

**NOTICE OF REGULAR MEETING
GALVESTON COMMUNITY COLLEGE DISTRICT
BOARD OF REGENTS**

In compliance with the Open Meetings Act, Texas Government Code, Section 551.041, notice is hereby given that a Regular Meeting of the Galveston Community College District Board of Regents will be held on **Wednesday, January 11, 2023**, at 5:30 PM in Room M-220 Galveston College, 4015 Avenue Q, Galveston, Texas 77550.

The Board of Regents will gather in Room M-202 for refreshments prior to the Regular Meeting. Although a quorum may be present, no action will be taken by the Board at that time.

- AGENDA -

I. Call to Order Regular Meeting	
II. Moment of Silence and Pledge of Allegiance	
III. Certification of Posting Notice of Regular Meeting	
IV. Recognition of Guests	
V. Consider Approval of Minutes from the Regular Meeting of November 9, 2022 <i>(Action Item)</i>	3
VI. Citizens Desiring to Appear Before the Board on Agenda and Non-agenda Items <i>(Please complete a request card prior to the start of the meeting. The Board Chairperson may limit the time of appearance before the Board to three minutes.)</i>	
VII. Informative Reports:	
1. Student Success Story <i>(Dr. W. Myles Shelton)</i>	11
2. Monthly Financial Reports - November and December <i>(Mr. M. Jeff Engbrock)</i>	12
VIII. Consideration of Consent Agenda <i>(The purpose of the consent agenda is to allow the Board to identify and approve action items which require no additional information or discussion and for which there is unanimous approval. Regents receive agenda materials in advance of the meeting to prepare for the business to be conducted.)</i>	57
IX. Action Items:	
1. Consider Approval of Finance Committee Recommendation Regarding Acceptance of Financial Statements and Single Audit Report for the Years Ended August 31, 2021 and 2022, and Required Communications Letter	58
2. Consider Facilities Committee Recommendation Regarding Approval of Proposal for Engineering Services to Affix a New Roof to Applied Technology Center Building Three	187
3. Consider Facilities Committee recommendation on Approval of Proposal for Engineering Services to Provide Design of Mechanical and Electrical Systems Necessary to Replace Utility Transformer, Main Switch Board, and Motor Control Center	196
4. Consider Approval of Vendor Compucycle and Statement of Work for IT Equipment Disposal	206
5. Consider Ratifying Appointment of Full-time Instructors	211
6. Consider Acceptance of Faculty Resignation	212
7. Consider Amending Fiscal Year 2022-2023 Regular Board Meeting Date	213

8. Consider Acceptance of Fiscal Year 2022-23 First Quarter Investment Report

214

X. Special Reports and Comments:

1. Student Representative (*Ms. Crystal Anderson*)
2. Faculty Representative (*Ms. Liz Lacy*)
3. President (*Dr. W. Myles Shelton*)
4. Regents
5. Chairperson (*Ms. Karen F. Flowers*)

XI. Adjournment

The notice for this meeting was posted on , in compliance with the Texas Open Meetings Act.

W. Myles Shelton, Ed.D., President

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF REGENTS
GALVESTON COMMUNITY COLLEGE DISTRICT
4015 Avenue Q
Galveston, Texas 77550
Room M-220 – Moody Hall
November 9, 2022
5:30 p.m.**

At the Regular Meeting of the Galveston Community College District Board of Regents, duly held on Wednesday, November 9, 2022, in Room M-220 of Moody Hall, commencing at 5:30 p.m., the following Regents were present:

Ms. Karen F. Flowers, Chairperson
Mr. Fred D. Raschke, Vice Chairperson
Mr. Michael B. Hughes, Secretary
Mr. Garrik Addison
Mr. Armin Cantini
Dr. Norman Hoffman (attended virtually)
Mr. Raymond Lewis, Jr. (attended virtually)
Ms. Mary R. Longoria
Ms. Carolyn L. Sunseri

Faculty and staff present included Dr. W. Myles Shelton, President, Ms. Veronica Atterberry, Mr. Tyree Bearden, Mr. Michael Berberich, Mr. Larry Blomstedt, Dr. Conrad Breitbach, Mr. Ed Chrnko, Mr. Ron Crumedy, Mr. Don Davison, Ms. Janene Davison, Mr. Jeff Engbrock, Mr. Daniel Fink, Dr. Mary Jan Lantz, Ms. Breanne Loreface, Dr. Cissy Matthews, and Dr. Van Patterson.

- I. CALL TO ORDER REGULAR MEETING:** Chairperson Flowers opened the Regular Meeting at 5:30 PM in Room M-220 of Moody Hall and determined a quorum was present.
- II. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE:** Ms. Flowers began with a moment of silence and asked Mr. Raschke to lead the Pledge of Allegiance.
- III. CERTIFICATION OF POSTING NOTICE OF REGULAR MEETING:** Dr. Shelton confirmed that the notice of the Regular Meeting had been properly posted on November 4, 2022.
- IV. RECOGNITION OF GUESTS:** Dr. Shelton recognized the students in the audience, Bertrina Woodward, Purvi Kalia, Karlee Surratt, Alibeth Corrales, Blessing Fadahungi, Eva Rios, Daniela Morales, Sarina Conaveras, Julie Tovar and Jalisa Thomas. Mr. M Theron Waddell was also present.
- V. CONSIDER APPROVAL OF MINUTES FROM THE OCTOBER 12, 2022 REGULAR MEETING OF THE BOARD OF REGENTS:** A reading of the minutes was waived. Mr. Raschke moved to approve the minutes as published; Ms. Sunseri seconded. The motion passed unanimously.

VI. CITIZENS DESIRING TO APPEAR BEFORE THE BOARD ON AGENDA AND NON-AGENDA ITEMS: There were no citizens desiring to appear before the Board.

VII. INFORMATIVE REPORTS:

1. Student Success Story: Dr. Shelton introduced this agenda item and Dr. Matthews who presented on the awards that Galveston College issues in critical fields. Dr. Matthews presented a chart to the Board that shows the list of critical fields and what programs Galveston College offers. 53% of FY 22 graduates came from one of the critical fields.
2. Monthly Financial Reports – October: Mr. M. Jeff Engbrock, Comptroller/CFO, presented the financial reports for the month of October. With 16.7 percent of the year completed, income generated was \$3,897,497 or 14.5 percent of the fiscal year 2022-23 revenue budget. Tuition and Fees are up 5 percent from prior years, compared to 10 percent down last year. Local taxes are down a little, at 2.3 percent, compared to 3.8 percent last year. Local revenue is \$151,066, and is mostly due to the increase in interest rates. He reported that total expenses are \$4,638,895, or 17.3 percent of the expenditure budget, compared to 14.3 percent last year.
3. Annual Report of Required Training for New Board Members: Dr. Shelton presented this item to the Board. He reported that all of the new Board Members have completed all the required training, required through this date.
4. Update on Identity Theft Program: Dr. Mary Jan Lantz, Director of Human Resources, presented this item to the Board. During the last year, identity theft activities included:
 - Monthly emails that are sent to employees regarding the many services that are provided through the employee assistance program, that include an identity theft prevention and recovery program.
 - At new hire orientation, the HR team informs all new employees about our employee assistance services, including the identity theft and recovery program available to them.
 - On January 21st of this year we presented the session Cybersecurity by James Morrison, retired FBI Cybersecurity agent, and currently the Chief Information Security Officer, Ntirety. This was during our monthly Staff Professional Development session.
 - Our next Cyber security training session will be held on January 13, 2023. Priselda Perez and Eugene Walker will be presenting the Texas Department of Information Resources (DIR) cyber security training video, and will be answering questions during this session. This will be part of our required annual cyber-security training. Employees have already been completing this annual training.
 - SafeColleges, our online training partner, worked with the DIR to produce a DIR certified cybersecurity training course. SafeColleges also provides our Active Shooter and Title IX training courses. This two-hour course is

now one of our mandatory training requirements for all new College employees.

- This Friday, November 11, 2022- The Staff Professional Development committee will be hosting a FERPA Training (Family Educational Rights and Privacy Act) as well as reviewing Resources Available for Students, this session will be presented by Meghann Nash & Scott Branum.

The College takes many steps to guard against Identity Theft, including:

- Shredding all records not required for retention, and retaining employee and student records that are required for retention in secured file cabinets, behind a locked door with limited access.
- The College also masks all social security numbers in our ERP system, and Payroll system, and we do not store, any credit card information in our systems. Credit card information is processed through a secured offsite system.
- the College's professional liability insurance coverage with TASB includes Privacy & Information Security coverage. This coverage is for all expenses associated a breach response up to \$250,000.

There have been no recorded incidents of identity theft on our campus during this last school year.

VIII. CONSENT AGENDA: Ms. Flowers proceeded with the Consent Agenda. Mr. Hughes moved to approve the Consent Agenda and Action Item Nos. 6, 7 and 9; Ms. Longoria seconded. The motion passed unanimously. A copy of the Consent Agenda is attached as **Exhibit A**.

IX. ACTION ITEMS:

1. Consider Facilities Committee Recommendation on Approval of Proposal for Engineering Services to Add Eight Additional Welding Booths to the Applied Technology Center: Mr. Hughes, Facilities Committee Chairperson presented this item to the Board. The Facilities Committee met prior to this meeting to review and discuss the proposal for Engineering Services to Add Eight Additional Welding Booths to the Applied Technology Center. LEAF Engineers has submitted an engineering fee proposal for the complete design of all mechanical, electrical, plumbing and technology systems necessary to add eight (8) additional welding booths and electrical connections needed at the Applied Technology Center. This would bring the total of welding booths up to 32 and would allow the College to serve more welding students, including dual credit and open enrollment, at the same time. Staff is requesting Board approval of \$24,000 for this proposal. Funding for the project will be the Construction Fund.

It was the Committee's recommendation and Mr. Hughes moved to approve the proposal for engineering Services to add eight additional welding booths to the Applied Technology Center; Mr. Lewis seconded the motion. The motion passed unanimously.

2. Consider Facilities Committee Recommendation on Approval to Replace Four (4) Roof Top Air-Conditioning Units on the Cheney Center and the Seibel Wing: Mr. Hughes, Facilities Committee Chairperson presented this item to the Board. The Facilities Committee met prior to this meeting to review and discuss the proposal to

replace four roof top air-conditioning units on the Cheney Center and the Seibel Wing. Proposals were sought from three (3) co-op vendors. Two proposals were received. Staff requests Board approval to have Gowan/Garrett replace four (4) roof top air conditioning units located on the Cheney Center and the Seibel Wing in the amount of \$285,700.

It was the Committee's recommendation and Mr. Hughes moved to approve the proposal for Gowan/Garrett to replace the four roof top air-conditioning units located on the Cheney Center and the Seibel Wing in the amount of \$285,700; Mr Raschke seconded. The motion passed unanimously.

3. Consider Facilities Committee Recommendation on Approval of Proposal for New Landscape Planting for the Main Campus: Mr. Hughes, Facilities Committee Chairperson, presented this item to the Board. The Facilities Committee met prior to this meeting to review and discuss the proposal for new landscape plantings for the Main Campus. A request for Proposal for new landscape plantings for the main campus was sent to six vendors and was advertised in the local newspaper. One response was received. This "Base Bid" consists of removal of existing dead plant material, clearing & grubbing of existing planters. Remove the twelve (12) existing palms trees in front of Moody Hall and replace them with ten (10) new palm trees. Existing trees & shrubs to remain are to have dead limbs removed. Source & purchase new soil amendments, mulch & plant material to be installed per landscape plan. Existing plant material noted to be relocated on site shall be coordinated with Landscape Architect. Contractor to ensure existing irrigation system is in working order prior to final close out of project. It is recommended that the Board approve the proposal submitted by HortiCare, 2717 FM 517 Road, Alvin, Texas 77551, in the amount of \$305,668.37.

It was the Committee's recommendation and Mr. Hughes moved to approve the proposal from HortiCare in the amount of \$305,668.37; Ms. Longoria seconded. The motion passed unanimously.

4. Consider Facilities Committee Recommendation on Approval of Proposal to Purchase Furniture for Counseling/Advising Center and TRIO Programs: Mr. Hughes, Facilities Committee Chairperson, presented this item to the Board. The Facilities Committee met prior to this meeting to review and discuss the proposal to purchase furniture for the Counseling/Advising Center and TRIO Programs. Staff requests approval of this proposal from McCoy Rockford in the amount of \$102,045.58

It was the Committee's recommendation and Mr. Hughes moved to approve the proposal from McCoy Rockford in the amount of \$102,045.58; Ms. Sunseri seconded. The motion passed unanimously.

5. Consider Facilities Committee Recommendation on Approval of Proposal to Purchase Furniture for the Health Sciences Building: Mr. Hughes, Facilities Committee Chairperson, presented this item to the Board. The Facilities Committee met prior to this meeting to review and discuss the proposal to purchase furniture for the Health Sciences Building. Staff requests Board approval to purchase new office, classroom and lounge furnishings for the new Health Sciences Building. Our

architect, PBK has noted that while the final numbers are correct, the design team is still vetting some of the details within, so there may be minor adjustments to things like fabric/upholstery colors that won't affect price before the proposal is formally submitted to the College's procurement department. McCoy Rockford Commercial Interiors will fill the order, which is priced at \$1,288,869.30.

It was the Committee's recommendation and Mr. Hughes moved to approve the proposal from McCoy Rockford in the amount of \$1,288,869.30 to purchase furniture for the Health Sciences Building; Ms. Sunseri seconded. The motion passed unanimously.

6. Consider Approval of Payment to Ramona Munsell & Associates Consulting, Inc. for Technical Assistance and Grant Writing Services for the Title V Developing Hispanic-Serving Institutions Project (Year Five): The Board unanimously approved the payment to Ramona Munsell & Associates Consulting, Inc. for technical assistance and grant writing services for the Title V Developing Hispanic-Serving Institutions Project (Year Five). This item was passed in the consent agenda.
7. Consider Approval of Proposal to Purchase Computer Monitors: The Board unanimously approved the proposal to purchase additional computer monitors. This item was passed in the Consent Agenda.
8. Consider Approval to Offer Robotics Program (Level 1 Certificate): Dr. Matthews presented this item to the Board. Staff is requesting Board approval to add the Robotics Program in Fall of 2023. Ball High School has a robust robotics program. Working with them, the College designed this program to offer those students an opportunity for dual credit. College faculty worked with Ball High School faculty to develop a program that would be interesting to students and prepare them for entry level employment, or to move on to other education when they graduate.

Discussion was had on what the robotics certificate could be used in. In the healthcare, food preparation, and manufacturing industries, they all need technicians. Discussion was also had on what age of students would be in the program. Most students will be sophomores, juniors, and seniors. Some students could take it in eighth grade.

Ms. Sunseri moved to approve the Robotics Program Level 1 Certificate; Ms. Longoria seconded. The motion passed unanimously.

9. Consider Approval of Faculty Change in Rank: The Board unanimously approved the changes in Rank for Mr. Kristopher Blackmon to Assistant Professor, Dr. Laimutis Bytautas to Associate Professor, Ms. Liz Lacy to Assistant Professor, Dr. Ana Sanchez to Professor, and Dr. Mary Ana Thomas to Assistant Professor. This item was passed in the Consent Agenda.

X. SPECIAL REPORTS AND COMMENTS:

1. Student Representative: Ms. Trina Woodward, Student Government Vice-President, presented the SGA Report. Highlights included:
 - Breast Cancer Awareness Day was observed 10-14-22 at Lassie League Park as the Whitecaps Softball team wore Pink Jerseys, American Cancer Society “Breast Cancer Fact Sheets” were distributed, & 72 Pink Ribbon cupcakes were devoured. Wear Pink Wednesday information and giveaways were also observed on 10-26-22 in the Moody Lobby by Public Affairs.
 - The Grand 1894 Opera House donated the following tickets:
 - 10-23-22: 20 students, faculty and staff attended the RESPECT Aretha Franklin Tribute Concert.
 - 10-28-22: 20 students, faculty and staff attended the Silent Movie: The Phantom of the Opera-Rob Landes at the Organ.
 - The following Halloween Activities took place:
 - 10-25-22: 34 students attended the Primetime Cinema Movie Night.
 - 10-26-22: Halloween Hot Dogs and Chips were served at the ATC
 - 10-27-22: 59 students attended the Silent Disco Halloween Costume Dance from 9 PM-11 PM.
 - 10-31-22: Baseball player Kameron Hardebeck and Nursing student Clinton Orisakwe tied at the “Hallo”wings contest by eating 19 spicy wings in 3 minutes!
 - 10-31-22: The Student Government Association assisted GC Public Relations with the *Share your Holidays Food Drive* box assembly and delivered them to campus locations so the drive could begin the next day. All collected food will be delivered to Ball HS on 11-29-22.
 - Wednesday Wellness Student Spa Days @ ATC have been planned and sponsored by Cosmetology, Student Life, and the Student Government Association for the 1st 100 current GC students to receive one free service which include a Shampoo & Blow Dry, Hand Massage, Basic Facial, or Basic Manicure.
 - 11-9-21: Mr. C’s provided and Mr. Graves helped serve a traditional Thanksgiving Celebration lunch to all housing students and the 1st 50 non-housing students.

Upcoming events include:

 - The Food for Thought student distributions will take place on the Galveston College main campus and ATC on 11-16-22 and 12-14-22. GC is partnering with Galveston County Food Bank and Catholic Charities USA; PTK is also volunteering on the distribution dates!
 - The Thinkfast Title IX Gameshow will be featured in the Seibel Wing on 12-15-22 @ 7 PM; up to \$200 cash prize for the winners! Galveston College’s Title IX policies, procedures, and reporting options will be incorporated into the gameshow.
2. Faculty Representative: Mr. Tyree Bearden, Faculty Senate Vice-President, presented the faculty report. Mr. Bearden reported that everyone is invited to the Lecture Series November 10, at 6 p.m. in the Seibel Wing. “The Russian Invasion of Ukraine, Why?” presented by Professor Peter Caldwell, Professor of History at Rice University. He also invited everyone to the theater production of Melville & Hawthorne November 17, at 7:30 p.m., November 18, at 2:30 p.m. and 7:30 p.m. and November 19, at 7:30 p.m. Performances will be in room FA-207. Galveston College students, and some alumni will be performing.

3. President: Dr. Shelton recognized Dr. Ana Thomas, who was approved a change in rank to Professor as part of the Consent Agenda that was voted on this evening. Dr. Shelton let the Board know that the calendar update is in the Board folders. He pointed out the College Holiday Party, on December 2, at 6 p.m., and asked Board Members to RSVP for the THECB Leadership Conference, or the National Legislative Congress if they would like to attend. Other updates included:
 - Community College Day at the Capitol on January 26.
 - The Foundation was given some wall space on the first floor of Regents Hall, outside the Library, to create a new donor wall. He encouraged the Board to go down and look at it and let the Foundation know how much we appreciate what they do.
 - Dr. Shelton, and members of the Board attended the ACCT Congress in New York at the end of October. There were lots of great programs, and seminars. They received lots of good information.
 - The parking lot will reopen and have more spaces for students to park.
 - The Health Sciences Building will be making lots of progress, and steel should be coming out of the ground soon.

4. Regents: Ms Sunseri commented that she was very proud to be representing Galveston College at the Leadership Congress, because Galveston College is already doing a lot of the things that were being discussed at the sessions.

5. Chairperson: Ms. Flowers thanked the students for attending. She stated that the Leadership Congress was very worthwhile, and she thanked all the Regents who were able to attend. She also added that we won't have another meeting before the new year, so she wished all the students a great time off.

XI. ADJOURNMENT: There being no further business to come before the Board, the Regular Meeting adjourned at 6:09 p.m.

Michael B. Hughes, Secretary

APPROVED AS CORRECT:

Karen F. Flowers, Chairperson

Consideration of Consent Agenda

The consent agenda format is an organization process for meetings that allows the governing board to focus its time and attention on action items that require more elaboration, information, and/or discussion. The intent of the consent agenda is to support efficiency and effectiveness of the meeting.

A roll call of individual action items will determine the consent agenda. If a Regent has a question or plans to cast a negative vote regarding a specific recommendation, then the Regent(s) need to acknowledge their intention to the Chairperson by show of hand during the roll call. This action item will be considered in the regular order of business as an individual action item.

Those action items that the Regents plan to approve without further question or discussion will be placed on the consent agenda during roll call of individual action items. Upon the creation of the consent agenda, a motion, a second to the motion, and unanimous approval of the Board of Regents is needed to approve the action items. Upon approval of the consent agenda, the Board of Regents will proceed with the remainder of the agenda.

Tally of
Action Items:

	<u>Consent Agenda</u>	<u>President Recommended Separate Action</u>	<u>Board Separate Action</u>	<u>Page #</u>
#1 – Consider Facilities Committee Recommendation on Approval of Proposal for Engineering Services to Add Eight Additional Welding Booths to the Applied Technology Center	_____	_____ ✓ _____	_____	42
#2 – Consider Facilities Committee Recommendation on Approval to Replace Four (4) Roof Top Air-Conditioning Units on the Cheney Center and the Seibel Wing	_____	_____ ✓ _____	_____	43
#3 - Consider Facilities Committee Recommendation on Approval of Proposal for New Landscape Plantings for the Main Campus	_____	_____ ✓ _____	_____	44
#4 – Consider Facilities Committee Recommendation on Approval of Proposal to Purchase Furniture for Counseling/Advising Center and TRIO Programs	_____	_____ ✓ _____	_____	45
#5 – Consider Facilities Committee Recommendation on Approval of Proposal to Purchase Furniture for the Health Sciences Building	_____	_____ ✓ _____	_____	58
#6 - Consider Approval of Payment to Ramona Munsell & Associates Consulting, Inc. for Technical Assistance and Grant Writing Services for the Title V Developing Hispanic-Serving Institutions Project (Year Five)	_____ ✓ _____	_____	_____	139
#7 – Consider Approval of Proposal to Purchase Computer Monitors	_____ ✓ _____	_____	_____	140
#8 – Consider Approval to Offer Robotics Program (Level 1 Certificate)	_____	_____ ✓ _____	_____	141
#9 – Consider Approval of Faculty Change in Rank ₁₀	_____ ✓ _____	_____	_____	142

Student Success Story

Dr. W. Myles Shelton, President, will present the Student Success Story for the month.

Monthly Financial Reports – November and December

Attached is the monthly financial report for August, representing encumbrances and pre-encumbrances through December 31, 2022. The report is as follows:

Education and General Fund:

- Revenue Summary Sheet
- Expenditure Summary Sheet
- Summary Revenue/Expenditure Report
- Detail Revenue/Expenditure Report by State Classification

Auxiliary Fund (Bookstore, Snack Bar, Athletics):

- Summary Revenue/Expenditure Report by State Classification

Student Services / Student Activity Fund:

- Summary Revenue/Expenditure Report by State Classification

Construction Fund:

- Summary Revenue/Expenditure Report

Bond Fund:

- Summary Revenue/Expenditure Report

Operating Fund
Revenue Summary Sheet
January 2023 Meeting
As of November 30, 2022 (25% of Year)

Source	Budgeted 2022/2023	Year-to-Date		
		Received (\$) 2022/2023	Received (%) 2022/2023	Received (%) 2021/2022
State Funds	\$4,799,136	\$1,607,710	33.5%	35.5%
Tuition and Fees	\$5,111,910	\$3,250,047	63.6%	54.6%
Local Taxes	\$16,662,900	\$1,974,264	11.8%	13.4%
Local Revenues	\$273,750	\$226,946	82.9%	13.1%
Total Revenue	\$26,847,696	\$7,058,967	26.3%	25.3%

Operating Fund Expenditure Summary Sheet

January 2023 Meeting

As of November 30, 2022 (25% of Year)

Source	Budgeted 2022/2023	Year-to-Date		
		Expended (\$) 2022/2023	Expended (%) 2022/2023	Expended (%) 2021/2022
Instruction	\$8,712,711	\$2,011,723	23.1%	20.7%
Community Service	\$26,612	\$8	0.0%	0.0%
Academic Support	\$1,849,035	\$459,202	24.8%	22.8%
Student Services	\$2,641,322	\$547,325	20.7%	20.1%
Institutional Support	\$6,007,935	\$1,640,808	27.3%	20.9%
Staff Benefits	\$65,439	\$44,783	68.4%	98.6%
Operations/ Maintenance	\$3,389,191	\$1,032,029	30.5%	30.5%
Interfund Transfers (out)	\$4,155,451	\$868,098	20.9%	17.0%
Total Expenditures	\$26,847,696	\$6,603,977	24.6%	21.6%

GALVESTON COLLEGE

Fund 11 Education and General

	Current year		Current year		Current year		Current year		Current year	
	Budget	(MTD) Actual	November	(YTD) Actual	Encumbrances	Remaining	% Expended	2023	2023	2023
November 30, 2022	2023			2023	2023					
Revenue by State Classification										
State Funds	4,799,136	455,918		1,607,710	0	3,191,426	33.5%			
Tuition	2,894,771	630,470		1,879,639	0	1,015,132	64.9%			
Course Fees	2,856,728	665,623		1,986,365	0	870,363	69.5%			
Exemption\Waivers	(639,589)	(261,299)		(615,957)	0	(23,632)	96.3%			
Local Taxes	16,662,900	1,594,878		1,974,264	0	14,688,636	11.8%			
Local Revenue	269,750	74,988		222,099	0	47,651	82.3%			
Sales and Services	4,000	511		4,847	0	(847)	121.2%			
Total Revenue	26,847,696	3,161,089		7,058,968	0	19,788,728	26.3%			
Expenditures by State Classification										
Instructions	8,749,848	668,739		2,011,723	94,134	6,643,991	23.0%			
Community Service	26,612	8		8	0	26,604	0.0%			
Academic Support	1,849,035	137,806		459,202	42,114	1,347,719	24.8%			
Student Services	2,641,197	179,842		547,325	537,737	1,556,135	20.7%			
Institutional Support	5,970,923	657,468		1,640,808	557,788	3,772,327	27.5%			
Operations And Maintenances	3,389,191	182,762		1,032,029	945,492	1,411,670	30.5%			
Staff Benefits	65,439	1,015		44,783	0	20,656	68.4%			
Inter-Fund Appropriation	4,155,451	122,149		868,098	0	3,287,353	20.9%			
Expenditures Total	26,847,696	1,949,788		6,603,977	2,177,265	18,066,454	24.6%			
Expenditures by Type										
General Operating	3,556,182	144,658		1,016,575	450,050	2,089,558	28.6%			
Contracted Services	2,597,059	159,868		680,415	982,037	934,607	26.2%			
Travel	373,782	38,559		64,429	275	309,078	17.2%			
Equipment	574,260	226,975		250,683	169,177	154,400	43.7%			
Utilities	878,500	59,528		129,719	575,726	173,055	14.8%			
Faculty Full Time	4,440,605	350,079		1,047,159	0	3,393,446	23.6%			
Faculty Overloads\Adjunct	1,662,895	142,205		384,362	0	1,278,533	23.1%			
Stipends	457,318	33,844		101,724	0	355,594	22.2%			
Administrator Salaries	2,034,660	177,656		532,968	0	1,501,692	26.2%			
Professional Technical Salaries	1,976,267	150,336		451,008	0	1,525,259	22.8%			
Classified Salaries	2,234,960	187,006		569,555	0	1,665,405	25.5%			
Part-Time Salaries	499,558	48,463		142,152	0	357,406	28.5%			
Staff Benefits	1,406,199	108,462		365,131	0	1,041,068	26.0%			

GALVESTON COLLEGE
Fund 11 Education and General

Interfund Appropriations	4,155,451	122,149	868,098	0	3,287,353	20.9%
Expenditures Total	26,847,696	1,949,788	6,603,977	2,177,265	18,066,454	24.6%
Excess Rev/Exp	0	1,211,301	454,991			

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
State Appropriation						
Academic/Technical	\$3,527,300	\$351,057	\$1,237,937	\$0	\$2,289,363	35.1%
Incentive	\$591,430	\$36,473	\$128,617	\$0	\$462,813	21.7%
Core	\$680,406	\$68,388	\$241,157	\$0	\$439,250	35.4%
Health Insurance	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$4,799,136	\$455,918	\$1,607,710	\$0	\$3,191,426	33.5%
Tuition						
In District Tuition	\$1,261,975	\$321,785	\$864,368	\$0	\$397,608	68.5%
Out of District Tuition	\$870,155	\$185,845	\$588,617	\$0	\$281,538	67.6%
Non Resident Tuition	\$378,391	\$119,988	\$321,032	\$0	\$57,359	84.8%
CE Workforce Training	\$140,000	\$0	\$21,242	\$0	\$118,758	15.2%
CE Workforce Info Tech	\$18,250	\$0	\$1,794	\$0	\$16,456	9.8%
CE Workforce Health Prof	\$196,000	\$0	\$65,637	\$0	\$130,363	33.5%
CE Leisure Learning	\$30,000	\$2,852	\$16,949	\$0	\$13,051	56.5%
CE Childrens Programs	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$2,894,771	\$630,470	\$1,879,639	\$0	\$1,015,132	64.9%
Course Fees						
Building Use Fee	\$1,274,258	\$309,378	\$881,515	\$0	\$392,743	69.2%
Student Service Fee	\$65,967	\$14,370	\$41,157	\$0	\$24,810	62.4%
General Service Fee	\$293,860	\$61,529	\$175,987	\$0	\$117,873	59.9%
Registration Fee	\$178,600	\$36,917	\$106,452	\$0	\$72,148	59.6%
Out of District Fee	\$460,205	\$111,022	\$340,906	\$0	\$119,299	74.1%
Course and Lab fees	\$260,600	\$66,175	\$215,312	\$0	\$45,288	82.6%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget		(MTD) Actual (YTD) Actual		Encumbrances		Available		% of Budget	
	2023	November	2023	2023	2023	2023	2023	2023	2023	2023
Distance Education fee	\$178,600	\$47,870	\$154,369	\$0	\$24,231					86.4%
Distance Education fee N/R	\$4,463	\$3,400	\$9,600	\$0	(\$5,137)					215.1%
Testing Fees	\$30,600	\$981	\$4,777	\$0	\$25,823					15.6%
Testing Fees GED	\$2,550	\$0	\$2,729	\$0	(\$179)					107.0%
Testing Fees-Contract	\$2,550	\$80	\$180	\$0	\$2,370					7.1%
Late Registration Fees	\$6,375	\$0	\$2,225	\$0	\$4,150					34.9%
Schedule Change Fees	\$1,800	\$0	\$1,240	\$0	\$560					68.9%
Student Health\Insurance Fees	\$60,000	\$12,522	\$35,123	\$0	\$24,877					58.5%
SurCharge 3peat > 27 Dev hrs	\$36,300	\$1,380	\$14,793	\$0	\$21,507					40.8%
Other fees	\$0	\$0	\$0	\$0	\$0					NaN
Total	\$2,856,728	\$665,623	\$1,986,365	\$0	\$870,363					69.5%
Exemption/Waivers										
Competitive Waiver	(\$34,650)	(\$13,284)	(\$27,142)	\$0	(\$7,508)					78.3%
Foster Care	(\$23,342)	(\$4,981)	(\$14,292)	\$0	(\$9,050)					61.2%
Hazelwood Waiver Credit	(\$24,172)	\$0	(\$2,991)	\$0	(\$21,181)					12.4%
Hazelwood Dependant	(\$33,825)	(\$1,484)	(\$18,528)	\$0	(\$15,297)					54.8%
Concurrent Enrollment	\$0	\$0	\$0	\$0	\$0					NaN
Blind	(\$4,950)	(\$590)	(\$2,773)	\$0	(\$2,177)					56.0%
Fireman	(\$6,600)	\$0	(\$3,980)	\$0	(\$2,620)					60.3%
Police	(\$1,650)	\$0	(\$300)	\$0	(\$1,350)					18.2%
TEC 54.052	(\$102,300)	(\$25,490)	(\$76,993)	\$0	(\$25,307)					75.3%
Military Waiver	(\$13,200)	(\$2,542)	(\$8,282)	\$0	(\$4,918)					62.7%
GISD Dual Credit	(\$391,600)	(\$212,928)	(\$460,677)	\$0	\$69,077					117.6%
Other	(\$3,300)	\$0	\$0	\$0	(\$3,300)					0.0%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
Total	(\$639,589)	(\$261,299)	(\$615,957)	\$0	(\$23,632)	96.3%
Local Taxes						
Current Taxes	\$16,299,900	\$1,557,423	\$1,827,935	\$0	\$14,471,965	11.2%
Delinquent	\$230,000	\$27,888	\$113,259	\$0	\$116,741	49.2%
Penalty & Interest	\$130,000	\$9,567	\$32,589	\$0	\$97,411	25.1%
Other	\$3,000	\$0	\$481	\$0	\$2,519	16.0%
Total	\$16,662,900	\$1,594,878	\$1,974,264	\$0	\$14,688,636	11.8%
Local Revenue						
Interest Income	\$200,000	\$74,514	\$188,345	\$0	\$11,655	94.2%
Miscellaneous Revenue	\$16,500	\$39	\$6,040	\$0	\$10,460	36.6%
Misc. Revenue-Vehicles	\$15,000	\$435	\$1,327	\$0	\$13,673	8.8%
Administrative Allowance	\$3,250	\$0	\$0	\$0	\$3,250	0.0%
Indirect Cost Recovery	\$35,000	\$0	\$545	\$0	\$34,455	1.6%
Insurance Reimbursements		\$0	\$25,843			
Donations	\$0	\$0	\$0	\$0	\$0	NaN
Sales and Services	\$4,000	\$511	\$4,847	\$0	(\$847)	121.2%
Total	\$273,750	\$75,499	\$226,946	\$0	\$46,804	82.9%
Inter-Fund Appropriations						
Transfers from Ed & Gen (Fund Bal...	\$0	\$0	\$0	\$0	\$0	NaN
Transfers from Federal Grants	\$0	\$0	\$0	\$0	\$0	NaN
Transfers from Bond Revenue	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$0	\$0	\$0	\$0	\$0	NaN
Total Revenue	\$26,847,696	\$3,161,089	\$7,058,968	\$0	\$19,788,728	26%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
2023	November	2023	2023	2023	2023

Exp by State Classification

Instructional						
Welding	\$349,164	\$39,261	\$103,400	\$16,963	\$228,802	29.6%
Biology	\$365,233	\$26,978	\$80,496	(\$105)	\$284,842	22.0%
Biotechnology	\$0	\$0	\$0	\$0	\$0	NaN
Chemistry	\$205,939	\$15,834	\$47,338	\$157	\$158,444	23.0%
Env Science	\$68,009	\$4,535	\$12,609	\$0	\$55,400	18.5%
Physics	\$129,196	\$7,223	\$21,695	\$0	\$107,501	16.8%
Accounting	\$68,795	\$5,894	\$17,696	\$0	\$51,099	25.7%
Accounting Tech	\$0	\$0	\$0	\$0	\$0	NaN
Business Admin	\$15,380	\$591	\$2,000	\$0	\$13,380	13.0%
Hosp/Tourism	\$9,456	\$0	\$0	\$0	\$9,456	0.0%
Medical Office Admin	\$203,878	\$18,842	\$56,054	\$500	\$147,324	27.5%
Logistics Op	\$100,809	\$7,286	\$21,850	\$500	\$78,459	21.7%
Med Off Admin	\$0	\$0	\$0	\$0	\$0	NaN
Sm Bus Manage	\$0	\$0	\$0	\$0	\$0	NaN
Office Tech	\$0	\$0	\$0	\$0	\$0	NaN
Paralegal	\$0	\$0	\$0	\$0	\$0	NaN
Speech	\$116,981	\$9,483	\$27,486	\$0	\$89,495	23.5%
Comp. Science	\$98,063	\$2,561	\$7,683	\$0	\$90,380	7.8%
Comp. Tech.	\$114,506	\$8,058	\$22,977	\$0	\$91,529	20.1%
Culinary Arts	\$150,794	\$15,988	\$43,166	\$7,263	\$100,365	28.6%
Cosmetology	\$240,707	\$22,218	\$64,151	\$7,589	\$168,967	26.7%
Engineering	\$5,270	\$0	\$0	\$0	\$5,270	0.0%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget		(MTD) Actual (YTD) Actual		Encumbrances		Available		% of Budget	
	2023	November	2023	2023	2023	2023	2023	2023	2023	2023
Develop-Read	\$96,795	\$10,111	\$30,330	\$0	\$0	\$66,465	31.3%			
Develop-Write	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Develop-Other	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Education	\$9,850	\$843	\$2,528	\$0	\$0	\$7,322	25.7%			
English	\$276,704	\$20,261	\$68,199	\$0	\$0	\$208,505	24.6%			
Humanities	\$24,259	\$1,630	\$4,816	\$0	\$0	\$19,443	19.9%			
Philosophy	\$9,810	\$1,182	\$3,546	\$0	\$0	\$6,264	36.1%			
Foreign Lang-SPAN	\$14,643	\$870	\$2,610	\$0	\$0	\$12,033	17.8%			
Nursing-RN	\$858,701	\$50,969	\$184,633	\$5,482	\$0	\$668,586	21.5%			
Nursing Admin	\$178,254	\$14,345	\$43,295	\$300	\$0	\$134,659	24.3%			
Allied Health	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Clinical Research	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Emer Med Serv	\$402,922	\$26,527	\$90,229	\$37,628	\$0	\$275,064	22.4%			
Imaging-CT	\$134,852	\$10,205	\$30,241	\$0	\$0	\$104,611	22.4%			
Imaging-MRI	\$141,638	\$10,777	\$32,401	\$0	\$0	\$109,237	22.9%			
Imaging-Mam	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Imaging-Nuclear	\$156,609	\$12,218	\$39,124	\$0	\$0	\$117,485	25.0%			
Imaging-Rad Thy	\$178,588	\$14,270	\$43,055	\$0	\$0	\$135,533	24.1%			
Imaging-Rad Tch	\$375,907	\$30,177	\$85,352	\$181	\$0	\$290,374	22.7%			
Ophthalmic Asst	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Pharmacy Tech	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Phlebotomy Tech	\$0	\$0	\$0	\$0	\$0	\$0	NaN			
Sonography	\$193,152	\$15,615	\$48,075	\$500	\$0	\$144,578	24.9%			
Surgical Tech	\$150,391	\$8,564	\$25,838	\$171	\$0	\$124,382	17.2%			

