \$96,336 on the impairment of fixed assets.

**NOTE 7 - NONCURRENT LIABILITIES**

Noncurrent liability activity for the year ended August 31, 2021, was as follows:

	Balance September 1, 2020	Additions	Deductions	Balance August 31, 2021	Current
Bonds and notes					
Combined Fee Revenue Refunding Bonds - Series 2012	\$ 405,000	\$ -	\$ 405,000	\$ -	\$ -
Line of credit	-	1,000,000	1,000,000	-	-
Total bonds and notes	405,000	1,000,000	1,405,000	-	-
Accrued compensated absences	93,877	122,159	112,124	103,912	103,912
Net pension liability	2,770,323	-	214,862	2,555,461	-
Net OPEB liability	9,865,183	-	1,310,913	8,554,270	-
Total	\$ 13,134,383	\$ 1,122,159	\$3,042,899	11,213,643	\$ 103,912
Due in one year				(103,912)	
				\$ 11,109,731	



**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 7 - NONCURRENT LIABILITIES**

Noncurrent liability activity for the year ended August 31, 2020, was as follows:

	Balance September 1, 2019	Additions	Deductions	Balance August 31, 2020	Current
Bonds and notes					
Combined Fee Revenue Refunding Bonds -					
Series 2012	\$ 600,000	\$ -	\$ 195,000	\$ 405,000	\$ 200,000
Notes Payable	2,082	-	2,082	-	-
Total bonds and notes	602,082	-	197,082	405,000	200,000
Accrued compensated absences	93,877	93,284	93,284	93,877	93,877
Net pension liability	3,513,193	-	742,870	2,770,323	-
Net OPEB liability	8,436,134	4,677,402	3,248,353	9,865,183	-
Total	\$ 12,645,286	\$ 4,770,686	\$4,281,589	13,134,383	\$ 293,877
Due in one year				(293,877)	
				\$ 12,840,506	

**NOTE 8 - DEBT AND LEASE OBLIGATIONS**

At August 31, 2021, the outstanding Debt service requirements scheduled for payment in 2022 were paid during 2021.

Total interest expense for the years ended August 31, 2021 and 2020, was approximately \$5,000 and \$13,000, respectively.

**NOTE 9 - BONDS AND NOTES PAYABLE**

General information related to bonds payable and the note payable is summarized below:

Combined Fee Revenue Refunding Bonds - Series 2012

On March 28, 2012, the College issued the Combined Fee Revenue Refunding Bonds - Series 2012 in the amount of \$1,800,000 to refund the Combined Fee Revenue Bonds - Series 2001 issue. The refunding was undertaken to reduce total debt service payments over the next ten years by approximately \$187,000 and resulted in an economic gain of approximately \$164,000.

The 2001 Series are considered fully redeemed and the liability has been removed from the College's books. The outstanding principal for the 2012 issue matures annually through September 1, 2021, with principal amounts ranging from \$200,000 to \$205,000 and provide for an interest rate of 2.50%. Balance outstanding at August 31, 2021 and 2020, is \$-0- and \$405,000, respectively.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 9 - BONDS AND NOTES PAYABLE (CONTINUED)**

Line of Credit

The College entered into a line of credit on May 5, 2020 in the amount of \$300,000. The line of credit matures on May 5, 2022, with 3.75% interest rate. The College increased the existing line of credit (LOC) from \$300,000 to \$1,000,000 with a term of November 20, 2020 to March 17, 2021, with interest at 3.75%. All unpaid principle was due at maturity. The LOC was secured by all accounts and intangibles of the College. During 2021, the College advanced and repaid \$1,000,000 on the line of credit. The balance outstanding at August 31, 2021 and 2020 was \$-0-, respectively.

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS**

**Plan Description**

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

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

**Pension Plan Fiduciary Net Position**

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.trs.texas.gov/TRS%20Documents/cafr2020.pdf](http://www.trs.texas.gov/TRS%20Documents/cafr2020.pdf) (select *About TRS*, then *Publications*, then *Financial Reports*) or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided**

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension benefits are established or amended under the authority of the Texas Constitution, Article XVI, Section 67 and by the Legislature in the Texas Government Code, Title 8, Subtitle C.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Benefits Provided (Continued)**

State law requires the plan to be actuarially sound in order for the Legislature to consider a benefit enhancement, such as supplemental payment to the retirees. In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. These increases immediately made the pension fund actuarially sound and the legislature approved funding for a 13th check. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of service credit or when the sum of the member's age and years of credited service equals 80 or more years.

Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

**Contributions**

Contribution requirements are established or amended pursuant to Article XVI, Section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code Section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

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

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Contributions (Continued)**

Contribution rates for Plan fiscal years (September to August) 2021 and 2020 follow:

		<b>Contribution Rates</b>	
		<b><u>Plan Fiscal Year</u></b>	
		<b><u>2021</u></b>	<b><u>2020</u></b>
Member		7.7%	7.7%
Non-Employer Contributing Entity		7.5%	7.5%
Employer		7.5%	7.5%
		<b>Contributions</b>	
		<b><u>Required and Made</u></b>	
		<b><u>2021</u></b>	<b><u>2020</u></b>
College (Employer)	\$	199,414	\$ 204,285
Member (Employee)		339,677	352,477
Non-employer contributing agency (State)		134,360	112,632

Contributors to the plan include members, employers, and the State of Texas as the only non-employer contributing entity. The State contributes to the Plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers, including junior colleges, are required to pay the employer contribution rate in the following instances:

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

In addition to the employer contributions listed above, when employing a retiree of the TRS, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Actuarial Assumptions**

A change was made in the measurement date of the total pension liability for the 2020 measurement year. The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017 and were adopted in July 2018.

The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables.

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial cost method	Individual Entry Age Normal
Asset valuation method	Market Value
Single Discount rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal bond rate	2.33%*
Last year ending August 31 in the projection period (100 years)	2119
Inflation	2.30%
Salary increases including inflation	3.05% to 9.05%, including inflation
Ad hoc postemployment benefit changes	None

\* Source: The municipal bond rate used is 2.33% as of August 31, 2020 (i.e. the rate closest to but not later than measurement date) Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019.

**Changes Since the Prior Actuarial Valuation**

There were no changes in assumptions, methods, and plan changes that affected measurement of the total pension during the measurement date.

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

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Discount Rate**

The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and State contributions for active and rehired retirees. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 are summarized below:

<u>Asset Class</u>	<u>Target Allocation<sup>1</sup></u>	<u>Long-Term Expected Geometric Real Rate of Return<sup>2</sup></u>	<u>Expected Contribution to Long-Term Portfolio Returns</u>
<b>Global Equity</b>			
USA	18.00%	3.90%	0.99%
Non-U.S. developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Private Equity	14.00%	6.70%	1.41%
<b>Stable Value</b>			
Government Bonds	16.00%	(0.70)%	(0.05)%
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Absolute Return (Including Credit Sensitive Investments)	0.00%	1.80%	0.00%
<b>Real Return</b>			
Real Estate	15.00%	4.60%	1.02%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Commodities	0.00%	0.80%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	3.00%	0.30%

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Discount Rate (Continued)**

<u>Asset Class</u>	<u>Target Allocation<sup>1</sup></u>	<u>Long-Term Expected Geometric Real Rate of Return<sup>2</sup></u>	<u>Expected Contribution to Long-Term Portfolio Returns</u>
<b>Asset Allocation Leverage</b>			
Cash	2.00%	(1.50)%	(0.03)%
Asset Allocation Leverage	(6.00)%	(1.30)%	0.08%
Inflation Expectation			2.00%
Volatility Drag <sup>3</sup>			(0.67)%
<b>Expected Return</b>	100.00%		7.33%

<sup>1</sup> Target allocations are based on the FY2020 policy model.

<sup>2</sup> Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020).

<sup>3</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**Sensitivity of the College's Share of the Net Pension Liability**

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the 2020 Net Pension Liability.

	<u>1% Decrease Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase Discount Rate</u>
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
College's proportionate share of the net pension liability	\$ 3,940,475	\$ 2,555,461	\$ 1,430,167

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At August 31, 2021, the College reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

	<u>2021</u>	<u>2020</u>
College's proportionate share of the net pension liability	\$ 2,555,461	\$ 2,770,323
State's proportionate share of the net pension liability	<u>1,744,060</u>	<u>1,672,866</u>
<b>Total</b>	<u>\$ 4,299,521</u>	<u>\$ 4,443,189</u>

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2019 rolled forward to August 31, 2020. The College's proportion of the net position liability was based on the College's contributions to the pension plan relative to the contributions of all participating entities to the Plan for the period September 1, 2019, through August 31, 2020.

At August 31, 2020, the College's proportion of the collective net pension liability was 0.0047714%, which is a decrease of 0.0005578801% from its proportion measured as of August 31, 2019 of 0.0053292736%.

For the years ended August 31, 2021 and 2020, the College recognized pension expense of \$270,672 and \$506,567 and revenue of \$209,772 and \$262,784 for support provided by the State in the Statements of Net Position – Primary Institution.

At August 31, 2021, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 4,666	\$ 71,316
Changes of assumptions	592,958	252,122
Difference between projected and actual earnings on pension plan investments	51,733	-
Changes in proportion and differences between College contributions and proportionate share of contributions	214,432	686,360
College contributions subsequent to the measurement date	<u>199,414</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 1,063,203</u></b>	<b><u>\$ 1,009,798</u></b>



**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At August 31, 2020, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 11,638	\$ 96,190
Changes of assumptions	859,490	355,182
Difference between projected and actual earnings on pension plan investments	27,818	-
Changes in proportion and differences between College contributions and proportionate share of contributions	299,268	621,960
College contributions subsequent to the measurement date	<u>204,285</u>	<u>-</u>
<b>Total</b>	<u><b>\$ 1,402,499</b></u>	<u><b>\$ 1,073,332</b></u>

The \$199,414 and \$204,285 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ended August 31, 2022 and 2021, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended August 31,**

2022	\$ (39,810)
2023	60,775
2024	24,243
2025	(93,025)
2026	(86,126)
Thereafter	<u>(12,066)</u>
<b>Total</b>	<u><b>\$ (146,009)</b></u>

**Optional Retirement Plan – Defined Contribution Plan**

*Plan Description*

Participation in the Optional Retirement Program is in lieu of participation in the TRS. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 10 - EMPLOYEES' RETIREMENT PLANS (CONTINUED)**

**Optional Retirement Plan – Defined Contribution Plan (Continued)**

*Funding Policy*

Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.60%, respectively for 2021 and 2020. The College contributes 1.31% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. S.B. 1812, effective September 1, 2013, limits the amounts of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the state for the College was approximately \$210,000, \$275,000, and \$128,000, for the fiscal years ended August 31, 2021, 2020, and 2019, respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the College for TRS and the Optional Retirement Program.

The total payroll of employees covered by the Optional Retirement Program was approximately \$432,000, \$368,000, and \$437,000, for fiscal years 2021, 2020, and 2019, respectively.

**College-Sponsored Benefit Plans**

The College has a defined contribution plan qualified under Section 401(k) of the IRC. Under the provisions of the plan, employees are eligible to participate when they have attained the age of 18 and have been credited with one year of service. Employee deferral contributions are not limited by the plan. The College's contributions are discretionary. The related expense was approximately \$180,000, \$134,000, and \$154,000, for the years ended August 31, 2021, 2020, and 2019, respectively.

The College has a voluntary employee defined contribution 403(b) plan administered by the Plan's trustee. The Plan is funded by employee deferrals of compensation. Plan funds are held in trust and are administered by the College's with oversight by the Board of Regents. Full-time employees and certain part-time employees are eligible to participate and are fully vested at all times. At August 31, 2021, 2020, and 2019, there were 1, 2, and 2, respectively, Plan participants.

**NOTE 11 - DEFERRED COMPENSATION PROGRAM**

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 12 - COMPENSATED ABSENCES**

Full-time employees earn annual leave from 80 to 120 hours per year depending on the number of years employed by the College. The College's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year. However, accrued leave time accumulated over the set maximum (0 to 5 years a maximum of 40 hours and over 5 years a maximum of 80 hours) will be forfeited on the employee's anniversary date. Employees with at least six months of service who terminate their employment are entitled to payment for accumulated annual leave up to the set maximum as stated above.

Compensated absences liabilities are reported as a current liability as the average maturity of such liability is considered to be less than one year. As a result, the College recognized the accrued liability for unpaid annual leave in the amount of \$103,912 and \$93,877 at August 31, 2021 and 2020, respectively. Sick leave, which can be accumulated up to 50 days, is earned at the rate of eight hours per month; however, sick leave is not paid at termination. The College's policy is to recognize the cost of sick leave when utilized by employees. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

**NOTE 13 - COMMITMENTS, CONTINGENCIES AND LAWSUITS**

The College participates in various state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. In the opinion of the College's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no other provision has been recorded in the accompanying financial statements for such contingencies. Additionally, the College's students participate in the Federal Direct Loan Program for which the proceeds are used for tuition and education-related costs. Regulations require that default rates pertaining to loans to persons attending the College not exceed certain levels at the College. In the event that specific levels were exceeded, the program could be discontinued at the College; however, the College does not anticipate this occurring. The total amount of Direct Loans made during 2021 and 2020 was \$459,484 and \$589,203, respectively.

At August 31, 2021, there were no lawsuits or claims involving the College.

On September 13, 2016, the College received a letter from the Texas Higher Education Coordinating Board (THECB) summarizing the findings from their on-site Methods of Administration Civil Rights Compliance Review. The College responded to the THECB on November 11, 2016 and developed a five year plan to address the findings with evidence of completion required by September 30, 2022. The College has estimated that it will spend approximately \$170,000 through fiscal year 2022 to comply with the findings.

**NOTE 14 - RISK FINANCING**

The College does not participate in public entity risk pools. Claims and judgments are accounted for in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. Property and casualty risks are insured through

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 14 - RISK FINANCING (CONTINUED)**

insurance contracts. Workers compensation risks are substantially covered by insurance. Health claims are fully covered by the state of Texas.