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget		(MTD) Actual (YTD) Actual		Encumbrances		Available		% of Budget	
	2023	November	2023	2023	2023	2023	2023	2023	2023	2023
Nursing-LVN	\$253,579	\$12,752	\$47,812	\$0	\$205,767	18.9%				
Develop-Math	\$247,107	\$24,518	\$68,235	\$0	\$178,872	27.6%				
Mathematics	\$339,372	\$31,202	\$94,002	\$0	\$245,370	27.7%				
Auto Tech	\$0	\$0	\$0	\$0	\$0	NaN				
HVAC Tech	\$121,061	\$8,304	\$25,817	\$5,904	\$89,341	21.3%				
Industrial Sys	\$0	\$0	\$0	\$0	\$0	NaN				
Electrical and Electroncis	\$140,623	\$10,756	\$30,043	\$2,084	\$108,496	21.4%				
Instrumentation	\$131,007	\$8,997	\$26,470	\$1,603	\$102,934	20.2%				
Fitness Center	\$129,128	\$7,500	\$25,394	\$1,425	\$102,309	19.7%				
Physical Ed.	\$120,087	\$10,152	\$30,190	\$1,110	\$88,788	25.1%				
CJ-Academic	\$70,507	\$6,719	\$20,189	\$0	\$50,318	28.6%				
CJ-Law Enforce	\$150,799	\$8,909	\$26,094	\$500	\$124,205	17.3%				
Economics	\$61,502	\$4,992	\$14,978	\$0	\$46,524	24.4%				
Government/PS	\$131,063	\$9,684	\$28,319	\$0	\$102,744	21.6%				
History/Geog.	\$134,172	\$10,168	\$29,700	\$0	\$104,472	22.1%				
Psychology	\$102,221	\$6,107	\$17,533	\$0	\$84,688	17.2%				
Sociology	\$47,418	\$2,581	\$7,794	\$0	\$39,624	16.4%				
Art	\$133,607	\$11,322	\$35,132	\$3,663	\$94,812	26.3%				
Digital Imaging	\$0	\$0	\$0	\$0	\$0	NaN				
Drama / Theater	\$146,371	\$12,101	\$29,572	\$0	\$116,799	20.2%				
Music	\$68,809	\$4,568	\$12,246	\$0	\$56,563	17.8%				
Medical Bachelors	\$213,269	\$18,734	\$51,576	\$121	\$161,572	24.2%				
Nursing BSN	\$259,531	\$20,034	\$59,122	\$304	\$200,105	22.8%				
Accreditation	\$11,200	\$0	\$1,297	\$0	\$9,903	11.6%				

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
Accreditation QEP	\$0	\$0	\$0	\$0	\$0	NaN
ATD	\$0	\$0	\$0	\$0	\$0	NaN
Faculty Dev.	\$55,400	\$2,898	\$4,387	\$0	\$51,013	7.9%
Lecture Series	\$6,130	\$738	\$738	\$0	\$5,392	12.0%
CE-Workforce	\$63,100	\$4,424	\$13,541	\$156	\$49,403	21.5%
CE Cisco	\$14,054	\$859	\$2,308	\$0	\$11,746	16.4%
CE Allied Health	\$153,476	\$16,405	\$46,359	\$137	\$106,981	30.2%
Total Instructional	\$8,749,848	\$668,739	\$2,011,723	\$94,134	\$6,643,991	23%
Instructional Donations	\$0	\$0	\$0	\$0	\$0	NaN
2						
Community Services						
CE Leisure Learning	\$26,612	\$8	\$8	\$0	\$26,604	0.0%
CE Children Programs	\$0	\$0	\$0	\$0	\$0	NaN
Total Community Service	\$26,612	\$8	\$8	\$0	\$26,604	0.0%
Academic Support						
Vice President of Instruction	\$282,790	\$22,326	\$67,832	\$0	\$214,958	24.0%
Arts & Sciences Administration	\$69,560	\$5,657	\$16,930	\$0	\$52,630	24.3%
Tech\Professional Ed. Administration	\$229,047	\$16,174	\$49,246	\$10,740	\$169,061	21.5%
Adult & Continuing Ed. Administration	\$243,693	\$18,918	\$57,002	\$1,418	\$185,273	23.4%
Distance Education Administration	\$172,994	\$15,379	\$47,765	\$0	\$125,229	27.6%
Hamshire - Fannett Administration	\$0	\$0	\$0	\$0	\$0	NaN
Grants Development	\$70,186	\$5,697	\$17,072	\$200	\$52,914	24.3%
Library & Learning Resources	\$399,816	\$21,984	\$106,114	\$28,351	\$265,351	26.5%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
Media Services	\$53,033	\$4,496	\$16,591	\$599	\$35,843	31.3%
Student Success Center (Tutoring)	\$163,817	\$15,426	\$41,852	\$133	\$121,832	25.5%
Testing Center	\$164,099	\$11,748	\$38,799	\$673	\$124,627	23.6%
Total For Academic Support	\$1,849,035	\$137,806	\$459,202	\$42,114	\$1,347,719	24.8%
Student Services						
Vice President of Student Services	\$341,356	\$44,163	\$90,616	\$2,600	\$248,140	26.5%
Admissions\Records	\$537,416	\$44,567	\$137,636	\$0	\$399,780	25.6%
Campus Security	\$623,191	\$9,495	\$68,854	\$427,545	\$126,793	11.0%
Counseling	\$718,782	\$47,936	\$138,632	\$107,592	\$472,558	19.3%
Financial Ad	\$340,145	\$27,497	\$93,033	\$0	\$247,112	27.4%
Student Activities	\$80,307	\$6,185	\$18,556	\$0	\$61,751	23.1%
Phi Theta Kappa	\$0	\$0	\$0	\$0	\$0	NaN
Total For Student Services	\$2,641,197	\$179,842	\$547,325	\$537,737	\$1,556,135	20.7%
Institutional Support						
Board of Regents	\$46,750	\$4,686	\$7,784	\$389	\$38,577	16.7%
President	\$563,623	\$44,886	\$113,480	\$250	\$449,893	20.1%
General Institutional Expenses	\$675,136	\$68,197	\$104,518	\$0	\$570,619	15.5%
Vice President for Administration	\$203,094	\$16,688	\$49,284	\$349	\$153,462	24.3%
Business Services	\$849,816	\$51,297	\$162,870	\$8,448	\$678,498	19.2%
Human Resources & Risk Mgmt.	\$450,856	\$33,557	\$103,868	\$42,851	\$304,137	23.0%
Professional Development	\$8,500	\$1,752	\$2,733	\$2,267	\$3,500	32.2%
Purchasing	\$88,049	\$6,905	\$20,876	\$2,579	\$64,595	23.7%
Research and Planning	\$228,600	\$14,828	\$50,707	\$500	\$177,393	22.2%

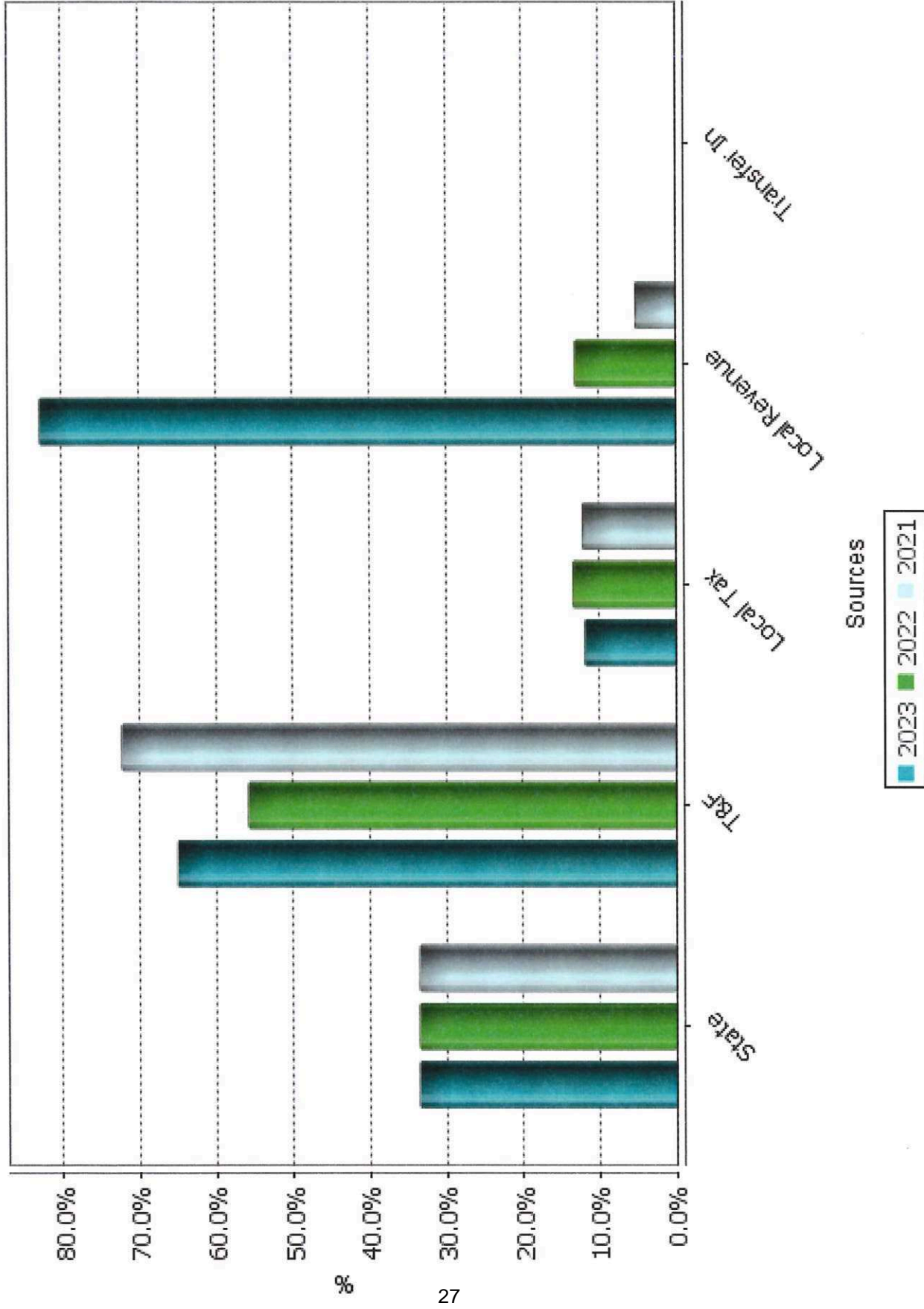
Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
Information Technology	\$1,787,752	\$325,555	\$767,687	\$395,115	\$624,950	42.9%
Communications	\$89,551	\$5,275	\$22,929	\$12,369	\$54,253	25.6%
Vice Pres. Community Engagement	\$0	\$0	\$0	\$0	\$0	NaN
Development	\$268,868	\$28,645	\$74,806	\$623	\$193,439	27.8%
GC Foundation	\$66,594	\$6,407	\$16,182	\$81	\$50,331	24.3%
Marketing & Media	\$643,734	\$48,789	\$143,084	\$91,968	\$408,681	22.2%
Total for Institutional Support	\$5,970,923	\$657,468	\$1,640,808	\$557,788	\$3,772,327	27.5%
Staff Benefits						
Staff Benefits - State Eligible	\$33,000	\$1,015	\$44,732	\$0	(\$11,732)	135.6%
Staff Benefits - Non-State Eligible	\$0	\$0	\$0	\$0	\$0	NaN
Staff Benefits - Retirees	\$0	\$0	\$52	\$0	(\$52)	Infinity
Total For Staff Benefits	\$33,000	\$1,015	\$44,783	\$0	(\$11,783)	135.7%
Operations and Maintenance						
Plant Administration	\$830,627	\$14,954	\$621,606	\$0	\$209,021	74.8%
Building Maintenance	\$1,069,439	\$71,567	\$165,762	\$341,735	\$561,942	15.5%
Custodial Services	\$538,425	\$40,262	\$123,643	\$8,000	\$406,782	23.0%
Custodial Services Tech Center	\$0	\$0	\$0	\$0	\$0	NaN
Grounds Maintenance	\$73,000	\$30	\$8,630	\$32,400	\$31,970	11.8%
Grounds Maintenance Tech Cente	\$0	\$0	\$0	\$0	\$0	NaN
Transportation	\$32,000	\$78	\$745	\$0	\$31,255	2.3%
Utilities	\$732,000	\$53,952	\$99,878	\$485,122	\$147,000	13.6%
Utilities Tech Center	\$113,700	\$1,919	\$11,765	\$78,235	\$23,700	10.3%
Total for Operations and M...	\$3,389,191	\$182,762	\$1,032,029	\$945,492	\$1,411,670	30.5%

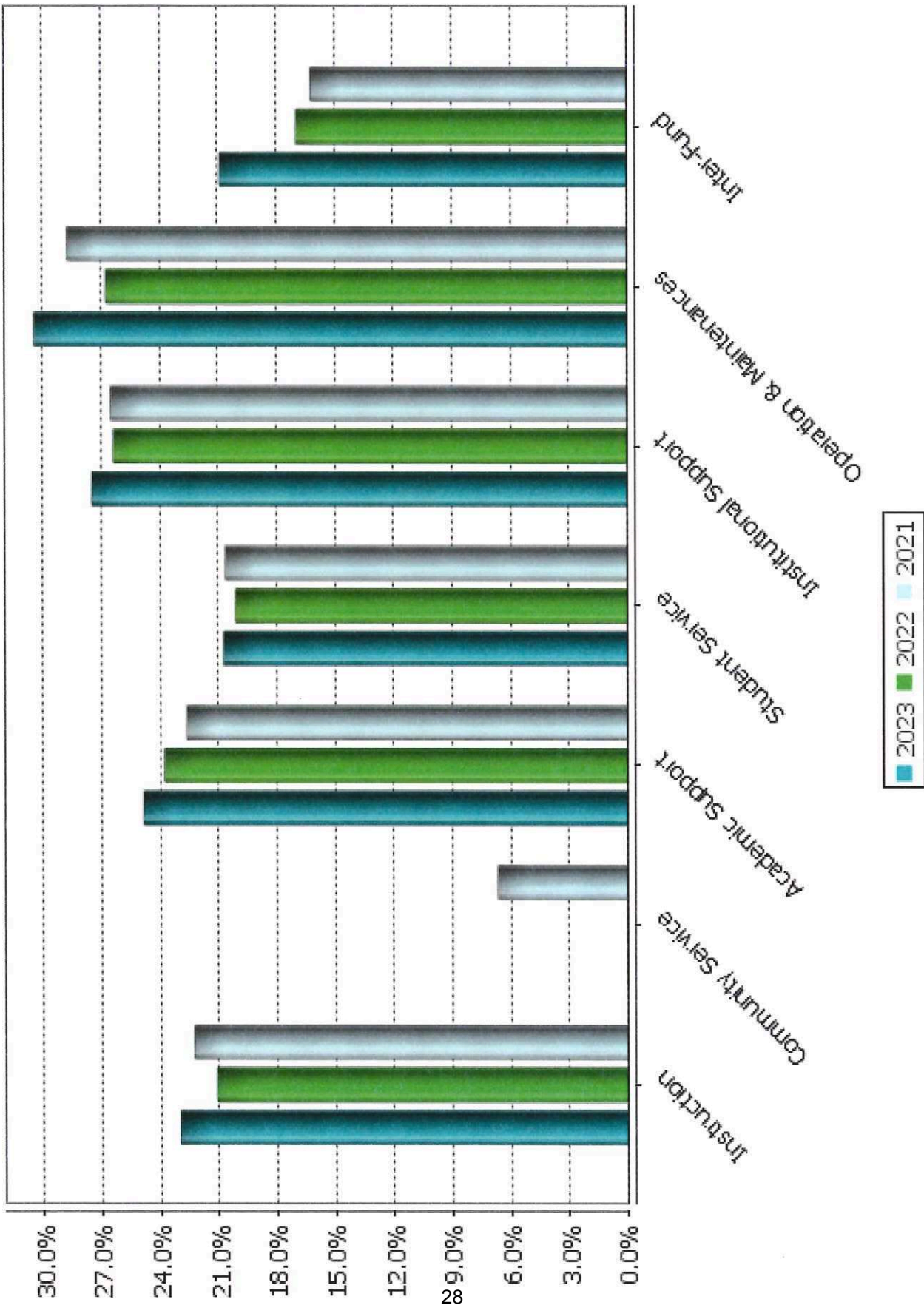
Galveston College
Fund 11 Detail Rev\Exp
as of the end of November 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	November	2023	2023	2023	2023
Inter-fund Appropriations						
Transfers to Auxiliary	\$599,197	\$0	\$0	\$0	\$599,197	0.0%
Transfers to Student Activity Fund	\$65,763	\$14,370	\$41,157	\$0	\$24,606	62.6%
Transfer to State Eligible Ben	\$1,472,072	\$107,779	\$249,241	\$0	\$1,222,831	16.9%
Transfers to State Grants & Aid	\$153,019	\$0	\$0	\$0	\$153,019	0.0%
Transfers to Bond Revenue	\$1,865,400	\$0	\$577,700	\$0	\$1,287,700	31.0%
Transfer to Construction	\$0	\$0	\$0	\$0	\$0	NaN
Transfers to Capital Project	\$0	\$0	\$0	\$0	\$0	NaN
Transfers to Fixed Assets	\$0	\$0	\$0	\$0	\$0	NaN
Total Inter-fund Appropriations	\$4,155,451	\$122,149	\$868,098	\$0	\$3,287,353	20.9%
Expenditures Totals	\$26,815,257	\$1,949,788	\$6,603,977	\$2,177,265	\$18,034,015	24.6%

3 Year Revenue by Percentage (YTD)



Three Year Expense by Percentage (TYD)



**Auxiliary fund
as of November 30, 2022**

November 30, 2022	Current year		Current year		Current ...		Current year		Current year	
	Budget	(MTD) Actual	(YTD) Act...	Encumbr...	Remaining	% Expended	2023	2023	2023	2023
	2023	November	2023	2023	2023		2023	2023	2023	2023
Revenue by State Classification										
Interfund Appropriations	\$599,197	\$0	\$0	\$0	\$599,197	0%				
Bookstore Commission	\$45,000	\$30,527	\$30,527	\$0	\$14,473	68%				
Student housing	\$346,495	\$43,300	\$231,667	\$0	\$114,828	67%				
Food Service	\$438,389	\$58,686	\$311,077	\$0	\$127,312	71%				
Special Event	\$0	\$0	\$0	\$0	\$0	NaN				
Sales and Services	\$178,630	\$12,178	\$37,866	\$0	\$140,764	21%				
Total Revenue	\$1,607,711	\$144,692	\$611,137	\$0	\$996,574	38%				

Expenditures by Department										
Bookstore(retiree)	0	0	0	0	\$0	NaN				
Student Housing	17,590	1,130	4,691	0	\$12,899	27%				
Food Service	361,158	44,115	165,540	0	\$195,618	46%				
Print Shop	114,500	6,549	19,074	69,143	\$26,283	17%				
Special Event	0	0	0	0	\$0	NaN				
Athletics General	85,177	3,681	23,867	3,332	\$57,978	28%				
Baseball	451,936	26,480	158,170	9,472	\$284,294	35%				
Softball	369,750	18,288	135,598	4,733	\$229,418	37%				
General Institutional	207,600	2,232	52,454	21,300	\$133,846	25%				
Transfer to Construction	0	0	0	0	\$0	NaN				
Expenditures Total	1,607,711	102,476	559,395	107,980.36	\$940,336	35%				

**Auxiliary fund
as of November 30, 2022**

Expenditures by Type								
General Operating	240,635	8,990	48,367	36,053	156,215.76	20%		
Contracted Services	475,858	48,202	184,351	57,878	233,628.79	39%		
Travel	128,555	5,368	26,237	0	102,318.20	20%		
Equipment	57,600	16,613	28,389	14,049	15,161.85	49%		
Special Event	0	0	0	0	0.00	NaN		
Transfer to Scholars...	25,000	0	25,000	0	0.00	100%		
Transfer to Construction	0	0	0	0	0.00	NaN		
Scholarships	395,128	0	177,280	0	217,848.20	45%		
Salaries & Stipends	217,249	17,962	53,663	0	163,586.05	25%		
Staff Benefits	67,686	5,340	16,109	0	51,576.87	24%		
Expenditures Total	1,607,711	102,476	559,395	107,980.36	940,335.72	35%		

**Student Service Fund
as of November 30, 2022**

November 30, 2022	Current year		Current year		Current ...		Current year	
	Budget	(MTD) Actual	(YTD) Act...	Encumbr...	Remaining	% Expended	2023	2023
	2023	November	2023	2023	2023			
Revenue by State Classification								
Interfund Appropriations	\$65,763	\$14,370	\$41,157	\$0	\$24,606	63%		
Fund Balance Transfer	\$0	\$0	\$0	\$0	\$0	NaN		
Total Revenue	\$65,763	\$14,370	\$41,157	\$0	\$24,606	63%		
Expenditures by Department								
Student Activities	39,363	1,630	6,847	80	\$32,436	17%		
Student Government	23,800	0	1,492	500	\$21,808	6%		
Phi Theta Kappa	2,600	0	0	0	\$2,600	0%		
Expenditures Total	65,763	1,630	8,339	580	\$56,843	13%		
Expenditures by Type								
General Operating	38,263	1,630	8,339	580	29,343	22%		
Contracted Services	0	0	0	0	0	0%		
Travel	17,500	0	0	0	17,500	0%		
Equipment	0	0	0	0	0	NaN		
Scholarships	0	0	0	0	0	0%		
Salaries & Stipends	10,000	0	0	0	10,000	0%		
Staff Benefits	0	0	0	0	0	0%		
Expenditures Total	65,763	1,630	8,339	580	56,843	13%		

GALVESTON COLLEGE
Construction\Capital Project fund
as of November 30, 2022

November 30, 2022	Current year Budget 2023	Current year (MTD) Actual November	Current year (YTD) Actual 2023	Current year Encumbrances 2023	Current year Remaining 2023
Fund 71					
Revenue					
Fund Balance Transfer	4,002,000	0	0	0	4,002,000
Total Revenue	4,002,000	0	0	0	4,002,000
Expenditures					
Facility Construction					
Softball Feild \$1.35 Mil, Parking lot 900K, 8 Welding Booths 150K	2,400,000	39,515	39,515	792,485	1,568,000
Architectural & Engineering fees					
Northern Remodel 200K, Library Testing 2k, FA207 10K, Softball Feild 150k, Parking 100K, welding Booths 15K	477,000	6,895	10,295	313,105	153,600
landscaping	305,668	0	0	305,668	0
landscaping Archt & Engr fees	19,332	0	0	0	19,332
Air Conditioning Upgrade ATC and Seibel Wing	350,000	0	0	285,700	64,300
Land\Building Purchase	450,000	0	0	0	450,000
Expenditures Total	4,002,000	46,410	49,810	1,696,958	2,255,232
Nursing Health Science Building					
Revenue					
Transfer from Fund 53	143,977	0	0	0	143,977
Bond Proceeds	31,815,323	1,565,912	3,410,938	0	28,404,385
Total Revenue	31,959,300	1,565,912	3,410,938	0	28,548,362
Expenditures					
Equipment- Capital	2,350,000	0	0	1,288,869	1,061,131

GALVESTON COLLEGE
Construction\Capital Project fund
as of November 30, 2022

November 30, 2022	Current year Budget 2023	Current year (MTD) Actual November	Current year (YTD) Actual 2023	Current year Encumbrances 2023	Current year Remaining 2023
Facility Construction	27,190,300	1,541,550	3,342,744	0	23,847,556
Archit and Engr Fees	2,419,000	24,362	68,194	0	2,350,806
Expenditures Total	31,959,300	1,565,912	3,410,938	1,288,869	27,259,492
Fund Revenue Total	35,961,300	1,565,912	3,410,938	0	32,550,362
Fund Expenditures Total	35,961,300	1,612,322	3,460,748	2,985,827	29,514,724
Fund 71 total	(46,410)	(49,810)	(49,810)	(2,985,827)	

GALVESTON COLLEGE
Bond Funds 51, 52, 53

November 30, 2022

Fund 51 Revenue-Bond Payment

	Current year Budget 2023	Current ... (MTD) Actual November	Current year (YTD) Actual 2023	Current year Encumbran... 2023	Current year Remaining 2023	Current year % Expended 2023	Prior Year % Expe... 2022
Revenue							
Transfer from E&G	1,865,400	0	577,700	0	1,287,700	31.0%	
Interest income-Bond	125,000	73,781	197,902	197,902	(270,803)	158.3%	
Revenue Total	1,990,400	73,781	775,602	197,902	1,016,897	39.0%	
Expenses							
Transfers to Bond Reserve (N/A)	125,000	0	0	0	125,000		
Transfer to Interest and sinking	1,865,400	0	106,873	0	1,758,527	5.7%	
Expenditures Total	1,990,400	0	106,873	0	1,883,527	5.4%	

fund 52 Bond Intrest and Sinking Fund

Transfer from Bond Revenue Fd 51	1,865,400	0	106,873	0	1,758,527	5.7%	
Total Fund Revenue	1,865,400	0	106,873	0	1,758,527	5.7%	
Expenses							
Bond Redemption Principal	710,000	0	0	0	710,000	0.0%	
Bond Redemption Intrest	1,155,400	0	106,873	0	1,048,527	9.2%	
Expenditures Total	1,865,400	0	106,873	0	1,758,527	5.7%	

fund 53 Bond Reserve

Transfers from Bond Revenue	125,000	0	0	0	125,000	0.0%	
Interest income-Reserve	18,977	5,772	14,476	14,476	(9,975)	76.3%	
Revenue Total	143,977	5,772	14,476	14,476			
Expenses							
Transfer to Construction	143,977	0	0	0	143,977	0.0%	
Expenditures Total	143,977	0	0	0	143,977	0.0%	

Operating Fund
Revenue Summary Sheet
January 2023 Meeting
As of December 31, 2022 (33.3% of Year)

Source	Budgeted 2022/2023	Year-to-Date		
		Received (\$) 2022/2023	Received (%) 2022/2023	Received (%) 2021/2022
State Funds	\$4,799,136	\$2,063,628	43.0%	43.0%
Tuition and Fees	\$5,111,910	\$3,743,721	73.2%	65.2%
Local Taxes	\$16,662,900	\$5,350,306	32.1%	46.6%
Local Revenues	\$273,750	\$314,308	114.8%	26.0%
Total Revenue	\$26,847,696	\$11,471,962	42.7%	49.4%

Operating Fund Expenditure Summary Sheet

January 2023 Meeting

As of December 31, 2022 (33.3% of Year)

Source	Budgeted 2022/2023	Year-to-Date		
		Expended (\$) 2022/2023	Expended (%) 2022/2023	Expended (%) 2021/2022
Instruction	\$8,712,711	\$2,699,248	31.0%	28.0%
Community Service	\$26,612	\$125	0.5%	1.9%
Academic Support	\$1,849,035	\$598,301	32.4%	29.9%
Student Services	\$2,641,322	\$739,059	28.0%	27.9%
Institutional Support	\$6,007,935	\$2,059,408	34.3%	28.8%
Staff Benefits	\$65,439	\$44,783	68.4%	99.1%
Operations/ Maintenance	\$3,389,191	\$1,256,951	37.1%	34.0%
Interfund Transfers (out)	\$4,155,451	\$985,180	23.7%	25.1%
Total Expenditures	\$26,847,696	\$8,383,056	31.2%	28.7%

GALVESTON COLLEGE

Fund 11 Education and General

	Current year	Current year	Current year	Current year	Current year	Current year	Current year	Current year	Current year
	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Remaining	% Expended	2023	2023	2023
December 31, 2022	2023	December	2023	2023	2023	2023	2023	2023	2023
Revenue by State Classification									
State Funds	4,799,136	455,918	2,063,628	0	2,735,508	43.0%	0	2,735,508	43.0%
Tuition	2,894,771	257,696	2,137,335	0	757,436	73.8%	0	757,436	73.8%
Course Fees	2,856,728	270,078	2,256,443	0	600,285	79.0%	0	600,285	79.0%
Exemption\Waivers	(639,589)	(34,101)	(650,057)	0	10,468	101.6%	0	10,468	101.6%
Local Taxes	16,662,900	3,376,041	5,350,306	0	11,312,594	32.1%	0	11,312,594	32.1%
Local Revenue	269,750	85,568	307,668	0	(37,918)	114.1%	0	(37,918)	114.1%
Sales and Services	4,000	1,793	6,640	0	(2,640)	166.0%	0	(2,640)	166.0%
Total Revenue	26,847,696	4,412,994	11,471,962	0	15,375,734	42.7%	0	15,375,734	42.7%

Expenditures by State Classification

Instructions	8,749,848	687,526	2,699,248	64,961	5,985,638	30.8%	0	5,985,638	30.8%
Community Service	26,612	117	125	0	26,487	0.5%	0	26,487	0.5%
Academic Support	1,849,035	139,099	598,301	29,649	1,221,084	32.4%	0	1,221,084	32.4%
Student Services	2,641,197	191,733	739,059	495,233	1,406,906	28.0%	0	1,406,906	28.0%
Institutional Support	5,970,923	418,599	2,059,408	454,165	3,457,351	34.5%	0	3,457,351	34.5%
Operations And Maintenances	3,389,191	224,922	1,256,951	827,588	1,304,652	37.1%	0	1,304,652	37.1%
Staff Benefits	65,439	0	44,783	0	20,656	68.4%	0	20,656	68.4%
Inter-Fund Appropriation	4,155,451	117,082	985,180	0	3,170,271	23.7%	0	3,170,271	23.7%
Expenditures Total	26,847,696	1,779,079	8,383,056	1,871,596	16,593,044	31.2%	0	16,593,044	31.2%

Expenditures by Type

General Operating	3,556,182	160,262	1,176,837	371,686	2,007,660	33.1%	0	2,007,660	33.1%
Contracted Services	2,597,059	222,284	902,699	836,882	857,478	34.8%	0	857,478	34.8%
Travel	373,782	14,903	79,332	275	294,175	21.2%	0	294,175	21.2%
Equipment	574,260	22,634	273,317	146,623	154,320	47.6%	0	154,320	47.6%
Utilities	878,500	59,595	189,314	516,131	173,055	21.5%	0	173,055	21.5%
Faculty Full Time	4,440,605	350,940	1,398,099	0	3,042,506	31.5%	0	3,042,506	31.5%
Faculty Overloads\Adjunct	1,662,895	140,837	525,198	0	1,137,697	31.6%	0	1,137,697	31.6%
Stipends	457,318	35,011	136,735	0	320,583	29.9%	0	320,583	29.9%
Administrator Salaries	2,034,660	177,656	710,624	0	1,324,036	34.9%	0	1,324,036	34.9%
Professional Technical Salaries	1,976,267	152,919	603,926	0	1,372,341	30.6%	0	1,372,341	30.6%
Classified Salaries	2,234,960	186,772	756,327	0	1,478,633	33.8%	0	1,478,633	33.8%
Part-Time Salaries	499,558	34,586	176,737	0	322,821	35.4%	0	322,821	35.4%
Staff Benefits	1,406,199	103,598	468,730	0	937,470	33.3%	0	937,470	33.3%

GALVESTON COLLEGE
Fund 11 Education and General

Interfund Appropriations	4,155,451	117,082	985,180	0	3,170,271	23.7%
Expenditures Total	26,847,696	1,779,079	8,383,056	1,871,596	16,593,044	31.2%
Excess Rev/Exp	0	2,633,915	3,088,906			

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
State Appropriation						
Academic/Technical	\$3,527,300	\$351,057	\$1,588,994	\$0	\$1,938,306	45.0%
Incentive	\$591,430	\$36,473	\$165,090	\$0	\$426,340	27.9%
Core	\$680,406	\$68,388	\$309,544	\$0	\$370,862	45.5%
Health Insurance	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$4,799,136	\$455,918	\$2,063,628	\$0	\$2,735,508	43.0%
Tuition						
In District Tuition	\$1,261,975	\$72,900	\$937,268	\$0	\$324,708	74.3%
Out of District Tuition	\$870,155	\$104,600	\$693,217	\$0	\$176,938	79.7%
Non Resident Tuition	\$378,391	\$33,924	\$354,956	\$0	\$23,435	93.8%
CE Workforce Training	\$140,000	\$0	\$21,242	\$0	\$118,758	15.2%
CE Workforce Info Tech	\$18,250	\$1,537	\$3,331	\$0	\$14,919	18.3%
CE Workforce Health Prof	\$196,000	\$41,958	\$107,595	\$0	\$88,405	54.9%
CE Leisure Learning	\$30,000	\$2,777	\$19,726	\$0	\$10,274	65.8%
CE Childrens Programs	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$2,894,771	\$257,696	\$2,137,335	\$0	\$757,436	73.8%
Course Fees						
Building Use Fee	\$1,274,258	\$106,596	\$988,111	\$0	\$286,147	77.5%
Student Service Fee	\$65,967	\$5,120	\$46,277	\$0	\$19,690	70.2%
General Service Fee	\$293,860	\$21,780	\$197,767	\$0	\$96,093	67.3%
Registration Fee	\$178,600	\$13,068	\$119,520	\$0	\$59,080	66.9%
Out of District Fee	\$460,205	\$56,376	\$397,282	\$0	\$62,923	86.3%
Course and Lab fees	\$260,600	\$28,435	\$243,747	\$0	\$16,853	93.5%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Distance Education fee	\$178,600	\$27,940	\$182,309	\$0	(\$3,709)	102.1%
Distance Education fee N/R	\$4,463	\$1,400	\$11,000	\$0	(\$6,537)	246.5%
Testing Fees	\$30,600	\$1,768	\$6,545	\$0	\$24,055	21.4%
Testing Fees GED	\$2,550	\$0	\$2,729	\$0	(\$179)	107.0%
Testing Fees-Contract	\$2,550	\$0	\$180	\$0	\$2,370	7.1%
Late Registration Fees	\$6,375	\$50	\$2,275	\$0	\$4,100	35.7%
Schedule Change Fees	\$1,800	\$20	\$1,260	\$0	\$540	70.0%
Student Health\Insurance Fees	\$60,000	\$4,465	\$39,588	\$0	\$20,412	66.0%
SurCharge 3peat > 27 Dev hrs	\$36,300	\$3,060	\$17,853	\$0	\$18,447	49.2%
Other fees	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$2,856,728	\$270,078	\$2,256,443	\$0	\$600,285	79.0%
Exemption/Waivers						
Competitive Waiver	(\$34,650)	(\$1,230)	(\$28,372)	\$0	(\$6,278)	81.9%
Foster Care	(\$23,342)	(\$3,462)	(\$17,754)	\$0	(\$5,588)	76.1%
Hazelwood Waiver Credit	(\$24,172)	(\$441)	(\$3,431)	\$0	(\$20,741)	14.2%
Hazelwood Dependant	(\$33,825)	\$0	(\$18,528)	\$0	(\$15,297)	54.8%
Concurrent Enrollment	\$0	\$0	\$0	\$0	\$0	NaN
Blind	(\$4,950)	(\$780)	(\$3,553)	\$0	(\$1,397)	71.8%
Fireman	(\$6,600)	(\$6,470)	(\$10,450)	\$0	\$3,850	158.3%
Police	(\$1,650)	\$0	(\$300)	\$0	(\$1,350)	18.2%
TEC 54.052	(\$102,300)	(\$8,262)	(\$85,255)	\$0	(\$17,045)	83.3%
Military Waiver	(\$13,200)	(\$2,542)	(\$10,824)	\$0	(\$2,376)	82.0%
GISD Dual Credit	(\$391,600)	(\$10,914)	(\$471,591)	\$0	\$79,991	120.4%
Other	(\$3,300)	\$0	\$0	\$0	(\$3,300)	0.0%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget 2023	(MTD) Actual December	(YTD) Actual 2023	Actual Encumbrances 2023	Available 2023	% of Budget 2023
Total	(\$639,589)	(\$34,101)	(\$650,057)	\$0	\$10,468	101.6%
Local Taxes						
Current Taxes	\$16,299,900	\$3,346,781	\$5,174,716	\$0	\$11,125,184	31.7%
Delinquent	\$230,000	\$22,523	\$135,782	\$0	\$94,218	59.0%
Penalty & Interest	\$130,000	\$6,738	\$39,327	\$0	\$90,673	30.3%
Other	\$3,000	\$0	\$481	\$0	\$2,519	16.0%
Total	\$16,662,900	\$3,376,041	\$5,350,306	\$0	\$11,312,594	32.1%
Local Revenue						
Interest Income	\$200,000	\$85,395	\$273,740	\$0	(\$73,740)	136.9%
Miscellaneous Revenue	\$16,500	\$173	\$6,213	\$0	\$10,287	37.7%
Misc. Revenue-Vehicles	\$15,000	\$0	\$1,327	\$0	\$13,673	8.8%
Administrative Allowance	\$3,250	\$0	\$0	\$0	\$3,250	0.0%
Indirect Cost Recovery	\$35,000	\$0	\$545	\$0	\$34,455	1.6%
Insurance Reimbursements		\$0	\$25,843			
Donations	\$0	\$0	\$0	\$0	\$0	NaN
Sales and Services	\$4,000	\$1,793	\$6,640	\$0	(\$2,640)	166.0%
Total	\$273,750	\$87,361	\$314,308	\$0	(\$40,558)	114.8%
Inter-Fund Appropriations						
Transfers from Ed & Gen (Fund Bal...	\$0	\$0	\$0	\$0	\$0	NaN
Transfers from Federal Grants	\$0	\$0	\$0	\$0	\$0	NaN
Transfers from Bond Revenue	\$0	\$0	\$0	\$0	\$0	NaN
Total	\$0	\$0	\$0	\$0	\$0	NaN
Total Revenue	\$26,847,696	\$4,412,994	\$11,471,962	\$0	\$15,375,734	43%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Exp by State Classification						
Instructional						
Welding	\$349,164	\$37,175	\$140,575	\$8,378	\$200,211	40.3%
Biology	\$365,233	\$26,117	\$106,612	(\$105)	\$258,726	29.2%
Biotechnology	\$0	\$0	\$0	\$0	\$0	NaN
Chemistry	\$205,939	\$15,694	\$63,033	(\$212)	\$143,118	30.6%
Env Science	\$68,009	\$4,537	\$17,146	\$0	\$50,863	25.2%
Physics	\$129,196	\$7,219	\$28,914	\$0	\$100,282	22.4%
Accounting	\$68,795	\$5,898	\$23,594	\$0	\$45,201	34.3%
Accounting Tech	\$0	\$0	\$0	\$0	\$0	NaN
Business Admin	\$15,380	\$591	\$2,591	\$0	\$12,789	16.8%
Hosp/Tourism	\$9,456	\$0	\$0	\$0	\$9,456	0.0%
Medical Office Admin	\$203,878	\$18,558	\$74,611	\$500	\$128,767	36.6%
Logistics Op	\$100,809	\$7,280	\$29,130	\$500	\$71,179	28.9%
Med Off Admin	\$0	\$0	\$0	\$0	\$0	NaN
Sm Bus Manage	\$0	\$0	\$0	\$0	\$0	NaN
Office Tech	\$0	\$0	\$0	\$0	\$0	NaN
Paralegal	\$0	\$0	\$0	\$0	\$0	NaN
Speech	\$116,981	\$9,403	\$36,889	\$0	\$80,092	31.5%
Comp. Science	\$98,063	\$2,561	\$10,244	\$0	\$87,819	10.4%
Comp. Tech.	\$114,506	\$8,075	\$31,051	\$0	\$83,455	27.1%
Culinary Arts	\$150,794	\$14,325	\$57,491	\$5,848	\$87,455	38.1%
Cosmetology	\$240,707	\$24,813	\$88,964	\$2,720	\$149,023	37.0%
Engineering	\$5,270	\$0	\$0	\$0	\$5,270	0.0%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget 2023	(MTD) Actual (YTD) Actual		Encumbrances		Available 2023	% of Budget 2023
		December	2023	2023	2023		
Develop-Read	\$96,795	\$10,113	\$40,443	\$0	\$0	\$56,352	41.8%
Develop-Write	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Develop-Other	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Education	\$9,850	\$843	\$3,371	\$0	\$0	\$6,479	34.2%
English	\$276,704	\$19,875	\$88,074	\$0	\$0	\$188,630	31.8%
Humanities	\$24,259	\$1,564	\$6,380	\$0	\$0	\$17,879	26.3%
Philosophy	\$9,810	\$1,182	\$4,728	\$0	\$0	\$5,082	48.2%
Foreign Lang-SPAN	\$14,643	\$870	\$3,480	\$0	\$0	\$11,163	23.8%
Nursing-RN	\$858,701	\$48,525	\$233,158	\$4,211	\$0	\$621,332	27.2%
Nursing Admin	\$178,254	\$15,042	\$58,337	\$300	\$0	\$119,617	32.7%
Allied Health	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Clinical Research	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Emer Med Serv	\$402,922	\$47,290	\$137,519	\$24,697	\$0	\$240,706	34.1%
Imaging-CT	\$134,852	\$9,883	\$40,125	\$0	\$0	\$94,727	29.8%
Imaging-MRI	\$141,638	\$10,751	\$43,152	\$0	\$0	\$98,486	30.5%
Imaging-Mam	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Imaging-Nuclear	\$156,609	\$11,988	\$51,112	\$0	\$0	\$105,497	32.6%
Imaging-Rad Thy	\$178,588	\$17,471	\$60,526	\$0	\$0	\$118,062	33.9%
Imaging-Rad Tch	\$375,907	\$34,164	\$119,516	\$73	\$0	\$256,318	31.8%
Ophthalmic Asst	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Pharmacy Tech	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Phlebotomy Tech	\$0	\$0	\$0	\$0	\$0	\$0	NaN
Sonography	\$193,152	\$15,641	\$63,716	\$500	\$0	\$128,936	33.0%
Surgical Tech	\$150,391	\$8,581	\$34,419	\$171	\$0	\$115,801	22.9%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Nursing-LVN	\$253,579	\$13,631	\$61,443	\$0	\$192,136	24.2%
Develop-Math	\$247,107	\$22,336	\$90,571	\$0	\$156,536	36.7%
Mathematics	\$339,372	\$31,189	\$125,191	\$0	\$214,181	36.9%
Auto Tech	\$0	\$0	\$0	\$0	\$0	NaN
HVAC Tech	\$121,061	\$7,764	\$33,581	\$5,904	\$81,576	27.7%
Industrial Sys	\$0	\$0	\$0	\$0	\$0	NaN
Electrical and Electroncis	\$140,623	\$10,559	\$40,602	\$1,930	\$98,090	28.9%
Instrumentation	\$131,007	\$9,141	\$35,612	\$1,198	\$94,197	27.2%
Fitness Center	\$129,128	\$8,295	\$33,689	\$1,425	\$94,014	26.1%
Physical Ed.	\$120,087	\$11,126	\$41,316	\$0	\$78,771	34.4%
CJ-Academic	\$70,507	\$6,271	\$26,460	\$0	\$44,047	37.5%
CJ-Law Enforce	\$150,799	\$7,828	\$33,923	\$500	\$116,376	22.5%
Economics	\$61,502	\$4,992	\$19,970	\$0	\$41,532	32.5%
Government/PS	\$131,063	\$9,704	\$38,023	\$0	\$93,040	29.0%
History/Geog.	\$134,172	\$10,116	\$39,816	\$0	\$94,356	29.7%
Psychology	\$102,221	\$6,107	\$23,640	\$0	\$78,581	23.1%
Sociology	\$47,418	\$2,596	\$10,390	\$0	\$37,028	21.9%
Art	\$133,607	\$10,956	\$46,088	\$3,428	\$84,091	34.5%
Digital Imaging	\$0	\$0	\$0	\$0	\$0	NaN
Drama / Theater	\$146,371	\$12,778	\$42,350	\$0	\$104,021	28.9%
Music	\$68,809	\$4,596	\$16,842	\$0	\$51,967	24.5%
Medical Bachelors	\$213,269	\$17,528	\$69,104	\$0	\$144,165	32.4%
Nursing BSN	\$259,531	\$19,092	\$78,214	\$304	\$181,014	30.1%
Accreditation	\$11,200	\$2,624	\$3,921	\$0	\$7,279	35.0%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Accreditation QEP	\$0	\$0	\$0	\$0	\$0	NaN
ATD	\$0	\$0	\$0	\$0	\$0	NaN
Faculty Dev.	\$55,400	\$7,277	\$11,664	\$0	\$43,736	21.1%
Lecture Series	\$6,130	\$0	\$738	\$0	\$5,392	12.0%
CE-Workforce	\$63,100	\$1,948	\$15,490	\$156	\$47,455	24.5%
CE Cisco	\$14,054	\$537	\$2,845	\$0	\$11,209	20.2%
CE Allied Health	\$153,476	\$12,504	\$58,862	\$2,537	\$92,077	38.4%
Total Instructional	\$8,749,848	\$687,526	\$2,699,248	\$64,961	\$5,985,638	31%
Instructional Donations	\$0	\$0	\$0	\$0	\$0	NaN
Community Services						
CE Leisure Learning	\$26,612	\$117	\$125	\$0	\$26,487	0.5%
CE Children Programs	\$0	\$0	\$0	\$0	\$0	NaN
Total Community Service	\$26,612	\$117	\$125	\$0	\$26,487	0.5%
Academic Support						
Vice President of Instruction	\$282,790	\$23,359	\$91,190	\$0	\$191,600	32.2%
Arts & Sciences Administration	\$69,560	\$5,606	\$22,536	\$0	\$47,024	32.4%
Tech\Professional Ed. Administration	\$229,047	\$25,620	\$74,866	\$1,242	\$152,939	32.7%
Adult & Continuing Ed. Administration	\$243,693	\$18,497	\$75,499	\$1,275	\$166,919	31.0%
Distance Education Administration	\$172,994	\$13,090	\$60,855	\$0	\$112,139	35.2%
Hamshire - Fannett Administration	\$0	\$0	\$0	\$0	\$0	NaN
Grants Development	\$70,186	\$5,691	\$22,763	\$200	\$47,223	32.4%
Library & Learning Resources	\$399,816	\$20,784	\$126,899	\$26,505	\$246,412	31.7%

Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Media Services	\$53,033	\$4,074	\$20,665	\$427	\$31,941	39.0%
Student Success Center (Tutoring)	\$163,817	\$12,075	\$53,927	\$0	\$109,890	32.9%
Testing Center	\$164,099	\$10,304	\$49,102	\$0	\$114,997	29.9%
Total For Academic Support	\$1,849,035	\$139,099	\$598,301	\$29,649	\$1,221,084	32.4%
Student Services						
Vice President of Student Services	\$341,356	\$22,236	\$112,851	\$2,600	\$225,905	33.1%
Admissions\Records	\$537,416	\$41,901	\$179,537	\$0	\$357,879	33.4%
Campus Security	\$623,191	\$45,418	\$114,272	\$391,143	\$117,776	18.3%
Counseling	\$718,782	\$50,323	\$188,955	\$101,490	\$428,337	26.3%
Financial Aid	\$340,145	\$25,670	\$118,702	\$0	\$221,443	34.9%
Student Activities	\$80,307	\$6,185	\$24,741	\$0	\$55,566	30.8%
Phi Theta Kappa	\$0	\$0	\$0	\$0	\$0	NaN
Total For Student Services	\$2,641,197	\$191,733	\$739,059	\$495,233	\$1,406,906	28.0%
Institutional Support						
Board of Regents	\$46,750	\$2,431	\$10,216	\$389	\$36,146	21.9%
President	\$563,623	\$35,561	\$149,041	\$250	\$414,332	26.4%
General Institutional Expenses	\$675,136	\$5,556	\$110,073	\$955	\$564,108	16.3%
Vice President for Administration	\$203,094	\$16,541	\$65,825	\$700	\$136,569	32.4%
Business Services	\$849,816	\$77,650	\$240,520	\$7,740	\$601,556	28.3%
Human Resources & Risk Mgmt.	\$450,856	\$33,863	\$137,731	\$38,271	\$274,854	30.5%
Professional Development	\$8,500	\$917	\$3,650	\$1,350	\$3,500	42.9%
Purchasing	\$88,049	\$6,943	\$27,818	\$2,579	\$57,652	31.6%
Research and Planning	\$228,600	\$14,669	\$65,375	\$500	\$162,725	28.6%

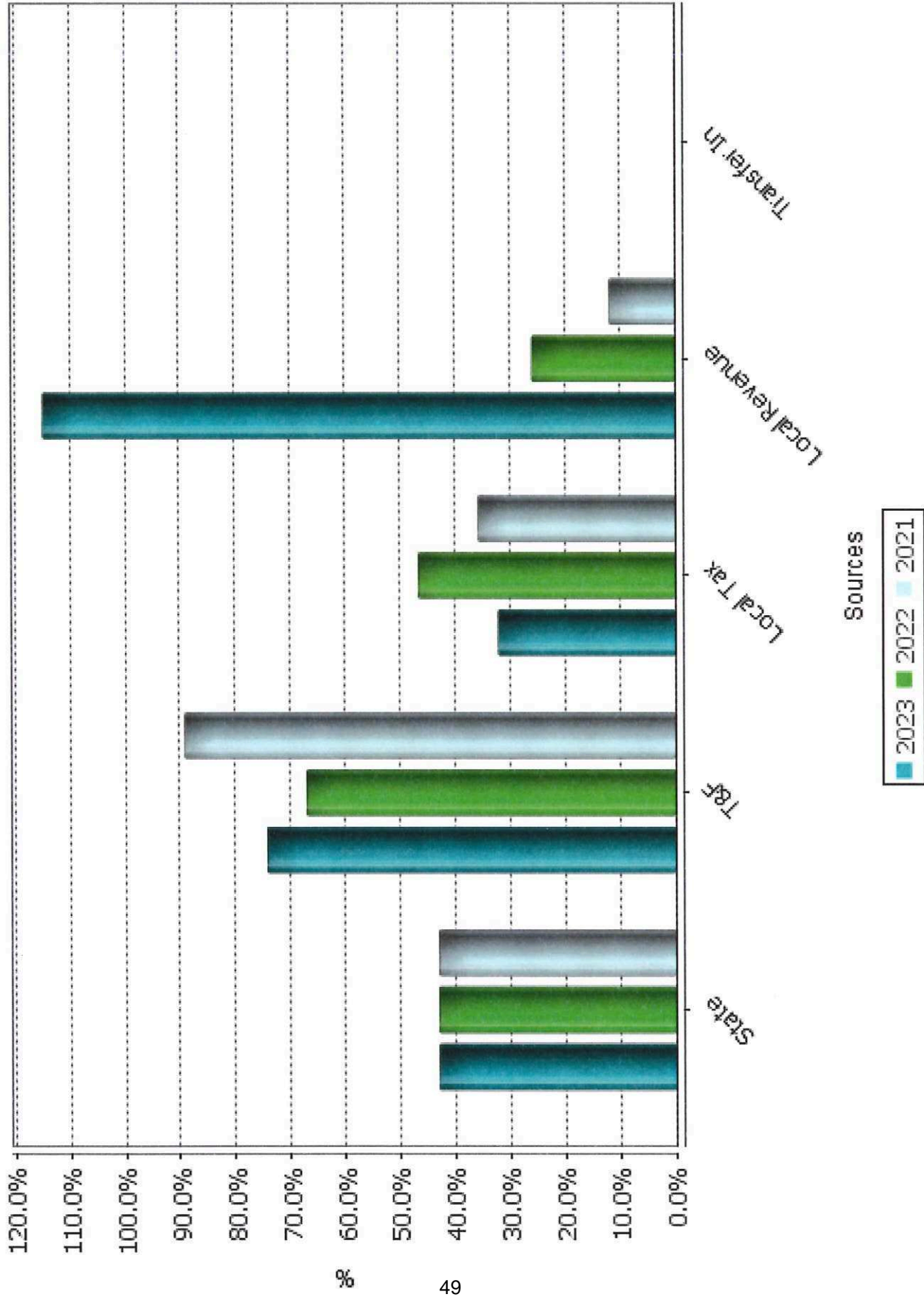
Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Information Technology	\$1,787,752	\$116,867	\$884,554	\$314,547	\$588,651	49.5%
Communications	\$89,551	\$5,276	\$28,205	\$8,711	\$52,635	31.5%
Vice Pres. Community Engagement	\$0	\$0	\$0	\$0	\$0	NaN
Development	\$268,868	\$19,307	\$94,113	\$623	\$174,132	35.0%
GC Foundation	\$66,594	\$4,875	\$21,057	\$4	\$45,534	31.6%
Marketing & Media	\$643,734	\$78,145	\$221,230	\$77,547	\$344,957	34.4%
Total for Institutional Support	\$5,970,923	\$418,599	\$2,059,408	\$454,165	\$3,457,351	34.5%
Staff Benefits						
Staff Benefits - State Eligible	\$33,000	\$0	\$44,732	\$0	(\$11,732)	135.6%
Staff Benefits - Non-State Eligible	\$0	\$0	\$0	\$0	\$0	NaN
Staff Benefits - Retirees	\$0	\$0	\$52	\$0	(\$52)	Infinity
Total For Staff Benefits	\$33,000	\$0	\$44,783	\$0	(\$11,783)	135.7%
Operations and Maintenance						
Plant Administration	\$830,627	\$13,239	\$634,845	\$0	\$195,782	76.4%
Building Maintenance	\$1,069,439	\$114,699	\$280,461	\$283,168	\$505,810	26.2%
Custodial Services	\$538,425	\$37,572	\$161,215	\$8,000	\$369,210	29.9%
Custodial Services Tech Center	\$0	\$0	\$0	\$0	\$0	NaN
Grounds Maintenance	\$73,000	\$3,400	\$12,030	\$29,000	\$31,970	16.5%
Grounds Maintenance Tech Center	\$0	\$0	\$0	\$0	\$0	NaN
Transportation	\$32,000	\$75	\$820	\$0	\$31,180	2.6%
Utilities	\$732,000	\$51,537	\$151,415	\$433,585	\$147,000	20.7%
Utilities Tech Center	\$113,700	\$4,400	\$16,165	\$73,835	\$23,700	14.2%
Total for Operations and M...	\$3,389,191	\$224,922	\$1,256,951	\$827,588	\$1,304,652	37.1%

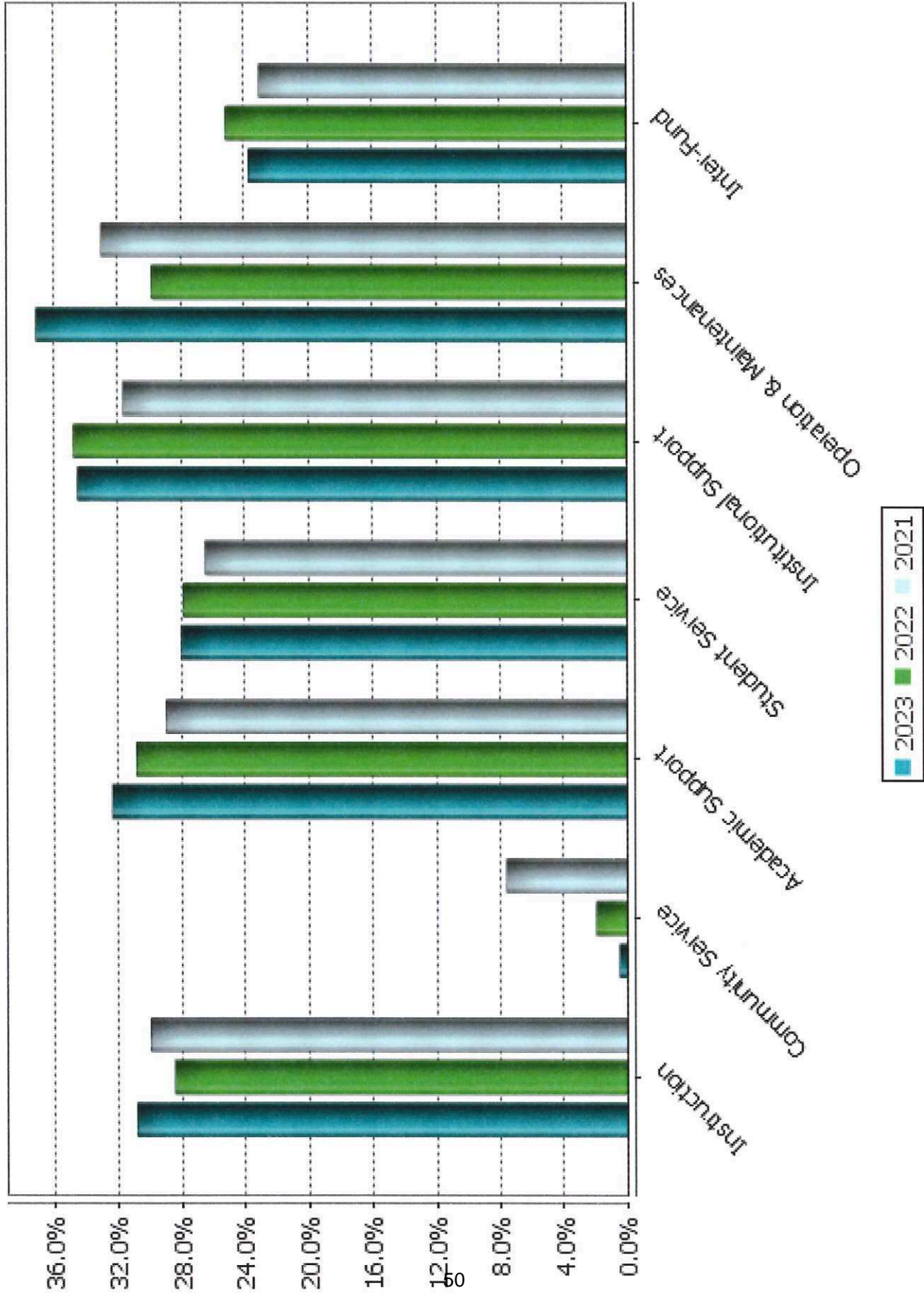
Galveston College
Fund 11 Detail Rev\Exp
as of the end of December 2022

	Budget	(MTD) Actual	(YTD) Actual	Encumbrances	Available	% of Budget
	2023	December	2023	2023	2023	2023
Inter-fund Appropriations						
Transfers to Auxiliary	\$599,197	\$0	\$0	\$0	\$599,197	0.0%
Transfers to Student Activity Fund	\$65,763	\$4,855	\$46,012	\$0	\$19,751	70.0%
Transfer to State Eligible Ben	\$1,472,072	\$112,227	\$361,468	\$0	\$1,110,604	24.6%
Transfers to State Grants & Aid	\$153,019	\$0	\$0	\$0	\$153,019	0.0%
Transfers to Bond Revenue	\$1,865,400	\$0	\$577,700	\$0	\$1,287,700	31.0%
Transfer to Construction	\$0	\$0	\$0	\$0	\$0	NaN
Transfers to Capital Project	\$0	\$0	\$0	\$0	\$0	NaN
Transfers to Fixed Assets	\$0	\$0	\$0	\$0	\$0	NaN
Total Intgr-fund Appropriations	\$4,155,451	\$117,082	\$985,180	\$0	\$3,170,271	23.7%
Expenditures Totals	\$26,815,257	\$1,779,079	\$8,383,056	\$1,871,596	\$16,560,605	31.3%

3 Year Revenue by Percentage (YTD)



Three Year Expense by Percentage (TYD)



**Auxiliary fund
as of December 31, 2022**

December 31, 2022	Current year		Current year		Current ...		Current year		Current year	
	Budget	(MTD) Actual	(YTD) Act...	Encumbr...	Remaining	% Expended	2023	2023	2023	2023
Revenue by State Classification										
Interfund Appropriations	\$599,197	\$0	\$0	\$0	\$599,197	0%				
Bookstore Commission	\$45,000	\$0	\$30,527	\$0	\$14,473	68%				
Student housing	\$346,495	\$104,940	\$336,607	\$0	\$9,888	97%				
Food Service	\$438,389	\$146,393	\$457,469	\$0	(\$19,080)	104%				
Special Event	\$0	\$0	\$0	\$0	\$0	NaN				
Sales and Services	\$178,630	\$5,415	\$43,280	\$0	\$135,350	24%				
Total Revenue	\$1,607,711	\$256,747	\$867,884	\$0	\$739,827	54%				

Expenditures by Department										
Bookstore(retiree)	0	0	0	0	\$0	NaN				
Student Housing	17,590	888	5,579	0	\$12,011	32%				
Food Service	361,158	38,717	204,258	0	\$156,900	57%				
Print Shop	114,500	6,653	25,727	63,948	\$24,825	22%				
Special Event	0	0	0	0	\$0	NaN				
Athletics General	85,177	2,604	26,471	3,332	\$55,374	31%				
Baseball	451,936	20,119	178,289	7,879	\$265,768	39%				
Softball	369,750	11,577	147,175	2,024	\$220,551	40%				
General Institutional	207,600	5,416	57,870	18,417	\$131,313	28%				
Transfer to Construction	0	0	0	0	\$0	NaN				
Expenditures Total	1,607,711	85,974	645,369	95,600.53	\$866,742	40%				

**Auxiliary fund
as of December 31, 2022**

Expenditures by Type									
General Operating	240,635	10,476	58,843	34,742	147,050.44	24%			
Contracted Services	475,858	44,920	229,271	51,676	194,911.39	48%			
Travel	128,555	8	26,245	0	102,309.75	20%			
Equipment	57,600	5,131	33,520	9,183	14,896.64	58%			
Special Event	0	0	0	0	0.00	NaN			
Transfer to Scholars...	25,000	0	25,000	0	0.00	100%			
Transfer to Construction	0	0	0	0	0.00	NaN			
Scholarships	395,128	2,380	179,660	0	215,468.20	45%			
Salaries & Stipends	217,249	17,737	71,400	0	145,849.45	33%			
Staff Benefits	67,686	5,321	21,430	0	46,255.66	32%			
Expenditures Total	1,607,711	85,974	645,369	95,600.53	866,741.53	40%			

**Student Service Fund
as of December 31, 2022**

December 31, 2022	Current year		Current year		Current ...		Current year		Current year % Expended
	Budget	(MTD) Actual	(YTD) Act...	Encumbr...	Remaining	2023	2023		
Revenue by State Classification									
Interfund Appropriations	\$65,763	\$4,855	\$46,012	\$0	\$19,751				70%
Fund Balance Transfer	\$0	\$0	\$0	\$0	\$0				NaN
Total Revenue	\$65,763	\$4,855	\$46,012	\$0	\$19,751				70%

Expenditures by Department

Student Activities	39,363	629	7,477	0	\$31,886				19%
Student Government	23,800	6,022	7,514	500	\$15,786				32%
Phi Theta Kappa	2,600	0	0	0	\$2,600				0%
Expenditures Total	65,763	6,651	14,991	500	\$50,272				23%

Expenditures by Type

General Operating	38,263	4,829	13,169	500	24,594				34%
Contracted Services	0	0	0	0	0				
Travel	17,500	1,822	1,822	0	15,678				10%
Equipment	0	0	0	0	0				NaN
Scholarships	0	0	0	0	0				
Salaries & Stipends	10,000	0	0	0	10,000				
Staff Benefits	0	0	0	0	0				
Expenditures Total	65,763	6,651	14,991	500	50,272				23%

GALVESTON COLLEGE
Construction\Capital Project fund
as of December 31, 2022

December 31, 2022	Current year Budget 2023	Current year (MTD) Actual December	Current year (YTD) Actual 2023	Current year Encumbrances 2023	Current year Remaining 2023
Fund 71					
Revenue					
Fund Balance Transfer	4,002,000	0	0	0	4,002,000
Total Revenue	4,002,000	0	0	0	4,002,000
Expenditures					
Facility Construction	2,400,000	39,727	79,242	752,758	1,568,000
Softball Field \$1.35 Mil, Parking lot 900K, 8 Welding Booths 150K					
Architectural & Engineering fees	477,000	0	10,295	313,105	153,600
Northern Remodel 200K, Library Testing 2k, FA207 10K, Softball Field 150k, Parking 100K, welding Booths 15K					
landscaping	305,668	0	0	305,668	0
landscaping Archt & Engr fees	19,332	1,200	1,200	0	18,132
Air Conditioning Upgrade ATC and Seibel Wing	350,000	0	0	285,700	64,300
Land\Building Purchase	450,000	0	0	0	450,000
Expenditures Total	4,002,000	40,927	90,737	1,657,231	2,254,032

Nursing Health Science Building

Revenue					
Transfer from Fund 53	143,977	0	0	0	143,977
Bond Proceeds	31,815,323	1,503,801	4,914,739	0	26,900,584
Total Revenue	31,959,300	1,503,801	4,914,739	0	27,044,561

Expenditures

Equipment- Capital	2,350,000	0	0	1,288,869	1,061,131
--------------------	-----------	---	---	-----------	-----------

GALVESTON COLLEGE
Construction\Capital Project fund
as of December 31, 2022

December 31, 2022	Current year	Current year	Current year	Current year	Current year	Current year
	Budget (2023)	(MTD) Actual December	(YTD) Actual 2023	Encumbrances 2023	Remaining 2023	Remaining 2023
Facility Construction	27,190,300	1,393,231	4,735,975	0	22,454,325	
Archt and Engr Fees	2,419,000	110,570	178,764	0	2,240,236	
Expenditures Total	31,959,300	1,503,801	4,914,739	1,288,869	25,755,692	
Fund Revenue Total	35,961,300	1,503,801	4,914,739	0	31,046,561	
Fund Expenditures Total	35,961,300	1,544,728	5,005,476	2,946,100	28,009,723	
Fund 71 total		(40,927)	(90,737)	(2,946,100)		

GALVESTON COLLEGE
Bond Funds 51, 52, 53

	Current year Budget 2023	Current (MTD) Actual December	Current year (YTD) Actual 2023	Current year Encumbran... 2023	Current year Remaining 2023	Current year % Expended 2023	Prior Year % Expe... 2022
--	--------------------------------	-------------------------------------	--------------------------------------	--------------------------------------	-----------------------------------	------------------------------------	---------------------------------

December 31, 2022

Fund 51 Revenue-Bond Payment

Revenue							
Transfer from E&G	1,865,400	0	577,700	0	1,287,700	31.0%	
Intrest income-Bond	125,000	77,914	275,816	275,816	(426,631)	220.7%	
Revenue Total	1,990,400	77,914	853,516	275,816	861,069	42.9%	
Expenses							
Transfers to Bond Reserve (N/A)	125,000	0	0	0	125,000		
Transfer to Intrest and sinking	1,865,400	0	106,873	0	1,758,527	5.7%	
Expenditures Total	1,990,400	0	106,873	0	1,883,527	5.4%	

fund 52 Bond Intrest and Sinking Fund

Transfer from Bond Revenue Fd 51	1,865,400	0	106,873	0	1,758,527	5.7%	
Total Fund Revenue	1,865,400	0	106,873	0	1,758,527	5.7%	
Expenses							
Bond Redemption Principal	710,000	0	0	0	710,000	0.0%	
Bond Redemption Intrest	1,155,400	0	106,873	0	1,048,527	9.2%	
Expenditures Total	1,865,400	0	106,873	0	1,758,527	5.7%	

fund 53 Bond Reserve

Transfers from Bond Revenue	125,000	0	0	0	125,000	0.0%	
Intrest income-Reserve	18,977	6,524	21,000	21,000	(23,023)	110.7%	
Revenue Total	143,977	6,524	21,000	21,000			
Expenses							
Transfer to Construction	143,977	0	0	0	143,977	0.0%	
Expenditures Total	143,977	0	0	0	143,977	0.0%	

Consideration of Consent Agenda

The consent agenda format is an organization process for meetings that allows the governing board to focus its time and attention on action items that require more elaboration, information, and/or discussion. The intent of the consent agenda is to support efficiency and effectiveness of the meeting.

A roll call of individual action items will determine the consent agenda. If a Regent has a question or plans to cast a negative vote regarding a specific recommendation, then the Regent(s) need to acknowledge their intention to the Chairperson by show of hand during the roll call. This action item will be considered in the regular order of business as an individual action item.

Those action items that the Regents plan to approve without further question or discussion will be placed on the consent agenda during roll call of individual action items. Upon the creation of the consent agenda, a motion, a second to the motion, and unanimous approval of the Board of Regents is needed to approve the action items. Upon approval of the consent agenda, the Board of Regents will proceed with the remainder of the agenda.

Tally of
Action Items:

	<u>Consent Agenda</u>	<u>President Recommended Separate Action</u>	<u>Board Separate Action</u>	<u>Page #</u>
#1 – Consider Finance Committee Recommendation Regarding Acceptance of Financial Statements and Single Audit Reports for the Years Ended August 31, 2021 and 2022, and Required Communications Letter	_____	_____ ✓ _____	_____	_____
#2 – Consider Facilities Committee Recommendation Regarding Approval of Proposal for Engineering Services to Affix a New Roof to Applied Technology Center Building Three	_____	_____ ✓ _____	_____	_____
#3 – Consider Facilities Committee Recommendation on Approval of Proposal for Engineering Services to Provide Design of Mechanical and Electrical Systems Necessary to Replace Utility Transformer, Main Switch Board and Motor Control Center.	_____	_____ ✓ _____	_____	_____
#4 – Consider Approval of Vendor Compucycle and Statement of Work for IT Equipment Disposal	_____	_____	_____	_____
#5 – Consider Ratifying Appointment of Full-time Instructors	_____	_____	_____	_____
#6 – Consider Acceptance of Faculty Resignation	_____	_____	_____	_____
#7 – Consider Amending Fiscal Year 2022-23 Regular Meeting Date	_____	_____ ✓ _____	_____	_____
#8 – Consider Acceptance of Fiscal Year 2022-23 First Quarter Investment Report	_____	_____	_____	_____

Consider Approval of Finance Committee Recommendation Regarding Acceptance of Financial Statements and Single Audit Reports for the Years Ended August 31, 2021 and 2022 and Required Communications Letter

The Board Finance Committee was scheduled to meet prior to the January 11, 2023 Regular Meeting of the Board of Regents to consider a recommendation to the Board on the acceptance of the financial statements and single audit reports for the years ended August 31, 2021 and 2022 and required communications letter.

Mr. Fred Raschke, Finance Committee Chairperson, will provide a report of the discussion and the Committee's recommendation for Board consideration.



FINANCIAL STATEMENTS AND
SINGLE AUDIT REPORTS

AUGUST 31, 2022 AND 2021

GALVESTON COMMUNITY COLLEGE DISTRICT

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/ Schedule/ Table</u>
ORGANIZATIONAL DATA	3	
INDEPENDENT AUDITORS' REPORT	4	
REQUIRED SUPPLEMENTARY INFORMATION - MANAGEMENT'S DISCUSSION AND ANALYSIS	7	
 FINANCIAL STATEMENTS		
Statements of Net Position	30	Exhibit 1
Statements of Revenues, Expenses, and Changes in Net Position.....	31	Exhibit 2
Statements of Cash Flows	32	Exhibit 3
Notes to Financial Statements	34	
 REQUIRED SUPPLEMENTARY SCHEDULES		
Schedule of College's Proportionate Share of Net Pension Liability	62	
Schedule of College's Contributions for Pensions	63	
Notes to Required Supplementary Schedules for Pensions	64	
Schedule of College's Proportionate Share of Net OPEB Liability.....	65	
Schedule of College's Contributions for OPEB	66	
Notes to Required Supplementary Schedules for OPEB	67	
 SUPPLEMENTARY SCHEDULES		
Schedule of Operating Revenues.....	68	Schedule A
Schedule of Operating Expenses by Object.....	69	Schedule B
Schedule of Non-Operating Revenues and Expenses.....	70	Schedule C
Schedule of Net Position by Source and Availability.....	71	Schedule D

GALVESTON COMMUNITY COLLEGE DISTRICT

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/ Schedule/ Table</u>
SINGLE AUDIT REPORTS AND REQUIRED SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS		
Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	72	
Independent Auditors’ Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance	74	
Schedule of Expenditures of Federal Awards.....	77	Schedule E
Notes to Schedule of Expenditures of Federal Awards	78	
Schedule of Findings and Questioned Costs	79	
 SUPPLEMENTARY INFORMATION - STATISTICAL SECTION (Unaudited)		
Net Position by Component.....	81	Table 1
Revenues by Source.....	82	Table 2
Program Expenses by Function	84	Table 3
Tuition and Fees	86	Table 4
Assessed Value and Taxable Assessed Value of Property.....	87	Table 5
State Appropriation per Full Time Student Equivalent and Contact Hours.....	88	Table 6
Principal Taxpayers	89	Table 7
Property Tax Levies and Collections	91	Table 8
Ratios of Outstanding Debt	92	Table 9
Pledged Revenue Coverage	93	Table 10
Demographic and Economic Statistics - Taxing District.....	94	Table 11
Principal Employers.....	95	Table 12
Faculty, Staff, and Administrators Statistics.....	96	Table 13
Enrollment Details	97	Table 14
Student Profile	98	Table 15
Transfer Students to Senior Institutions.....	99	Table 16
Capital Assets Information	100	Table 17

GALVESTON COMMUNITY COLLEGE DISTRICT
 ORGANIZATIONAL DATA
 FOR THE YEAR ENDED AUGUST 31, 2022

BOARD OF REGENTS

		Term Expires <u>May 31,</u>
<u>OFFICERS</u>		
Ms. Karen F. Flowers – Chairperson	Galveston, Texas	2024
Mr. Fred D. Raschke – Vice Chairperson	Galveston, Texas	2024
Mr. Michael B. Hughes - Secretary	Galveston, Texas	2026

<u>MEMBERS</u>		
Ms. Mary R. Longoria	Galveston, Texas	2024
Mr. Armin Cantini	Galveston, Texas	2028
Ms. Carolyn L. Sunseri	Galveston, Texas	2026
Mr. Norman S. Hoffman	Galveston, Texas	2028
Mr. Garrik Addison	Galveston, Texas	2028
Mr. Raymond Lewis, Jr.	Galveston, Texas	2026

<u>KEY OFFICERS</u>	
Myles Shelton, Ed.D.	President
Van Patterson, Ed.D.	Vice-President for Administration and Student Services
Cissy Matthews, Ed.D	Vice-President of Instruction
Mr. Ron Crumedy	Associate Vice-President for Student Services

INDEPENDENT AUDITORS' REPORT

Board of Regents
Galveston Community College District
Galveston, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Galveston Community College District (the College) as of and for the years ended August 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of August 31, 2022 and 2021, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 29, and the schedules of College's proportionate share of net pension liability, College's contributions for pensions, College's proportionate share of net OPEB liability and College's contributions for OPEB on pages 62, 63, 65 and 66 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The Schedule of Expenditures of Federal Awards for the year ended August 31, 2022, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the supplementary schedules on pages 68 through 71, as required by the Texas Higher Education Coordinating Board (THECB) (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to 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.

Carr, Riggs & Ingram, L.L.C.

Houston, Texas
December 22, 2022

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Galveston Community College District (the College or Galveston College) Annual Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended August 31, 2022 and 2021. Since management's discussion and analysis is designed to focus on current activities, and currently known facts, please read this in conjunction with the College's financial statements and the notes thereto.

The financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The notes to the financial statements are considered an integral part of the financial statements and should be read in conjunction with them. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of the financial statements and notes.