**NOTE 15 - DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

Receivables at August 31, 2021 and 2020, consisted of the following:

	<u><b>2021</b></u>	<u><b>2020</b></u>
Student receivables, net of allowance	\$ 1,665,754	\$ 1,756,384
Tuition payment processing program	166,923	-
Taxes receivable, net of allowance of \$162,643 and \$148,142 for 2021 and 2020, respectively	83,661	90,156
Government grants and contracts	119,670	86,906
Other	<u>47,512</u>	<u>41,280</u>
<b>Total accounts receivable, net</b>	<u><b>\$ 2,083,520</b></u>	<u><b>\$ 1,974,726</b></u>

Accounts payable at August 31, 2021 and 2020, consisted of the following:

	<u><b>2021</b></u>	<u><b>2020</b></u>
Vendors payable and other	\$ <u>445,530</u>	\$ <u>699,592</u>
<b>Total accounts payable</b>	<u><b>\$ 445,530</b></u>	<u><b>\$ 699,592</b></u>

**NOTE 16 - CONTRACT AND GRANT AWARDS**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2A and Schedules A and C. For federal and nonfederal contract and grant awards, funds expended, but not collected, are reported as accounts receivable on Exhibit 1A. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements.

**NOTE 17 - HEALTH CARE AND LIFE INSURANCE BENEFITS**

Certain healthcare and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time employee was approximately \$625 per month for the year ended August 31, 2021, (\$625 per month for the year ended August 31, 2020) and totaled \$353,207 for the year ended August 31, 2021, (\$353,207 for the year ended August 31, 2020). The cost of providing those benefits for retirees in the year ended 2021 was \$186,143 (retiree benefits for retirees cost \$188,025 in 2020). For active employees, the cost of providing benefits

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 17 - HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)**

was \$167,064 for the year ended 2021 (active employee benefits for employees cost \$165,182 for the year ended 2020). S.B. 1812, effective September 1, 2013, limits the amounts of the state's contribution to 50% of eligible employees in the reporting district.

Beginning September 1, 2013, S.B. 1812 limited the state's contribution to 50% of eligible employees for community colleges.

**NOTE 18 - AD VALOREM TAX**

The College's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the taxing jurisdictions.

**At August 31, 2021:**

Assessed valuation of the District	\$ 1,296,802,080
Less: exemptions and abatements	<u>234,089,510</u>
<b>Net assessed valuation of the District</b>	<b><u>\$ 1,062,712,570</u></b>

	<u><b>Current Operations</b></u>	<u><b>Debt Service</b></u>	<u><b>Total</b></u>
Tax rate per \$100 valuation for authorized	\$ .22000	\$ .5000	\$ .72000
Tax rate per \$100 valuation for assessed	.22000	.0000	.22000
Taxes collected	2,297,247	-	2,297,247
Delinquent taxes collected	40,687	-	40,687
Penalties and interest collected	<u>21,011</u>	<u>-</u>	<u>21,011</u>
<b>Total collections</b>	<b><u>\$ 2,358,945</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,358,945</u></b>

**At August 31, 2020:**

Assessed valuation of the District	\$ 1,301,331,080
Less: exemptions and abatements	<u>226,386,220</u>
<b>Net assessed valuation of the District</b>	<b><u>\$ 1,074,944,860</u></b>

	<u><b>Current Operations</b></u>	<u><b>Debt Service</b></u>	<u><b>Total</b></u>
Tax rate per \$100 valuation for authorized	\$ .22000	\$ .5000	\$ .72000
Tax rate per \$100 valuation for assessed	.22000	.0000	.22000
Taxes collected	2,362,765	-	2,362,765
Delinquent taxes collected	38,283	-	38,283
Penalties and interest collected	<u>30,750</u>	<u>-</u>	<u>30,750</u>
<b>Total collections</b>	<b><u>\$ 2,431,798</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,431,798</u></b>

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 18 - AD VALOREM TAX (CONTINUED)**

Taxes levied for the years ended August 31, 2021 and 2020, were approximately \$2,353,000 and \$2,591,000, respectively, (which included penalty and interest assessed, if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

Tax collections for the years ended August 31, 2021 and 2020, were 97.65% and 91.18%, respectively, of the current tax levy. Allowance for uncollectible taxes is based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

**NOTE 19 - BRANCH CAMPUS MAINTENANCE TAX**

A branch campus maintenance tax that is established by election is levied by Ochiltree County. It is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Collections are transferred to the College to be used for operation of a branch campus in Perryton, Texas. This revenue is reported under local grant contracts. Collections in fiscal years 2021 and 2020 (including penalties and interest) from Ochiltree County totaled approximately \$557,000 and \$617,000, respectively.

A branch campus maintenance tax that is established by election is levied by Dallam and Hartley Counties. It is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Collections are transferred to the College to be used for operation of a branch campus in Dalhart, Texas. This revenue is reported under local grant contracts. Collections in fiscal years 2021 and 2020 (including penalties and interest) from Dallam and Hartley Counties totaled approximately \$713,000 and \$690,000, respectively.

On behalf of the College, the Dalhart Education Foundation constructed a facility of approximately 18,000 sq. ft. estimated at \$4,500,000. On May 1, 2018, the Dalhart Education Foundation leased the building to the College for \$500 per month. On January 1, 2019, the base monthly rent was increased to \$1,000 per month. The lease term was through January 30, 2020 but was subject to automatic renewal from year to year unless terminated in writing by either party. At August 31, 2021 and 2020, rental expense was \$12,000 and \$6,000, respectively.

**NOTE 20 - INCOME TAXES**

The College is exempt from income taxes under IRC Section 115, "Income of States, Municipalities, Etc.," although unrelated business income may be subject to income taxes under IRC Section 511 (a)(2)(B), "Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations." The College had no unrelated business income tax liability for the years ended August 31, 2021 and 2020.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN**

**Plan Description**

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

**OPEB Plan Fiduciary Net Position**

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Comprehensive Annual Financial Report (CAFR) that includes financial statements, notes to the financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management/2020-CAFR.pdf>; or by writing to ERS at: 200 East 18<sup>th</sup> Street, Austin, TX 78701; or by calling (877)275-4377. The fiduciary net position of the plan has been determined using the same basis used by the OPEB plan.

**Benefits Provided**

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

**Contributions**

Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**Contributions (Contributions)**

the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

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

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

<b><u>Employer Contribution Rates</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Retiree only	\$ 624.82	\$ 624.82
Retiree and spouse	\$ 1,339.90	\$ 1,340.82
Retiree and children	\$ 1,103.58	\$ 1,104.22
Retiree and family	\$ 1,818.66	\$ 1,820.22

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

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

	<b><u>2021</u></b>	<b><u>2020</u></b>
Current fiscal year employer contributions	\$ 182,755	\$ 178,928
Current fiscal year member contributions	-	-
Measurement year NECE on-behalf contributions	353,207	375,316

**Actuarial Assumptions**

The total OPEB liability in the August 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Additional Actuarial Methods and Assumptions:**

Valuation date	August 31, 2020
Actuarial cost method	Entry Age
Amortization	Level percent of payroll, open
Discount rate	2.20%
Remaining Amortization	30 Years
Asset Valuation Method	Not Applicable



**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

Projected salary increases (includes inflation)	2.30% to 9.05%, including inflation
Healthcare trend rates	8.80% for FY 2022, 5.25% for FY 2023, 5.00% for FY 2024, 4.75% for FY2025, 4.60% for FY2026, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY 2029 and later years
Inflation assumption rate	2.50%
Ad hoc postemployment benefit changes	None
Mortality assumptions:	
Service retirees, survivors and other inactive members	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018
Disability retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members
Active members	Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014

Many actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS and TRS retirement plan actuaries for the period September 1, 2010 to August 31, 2017 for higher education members.

**Changes Since the Prior Actuarial Valuation**

Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

- Since the last valuation was prepared for this plan, assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated to reflect recent experience and its effects on short-term expectations.
- The Patient – Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated to reflect IRS Notice 2020-44 published June 8, 2020.

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**Changes Since the Prior Actuarial Valuation (Continued)**

- Assumed inflation has been updated to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary and adopted by the ERS trustees.
- The percentage of current retirees and their spouses not eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- The percentage of the female retirees assumed to be married and electing coverage for their spouse.
- The percentage of future retirees assumed to cover dependent children.
- The discount rate assumption was changed from 2.97% to 2.20%, as a result of requirements by GASB No.74 to utilize the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

The following benefit revisions have been adopted since the prior measurement date.

- An increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect (CDHD) from \$6,750 to \$6,900 for individuals and from \$13,300 to \$13,500 for families in order to remain consistent with Internal Revenue Service Maximums.

These minor benefit change is provided for in FY2020 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is primary.

**Investment Policy**

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2017 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 2.4%.

**Discount Rate**

Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement period was 2.97%. The discount rate used to measure the total OPEB liability as of the end of

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**Discount Rate (Continued)**

the measurement year was 2.20%, which amounted to a decrease of 0.77% from the beginning of the year. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable to zero years.

**Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the College's proportionate share of the collective Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.20%) in measuring the Net OPEB Liability.

	<b>1% Decrease in Discount Rate 1.20%</b>	<b>Current Single Discount Rate 2.20%</b>	<b>1% Increase in Discount Rate 3.20%</b>
Proportionate share of the Net OPEB Liability	\$ 10,167,354	\$ 8,554,270	\$ 7,290,564

**Healthcare Cost Trend Rates Sensitivity Analysis**

The initial healthcare trend rate is 8.8% and the ultimate rate is 4.3%. The following presents the College's proportionate share of the collective net OPEB Liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB Liability would be if it were calculated using a healthcare cost trend rate that is one-percentage point lower or one-percentage point higher than healthcare cost trend rate that was used (8.8% decreasing to 4.3%) in measuring the Net OPEB Liability.

	<b>1% Decrease in Healthcare Trend Cost (7.80% decreasing to 3.30%)</b>	<b>Current Healthcare Cost Trend Rate (8.80% decreasing to 4.30%)</b>	<b>1% Increase in Healthcare Cost Trend (9.80% decreasing to 5.30%)</b>
Proportionate share of the Net OPEB Liability	\$ 7,159,362	\$ 8,554,270	\$10,382,850

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At August 31, 2021, the College reported a liability of \$8,554,270 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the College. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

College's proportionate share of the collective Net OPEB Liability	\$ 8,554,270
State's proportionate share that is associated with the College	<u>3,882,550</u>
<b>Total</b>	<b><u>\$ 12,436,820</u></b>

The net OPEB liability was measured as of August 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The College's portion of the net OPEB liability was based on the College's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At the measurement date August 31, 2020, the College's proportion of the collective net OPEB liability was 0.02588702%, which is a decrease of 0.00265586% from its proportion measured as of August 31, 2019.

For the year ended August 31, 2021, the College recognized total OPEB expense of \$328,873 and revenue for support provided by state and federal sources of \$(45,809).

At August 31, 2021, the College reported its proportionate share of the ERS's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experiences	\$ -	\$ 334,562
Changes in actuarial assumptions	495,233	1,843,093
Differences between projected and actual investment earnings	2,553	-
Changes in proportion and differences between the employer's contributions and proportionate share of contributions	<u>2,258,362</u>	<u>903,658</u>
<b>Total as of August 31, 2020 measurement date</b>	<b>\$ 2,756,148</b>	<b>\$ 3,081,313</b>
Contributions paid to ERS subsequent to the measurement date	<u>182,755</u>	<u>-</u>
<b>Total as of fiscal year end</b>	<b><u>\$ 2,938,903</u></b>	<b><u>\$ 3,081,313</u></b>

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 21 - DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (Continued)**

At August 31, 2020, the College reported its proportionate share of the ERS's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ -	\$ 256,701
Changes in actuarial assumptions	702,053	2,204,494
Differences between projected and actual investment earnings	4,056	-
Changes in proportion and differences between the employer's contributions and proportionate share of contributions	<u>3,119,343</u>	<u>-</u>
<b>Total as of August 31, 2019 measurement date</b>	<b>\$ 3,825,452</b>	<b>\$ 2,461,195</b>
Contributions paid to ERS subsequent to the measurement date	<u>178,928</u>	<u>-</u>
<b>Total as of fiscal year end</b>	<b><u>\$ 4,004,380</u></b>	<b><u>\$ 2,461,195</u></b>

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

**Year ended August 31,**

2022	\$ (117,568)
2023	127,757
2024	107,553
2025	(280,962)
2026	(161,945)
Thereafter	<u>-</u>
<b>Total</b>	<b><u>\$ (325,165)</u></b>

**NOTE 22 - COMPONENT UNIT**

**Frank Phillips College Development Corporation - Discrete Component Unit**

The Foundation was established as a separate nonprofit organization to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No. 61, *The Financial Reporting Entity Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

Accordingly, the Foundation financial statements are included in the College's annual report as a discrete component unit (see table of contents).

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2021 and 2020**

**NOTE 23 - NEW GASB PRONOUNCEMENTS**

The Governmental Accounting Standards Board has issued several new pronouncements that the College has reviewed for application to their accounting and reporting.

*Recently Issued Accounting Pronouncements*

GASB Statement No. 84, *Fiduciary Activities*, the objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. GASB No. 84 is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The College implemented this statement during the current year; however it did not have a significant impact on the financial statements.

GASB Statement No. 87, *Leases*, the objective of this statement is to better meet the information needs of the financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB 87 is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. The College is currently evaluating the effect of this statement on their financial statements.

GASB Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 23 - NEW GASB PRONOUNCEMENTS (CONTINUED)**

*Recently Issued Accounting Pronouncements (Continued)*

separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit, in which a government has a 100 percent equity interest, account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The College implemented this statement during the current year.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required not disclosures. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The College is currently evaluating the effect of this statement on their financial statements.