The College's financial report includes three basic financial statements: the Statements of Net Position provide a summary of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of August 31, 2022 and 2021; the Statements of Revenues, Expenses and Changes in Net Position provide a summary of operations for the current and prior fiscal years; and the Statements of Cash Flows provide categorized information about cash inflows and outflows for the current and prior fiscal years. Highlighted information from each basic financial statement is presented below:

Financial Highlights for 2022

- The College's net position as of August 31, 2022 was \$36.76 million. This represents a 10.1% increase or \$3.37 million compared to 2021. The implementation of GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in fiscal year 2018 and its counterpart, GASB No. 68, *Accounting and Financial Reporting for Pensions*, in 2015 continues to permeate the financial statements, having a net effect of reducing the College's overall net position by \$17.2 million. The College's unrestricted net position increased by \$1.28 million or 17%. Excluding bond funds, cash/short term investments increased by \$2.89 million due to surplus from operations.
- The College decreased its annual tax rate by 8.17% from \$0.159188 to \$0.146188 per \$100 assessed valuation for fiscal year 2022. However, due to an increase in the overall tax base, an additional \$1.0 million in property tax revenue was received over the previous period.
- Galveston College issued \$29.43 million Combined Fee Revenue Bonds, generating \$33.67 million (\$29.43 million principal, \$4.53 million bond premium, less \$283,000 of bond issuance costs). The bonds sold on January 12, 2022, through a negotiated bond sale. The true-interest cost ("TIC") of the bonds was 2.66% with an average life of 15.15 years. The decision to move quickly to price the bonds in January 2022 was prudent as tax-exempt rates have since risen sharply. The funds are being used to construct a new nursing and health sciences building. This state-of-the-art Health Sciences Education Center, will contain offices, classrooms, laboratories, simulation labs, lecture halls, and student study spaces to support the College's flourishing Nursing and Health Sciences programs. Non-current restricted cash and equivalents of \$31.5 million tied to the bonds offset by a non-current bonds payable liability of \$32.78 million are related to this project. The construction of this instructional facility is part of the College's strategic plan to cultivate these programs, thereby growing enrollment and providing lucrative employment opportunities to the community.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2022 – Continued

- Galveston College continues to adapt to the COVID-19 environment, demonstrating its commitment to maintain all full-time employees while continuing to support and grow the educational needs of the community. The College received federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES), Higher Education Emergency Relief Fund (HEERF II), and funding from the American Rescue Plan Act of 2021 (HEERF III) to assist with the response and provide direct payments to students. HEERF Institutional, Student, and MSI funds of \$5.51 million were expensed during fiscal year 2022. The College used these funds to support projects in response to the Coronavirus by upgrading network technology and implementing software to improve remote instruction, administrative, and registration functions. Of these funds, \$2.82 million were provided to students as emergency financial aid. These funds do not need to be repaid and can be used for any component of students' costs of attendance or emergency costs that arise due to the Coronavirus. As a direct result of the pandemic, in fiscal year 2022 the College offset \$714,457 of lost tuition and fees revenue utilizing these grant funds. These funds provided the financial resources needed to continue to successfully operate during the pandemic and delivered critical resources necessary to restore and grow services as the College emerges from the pandemic.
- Galveston College renovated several areas on campus to revitalize and re-position the College to better serve the needs of the 21st century learner. Multiple studies have shown that building design and components have a measurable influence upon student learning outcomes. The College purchased new properties to expand parking capacity and student housing opportunities. While the cost of rent has been increasing up to 13% in Galveston County since 2019, Galveston College has continued to provide affordable housing for students. The average rent in Galveston for a one bedroom is around \$1,100 a month and the student housing on campus is \$1,350 to \$1,500 a semester. Galveston College's students pay about 63% less than the island's average rental rate. Affordable student housing is part of the College's master plan, and the need will increase with the completion of the new Health Sciences Education Center. Furthermore, the College continued to improve its physical and network infrastructure in 2022 by continuing to build capacity and improve "Smart" classrooms as well as purchasing the state-of-the-art simulation classrooms for the Welding, HVAC, and Electrical programs. This simulation equipment allows our students to experience hands-on situations to be better prepared for their career. Facilities upgrades included installing touchless doors and restrooms and a new HVAC ionization system and beginning construction of the new Health Sciences Education Center and an additional parking lot. The College is constantly evaluating its future infrastructure needs to continue its tradition of providing high quality educational services to the community since 1967.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2022 – Continued

- Grant funds used in fiscal year 2022:

GRANT FUNDED BY	PURPOSE	TERM	AMOUNT
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Institutional Portion	09/01/21 - 08/31/22	\$3,027,000
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Student Aid Portion	09/01/21 - 05/18/22	\$2,245,000
U.S. Department of Education - Federal	Title V - Pathway Model for Improved Teaching, Advising, and Transfer at Hispanic-Serving Community College	09/01/21 - 08/31/22	\$344,000
U.S. Department of Education - Federal	TRIO - Upward Bound Program	09/01/21 - 08/31/22	\$320,000
National Science Foundation - Federal	Hispanic Serving Institution Program - Institutional Transformation Project	09/01/21 - 08/31/22	\$299,000
U.S. Department of Education - Federal	TRIO - Building Bridges to Success Program	09/01/21 - 08/31/22	\$269,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Texas Reskilling and Upskilling for Education (TRUE) Institutional Capacity Grants	09/01/21 - 08/31/22	\$250,000
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Minority Serving Institutions Portion	09/01/21 - 08/04/22	\$234,000
Texas Workforce Commission - State	Foundational Skills for Construction Career Pathways	09/01/21 - 08/31/22	\$151,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Carl D. Perkins Career and Technical Education Program - Basic Grants	09/01/21 - 08/31/22	\$139,000
Greater Texas Foundation - Private	Greater Texas Foundation - Emergency Aid Grant	09/01/21 - 08/31/22	\$70,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2022 – Continued

GRANT FUNDED BY	PURPOSE	TERM	AMOUNT
Galveston Career Connect - Private	Strengthen Career Skills of High School Students	09/01/21 - 08/31/22	\$55,000
Harbourview Foundation - Private	Athletics Infrastructure	09/01/21 - 08/31/22	\$30,000
University of Houston - Private	Houston Guided Pathways to Success - Equity Walk Grant Initiative	09/01/21 - 08/31/22	\$12,000
Texas Higher Education Coordinating Board - State	Nursing Shortage Reduction Under 70 Program FY18/19	09/01/21 - 08/31/22	\$10,000
		TOTAL	\$7,455,000

- Computers - hardware and software, and equipment purchases in fiscal year 2022:

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Network Switches Refresh	Federal Grant - HEERF Funds	\$238,000
Virtualizing the College's ERP System	Local - Education & General Fund	\$167,000
COVID Vaccination Incentives (Students/Staff)	Federal Grant - HEERF Funds	\$145,000
Welding - Virtual Training Simulators	Federal Grant - TRUE GEER Funds	\$131,000
Lab Computers Refresh	Local - Education & General Fund	\$110,000
Datacenter Core Networking Refresh	Federal Grant - HEERF Funds	\$95,000
Adopting Tutor Me's Virtual Tutoring Platform	Federal Grant - HEERF Funds	\$84,000
Continuing Education Online Registration System	Federal Grant - HEERF Funds	\$80,000
50 Additional Student Loaner Laptops	Federal Grant - HEERF Funds	\$63,000
Electrical and Electronics Instrumentation Program - Computers	Federal Grant - TRUE GEER Funds	\$62,000
AV Project - Distance Education Upgrades to Classrooms	Federal Grant - HEERF Funds	\$60,000
Campus Wireless Network Refresh	Federal Grant - HEERF Funds	\$59,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2022 – Continued

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Award Spring Scholarship Management System	Federal Grant - HEERF Funds	\$30,000
Ferrilli Graduation Software	Federal Grant - HEERF Funds	\$30,000
Nursing Simulation Equipment	State Grants - Nursing Shortage and Perkins Funds	\$29,000
Dynamic Forms - Online Forms	Federal Grant - HEERF Funds	\$24,000
Medical Simulation Equipment	State Grant - Perkins Funds	\$18,000
AC System Trainer	Local - Education & General Fund	\$13,000
Batting Cages	Local - Education & General Fund	\$11,000
	TOTAL	\$1,449,000

- Real estate acquisitions, building renovations and furniture purchases in fiscal year 2022:

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Construction in Progress – Health Sciences Education Center	Local - Construction Fund	\$5,067,000
General Facility/Equipment Maintenance	Local - Education & General Fund	\$491,000
Property Purchased 2215 38th St	Local - Construction Fund	\$340,000
HVAC Campus Upgrades	Local - Education & General Fund	\$299,000
Property Purchased 4002 Ave Q	Local - Construction Fund	\$200,000
Campus Automatic Doors/Touchless Panels	Federal Grant - HEERF Funds	\$167,000
Fiber/Internet Connectivity – Student Housing	Federal Grant - HEERF Funds	\$138,000
Touchless Restrooms	Federal Grant - HEERF Funds	\$135,000
HVAC Ionization Filtration System	Federal Grant - HEERF Funds	\$124,000
Classroom Retrofit for Distance Learning	Federal Grant - HEERF Funds	\$70,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2022 – Continued

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Paint Student Apartments	Local - Education & General Fund	\$64,000
Construction in Progress – Parking Lot Expansion	Local - Construction Fund	\$56,000
Atrium Glass Repair	Local - Education & General Fund	\$48,000
Art Gallery Construction	Local - Education & General Fund	\$41,000
Touchless Bottle Filling Stations	Federal Grant - HEERF Funds	\$34,000
	TOTAL	\$7,274,000

Financial Highlights for 2021

- The College's net position as of August 31, 2021 was \$33.39 million. This represents an 11.6% increase of \$3.46 million compared to 2020. The implementation of GASB No. 75 (Retiree Health Insurance) in fiscal year 2018 and its counterpart, GASB No. 68 (TRS Retiree Pension) in 2015 continue to overshadow the statement of net position, reducing the College's overall net position by \$17.41 million. Although required to record the liabilities, no cash was exchanged nor is there any indication that it will be in future periods. The College's unrestricted net position increased by \$2.89 million or 62.4% and cash/short term investments increased by \$3.74 million due to a surplus from operations and reduced operating expenses.
- The College decreased its annual tax rate by 7% from 0.171188 to 0.159188 per \$100 assessed valuation adopting the no-new-revenue tax rate for fiscal year 2021. The no-new-revenue tax rate evaluates the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes), if applied to the same properties that are taxed in both years. However due to new construction, an additional \$165,000 of tax revenue was received over the previous period.
- Galveston College continues to successfully navigate the changing COVID-19 environment, remaining committed to maintaining all full-time employees and supporting the educational needs of the community. The College received federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES) Higher Education Emergency Relief Fund (HEERF II) and funding from the American Rescue Plan Act of 2021 (HEERF III) to assist with the response and provide direct payments to students. HEERF Institutional and MSI funds of \$1,066,999 were expensed during fiscal year 2021 to defray expenses associated with Coronavirus, such as technology costs associated with a transition to distance education and implementation of evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS

Financial Highlights for 2021 – Continued

The College implemented numerous projects to enhance and support student learning, including Zoom lecture studios, classroom media refreshes to support distance learning, fiber upgrades in the Cheney Student Center and Seibel Wing, installation of fiber connections to student housing, phase one of a network refresh, and a campus wireless refresh. A total of \$905,652 of direct emergency financial aid was provided to students. These funds do not need to be repaid and can be used for any component of students’ costs of attendance or emergency costs that arise due to Coronavirus.

- Student housing, including the new Abe and Annie Seibel Foundation Student Residences, opened in fall 2020 at capacity. Occupancy rates were above established targets generating \$307,000 exceeding the budget by \$67,000 or 28%. The new housing capacity provides students a safe, convenient, and cost effective housing option as local real estate and rental costs skyrocket. Increasing the number of beds is critical as the College grows its Nursing and Health Sciences programs. Moreover, as the College expands and builds new programs, affordable student housing is a significant factor to becoming a student-ready college.

- Galveston College continued to rejuvenate instructional facilities and equipment to stay current with technology and maximize the learning process, concentrating on mitigating the impact of the Coronavirus on student learning outcomes and safety. The College upgraded several classrooms in order to reinforce the infrastructure needs of distance education for students and faculty by purchasing software and equipment which allowed efficient instruction to continue. By providing additional supplemental instruction and licensing reviews to our students, the College was able to maintain social distancing as well. The campus network and Wi-Fi capabilities rapidly expanded to provide the bandwidth required to support the abrupt shift to online instruction and allow the College to continue its tradition of providing high quality and cost-effective educational opportunities to the community during the pandemic. The College purchased and improved two additional adjacent properties for future expansion as the College continues to grow programs.

- Grant funds used in fiscal year 2021:

GRANT FUNDED BY	PURPOSE	TERM	AMOUNT
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Institutional Portion	09/01/20 - 08/31/21	\$ 990,000
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Student Aid Portion	09/01/20 - 08/31/21	\$ 758,000
U.S. Department of Education - Federal	Title V - Pathway Model for Improved Teaching, Advising, and Transfer at Hispanic-Serving Community College	09/01/20 - 08/31/21	\$ 389,000
U.S. Department of Education - Federal	TRIO - Upward Bound Program	09/01/20 - 08/31/21	\$ 298,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2021 – Continued

GRANT FUNDED BY	PURPOSE	TERM	AMOUNT
U.S. Department of Education - Federal	TRIO - Building Bridges to Success Program	09/01/20 - 08/31/21	\$ 273,000
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Minority Serving Institutions Portion	09/01/20 - 08/31/21	\$ 225,000
Texas Workforce Commission - State	Foundational Skills for Construction Career Pathways	09/01/20 - 08/31/21	\$ 153,000
National Science Foundation - Federal	STEM Honors, Study Abroad, and Scholars Program	09/01/20 - 08/31/21	\$ 146,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Carl D. Perkins Career and Technical Education Program - Basic Grants	09/01/20 - 08/31/21	\$ 127,000
Galveston Career Connect - Private	Strengthen Career Skills of High School Students	09/01/20 - 08/31/21	\$ 59,000
Mary Moody Northen Endowment	Moody-CE Job Training	09/01/20 - 08/31/21	\$ 34,000
U.S. Department of Education -Federal Pass-Through	Education Stabilization Fund Program - GEER Fund	09/01/20 - 08/31/21	\$ 34,000
Texas Workforce Commission - State	Skills Development Fund COVID-19 Special Initiative	09/01/20 - 08/31/21	\$ 16,000
U.S. Department of Labor - Federal Pass-Through	Occupational Safety and Health Administration - Susan Harwood Training Program	09/01/20 - 08/31/21	\$ 16,000
Texas Higher Education Coordinating Board - State	Nursing Shortage Reduction Regular Program FY17/18	09/01/20 - 08/31/21	\$ 11,000
		TOTAL	\$ 3,529,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2021 – Continued

- Computers - hardware and software, and equipment purchases in fiscal year 2021:

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Classroom Refreshes – Distance Learning (<i>On-going</i>)	Federal Grant – COVID-19 – HEERF-Institution	\$ 235,000
Campus Data Backup System	Capital Projects Fund	\$ 124,000
Instructional Hybrid Media Studios (3)	Federal Grant - Title V	\$ 65,000
Web Content Management System Omni Update	Education & General Fund	\$ 58,000
Electrical/Electronics - Training Equipment	Federal Grant - Perkins and Capital Projects Fund	\$ 56,000
Supplemental Reviews - Various Programs	Federal Grant – COVID-19 – HEERF-Institution	\$ 51,000
Medical and Applied Technology Equipment	Federal Grant - Perkins	\$ 49,000
Audio Video Refresh - Rooms R357 & N307	Capital Projects Fund	\$ 48,000
Institutional Effectiveness Management System (AEFIS)	Education & General Fund	\$ 46,000
Informer Reporting Solution	Capital Projects Fund	\$ 36,000
Network Switches Refresh (<i>On-going</i>)	Federal Grant – COVID-19 – HEERF-Institution	\$ 36,000
EMS Portable Simulation System	State Grant - Nursing	\$ 19,000
	TOTAL	\$ 823,000

- Real estate acquisitions, building renovations and furniture purchases in fiscal year 2021:

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
CIP Architect Fees – Health Sciences Building	Construction Fund	\$ 400,000
General Facility Maintenance	Education & General Fund	\$ 344,000
4022 Ave Q – New Property	Construction Fund	\$ 303,000
2212 Mike Gaido Blvd (39 th St.) – New Property	Construction Fund	\$ 238,000
HVAC-AHU Retrofit	Education & General Fund	\$ 145,000

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights for 2021 – Continued

DESCRIPTION	FUNDING SOURCE	TOTAL AMOUNT
Campus Wireless Refresh (<i>On-going</i>)	Federal Grant – COVID-19 – HEERF- Institution	\$ 113,000
Student Housing - Furniture	Education & General Fund	\$ 72,000
Student Housing - Whitecaps Wi-Fi	Federal Grant – COVID-19 – HEERF-MSI	\$ 57,000
Student Housing Wi-Fi (<i>On-going</i>) – 41 st St., 39 th St., and 38 th St. Properties	Federal Grant – COVID-19 – HEERF- Institution	\$ 23,000
	TOTAL	\$ 1,695,000

Statements of Net Position

The statements of net position presents financial information on all of the College's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. The College's deferred inflows and outflows of resources relates to pensions and OPEB. Increases and decreases to net position are one indicator of whether the overall financial condition has improved or deteriorated during the year when considered with other factors such as enrollment, contact hours of instruction, student retention and other non-financial information. The statement is also useful in determining the assets available to continue operations as well as how much the College owes to vendors and creditors at the end of the year.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Net Position - Continued

In order to show the trends for the two years shown in the Statements of Net Position (Exhibit 1), a summary of three years of data for the years ended August 31 follows:

**Net Position
(in thousands)**

	<u>2022</u>	<u>2021</u>	Increase (Decrease) 2022 - 2021	<u>2020</u>	Increase (Decrease) 2021 - 2020
Assets:					
Current Assets	\$ 32,786	\$ 29,588	\$ 3,198	\$ 25,428	\$ 4,160
Noncurrent Assets:					
Restricted bond cash funds	31,454	-	31,454	-	-
Capital Assets, Net of Depreciation	30,954	25,641	5,313	25,086	555
Other	<u>57</u>	<u>261</u>	<u>(204)</u>	<u>428</u>	<u>(167)</u>
Total Assets	<u>95,251</u>	<u>55,490</u>	<u>39,761</u>	<u>50,942</u>	<u>4,548</u>
Deferred Outflows of Resources:					
Pension Related Deferred Outflows	1,513	2,022	(509)	2,457	(435)
OPEB Related Deferred Outflows	<u>2,692</u>	<u>2,699</u>	<u>(7)</u>	<u>3,624</u>	<u>(925)</u>
Total Deferred Outflows of Resources	<u>4,205</u>	<u>4,721</u>	<u>(516)</u>	<u>6,081</u>	<u>(1,360)</u>
Liabilities:					
Current Liabilities	8,060	4,230	3,830	3,519	711
Noncurrent Liabilities	<u>49,152</u>	<u>17,760</u>	<u>31,392</u>	<u>19,157</u>	<u>(1,397)</u>
Total Liabilities	<u>57,212</u>	<u>21,990</u>	<u>35,222</u>	<u>22,676</u>	<u>(686)</u>
Deferred Inflows of Resources:					
Pension Related Deferred Inflows	2,997	971	2,026	1,135	(164)
OPEB Related Deferred Inflows	<u>2,485</u>	<u>3,859</u>	<u>(1,374)</u>	<u>3,279</u>	<u>580</u>
Total Deferred Inflows of Resources	<u>5,482</u>	<u>4,830</u>	<u>652</u>	<u>4,414</u>	<u>416</u>
Net Position:					
Invested in Capital Assets, Net of Related Debt	25,887	25,641	246	25,086	555
Restricted – Expendable	2,082	237	1,845	221	16
Unrestricted	<u>8,793</u>	<u>7,513</u>	<u>1,280</u>	<u>4,626</u>	<u>2,887</u>
Total Net Position	<u>\$ 36,762</u>	<u>\$ 33,391</u>	<u>\$ 3,371</u>	<u>\$ 29,933</u>	<u>\$ 3,458</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Net Position - Continued

Fiscal Year 2022 Compared to 2021

Current assets mainly consist of cash investments in Logic, Lone Star, TexPool, and Texas Range investment pools and receivables. Overall, the College's net position as of August 31, 2022 was \$36.76 million. This represents a 10% increase or \$3.37 million compared to 2021. The College's cash/short-term investments excluding bond funds increased \$2.88 million or 11.5% and unrestricted net position increased by \$1.28 million or 17% primarily because of surplus from operations. Restricted cash and equivalents of \$31.5 million is tied to the bond funds received for the construction of the Health Sciences Education Center and is offset by a non-current liability bond payable of \$32.78 million. The increase of \$491,000 in student receivables is attributable to COVID-19 which in fiscal year 2021 delayed a reasonable amount of Fall 2021 registrations until after August 2021. This delay lowered the student receivables in the prior fiscal year as of August 31, 2021. In comparison, schedule hours as of August 31, 2022 for Fall 2022 increased 16% resulting in the rise of student receivables for this year. In addition, the College Board approved increased tuition and fee rates active in Fall 2022. The sharp increase in accounts payable of \$3.03 million is predominantly tied to August construction payments, for the Health Sciences Education Center. The increase of \$5.19 million in capital assets not subject to depreciation was a result of the construction in progress for the new building. The implementation of GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in fiscal year 2018 and its counterpart, GASB No. 68, *Accounting and Financial Reporting for Pensions*, in 2015 continue to permeate the financial statements, having a net effect of reducing the College's overall net position by \$17.2 million. Although the College is required to record the liabilities, no cash was exchanged, nor is there any indication it will be in future periods. Overall, bond funds and the construction of the new Health Sciences Education Center dominated the 2022 statement of net position. The majority of the restricted bond funds will be converted into capital assets in fiscal year 2023.

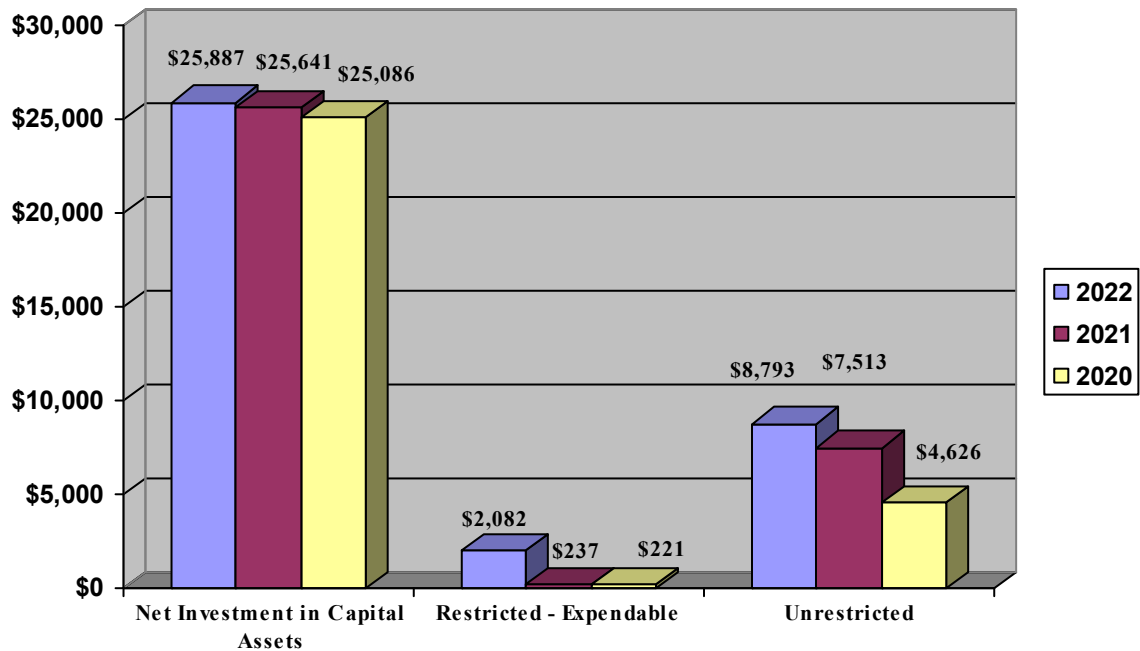
Fiscal Year 2021 Compared to 2020

Current assets consist primarily of cash investments in Logic, Lone Star, TexPool, Texas Term Investment pools, collateralized certificate of deposit and receivables. Overall, current assets increased \$4.2 million between the fiscal years driven by a \$3.7 million increase in cash and cash equivalents and short-term investments generated from a surplus of funds from operations in fiscal year 2021 and an increase in receivables. The College's cash position remains strong at \$22.1 million compared to \$21.4 million in fiscal year 2020. Moreover, short-term investments increased \$3.0 million as the College moved funds from the investment pool into a collateralized Moody Bank certificate of deposit. Non-current assets increased by 1.52% or \$0.4 million largely due to architectural and engineering fees associated with the planning of future construction of the Nursing/Health Sciences Instructional Building (Note 6). Galveston College's deferred outflows of resources decreased \$1.4 million due to GASB No. 75 (Retiree Health Insurance), and GASB No. 68 (TRS Retiree Pension). Current liabilities increased by \$0.7 million as \$0.7 million was deferred for the Texas Reskilling Support Fund grant in fiscal year 2021. Non-current liabilities decreased \$1.4 million, mainly due to recording a decrease in the OPEB retiree health liability (GASB No. 75). Although the College is required to record the liabilities, no cash was exchanged nor is there any indication it will be in future periods. Overall, the College's net position increased by approximately 12%, or \$3.5 million, while unrestricted net position increased by \$2.9 million (62%) from \$4.6 million (FY20) to \$7.5 million (FY21).

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Net Position - Continued

The following is a graphic illustration of net position (in thousands) for the years ended August 31, 2020 through 2022. Total net position (net investment in capital assets) has increased over the past three years as the College constructs new buildings and continues to make improvements to existing buildings to support student enrollment and program growth. Increase in unrestricted net position for 2020, 2021 and 2022 represents surplus from operations for those years. The College is to maintain a reserve account equal to the maximum annual principal and interest requirements on the bonds. The reserve balance as of August 31, 2022 is \$1,869,010 which meets the full reserve requirement and explains the increase in restricted – expendable funds in 2022.



Statements of Revenues, Expenses and Change in Net Position

The Statements of Revenues, Expenses, and Changes in Net Position focuses on the “bottom line results” of the College’s operations. This approach summarizes and simplifies the user’s analysis of the cost of various College services to its students and the burden to the public. The statement is divided into operating revenues and expenses and non-operating revenues and expenses. The College (like all other community colleges) is primarily dependent upon three sources of revenue: local property taxes, state appropriations, and tuition and fees. Only tuition represents an exchange for services. Since the Governmental Accounting Standards Board (GASB) requires state appropriations, student financial aid (Title IV), grants and property taxes to be classified as non-operating revenues, community colleges will generally display an operating deficit before taking into account other support. Essentially, this deficit represents the net cost of services to students that must be covered by local taxpayer support, the state and other sources of revenue. Further detail is presented in the Statements of Revenues, Expenses and Changes in Net Position and notes to the financial statements.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Revenues, Expenses and Change in Net Position - Continued

The following chart summarizes the College's operating results for the years ended August 31:

**Operating Results
(in thousands)**

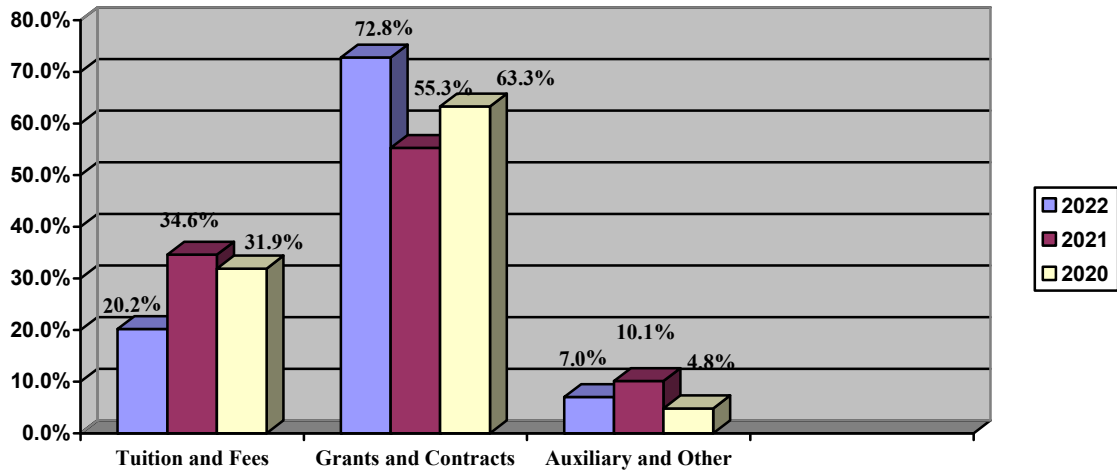
	<u>2022</u>	<u>2021</u>	Increase (Decrease) 2022 - <u>2021</u>	<u>2020</u>	Increase (Decrease) 2021 - <u>2020</u>
Operating Revenues:					
Tuition and Fees, Net of Scholarship Allowance	\$ 2,308	\$ 2,708	\$ (400)	\$ 2,835	\$ (127)
Grants and Contracts	8,331	4,325	4,006	5,619	(1,294)
Auxiliary Enterprises, Net	582	562	20	311	251
Other Operating Revenues	<u>225</u>	<u>223</u>	<u>2</u>	<u>116</u>	<u>107</u>
Total Operating Revenues	11,446	7,818	3,628	8,881	(1,063)
Less Operating Expenses	<u>32,135</u>	<u>28,443</u>	<u>3,692</u>	<u>28,920</u>	<u>(477)</u>
Operating Loss	<u>(20,689)</u>	<u>(20,625)</u>	<u>(64)</u>	<u>(20,039)</u>	<u>(586)</u>
Non-Operating Revenues (Expenses):					
State Appropriations	5,650	5,997	(347)	6,250	(253)
Property Taxes	15,458	14,449	1,009	14,284	165
Federal Student Assistance	3,647	3,601	46	3,573	28
Investment and Other Income	316	35	281	261	(226)
Other Non-Operating Income (Expense)	<u>(1,011)</u>	<u>-</u>	<u>(1,011)</u>	<u>3</u>	<u>(3)</u>
Total Non-Operating Revenues (Expenses), Net	<u>24,060</u>	<u>24,082</u>	<u>(22)</u>	<u>24,371</u>	<u>(289)</u>
Increase in Net Position	<u>\$ 3,371</u>	<u>\$ 3,457</u>	<u>\$ (86)</u>	<u>\$ 4,332</u>	<u>\$ (875)</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

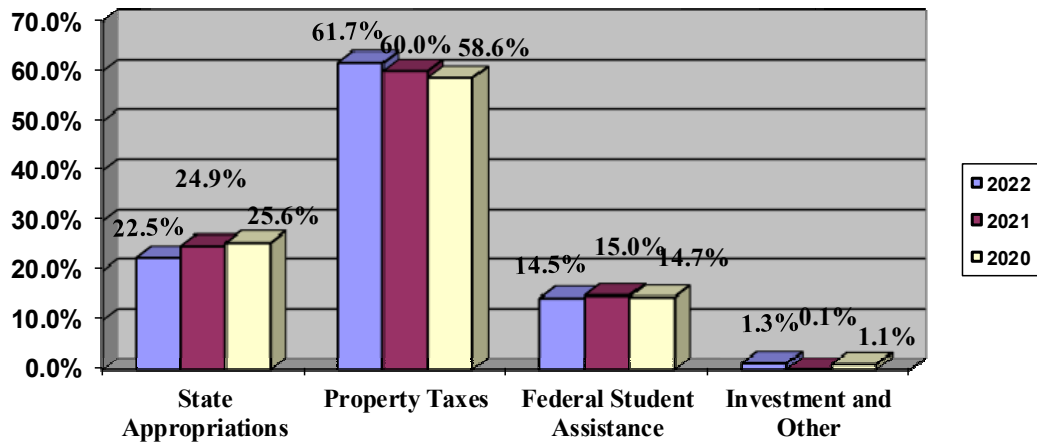
Statements of Revenues, Expenses and Change in Net Position - Continued

The following are graphic illustrations of revenues by source for the years ended August 31, 2020 through 2022:

**Revenues by Source
Operating Revenues**



**Revenues by Source
Non-Operating Revenues**



GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Revenues, Expenses and Change in Net Position - Continued

Fiscal Year 2022 Compared to 2021

The College's primary sources of revenue are property taxes, state appropriations, grants and contracts, and tuition and fees. Operating revenues increased \$3.63 million or 46% compared to 2021 primarily due to federal funds received related to COVID-19. The College received federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES), Higher Education Emergency Relief Fund (HEERF II), and the American Rescue Plan Act of 2021 (HEERF III) to assist with the response and provide direct payments to students. As a result, federal grants and contracts increased \$3.88 million or 119%. HEERF Institutional, Student, and MSI funds of \$5.51 million were expensed during fiscal year 2022. The College used these funds to support projects in response to the Coronavirus by upgrading network technology and implementing software to improve remote instruction, administrative, and registration functions. As a direct result of the pandemic, in fiscal year 2022 the College offset \$714,457 of lost tuition and fees revenue utilizing these grant funds. A total of \$2.82 million of the \$5.51 million received was provided to students as emergency financial aid. Tuition and fees revenue net of scholarship discounts decreased by \$400,000 as enrollment continues to recover from the pandemic. Enrollment is trending up for Fall 2022, the leading term for fiscal year 2023, enrollment increased 6% as students reengage and life returns to the new normal. State appropriations and federal student assistance (Title IV grants) remained relatively stable between fiscal years. Property taxes revenue increased by \$1 million or 7% as values grow even though the College decreased its annual tax rate by 8.17% from \$0.159188 to \$0.146188 per \$100 assessed valuation for fiscal year 2022. Investment income increased by 793% as interest rates continue to rise due to the federal reserve trying to tame multi-decade highs in inflation. Interest rates increased in the investment pools from about .04% in September 2021 to over 2% in August 2022.

Fiscal Year 2021 Compared to 2020

The College has four major sources of revenues: property taxes, state appropriations, federal grants and contracts, and tuition and fees. Overall, operating revenues decreased approximately \$1.1 million compared to the prior fiscal year. Private grants and scholarships revenue decreased by \$2.1 million as the College recognized the \$2 million donated for the construction of the Abe and Annie Seibel Foundation Student Residences in fiscal year 2020. This decrease is offset by increases of \$0.7 million in federal grants and contracts and \$0.4 million in auxiliary enterprises and other operating revenues. State appropriation revenues declined slightly by 4% or \$253,000, due to the non-cash GASB No. 75 (Retiree Health Insurance), and GASB No. 68 (TRS Retiree Pension) entries, not because of a decrease in State appropriation funding compared to fiscal year 2020. Interest rates declined 90% in the last half of fiscal year 2020, as a consequence of the COVID-19 pandemic, and continued to remain at an average of 0.15% through fiscal year 2021. Investment income declined sharply by about 86% from \$261,000 to \$35,000 when comparing fiscal years 2020 and 2021. The College adopted the no-new-revenue tax rate for fiscal year 2021, decreasing the annual tax rate by 7% from 0.171188 to 0.159188 per \$100 assessed valuation. However, due to an increase in the tax base, an additional \$165,000 in property tax revenue was received over the previous period. Tuition and fees revenue remained stable compared to fiscal year 2020, due to rate increases implemented on 04/01/20 effective in fiscal year 2021.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Revenues, Expenses and Change in Net Position - Continued

Below is a schedule and a graphic illustration of operating expenses by function for the years ended August 31:

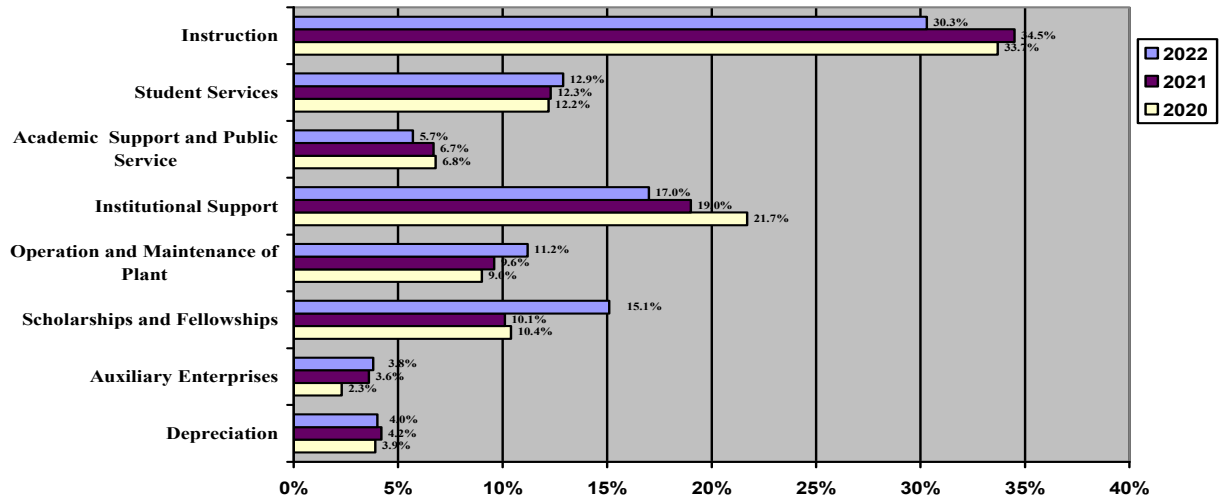
**Operating Expenses
(in thousands)**

	2022	2021	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Operating Expenses:					
Instruction	\$ 9,743	\$ 9,826	\$ (83)	\$ 9,744	\$ 82
Public Service	2	4	(2)	7	(3)
Academic Support	1,838	1,911	(73)	1,974	(63)
Student Services	4,135	3,493	642	3,541	(48)
Institutional Support	5,451	5,416	35	6,267	(851)
Operation and Maintenance of Plant	3,608	2,744	864	2,594	150
Scholarships and Fellowships	4,859	2,863	1,996	2,998	(135)
Auxiliary Enterprises	1,198	1,009	189	680	329
Depreciation	1,301	1,177	124	1,115	62
Total	<u>\$ 32,135</u>	<u>\$ 28,443</u>	<u>\$ 3,692</u>	<u>\$ 28,920</u>	<u>\$ (477)</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Revenues, Expenses and Change in Net Position - Continued

Operating Expenses



Fiscal Year 2022 Compared to 2021

Galveston College’s operating expenses increased by \$3.69 million or 13% in fiscal year 2022 as compared to 2021. The College’s Board of Regents approved a salary increase of 3% for all employees and multi-decade highs in inflation resulted in increases in most expense categories. The influx of federal HEERF funds dominates the \$3.69 million increase in total expenditures in several expense categories. The largest expense category remains Instruction at 30.3%, staying relatively stable in 2022 as compared to 2021. Student Services increased by \$642,000 or 18% primarily due to software purchases and information technology support services in the amount of \$250,000 for the Admissions, Continuing Education, Financial Aid, and Student Services departments using HEERF federal grant funds. Other HEERF expenditures include: \$105,000 for student accounts receivable balances forgiven due to COVID-19, \$87,000 for student vaccination incentives, \$40,000 for laptops for student services staff, and \$15,000 in outreach assistant wages related to the Coronavirus. In fiscal year 2021, the graduation ceremony was held virtually which resulted in much lower expenses. For fiscal year 2022, graduation expenses increased by \$35,000 due to resuming the in-person graduation ceremony format. Additional expenses of note include an increase in campus security costs of \$24,000 due to students returning to campus and increased information technology support costs of \$65,000 allocated to the Admissions department as a result of implementing and updating the College’s online student portal. Operation and Maintenance of Plant increased by \$865,000 chiefly due to \$367,000 in expenses related to projects procured with HEERF federal grant funds. These projects include: converting all campus bathrooms and water fountains to a touchless format, hiring additional custodians and purchasing disinfectant products for deep cleaning protocols related to the Coronavirus, and installing air filters for enhanced virus control. The College also increased expenses in this category as a result of general maintenance projects deferred due to the pandemic. Using institutional funds, the College paid for major projects totaling \$450,000 which included \$91,000 for painting, \$88,000 for HVAC upgrades, \$48,000 for the atrium glass repairs, \$41,000 to enclose the art gallery, and \$139,000 on general maintenance projects. The \$1.99 million increase in Scholarships and Fellowships is tied to the \$2.82 million of emergency financial aid provided to students impacted by the COVID-19 pandemic. Auxiliary Enterprises increased \$188,000 as a result of Galveston College hosting the annual Women in Industry conference and expenses associated with the event. This dynamic, exciting one-day event is a day about career exploration and awareness in the petrochemical industry. Students are provided the opportunity to network with industry sponsors, many of whom are currently hiring. Students also learn how to get industry-specific training, attend amazing and energetic sessions, and hear from other women currently in the field.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Revenues, Expenses and Change in Net Position - Continued

Fiscal Year 2021 Compared to 2020

Galveston College's operating expenses decreased by \$477,000 or 1.7% in fiscal year 2021 as compared to fiscal year 2020. The largest expense category remains Instruction at 34.5%, increasing by \$82,000 in fiscal year 2021. The categories of Academic Support, Student Services, Operation and Maintenance of Plant, and Scholarships and Fellowships remained relatively stable between fiscal years. As reported in *Schedule B*, the largest contributor to the overall decrease in operating expenses is Institutional Support, which decreased 13.6%, or \$851,000. Institutional Support's decrease is mainly due to decreases in benefit expenses associated with the current fiscal year's GASB No. 75 (Retiree Health Insurance) and GASB No. 68 (TRS Retiree Pension) entries and lower HEERF COVID-19 grant expenses in this category. This decrease is offset by an increase in expenses in Auxiliary Enterprises of \$329,000 and Depreciation of \$62,000. Auxiliary Enterprises rose primarily due to increases in food and housing costs as well as baseball and softball departmental expenses, resulting from an upsurge in students returning to campus in fiscal year 2021 as compared to fiscal year 2020. Depreciation expense increased due to the addition of capital assets purchased in the current fiscal year.