GASB Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about (1) the effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports; (2) Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; (3) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 23 - NEW GASB PRONOUNCEMENTS (CONTINUED)**

*Recently Issued Accounting Pronouncements (Continued)*

accumulated for postemployment benefits; (4) The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; (5) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; (6) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; (7) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and (8) Terminology used to refer to derivative instruments. The requirements of this Statement are effective as follows (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020; (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020. Earlier application is encouraged and is permitted by topic. The College implemented this statement during the current year.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. The College implemented applicable portions of this statement during 2021 and will implement the remainder in 2022.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).



**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 23 - NEW GASB PRONOUNCEMENTS (CONTINUED)**

*Recently Issued Accounting Pronouncements (Continued)*

This statement achieves that objective by (1) establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions (2) requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The College is currently evaluating the effect of this statement on their financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months, including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources. This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The College is currently evaluating the effect of this statement on their financial statements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are other employee benefit

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2021 and 2020**

**NOTE 23 - NEW GASB PRONOUNCEMENTS (CONTINUED)**

*Recently Issued Accounting Pronouncements (Continued)*

plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are financially administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The College has implemented these two requirements in FY 20. All other requirements of this Statement are effective for fiscal years beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted. The College is evaluating the effect of this statement on their financial statements.

**NOTE 24 - SUBSEQUENT EVENT**

The College has evaluated for inclusion as a subsequent event disclosure only those events that occurred prior to December 9, 2021, the date the financial statements were available to be issued. There were no events that require disclosure except as noted below:

In March 2020 the World Health Organization declared the novel strain of coronavirus a "Public Health Emergency of International Concern". As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. The extent of the impact on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers, employees and vendors all of which are uncertain and cannot be predicted. At this point the extent to which COVID-19 may impact our subsequent financial condition or results of operations is uncertain.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**BORGER JUNIOR COLLEGE DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION -  
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY\*\*  
TEACHERS RETIREMENT SYSTEM OF TEXAS  
For the Years Ended August 31,**

	Measurement Year Ended August 31,						
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
College's proportionate share (percentage) of the net pension liability	0.0047714%	0.0053293%	0.0063827%	0.0073384%	0.0060714%	0.0055977%	0.0062939%
College's proportionate share (amount) of the net pension liability	\$ 2,555,461	\$ 2,770,323	\$ 3,513,193	\$ 2,346,416	\$ 2,294,307	\$ 1,978,712	\$ 1,681,188
State's proportionate share (amount) of the net liability associated with the College	1,744,060	1,672,866	1,147,738	334,122	778,780	976,625	698,014
<b>Total</b>	<u><u>\$ 4,299,521</u></u>	<u><u>\$ 4,443,189</u></u>	<u><u>\$ 4,660,931</u></u>	<u><u>\$ 2,680,538</u></u>	<u><u>\$ 3,073,087</u></u>	<u><u>\$ 2,955,337</u></u>	<u><u>\$ 2,379,202</u></u>
College's covered payroll (for measurement year)	\$ 4,890,074	\$ 5,331,167	\$ 4,969,240	\$ 4,043,089	\$ 3,783,595	\$ 3,633,564	\$ 3,235,450
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.26%	51.96%	70.70%	58.04%	60.64%	54.46%	51.96%
Plan's fiduciary net position as a percentage of the total pension liability	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

Note 1: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of College's respective fiscal years as opposed to the time periods covered by the measurement date.

Note 2: In accordance with GASB 68, Paragraph 138, only seven years of data are presented this reporting period. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

\*\*This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

**BORGER JUNIOR COLLEGE DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION -  
SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS TO THE PENSION\*\*  
TEACHERS RETIREMENT SYSTEM OF TEXAS  
For the Years Ended August 31,**

	<b>Fiscal Year Ended August 31,</b>						
	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Contractually required contributions	\$ 199,414	\$ 204,285	\$ 180,709	\$ 211,858	\$ 240,549	\$ 193,555	\$ 165,751
Contributions in relation to the contractually required contributions	<u>(199,414)</u>	<u>(204,285)</u>	<u>(198,727)</u>	<u>(211,858)</u>	<u>(240,549)</u>	<u>(193,555)</u>	<u>(165,751)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,018)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	<u>\$ 4,529,308</u>	<u>\$ 4,890,074</u>	<u>\$ 5,331,167</u>	<u>\$ 4,969,240</u>	<u>\$ 4,043,089</u>	<u>\$ 3,783,595</u>	<u>\$ 3,633,564</u>
Contributions as a percentage of covered payroll	4.40%	4.18%	3.39%	4.26%	5.95%	5.12%	4.56%

Note 1: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of College's respective fiscal years as opposed to the time periods covered by the measurement date.

Note 2: In accordance with GASB 68, Paragraph 138, only seven years of data are presented this reporting period. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

\*\*This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE  
NET OPEB LIABILITY (ERS)\*\*  
Years Ended August 31,**

	Measurement Year Ended August, 31			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
College's Proportion of collective Net OPEB Liability	0.025887020%	0.028542880%	0.028464160%	0.017024420%
College's Proportionate Share of collective Net OPEB Liability	\$ 8,554,270	\$ 9,865,183	\$ 8,436,134	\$ 5,800,733
State's Proportionate Share of the Net OPEB Liability associated with the College	<u>3,882,550</u>	<u>4,377,624</u>	<u>3,747,416</u>	<u>4,926,195</u>
Total	<u>\$ 12,436,820</u>	<u>\$ 14,242,807</u>	<u>\$ 12,183,550</u>	<u>\$ 10,726,928</u>
College's Covered Payroll	\$ 4,890,074	\$ 5,331,167	\$ 4,969,240	\$ 4,043,089
College's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	174.93%	185.05%	169.77%	143.47%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.32%	0.17%	1.27%	2.04%

Note: GASB Condition, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2021, FY 2020, FY 2019, and FY 2018 are based on the August 31, 2020, 2019, 2018, and 2017 measurement dates.

\*\* This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

**BORGER JUNIOR COLLEGE DISTRICT**  
**SCHEDULE OF COLLEGE'S CONTRIBUTIONS TO THE OPEB PLAN\*\***  
**Years Ended August 31,**

	<u>Fiscal Year Ended August, 31</u>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 182,755	\$ 178,928	\$ 127,399	\$ 164,508
Contribution in relation to the contractually required contribution	<u>(182,755)</u>	<u>(178,928)</u>	<u>(159,890)</u>	<u>(164,508)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,491)</u>	<u>\$ -</u>
College's covered payroll	\$ 4,529,308	\$ 4,890,074	\$ 5,331,167	\$ 4,969,240
Contributions as a percentage of covered payroll	4.03%	3.66%	3.00%	3.31%

Note: GASB Condition, Vol. 2, P50.238 requires that the data in this schedule be presented as of the College's respective fiscal year as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

\*\* This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

**BORGER JUNIOR COLLEGE DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year Ended August 31, 2021**

**NOTE 1 - CHANGES OF BENEFIT TERMS FOR TRS PENSION LIABILITY**

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

**NOTE 2 - CHANGES OF ASSUMPTIONS FOR PENSION LIABILITY**

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

**NOTE 3 - CHANGES OF BENEFIT TERMS FOR OPEB**

The following benefit change will become effective January 1, 2021.

- An increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect for those HealthSelect retirees and dependents for whom Medicare is not primary in order to remain consistent with Internal Revenue Service Maximums.

**NOTE 4 - CHANGES IN ASSUMPTIONS FOR OPEB**

Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

- Assumed Per Capita Health Benefit Costs and Assumed Health Benefit Cost and Retiree Contribution trends have been updated to reflect recent experience and its effects on our short-term expectations.
- The Patient – Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary and adopted by the ERS trustees.
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- The percentage of future female retirees assumed to be married and electing coverage for their spouse.
- The percentage of future retirees assumed to cover dependent children.
- The discount rate assumption was changed from 2.97% as of August 31, 2019 to 2.20% as of August 31, 2020 as a result of requirements by GASB No. 74 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.



## **OTHER SUPPLEMENTAL INFORMATION**

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**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE A  
SCHEDULE OF OPERATING REVENUES  
YEAR ENDED AUGUST 31, 2021  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2020)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2021</u>	<u>2020</u>
<b>TUITION</b>						
State-funded courses						
In-district resident tuition	\$ 495,333	\$ -	\$ 495,333	\$ -	\$ 495,333	\$ 503,555
Out-of-district resident tuition	545,525	-	545,525	-	545,525	485,000
Non-resident tuition	172,031	-	172,031	-	172,031	151,287
TPEG - Credit (set aside)*	72,773	-	72,773	-	72,773	69,342
Non-state funded continuing education	383,285	-	383,285	-	383,285	460,861
Total tuition	<u>1,668,947</u>	<u>-</u>	<u>1,668,947</u>	<u>-</u>	<u>1,668,947</u>	<u>1,670,045</u>
<b>FEES</b>						
General fee	925,344	-	925,344	-	925,344	846,907
Student service fee	-	-	-	202,483	202,483	185,955
Laboratory fee	128,550	-	128,550	-	128,550	127,388
Other fees	1,179,463	-	1,179,463	-	1,179,463	1,128,364
Total fees	<u>2,233,357</u>	<u>-</u>	<u>2,233,357</u>	<u>202,483</u>	<u>2,435,840</u>	<u>2,288,614</u>
<b>SCHOLARSHIP ALLOWANCES AND DISCOUNTS</b>						
Scholarship allowances	-	-	-	(376,882)	(376,882)	(469,403)
TPEG allowances	-	-	-	-	-	-
Title IV Federal grants	(20,000)	-	(20,000)	-	(20,000)	(20,000)
Other Federal grants	(1,944,955)	-	(1,944,955)	-	(1,944,955)	(1,587,618)
Remissions and exemptions - state	(55,261)	-	(55,261)	-	(55,261)	(75,097)
Total scholarship allowances and discounts	<u>(2,020,216)</u>	<u>-</u>	<u>(2,020,216)</u>	<u>(376,882)</u>	<u>(2,397,098)</u>	<u>(2,152,118)</u>
Total net tuition and fees	<u>1,882,088</u>	<u>-</u>	<u>1,882,088</u>	<u>(174,399)</u>	<u>1,707,689</u>	<u>1,806,541</u>

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE A, CONTINUED  
SCHEDULE OF OPERATING REVENUES  
YEAR ENDED AUGUST 31, 2021  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2020)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2021</u>	<u>2020</u>
<b>ADDITIONAL OPERATING REVENUES</b>						
Federal grants and contracts	-	2,197,163	2,197,163	-	2,197,163	459,127
State grants and contracts	-	394,232	394,232	-	394,232	267,255
Local grants and contracts	1,260,883	-	1,260,883	-	1,260,883	1,670,373
General operating revenues	80,577	-	80,577	-	80,577	95,787
Total additional operating revenues	<u>1,341,460</u>	<u>2,591,395</u>	<u>3,932,855</u>	<u>-</u>	<u>3,932,855</u>	<u>2,492,542</u>
<b>AUXILIARY ENTERPRISES</b>						
Bookstore	-	-	-	-	-	-
Less: Discounts	-	-	-	(7,412)	(7,412)	(7,339)
Residential	-	-	-	639,923	639,923	595,274
Less: Discounts	-	-	-	(184,312)	(184,312)	(187,477)
Other Auxiliary Enterprises	-	-	-	196,410	196,410	223,821
Total net auxiliary enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>644,609</u>	<u>644,609</u>	<u>624,279</u>
<b>TOTAL OPERATING REVENUES</b>	<u>\$ 3,223,548</u>	<u>\$ 2,591,395</u>	<u>\$ 5,814,943</u>	<u>\$ 470,210</u>	<u>\$ 6,285,153</u>	<u>\$ 4,923,362</u>

(Exhibit 2A)

\*In accordance with Education Code 56.033, \$72,733 and \$69,342 for years ended August 31, 2021 and 2020, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE B  
SCHEDULE OF OPERATING EXPENSES BY OBJECT  
YEAR ENDED AUGUST 31, 2021  
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2020)**

	Operating Expenses				2021	2020
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
<b>UNRESTRICTED EDUCATIONAL ACTIVITIES</b>						
Instruction	\$ 3,358,241	\$ -	\$1,073,739	\$ 1,112,374	\$ 5,544,354	\$ 5,891,375
Academic support	60,660	-	19,395	61,409	141,464	194,809
Student services	300,157	-	144,010	109,615	553,782	528,268
Institutional support	1,195,473	-	564,583	1,490,951	3,251,007	2,529,885
Operation and maintenance of plant	171,545	-	54,849	505,893	732,287	1,194,259
Scholarship and fellowships	-	-	-	104,332	104,332	370,024
Total unrestricted educational activities	5,086,076	-	1,856,576	3,384,574	10,327,226	10,708,620
<b>RESTRICTED EDUCATIONAL ACTIVITIES</b>						
Instruction	-	370,208	-	-	370,208	412,045
Academic support	-	6,688	-	-	6,688	7,275
Student services	150,251	49,652	49,344	334,425	583,672	348,476
Institutional support	-	131,787	-	353,160	484,947	126,046
Operation and maintenance of plant	-	18,911	-	-	18,911	27,264
Scholarship and fellowships	-	-	-	22,503	22,503	17,039
Total restricted educational activities	150,251	577,246	49,344	710,088	1,486,929	938,145
Total educational activities	5,236,327	577,246	1,905,920	4,094,662	11,814,155	11,646,765
<b>AUXILIARY ENTERPRISES</b>	152,081	-	29,237	1,359,870	1,541,188	1,424,133
<b>DEPRECIATION EXPENSE - buildings and other real estate improvements</b>	-	-	-	397,671	397,671	442,572
<b>DEPRECIATION EXPENSE - equipment and furniture</b>	-	-	-	392,370	392,370	325,789
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,388,408</b>	<b>\$ 577,246</b>	<b>\$1,935,157</b>	<b>\$ 6,244,573</b>	<b>\$ 14,145,384</b>	<b>\$13,839,259</b>
					(Exhibit 2A)	