Statements of Cash Flows Activity

The Statement of Cash Flows reports the cash receipts and cash payments that occurred during the fiscal year. This statement helps users assess: 1) the entity's ability to generate future cash flows; 2) its ability to meet its obligations as they come due; and 3) its needs for external financing. The Statement of Cash Flows presents information relative to cash inflows and outflows summarized by operating, financing, and investing activities.

The following chart summarizes the Statements of Cash Flows (rounded to the nearest thousand) for the fiscal years ended August 31:

	2022	2021	2020
Cash Provided by (Used in):			
Operating Activities	\$(19,151)	\$(17,321)	\$(18,411)
Non-Capital Financing Activities	23,922	22,761	22,479
Capital and Related Financing Activities	29,255	(1,731)	(4,768)
Investing Activities	<u>285</u>	<u>(2,981)</u>	<u>261</u>
Net Increase (Decrease) in Cash and Cash Equivalents	34,311	728	(439)
Cash and Cash Equivalents – Beginning of Year	<u>22,119</u>	<u>21,391</u>	<u>21,830</u>
Cash and Cash Equivalents – End of Year	<u>\$ 56,430</u>	<u>\$ 22,119</u>	<u>\$ 21,391</u>

The College's cash flows from operating activities are always reflected as a use of cash because the College relies heavily on property taxes and state appropriations revenue to fund operations, which are considered non-capital financing activities. The decrease of \$1.8 million in cash used for operating activities is primarily due to increase of \$1.95 million in payments to or on behalf of employees, increase of \$1.99 million in payments for scholarships, increase of \$884,000 in payments to suppliers, and decrease of \$484,000 in receipts from students and customers, offset by increased receipts from grants and contracts of \$3.5 million driven by federal grants received related to the pandemic. The increase in payments to or on behalf of employees is due to a \$0.82 million increase in total payments primarily in operations and maintenance and general salary increments. The increase in payments for scholarships is tied to the additional federal COVID-19 funds provided to students due to the pandemic. The increase in payments to supplies is due to the additional purchases made using federal grant funds. The decrease in payments from students and customers is a result of decreased student revenue due to a decline in enrollment caused by the pandemic.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statements of Cash Flows Activity – Continued

Cash flows from non-capital financing activities increased \$1.16 million due to increased property tax receipts of \$867,000, an increase in state appropriations of \$187,000, and \$105,000 in student assistance proceeds (Title IV grants) compared to fiscal year 2021. Cash flows from capital and related financing activities increased \$30.98 million or 1,790% due to the influx of \$33.9 million from the issuance of revenue bonds offset by a decrease of \$2.4 million in capital assets as we began the construction of the new Health Sciences Education Center and costs of \$493,000 related to the bonds issued. The overall increase in cash and cash equivalents of \$33.58 million is dominated by the cash provided by the issuance of revenue bonds and surplus funds from operations in fiscal year 2022.

Capital Assets

As shown in Note 6, capital assets increased from \$25.6 million to \$30.9 million due to new property and equipment purchases and construction in progress, offset by \$1.3 million of depreciation expense. The following points explain the material changes in the capital assets categories during fiscal year 2022:

- **Land** increased by \$67,000 due to purchases of new properties at 2215 38th Street and 4002 Ave Q.
- **Construction in Progress** increased by \$5.12 million due to architectural, engineering, and construction fees paid in association with the construction of the new Health Sciences Education Center and architectural and engineering fees related to the College's north parking lot expansion.
- **Buildings** increased by \$232,000 related to the new properties purchased on 38th Street and 4002 Ave Q offset by the demolition of the property located at 4022 Ave Q.
- **Equipment, Furniture, and Software** increased by \$1.16 million as a result of the capitalization of new equipment. The College purchased various capital equipment used for student remote instruction and lab training.
- **Library Books** increased \$32,000 due to the capitalization of new books purchased in fiscal year 2022.

**Capital Assets
(in thousands)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Capital Assets:			
Land and Improvements	\$ 8,980	\$ 8,913	\$ 8,689
Construction in Progress	5,609	486	87
Buildings	25,178	24,946	24,483
Equipment, Furniture, and Software	7,011	5,852	5,362
Library Books	<u>698</u>	<u>666</u>	<u>644</u>
Total	<u>47,476</u>	<u>40,863</u>	<u>39,265</u>
Less Accumulated Depreciation	<u>(16,523)</u>	<u>(15,222)</u>	<u>(14,179)</u>
Net Capital Assets	<u>\$ 30,953</u>	<u>\$ 25,641</u>	<u>\$ 25,086</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Currently Known Facts, Decisions and Conditions

- Based on the Texas Higher Education Coordinating Board's (THECB) Accountability system, the College's 6-year graduation rate was 62% as of Fall 2021, exceeding the statewide average for community colleges by 18%. In Fall 2021, students who earned a certificate or associate degree in the 2020-21 academic year were invited to complete a survey about their employment and/or continuing education, reasons for choosing Galveston College, and academic and student services experiences. The data showed that 77% of graduates reported working in jobs related to the education and training received at Galveston College. Additionally, almost half of all graduates were furthering their education at Galveston College or another college or university. Most notably, graduates reported they believe they received a high-quality education at Galveston College and if given the opportunity to start over, nine out of ten stated they would gladly still choose to attend Galveston College.
- A \$5 million leadership grant from the Moody Foundation was received by Galveston College Foundation (the Foundation) for the Building Tomorrow capital campaign. The gift will support the College's new Health Sciences Education Center, which broke ground in June 2022. The grant is structured to be split between the bricks and mortar cost of the new building and the creation of an endowment which will support the operation of the new building once it opens. This gift makes evident a long-term commitment to Galveston students by the Moody Foundation. The Foundation also began a capital campaign directed towards students, staff, and the community for the new Health Sciences Education Center. These funds will be used to pay down the bond issued with a 10-year par call and restructure the debt.
- Galveston College received a five-year, \$2,887,873 grant that focuses on enhancing the quality of undergraduate science, technology, engineering, and mathematics (STEM) education and increasing the success rates of students pursuing associate and baccalaureate degrees in STEM. The National Science Foundation Improving Undergraduate STEM Education: Hispanic-Serving Institutions Program grant will fund a project titled, "Unified Community of Support: Building Capacity for STEM Transfer Students' Success," which aims to build institutional capacity between Galveston College and its partner university-transfer institutions through a unified community of support across a regional transfer alliance.
- Year one of the five-year NSF-HSI Institutional Transformation grant (ITP: UCS-STSS) was completed. The project goals of ITP: UCS-STSS are to: (1) build intra-institutional capacity through a unified community of support; (2) create systemic and sustained institutional change that supports an academy of STEM mentors in implementing evidence-based practices that enhance equitable student outcomes in STEM and development of STEM students' science identity; (3) build inter-institutional capacity across a regional transfer alliance; and (4) implement a theory-guided iterative research design during year one of the project. The College successfully implemented and conducted all year one activities as proposed. This included hiring the STEM Honors Program Coordinator and the STEM Transfer Specialist; remodeling the STEM Student Center (Room N-310); adding and furnishing two office spaces in N-310; adding learning resources such as laptop computers, scientific calculators, and a science/math textbook library in N-310; restructuring the STEM Honors Program; adding 15 new STEM honor students; awarding three NSF (National Science Foundation) transfer scholarships at \$2,500 each; completing a faculty professional development series focused on mentoring and inclusive pedagogy; establishing a project research team and developing a research plan; and establishing a steering delegation with representation from the College's university partners.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Currently Known Facts, Decisions and Conditions - Continued

- Galveston College completed the fourth year of the five-year Title V grant. The Title V grant has two initiatives: to redesign high-risk general education courses and to develop a comprehensive pathways advising system. The College continues to develop and improve the student advising software (myGC) and the advising application (CRM Advise). Training material was developed to support the new software and an outreach and information campaign related to the new abilities was conducted. A new position was added under Title V, Technology Teaching Assistant, and Information Technology's human resources capacity was expanded with the Senior Program Analyst position. The grant continued to facilitate the development and execution of articulation and transfer agreements with four-year partner institutions and transfer templates/guides to inform students and advisors of regional transfer options and agreements. The grant supported the Houston GPS Equity Project for Student Services with a coaching series by Dr. Michael Baston. Utilizing Title V grant funds, the STEM Student Center (Room N-310) was equipped with a flexible learning space. The library's flexible learning space was also expanded.
- Galveston College's TRIO-Building Bridges to Success (BBS) program recently celebrated 25 years of success at Galveston College. BBS is a TRIO Student Support Services program that is funded by the U.S. Department of Education to serve first-generation, low-income, and disabled students at Galveston College. For the past academic year, BBS served 206 students, with 49 students graduating. 94% of participants were in good academic standing (2.0 or above GPA) and 61% of participants earned an associate degree or certificate within 4 years of entering the program. Of those who graduated with an associate degree or certificate, 19% also transferred to a four-year institution. Additionally, the persistence rate of BBS students from Fall to Fall (including graduation or transfer) was 81%.
- Galveston College's TRIO-Upward Bound program has been quite successful in recent years as well. Using federal grant funds provided by the U.S. Department of Education, the TRIO-Upward Bound program was able to serve 83 high-school students in fiscal year 2022 which met the program requirements of having served the required number of participants. Of special note, 100% of the seniors served during the academic year passed the required state assessments and 96% graduated with a distinguished level of achievement with endorsements meeting the rigorous curriculum objective. The 23 Upward Bound seniors served during fiscal year 2022 graduated high school in June 2022. Of this student group, 22 of the 23 students continued their education with 13 enrolled at Galveston College, 7 enrolled at four-year universities, and 2 enrolled at another community college. Five of the high school graduates earned their associate degree from Galveston College in May 2022 and one student earned an associate degree in December 2021, all before high school graduation. There was a 100% persistence/graduation rate. All the students who were served passed to the next grade level or graduated. Of those students, 77% earned a GPA over 2.5 for the academic year. This percentage exceeded the program objective. The six-year college graduation rate for the 2016 cohort was 30% which also exceeded the program objective. All program objectives were met.

GALVESTON COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Currently Known Facts, Decisions and Conditions – Continued

- The following grants will be active in fiscal year 2023:

GRANT FUNDED BY	PURPOSE	TERM	AMOUNT
National Science Foundation - Federal	Hispanic Serving Institution Program - Institutional Transformation Project	09/01/22 - 08/31/23	\$572,000
U.S. Department of Education - Federal	Title V - Pathway Model for Improved Teaching, Advising, and Transfer at Hispanic-Serving Community College	09/01/22 - 08/31/23	\$550,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Texas Reskilling and Upskilling through Education (TRUE) Grant Program 2022	09/01/22 - 08/31/23	\$379,000
U.S. Department of Education - Federal	TRIO - Building Bridges to Success Program	09/01/22 - 08/31/23	\$301,000
U.S. Department of Education - Federal	TRIO - Upward Bound Program	09/01/22 - 08/31/23	\$298,000
U.S. Department of Education - Federal	CARES Act: Higher Education Emergency Relief Fund - COVID-19 Institutional Portion	09/01/22 - 06/30/23	\$247,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Carl D. Perkins Career and Technical Education Program - Basic Grants	09/01/22 - 08/31/23	\$184,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Texas Reskilling and Upskilling for Education (TRUE) Institutional Capacity Grants	09/01/22 - 08/31/23	\$147,000
Galveston Career Connect - Private	Strengthen Career Skills of High School Students	09/01/22 - 08/31/23	\$67,000
Greater Texas Foundation - Private	Greater Texas Foundation - Emergency Aid Grant	09/01/22 - 08/31/23	\$40,000
Texas Higher Education Coordinating Board - Federal Pass-Through	Texas Completion Repayment Grant Program	09/01/22 - 08/31/23	\$19,000
Texas Higher Education Coordinating Board - State	2017-2019 College Readiness and Success Models for 60x30TX (CRSM-2017)	09/01/22 - 08/31/23	\$13,000
		TOTAL	\$2,817,000

Contacting the College's Financial Management

This financial report is designed to provide the College's citizens, taxpayers, students, investors, and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Business Office at 4015 Avenue Q, Galveston, Texas 77550.

GALVESTON COMMUNITY COLLEGE DISTRICT
STATEMENTS OF NET POSITION
AUGUST 31, 2022 AND 2021

Exhibit 1

	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents (Note 4)	\$ 24,918,644	\$ 22,064,823
Short-Term Investment (Note 4)	3,045,195	3,014,907
Accounts Receivable (Note 5)	807,106	1,141,841
Property Tax Receivable, Net (Note 5)	783,611	710,970
Student Receivables, Net (Note 5)	2,363,483	1,872,148
Other Assets	867,557	783,397
Total Current Assets	32,785,596	29,588,086
NONCURRENT ASSETS:		
Restricted Bond Funds Cash and Cash Equivalents (Note 4)	31,454,122	-
Restricted Agency Funds Cash and Cash Equivalents (Note 4)	57,696	53,999
Long-term Accounts Receivable (Note 5)	-	207,599
Capital Assets, Net (Note 6):		
Not Subjected to Depreciation	9,250,673	4,060,492
Subjected to Depreciation	21,702,845	21,580,330
Total Noncurrent Assets	62,465,336	25,902,420
Total Assets	95,250,932	55,490,506
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows (Note 9)	1,513,373	2,022,078
Other Post Employee Benefits Related Deferred Outflows (Note 12)	2,691,856	2,698,599
Total Deferred Outflows of Resources	4,205,229	4,720,677
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable (Note 5)	3,832,785	804,589
Funds Held for Others - Agency	57,696	53,999
Unearned Revenues	3,094,052	3,305,143
Deposits	28,600	26,400
Compensated Absences - Current Portion (Notes 7 and 13)	40,000	40,000
Bonds Payable - Current Portion (Notes 7 and 8)	1,007,647	-
Total Current Liabilities	8,060,780	4,230,131
NONCURRENT LIABILITIES:		
Compensated Absences (Notes 7 and 13)	451,953	460,360
Net Pension Liability (Note 9)	2,559,160	5,531,062
Net Other Post Employee Benefit Liability (Note 12)	13,361,177	11,768,283
Bonds Payable (Notes 7 and 8)	32,779,536	-
Total Noncurrent Liabilities	49,151,826	17,759,705
Total Liabilities	57,212,606	21,989,836
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows (Note 9)	2,996,562	971,417
Other Post Employee Benefits Related Deferred Inflows (Note 12)	2,485,440	3,858,932
Total Deferred Inflows of Resources	5,482,002	4,830,349
NET POSITION		
Net Investment in Capital Assets, Net of Related Debt	25,886,546	25,640,822
Restricted - Expendable:		
Student Aid	216,320	237,583
Debt Service	1,865,400	-
Unrestricted	8,793,287	7,512,593
Total Net Position (Schedule D)	\$ 36,761,553	\$ 33,390,998

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

GALVESTON COMMUNITY COLLEGE DISTRICT
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

Exhibit 2

	2022	2021
OPERATING REVENUES:		
Tuition and Fees, Net of Scholarship Allowance of \$2,579,820 for 2022 and \$2,673,279 for 2021	\$ 2,308,433	\$ 2,708,288
Federal Grants and Contracts	7,131,994	3,255,489
State and Local Grants and Contracts	446,633	367,738
Private Grants and Scholarships	751,856	701,782
Auxiliary Enterprises, Net of Scholarship Allowance of \$362,622 for 2022 and \$272,309 for 2021	581,678	561,858
Other Operating Revenues	225,090	223,278
Total Operating Revenues (Schedule A)	11,445,684	7,818,433
OPERATING EXPENSES:		
Instruction	9,743,178	9,825,561
Public Service	1,394	4,434
Academic Support	1,838,161	1,911,094
Student Services	4,135,174	3,492,908
Institutional Support	5,451,201	5,415,899
Operation and Maintenance of Plant	3,608,277	2,743,768
Scholarships and Fellowships	4,859,126	2,862,901
Auxiliary Enterprises	1,197,379	1,009,202
Depreciation	1,300,874	1,176,955
Total Operating Expenses (Schedule B)	32,134,764	28,442,722
OPERATING LOSS	(20,689,080)	(20,624,289)
NON-OPERATING REVENUES (EXPENSES):		
State Appropriations	5,650,022	5,997,261
Property Taxes	15,457,871	14,448,842
Federal Student Assistance (Title IV Grants)	3,647,025	3,600,353
Investment Income	315,702	35,344
Interest on Capital-Related Debt	(477,366)	-
Debt Issuance Cost	(282,769)	-
Loss on Disposal of Capital Assets	(250,850)	-
Non-Operating Revenues, Net (Schedule C)	24,059,635	24,081,800
INCREASE IN NET POSITION	3,370,555	3,457,511
NET POSITION, BEGINNING OF YEAR	33,390,998	29,933,487
NET POSITION, END OF YEAR	\$ 36,761,553	\$ 33,390,998

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

GALVESTON COMMUNITY COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

Exhibit 3

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Students and Other Customers	\$ 2,169,071	\$ 2,652,955
Receipts from Grants and Contracts	8,284,567	4,823,152
Payments to or on Behalf of Employees	(18,233,190)	(16,284,750)
Payments to Suppliers for Goods and Services	(7,318,620)	(6,434,931)
Payments for Scholarships	(4,859,126)	(2,862,901)
Other Cash Receipts	<u>806,768</u>	<u>785,136</u>
Net Cash Used in Operating Activities	<u>(19,150,530)</u>	<u>(17,321,339)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Proceeds from State Appropriations	4,858,898	4,671,366
Proceeds from Property Taxes	15,385,230	14,517,933
Proceeds from Federal Student Assistance (Title IV Grants)	<u>3,678,075</u>	<u>3,572,299</u>
Net Cash Provided by Non-Capital Financing Activities	<u>23,922,203</u>	<u>22,761,598</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Receipts from Issuance of Bonds	33,954,916	-
Bond Issuance Cost Paid	(282,769)	-
Purchases of Capital Assets	(4,205,754)	(1,731,344)
Payments on Bonds - Interest	<u>(211,824)</u>	<u>-</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>29,254,569</u>	<u>(1,731,344)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of short-term investment	-	(3,014,907)
Investment Income	<u>285,398</u>	<u>33,775</u>
Net Cash Provided by (Used in) Investing Activities	<u>285,398</u>	<u>(2,981,132)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	34,311,640	727,783
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>22,118,822</u>	<u>21,391,039</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 56,430,462</u>	<u>\$ 22,118,822</u>

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

GALVESTON COMMUNITY COLLEGE DISTRICT
 STATEMENTS OF CASH FLOWS - CONTINUED
 FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

Exhibit 3 - Continued

	2022	2021
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating Loss	\$ (20,689,080)	\$ (20,624,289)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation Expense	1,300,874	1,176,955
Payments Made Directly by State for Benefits	791,174	1,325,933
Changes in Assets and Liabilities:		
Receivables, Net	19,915	(290,294)
Other Assets	(84,160)	(462)
Pension Related Deferred Outflows	508,705	434,936
Other Post Employee Benefits Related Deferred Outflows	6,743	925,069
Accounts Payable	(63,745)	(21,265)
Funds Held for Others - Agency Funds	3,697	9,540
Unearned Revenues	(211,091)	720,564
Deposits	2,200	3,000
Compensated Absences	(8,407)	(6,893)
Net Pension Liability	(2,971,902)	(16,416)
Net Other Post Employee Benefit Liability	1,592,894	(1,374,115)
Pension Related Deferred Inflows	2,025,145	(163,729)
Other Post Employee Benefits Related Deferred Inflows	(1,373,492)	580,127
	<u>\$ (19,150,530)</u>	<u>\$ (17,321,339)</u>
Net Cash Used in Operating Activities		
Schedule of Non-Cash Capital and Related Financing Activities		
Capital Assets Additions Included in Accounts Payable	\$ <u>2,658,666</u>	\$ <u>-</u>
Accrued Interest Expense Included in Accounts Payable	\$ <u>433,275</u>	\$ <u>-</u>
Amortization of Bond Premium	\$ <u>167,733</u>	\$ <u>-</u>

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

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – REPORTING ENTITY

Galveston Community College District (the College) was established in 1967, in accordance with the laws of the State of Texas, to serve the educational needs of the City of Galveston and the surrounding communities. The College is considered to be a special purpose, primary government. 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 Governmental Accounting Standards Board (GASB) gives guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. In 2011, the College adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which changed the criteria for a component unit. The Galveston College Foundation (the Foundation) is a legally separate not-for-profit corporation controlled by a separate board of trustees, whose sole purpose is to provide scholarships and other benefits to the students and staff of the College. The Foundation does not provide a financial benefit or impose a financial burden on the College. The College does not appoint any of the Foundation’s board members nor does it fund or is it obligated to pay debt related to the Foundation. The financial position of the Foundation as of August 31, 2022 and 2021 and the cost of services provided by the College to the Foundation during the years then ended are not significant to the College. The Foundation has therefore not been included as a component unit in the financial statements of the College. Financial information for the Foundation may be obtained from its administrative office.

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 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 (TPEG) – Certain tuition amounts must be set aside for use as scholarships by qualifying students. This set-aside, called the TPEG, is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code, Section 56.033). When the award is used by the student for tuition and fees, the College records the amount as tuition discount. If the amount is dispersed directly to the student, the College records the amount as a scholarship expense.

Title IV Higher Education Act (HEA) Program Funds – Certain Title IV HEA program funds are received by the college to pass through to the student. These funds initially are received by the college and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Tuition Discounting – Continued

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 college records the amount as a tuition discount. If the amount is dispersed directly to the student, college records the amount as a scholarship expense.

Basis of Accounting

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

Net Position: The College’s net position is classified as follows:

Net Investment in Capital Assets: This represents the College’s total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position – Expendable: Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position: These are resources that are not subject to any external restrictions and may be used at the discretion of the governing board for any lawful purpose of the College.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College’s policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

Budgetary Data

Each community college district 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 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.

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. Cash and cash equivalents that are externally restricted as to their use are classified as noncurrent assets in the Statements of Net Position. The governing board has designated public funds investment pools to be cash equivalents, as the investments are redeemable on demand.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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 or more and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings 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 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 following estimated useful lives of the assets:

Buildings	40-50 years
Land Improvements	20 years
Library Books	15 years
Furniture, Equipment and Vehicles	5-10 years
Computer Systems	5 years

Revenue Recognition and Unearned Income

Tuition and fee revenues are recorded when earned. Tuition, fees and other revenues related to periods after August 31, 2022 and 2021, respectively, have been deferred to the subsequent fiscal year.

Pensions

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

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and other postemployment benefits (OPEB) liability, and contributions from the College for pension and OPEB after the measurement date but before the end of the College’s reporting period.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as revenue until that time. Deferred inflows of resources consist of unrecognized items not yet charged to pension and OPEB liability.

Other Post-Employment Benefits (OPEB)

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

Operating and Non-Operating Revenues and Expenses Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a business-type activity and as a single, proprietary fund. Operating revenues and expenses generally result from exchange transactions, such as payments received for providing services and payments made for goods or services received. The principal operating revenues are tuition, fees and grants. The major non-operating revenues are State appropriations, property tax and Title IV financial aid funds (i.e. Pell grants). The operations of the bookstore and food services are performed by a third party contracted by the College.

Operating expenses include the cost of providing instruction, student services and support, administrative expenses, and depreciation and amortization on capital assets. Expenses related to non-operating federal revenues are reported as operating expenses, either as tuition discounts (if applied to tuition) or as scholarship.

Management Estimates

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

Income Taxes

The College is exempt from Federal income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to Federal income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc., Organizations*. The College had no unrelated business income tax liability for the years ended August 31, 2022 and 2021.

Subsequent Events

The College has evaluated subsequent events through December 22, 2022 which is the date the financial statements were available to be issued. No matters were identified that require disclosure or adjustment to these financial statements or related disclosures.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 3 – AUTHORIZED INVESTMENTS

The Board of Regents of the College has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the College are in compliance with the Board of Regents’ investment policy and the Public Funds Investment Act. Such investments include (1) obligations of the United States and its agencies, (2) directed 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

Custodial credit risk for deposits is the risk that in the event of bank failure, the College’s deposits may not be returned to it. All deposits with the depository bank must be collateralized in an amount equal to at least 102% of the amount of uninsured collected funds. The collateral must be held by a third-party collateral bank in the name of the College.

At August 31, 2022 and 2021, the carrying amount of the College’s deposits was \$1,336,633 and \$1,286,136, respectively; and bank balances equaled \$1,743,533 and \$2,908,390, respectively. Bank balances totaling \$250,000 were covered by Federal depository insurance and the remaining balance is collateralized with securities. The College uses a sweep agreement as a funding mechanism for its demand deposit accounts. Under this agreement the funds are swept nightly into a repurchase agreement account. As needed to cover disbursements, funds are swept into the demand deposit accounts.

The following table presents the deposits and investments included in Exhibit 1, Statement of Net Position, as of August 31:

	2022	2021
Cash and Cash Equivalents:		
Petty Cash	\$ 1,200	\$ 1,200
Demand Deposits	1,336,633	1,286,136
Vanguard Admiral Treasury Money Market Fund	691,911	688,818
Investment Pools:		
Lone Star Investment Pool	37,100,838	2,933,767
Local Government Investment Cooperative	6,419,028	6,382,131
Texas Local Government Investment Pool	5,739,845	5,710,908
Texas Range Government Investment Pool	5,141,007	5,115,862
Total Cash and Cash Equivalents	56,430,462	22,118,822
Certificates of Deposit	3,045,195	3,014,907
Total Deposits and Investments	\$ 59,475,657	\$ 25,133,729

Interest risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods can be subjected to increased risk of adverse interest rate changes. In accordance with its investment policy, the College limits its exposure to interest risk by structuring its portfolio to provide for liquidity for operating funds and maximizing yields for funds not needed within a two year period. The investment policy limits the maximum maturity length of obligations of the United States government, its agencies and instrumentalities and government sponsoring enterprises to two years.

Credit risk is the risk that the issuer of the debt security will not pay its par value upon maturity. The College’s investment policy limits credit risk based on meeting requirements of State law.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 4 – DEPOSITS AND INVESTMENTS - CONTINUED

The First Public (Lone Star Investment Pool or Lone Star) is a public funds investment pool established in accordance with the Inter-local Cooperation Act, Chapter 791, of the Texas Government Code, and operated under the Public Funds Investment Act, Chapter 2256, of the Texas Government Code. Lone Star is governed by trustees comprised of active participants in Lone Star. The board of trustees for Lone Star has the responsibility for adopting and monitoring compliance with the investment policy, of appointing investment officers, of overseeing the selection of an investment advisor, custodian, investment consultant, administrator and other service providers. First Public is rated AAA by Standard & Poor's.

Local Government Investment Cooperative (LOGIC or the Cooperative) was organized in conformity with the Inter-local Cooperation Act, Chapter 791, of the Texas Government Code, and operated under the Public Funds Investment Act, Chapter 2256, of the Texas Government Code. Participation in the Cooperative is limited to those eligible Government Entities which have become parties to the Participation Agreement. LOGIC is overseen by a governing board consisting of individuals from participating government entities in the pool. The business and affairs of LOGIC are managed by the Board. J.P. Morgan Asset Management provides investment management, fund accounting, transfer agency and custodial services for the pool and Hilltop Securities Inc. provides administrative, marketing and participant services. In compliance with the Public Funds Investment Act, all portfolios will maintain a AAA or equivalent rating from at least one nationally recognized rating agency. LOGIC has been assigned a rating of AAAM by Standard & Poor's.

Texas Local Government Investment Pool (TexPool) has been organized in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. TexPool invests in securities that meet the requirements of Texas Public Funds Investment Act. Standard & Poor rates TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor, as well as to the Office of Comptroller of Public Accounts, for review.

Texas Range Government Investment Pool (Texas Range) has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code (the PFIA). Texas Range is directed by an Advisory Board of experienced local government officials, finance directors and treasurers and is managed by a team of industry leaders that are focused on providing professional investment services to investors. Texas Range provides three investment options that offer investors the flexibility to manage cash flow and optimize earnings. The College has currently invested in TexasDAILY, a money market portfolio with daily liquidity that is rated AAAM by Fitch.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 5 – DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Receivables consist of the following at August 31:

	2022	2021
Student Receivables	\$ 2,570,238	\$ 2,115,367
Less Allowance for Doubtful Accounts	<u>(206,755)</u>	<u>(243,219)</u>
Total Student Receivable	<u>\$ 2,363,483</u>	<u>\$ 1,872,148</u>
Federal Receivables	\$ 712,752	\$ 1,255,977
Other Receivables	<u>94,354</u>	<u>93,463</u>
Total Accounts Receivable	<u>\$ 807,106</u>	<u>\$ 1,349,440</u>
Property Tax Receivable	\$ 883,752	\$ 809,994
Less Allowance for Doubtful Accounts	<u>(100,141)</u>	<u>(99,024)</u>
Total Property Tax Receivable	<u>\$ 783,611</u>	<u>\$ 710,970</u>

Payables consist of the following at August 31:

Vendors Payable	\$ 3,268,099	\$ 675,612
Bond Interest Payable	433,275	-
Benefits Payable	<u>131,411</u>	<u>128,977</u>
Total Payables	<u>\$ 3,832,785</u>	<u>\$ 804,589</u>

Included in federal receivables at August 31, 2021 is \$207,599 of long term receivables that will be collected within the next 2 years.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 6 – CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2022 was as follows:

	Balance September 1, <u>2021</u>	<u>Increase</u>	Decrease/ <u>Adjustment</u>	Balance August 31, <u>2022</u>
Not Depreciated:				
Land	\$ 3,574,015	\$ 67,450	\$ -	\$ 3,641,465
Construction in Progress	<u>486,477</u>	<u>5,122,731</u>	<u>-</u>	<u>5,609,208</u>
Total Not Depreciated	<u>4,060,492</u>	<u>5,190,181</u>	<u>-</u>	<u>9,250,673</u>
Other Capital Assets:				
Buildings	24,945,967	472,146	(240,375)	25,177,738
Land Improvements	5,338,727	-	-	5,338,727
Furniture, Equipment and Vehicles	3,948,600	319,401	-	4,268,001
Computer System	1,903,037	840,121	-	2,743,158
Library Books	<u>666,468</u>	<u>31,697</u>	<u>-</u>	<u>698,165</u>
Total Depreciated	<u>36,802,799</u>	<u>1,663,365</u>	<u>(240,375)</u>	<u>38,225,789</u>
Less Accumulated Depreciation:				
Buildings	9,138,546	466,075	(399)	9,604,222
Land Improvements	2,158,147	266,937	-	2,425,084
Furniture, Equipment and Vehicles	2,221,573	334,099	-	2,555,672
Computer System	1,336,634	197,563	-	1,534,197
Library Books	<u>367,569</u>	<u>36,200</u>	<u>-</u>	<u>403,769</u>
Total Accumulated Depreciation	<u>15,222,469</u>	<u>1,300,874</u>	<u>(399)</u>	<u>16,522,944</u>
Net Capital Assets	<u>\$ 25,640,822</u>	<u>\$ 5,552,672</u>	<u>\$ (239,976)</u>	<u>\$ 30,953,518</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 6 – CAPITAL ASSETS – CONTINUED

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

	Balance September 1, 2020	Increase	Decrease/ Adjustment	Balance August 31, 2021
Not Depreciated:				
Land	\$ 3,495,005	\$ 79,010	\$ -	\$ 3,574,015
Construction in Progress	<u>86,935</u>	<u>399,542</u>	<u>-</u>	<u>486,477</u>
Total Not Depreciated	<u>3,581,940</u>	<u>478,552</u>	<u>-</u>	<u>4,060,492</u>
Other Capital Assets:				
Buildings	24,483,308	462,659	-	24,945,967
Land Improvements	5,193,647	145,080	-	5,338,727
Furniture, Equipment and Vehicles	3,951,190	130,362	(132,952)	3,948,600
Computer System	1,410,670	492,367	-	1,903,037
Library Books	<u>644,144</u>	<u>22,324</u>	<u>-</u>	<u>666,468</u>
Total Depreciated	<u>35,682,959</u>	<u>1,252,792</u>	<u>(132,952)</u>	<u>36,802,799</u>
Less Accumulated Depreciation:				
Buildings	8,682,169	456,377	-	9,138,546
Land Improvements	1,897,255	260,892	-	2,158,147
Furniture, Equipment and Vehicles	2,038,658	315,867	(132,952)	2,221,573
Computer System	1,228,727	107,907	-	1,336,634
Library Books	<u>331,657</u>	<u>35,912</u>	<u>-</u>	<u>367,569</u>
Total Accumulated Depreciation	<u>14,178,466</u>	<u>1,176,955</u>	<u>(132,952)</u>	<u>15,222,469</u>
Net Capital Assets	<u>\$ 25,086,433</u>	<u>\$ 554,389</u>	<u>\$ -</u>	<u>\$ 25,640,822</u>

NOTE 7 – NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended August 31, 2022 was as follows:

	Balance September 1, 2021	Additions	Reductions	Balance August 31, 2022	Current Portion
Bonds					
Revenue bonds	\$ -	\$ 29,425,000	\$ -	\$ 29,425,000	\$ 710,000
Unamortized bond premium	<u>-</u>	<u>4,529,916</u>	<u>(167,733)</u>	<u>4,362,183</u>	<u>297,647</u>
Subtotal	-	33,954,916	(167,733)	33,787,183	1,007,647
Compensated Absences	500,360	80,471	(88,878)	491,953	40,000
Net Pension Liability (Note 2, 9)	5,531,062	-	(2,971,902)	2,559,160	-
Net OPEB Liability (Note 2, 12)	<u>11,768,283</u>	<u>1,899,497</u>	<u>(306,603)</u>	<u>13,361,177</u>	<u>-</u>
Total Noncurrent Liabilities	<u>\$17,799,705</u>	<u>\$ 35,934,884</u>	<u>\$(3,535,116)</u>	<u>\$ 50,199,473</u>	<u>\$ 1,047,647</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 7 – NONCURRENT LIABILITIES – CONTINUED

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

	Balance September 1, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance August 31, <u>2021</u>	Current <u>Portion</u>
Compensated Absences	\$ 507,253	\$ 76,462	\$ (83,355)	\$ 500,360	\$ 40,000
Net Pension Liability (Note 2, 9)	5,547,478	409,689	(426,105)	5,531,062	-
Net OPEB Liability (Note 2, 12)	<u>13,142,398</u>	<u>929,005</u>	<u>(2,303,120)</u>	<u>11,768,283</u>	<u>-</u>
Total Noncurrent Liabilities	<u>\$19,197,129</u>	<u>\$ 1,415,156</u>	<u>\$(2,812,580)</u>	<u>\$17,799,705</u>	<u>\$ 40,000</u>

NOTE 8 – BONDS PAYABLE

General information related to bonds payable is summarized below:

- Combined Fee Revenue Bonds, Series 2022. The bond issue was comprised of \$21,120,000 in serial bonds and \$8,305,000 in term bonds. Bonds were issued with a net premium of \$4,529,916. Final maturity dates for serial bonds and term bonds are April 15, 2042 and April 15, 2047, respectively.
- Proceeds from sale of the bonds will be used for the purpose of (i) acquiring, purchasing, constructing, improving, enlarging, equipping, operating and maintaining property, buildings, structure, activities, operations and facilities in the College, with first priority to be given to the acquisition, purchase, construction, and equipment of a nursing and health science building on the campus of the College.
- Issued February 9, 2022
- \$29,425,000, all authorized bonds have been issued.
- Interest rate is 4% and is payable April 15 and October 15 of each year commencing April 15, 2022 until maturity of prior redemption.
- Bonds are secured by a first lien on the pledged revenues consisting of (a) the pledged college fees, which include but are not limited to student service fees, course fees, building use fees, out-of-district fees, general service fees, registration fees, and revenue from auxiliary enterprises including residential life, the bookstore, and vending commissions; (b) the pledged tuition Fee, which includes 25% of the tuition charges collected from each enrolled student for each semester or term; (c) interest earnings, if any, on the general operating fund of the College; and (d) the revenues of any revenue-producing facilities acquired or constructed with bond proceeds.
- The payment of bonds is additionally secured by a debt service reserve fund that was funded with proceeds of bonds.
- Outstanding balance of the bonds payable as of August 31, 2022 was \$29,425,000. Unamortized bond premium balance as of August 31, 2022 was \$4,362,183 and amortization charged for the year ended August 31, 2022 was \$167,733.
- The College reserves the right, at its option, to redeem bonds having stated maturities on or after April 15, 2032, in whole or in part, on April 15, 2031 or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 8 – BONDS PAYABLE – CONTINUED

- The term bonds are subject to mandatory sinking fund redemption pursuant to the terms of Bond Legislation. The mandatory redemption is to occur on April 15 in each of the years and amount shown below as redemption price equal to the principal of the bonds amount redeemed plus accrued interest. See table below for redemption dates and amounts.

**\$8,305,000 Term Bonds
Maturing April 15, 2047**

Mandatory Redemption Date (April 15)	Principal Amount to be Redeemed (\$)
2043	1,530,000
2044	1,595,000
2045	1,660,000
2046	1,725,000
2047 (maturity)	1,795,000

The College is to maintain a reserve account equal to the maximum annual principal and interest requirements. The reserve balance as of August 31, 2022 is \$1,869,010 which meets the full reserve requirement.

The bond debt service requirements for the next five years and five years increments thereafter as of August 31, 2022 are as follows:

Fiscal Year Ending August 31	Principal	Interest	Total
2023	\$ 710,000	\$ 1,155,400	\$ 1,865,400
2024	740,000	1,127,000	1,867,000
2025	765,000	1,097,400	1,862,400
2026	800,000	1,066,800	1,866,800
2027	830,000	1,034,800	1,864,800
2028-2032	4,680,000	4,648,000	9,328,000
2033-2037	5,690,000	3,634,600	9,324,600
2038-2042	6,905,000	2,423,200	9,328,200
2043-2047	8,305,000	1,023,000	9,328,000
Total	\$ 29,425,000	\$ 17,210,200	\$ 46,635,200

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 8 – BONDS PAYABLE – CONTINUED

Bond premium is deferred and amortized over the life of the bonds using the effective interest method. Bonds payables are reported as net of bond premium or discount. Bond issuance costs are reported as expenses in the current period.

Future amortization of the bond premium for the next five years and five years increments thereafter as of August 31, 2022 are as follows:

<u>Fiscal Year</u> <u>Ending August 31</u>	<u>Bond Premium</u> <u>Amortization</u>
2023	\$ 297,647
2024	290,146
2025	282,352
2026	274,260
2027	265,822
2028-2032	1,190,278
2033-2037	922,844
2038-2042	605,234
2043-2047	233,600
	<u>\$ 4,362,183</u>

NOTE 9 – EMPLOYEE RETIREMENT PLANS

The State of Texas has joint contributory retirement plans for almost all its employees. One of the primary plans in which the College participates is administered by the Teacher Retirement System of Texas.

Teacher Retirement System of Texas

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

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

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System’s fiduciary net position is available in a separately-issued Annual Financial report that includes financial statements and required supplementary information. That report is available at <https://www.trs.texas.gov/Pages/aboutpublications.aspx> (select About TRS, Publications, Financial Reports) or write to TRS at 1000 Red River Street, Austin, Texas, 78701-2698 or by calling (512) 542-6592.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Teacher Retirement System of Texas - Continued

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

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular 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. Actuarial implications of the funding provided in the manner are determined by the System’s actuary.

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

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

	Contribution Rates	
	2022	2021
Member	8.00%	7.7%
Non – employer contributing entity (State)	7.75%	7.5%
Employers	7.75%	7.5%
Fiscal year 2021 College contributions		\$ 428,844
Fiscal year 2021 State of Texas on-behalf contributions		\$ 323,828
Fiscal year 2021 Member contributions		\$ 773,284

The College’s contributions to the TRS pension plan in 2022 were \$459,759 as reported in the Schedule of College’s Contributions for Pensions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2022 were \$341,225.

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.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Teacher Retirement System of Texas - Continued

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

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

Actuarial Assumptions. The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2020 rolled forward to August 31, 2021
Actuarial cost method	Individual Entry Age Normal
Asset valuation method	Fair Value
Single discount rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal bond rate as of August 31, 2021	1.95%*
Last year ending August 31 in projection period (100 years)	2120
Inflation	2.30%
Salary increases including inflation	3.05% to 9.05%
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

* Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years 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 were selected by the TRS Board of Trustees based upon analysis and recommendations by the system's actuary. The board of trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used on the actuarial valuation as of August 31, 2020, except as disclosed.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

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

The long-term rate of return on pension plan investments is 7.25%. 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.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Teacher Retirement System of Texas - Continued

Best estimates of geometric real rates of return for each major asset class included in the system’s target asset allocation as of August 31, 2021, are summarized below:

Asset Class*	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.0 %	3.6 %	0.94 %
Non-US Developed	13.0	4.4	0.83
Emerging Markets	9.0	4.6	0.74
Private Equity	14.0	6.3	1.36
Stable Value			
Government Bonds	16.0 %	(0.2)%	0.01 %
Absolute Return	0.0	1.1	0.00
Stable Value Hedge Funds	5.0	2.2	0.12
Real Return			
Real Estate	15.0 %	4.5 %	1.00 %
Energy, Natural Resources & Infrastructure	6.0	4.7	0.35
Commodities	0.0	1.7	0.00
Risk Parity	8.0 %	2.8 %	0.28 %
Asset Allocation Leverage			
Cash	2.0 %	(0.7)%	(0.01) %
Asset Allocation Leverage	(6.0)	(0.5)	0.03
Inflation Expectation			2.20 %
Volatility Drag****			(0.95) %
Expected Return	100.0 %		6.90 %
*Absolute Return includes Credit Sensitive Investments.			
**Target allocations are based on the FY2021 policy model.			
***Capital Market Assumptions come from Aon Hewitt (as of 8/31/2021).			
****The volatility drag results from the conversion between arithmetic and geometric mean returns.			

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Teacher Retirement System of Texas - Continued

Discount Rate Sensitivity Analysis. 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 net pension liability.

	<u>6.25%</u> <u>Discount Rate</u>	<u>7.25%</u> <u>Discount Rate</u>	<u>8.25%</u> <u>Discount Rate</u>
College’s proportionate share of the net pension liability	\$ 5,592,170	\$ 2,559,160	\$ 98,468

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2022, the College reported a liability of \$2,559,160 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

College’s proportionate share of the collective net pension liability	\$ 2,559,160
State’s proportionate share that is associated with College	<u>1,932,466</u>
 Total	 <u>\$ 4,491,626</u>

The net pension liability was measured as of August 31, 2020 and rolled forward to August 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2020, through August 31, 2021.

At the measurement date of August 31, 2021 the employer’s proportion of the collective net pension liability was 0.0001005% which was a decrease of 0.0000028% from its proportion measured as of August 31, 2020.

Changes Since the Prior Actuarial Valuation

- None major noted since the prior measurement date.

For the year ended August 31, 2022, the College recognized pension expense of \$7,726 and revenue of \$7,726 for support provided by the State.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Teacher Retirement System of Texas - Continued

At August 31, 2022, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 4,283	\$ 180,167
Changes in actuarial assumptions	904,613	394,334
Difference between projected and actual investment earnings	-	2,145,823
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions	144,718	276,238
Contributions paid to TRS subsequent to the measurement date	459,759	-
Total	\$ 1,513,373	\$ 2,996,562

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

<u>Year Ending August 31,</u>	
2023	\$ (344,196)
2024	(351,334)
2025	(518,058)
2026	(673,223)
2027	(44,869)
Thereafter	(11,268)
Total	\$ (1,942,948)

Optional Retirement Plan

Plan Description. The State has also established an optional retirement program for institutions of higher education. Participation in the Optional Retirement Program (ORP) is in lieu of participation in the Teacher Retirement System. 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.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – EMPLOYEE RETIREMENT PLANS – CONTINUED

Optional Retirement Plan - Continued

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. In 2022, 2021, and 2020 the percentages of participant salaries contributed by the State and each participant were 6.6% and 6.65%, respectively of annual compensation. In addition, for fiscal years 2022, 2021 and 2020, the College contributed 1.9% of annual compensation for each participant hired on or before 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. SB 1812, effective September 1, 2013, passed by the 83rd Texas Legislature, limits the amount of the state’s contribution to 50 percent of eligible employees in the reporting district.

Retirement expense. ORP expense to the State for the College, representing the portion of expended appropriations made by the State Legislature on behalf of the College, was \$59,702, \$61,957 and \$61,227 for the fiscal years ended August 31, 2022, 2021 and 2020, respectively.

The total payroll for all College employees was \$13,098,848, \$12,772,416 and \$12,720,937 for the fiscal years ended August 31, 2022, 2021 and 2020, respectively. The total payroll of employees covered by ORP was \$1,882,741, \$1,927,527 and \$1,892,077 for fiscal years August 31, 2022, 2021 and 2020, respectively. The total payroll of employees covered by TRS was \$10,335,278, \$10,042,641 and \$10,004,906 for fiscal years August 31, 2022, 2021 and 2020, respectively.

NOTE 10 – DEFERRED COMPENSATION PROGRAM

The College’s employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code Section 609.001. The plan is essentially an unfunded promise to pay by the employer to each of the plan participants. As of August 31, 2022, the College had 25 employees participating in the program and a total of \$159,709 in contributions was invested in the plan during the fiscal year. As of August 31, 2021, the College had 31 employees participating in the program and a total of \$231,782 in contributions was invested in the plan during the fiscal year.

NOTE 11 – HEALTH CARE AND LIFE INSURANCE BENEFITS

Certain health care 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 maximum contribution per full-time employee was \$625 per month for fiscal years 2022 and 2021. The State’s maximum contribution for dependent coverage was \$1,222 per month for fiscal years 2022 and 2021. The table below depicts the cost of providing health care benefits to the College's retired and active employees, and the amount appropriated to the College from the State of Texas. Beginning September 1, 2013, SB 1812 limited the state's contribution to 50% of eligible employees for community colleges.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 11 – HEALTH CARE AND LIFE INSURANCE BENEFITS – CONTINUED

	2022	2021
Number of retirees	75	72
Cost of health benefits for retirees	\$ 606,960	\$ 582,899
Number of active full time employees	167	165
Cost of health benefits for active full time employees	\$ 1,449,884	\$ 1,491,837
State appropriation for health insurance	\$ 920,285	\$ 943,625

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

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 Annual Financial Report that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained by visiting <https://ers.texas.gov/about-ers/reports-and-studies/reports-on-overall-ers-operations-and-financial-management>; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided. Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least 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 the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - CONTINUED

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

**Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2021**

Retiree only	\$ 624.82
Retiree & Spouse	\$ 1,339.90
Retiree & Children	\$ 1,103.58
Retiree & Family	\$ 1,818.66

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, 2022 and 2021**

	2022	2021
Employers	\$ 1,119,342	\$ 1,070,595
Members (Employees)	\$ 279,053	\$ 294,968
Non-Employer Contributing Entity (State)	\$ 943,625	\$ 943,625

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - CONTINUED

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of August 31, 2021 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	August 31, 2021
Actuarial cost method	Entry age
Amortization method	Level percent of payroll, open
Remaining amortization period	30 years
Asset valuation method	Not applicable because the plan operates on pay-as-you-go basis
Discount rate	2.14%
Projected annual salary increase	2.30% to 9.05% including inflation
Annual healthcare trend rate	<u>HealthSelect</u> 5.25% for FY2023, 5.15% for FY2024, 5.00% for FY2025, 4.75% for FY2026, 4.60% for FY2027, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2030 and later years <u>HealthSelect Medicare Advantage</u> 0.00% for FY2023, 66.67% for FY2024, 24.00% for FY2025, 4.75% for FY2026, 4.60% for FY2027, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2030 and later years <u>Pharmacy</u> 10.00% for FY2023 and FY2024, decreasing 100 basis points per year to 5.00% for FY2029 and 4.30% for FY2030 and later years
Inflation assumption rate	2.30%
Adhoc postemployment benefits 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 retiree	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 of the 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.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - CONTINUED

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 GBP 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 year was 2.20%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 2.14%, which amounted to a decrease of 0.06%. 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 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 is zero years.

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

	<u>1.14%</u> <u>Discount Rate</u>	<u>2.14%</u> <u>Discount Rate</u>	<u>3.14%</u> <u>Discount Rate</u>
College’s proportionate share of the net OPEB liability (in thousands)	\$15,914	\$13,361	\$11,364

Health Care Trend Rate Sensitivity Analysis The initial healthcare trend rate is 5.25% for HealthSelect, 0.00% for HealthSelect Medicare Advantage and 10% for Pharmacy and the ultimate rate is 4.30% for all. The following schedule shows the impact on the College’s proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the net OPEB liability.

	1% Decrease (HealthSelect: 4.25% decreasing to 3.30%; HealthSelect Medicare Advantage: -1.00% increasing to 3.30%; Pharmacy: 9.00% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (HealthSelect: 5.25% decreasing to 4.30%; HealthSelect Medicare Advantage: 0.00% increasing to 4.30%; Pharmacy: 10.00% decreasing to 4.30%)	1% Increase (HealthSelect: 6.25% decreasing to 5.30%; HealthSelect Medicare Advantage: 1.00% increasing to 5.30%; Pharmacy: 11.00% decreasing to 5.30%)
College’s proportionate share of the net OPEB liability (in thousands)	\$11,188	\$13,361	\$16,208

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) – CONTINUED

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At August 31, 2022, the College reported a liability of \$13,361,177 for its proportionate share of the ERS’s net OPEB liability. This liability reflects a reduction for State support provided to the College for OPEB. The amount recognized by the College as its proportionate share of the net OPEB liability, the 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	\$ 13,361,177
State’s proportionate share that is associated with College	<u>11,263,707</u>
Total	<u>\$ 24,624,884</u>

The net OPEB liability was measured as of August 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net OPEB liability was based on the employer’s contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020, through August 31, 2021.

At the measurement date of August 31, 2021, the employer’s proportion of the collective net OPEB liability was 0.03724318% which was an increase of 0.00162988% from its proportion measured as of August 31, 2020.

For the year ended August 31, 2022, the College recognized a reversal in OPEB expense of \$137,427 and revenue of \$137,427 for OPEB support provided by the State.

Changes Since the Prior Actuarial Valuation. The following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- 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 proportion of future retirees assumed to be married and electing coverage for their spouse.
- The proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- The percentage of Higher Education vested terminated members assumed to have terminate less than one year before the valuation date.
- Assumed Per Capita Health Benefit Costs and assumed Health Cost and Retiree Contribution trends have been updated to reflect recent experience and its effects on short-term expectations.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute Fee payable under the Affordable Care Act has been updated to reflect recent health plan experience and its effects on short-term expectations.
- Assumed expenses directly related to the payment of GBP HealthSelect medical benefits have been updated to reflect recent contract revisions.
- The discount rate assumption was changed from 2.20% as of August 31, 2020 to 2.14% as of August 31, 2021 as a result of requirements by GASB 75 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.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) – CONTINUED

Changes of Benefit Terms Since Prior Measurement Date. The following benefit revisions have been adopted since the prior valuation:

- Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2022, are provided for in the FY2022 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

At August 31, 2022, the College reported its proportionate share of the ERS plan’s collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 327,735
Changes in actuarial assumptions	914,759	1,488,136
Difference between projected and actual investment earnings	2,366	-
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions	1,583,264	669,569
Contributions paid to ERS subsequent to the measurement date	<u>191,467</u>	<u>-</u>
Total	<u>\$ 2,691,856</u>	<u>\$ 2,485,440</u>

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:

<u>Year Ending August 31,</u>	
2023	\$ (95,176)
2024	114,395
2025	(111,550)
2026	(7,874)
2027	<u>115,154</u>
Total	<u>\$ 14,949</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – COMPENSATED ABSENCES

The College has three ways in which compensated absences can be earned.

Sick Leave

All full-time employees earn sick leave at the rate of one day per month. Sick leave can accumulate to a maximum of 60 days for the purpose of carry-over from year to year. Unused accrued sick leave is forfeited upon termination of employment with the College with one exception. Sick leave which was accrued prior to September 1, 1989, is compensated at the rate of one-half the accrued amount up to a maximum of 60 days based on the employee's salary at separation of service. The College's policy is to recognize sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

Vacation

Classified and administrative full-time employees are eligible for vacation benefits at a rate of one day per full month of employment; and may accrue and carry forward from one year to the next a maximum of 30 vacation days. Upon termination of employment, not more than 30 vacation days shall be compensated. The College has recognized an accrued liability for unpaid vacation leave in the amount of \$491,953 and \$500,360 as of August 31, 2022 and 2021, respectively. Faculty employees are not eligible to earn vacation benefits.

Compensatory Time

For nonexempt employees, it is the policy of the College to compensate overtime hours worked with compensatory time calculated at the rate of 1.5 times for each hour worked over 40 hours per week. All compensatory hours should be used by the end of the month following that in which it was earned; however, a maximum of 40 hours may be accrued and carried forward from year to year. The liability is not shown in the financial statements since experience indicates the expenditure of compensatory time to be minimal.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 14 – PROPERTY 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, business/land personal property located in the tax area of the College. 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.

At August 31:	<u>2022</u>	<u>2021</u>	
Certified Taxable Valuation of the College	\$10,019,296,512	\$8,558,749,872	
Adjustments	<u>481,392,769</u>	<u>347,729,304</u>	
Net Assessed Valuation of the College	<u>\$10,500,689,281</u>	<u>\$8,906,479,176</u>	
	<u>2022</u>		
	<u>Current</u>	<u>Debt</u>	<u>Total</u>
Authorized Tax rate per \$100 Valuation	\$.270000	-	\$.270000
Assessed Tax rate per \$100 Valuation	\$.146188	-	\$.146188
	<u>2021</u>		
	<u>Current</u>	<u>Debt</u>	<u>Total</u>
Authorized Tax rate per \$100 Valuation	\$.270000	-	\$.270000
Assessed Tax rate per \$100 Valuation	\$.159188	-	\$.159188

Taxes levied for the years ended August 31, 2022 and 2021, based on certified rolls, as reported by the taxing authorities amounted to \$15,357,096 and \$14,183,392, respectively. Galveston County Tax Assessor and Collector is the collecting agency for the levy and remits collections to the College, net of a collection fee.

Tax collections for the years ended August 31, 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>	
Current Taxes Collected	\$ 14,974,618	\$ 13,743,738	
Delinquent Taxes Collected	253,445	380,309	
Penalties and Interest Collected	<u>180,744</u>	<u>210,836</u>	
Total Collections	<u>\$ 15,408,807</u>	<u>\$ 14,334,883</u>	

Tax collections for the years ended August 31, 2022 and 2021 were 97.51% and 96.90%, respectively, of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking fund expenditures.

Property taxes are an imposed non-exchange revenue. Assets from non-exchange transactions are recorded with the entity has an enforceable legal claim to the asset or when the entity receives the resources, whichever comes first. The enforceable legal claim date is the assessment date. Accordingly, the College has recognized all assessed taxes in the current year and has recorded a receivable for uncollected taxes.

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 15 – CONTRACT AND GRANT AWARD

Contract and grant awards are accounted for in accordance with accounting principles generally accepted in the United States of America. Contract and grant awards are recognized as revenues as funds are actually expended. For contracts and grant awards, funds expended but not collected are reported as receivables. Funds received but not expended during the reporting period are deferred until earned. As of August 31, 2022 and 2021, \$382,931 and \$944,346, respectively, of grant funds have been received in advance.

NOTE 16 – DESIGNATED UNRESTRICTED NET POSITION

In fiscal year 2011, the Board approved \$5,128,890 of unrestricted net position to be designated in the event of a natural disaster.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Federal and State of Texas Assisted Programs

The College participates in a number of federal and State of Texas assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the College's compliance with applicable grant requirements will be finally determined at some future date. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

NOTE 18 – GALVESTON COLLEGE FOUNDATION AND RELATED PARTY TRANSACTIONS

The Foundation is a nonprofit organization with the sole purpose of supporting the educational and other activities of the College.

The Foundation remitted \$341,944 and \$260,242 to the College for scholarship awards during the years ended August 31, 2022 and 2021, respectively. The Foundation did not fund any grant programs in 2022 and 2021.

During the years ended August 31, 2022 and 2021, the College provided office space and staff assistance to the Foundation at no cost. The College's management estimates the value of the salary, benefits, and operational expense provided to the Foundation to be \$67,915 and \$52,230 for fiscal years 2022 and 2021, respectively.

REQUIRED SUPPLEMENTARY SCHEDULES

a beacon of light guiding lifelong learning

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS**
(Unaudited)

For the years ended August 31*	2022	2021	2020	2019	2018	2017	2016	2015
College's proportionate share of collective net pension liability	0.0100491%	0.0103272%	0.0106717%	0.0099487%	0.0102763%	0.0104586%	0.0103144%	0.0117839%
College's proportionate share of collective net pension liability	\$ 2,559,160	\$ 5,531,062	\$ 5,547,478	\$ 5,475,997	\$ 3,285,796	\$ 3,952,159	\$ 3,646,003	\$ 3,147,643
State's proportionate share of net pension liability associated with College	<u>1,932,466</u>	<u>4,190,817</u>	<u>3,967,963</u>	<u>3,979,071</u>	<u>2,073,938</u>	<u>2,466,383</u>	<u>2,388,048</u>	<u>2,061,454</u>
Total	<u>4,491,626</u>	<u>9,721,879</u>	<u>9,515,441</u>	<u>9,455,068</u>	<u>5,359,734</u>	<u>6,418,542</u>	<u>6,034,051</u>	<u>5,209,097</u>
College's covered payroll	<u>\$ 10,042,641</u>	<u>\$ 10,004,906</u>	<u>\$ 9,546,366</u>	<u>\$ 8,576,788</u>	<u>\$ 8,069,445</u>	<u>\$ 7,880,598</u>	<u>\$ 7,415,939</u>	<u>\$ 7,235,080</u>
College's proportionate share of collective net pension liability as a percentage of covered payroll	25.48%	55.28%	58.11%	63.85%	40.72%	50.15%	49.16%	43.51%
Plan fiduciary net position as percentage of the total pension liability	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

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

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

GALVESTON COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF COLLEGE'S CONTRIBUTIONS FOR PENSIONS
 LAST TEN FISCAL YEARS**
 (Unaudited)

For the years ended August 31*	2022	2021	2020	2019	2018	2017	2016	2015
Legally required contributions	\$ 459,759	\$ 428,844	\$ 426,105	\$ 373,127	\$ 334,968	\$ 336,796	\$ 332,513	\$ 305,714
Actual contributions	<u>(459,759)</u>	<u>(428,844)</u>	<u>(426,105)</u>	<u>(373,127)</u>	<u>(334,968)</u>	<u>(336,796)</u>	<u>(332,513)</u>	<u>(305,714)</u>
Contributions deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
College's covered payroll amount	<u>\$ 10,335,278</u>	<u>\$ 10,042,641</u>	<u>\$ 10,004,906</u>	<u>\$ 9,546,336</u>	<u>\$ 8,576,788</u>	<u>\$ 8,069,445</u>	<u>\$ 7,880,598</u>	<u>\$ 7,415,939</u>
Contributions as a percentage of covered payroll	4.45%	4.27%	4.26%	3.91%	3.91%	4.17%	4.22%	4.12%

* The amounts presented above are as of the College's most recent fiscal year-end.

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

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES FOR PENSIONS
FOR THE YEAR ENDED AUGUST 31, 2022

NOTE 1 - CHANGES OF BENEFIT TERMS INCLUDE:

There were no changes in benefit terms for the fiscal year ended August 31, 2022.

NOTE 2 - CHANGES OF ASSUMPTIONS:

There were no material changes to assumptions for the fiscal year ended August 31, 2022.

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
EMPLOYEE RETIREMENT SYSTEM OF TEXAS
STATE RETIREE HEALTH PLAN
LAST TEN FISCAL YEARS**
(Unaudited)

For the year ended August 31 *	2022	2021	2020	2019	2018
College's proportion of collective net OPEB liability	0.03724318%	0.03561330%	0.03802483%	0.03727228%	0.02926327%
College's proportionate share of collective net OPEB liability	\$ 13,361,177	\$ 11,768,283	\$ 13,142,398	\$ 11,046,663	\$ 9,970,878
State's proportionate share of net OPEB liability associated with College	<u>11,263,707</u>	<u>10,372,590</u>	<u>10,342,591</u>	<u>8,714,666</u>	<u>9,948,492</u>
Total	<u>24,624,884</u>	<u>22,140,873</u>	<u>23,484,989</u>	<u>19,761,329</u>	<u>19,919,370</u>
College's covered-employee payroll	\$ <u>11,871,132</u>	\$ <u>11,785,731</u>	\$ <u>11,398,722</u>	\$ <u>10,505,500</u>	\$ <u>10,018,381</u>
College's proportionate share of collective net OPEB liability as a percentage of covered-employee payroll	112.55%	99.85%	115.30%	105.15%	99.53%
Plan fiduciary net position as percentage of the total OPEB liability	0.38%	0.32%	0.17%	1.27%	2.04%

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

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

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF COLLEGE'S CONTRIBUTIONS FOR OPEB
EMPLOYEE RETIREMENT SYSTEM OF TEXAS
STATE RETIREE HEALTH PLAN
LAST TEN FISCAL YEARS**
(Unaudited)

For the year ended August 31*	2022	2021	2020	2019	2018
Legally required contributions	\$ 1,026,233	\$ 1,119,322	\$ 980,737	\$ 1,126,497	\$ 1,087,352
Actual contributions	<u>(1,026,233)</u>	<u>(1,119,322)</u>	<u>(980,737)</u>	<u>(1,126,497)</u>	<u>(1,087,352)</u>
Contributions deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
College's covered-employee payroll amount	<u>\$ 12,129,971</u>	<u>\$ 11,871,132</u>	<u>\$ 11,785,731</u>	<u>\$ 12,386,235</u>	<u>\$ 10,505,500</u>
Contributions as a percentage of covered-employee payroll	8.46%	9.43%	8.32%	9.09%	10.35%

* The amounts presented above are as of the College's most recent fiscal year-end.

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

GALVESTON COMMUNITY COLLEGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES FOR OPEB
FOR THE YEAR ENDED AUGUST 31, 2022

NOTE 1 - CHANGES OF BENEFIT TERMS INCLUDE:

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs fiscal year 2021, are provided for in the fiscal year 2021 Assumed Per Capita Health Benefit Costs. There were no benefit changes for HealthSelect retirees and the dependents for whom Medicare is primary.

NOTE 2 - CHANGES OF ASSUMPTIONS:

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

Demographic Assumptions

- Assumed rates of pre-retirement and post-disability mortality for all State Agency members, assumed rates of termination and retirement for certain CPO/CO members and assumed salary and aggregate payroll increases have been updated to reflect assumptions adopted by the ERS Trustees since the last valuation date. These new assumptions were adopted to reflect experience study on the ERS retirement plan performed by the ERS retirement plan actuary.
- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future female retirees assumed to be married and electing coverage for their spouse.
- Proportion of future retirees assumed to cover dependent children.

Economic Assumptions

- Assumed per capita health benefit costs, and health benefit costs and retiree contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on short-term expectations.
- The Patient-Centered Outcome Research Institute (PCORI) fees payable under the Affordable Care Act have been updated since the previous valuation to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an assumption adopted by the ERS Trustees since the last valuation date. This new assumption was adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.
- The discount rate was changed from 2.97% to 2.20% as a result of requirements by GASB 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.

SUPPLEMENTARY SCHEDULES

a beacon of light guiding lifelong learning

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF OPERATING REVENUES
FOR THE YEAR ENDED AUGUST 31, 2022
(With Memorandum Totals for the Year Ended August 31, 2021)

Schedule A

	Unrestricted	Restricted	Total Educational Activity	Auxiliary Enterprises	2022 Total	2021 Total
Tuition:						
State Funded Credit Courses:						
In-District Resident Tuition	\$ 1,860,726	\$ -	\$ 1,860,726	\$ -	\$ 1,860,726	\$ 1,997,970
TPEG - Credit (set aside) *	122,393	-	122,393	-	122,393	131,801
Non-Resident Tuition	242,051	-	242,051	-	242,051	280,611
Non-State Funded Educational Programs	31,487	-	31,487	-	31,487	30,928
Total Tuition	2,256,657	-	2,256,657	-	2,256,657	2,441,310
Fees:						
Student Service Fee	-	-	-	58,036	58,036	65,967
Course Fees	699,309	-	699,309	-	699,309	830,445
Building Use Fee	1,054,939	-	1,054,939	-	1,054,939	1,146,859
Out of District Fee	433,100	-	433,100	-	433,100	467,480
General Service Fee	240,139	-	240,139	-	240,139	267,146
Registration Fee	145,533	-	145,533	-	145,533	162,360
Total Fees	2,573,020	-	2,573,020	58,036	2,631,056	2,940,257
Scholarship Allowances and Discounts:						
Scholarship Allowances	(755,048)	-	(755,048)	(7,178)	(762,226)	(693,481)
Remissions and Exemptions - State	(334,753)	-	(334,753)	-	(334,753)	(428,311)
Title IV Federal Grants to Students	(1,463,006)	-	(1,463,006)	(19,295)	(1,482,301)	(1,551,487)
Total Scholarship Allowances and Discounts	(2,552,807)	-	(2,552,807)	(26,473)	(2,579,280)	(2,673,279)
Total Net Tuition and Fees	2,276,870	-	2,276,870	31,563	2,308,433	2,708,288
Additional Operating Revenues:						
Federal Grants and Contracts	-	7,131,994	7,131,994	-	7,131,994	3,255,489
State Grants and Contracts	-	446,633	446,633	-	446,633	367,738
Private Grants and Scholarships	-	751,856	751,856	-	751,856	701,782
Other Operating Revenues	225,090	-	225,090	-	225,090	223,278
Total Additional Operating Revenues	225,090	8,330,483	8,555,573	-	8,555,573	4,548,287
Auxiliary Enterprises:						
Residential Life	-	-	-	749,574	749,574	672,485
Less Scholarship Allowances and Discounts	-	-	-	(362,622)	(362,622)	(272,309)
Bookstore Commissions	-	-	-	44,069	44,069	37,135
Vending Commissions	-	-	-	6,350	6,350	3,528
Other Auxiliary Revenue	-	-	-	144,307	144,307	121,019
Total Auxiliary Enterprises	-	-	-	581,678	581,678	561,858
Total Operating Revenues	\$ 2,501,960	\$ 8,330,483	\$ 10,832,443	\$ 613,241	\$ 11,445,684	\$ 7,818,433
				(Exhibit 2)	(Exhibit 2)	

* In accordance with Education Code §56.003, \$122,393 and \$131,801 for years August 31, 2022 and 2021, respectively, of tuition was set aside for Texas Public Education Grants (TPEG)

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF OPERATING EXPENSES BY OBJECT
FOR THE YEAR ENDED AUGUST 31, 2022
(With Memorandum Totals for the Year Ended August 31, 2021)

Schedule B

	Operating Expenses				2022 Total	2021 Total
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
Unrestricted - Educational Activities:						
Instruction	\$ 6,106,175	\$ -	\$ 1,145,511	\$ 680,904	\$ 7,932,590	\$ 8,183,211
Public Service	-	-	-	1,394	1,394	4,434
Academic Support	1,283,159	-	254,207	203,001	1,740,367	1,774,462
Student Services	1,560,836	-	328,387	796,382	2,685,605	2,462,216
Institutional Support	2,447,995	-	450,856	2,296,853	5,195,704	4,987,812
Operation and Maintenance of Plant	536,318	-	225,406	2,479,407	3,241,131	2,743,768
Total Unrestricted Educational Activities	<u>11,934,483</u>	<u>-</u>	<u>2,404,367</u>	<u>6,457,941</u>	<u>20,796,791</u>	<u>20,155,903</u>
Restricted - Educational Activities:						
Instruction	503,548	427,867	136,013	743,160	1,810,588	1,642,350
Academic Support	-	97,794	-	-	97,794	136,632
Student Services	496,941	138,319	155,522	658,787	1,449,569	1,030,692
Institutional Support	33,600	55,746	2,570	163,581	255,497	428,087
Operation and Maintenance of Plant	-	-	-	367,146	367,146	-
Scholarships and Fellowships	-	-	-	4,859,126	4,859,126	2,862,901
Total Restricted Educational Activities	<u>1,034,089</u>	<u>719,726</u>	<u>294,105</u>	<u>6,791,800</u>	<u>8,839,720</u>	<u>6,100,662</u>
Total Educational Activities	<u>12,968,572</u>	<u>719,726</u>	<u>2,698,472</u>	<u>13,249,741</u>	<u>29,636,511</u>	<u>26,256,565</u>
Auxiliary Enterprises	<u>191,274</u>	<u>-</u>	<u>64,735</u>	<u>941,370</u>	<u>1,197,379</u>	<u>1,009,202</u>
Depreciation Expense - Buildings and Other Real Estate Improvements	-	-	-	733,013	733,013	717,268
Depreciation Expense - Equipment, Furniture and Library Books	-	-	-	567,861	567,861	459,687
Total Operating Expenses	<u>\$ 13,159,846</u>	<u>\$ 719,726</u>	<u>\$ 2,763,207</u>	<u>\$ 15,491,985</u>	<u>\$ 32,134,764</u> (Exhibit 2)	<u>\$ 28,442,722</u> (Exhibit 2)

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2022
(With Memorandum Totals for the Year Ended August 31, 2021)

Schedule C

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2022 Total</u>	<u>2021 Total</u>
Non-Operating Revenues:					
State Appropriations:					
Education and General State Support	\$ 4,799,146	\$ -	\$ -	\$ 4,799,146	\$ 4,609,371
State Group Insurance	-	920,285	-	920,285	943,625
State Retirement Match	-	(69,409)	-	(69,409)	444,265
	<u>4,799,146</u>	<u>850,876</u>	<u>-</u>	<u>5,650,022</u>	<u>5,997,261</u>
Total State Appropriations					
Property Taxes	15,457,871	-	-	15,457,871	14,448,842
Federal Student Assistance (Title IV Grants)	-	3,647,025	-	3,647,025	3,600,353
Investment Income	315,702	-	-	315,702	35,344
	<u>15,773,573</u>	<u>3,647,025</u>	<u>-</u>	<u>19,420,598</u>	<u>18,084,539</u>
Total Non-Operating Revenues					
Non-Operating Expenses:					
Interest on Capital-Related Debt	477,366	-	-	477,366	-
Debt Issuance Cost	282,769	-	-	282,769	-
Loss on Disposal of Capital Assets	250,850	-	-	250,850	-
	<u>1,010,985</u>	<u>-</u>	<u>-</u>	<u>1,010,985</u>	<u>-</u>
Total Non-Operating Expenses					
NET NON-OPERATING REVENUES	<u>\$ 19,561,734</u>	<u>\$ 4,497,901</u>	<u>\$ -</u>	<u>\$ 24,059,635</u> (Exhibit 2)	<u>\$ 24,081,800</u> (Exhibit 2)

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
FOR THE YEAR ENDED AUGUST 31, 2022
(With Memorandum Totals for the Year Ended August 31, 2021)

Schedule D

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ 6,878,885	\$ -	\$ -	\$ -	\$ 6,878,885	\$ 6,878,885	\$ -
Auxiliary	637,226	-	-	-	637,226	637,226	-
Scholarships	-	216,320	-	-	216,320	216,320	-
Plant:							
Unexpended	1,277,176	-	-	-	1,277,176	1,277,176	-
Debt Service	-	1,865,400	-	-	1,865,400	-	1,865,400
Investment in Plant	-	-	-	25,886,546	25,886,546	-	25,886,546
Total Net Position, August 31, 2022	8,793,287	2,081,720	-	25,886,546	36,761,553	9,009,607	27,751,946
Total Net Position, August 31, 2021	7,512,593	237,583	-	25,640,822	33,390,998	7,750,176	25,640,822
Net Increase in Net Position	\$ 1,280,694	\$ 1,844,137	\$ -	\$ 245,724	\$ 3,370,555	\$ 1,259,431	\$ 2,111,124

(Exhibit 2)

SINGLE AUDIT REPORTS
AND REQUIRED SUPPLEMENTAL SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS

a beacon of light guiding lifelong learning

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

Board of Regents
Galveston Community College District
Galveston, 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 Galveston Community College District (the College) as of and for the year ended August 31, 2022, 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 22, 2022.

Report on 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 opinion 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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 and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Report on Texas Public Funds Investment Act

We also performed tests of the College's compliance with the requirements of the Texas Public Funds Investment Act (the Act). The results of our tests disclosed no instances of noncompliance with the Act. However, providing an opinion on compliance with the Act was not an objective of our audit and accordingly, we do not express an opinion.

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.

Carr, Riggs & Ingram, L.L.C.

Houston, Texas
December 22, 2022



Carr, Riggs & Ingram, LLC
Two Riverway
15th Floor
Houston, TX 77056

713.621.8090
713.621.6907 (fax)
CRlcpa.com

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

Board of Regents
Galveston Community College District
Galveston, Texas

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Galveston Community 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 the College's major federal program for the year ended August 31, 2022. The College's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended August 31, 2022.

Basis for Opinion on the Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Carr, Riggs & Ingram, L.L.C.