**BORGER JUNIOR COLLEGE DISTRICT**  
**SCHEDULE C**  
**SCHEDULE OF NONOPERATING REVENUES AND EXPENSES**  
**YEAR ENDED AUGUST 31, 2021**  
**(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2020)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2021</u>	<u>2020</u>
<b>NONOPERATING REVENUES</b>					
State appropriations:					
Education and general state support	\$ 2,539,084	\$ -	\$ -	\$ 2,539,084	\$ 2,539,220
State group insurance	-	307,398	-	307,398	358,166
State retirement matching	-	224,039	-	224,039	274,923
Total state appropriations	2,539,084	531,437	-	3,070,521	3,172,309
Maintenance ad valorem taxes	2,365,647	-	-	2,365,647	2,440,421
Federal revenue, nonoperating	-	2,377,205	-	2,377,205	2,010,586
Gifts	183,500	153,947	-	337,447	911,767
Investment income	96	1,384	-	1,480	6,931
Total nonoperating revenues	5,088,327	3,063,973	-	8,152,300	8,542,014
<b>NONOPERATING EXPENSES</b>					
Interest on capital related debt	4,862	-	-	4,862	12,916
Gain on impairment of capital assets	(2,500)	-	-	(2,500)	96,336
Other nonoperating (income) expenses	(131,227)	-	-	(131,227)	34,637
Total nonoperating expenses	(128,865)	-	-	(128,865)	143,889
<b>NET NONOPERATING REVENUES</b>	<u>\$ 5,217,192</u>	<u>\$ 3,063,973</u>	<u>\$ -</u>	<u>\$ 8,281,165</u>	<u>\$ 8,398,125</u>

(Exhibit 2A)

**BORGER JUNIOR COLLEGE DISTRICT**  
**SCHEDULE D**  
**SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY**  
**YEAR ENDED AUGUST 31, 2021**  
**(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2020)**

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Nonexpendable				
<b>CURRENT</b>							
Unrestricted	\$ (12,477,133)	\$ -	\$ -	\$ -	\$ (12,477,133)	\$ (12,477,133)	\$ -
Board designated	489,487	-	-	-	489,487	489,487	-
Restricted	-	634,297	-	-	634,297	-	634,297
Auxiliary enterprises	-	-	-	-	-	-	-
<b>LOAN</b>							
<b>ENDOWMENT</b>							
Quasi:							
Unrestricted	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Endowment							
True	-	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-	-
Life income contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
<b>PLANT</b>							
Unexpended	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Investment in plant	-	-	-	12,772,901	12,772,901	-	12,772,901
Total net position, August 31, 2021	(11,987,646)	634,297	-	12,772,901	1,419,552 (Exhibit 1A)	(11,987,646)	13,407,198
Total net position, August 31, 2020	(11,535,512)	849,464	-	11,684,666	998,618	(11,535,512)	12,534,130
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	\$ (452,134)	\$ (215,167)	\$ -	\$ 1,088,235	\$ 420,934 (Exhibit 2A)	\$ (452,134)	\$ 873,068

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE E  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2021**

Federal Grantor/Pass Through Grantor/ Program Title	Assistance Listing Number	Expenditures			Subrecipients Expenditures
		Direct Awards	Pass-Through Awards	Total	
<b>U.S. Department of Education</b>					
Direct Programs:					
Student Financial Aid Cluster					
Federal Supplemental Educational Opportunity Grant Program (FSEOG)	84.007	\$ 23,883	\$ -	\$ 23,883	\$ -
Federal Work Study Program	84.033	22,503	-	22,503	-
Federal Pell Grant Program	84.063	1,921,072	-	1,921,072	-
Federal Direct Student Loans	84.268	459,484	-	459,484	-
Student Financial Aid Cluster		2,426,942	-	2,426,942	-
Title III - Gateways to Success	84.031A	442,757	-	442,757	-
TRIO Cluster					
Title IV - TRIO	84.042	266,355	-	266,355	-
COVID-19 Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	244,218	-	244,218	-
COVID-19 Higher Education Emergency Relief Fund - Institutional	84.425F	1,418,445	-	1,418,445	-
COVID-19 Higher Education Emergency Relief Fund - Minority Servicing Institution	84.425L	91,743	-	91,743	-
Total COVID-19 Education Stabilization Fund CFDA #84.425		1,754,406	-	1,754,406	-
Total Direct Programs		4,890,460	-	4,890,460	-
Pass-Through From:					
Texas Higher Education Coordinating Board					
Carl Perkins Vocational Education - Basic	84.048	-	68,252	68,252	-
Total Pass-Through from Texas Higher Education Coordinating Board		-	68,252	68,252	-
Pass-Through From:					
Amarillo College					
Carl D. Perkins Career and Technical Education	84.048	-	75,140	75,140	-
Total Pass-Through from Amarillo College		-	75,140	75,140	-
<b>Total U.S. Department of Education</b>		4,890,460	143,392	5,033,852	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		\$ 4,890,460	\$ 143,392	\$ 5,033,852	\$ -

See accompanying notes to Schedule of Expenditures of Federal Awards.



**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**August 31, 2021**

**NOTE 1 - FEDERAL ASSISTANCE RECONCILIATION**

Federal grants and contracts revenue, operating - per Schedule A	\$ 2,197,163
Federal grants and contracts revenue, nonoperating-per Schedule C	2,377,205
Federal Direct Student Loans	<u>459,484</u>
<b>Total federal revenues per Schedule of Expenditures of Federal Awards</b>	<b><u>\$ 5,033,852</u></b>

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE**

The expenditures included in the schedule are reported for the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the College for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule. The College elected not to use the 10% de minimis indirect cost rate. The College uses 8% indirect cost rate for TRIO as authorized by the grant. The College did not provide pass-through funds to subrecipients for the year ended August 31, 2021.

**NOTE 3 - NONCASH AWARDS**

There were no federal noncash awards in fiscal year 2021 other than Federal Direct Student Loans discussed in Note 1 above.

**NOTE 4 - HIGHER EDUCATION EMERGENCY FUND**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020, by the President and established the Higher Education Emergency Relief Fund (HEERF). The HEERF grant programs allowed (Assistance Listing 84.425F) for reimbursement of lost revenue. The College estimated total lost revenues of \$664,657. As August 31, 2021, \$226,843 of estimated lost revenue was incurred in the prior year and is included in the schedule of expenditures of federal awards.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE F  
SCHEDULE OF EXPENDITURES OF STATE OF TEXAS AWARDS  
YEAR ENDED AUGUST 31, 2021**

<u>Grantor Agency/Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
Texas Higher Education Coordinating Board		
Direct Programs:		
Texas Educational Opportunity Grant 2020-2021	-	\$ 65,931
Governor's Emergency Education Relief Fund	-	5,645
Total Texas Higher Education Coordinating Board		<u>71,576</u>
Panhandle Regional Planning Commission		
High Demand Job Training	-	41,815
Total Panhandle Regional Planning Commission		<u>41,815</u>
Texas Workforce Commission		
Direct Programs:		
Skills - Hilmar	0120SDF001	33,825
Skills - Small Business	0121SS0001	4,480
Total Texas Workforce Commission Skills Program		<u>38,305</u>
Jobs and Education for Texans Program	0120JET001	242,536
Total Texas Workforce Commission		<u>280,841</u>
<b>Total Expenditures of State of Texas Awards</b>		<u><u>\$ 394,232</u></u>

See accompanying notes to Schedule of Expenditures of State of Texas Awards.

**BORGER JUNIOR COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE OF TEXAS AWARDS**  
**August 31, 2021**

**NOTE 1 - STATE ASSISTANCE RECONCILIATION**

State grants and contracts revenue – per Schedule A	<u>\$ 394,232</u>
Total state expenditures per Schedule A expenditures of State of Texas Awards	<u>\$ 394,232</u>

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE**

The accompanying schedule is presented using the accrual basis of accounting. See Note 2 to the financial statements for the College's significant accounting policies. These expenditures are reported on the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis.

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## **SINGLE AUDIT SECTION**

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**Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Board of Regents  
Borger Junior College District  
Borger, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component unit of Borger Junior College District (the College) for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 9, 2021.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned cost as item 2021-001 that is considered to be a significant deficiency.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct



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and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned cost as item 2021-001.

### ***The College's Response to Findings***

The College's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CMMS CPAS & ADVISORS P.A.L.C

Amarillo, Texas  
December 9, 2021

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**Independent Auditor's Report on Compliance for Each Major Program  
and on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Regents  
Borger Junior College District  
Borger, Texas

***Report on Compliance for Each Major Federal Programs***

We have audited Borger Junior College District's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended August 31, 2021. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

***Opinion on Each Major Federal Programs***

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.



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### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance which are described in the accompanying schedule of findings and questioned costs as items 2021-002, 2021-003, 2021-004, 2021-005 and 2021-006. Our opinion on each major federal and state program is not modified with respect to these matters.

The College's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The College is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The College's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on it.

### ***Report on Internal Control over Compliance***

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2021-002, 2021-003, 2021-004, 2021-005 and 2021-006 that we consider to be significant deficiencies.

The College's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

CMMS CPAS & ADVISORS PLLC

Amarillo, Texas  
December 9, 2021

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended August 31, 2021**

**SECTION I - Summary of Auditor's Results**

***Financial Statements***

Type of Auditor's report issued:

The Auditor's report expresses an unmodified opinion on the basic financial statements of Borger Junior College District.

Internal control over financial reporting:

- Material weakness(es) identified?                           yes      X   no
- Significant deficiency(ies) identified?             X   yes           none reported

Noncompliance material to financial statements noted?           yes      X   no

***Federal and State Awards***

Internal control over major programs:

- Material weakness(es) identified?                           yes      X   no
- Significant deficiency(ies) identified?             X   yes           none reported

Type of Auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with 2 CFR  
Section 200.516(a)?

  X   yes           no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal or State Program or Cluster</u>
84.031A	Gateways to Success: Improving Retention of Hispanic and Low Income Students
84.425E	COVID-19 – Higher Education Emergency Relief Fund – Student Aid Portion
84.425F	COVID-19 – Higher Education Emergency Relief Fund – Institutional Portion
84.425L	COVID-19 – Higher Education Emergency Relief Fund – Minority Serving Institutions

Dollar threshold used to distinguish between Type A and Type B programs was: \$ 750,000 Federal

\$ 300,000 State

Auditee qualified as a Federal low-risk auditee?      X   yes           no

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION II - Financial Statement Findings**

**Finding 2021-001**

*Criteria:* Reconciliations of general ledger accounts should be performed in a timely manner with review of the account balance and journal entries to ensure proper recording of transactions and accuracy.

*Condition:* Reconciliations and review of certain general ledger accounts were not performed in a timely manner, including review of journal entries to ensure transactions were recorded correctly.

*Cause:* The general ledger account reconciliations and reviews were behind schedule due to implementation of a new software system and adherence to CDC guidelines related to COVID-19. Additionally, job responsibilities had been reassigned during the year.

*Effect:* Errors or possible misappropriation of College assets could go unnoticed and not be detected and corrected in a timely manner.

*Recommendation:* Additional training on accounting policies and processes should be implemented to assist with the reassignment of job responsibilities. Account reconciliations should be performed monthly with a detailed review of account balances performed to ensure accuracy and proper reporting.

*Repeat Finding:* No

*Views of Responsible Officials:* The College agrees that reconciliations and reviews should be performed timely and that additional training on accounting policies and processes should be implemented to assist with the reassignment of job responsibilities.



**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION III - Findings and Questioned Costs - Major Federal Award Programs**

**Finding 2021-002**

*Program:* COVID-19 Education Stabilization Fund ALN 84.425E, F and L  
Higher Education Emergency Relief Fund – Institutional Portion

*Program Requirement:* Reporting

*Criteria:* Pursuant Compliance Supplement 2021 ESF Section 2, III, L 3b, a new, separate form must be posted covering aggregate amounts spent for HEERF I, HEERF II, and HEERF III funds each quarterly reporting period (September 30, December 31, March 31, June 30), concluding after an institution has expended and liquidated all (a) (1) Institutional Portion, (a)(2), and (a)(3) funds and checks the “final report” box. IHEs must post this quarterly report form no later than 10 days after the end of each calendar quarter.

*Condition:* The quarterly reports for June 2021 and September 2021 were not posted to the College website within 10 days.

*Context:* Two out of four reports were not posted timely.

*Cause:* The person responsible for compliance did not verify that the reports were uploaded to the website.

*Effect:* The College was not in compliance with reporting requirements.

*Questioned Costs:* None

*Repeat Finding:* No

*Recommendation:* The College needs to ensure reports are posted timely.

*Views of Responsible Officials:* The College agrees with the recommendation to post the reports timely.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION III - Findings and Questioned Costs - Major Federal Award Programs**

**Finding 2021-003**

*Program:* COVID-19 Education Stabilization Fund ALN 84.425F and 84.425L  
Higher Education Emergency Relief Fund – Institutional and Minority  
Serving Institution

*Program  
Requirement:* Procurement

*Criteria:* Pursuant to 2 CFR section 200.320 (a) 2 (i) If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity. Pursuant to 2 CFR section 200.206 (d)(1), non-Federal entities are restricted from doing business with parties that are debarred, suspense, or otherwise excluded from or ineligible for participation in Federal programs or activities.

*Condition:* Procurement files did not have adequate supporting documentation. Items purchased under the small purchase procedures did not have written documentation of quotes obtained. Procurement files did not have written documentation of the College's verification that vendors were not suspended or debarred or otherwise excluded from federal programs.

*Context:* Three out of five items tested subject to small purchase procurement requirements did not have written quotes. Four out of four items tested, subject to suspension or debarment procurement requirements did not have documentation in the file verifying that the College checked for suspension or debarment.

*Cause:* The College obtained verbal quotes and email quotes but failed to document in writing and include documentation in the file that the quotes were obtained. The College failed to document in the file their verification that the vendor was not debarred or suspended.

*Effect:* The College is not able to provide proper supporting documentation of compliance with the small purchase requirements and the suspended or debarred requirements.