Houston, Texas
December 22, 2022

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022

Schedule E

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements	Expenditures to Subrecipients
U.S. Department of Education				
Direct Programs:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007		\$ 73,776	\$ -
Federal Work-Study Program	84.033		58,123	-
Federal Pell Grant Program	84.063		3,515,126	-
Federal Direct Student Loans	84.268		<u>1,262,471</u>	<u>-</u>
Total Student Financial Assistance Cluster			<u>4,909,496</u>	<u>-</u>
TRIO Cluster:				
TRIO _ Student Support Services	84.042A		268,856	-
TRIO _ Upward Bound	84.047A		<u>319,623</u>	<u>-</u>
Total TRIO Cluster			<u>588,479</u>	<u>-</u>
Higher Education _ Institutional Aid -				
Pathway Model for Improved Teaching, Advising, and Transfer at Hispanic-Serving Community College	84.031S		343,618	-
COVID-19: Education Stabilization Fund: Higher Education Emergency Relief Fund:				
COVID-19 Student Aid Portion	84.425E		2,245,127	-
COVID-19 Institutional Portion	84.425F		3,026,929	-
COVID-19 Minority Serving Institutions	84.425L		<u>233,612</u>	<u>-</u>
Total COVID-19: Higher Education Emergency Relief Fund Direct Funding			5,505,668	-
Passed-Through From:				
Texas Higher Education Coordinating Board:				
COVID-19: Education Stabilization Fund:				
Governor's Emergency Education Relief (GEER) Fund				
COVID-19 Texas Reskilling Support Fund Grant Program	84.425	24093	2,129	-
COVID-19 Texas Completion Repayment Grant Program	84.425C	26165	1,067	-
COVID-19 Texas Reskilling and Upskilling for Education (TRUE) Institutional Capacity Grants	84.425C	25710	<u>249,800</u>	<u>-</u>
Total Governor's Emergency Education Relief (GEER) Fund			252,996	-
Total COVID-19: Education Stabilization Fund			<u>5,758,664</u>	<u>-</u>
Passed-Through From:				
Texas Higher Education Coordinating Board:				
Career and Technical Education - Basic Grants	84.048	23680	<u>138,537</u>	<u>-</u>
Total U.S. Department of Education			<u>11,738,794</u>	<u>-</u>
U.S. Department of Labor				
Passed-Through From:				
Occupational Safety and Health Administration				
Occupational Safety and Health Susan Harwood Training Grants	17.502	SH990055SH0	<u>3,460</u>	<u>-</u>
Total U.S. Department of Labor			<u>3,460</u>	<u>-</u>
National Science Foundation				
Direct Programs:				
Research and Development Cluster:				
HSI Institutional Transformation Project: Unified Community of Support - Building Capacity for STEM Transfer Students' Success				
	47.076		<u>299,236</u>	<u>-</u>
Total Research and Development Cluster and National Science Foundation			<u>299,236</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 12,041,490</u>	<u>\$ -</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED AUGUST 31, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING THE SCHEDULE

The schedule of expenditures of Federal awards presents the activity of Federal financial assistance programs of the College for the year ended August 31, 2022. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported represent funds which have been expended by the College for the purposes of the award and may not have been reimbursed by the funding agencies as of the end of the fiscal year. 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 schedules.

Expenditures presented on the schedule of expenditures of Federal awards are recognized following the cost principles as found in the Uniform Guidance. The College has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance. The College did not receive any federal noncash assistance for the year ended August 31, 2022.

NOTE 2 – FEDERAL ASSISTANCE RECONCILIATION

The information in this schedule of expenditures of Federal awards is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the College’s financial statements. See reconciliation below:

Federal Revenues:	
Federal Grants and Contracts – (Schedule A)	\$ 7,131,994
Federal Student Assistance, Non-Operating – (Schedule C)	<u>3,647,025</u>
Total Federal Revenues, per Statement of Revenues, Expenses and Changes In Net Position	10,779,019
Reconciling Item – Direct Student Loans	<u>1,262,471</u>
Total Federal Revenues per Schedule of Expenditures of Federal Awards	<u>\$ 12,041,490</u>

NOTE 3 – RELATIONSHIP TO FEDERAL REPORTS

Differences between amounts reflected in the financial reports filed with grantor agencies for the programs and in the schedule of expenditures of Federal awards are due to different program year ends and accruals that will be reflected in the next report filed with the agencies.

GALVESTON COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED AUGUST 31, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	None noted
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
• Material weakness(es) identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	None noted
Type of auditors’ report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the <i>Uniform Guidance</i> ?	No

Identification of major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Programs</u>
COVID-19: Education Stabilization Fund:	
Governor's Emergency Education Relief (GEER) Fund	
84.425	COVID-19 Texas Reskilling Support Fund Grant Program
84.425C	COVID-19 Texas Completion Repayment Grant Program
84.425C	COVID-19 Texas Reskilling and Upskilling for Education (TRUE) Institutional Capacity Grants
Higher Education Emergency Relief Fund	
84.425E	COVID-19 Student Aid Portion
84.425F	COVID-19 Institutional Portion
84.425L	COVID-19 Minority Serving Institutions

Dollar threshold used to distinguish between Type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

GALVESTON COMMUNITY COLLEGE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED AUGUST 31, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None for the year ended August 31, 2022

SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS

2021-001 Compliance and Internal Controls over Quarterly Reporting (Significant Deficiency)

U.S. Department of Education
COVID-19: Education Stabilization Fund: Higher Education Emergency Relief Fund
84.425E – COVID-19 Student Aid Portion

2020-2021 Funding

Condition: Grant quarterly reports for student aid portion were not posted publicly on the College’s website. The College’s established controls over the quarterly reporting process did not work effectively to detect and / or correct this non-compliance over the quarterly reporting process.

Current Status: The finding was corrected during the year.

2021-002 Compliance and Internal Controls over Enrollment Reporting (Significant Deficiency)

U.S. Department of Education
Cluster of Programs – Student Financial Assistance
84.007 – Federal Supplemental Educational Opportunity Grants
84.033 – Federal Work-Study Program
84.063 – Federal Pell Grant Program
84.268 – Federal Direct Student Loans

2020-2021 Funding

Condition: Enrollment status for eleven out of the forty student files reviewed was not reported accurately in the enrollment reports submitted to the Department of Education. The College’s established controls over the enrollment reporting process did not work effectively to detect and / or correct these non-compliances over the enrollment reporting process.

Current Status: The finding was corrected during the year.

SUPPLEMENTARY INFORMATION – STATISTICAL SECTION (UNAUDITED)

These statistical tables provide selected financial and demographic information.
The statistical tables are for informational purposes only and are not audited.

GALVESTON COMMUNITY COLLEGE DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)

Table 1

		For the Year Ended August 31, (Amounts Expressed in Thousands)									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Invested in Capital Assets, Net of Related Debt	\$	25,887	\$ 25,641	\$ 25,086	\$ 21,431	\$ 20,901	\$ 20,510	\$ 20,188	\$ 19,538	\$ 17,990	\$ 17,273
Restricted - Expendable		2,082	237	221	217	188	253	242	174	879	887
Unrestricted		8,793	7,513	4,626	3,953	2,829	13,428	11,002	9,383	11,349	10,304
Total Net Position	\$	<u>36,762</u>	<u>\$ 33,391</u>	<u>\$ 29,933</u>	<u>\$ 25,601</u>	<u>\$ 23,918</u>	<u>\$ 34,191</u>	<u>\$ 31,432</u>	<u>\$ 29,095</u>	<u>\$ 30,218</u>	<u>\$ 28,464</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)

Table 2

	For the Year Ended August 31, (Amounts Expressed in Thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Tuition and Fees (Net of Discounts)	\$ 2,308	\$ 2,708	\$ 2,835	\$ 2,901	\$ 2,909	\$ 2,767	\$ 2,605	\$ 2,574	\$ 2,519	\$ 2,521
Governmental Grants and Contracts:										
Federal Grants and Contracts	7,132	3,255	2,501	2,227	1,180	1,756	1,543	2,078	2,222	1,712
State Grants and Contracts	447	368	303	361	441	224	505	604	265	216
Non-Governmental Grants and Contracts	752	702	2,815	950	638	782	556	581	681	553
Auxiliary Enterprises	582	562	311	341	315	244	233	298	305	248
Other Operating Revenues	225	223	116	259	175	261	217	137	141	115
Total Operating Revenues	<u>11,446</u>	<u>7,818</u>	<u>8,881</u>	<u>7,039</u>	<u>5,658</u>	<u>6,034</u>	<u>5,659</u>	<u>6,272</u>	<u>6,133</u>	<u>5,365</u>
State Appropriations	5,650	5,997	6,250	5,391	5,687	4,741	4,766	4,709	4,662	3,853
Property Taxes	15,458	14,449	14,284	13,870	12,762	12,355	11,815	11,022	10,512	10,086
Federal Student Assistance	3,647	3,601	3,573	3,528	2,932	2,845	2,729	2,852	3,343	3,809
Investment and Other Income	316	35	261	480	292	124	51	19	20	40
Other Non-Operating Revenues	-	-	3	-	58	137	49	-	-	-
Total Non-Operating Revenues	<u>25,071</u>	<u>24,082</u>	<u>24,371</u>	<u>23,269</u>	<u>21,731</u>	<u>20,202</u>	<u>19,410</u>	<u>18,602</u>	<u>18,537</u>	<u>17,788</u>
Total Revenues	<u>\$ 36,517</u>	<u>\$ 31,900</u>	<u>\$ 33,252</u>	<u>\$ 30,308</u>	<u>\$ 27,389</u>	<u>\$ 26,236</u>	<u>\$ 25,069</u>	<u>\$ 24,874</u>	<u>\$ 24,670</u>	<u>\$ 23,153</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)

Table 2 - Continued

	For the Year Ended August 31,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Tuition and Fees (Net of Discounts)	6.32%	8.49%	8.52%	9.57%	10.62%	10.55%	10.39%	10.35%	10.21%	10.89%
Governmental Grants and Contracts:										
Federal Grants and Contracts	19.53%	10.21%	7.52%	7.35%	4.31%	6.69%	6.16%	8.35%	9.01%	7.39%
State Grants and Contracts	1.22%	1.15%	0.91%	1.19%	1.61%	0.85%	2.01%	2.43%	1.07%	0.93%
Non-Governmental Grants and Contracts	2.06%	2.20%	8.47%	3.13%	2.33%	2.98%	2.22%	2.34%	2.76%	2.39%
Auxiliary Enterprises	1.59%	1.76%	0.93%	1.13%	1.15%	0.93%	0.93%	1.20%	1.24%	1.07%
Other Operating Revenues	0.62%	0.70%	0.35%	0.85%	0.64%	1.00%	0.87%	0.55%	0.57%	0.50%
Total Operating Revenues	<u>31.34%</u>	<u>24.51%</u>	<u>26.70%</u>	<u>23.22%</u>	<u>20.66%</u>	<u>23.00%</u>	<u>22.58%</u>	<u>25.22%</u>	<u>24.86%</u>	<u>23.17%</u>
State Appropriations	15.47%	18.80%	18.80%	17.79%	20.76%	18.07%	19.01%	18.93%	18.90%	16.64%
Property Taxes	42.33%	45.29%	42.96%	45.76%	46.60%	47.09%	47.13%	44.31%	42.61%	43.56%
Federal Student Assistance	9.99%	11.29%	10.75%	11.65%	10.71%	10.84%	10.89%	11.46%	13.55%	16.45%
Investment and Other Income	0.87%	0.11%	0.78%	1.58%	1.07%	0.47%	0.20%	0.08%	0.08%	0.18%
Other Non-Operating Revenues	-	-	0.01%	-	0.20%	0.53%	0.19%	-	-	-
Total Non-Operating Revenues	<u>68.66%</u>	<u>75.49%</u>	<u>73.30%</u>	<u>76.78%</u>	<u>79.34%</u>	<u>77.00%</u>	<u>77.42%</u>	<u>74.78%</u>	<u>75.14%</u>	<u>76.83%</u>
Total Revenues	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
PROGRAM EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Table 3

	For the Year Ended August 31, (Amounts Expressed in Thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction	\$ 9,743	\$ 9,826	\$ 9,744	\$ 9,774	\$ 9,052	\$ 8,436	\$ 8,008	\$ 7,520	\$ 7,811	\$ 7,464
Public Service	2	4	7	15	38	25	36	21	12	19
Academic Support	1,838	1,911	1,974	1,866	1,780	1,527	1,620	1,471	1,404	1,358
Student Services	4,135	3,493	3,541	3,808	3,491	2,894	2,729	2,785	2,760	2,405
Institutional Support	5,451	5,416	6,267	5,295	4,895	4,499	4,399	4,099	4,191	3,862
Operation and Maintenance of Plant	3,608	2,744	2,594	2,983	2,858	2,359	2,448	2,558	2,695	2,469
Scholarships and Fellowships	4,859	2,863	2,998	2,391	2,043	1,851	1,905	2,090	2,392	2,770
Auxiliary Enterprises	1,198	1,009	680	766	848	822	718	696	731	698
Depreciation	1,301	1,177	1,115	1,044	990	950	869	830	865	826
Total Operating Expenses	<u>32,135</u>	<u>28,443</u>	<u>28,920</u>	<u>27,942</u>	<u>25,995</u>	<u>23,363</u>	<u>22,732</u>	<u>22,070</u>	<u>22,861</u>	<u>21,871</u>
Interest on Capital Related Debt	477	-	-	-	-	-	-	28	54	76
Loss on Disposal of Capital Assets	251	-	-	683	-	-	-	332	-	-
Debt Issuance Cost	283	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	28	114	-	-	1	16
Total Non-Operating Expenses	<u>1,011</u>	<u>-</u>	<u>-</u>	<u>683</u>	<u>28</u>	<u>114</u>	<u>-</u>	<u>360</u>	<u>55</u>	<u>92</u>
Total Expenses	<u>\$ 33,146</u>	<u>\$ 28,443</u>	<u>\$ 28,920</u>	<u>\$ 28,625</u>	<u>\$ 26,023</u>	<u>\$ 23,477</u>	<u>\$ 22,732</u>	<u>\$ 22,430</u>	<u>\$ 22,916</u>	<u>\$ 21,963</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
PROGRAM EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Table 3 - Continued

	For the Year Ended August 31,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction	29.39%	34.55%	33.69%	34.14%	34.78%	35.93%	35.23%	33.53%	34.09%	33.98%
Public Service	0.01%	0.01%	0.02%	0.05%	0.15%	0.11%	0.16%	0.09%	0.05%	0.09%
Academic Support	5.55%	6.71%	6.83%	6.52%	6.84%	6.50%	7.13%	6.56%	6.13%	6.18%
Student Services	12.48%	12.28%	12.24%	13.30%	13.42%	12.33%	12.01%	12.42%	12.04%	10.95%
Institutional Support	16.45%	19.04%	21.67%	18.50%	18.81%	19.16%	19.35%	18.27%	18.29%	17.58%
Operation and Maintenance of Plant	10.89%	9.65%	8.97%	10.42%	10.98%	10.05%	10.77%	11.40%	11.76%	11.24%
Scholarships and Fellowships	14.66%	10.07%	10.37%	8.35%	7.85%	7.88%	8.38%	9.33%	10.44%	12.62%
Auxiliary Enterprises	3.60%	3.55%	2.35%	2.68%	3.26%	3.50%	3.16%	3.10%	3.19%	3.18%
Depreciation	3.92%	4.14%	3.86%	3.65%	3.80%	4.05%	3.81%	3.70%	3.77%	3.76%
Total Operating Expenses	<u>96.95%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>97.61%</u>	<u>99.89%</u>	<u>99.51%</u>	<u>100.00%</u>	<u>98.40%</u>	<u>99.76%</u>	<u>99.58%</u>
Interest on Capital Related Debt	1.44%	-	-	-	-	-	-	0.12%	0.24%	0.35%
Loss on Disposal of Capital Assets	0.76%	-	-	2.39%	-	-	-	1.48%	-	-
Debt Issuance Cost	0.85%	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	0.11%	0.49%	-	-	0.00%	0.07%
Total Non-Operating Expenses	<u>3.05%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>2.39%</u>	<u>0.11%</u>	<u>0.49%</u>	<u>0.00%</u>	<u>1.60%</u>	<u>0.24%</u>	<u>0.42%</u>
Total Expenses	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

GALVESTON COMMUNITY COLLEGE DISTRICT
TUITION AND FEES
LAST TEN ACADEMIC YEARS
(Unaudited)

Academic Year (Fall)	Registration Fee (per student)	Resident Fees per Semester Credit Hour (SCH)					Student Activity Fees (per student)	General Service Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
		In-District Tuition	Out-of-District Tuition	Building Use Fee	Technology Fees							
2022	\$ 30	\$ 45	\$ 22	\$ 25	\$ -	\$ 15	\$ 50	\$ 935	\$ 1199	0.00%	0.00%	
2021	30	45	22	25	-	15	50	935	1199	0.00%	0.00%	
2020	30	45	22	25	-	15	50	935	1199	11.44%	11.12%	
2019	30	40	20	22	-	15	50	839	1079	0.00%	0.00%	
2018	30	40	20	22	-	15	50	839	1079	0.00%	0.00%	
2017	30	40	20	22	-	15	50	839	1079	0.00%	0.00%	
2016	30	40	20	22	-	15	50	839	1079	7.70%	11.12%	
2015	30	37	16	20	-	15	50	779	971	0.00%	5.20%	
2014	30	37	12	20	-	15	50	779	923	0.00%	0.00%	
2013	30	37	12	20	-	15	50	779	923	0.00%	0.00%	

Academic Year (Fall)	Registration Fee (per student)	Non - Resident Fees per Semester Credit Hour (SCH)					Student Activity Fees	General Service Fee	Cost for 12 SCH Out of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
		Non-Resident Tuition Out of State	Non-Resident Tuition International	Building Use Fee	Technology Fees							
2022	\$ 30	\$ 120	22	\$ 25	\$ -	\$ 15	\$ 50	\$ 2,099	\$ 2,099	0.00%	0.00%	
2021	30	120	22	25	-	15	50	2,099	2,099	0.00%	0.00%	
2020	30	120	22	25	-	15	50	2,099	2,099	12.91%	12.91%	
2019	30	105	105	22	-	15	50	1,859	1,859	0.00%	0.00%	
2018	30	105	105	22	-	15	50	1,859	1,859	0.00%	0.00%	
2017	30	105	105	22	-	15	50	1,859	1,859	0.00%	0.00%	
2016	30	105	105	22	-	15	50	1,859	1,859	7.64%	7.64%	
2015	30	100	100	20	-	15	50	1,727	1,727	2.86%	2.86%	
2014	30	100	100	20	-	15	50	1,679	1,679	0.00%	0.00%	
2013	30	100	100	20	-	15	50	1,679	1,679	0.00%	0.00%	

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

GALVESTON COMMUNITY COLLEGE DISTRICT
 ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 5

Fiscal Year	(Amounts Expressed in Thousands)				Direct Rate		
	Certified Taxable Valuation	Adjustments	Assessed Valuation of Property	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations (a)	Debt Service (a)	Total (a)
2021-22	\$ 10,019,296	\$ 481,393	\$ 10,500,689	95.42%	\$ 0.146188	\$ -	\$ 0.146188
2020-21	8,558,750	347,729	8,906,479	96.10%	0.159188	-	0.159188
2019-20	8,017,532	243,910	8,261,442	97.05%	0.171188	-	0.171188
2018-19	7,494,157	337,879	7,832,036	95.69%	0.175190	-	0.175190
2017-18	7,192,912	403,273	7,596,185	94.69%	0.166188	-	0.166188
2016-17	6,673,918	519,168	7,193,086	92.78%	0.170250	-	0.170250
2015-16	5,984,833	532,190	6,517,023	91.83%	0.178750	-	0.178750
2014-15	5,300,704	521,565	5,822,269	91.04%	0.187000	-	0.187000
2013-14	5,293,746	269,062	5,562,808	95.16%	0.187000	-	0.187000
2012-13	4,919,249	331,813	5,251,062	93.68%	0.189400	-	0.189400

Source: Galveston Central Appraisal District
 Notes: Property is assessed at full market value.
 (a) per \$100 Taxable Assessed Valuation

GALVESTON COMMUNITY COLLEGE DISTRICT
STATE APPROPRIATION PER FULL TIME STUDENT EQUIVALENT AND CONTACT HOURS
LAST TEN FISCAL YEARS
(Unaudited)

Table 6

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour				
		FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Continuing Education Contact Hours (c)	Total Contact Hours	State Appropriation per Contact Hour
2021-2022	\$ 4,799,146	1,335	\$ 3,595	489,797	460,480	38,205	988,482	\$ 4.86
2020-2021	4,609,371	1,517	3,038	551,600	526,256	38,792	1,116,648	4.13
2019-2020	4,609,458	1,607	2,868	608,624	519,888	54,313	1,182,825	3.90
2018-2019	4,086,685	1,607	2,543	610,827	521,792	52,962	1,185,581	3.45
2017-2018	4,086,757	1,472	2,776	567,424	461,712	52,360	1,081,496	3.78
2016-2017	3,659,631	1,414	2,588	580,608	426,064	28,551	1,035,223	3.54
2015-2016	3,654,400	1,414	2,584	556,496	413,664	44,763	1,014,923	3.60
2014-2015	3,759,208	1,412	2,662	573,491	389,040	22,975	985,506	3.81
2013-2014	3,759,208	1,483	2,535	619,467	401,440	11,335	1,032,242	3.64
2012-2013	3,143,636	1,560	2,015	677,200	375,472	5,333	1,058,005	2.97

Notes:

Full-Time Student Equivalent (FTSE) = Total annual semester credit hours (b) divided by 30 plus total annual continuing education contact hours (c) divided by 900.

- (a) FTSE - calculated value
- (b) Academic CH's - CBM004
- (c) Technical CH's - CBM004
- (d) Continuing Ed. CH's - CBM00C

GALVESTON COMMUNITY COLLEGE DISTRICT
 PRINCIPAL TAXPAYERS
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 7

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Fiscal Year (\$000)										
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
TEXAS INTERNATIONAL TERMINALS	Transportation	\$ 64,580	\$ 56,534	\$ 11,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CENTERPOINT ENERGY HOUSTON	Utilities	56,395	52,586	52,088	80,272	46,451	46,207	44,882	47,163	46,500	41,553	
FERTITTA HOSPITALITY INC	Hospitality	49,636	51,077	43,026	43,126	43,130	38,570	34,120	33,173	30,703	28,380	
2014 GALVESTON JONES DRIVE LLC	Real Estate	37,881	21,984	14,161	14,061	13,835	12,893	-	-	-	-	
SEAWALL HOSPITALITY LLC	Hospitality	37,243	-	-	-	-	-	-	-	-	-	
AMERICAN NATIONAL INS CO	Insurance	24,611	-	-	10,992	11,199	10,539	10,534	10,534	10,534	10,534	
SILVERLEAF RESORTS INC	Hospitality	20,735	18,202	17,957	17,993	17,858	17,711	18,168	18,788	15,135	14,824	
TPI CAMPECHE COVE LLC	Real Estate	20,500	17,298	12,000	11,845	11,573	9,959	-	-	-	-	
HAF HOSPITALITY TREMONT REALTY LLC	Real Estate	19,330	-	-	-	-	-	-	-	-	-	
GALVESTON ISLAND WATER PARK LP	Hospitality	17,946	17,808	17,243	17,248	17,293	17,293	17,055	16,785	19,235	15,980	
BEATTY STREET PROPERTIES INC	Real Estate	17,877	18,977	20,035	22,453	-	-	-	-	-	-	
TFT GALVESTON PORTFOLIO LTD	Real Estate	17,732	27,688	18,679	19,343	18,699	18,501	12,381	10,340	-	8,932	
CANTOR GROUP LLC	Healthcare	17,207	-	-	-	-	-	-	-	-	-	
UNION PACIFIC RAILROAD CO	Railroad	16,795	15,548	14,784	14,243	-	-	-	-	-	-	
ISLAND HOSPITALITY INC	Hospitality	16,477	16,550	15,160	15,160	15,201	13,991	12,782	12,782	12,082	11,834	
RAAMCO BROADWATER LLC	Real Estate	16,325	-	-	-	-	-	-	-	-	-	
CRESTMARC REDWOOD CARELTON HOLDINGS LLC	Real Estate	15,819	13,868	-	-	-	-	-	-	-	-	
BNSF RAILWAY CO	Railroad	15,113	14,762	13,861	13,277	11,880	11,704	11,177	11,162	-	9,236	
GULF COAST KINGTON PROPERTIES LLC	Real Estate	14,608	14,624	-	-	-	-	-	-	-	-	
GALVESTON TERMINALS INC	Transportation	14,322	14,503	14,609	14,492	14,556	15,019	15,639	15,757	16,418	24,831	
EIGHTEEN SEVENTY STRAND CORP	Hospitality	-	44,535	18,520	16,830	16,500	22,125	16,791	14,765	13,556	12,940	
PHI INC	Transportation	-	16,933	-	-	-	-	-	-	-	-	
G&H TOWING COMPANY	Transportation	-	16,635	-	-	-	-	-	-	-	-	
INTERCHEM USA INC	Oil/Gas	-	15,181	13,236	13,269	-	-	-	-	-	-	
MOSAIC FERTILIZER LLC	Refinery	-	-	28,992	-	-	-	-	-	-	11,878	
EMERALD GATHER & TRANS LLC	Oil/Gas	-	-	13,142	-	-	22,477	22,477	-	33,071	27,479	
G&I VIII CLUB OF THE ISLE JV LP	Real Estate	-	-	12,582	12,582	12,582	-	-	-	-	-	
WILLIE G'S POST OAK INC	Hospitality	-	-	11,984	18,814	23,927	30,077	31,377	31,379	31,500	-	
WALMART REALTY CO #504	Real Estate	-	-	11,875	11,875	12,566	12,500	12,500	12,600	13,015	13,015	
LAKESIDE GALVESTON PARTNERS LP	Real Estate	-	-	-	11,549	-	-	-	-	-	-	
TRANSOCEAN OFFSHORE DEEPWATER	Oil/Gas	-	-	-	10,966	-	-	-	-	-	-	
LAFITTES HARBOR DEVELOPMENT 11 LP	Insurance	-	-	-	-	18,523	-	-	-	-	-	
RANGER OFFSHORE INC	Oil/Gas	-	-	-	-	13,645	-	-	-	-	-	
AET LIGHTERING SERVICES LLC	Transportation	-	-	-	-	12,460	-	-	-	-	-	
CLARK OIL TRADING COMPANY	Oil/Gas	-	-	-	-	11,994	-	-	-	-	-	
CAMERON HIGHWAY OIL PIPELINE	Oil/Gas	-	-	-	-	11,323	-	-	-	-	-	
AET OFFSHORE SERVICES INC	Oil/Gas	-	-	-	-	-	14,297	14,843	15,842	14,402	-	
CHS INC	Oil/Gas	-	-	-	-	-	13,055	18,648	-	16,851	9,123	
MP ISLAND INVESTMENTS LLC	Real Estate	-	-	-	-	-	11,941	11,941	10,994	10,994	11,017	
9550 SEAWALL BLVD LLP	Hospitality	-	-	-	-	-	10,152	-	-	10,639	-	
GULF SULPHUR SERVICES LTD LLP	Transportation	-	-	-	-	-	9,950	10,098	9,916	9,985	10,393	
HALLIBURTON ENERGY SERVICES INC	Oil/Gas	-	-	-	-	-	-	11,368	13,908	12,850	18,968	
OLCC TEXAS LLC	Computers	-	-	-	-	-	-	10,391	9,942	-	9,860	
SWS HOLDINGS-BRADY ISLAND LP	Real Estate	-	-	-	-	-	-	9,844	-	-	-	
Totals		511,132	465,293	375,931	390,390	355,195	358,961	347,021	295,830	329,348	278,899	
Total Taxable Assessed Value		\$ 10,019,296	\$ 8,906,860	\$ 8,261,450	\$ 7,494,157	\$ 7,192,912	\$ 6,673,918	\$ 5,984,833	\$ 5,300,704	\$ 5,293,746	\$ 4,919,249	

Source: Local County Appraisal District

GALVESTON COMMUNITY COLLEGE DISTRICT
 PRINCIPAL TAXPAYERS
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 7 - Continued

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Fiscal Year									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
TEXAS INTERNATIONAL TERMINALS	Transportation	0.64%	0.63%	0.15%	-	-	-	-	-	-	-
CENTERPOINT ENERGY HOUSTON	Utilities	0.56%	0.59%	0.63%	1.07%	0.65%	0.69%	0.75%	0.89%	0.88%	0.84%
FERTITTA HOSPITALITY INC	Hospitality	0.50%	0.57%	0.52%	0.58%	0.60%	0.58%	0.57%	0.63%	0.58%	0.58%
2014 GALVESTON JONES DRIVE LLC	Real Estate	0.38%	0.25%	0.17%	0.19%	0.19%	0.19%	-	-	-	-
SEAWALL HOSPITALITY LLC	Hospitality	0.37%	-	-	-	-	-	-	-	-	-
AMERICAN NATIONAL INS CO	Insurance	0.25%	-	-	0.15%	0.16%	0.16%	0.18%	0.20%	0.20%	0.21%
SILVERLEAF RESORTS INC	Hospitality	0.21%	0.20%	0.22%	0.24%	0.25%	0.27%	0.30%	0.35%	0.29%	0.30%
TPI CAMPECHE COVE LLC	Real Estate	0.20%	0.19%	0.15%	0.16%	0.16%	0.15%	-	-	-	-
HAF HOSPITALITY TREMONT REALTY LLC	Real Estate	0.19%	-	-	-	-	-	-	-	-	-
GALVESTON ISLAND WATER PARK LP	Hospitality	0.18%	0.20%	0.21%	0.23%	0.24%	0.26%	0.28%	0.32%	0.36%	0.32%
BEATTY STREET PROPERTIES INC	Real Estate	0.18%	0.21%	0.24%	0.30%	-	-	-	-	-	-
TFT GALVESTON PORTFOLIO LTD	Real Estate	0.18%	0.31%	0.23%	0.26%	0.26%	0.28%	0.21%	0.20%	-	0.18%
CANTOR GROUP LLC	Healthcare	0.17%	-	-	-	-	-	-	-	-	-
UNION PACIFIC RAILROAD CO	Railroad	0.17%	0.17%	0.18%	0.19%	-	-	-	-	-	-
ISLAND HOSPITALITY INC	Hospitality	0.16%	0.19%	0.18%	0.20%	0.21%	0.21%	0.24%	0.23%	0.24%	0.24%
RAAMCO BROADWATER LLC	Real Estate	0.16%	-	-	-	-	-	-	-	-	-
CRESTMARC REDWOOD CARELTON HOLDINGS LLC	Real Estate	0.16%	0.16%	-	-	-	-	-	-	-	-
BNSF RAILWAY CO	Railroad	0.15%	0.17%	0.17%	0.18%	0.17%	0.18%	0.19%	0.21%	-	0.19%
GULF COAST KINGTON PROPERTIES LLC	Real Estate	0.15%	0.16%	-	-	-	-	-	-	-	-
GALVESTON TERMINALS INC	Transportation	0.14%	0.16%	0.18%	0.19%	0.20%	0.23%	0.26%	0.30%	0.31%	0.50%
EIGHTEEN SEVENTY STRAND CORP	Hospitality	-	0.50%	0.22%	0.22%	0.23%	0.33%	0.28%	0.28%	0.26%	0.26%
PHI INC	Transportation	-	0.19%	-	-	-	-	-	-	-	-
G&H TOWING COMPANY	Transportation	-	0.19%	-	-	-	-	-	-	-	-
INTERCHEM USA INC	Oil/Gas	-	0.17%	0.16%	0.18%	-	-	-	-	-	-
MOSAIC FERTILIZER LLC	Refinery	-	-	0.35%	-	-	-	-	-	0.22%	-
EMERALD GATHER & TRANS LLC	Oil/Gas	-	-	0.16%	-	-	0.34%	0.38%	-	0.62%	0.56%
G&I VIII CLUB OF THE ISLE JV LF	Real Estate	-	-	0.15%	0.17%	0.17%	-	-	-	-	-
WILLIE G'S POST OAK INC	Hospitality	-	-	0.15%	0.25%	0.33%	0.45%	0.52%	0.59%	0.60%	-
WALMART REALTY CO #504	Real Estate	-	-	0.14%	0.16%	0.17%	0.19%	0.21%	0.24%	0.25%	0.26%
LAKESIDE GALVESTON PARTNERS LP	Real Estate	-	-	-	0.15%	-	-	-	-	-	-
TRANSOCEAN OFFSHORE DEEPWATER	Oil/Gas	-	-	-	0.15%	-	-	-	-	-	-
LAFITTES HARBOR DEVELOPMENT 11 LP	Insurance	-	-	-	-	0.26%	-	-	-	-	-
RANGER OFFSHORE INC	Oil/Gas	-	-	-	-	0.19%	-	-	-	-	-
AET LIGHTERING SERVICES LLC	Transportation	-	-	-	-	0.17%	-	-	-	-	-
CLARK OIL TRADING COMPANY	Oil/Gas	-	-	-	-	0.17%	-	-	-	-	-
CAMERON HIGHWAY OIL PIPELINE	Oil/Gas	-	-	-	-	0.16%	-	-	-	-	-
AET OFFSHORE SERVICES INC	Oil/Gas	-	-	-	-	-	0.21%	0.25%	0.30%	0.27%	-
CHS INC	Oil/Gas	-	-	-	-	-	0.20%	0.31%	-	0.32%	0.19%
MP ISLAND INVESTMENTS LLC	Real Estate	-	-	-	-	-	0.20%	0.20%	0.21%	0.21%	0.22%
9550 SEAWALL BLVD LLP	Hospitality	-	-	-	-	-	0.15%	-	-	0.20%	-
GULF SULPHUR SERVICES LTD LLP	Transportation	-	-	-	-	-	0.15%	0.17%	0.19%	0.19%	0.21%
HALLIBURTON ENERGY SERVICES IN	Oil/Gas	-	-	-	-	-	-	0.19%	0.26%	0.24%	0.39%
OLCC TEXAS LLC	Computers	-	-	-	-	-	-	0.17%	0.19%	-	0.20%
SWS HOLDINGS-BRADY ISLAND LF	Real Estate	-	-	-	-	-	-	0.16%	-	-	-
Totals		5.10%	5.21%	4.56%	5.22%	4.94%	5.40%	5.79%	5.60%	6.23%	5.65%

Source: Local County Appraisal District

GALVESTON COMMUNITY COLLEGE DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX YEARS
(Unaudited)
(Amounts Expressed in Thousands)

Table 8

Fiscal Year Ended August 31	Levy (a)	Collections - Year of Levy (b)	Percentage	Current Collections of Prior Levies (b)	Total Collections	Percentage of Current and Prior Levies
2022	\$ 15,357	\$ 14,975	97.51%	\$ 253	\$ 15,228	99.16%
2021	14,183	13,744	96.90%	380	14,124	99.58%
2020	14,149	13,771	97.33%	328	14,099	99.65%
2019	13,728	13,395	97.57%	314	13,709	99.86%
2018	12,628	12,330	97.64%	277	12,607	99.83%
2017	12,253	11,977	97.75%	227	12,204	99.60%
2016	11,656	11,409	97.89%	251	11,660	100.03%
2015	10,894	10,648	97.74%	213	10,861	99.70%
2014	10,403	10,144	97.52%	215	10,359	99.58%
2013	9,950	9,537	95.85%	382	9,919	99.69%

Source: Local Tax Assessor/Collector and District records.

(a) As reported in the notes to the financial statements for the year of the levy.

(b) Property tax only - does not include penalties and interest.

GALVESTON COMMUNITY COLLEGE DISTRICT
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS
(Unaudited)

Table 9

	For the Year Ended August 31 (Amounts Expressed in Thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenue Bonds (excluding unamortized bond premium)	\$ 29,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690	\$ 1,355
Total Outstanding Debt Ratios:										
Per Capita	\$ 82.87	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 2.25	\$ 4.51
Per full time student equivalent	\$ 22,041	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 465	\$ 869
As a Percentage of Taxable Assessed Value	0.28%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.01%	0.03%

Notes: i) Galveston College has no general obligation bonds

ii) Ratios calculated using population and taxable assessed value from respective years. Debt per student calculated using full-time-equivalent enrollment.

GALVESTON COMMUNITY COLLEGE DISTRICT
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 10

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)						Debt Service Requirements (\$000 omitted)			Coverage Ratio
	Tuition	All Fees	Auxillary Revenue	Other Pledged Revenue	Interest Income	Total	Principal	Interest	Total	
2022	\$ 2,257	2,631	944	-	316	6,148	-	212	212	29.00
2021	-	-	-	-	-	-	-	-	-	N/A
2020	-	-	-	-	-	-	-	-	-	N/A
2019	-	-	-	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	-	-	N/A
2015	1,944	2,171	442	-	19	4,576	690	28	718	6.37
2014	1,981	2,209	486	-	20	4,696	665	54	719	6.53
2013	1,977	2,318	416	-	27	4,738	645	76	721	6.57

Note: Principal and interest amounts represents scheduled cash payments for respective years.

GALVESTON COMMUNITY COLLEGE DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS - TAXING DISTRICT
 LAST TEN CALENDAR YEARS
 (Unaudited)

Table 11

Calendar Year	Galveston County Population	Galveston County Personal Income (in millions of dollars)	Galveston County Personal Income Per Capita	Galveston County Unemployment Rate
2021	355,062 *	\$ *	\$ *	6.7%
2020	345,089 **	19,995 **	57,941 **	8.7%
2019	342,139	18,561	54,250	4.0%
2018	337,890	17,498	51,785	4.6%
2017	335,036	16,443	49,079	5.2%
2016	329,431	15,683	47,605	5.8%
2015	322,225	15,464	47,991	5.0%
2014	314,198	14,741	46,917	5.5%
2013	306,782	14,479	47,186	6.2%
2012	300,484	13,652	45,433	6.9%

Sources:

- County Population -- U.S. Bureau of Economic Analysis -- BEARFACTS Report
- Personal Income -- U.S. Bureau of Economic Analysis -- BEARFACTS Report
- Annual Unemployment Rate -- Texas Workforce Commission - Labor Market & Career Information -- LAUS Report
- ** 2020 County Population, Personal Income, and Personal Income Per Capita figures updated to align with new statistics provided by U.S. Bureau of Economic Analysis
 (Last Updated: November 16, 2021. BEA - Interactive Data Tools - Regional Data - GDP and Personal Income - CAINC1-Personal Income Summary)
- * 2021 County Population estimate -- Texas Association of Counties (and U.S. Census Bureau - QuickFacts - July 1, 2021). Remaining information not available at this time.