*Questioned Costs:* None

*Repeat Finding:* No

*Recommendation:* The College needs to implement a review process of procurement files to ensure that proper supporting documentation is obtained and included in the procurement files.

*Views of Responsible  
Officials:* The College agrees with the recommendation to obtain written quotes from vendors for purchases and plans to develop a checklist to ensure compliance with the procurement requirements related to suspension and debarment.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION III - Findings and Questioned Costs - Major Federal Award Programs**

**Finding 2021-004**

<i>Program:</i>	COVID-19 Education Stabilization Fund ALN 84.425F Higher Education Emergency Relief Fund – Institutional Portion
<i>Program Requirement:</i>	Reporting
<i>Criteria:</i>	Pursuant the 2021 Compliance Supplement ESF Section 2 III L, an institution must post a report covering aggregate amounts spent for HEERF I, HEERF II, and HEERF III funds each quarterly reporting period no later than 10 days after the end of each calendar quarter.
<i>Condition:</i>	The general ledger accounts used to support the HEERF Institutional Portion reporting did not include all of the HEERF expenditures due to a journal entry posting error. The error was not timely detected during the College's monthly reconciliation of grant revenues and expenditures. The error was detected and corrected at year end.
<i>Context:</i>	One journal entry was recorded incorrectly to the general ledger, resulting in an incorrect report. The entry was corrected at year end.
<i>Cause:</i>	The Business Office did not properly review the journal entry and the reconciliation of the grant expenditures.
<i>Effect:</i>	Errors could go unnoticed and not be detected and corrected in a timely manner.
<i>Questioned Costs:</i>	None
<i>Repeat Finding:</i>	No
<i>Recommendation:</i>	Reconciliations of grant revenue and expenditures should be performed monthly, with a detailed review of account balances to ensure accuracy and proper reporting.
<i>Views of Responsible Officials:</i>	The College agrees with the recommendation to perform monthly reconciliations, a detailed review of account balances to ensure accuracy and proper reporting.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION III - Findings and Questioned Costs - Major Federal Award Programs**

**Finding 2021-005**

*Program:* COVID-19 Education Stabilization Fund ALN 84.425F and L  
Higher Education Emergency Relief Fund – Institutional Portion and  
Minority Serving Portion

*Program  
Requirement:* Cash Management

*Criteria:* Pursuant to 2 CFR 20.305, grantee must minimize the time between  
drawing down funds from G5 and paying incurred obligations  
(liquidation).

*Condition:* The College was not able to provide supporting documentation for the  
calculation of the April 29, 2021 draw down.

*Context:* One of three draw down requests did not have supporting  
documentation.

*Cause:* The College, in error, overwrote the electronic version of the April 2021  
drawn down reconciliation when performing the June 2021 draw down  
reconciliation.

*Effect:* Possible overdraws of cash. However, per review of the detail general  
ledger, and the June 2021 draw down, the College did not overdraw  
funds.

*Questioned Costs:* None

*Repeat Finding:* No

*Recommendation:* The College needs to implement additional training to ensure adequate  
documentation is maintained in the grant file.

*Views of Responsible  
Officials:* The College agrees with the recommendation to maintain adequate  
documentation of the grant reconciliation in the file, including review, and  
approval of the document.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**SECTION III - Findings and Questioned Costs - Major Federal Award Programs**

**Finding 2021-006**

*Program:* Gateways to Success: Improving Relation of Hispanic and Low Income Students 84.031A

*Program Requirement:* Procurement

*Criteria:* Pursuant to 2 CFR section 200.206 (d)(1), non-Federal entities are restricted from doing business with parties that are debarred, suspense, or otherwise excluded from or ineligible for participation in Federal programs or activities.

*Condition:* Procurement files did not have written documentation of the College's verification that vendors were not suspended or debarred or otherwise excluded from federal programs.

*Context:* One out of one item tested, subject to suspension or debarment procurement requirements did not have documentation in the file verifying that the College checked for suspension or debarment.

*Cause:* The College failed to document in the file their verification that the vendor was not debarred or suspended.

*Effect:* The College is not able to provide proper supporting documentation of compliance with the suspended or debarred requirements.

*Questioned Costs:* None

*Repeat Finding:* No

*Recommendation:* The College needs to implement a review process of procurement files to ensure that proper supporting documentation is obtained and included in the procurement files.

*Views of Responsible Officials:* The College agrees with the recommendation and plans to develop a checklist to ensure compliance with the procurement requirements related to suspension and debarment.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF CORRECTIVE ACTION  
FOR AUDIT FINDINGS AND QUESTIONED COSTS  
Year Ended August 31, 2021**

**Finding 2021-001**

*Condition:* Reconciliations and review of certain general ledger accounts were not performed in a timely manner, including review of journal entries to ensure transactions are recorded correctly.

*Corrective Action Plan:* See the College's response starting on page 102.

**Finding 2021-002**

*Condition:* The quarterly reports for June 2021 and September 2021 were not posted to the college website within 10 days.

*Corrective Action Plan:* See the College's response starting on page 102.

**Finding 2021-003**

*Condition:* Procurement files did not have adequate supporting documentation. Items purchased under the small purchase procedures did not have written documentation of quotes obtained. Procurement files did not have written documentation of the College's verification that vendors were not suspended or debarred or otherwise excluded from federal programs.

*Corrective Action Plan:* See the College's response starting on page 103.

**BORGER JUNIOR COLLEGE DISTRICT  
SCHEDULE OF CORRECTIVE ACTION  
FOR AUDIT FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended August 31, 2021**

**Finding 2021-004**

*Condition:* The general ledger accounts used to support the HEERF Institutional Portion reporting did not include all of the HEERF expenditures due to a journal entry posting error. The error was not timely detected during the College's monthly reconciliation of the grant revenues and expenditures. The error was detected and corrected at year end.

*Corrective Action Plan:* See the College's response starting on page 103.

**Finding 2021-005**

*Condition:* The College was not able to provide supporting documentation for the calculation of the April 29, 2021 draw down.

*Corrective Action Plan:* See the College's response starting on page 104.

**Finding 2021-006**

*Condition:* Procurement files did not have written documentation of the College's verification that vendors were not suspended or debarred or otherwise excluded from federal programs.

*Corrective Action Plan:* See the College's response starting on page 104.

**BORGER JUNIOR COLLEGE DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended August 31, 2021**

**Finding 2020-001**

*Condition:* Three student's enrollment status are not being certified in a timely manner.

*Corrective Action Plan:* See the College's response starting on page 106.

**Finding 2020-002**

*Condition:* Three students from a sample of ninety-three were considered to be enrolled in online courses.

*Corrective Action Plan:* See the College's response starting on page 106.



## Frank Phillips College

Office of the President

P.O. Box 5118 ♦ Borger, TX 79008

806-457-4217

[gforgey@fpctx.edu](mailto:gforgey@fpctx.edu)

December 9, 2021

We have prepared the accompanying corrective action plan as required by the standards applicable to financial audits contain in *Government Auditing Standards* and by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Specifically, for each finding we are providing you with the names of the contact people responsible for corrective action, the corrective action planned, and the anticipated completion date.



Dr. Glendon Forgey  
President  
Frank Phillips College

Borger Junior College District  
(Frank Phillips College)  
Corrective action plan  
Year ended August 31, 2021

**Financial Statement Findings:**

**Finding 2021-001**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 12/1/2021

*Corrective Action  
Plan:* Increased personnel as well as updated software system will facilitate monthly reconciliations rather than bi-monthly or annual adjustments.

**Findings and Questioned Costs – Major Federal Awards Programs:**

**Finding 2021-002**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 12/1/2021

*Corrective Action  
Plan:* Ensure timely posting of quarterly reports within 10 day required period.

**Findings and Questioned Costs – Major Federal Awards Programs:**

**Finding 2021-003**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 12/1/2021

*Corrective Action  
Plan:* Internal policies have been updated to reflect the government requirements for purchases, including lowering the guidelines on required quotes and debarment searches.

**Finding 2021-004**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 12/1/2021

*Corrective Action  
Plan:* Increased personnel as well as updated software system will facilitate a more detailed monthly reconciliation to catch these type of errors.

Borger Junior College District  
(Frank Phillips College)  
Corrective action plan (Continued)  
Year ended August 31, 2021

**Finding 2021-005**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 9/1/2021

*Corrective Action  
Plan:* Our new software allows for journal entry documentation to be attached electronically to each transaction. This is already occurring as of 9/1/2021.

**Finding 2021-006**

*Contact Person:* Teri Langwell, Chief Financial Officer

*Anticipated Completion  
Date:* 12/1/2021

*Corrective Action  
Plan:* Internal policies have been updated to reflect the government requirements for purchases, including lowering the guidelines on required quotes and debarment searches.

## Frank Phillips College

Office of the President

P.O. Box 5118 ♦ Borger, TX 79008

806-457-4217

[gforgey@fpctx.edu](mailto:gforgey@fpctx.edu)

December 9, 2021

We have prepared the accompanying summary schedule of prior audit findings as required by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Specifically, we are reporting the status of audit findings included in the prior audit's schedule of findings and questioned costs. This schedule also includes the status of audit findings reported in the prior audit's summary schedule of prior audit findings that were not correct.



Dr. Glendon Forgey  
President  
Frank Phillips College

Borger Junior College District  
(Frank Phillips College)  
Summary schedule of prior audit findings  
Year ended August 31, 2021

**Financial Statement Findings:**

N/A – There were no findings in FY 2020.

**Findings and Questioned Costs – Major Federal Awards Programs:**

**Finding 2020-001** Enrollment status was not certified timely (60 days)

*Contact Person:* Teri Langwell, Chief Financial Officer

*Status:* Closed

**Finding 2020-002** Students enrolled exclusively online received CARES Act Funding

*Contact Person:* Teri Langwell, Chief Financial Officer

*Status:* Closed

**STATISTICAL SUPPLEMENT**  
**(Unaudited)**

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**Borger Junior College District**  
**Statistical Supplement 1**  
**Net Position by Component**  
**Fiscal Years 2012 to 2021**  
(unaudited)

	For the Fiscal Year Ended August 31,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net investment in capital assets	\$ 12,772,901	\$ 11,684,666	\$ 11,138,697	\$ 11,162,520	\$ 11,170,637	\$ 11,080,422	\$ 11,309,931	\$ 11,332,812	\$ 11,535,927	\$ 11,482,158
Restricted - expendable	634,297	849,464	755,719	772,237	660,698	633,976	415,810	348,775	383,310	880,475
Unrestricted (deficit)	(11,987,646)	(11,535,512)	(11,090,139)	(9,754,592)	(2,694,532)	(2,352,977)	(1,995,906)	255,006	696,519	594,025
Total primary government net position	\$ 1,419,552	\$ 998,618	\$ 804,277	\$ 2,180,165	\$ 9,136,803	\$ 9,361,421	\$ 9,729,835	\$ 11,936,593	\$ 12,615,756	\$ 12,956,658

**Borger Junior College District**  
**Statistical Supplement 2**  
**Revenues by Source**  
**Fiscal Years 2012 to 2021**  
(unaudited)

For the Year Ended August 31,										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>OPERATING REVENUES</b>										
Tuition and fees (net of discounts)	\$ 1,707,689	\$ 1,806,541	\$ 1,448,058	\$ 1,420,417	\$ 1,479,653	\$ 1,543,126	\$ 993,795	\$ 1,009,840	\$ 769,545	\$ 619,626
Governmental grants and contracts										
Federal grants and contracts	2,197,163	459,127	-	-	454,727	-	-	-	-	-
State grants and contracts	394,232	267,255	316,497	233,833	293,137	332,941	629,455	204,271	324,533	221,298
Local grants and revenues	1,260,883	1,670,373	1,237,446	1,249,383	518,201	506,561	505,564	503,138	497,850	466,171
Auxiliary enterprises	644,609	624,279	814,669	772,651	786,960	722,183	786,409	718,938	699,427	764,988
Other operating revenues	80,577	95,787	108,172	86,365	95,716	58,483	64,374	75,795	64,665	61,534
<b>Total operating revenues</b>	<b>6,285,153</b>	<b>4,923,362</b>	<b>3,924,842</b>	<b>3,762,649</b>	<b>3,628,394</b>	<b>3,163,294</b>	<b>2,979,597</b>	<b>2,511,982</b>	<b>2,356,020</b>	<b>2,133,617</b>
<b>NONOPERATING REVENUES</b>										
State appropriations	3,070,521	3,172,309	3,124,720	3,306,429	2,975,626	2,993,203	2,748,976	2,726,513	2,560,652	2,595,720
Ad valorem taxes	2,365,647	2,440,421	2,474,830	2,467,740	2,319,123	1,841,383	1,521,526	1,503,577	1,455,476	1,382,564
Federal revenue, nonoperating	2,377,205	2,010,586	2,168,371	1,980,784	1,904,222	1,949,963	2,152,565	1,993,812	2,177,240	2,148,755
Gifts	337,447	911,767	372,738	433,573	400,439	850,130	470,056	332,002	418,085	568,559
Investment income	1,480	6,931	11,794	9,247	4,555	2,130	2,094	12,642	14,746	23,282
Gain (loss) on fixed assets	2,500	(96,336)	(92,145)	-	-	(1,194)	-	-	(9,207)	23,415
Other nonoperating revenues (losses)	126,365	(34,637)	(12,484)	18,079	(10,489)	(34,608)	15,137	(10,163)	(43,795)	(42,055)
<b>Total nonoperating revenues</b>	<b>8,281,165</b>	<b>8,411,041</b>	<b>8,047,824</b>	<b>8,215,852</b>	<b>7,593,476</b>	<b>7,601,007</b>	<b>6,910,354</b>	<b>6,558,383</b>	<b>6,573,197</b>	<b>6,700,240</b>
<b>TOTAL REVENUES</b>	<b>\$ 14,566,318</b>	<b>\$ 13,334,403</b>	<b>\$ 11,972,666</b>	<b>\$ 11,978,501</b>	<b>\$ 11,221,870</b>	<b>\$ 10,764,301</b>	<b>\$ 9,889,951</b>	<b>\$ 9,070,365</b>	<b>\$ 8,929,217</b>	<b>\$ 8,833,857</b>
For the Year Ended August 31,										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>OPERATING REVENUES</b>										
Tuition and fees (net of discounts)	11.72%	13.55%	12.09%	11.86%	13.19%	14.34%	10.05%	11.13%	8.62%	7.01%
Governmental grants and contracts										
Federal grants and contracts	15.08%	3.44%	0.00%	0.00%	4.05%	0.00%	0.00%	0.00%	0.00%	0.00%
State grants and contracts	2.71%	2.00%	2.64%	1.95%	2.61%	3.09%	6.36%	2.25%	3.63%	2.51%
Local grants and contracts	8.66%	12.53%	10.34%	10.43%	4.62%	4.71%	5.11%	5.55%	5.58%	5.28%
Auxiliary enterprises	4.43%	4.68%	6.80%	6.45%	7.01%	6.71%	7.95%	7.93%	7.83%	8.66%
Other operating revenues	0.55%	0.72%	0.90%	0.72%	0.85%	0.54%	0.66%	0.83%	0.72%	0.70%
<b>Total operating revenues</b>	<b>43.15%</b>	<b>36.92%</b>	<b>32.78%</b>	<b>31.41%</b>	<b>32.33%</b>	<b>29.39%</b>	<b>30.13%</b>	<b>27.69%</b>	<b>26.38%</b>	<b>24.16%</b>
<b>NONOPERATING REVENUES</b>										
State appropriations	21.08%	23.79%	26.10%	27.60%	26.52%	27.81%	27.80%	30.06%	28.68%	29.38%
Ad valorem taxes	16.24%	18.30%	20.67%	20.60%	20.67%	17.10%	15.38%	16.58%	16.30%	15.65%
Federal revenue, nonoperating	16.32%	15.08%	18.11%	16.54%	16.97%	18.11%	21.77%	21.98%	24.38%	24.32%
Gifts	2.32%	6.84%	3.11%	3.62%	3.56%	7.90%	4.75%	3.66%	4.68%	6.44%
Investment income	0.01%	0.05%	0.10%	0.08%	0.04%	0.02%	0.02%	0.14%	0.17%	0.26%
Gain (loss) on fixed assets	0.02%	-0.72%	-0.77%	0.00%	0.00%	-0.01%	0.00%	0.00%	-0.10%	0.27%
Other nonoperating revenues	0.87%	-0.26%	-0.10%	0.15%	-0.09%	-0.32%	0.15%	-0.11%	-0.49%	-0.48%
<b>Total nonoperating revenues</b>	<b>56.85%</b>	<b>63.08%</b>	<b>67.22%</b>	<b>68.59%</b>	<b>67.67%</b>	<b>70.61%</b>	<b>69.87%</b>	<b>72.31%</b>	<b>73.62%</b>	<b>75.84%</b>
<b>TOTAL REVENUES</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Borger Junior College District**  
**Statistical Supplement 3**  
**Program Expense by Function**  
**Fiscal Years 2012 to 2021**  
(unaudited)

For the Fiscal Year Ending August 31,										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>OPERATING EXPENSES</b>										
Instruction	\$ 5,914,562	\$ 6,303,420	\$ 6,103,557	\$ 5,599,927	\$ 5,212,626	\$ 4,986,106	\$ 4,576,493	\$ 4,341,319	\$ 4,094,642	\$ 3,986,808
Academic support	148,152	202,084	183,948	156,670	163,679	135,450	145,470	177,381	158,260	195,025
Student services	1,137,454	876,744	777,170	818,281	825,864	867,462	718,535	505,947	551,576	665,594
Institutional support	3,735,954	2,655,931	2,550,383	2,454,354	2,093,679	1,901,551	1,778,884	1,744,864	1,672,599	1,577,756
Operation and maintenance of plant	751,198	1,221,523	1,049,407	836,952	780,863	862,979	784,914	786,357	754,516	736,720
Scholarships and fellowships	126,835	387,063	248,249	207,195	202,014	323,671	249,499	213,460	105,521	132,499
Auxiliary enterprises	1,541,188	1,424,133	1,631,229	1,261,840	1,312,532	1,284,302	1,184,304	1,188,712	1,154,941	1,208,774
Depreciation	790,041	768,361	779,759	786,189	807,869	722,943	685,795	678,566	690,415	732,359
<b>Total operating expenses</b>	<b>14,145,384</b>	<b>13,839,259</b>	<b>13,323,702</b>	<b>12,121,408</b>	<b>11,399,126</b>	<b>11,084,464</b>	<b>10,123,894</b>	<b>9,636,606</b>	<b>9,182,470</b>	<b>9,235,535</b>
<b>NONOPERATING EXPENSES</b>										
Interest on capital-related debt	4,862	12,916	24,852	31,589	47,367	48,251	68,021	112,922	87,649	124,170
<b>Total nonoperating expenses</b>	<b>4,862</b>	<b>12,916</b>	<b>24,852</b>	<b>31,589</b>	<b>47,367</b>	<b>48,251</b>	<b>68,021</b>	<b>112,922</b>	<b>87,649</b>	<b>124,170</b>
<b>TOTAL EXPENSES</b>	<b>\$ 14,150,246</b>	<b>\$ 13,852,175</b>	<b>\$ 13,348,554</b>	<b>\$ 12,152,997</b>	<b>\$ 11,446,493</b>	<b>\$ 11,132,715</b>	<b>\$ 10,191,915</b>	<b>\$ 9,749,528</b>	<b>\$ 9,270,119</b>	<b>\$ 9,359,705</b>

For the Fiscal Year Ending August 31,										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>OPERATING EXPENSES</b>										
Instruction	41.80%	45.50%	45.72%	46.08%	45.54%	44.79%	44.90%	44.53%	44.17%	42.60%
Academic support	1.05%	1.46%	1.38%	1.29%	1.43%	1.22%	1.43%	1.82%	1.71%	2.08%
Student services	8.04%	6.33%	5.82%	6.73%	7.21%	7.79%	7.05%	5.19%	5.95%	7.11%
Institutional support	26.40%	19.17%	19.11%	20.20%	18.29%	17.08%	17.45%	17.90%	18.04%	16.86%
Operation and maintenance of plant	5.31%	8.82%	7.86%	6.89%	6.82%	7.75%	7.70%	8.07%	8.14%	7.87%
Scholarships and fellowships	0.90%	2.79%	1.86%	1.70%	1.76%	2.91%	2.45%	2.19%	1.14%	1.42%
Auxiliary enterprises	10.89%	10.28%	12.22%	10.38%	11.47%	11.54%	11.62%	12.19%	12.46%	12.91%
Depreciation	5.58%	5.55%	5.84%	6.47%	7.06%	6.49%	6.73%	6.95%	7.44%	7.82%
<b>Total operating expenses</b>	<b>99.97%</b>	<b>99.91%</b>	<b>99.81%</b>	<b>99.74%</b>	<b>99.59%</b>	<b>99.57%</b>	<b>99.33%</b>	<b>98.84%</b>	<b>99.05%</b>	<b>98.67%</b>
<b>NONOPERATING EXPENSES</b>										
Interest on capital related debt	0.03%	0.09%	0.19%	0.26%	0.41%	0.43%	0.67%	1.16%	0.95%	1.33%
<b>Total nonoperating expenses</b>	<b>0.03%</b>	<b>0.09%</b>	<b>0.19%</b>	<b>0.26%</b>	<b>0.41%</b>	<b>0.43%</b>	<b>0.67%</b>	<b>1.16%</b>	<b>0.95%</b>	<b>1.33%</b>
<b>TOTAL EXPENSES</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Borger Junior College District  
 Statistical Supplement 4  
 Tuition and Fees  
 Fiscal Year  
 (unaudited)

Academic Year (Fall)	Processing Fee (per student)	Resident: Fees per semester credit hour (SCH)								Increase from Prior Year In District	Increase from Prior Year Out-of-District
		In District Tuition	Out-of-District Tuition	General Use Fees	Student Service Fees	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District				
2021	\$ 18	\$ 47	\$ 74	\$ 47	\$ 10	\$ 1,342	\$ 1,666			0.0%	0.0%
2020	18	47	74	47	10	1,342	1,666			0.0%	0.0%
2019	18	47	74	47	10	1,342	1,666			0.0%	0.0%
2018	18	47	74	47	10	1,342	1,666			8.7%	8.5%
2017	18	43	68	43	10	1,235	1,535			0.0%	0.0%
2016	18	43	68	43	10	1,235	1,535			0.0%	0.0%
2015	18	43	68	43	10	1,235	1,535			8.7%	8.7%
2014	18	40	63	40	8	1,136	1,412			0.0%	0.0%
2013	18	40	63	40	8	1,136	1,412			12.1%	9.5%
2012	18	36	59	36	8	1,013	1,289			0.0%	0.0%
2011	18	36	59	36	8	1,013	1,289			0.0%	0.0%
2010	18	36	59	36	8	1,013	1,289			5.0%	5.9%

Academic Year (Fall)	Registration Fee (per student)	Non-Resident: Fees per semester credit hour (SCH)								Increase from Prior Year Out-of-State	Increase from Prior Year International
		Non-resident Tuition Out-of-State	Non-resident Tuition International	General Use Fees	Student Service Fees	Cost for 12 SCH Out-of-State	Cost for 12 SCH International				
2021	\$ 18	\$ 93	\$ 93	\$ 47	\$ 10	\$ 1,774	\$ 1,774			0.0%	0.0%
2020	18	93	93	47	10	1,774	1,774			0.0%	0.0%
2019	18	93	93	47	10	1,774	1,774			0.0%	0.0%
2018	18	93	93	47	10	1,774	1,774			8.8%	8.8%
2017	18	76	76	43	10	1,631	1,631			0.0%	0.0%
2016	18	76	76	43	10	1,631	1,631			0.0%	0.0%
2015	18	76	76	43	10	1,631	1,631			9.0%	9.0%
2014	18	70	70	40	8	1,496	1,496			0.0%	0.0%
2013	18	70	70	40	8	1,496	1,496			8.9%	8.9%
2012	18	66	66	36	8	1,373	1,373			0.0%	0.0%
2011	18	66	66	36	8	1,373	1,373			0.0%	0.0%
2010	18	66	66	36	8	1,373	1,373			5.5%	5.5%

**Borger Junior College District**  
**Statistical Supplement 5**  
**Assessed Value and Taxable Assessed Value of Property**  
**Last Ten Fical Years**  
(unaudited)

Fiscal Year	Assessed Valuation of Property	Less Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rates		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2020-21	\$ 1,296,802,080	\$ 234,089,510	\$ 1,062,712,570	81.95%	0.02200	0.00	0.22000
2019-20	1,301,331,080	226,386,220	1,074,944,860	82.60%	0.02200	0.00	0.22000
2018-19	1,311,906,300	207,391,040	1,104,515,260	84.19%	0.02200	0.00	0.22000
2017-18	1,329,529,490	207,395,460	1,122,134,030	84.40%	0.02200	0.00	0.22000
2016-17	1,323,938,610	207,035,470	1,116,903,140	84.36%	0.22000	0.00	0.22000
2015-16	1,247,981,190	199,540,350	1,048,440,840	84.01%	0.22000	0.00	0.22000
2014-15	1,020,388,800	199,050,400	821,338,400	80.49%	0.22000	0.00	0.22000
2013-14	877,088,490	196,998,460	680,090,030	77.54%	0.22000	0.00	0.22000
2012-13	860,134,580	184,868,130	675,266,450	78.51%	0.22000	0.00	0.22000
2011-12	836,477,160	176,414,950	660,062,210	78.91%	0.22000	0.00	0.22000

**Source:** Local appraisal district

(a) per \$100 taxable assessed valuation

Borger Junior College District  
Statistical Supplement 6  
State Appropriation per FTSE and Contact Hour  
Fiscal Year  
(unaudited)

Fiscal Year	Appropriation per FTSE			Appropriation per contact hour			
	State Appropriations	FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriations per Contact Hour
2020-21	\$ 3,070,521	1,577	1,947	408,050	310,563	718,613	4.27
2019-20	3,172,309	1,522	2,084	383,874	266,671	650,545	4.88
2018-19	3,124,720	1,484	2,106	383,592	213,022	596,614	5.24
2017-18	3,306,429	1,492	2,216	389,104	256,267	645,371	5.12
2016-17	2,975,626	1,557	1,911	410,592	267,908	678,500	4.39
2015-16	2,993,203	1,459	2,052	383,384	297,846	681,230	4.39
2014-15	2,280,532	1,348	1,692	351,800	350,655	702,455	3.25
2013-14	2,285,956	1,142	2,002	300,112	306,420	606,532	3.77
2012-13	2,015,171	1,191	1,692	318,034	291,522	609,556	3.31
2011-12	2,062,851	1,041	1,982	296,768	287,994	584,762	3.53

**Notes:**

FTSE is defined as the number of full-time students, plus the total hours taken by part-time students, divided by 12.

(a) source CBM001

(b) source CBM00A

**Borger Junior College District**  
**Statistical Supplement 7**  
**Principal Tax Payers**  
**Fiscal Year**  
**(unaudited)**

Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)											
Taxpayer	Type of Business	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Agrium U.S. Inc	Chemical	\$ 461,771,698	\$ 472,283,545	\$ 484,283,460	\$ 510,106,410	\$ 500,652,250	\$ 432,421,600	\$ 162,936,920	\$ 47,178,070	\$ 45,416,180	\$ 41,737,360
DCP Midstream (Duke Energy)	Energy	-	-	25,155,770	26,669,360	33,092,590	35,455,510	40,151,160	42,315,800	39,822,240	37,504,430
Southwestern Public Service	Utility	24,486,260	23,404,090	21,231,410	18,498,990	16,731,560	16,585,320	16,441,240	14,016,010	13,100,650	11,716,510
National Oil Well	Energy	-	-	-	-	-	8,584,720	13,481,200	7,085,930	-	-
Traditions Oil & Gas	Energy	-	-	-	-	-	8,540,810	5,557,220	6,851,210	7,451,240	-
Turner Energy Services	Energy	-	-	-	-	-	7,438,340	6,366,110	6,067,160	6,748,850	-
Pahandle Northern Railroad Co	Transportation	5,080,010	5,754,750	5,754,750	6,260,930	7,180,100	6,478,250	6,375,700	5,965,350	5,783,480	3,014,400
Rice Construction Company	Construction	10,958,940	9,785,230	10,980,240	10,271,870	9,323,880	8,540,810	4,460,990	4,107,130	3,716,850	-
Rice D E Trustlee	Construction	-	-	-	-	-	-	4,932,070	7,870,630	-	-
Baker Corp	Energy	-	-	-	-	-	-	4,063,620	3,397,180	-	-
Eagle Rock Energy	Energy	-	-	-	-	-	-	3,051,060	4,408,260	-	-
Borger Properties	Energy	-	-	-	-	-	-	4,158,390	-	-	-
LHM Family LP	Energy	-	-	-	-	3,427,330	-	4,496,090	-	-	-
Texas Big Creek Ranch LTD	Livestock	860,750	-	-	-	-	-	7,544,320	-	-	-
LHM Family LP	Investing	830,620	-	-	-	-	-	-	-	-	-
Hamlin Lendon ESCO	Energy	574,830	-	-	-	-	-	-	-	-	-
Fjord Processing	Energy	2,850,992	-	-	-	-	-	-	-	-	-
Four sixes Land LP	Livestock	277,950	-	-	-	-	-	-	-	-	-
Meyer Land & Cattle Co Inc	Livestock	208,550	-	-	-	-	-	-	-	-	-
Walmart Real Estate Business	Real Estate	7,380,760	7,380,760	7,380,760	7,165,770	7,438,350	7,438,340	7,438,340	-	-	-
Walmart Stores of Texas	Retail	6,196,250	6,733,030	6,688,420	7,380,760	7,882,510	8,584,720	9,782,420	-	-	-
RS12 Hotels LLC	Hotel	4,255,240	4,984,550	4,593,890	4,501,250	6,624,180	7,481,470	6,669,000	-	-	-
Amarillo National Bank	Banking	5,049,160	4,921,780	4,951,810	4,951,810	4,945,780	4,932,070	4,933,470	-	-	-
Nov Process & Flow Tech Inc.	Energy	-	-	5,205,210	9,199,670	8,723,440	5,437,690	-	-	-	-
P&B Senior Living Group, LLC	Health Care	-	4,340,230	4,395,850	4,480,960	4,480,430	4,496,090	-	-	-	-
RAYMAC Energy, LTD	Energy	-	3,572,740	3,572,740	3,630,580	3,630,580	3,666,440	-	-	-	-
KAR Spring Ranch	Real Estate	-	-	-	-	-	-	4,653,330	-	-	-
United Supermarkets LLC	Retail	-	2,654,490	-	-	3,177,960	-	-	-	-	-
Texas Gas Services	Energy	-	3,164,690	3,480,340	3,382,780	-	-	-	-	-	-
WRB Refining LLC	Energy	-	-	3,280,430	3,280,430	-	-	-	-	-	-
IACX Rock Creek LLC	Energy	-	-	-	-	-	-	-	-	-	-
Totals		\$ 10,492,880	\$ 23,404,090	\$ 590,955,180	\$ 619,851,560	\$ 617,410,940	\$ 588,161,420	\$ 317,312,320	\$ 136,983,840	\$ 122,039,210	\$ 93,972,720
Total Taxable Value		\$ 1,074,944,860	\$ 1,104,515,260	\$ 1,122,134,030	\$ 1,116,903,140	\$ 1,048,440,840	\$ 821,338,400	\$ 680,090,030	\$ 675,260,450	\$ 660,062,210	\$ 615,103,910

% of Taxable Assessed Value (TAV) by Tax Year											
Taxpayer	Type of Business	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Agrium U.S. Inc	Chemical	42.96%	43.94%	43.85%	45.46%	44.83%	41.24%	19.84%	6.94%	6.73%	6.32%
DCP Midstream (Duke Energy)	Energy	0.00%	0.00%	2.28%	2.38%	2.86%	3.38%	4.89%	6.22%	5.90%	5.68%
Southwestern Public Service	Utility	2.28%	2.18%	1.92%	1.65%	1.50%	1.58%	2.00%	1.94%	1.94%	1.78%
National Oil Well	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.82%	1.64%	1.04%	0.00%	0.00%
Traditions Oil & Gas	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.81%	0.68%	1.01%	1.10%	0.00%
Turner Energy Services	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.71%	0.78%	0.89%	1.00%	0.00%
Pahandle Northern Railroad Co	Transportation	0.47%	0.54%	0.52%	0.56%	0.64%	0.62%	0.78%	0.88%	0.86%	0.46%
Rice Construction Company	Construction	1.02%	0.91%	0.99%	0.92%	0.83%	0.81%	0.54%	0.60%	0.55%	0.00%
Rice D E Trustlee	Construction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.86%	0.00%	0.00%	0.00%
Baker Corp	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%	0.49%	0.50%	0.00%	0.00%
Eagle Rock Energy	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.29%	0.54%	0.00%	0.00%	0.00%
Borger Properties	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%	0.51%	0.00%	0.00%	0.00%
LHM Family LP	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.43%	0.62%	0.00%	0.00%	0.00%
Texas Big Creek Ranch LTD	Livestock	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LHM Family LP	Investing	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hamlin Lendon ESCO	Energy	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fjord Processing	Energy	0.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Four sixes Land LP	Livestock	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Meyer Land & Cattle Co Inc	Livestock	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Walmart Real Estate Business	Real Estate	0.69%	0.69%	0.67%	0.64%	0.67%	0.71%	0.91%	0.00%	0.00%	0.00%
Walmart Stores of Texas	Retail	0.58%	0.63%	0.61%	0.66%	0.71%	0.82%	1.19%	0.00%	0.00%	0.00%
RS12 Hotels LLC	Hotel	0.40%	0.46%	0.42%	0.41%	0.59%	0.71%	0.81%	0.00%	0.00%	0.00%
Amarillo National Bank	Banking	0.47%	0.46%	0.45%	0.44%	0.44%	0.47%	0.60%	0.00%	0.00%	0.00%
Nov Process & Flow Tech Inc.	Energy	0.00%	0.00%	0.40%	0.82%	0.78%	0.52%	0.00%	0.00%	0.00%	0.00%
P&B Senior Living Group, LLC	Health Care	0.00%	0.40%	0.40%	0.40%	0.40%	0.43%	0.00%	0.00%	0.00%	0.00%
RAYMAC Energy, LTD	Energy	0.00%	0.33%	0.32%	0.32%	0.33%	0.35%	0.00%	0.00%	0.00%	0.00%
KAR Spring Ranch	Real Estate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%	0.00%	0.00%	0.00%
United Supermarkets LLC	Retail	0.00%	0.25%	0.00%	0.00%	0.28%	0.00%	0.00%	0.00%	0.00%	0.00%
Texas Gas Services	Energy	0.00%	0.29%	0.32%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WRB Refining LLC	Energy	0.00%	0.00%	0.30%	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IACX Rock Creek LLC	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Totals		50.39%	53.26%	53.52%	55.25%	55.27%	56.09%	38.62%	20.13%	18.07%	14.24%

Source: Local County Appraisal District

**Borger Junior College District**  
**Statistical Supplement 8**  
**Property Tax Levies and Collections**  
**Last Ten Years**  
(unaudited)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy ( c )	Percentage	Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (c+d+e)	Cumulative Collections of Adjusted Levy
2021	\$ 2,352,486	-	\$ 2,352,486	\$ 2,297,247	97.65%	\$ -	\$ 40,687	\$ 2,337,934	99.38%
2020	2,429,000	-	2,429,000	2,362,765	97.27%	-	38,283	2,401,048	98.85%
2019	2,466,000	-	2,466,000	2,399,778	97.31%	-	30,626	2,430,404	98.56%
2018	2,451,000	-	2,451,000	2,396,249	97.77%	-	40,322	2,436,571	99.41%
2017	2,303,000	-	2,303,000	2,254,206	97.88%	-	29,813	2,284,019	99.18%
2016	1,809,048	-	1,809,048	1,763,343	97.47%	-	36,344	1,799,687	99.48%
2015	1,495,000	-	1,495,000	1,449,654	96.97%	-	38,743	1,488,397	99.56%
2014	1,471,000	-	1,471,000	1,440,167	97.90%	-	40,745	1,480,912	100.67%
2013	1,451,000	-	1,451,000	1,402,819	96.68%	-	35,832	1,438,651	99.15%
2012	1,353,000	-	1,353,000	1,305,349	96.48%	-	71,228	1,376,577	101.74%

**Sources:**

- (a) as reported in the notes to the financial statements for the year of the levy
- (b) as of August 31st of the current reporting year
- (c) property tax only - does not include penalties and interest
- (d) represents cumulative collections of prior years not collected in the current year or the year of the tax levy
- (e) represents current year collections of prior years levies



**Borger Junior College District**  
**Statistical Supplement 9**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**  
(unaudited)

	For the Year Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General bonded debt:</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
<b>Net general bonded debt</b>	-	-	-	-	-	-	-	-	-	-
<b>Other debt:</b>										
Revenue bonds	-	405,000	600,000	785,000	970,000	1,150,000	1,150,000	1,320,000	1,485,000	1,650,000
Notes	-	-	2,082	163,442	318,999	391,565	510,009	622,885	730,452	865,405
Capital leases obligations	-	-	-	-	-	-	70,660	145,640	-	-
<b>Total outstanding debt</b>	\$ -	\$ 405,000	\$ 602,082	\$ 948,442	\$ 1,288,999	\$ 1,541,565	\$ 1,730,669	\$ 2,088,525	\$ 2,215,452	\$ 2,515,405
<b>General Bonded Debt Ratios:</b>										
Per capita	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per FTSE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As a percentage of taxable assessed value	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total outstanding debt ratios:</b>										
Per capita	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per FTSE	N/A	\$ 266	\$ 406	\$ 636	\$ 828	\$ 1,459	\$ 1,284	\$ 1,829	\$ 1,860	\$ 2,416
As a percentage of taxable assessed value	N/A	0.49%	0.29%	0.00%	0.12%	0.15%	0.21%	0.31%	0.33%	0.38%

**Notes:**

Ratios calculated using the population and TAV from current year. Debt per student calculated using full-time equivalent enrollment.

**Borger Junior College District**  
**Statistical Supplement 10**  
**Legal Debt Limit Margin**  
**Last Ten Fiscal Years**  
(unaudited)

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Total assessed value</b>	\$ 1,062,712,570	\$ 1,074,944,860	\$ 1,104,515,260	\$ 1,122,134,030	\$ 1,116,903,140	\$ 1,048,440,840	\$ 821,338,400	\$ 680,090,030	\$ 675,266,450	\$ 660,062,210
<b>General obligation bonds:</b>										
Statutory taxable limit for debt service	\$ 5,313,563	\$ 5,374,724	\$ 5,522,576	\$ 5,610,670	\$ 5,584,516	\$ 5,242,204	\$ 4,106,692	\$ 3,400,450	\$ 3,376,332	\$ 3,300,311
Less: Funds restricted for repayment of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Total net general obligation debt	5,313,563	5,374,724	5,522,576	5,610,670	5,584,516	5,242,204	4,106,692	3,400,450	3,376,332	3,300,311
Current year debt service requirements	-	200,000	197,082	346,360	339,929	304,288	118,444	112,875	107,568	134,953
<b>Excess of statutory limit for debt service over current requirements</b>	<b>\$ 5,313,563</b>	<b>\$ 5,174,724</b>	<b>\$ 5,325,494</b>	<b>\$ 5,264,310</b>	<b>\$ 5,244,587</b>	<b>\$ 4,937,916</b>	<b>\$ 3,988,248</b>	<b>\$ 3,287,575</b>	<b>\$ 3,268,764</b>	<b>\$ 3,165,358</b>
<b>Net current requirements as a % of statutory limit</b>	0.00%	3.72%	3.57%	6.17%	6.09%	5.80%	2.88%	3.32%	3.19%	4.09%

**Notes:**

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

**Borger Junior College District**  
**Statistical Supplement 11**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
(unaudited)

Fiscal Year Ended August 31	Pledged Revenues										Debt Service Requirements			
	Tuition	Technology Fee	Registration Fees	General Use Fees	Community Education Fees	Interest Income	Vending Income	Vending Commission	Bookstore Commission	Total	Principal	Interest	Total	Coverage Ratio
2021	\$ 72,773	\$ -	\$ -	\$ 299,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,454	\$ 195,000	\$ 7,625	\$ 202,625	1.84
2020	69,342	-	-	299,902	-	-	-	-	-	369,244	195,000	5,000	200,000	1.85
2019	46,230	-	-	299,681	-	-	-	-	-	345,911	185,000	17,313	202,313	1.71
2018	46,575	-	-	303,988	-	-	-	-	-	350,563	185,000	21,938	206,938	1.69
2017	47,422	-	-	320,775	-	-	-	-	-	368,197	180,000	21,938	201,938	1.82
2016	45,967	-	-	299,518	-	-	-	-	-	345,485	170,000	30,875	200,875	1.72
2015	43,117	-	-	299,672	-	-	-	-	-	342,789	165,000	35,063	200,063	1.71
2014	35,925	-	-	282,523	-	-	-	-	-	318,448	165,000	39,859	204,859	1.55
2013	39,007	-	-	295,900	-	-	-	-	-	334,907	165,000	46,128	211,128	1.59
2012	34,072	-	-	276,700	-	-	-	-	-	310,772	150,000	71,022	221,022	1.41

Source: Continuing Disclosure for Borger Junior College District Report filed annually with Southwest Securities.

**Borger Junior College District**  
**Statistical Supplement 12**  
**Demographic and Economic Statistics - Taxing District**  
**Last Ten Fiscal Years**  
(unaudited)

Note: Information on the Borger Junior College District is not available, thus information is presented on the closest entity to approximate the College's district which is the City of Borger.

<b>Calendar Year</b>	<b>City of Borger Population</b>	<b>City of Borger Personal Income</b>	<b>City of Borger Personal Income Per Capita</b>	<b>City of Borger Unemployment Rate</b>
2020	12,551	\$ 279,611,178	\$ 22,278	6.0%
2019	12,415	280,641,075	22,605	4.9%
2018	12,621	288,213,156	22,836	5.2%
2017	12,754	292,181,386	22,909	6.2%
2016	12,865	289,499,635	22,503	4.6%
2015	12,964	279,166,776	21,534	4.1%
2014	13,251	285,347,034	21,534	4.2%
2013	13,024	272,839,776	20,949	4.2%
2012	13,077	254,766,114	19,482	5.6%
2011	13,240	298,098,600	22,515	6.3%

**Sources:**

Population from U.S. Bureau of Census

Personal income from U.S. Bureau of Economic Analysis

Unemployment rate from the Texas Workforce Commission

**Note:** Information was only available for the years as indicated.

**Borger Junior College District**  
**Statistical Supplement 13**  
**Principal Employers (in the Borger area)**  
(unaudited)

**Current Fiscal Year**

<b>Employer</b>	<b>Number of Employees</b>	<b>% of Total Employment</b>
Phillips 66	700	INA
Borger ISD	513	INA
Chevron Phillips Chemical Co.	246	INA
Walmart	245	INA
Golden Plains Community Hospital	207	INA
D. E. Rice Construction	300	INA
City of Borger	170	INA
United Supermarket	134	INA
Tokai Carbon	126	INA
Solvay Speciality Polymers	109	INA
<b>Total</b>	<b>INA</b>	<b>INA</b>

**Ten Years Prior**

<b>Employer</b>	<b>Number of Employees</b>	<b>% of Total Employment</b>
Phillips 66	INA	INA
Borger ISD	INA	INA
Chevron Phillips Chemical Co.	INA	INA
Walmart	INA	INA
Golden Plains Community Hospital	INA	INA
D. E. Rice Construction	INA	INA
City of Borger	INA	INA
United Supermarket	INA	INA
Tokai Carbon	INA	INA
Solvay Speciality Polymers	INA	INA
<b>Total</b>	<b>INA</b>	<b>INA</b>

Source:

Borger Economic Development Corp  
Texas Metropolitan Statistical Area Data

Information for prior years is unavailable; therefore, this schedule will be implemented prospectively.

Borger Junior College District  
 Statistical Supplement 14  
 Faculty, Staff, and Administrators Statistics  
 Last Ten Fiscal Years  
 (unaudited)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Faculty</b>										
Full-time	44	37	37	37	40	36	33	30	30	30
Part-time	48	43	35	38	38	34	38	40	43	55
Total	92	80	72	75	78	70	71	70	73	85
<b>Percent</b>										
Full-time	47.8%	46.3%	51.4%	49.3%	51.3%	51.4%	46.5%	42.9%	41.1%	35.3%
Part-time	52.2%	53.8%	48.6%	50.7%	48.7%	48.6%	53.5%	57.1%	58.9%	64.7%
<b>Staff and Administrators</b>										
Full-time	64	64	71	70	65	66	64	62	59	58
Part-time	35	23	22	17	16	17	13	9	9	9
Total	99	87	93	87	81	83	77	71	68	67
<b>Percent</b>										
Full-time	64.6%	73.6%	76.3%	80.5%	80.2%	79.5%	83.1%	87.3%	86.8%	86.6%
Part-time	35.4%	26.4%	23.7%	19.5%	19.8%	20.5%	16.9%	12.7%	13.2%	13.4%
<b>FTSE per full-time faculty</b>	17	19	40	40	39	41	41	38	40	35
<b>FTSE per full-time staff member</b>	15	17	21	21	24	22	21	18	20	18
<b>Average annual faculty salary</b>	\$ 47,252	\$ 45,014	\$ 43,703	\$ 43,735	\$ 42,830	\$ 40,578	\$ 40,389	\$ 40,454	\$ 37,536	\$ 37,710

Smartlist employees active by class,dept, pos

**Borger Junior College District**  
**Statistical Supplement 15**  
**Enrollment Details**  
**Last Ten Fiscal Years**  
(unaudited)

Student Classification	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	1311	83.13%	1139	74.84%	1123	75.67%	1133	75.94%	1174	75.40%	1100	75.39%	1167	86.57%	802	70.23%	1,011	84.89%	755	72.53%
31-60 hours	205	13.00%	280	18.40%	266	17.92%	269	18.03%	272	17.47%	256	17.55%	140	10.39%	235	20.58%	129	10.83%	226	21.71%
> 60 hours	61	3.87%	103	6.77%	95	6.40%	90	6.03%	111	7.13%	103	7.06%	41	3.04%	105	9.19%	51	4.28%	60	5.76%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,492</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>

Semester Hour Load	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	23	1.46%	5	0.33%	17	1.15%	17	1.14%	19	1.22%	18	1.23%	20	1.48%	0	0.00%	3	0.25%	2	0.19%
3-5 semester hours	318	20.16%	357	23.46%	355	23.92%	329	22.05%	332	21.32%	318	21.80%	271	20.10%	198	17.34%	243	20.40%	214	20.56%
6-8 semester hours	370	23.46%	316	20.76%	312	21.02%	333	22.32%	355	22.80%	320	21.93%	331	24.55%	288	25.22%	238	19.98%	184	17.68%
9-11 semester hours	246	15.60%	239	15.70%	250	16.85%	235	15.75%	241	15.48%	229	15.70%	158	11.72%	155	13.57%	159	13.35%	118	11.34%
12-14 semester hours	360	22.83%	365	23.98%	314	21.16%	329	22.05%	342	21.97%	338	23.17%	329	24.41%	319	27.93%	337	28.30%	296	28.43%
15-17 semester hours	214	13.57%	186	12.22%	185	12.47%	209	14.01%	240	15.41%	204	13.98%	208	15.43%	157	13.75%	176	14.78%	203	19.50%
18 and over	46	2.92%	54	3.55%	51	3.44%	40	2.68%	28	1.80%	32	2.19%	31	2.30%	25	2.19%	35	2.94%	24	2.31%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,492</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>
Average course load	9				9		9		9		9		9		11		10		10	

Tuition Status	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas resident (In-District)	410	26.00%	379	24.90%	354	23.85%	379	25.40%	449	28.84%	444	30.43%	411	30.49%	366	32.05%	399	33.50%	342	32.85%
Texas resident (Out-of-state)	1087	68.93%	1078	70.70%	1049	70.69%	1036	69.44%	1027	65.96%	950	65.11%	867	65.80%	736	64.45%	763	64.06%	648	62.25%
Non-resident tuition	80	5.07%	67	4.40%	81	5.46%	77	5.16%	81	5.20%	65	4.46%	50	3.71%	40	3.50%	29	2.43%	51	4.90%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,492</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>

**Borger Junior College District**  
**Statistical Supplement 16**  
**Student Profile**  
**Last Ten Fiscal Years**  
(unaudited)

Gender	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	880	55.80%	828	54.40%	808	54.45%	859	57.57%	898	57.68%	845	57.92%	778	57.72%	609	53.33%	681	57.18%	603	57.93%
Male	697	44.20%	694	45.60%	676	45.55%	633	42.43%	659	42.32%	614	42.08%	570	42.28%	533	46.67%	510	42.82%	438	42.07%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,492</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>

Ethnic Origin	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	780	49.46%	755	49.61%	744	50.13%	1,061	76.77%	1,153	74.05%	1,107	75.87%	1,012	75.07%	780	68.30%	708	59.45%	663	63.69%
Hispanic	591	37.48%	593	38.96%	575	38.75%	145	10.49%	151	9.70%	178	12.20%	181	13.43%	201	17.60%	264	22.17%	250	24.02%
African American	24	1.52%	54	3.55%	74	4.99%	66	4.78%	68	4.37%	68	4.66%	60	4.45%	53	4.64%	41	3.44%	45	4.32%
Asian	6	0.38%	6	0.39%	4	0.27%	11	0.80%	9	0.58%	9	0.62%	7	0.52%	8	0.70%	5	0.42%	5	0.48%
Foreign	9	0.57%	5	0.33%	7	0.47%	9	0.65%	18	1.16%	13	0.89%	2	0.15%	5	0.44%	11	0.92%	23	2.21%
Native American	21	1.33%	40	2.63%	26	1.75%	78	5.64%	67	4.30%	60	4.11%	67	4.97%	32	2.80%	23	1.93%	17	1.63%
Other	146	9.26%	69	4.53%	54	3.64%	12	0.87%	91	5.84%	24	1.64%	19	1.41%	63	5.52%	139	11.67%	38	3.65%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,382</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>

Tuition Status	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	637	40.39%	639	41.98%	589	39.69%	616	41.29%	661	42.45%	562	38.52%	475	35.24%	316	27.67%	315	26.45%	255	24.50%
18-21	687	43.56%	630	41.39%	659	44.41%	612	41.02%	638	40.98%	608	41.67%	573	42.51%	521	45.62%	530	44.50%	481	46.21%
22-24	75	4.76%	80	5.26%	61	4.11%	75	5.03%	70	4.50%	90	6.17%	94	6.97%	82	7.18%	81	6.80%	85	8.17%
25-35	104	6.59%	100	6.57%	115	7.75%	118	7.91%	129	8.29%	138	9.46%	142	10.53%	152	13.31%	182	15.28%	142	13.64%
36-50	64	4.06%	61	4.01%	49	3.30%	62	4.16%	53	3.40%	54	3.70%	60	4.45%	61	5.34%	68	5.71%	64	6.15%
51 & over	10	0.63%	12	0.79%	11	0.74%	9	0.60%	6	0.39%	7	0.48%	4	0.30%	10	0.88%	15	1.26%	14	1.34%
<b>Total</b>	<b>1,577</b>	<b>100.00%</b>	<b>1,522</b>	<b>100.00%</b>	<b>1,484</b>	<b>100.00%</b>	<b>1,492</b>	<b>100.00%</b>	<b>1,557</b>	<b>100.00%</b>	<b>1,459</b>	<b>100.00%</b>	<b>1,348</b>	<b>100.00%</b>	<b>1,142</b>	<b>100.00%</b>	<b>1,191</b>	<b>100.00%</b>	<b>1,041</b>	<b>100.00%</b>

Average age	20	20	20	20	20	20	20	20	20	20	20	20	20	20	21	22	22	22	22	22
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**Borger Junior College District**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2020-2021**  
**Fall Students as of Fall 2020**  
(unaudited)  
(Includes only public senior colleges in Texas)

Rank	Texas Public Senior College	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of All Transfer Students	% of All Transfer Students
1	West Texas A&M University	75	3		78	52.7%
2	Texas Tech University	36			36	24.3%
3	Tarleton State University	7			7	4.7%
4	Texas A&M University	3			3	2.0%
5	Sam Houston State University	4			4	2.7%
6	Angelo State University	4			4	2.7%
7	Texas State University	1			1	0.7%
8	Sul Ross State University	-			-	0.0%
9	Prairie View A&M University	-			-	0.0%
10	The University of Texas at Austin	1			1	0.7%
11	The University of Texas of the Permian Basin	1			1	0.7%
12	The University of Texas at Arlington	1			1	0.7%
13	Midwestern State University	5			5	3.4%
14	The University of Texas at El Paso	2			2	1.4%
15	University of North Texas at Dallas	3			3	2.0%
16	Stephen F. Austin State University	-			-	0.0%
17	The University of Texas at Tyler	2			2	1.4%
<b>Totals</b>		<b>145</b>	<b>3</b>	<b>-</b>	<b>148</b>	<b>100.00%</b>

Source: <http://www.txhighereddata.org/reports/performance/ctcasalf/ctcaddl/>

**Borger Junior College District**  
**Statistical Supplement 18**  
**Capital Asset Information**  
**Fiscal Year 2012 to 2021**  
(unaudited)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Academic buildings</b>	8	8	8	8	8	8	7	7	7	7
Square footage	191,180	191,180	191,180	170,180	170,180	170,180	162,980	162,980	162,980	162,980
<b>Library</b>	1	1	1	1	1	1	1	1	1	1
Square footage	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Number of volumes	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900
<b>Administrative and support buildings</b>	2	2	2	2	2	2	2	2	2	2
Square footage	22,400	22,400	22,400	22,400	22,400	22,400	22,400	22,400	22,400	22,400
<b>Dormitories</b>	3	3	3	3	3	3	3	3	3	3
Square footage	54,640	54,640	54,640	54,640	54,640	54,640	54,640	54,640	54,640	54,640
Number of beds	246	246	246	246	246	246	246	246	246	246
<b>Apartments</b>	0	0	0	0	0	0	0	0	0	0
Square footage	0	0	0	0	0	0	0	0	0	0
Number of beds	0	0	0	0	0	0	0	0	0	0
<b>Dining facilities</b>	1	1	1	1	1	1	1	1	1	1
Square footage	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Average daily customers	158	158	158	158	158	158	158	158	158	158
<b>Athletic facilities</b>										
Square footage	252,910	252,910	252,910	252,910	252,910	252,910	252,910	252,910	252,910	252,910
Stadiums	1	1	1	1	1	1	1	1	1	1
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness centers	1	1	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
<b>Plant facilities</b>	1	1	1	1	1	1	1	1	1	1
Square footage	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
<b>Transportation</b>										
Cars	10	10	10	8	8	9	9	9	10	10
Light trucks	8	6	6	6	6	6	6	6	5	6
Buses	4	6	6	6	6	3	3	3	3	3