GALVESTON COMMUNITY COLLEGE DISTRICT
 PRINCIPAL EMPLOYERS
 LAST FIVE YEARS
 (Unaudited)

Table 12

Employer	2022		2021		2020		2019	2018
University of Texas Medical Branch	8,937	50.79%	8,948	49.88%	8,324	47.74%		
Landry's Inc.	1,930	10.97%	1,930	10.76%	1,930	11.07%		
Galveston Independent School District	1,358	7.72%	1,251	6.98%	1,069	6.13%		
Schlitterbahn (during peak tourist season)	1,100	6.25%	700	3.90%	500	2.87%		
American National Insurance Company	934	5.31%	900	5.02%	950	5.45%		
Galveston County (on Island only)	855	4.86%	888	4.95%	1,247	7.15%		
City of Galveston	804	4.57%	803	4.48%	868	4.98%	Information not available	Information not available
Texas A&M University of Galveston	696	3.96%	319	1.78%	319	1.83%		
Moody Gardens (during peak tourist season)	605	3.44%	1,000	5.58%	1,034	5.93%		
Shriners Children's Texas	377	2.13%						
Wal-Mart			360	2.01%	360	2.06%		
I. L. A. (Local-20, 1665, 1504-8, 1443)	Information not available		500	2.79%	500	2.87%		
Mitchell Historic Properties			335	1.87%	335	1.92%		
Total	17,596	100.00%	17,934	100.00%	17,436	100.00%		

Source:

Galveston Economic Development Partnership (GEDP)

<https://www.gedp.org/site-selection>

Notes:

The numbers above represent only the employees who work on Galveston Island (i.e. this survey does not include total employment for each organization)

GALVESTON COMMUNITY COLLEGE DISTRICT
 FACULTY, STAFF, AND ADMINISTRATORS STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 13

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Faculty:										
Full-Time	58	55	62	60	59	56	56	56	58	52
Part-Time	49	43	50	47	55	42	41	40	43	62
Total	<u>107</u>	<u>98</u>	<u>112</u>	<u>107</u>	<u>114</u>	<u>98</u>	<u>97</u>	<u>96</u>	<u>101</u>	<u>114</u>
Percent:										
Full-Time	54.2%	56.1%	55.4%	56.1%	51.8%	57.1%	57.7%	58.3%	57.4%	45.6%
Part-Time	45.8%	43.9%	44.6%	43.9%	48.2%	42.9%	42.3%	41.7%	42.6%	54.4%
Staff and Administrators:										
Full-Time	106	101	109	109	101	100	102	99	96	90
Part-Time	58	54	46	64	52	56	53	47	46	38
Total	<u>164</u>	<u>155</u>	<u>155</u>	<u>173</u>	<u>153</u>	<u>156</u>	<u>155</u>	<u>146</u>	<u>142</u>	<u>128</u>
Percent:										
Full-Time	64.6%	65.2%	70.3%	63.0%	66.0%	64.1%	65.8%	67.8%	67.6%	70.3%
Part-Time	35.4%	34.8%	29.7%	37.0%	34.0%	35.9%	34.2%	32.2%	32.4%	29.7%
FTSE per Full-time Faculty	23.0	27.6	25.9	26.8	24.9	25.3	25.3	25.2	25.6	30.0
FTSE per Full-Time Staff Member	12.6	15.0	14.7	14.7	14.6	14.1	13.9	14.3	15.4	17.3
Average Annual Faculty Staff Equated to 9 Month Contract	\$ 65,473	\$ 66,320	\$ 65,384	\$ 70,523	\$ 77,418	\$ 74,786	\$ 69,278	\$ 64,486	\$ 64,779	\$ 65,613

GALVESTON COMMUNITY COLLEGE DISTRICT
ENROLLMENT DETAILS
LAST TEN FISCAL YEARS
(Unaudited)

Table 14

Student Classification	Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	1,055	56.42%	1,268	61.55%	1,484	64.35%	1,601	66.08%	1,404	63.91%	1,436	65.27%	1,275	61.56%	1,323	64.60%	1,354	63.57%	1,398	63.75%
31-60 hours	512	27.38%	479	23.25%	477	20.69%	489	20.18%	455	20.71%	451	20.50%	509	24.58%	420	20.51%	496	23.29%	529	24.12%
> 60 hours	107	5.72%	143	6.94%	156	6.76%	141	5.82%	138	6.28%	101	4.59%	95	4.59%	103	5.03%	98	4.60%	78	3.56%
Unclassified	196	10.48%	170	8.26%	189	8.20%	192	7.92%	200	9.10%	212	9.64%	192	9.27%	202	9.86%	182	8.54%	188	8.57%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%
Semester Hour Load	Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	14	0.75%	5	0.24%	11	0.48%	11	0.45%	12	0.55%	19	0.83%	9	0.43%	17	0.83%	17	0.80%	20	0.91%
3-5 semester hours	364	19.47%	440	21.36%	557	24.15%	609	25.13%	572	26.04%	584	23.58%	499	24.09%	483	23.58%	526	24.69%	469	21.39%
6-8 Semester hours	472	25.24%	532	25.83%	556	24.11%	631	26.04%	671	30.54%	672	29.83%	678	32.74%	611	29.83%	592	27.79%	669	30.51%
9-11 semester hours	359	19.20%	403	19.56%	451	19.56%	462	19.07%	358	16.29%	360	19.43%	381	18.40%	398	19.43%	418	19.62%	421	19.20%
12-14 semester hours	446	23.85%	435	21.12%	482	20.90%	451	18.61%	379	17.25%	383	17.19%	332	16.03%	352	17.19%	387	18.17%	478	21.80%
15-17 semester hours	198	10.59%	225	10.92%	233	10.10%	232	9.58%	197	8.97%	173	8.84%	163	7.88%	181	8.84%	187	8.78%	134	6.11%
18 & over	17	0.90%	20	0.97%	16	0.70%	27	1.12%	8	0.36%	9	0.30%	9	0.43%	6	0.30%	3	0.15%	2	0.08%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%
Average Course Load	8.9		8.8		8.5		8.9		8.6		8.5		8.5		8.7		8.7		8.8	
Tuition Status	Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (In-District)	1,036	55.40%	1,143	55.49%	1,255	54.42%	1,321	54.52%	1,166	53.07%	1,230	55.91%	1,139	55.00%	1,068	52.15%	1,106	51.92%	1,197	54.58%
Texas Resident (Out-of-District)	722	38.61%	783	38.01%	898	38.94%	942	38.88%	890	40.51%	823	37.41%	816	39.40%	873	42.63%	907	42.58%	897	40.90%
Non-Resident Tuition	78	4.17%	89	4.32%	92	3.99%	117	4.83%	98	4.46%	91	4.13%	83	4.01%	77	3.76%	80	3.76%	72	3.28%
Tuition Exemption/Wavier	34	1.82%	45	2.18%	61	2.65%	43	1.77%	43	1.96%	56	2.55%	33	1.59%	30	1.46%	37	1.74%	27	1.24%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%

Source:
Data from THECB CBM001 certified reports, does not include flex entry

GALVESTON COMMUNITY COLLEGE DISTRICT
STUDENT PROFILE
LAST TEN FISCAL YEARS
(Unaudited)

Table 15

	Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013		Fall 2012			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
Gender																						
Female	1,219	65.19%	1,298	63.01%	1,415	61.36%	1,494	61.66%	1,341	61.04%	1,281	58.23%	1,274	61.52%	1,255	61.28%	917	43.05%	1,298	59.19%		
Male	651	34.81%	762	36.99%	891	38.64%	929	38.34%	856	38.96%	919	41.77%	919	41.77%	797	38.48%	793	38.72%	1,213	56.95%	895	40.81%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%		
Ethnic Origin																						
White	652	34.87%	723	35.10%	845	36.64%	894	36.90%	855	38.92%	925	42.05%	878	42.39%	915	44.68%	971	45.59%	971	44.28%	971	44.28%
Hispanic	771	41.23%	860	41.75%	933	40.46%	961	39.66%	342	15.57%	822	37.36%	771	37.23%	668	32.62%	634	29.77%	678	30.92%	678	30.92%
African American	308	16.47%	315	15.29%	337	14.61%	363	14.98%	834	37.95%	314	14.27%	266	12.84%	313	15.28%	357	16.76%	372	16.96%	372	16.96%
Asian	60	3.21%	65	3.16%	73	3.17%	88	3.63%	61	2.78%	52	2.36%	60	2.90%	56	2.73%	59	2.77%	67	3.06%	67	3.06%
International	11	0.59%	10	0.48%	15	0.65%	20	0.83%	7	0.32%	23	1.05%	25	1.21%	18	0.88%	14	0.66%	8	0.36%	8	0.36%
Native American	7	0.37%	10	0.48%	6	0.26%	8	0.33%	22	1.00%	8	0.36%	10	0.48%	8	0.39%	7	0.33%	7	0.32%	7	0.32%
Multi-racial	26	1.39%	35	1.70%	43	1.86%	42	1.73%	22	1.00%	10	0.45%	8	0.39%	12	0.59%	7	0.33%	9	0.41%	9	0.41%
Native Hawaiian/Pacific Islander	-	-	5	0.24%	5	0.22%	3	0.12%	4	0.18%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Unknown/Not Reported	35	1.87%	37	1.80%	49	2.13%	44	1.82%	50	2.28%	46	2.10%	53	2.56%	58	2.83%	81	3.79%	81	3.69%	81	3.69%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%		
Age																						
Under 18	319	17.06%	427	20.73%	556	24.11%	589	24.31%	391	17.80%	467	21.23%	316	15.26%	283	13.82%	277	13.00%	262	11.95%	262	11.95%
18 - 21	675	36.10%	707	34.32%	769	33.35%	738	30.46%	745	33.91%	698	31.73%	705	34.04%	674	32.91%	741	34.79%	794	36.21%	794	36.21%
22 - 24	223	11.93%	295	14.32%	275	11.93%	295	12.17%	267	12.15%	294	13.36%	288	13.91%	303	14.79%	303	14.23%	318	14.50%	318	14.50%
25 - 35	416	22.25%	391	18.98%	454	19.69%	531	21.92%	522	23.76%	488	22.18%	531	25.64%	506	24.71%	501	23.52%	499	22.75%	499	22.75%
36 - 50	191	10.21%	172	8.35%	204	8.84%	216	8.91%	214	9.74%	193	8.77%	176	8.50%	219	10.69%	231	10.85%	245	11.17%	245	11.17%
51 & over	46	2.45%	68	3.30%	48	2.08%	54	2.23%	58	2.64%	60	2.73%	55	2.65%	63	3.08%	77	3.61%	75	3.42%	75	3.42%
Total	1,870	100.00%	2,060	100.00%	2,306	100.00%	2,423	100.00%	2,197	100.00%	2,200	100.00%	2,071	100.00%	2,048	100.00%	2,130	100.00%	2,193	100.00%		
Average Age	25		24		24		24		25		25		25		25		26		26		26	

Source:
Data from THECB CBM001 certified reports

GALVESTON COMMUNITY COLLEGE DISTRICT
TRANSFER STUDENTS TO SENIOR INSTITUTIONS
2019-2020 STUDENTS AS OF FALL 2020
(Includes Only Public Senior Colleges in Texas)

Table 16

	Transfer Student Count ACADEMIC	Transfer Student Count TECHNICAL	Transfer Student Count CEU	Total of All Transfer Students	% of All Transfer Students
1 Lamar University	18	1		19	5.49%
2 Midwestern State University	1	2		3	0.87%
3 Prairie View A&M University	1	1		2	0.58%
4 Sam Houston State University	10	2		12	3.47%
5 Stephen F. Austin State University	9			9	2.60%
6 Texas A&M University	33			33	9.54%
7 Texas A&M University - Corpus Christi	1			1	0.29%
8 Texas A&M University - Kingsville	2			2	0.58%
9 Texas A&M University at Galveston	104	3	2	109	31.50%
10 Texas Southern University	2			2	0.58%
11 Texas State University	11	1		12	3.47%
12 Texas Tech University	7			7	2.02%
13 Texas Woman's University	1			1	0.29%
14 The University of Texas at Arlington	3	14		17	4.91%
15 The University of Texas at Austin	22	1		23	6.65%
16 The University of Texas at Dallas	3			3	0.87%
17 The University of Texas at San Antonio	10			10	2.89%
18 The University of Texas at Tyler	2	1		3	0.87%
19 University of Houston	24	1		25	7.23%
20 University of Houston - Clear Lake	44	2		46	13.29%
21 University of Houston - Downtown	1	2		3	0.87%
22 University of Houston - Victoria	1			1	0.28%
23 University of North Texas	2			2	0.58%
24 West Texas A&M University	1			1	0.28%
Totals	<u>313</u>	<u>31</u>	<u>2</u>	<u>346</u>	<u>100.00%</u>

Source:

Data from THECB Automated Student and Adult Learner Follow-Up System - Students Pursuing Additional Education by Institution
<http://www.txhighereddata.org/reports/performance/ctcasalf/>
Information for 2020-2021 is not available.

GALVESTON COMMUNITY COLLEGE DISTRICT
 CAPITAL ASSETS INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

Table 17

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Academic buildings	6	6	6	6	6	6	6	6	6	6
Square footage (in thousands)	241	241	241	241	241	241	241	241	241	241
Libraries	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	14	14	14	14	14	14	14	14	14	14
Number of volumes (in thousands)	43	43	43	43	43	43	43	43	43	43
Administrative and support buildings	2	2	2	2	2	2	2	2	2	2
Square footage (in thousands)	53	53	53	53	53	53	53	53	53	53
Apartments	12	12	12	8	5	5	5	5	10	11
Square footage (in thousands)	58	58	34	10	14	14	14	14	22	23
Number of beds	113	113	113	51	48	48	48	48	65	65
Dining Facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	4	4	4	4	4	4	4	4	4	4
Average daily customers	350	350	350	350	350	350	350	350	350	350
Athletic Facilities	2	2	2	2	2	2	2	2	2	2
Square footage (in thousands)	16	16	16	16	16	16	16	16	16	16
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	1	1	1	1	1	1	1	1	1	1
Plant Facilities	1	1	1	1	1	1	1	1	1	1
Square footage (in thousands)	3	3	3	3	3	3	3	3	3	3
Light Trucks/Vans	5	5	5	5	4	4	4	4	3	3
Buses	3	3	3	3	4	3	3	3	3	3



Galveston Community College District

REQUIRED COMMUNICATIONS

August 31, 2022



Carr, Riggs & Ingram, LLC
Two Riverway
15th Floor
Houston, TX 77056

713.621.8090
713.621.6907 (fax)
CRIcpa.com

December 22, 2022

The Board of Regents and Management of
Galveston Community College District

We are pleased to present the results of our audit of the 2022 financial statements of Galveston Community College District (the College).

This report to the Board of Regents and management summarizes our audit, the reports issued and various analyses and observations related to the College's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the College's 2022 financial statements. We considered the College's current and emerging business needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you expect. We received the full support and assistance of the College's personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

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

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 832-333-7408 or agallardo@cricpa.com.

Very truly yours,

Ana Gallardo

Ana Gallardo
Partner



As discussed with management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the College. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Regents and management, 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, in order to express an opinion on the College's financial statements for the year ending August 31, 2022.
- 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*; and Uniform Guidance 2 CFR Part 200 in order to express an opinion on compliance with requirements applicable to each major federal program.
- Report on internal control over compliance with the types of compliance requirements described in Uniform Guidance 2 CFR Part 200 and the OMB Compliance Supplement.
- Communicate directly with the Board of Regents and management regarding the results of our procedures.
- Address with the Board of Regents and management any accounting and financial reporting issues.
- Anticipate and respond to concerns of the Board of Regents and management; and
- Address other audit-related projects as they arise and upon request.

We identified the following significant risks of material misstatement as part of our audit planning:

- Management override of internal controls
- Inherent risk of improper revenue recognition

For areas that are determined to have a higher assessed risk of material misstatement, we generally reduce our testing scopes, and consider additional tests, in order to increase the extent of the audit procedures we perform.



We have audited the financial statements of Galveston Community College District (the College) for the year ended August 31, 2022, and have issued our report thereon dated December 22, 2022. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Auditors' responsibility under Generally Accepted Auditing Standards and Government Auditing Standards</p>	<p>As stated in our engagement letter dated March 2, 2022, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the College. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client's responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the College and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> <i>The auditor should also discuss the auditors' judgment about the quality, not just the acceptability, of the College's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures.</i> <i>Critical accounting policies and practices applied by the College in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations.</i> 	<p>Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the College are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed in 2022.</p> <p>We noted no transactions entered into by the College during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures of revenue bonds, employee retirement plans and other post employment benefits in Notes 8, 9 and 12, respectively, to the financial statements.</p> <p>Further, the disclosures in the College's financial statements are neutral, consistent, and clear.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the College, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>
<p>Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p>Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p>Written representations <i>A description of the written representations the auditor requested.</i></p>	<p>See "Management Representation Letter" section.</p>
<p>Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.</i></p>	<p>See "Internal Control Findings" section.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Fraud and illegal acts <i>Fraud involving the College's personnel or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving personnel or causing material misstatement of the financial statements.</p>
<p>Other information in documents containing audited financial statements <i>The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such other items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditors' views on policies and practices management used, as well as the auditors' understanding of the business purpose.</i></p>	<p>See Note 8 to the financial statements for disclosure regarding issuance of revenue bonds in 2022.</p>
<p>Required Supplementary Information <i>The auditors' responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to the required supplementary information (RSI) consisting of management's discussion and analysis, schedule of College's proportionate share of net pension and other postemployment benefits (OPEB) liability and the schedule of College's contributions for pension and OPEB (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Supplementary Information in relation to the financial statements as a whole</p> <p><i>The auditors' responsibility for supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We made certain inquiries of management and evaluated the form, content, and methods of preparing the supplementary schedules (Schedules A through D) and the schedule of expenditures of federal awards accompanying the basic financial statements to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p> <p>We were not engaged to report on the statistical section required by the Texas Higher Education Coordinating Board. We did not audit or perform other procedures on this information and we do not express any opinion or provide any assurance on it.</p>

Accounting Policies, Judgements and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the College's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board of Regents may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Depreciation of capital assets	Assets are depreciated over the expected remaining useful life of the individual asset.	Yes	Judgments in this area relate to the estimate of the remaining useful life of the asset.	The College's policies are in accordance with all applicable accounting guidelines.
Functional allocation of expenses	The costs of providing the various programs have been summarized on a functional basis in the statements of revenues, expenses and changes in net position. Accordingly, certain costs have been allocated among the various functions.	Yes	Expenses specific to each function are recorded in that particular functional code in the general ledger. Allocations between functions are made based on various determinations by management.	The methods used by management in the application of these accounting policies and the related financial statement disclosures are consistent with government accounting standards, as well as College's specific circumstances.

Accounting Policies, Judgements and Sensitive Estimates & CRI Comments on Quality



<p>Collectability of tuition, property tax and grant receivables</p>	<p>All receivables are booked at net realizable value. Receivables not expected to be collected within 12 months are discounted, if material.</p>	<p style="text-align: center;">Yes</p>	<p>Management calculates allowance for tuition receivable using semester wise student balances. Allowance is calculated using lower % for latest semester and higher % is used for prior year semester balances.</p> <p>Management's estimate of the allowance for property tax receivables is based on year wise balances. Old year balances allowance is calculated using higher % and recent year balances allowance is calculated using lower %.</p> <p>Grant receivables are assessed based on history with the grantor agency. Generally no collection issues have been noted in prior years.</p>	<p>The methods used by management in the application of these accounting policies and the related financial statement disclosures are consistent with government accounting standards, as well as the College's specific circumstances.</p>
--	---	--	---	---

Accounting Policies, Judgements and Sensitive Estimates & CRI Comments on Quality



<p>Defined benefit pension plan</p>	<p>The College participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS utilizes an independent actuary to provide an actuarial valuation report specific to each participating employer. This report provides each participating employer with estimates of the total pension liability, fiduciary net position, related deferred outflows/inflows and actuarially required contributions in accordance with the provisions of GASB 68.</p>	<p>Yes</p>	<p>Key assumptions utilized by the actuary in making the estimates in accordance with GASB 68. The total pension liability was determined by an actuarial valuation as of August 31, 2020 rolled forward to August 31, 2021.</p>	<p>We evaluated the assumptions used by the actuary in estimating the College's total pension liability, the fiduciary net position, and the related deferred outflows/inflows and found them to be in accordance with the provisions of GASB 68 and reasonable in relation to the financial statements taken as a whole.</p>
<p>Other post-employment benefit obligation</p>	<p>The College records a liability for its post-employment benefits obligation other than pensions.</p>	<p>Yes</p>	<p>The OPEB liability is projected using methods and assumptions as provided in the most recent actuarial valuation, in accordance with the provisions of GASB Statement No. 75. Health care cost trend rates were based on market assessments.</p>	<p>We evaluated the assumptions used by the actuary in determining the total OPEB liability and found them to be in accordance with the provisions of GASB 75 and reasonable in relation to the financial statements taken as a whole.</p>

Summary of Audit Adjustments



During the course of our audit, we accumulate differences between amounts recorded by the College and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the College or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditors' judgment, such uncorrected misstatements are immaterial to the financial statements under audit. There were no uncorrected misstatements noted for fiscal year 2022.

The following is a list of adjustments recorded (corrected) by the College. These entries are primarily Provided by Client (PBC) entries provided after the initial trial balance or reclassification entries for financial statements reporting purposes:

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
PBC entry to record GASB 68 adjustments			
21605	Deferred Pension Payable	2,971,902.00	
41180	Retirement TRS	333,477.00	
11915	Deferred Pension Expense		484,172.00
21315	Deferred Pension Receivable		2,049,678.00
58717	TRS Pension Exp		771,529.00
Total		3,305,379.00	3,305,379.00
Adjusting Journal Entries JE # 2			
PBC entry to record GASB 75 adjustments			
20606	Deferred OPEB Payable CL	667,142.00	
21316	Deferred OPEB Receivable	1,373,492.00	
41162	OPEB Grant Revenue	136,837.00	
49911	Trns from E & G	590.00	
58719	ERS OPEB Exp	418,202.00	
11916	Deferred OPEB Expense		6,743.00
21606	Deferred OPEB Payable NC		2,260,036.00
58716	OPEB Grant Exp		137,427.00
58718	OPEB Exp Offset		191,467.00
59919	Trns to St Eliq Benefits		590.00
Total		2,596,263.00	2,596,263.00
Adjusting Journal Entries JE # 3			
PBC entry to reverse capitalization of interest and bond issuance cost			
49951	Trns from Bnd Revenue	282,769.00	
49952	Trns from Bnd I&S	477,366.00	
51510	Prof Services	282,769.00	
53920	Bond Red-Interest	477,366.00	
11518	Projects in Process		760,135.00
59975	Trns to Fixed Assets		282,769.00
59975	Trns to Fixed Assets		477,366.00
Total		1,520,270.00	1,520,270.00

Summary of Audit Adjustments



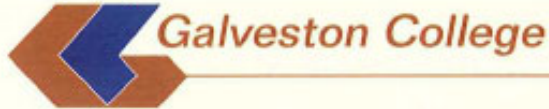
Account	Description	Debit	Credit
Adjusting Journal Entries JE # 4			
PBC entry to true up allowance for student receivable			
10409	Allow for Uncollect-3rd Party	36,464.00	
18011	Due from E & G	36,464.00	
18014	Due from Aux		36,464.00
50820	Bad Debt Expense		36,464.00
Total		<u>72,928.00</u>	<u>72,928.00</u>
Adjusting Journal Entries JE # 5			
PBC entry to transfer fund balances.			
18011	Due from E & G	660,553.00	
59971	Trns to Constr	660,553.00	
18071	Due from Plant Repair		660,553.00
49911	Trns from E & G		660,553.00
Total		<u>1,321,106.00</u>	<u>1,321,106.00</u>
Adjusting Journal Entries JE # 6			
To reclassify designated net position			
30000	Fund Bal-Unrestricted	5,128,890.00	
30100	Fund Bal-Reserved		5,128,890.00
Total		<u>5,128,890.00</u>	<u>5,128,890.00</u>
Adjusting Journal Entries JE # 7			
To update current portion of bond premium			
21803	2022 Rev Bond_LT Prem/Disc	109,887.00	
20803	2022 Rev Bond_ST Prem/Disc		109,887.00
Total		<u>109,887.00</u>	<u>109,887.00</u>



QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the College's operating environment that has been identified as playing a significant role in the College's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



December 22, 2022

Carr, Riggs & Ingram, LLC
Two Riverway, 15th Floor
Houston, Texas 77056

This representation letter is provided in connection with your audits of the financial statements of Galveston Community College District (the College), which comprise the respective financial position as of August 31, 2022 and 2021, and the changes in its financial position and cash flows for the years then ended, and the related notes to the financial statements (collectively, the financial statements), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 2, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all financial information required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

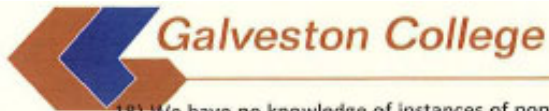
4015 Avenue Q • Galveston, Texas 77550 • (409) 944-GCGC • Fax (409) 944-1500 • www.gc.edu
Galveston College is an equal opportunity institution in education and employment.



- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the College is contingently liable, if any, have been properly recorded or disclosed.
- 11) We believe that the actuarial assumptions and methods used to measure pension and other post-employment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 12) Receivables recorded in the financial statements represents valid claims against debtors for transactions arising on or before the statement of net position date have been reduced to their estimated net realizable value.

Information Provided

- 13) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the College from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the College or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects the College and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 17) We have no knowledge of any allegations of fraud or suspected fraud affecting the College's financial statements communicated by employees, former employees, regulators, or others.



- 18) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 19) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 20) We have disclosed to you the names of the College's related parties and all the related party relationships and transactions, including any side agreements.

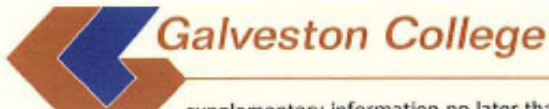
Government-specific

- 21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 23) No investigations or legal proceedings have been initiated with respect to the period under audit.
- 24) The College has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 26) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and disclosures, supplemental schedules required by the Texas Higher Education Coordinating Board, required supplementary schedules relating to GASB 68 and 75 and related notes and completing submission of data collection form. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating Jeff Engbrock, Chief Financial Officer / Comptroller, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures, supplemental schedules required by the Texas Higher Education Coordinating Board, required supplementary schedules relating to GASB 68 and 75 and related notes, and data collection form.
- 29) The College has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

4015 Avenue Q • Galveston, Texas 77550 • (409) 944-GCGC • Fax (409) 944-1500 • www.gc.edu
Galveston College is an equal opportunity institution in education and employment.



- 30) The College has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Provisions for uncollectible receivables have been properly identified and recorded.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 36) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 38) We have appropriately disclosed the College's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 40) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 41) With respect to the supplementary information required by the Texas Higher Education Coordinating Board and the schedule of expenditures of federal awards (collectively, the supplementary information):
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the



supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.

42) With respect to federal award programs:

- a) We are responsible for understanding and complying with and have complied with, the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditors' report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement* (including its Addendum), relating to federal awards and confirm that

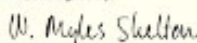


Galveston College

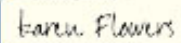
there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.

- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditors' report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

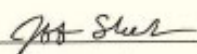


DocuSigned by:


W. Myles Shelton, Ed.D.
President

DocuSigned by:


Karen F. Flowers
Chairperson, Board of Regents



M. Jeff Engbrock
Chief Financial Officer / Comptroller



The Board of Regents and Management
Galveston Community College District

In planning and performing our audit of the financial statements of Galveston Community College District (the College) as of and for the year ended August 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the College's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. 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 and was not designed to identify all deficiencies in internal control that might be material weakness. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the Board of Regents and others within the College, and is not intended to be, and should not be, used by anyone other than those specified parties.

Carr, Riggs & Ingram, L.L.C.

Houston, Texas
December 22, 2022

Consider Facilities Committee Recommendation Regarding Approval of Proposal for Engineering Services to Affix a New Roof to Applied Technology Center Building Three

The Board Facilities Committee will review and discuss the proposal for engineering services to affix a new roof to building (3) three at the Applied Technology Center. The current roof is approximately 18 years old and out of warranty. Price Consulting, Inc. (PCI) 211 Highland Cross Drive, Suite 220, Houston, TX 77073 has submitted an engineering fee proposal to provide professional engineering services for the design, bidding, and construction phases for the recommended scope of work. In addition, PCI will prepare and submit documentation to the Texas Department of Insurance (TDI) for certificate of compliance for the new roof.

Staff is requesting Board approval of \$17,300 for this proposal. Funding for the project will be the Education and General Fund (11-61020-50630). The proposal will be available for review upon request.

Mr. Michael B. Hughes, Facilities Committee Chairperson, will provide a report of the discussion and the Committee’s recommendation for Board consideration.

DESIGN PHASE - PCI will prepare a Project Manual including Specification Sections and Drawings to include the following:	
General Conditions	General Project Requirements
Technical Specifications	Annotated Elevations and
Plans	
Installation Details	
BIDDING PHASE - PCI will also assist during the bidding phases. Services will include:	
Assist with solicitation	Attend a Pre-bid Meeting
Review Bids and provide recommendations	
CONSTRUCTION ADMINISTRATION/TECHNICAL SUPPORT - PCI proposes the following construction support services:	
Review submittals/shop drawings	Attend Pre-construction meeting and progress meetings
Perform site visits during construction	Review Pay Applications, RFIs, CPRs, & other documents
Perform final inspection	Compile Close-out documents
Prepare and submit TDI WPI-8 documentation	
SUMMARY OF PROPOSED FEES AND ALLOWANCES	
Item No. 1: Design Phase \$ 8,700	
Item No. 2: Bidding Phase \$ 1,800	
Item No. 3: Construction Administration and Support Services \$ 6,800	
Total \$17,300	



211 HIGHLAND CROSS DRIVE, SUITE 220, HOUSTON, TEXAS 77073 ~ 281.209.1724
7600 CHEVY CHASE DRIVE, BUILDING 2, SUITE 300, AUSTIN, TEXAS 78752 ~ 800.966.6088
10000 N. CENTRAL EXPRESSWAY, SUITE 400, DALLAS, TEXAS 75231 ~ 800.966.6088
950 BANNOCK STREET, SUITE 1100, BOISE, IDAHO 83702 ~ 208.292.9130

November 11, 2022

Mr. Van Patterson, Ed.D.
Vice President for Administration and Student Services
Galveston College
4015 Avenue Q, Suite M-211
Galveston, Texas 77550

Re:
Revised Proposal to Provide Professional Services
Roof Replacement
Galveston College: Applied Technology Center - Building 3
Galveston, Texas
PCI Proposal No. 5505.22.01, Rev.1

Dear Mr. Patterson:

Enclosed is Price Consulting, Inc.'s (PCI's) revised proposal for the above-referenced project. Please issue appropriate documents to our office to serve as formal authorization for us to proceed with the scope of services outlined herein. We are prepared to begin work upon receipt of written authorization to proceed.

We trust that our proposal is satisfactory and look forward to the opportunity to serve Galveston College on this important project. Please contact our office if you have any questions, or if we may be of service in any other way.

Best regards,

PRICE CONSULTING, INC.

John R. Fox
Business Development

JRF/as

Enclosures

cc. Mr. Tracy Morgan – Galveston College
Ms. Veronica Atterberry – Galveston College



211 HIGHLAND CROSS DRIVE , SUITE 220 , HOUSTON , TEXAS 77073 ~ 281.209.1724
7600 CHEVY CHASE DRIVE , BUILDING 2 , SUITE 300 , AUSTIN , TEXAS 78752 ~ 800.966.6088
10000 N. CENTRAL EXPRESSWAY , SUITE 400 , DALLAS , TEXAS 75231 ~ 800.966.6088
950 BANNOCK STREET , SUITE 1100 , BOISE , IDAHO 83702 ~ 208.292.9130

**PROPOSAL TO PROVIDE
PROFESSIONAL CONSULTING/ENGINEERING SERVICES**

FOR

**ROOF REPLACEMENT
GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER – BUILDING 3
GALVESTON, TEXAS**

PREPARED FOR



**GALVESTON COLLEGE
4015 AVENUE Q
GALVESTON, TEXAS 77550**

PCI PROPOSAL NO. 5505.22.01, REV.1

NOVEMBER 11, 2022

REVISED PROPOSAL TO PROVIDE PROFESSIONAL SERVICES

CLIENT: GALVESTON COLLEGE

DATE: NOVEMBER 11, 2022

**PROJECT: PROFESSIONAL ENGINEERING CONSULTING SERVICES
ROOF REPLACEMENT
GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

PROPOSAL NO: 5505.22.01, REV.1

PROJECT INFORMATION

Price Consulting, Inc. (PCI) is pleased to submit our proposal to provide Professional Engineering/Consulting Services for roof replacement on Building 3 at Galveston College Applied Technology Center (ATC) located at 7626 Broadway in Galveston, Texas. PCI has been requested to provide a proposal for performing professional engineering services for Design Phase, Bidding Phase, Construction Phase, for the recommended scope of work. In addition, PCI will prepare and submit documentation to TDI for Certificate of Compliance for the new roof. Our proposed scope of services and related fees are presented herein.

ITEM NO. 1: DESIGN PHASE

PCI proposes to provide design services for the scope of work. PCI will prepare a Project Manual including Specification Sections and Drawings to include the following:

- General Conditions
- General Project Requirements
- Technical Specifications
- Annotated Elevations and Plans
- Installation Details

Fee for Item No. 1: Fees for Design Phase are proposed on a lump sum basis of \$8,700 (P.E./Consultant: 32 hours x \$200/hr + ACAD: 24 hours x \$80 /hr. + Clerical: 2 hours x \$50/hr + Expenses: \$280)

**GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

ITEM NO. 2: BIDDING PHASE

PCI will also assist Galveston College during the bidding phases. Our services will include:

- Assist with solicitation
- Attend a Pre-bid Meeting
- Review Bids and provide recommendations

Fee for Item No. 2: Fees for the Bidding Phase are proposed on a lump sum basis of \$1,800 (P.E./Consultant: 8 hours x \$200/hr + Expenses: \$200).

ITEM NO 3: CONSTRUCTION ADMINISTRATION/TECHNICAL SUPPORT

PCI proposes to the following construction support services:

- Review submittals/shop drawings.
- Attend Pre-construction meeting and progress meetings.
- Review Pay Applications, RFIs, CPRs, and other documents.
- Perform site visits during construction.
- Perform final inspection.
- Compile Close-out documents.
- Prepare and submit TDI WPI-8 documentation.

Fee for Item No. 3: Fees for the Construction Phase are proposed on a lump sum basis of \$6,800 based on a 4 - week construction schedule, (\$400 for submittal review; \$1,000 site visit/meeting x 4 visits/meetings; miscellaneous consulting: 4 hours x \$200/hr, \$1,200 for final inspection/closeout + Expenses: \$400).

SUMMARY OF PROPOSED FEES AND ALLOWANCES

Item No. 1: Design Phase	\$ 8,700
Item No. 2: Bidding Phase	\$ 1,800
Item No. 3: Construction Administration and Support Services	<u>\$ 6,800</u>
Total	\$17,300

Although our fees are proposed on a lump sum basis, the total was estimated based on the number of man-hours and related expenses anticipated to properly execute the work.

**GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

PROPOSED SCHEDULE OF HOURLY RATES

Billing rates for hourly reimbursable work items for services requested beyond those presented herein with prior approval by owner shall be as follows:

<u>Discipline</u>	<u>Straight Time</u>
Architect/Engineer/Consultant	\$200.00/hour
Project Manager	\$180.00/hour
Associate Project Manager	\$120.00/hour
Technician / Inspector	\$ 80.00/hour
CADD Department	\$ 80.00/hour
Clerical	\$ 50.00/hour

ADDITIONAL SERVICES

This proposal is based upon the outlined project scope of services. Major project revisions outside of PCI's control or responsibility that require rework of completed work, more extensive work than originally agreed upon, or extension of the contract time will be considered additional services.

If directed by Client to provide additional engineering, design, or management services not covered above, such service shall be provided at the rates outlined herein. A directive will be issued in writing with compensation established by Change Order to this Agreement.

REIMBURSABLES

Direct reimbursable project expenses, when not included in the fee, shall include supplies for the project, reproduction costs, photography costs, mileage at current Internal Revenue Service (IRS) rates, parking, insurance waivers of subrogation and additional insured certifications, special consultants, contractor services, and testing services, all of which shall be billed at cost plus ten percent handling fee.

**GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

TERMS AND CONDITIONS

This proposal is valid for sixty days. This proposal is based upon a mutually agreeable work schedule. PCI reserves the right to assign personnel on an "as available" basis. All reports, drawings, specifications, and computer diskettes remain the property of Price Consulting, Inc. Copies retained by the Client shall be utilized only for Client's exclusive internal use, reliance, and occupancy of the project, not for the purpose of construction of any other projects. Any unauthorized use or distribution of Price Consulting, Inc.'s work shall be at Client's and recipient's sole risk and without liability to Price Consulting, Inc.

Billing Rates as stated herein are valid through December 31, 2022 or project duration whichever is later. Fees for work performed beyond this date will be based upon Billing Rates in effect at the time the work is performed.

PCI invoices are due upon receipt. Accounts unpaid for sixty days from the date of invoice may be cause for PCI to suspend performance under this Agreement upon a fourteen day written notice, unless payment in full is received within fourteen days from the date of the written notice. In the event of suspension of services, PCI shall have no liability for any delay or other damage, contractual or otherwise, caused by or arising out of the suspension of services for nonpayment.

Acceptance by PCI of any payment more than sixty days old shall not serve as a waiver of PCI's contractual right to suspend services for nonpayment. Failure to make payment within thirty days of invoice shall constitute a release of PCI from any and all claims which Client may have, either in tort or in contract, and whether known or unknown at the time.

LIMITATION OF LIABILITY/WARRANTIES

Price Consulting, Inc. will perform its services using that degree of care and skill ordinarily exercised under similar conditions by reputable members of our profession practicing in the same or similar locality at the time of service.

Price Consulting, Inc. shall not be liable or responsible for, and to the extent allowed by law, it shall be saved and held harmless by Client from and against any and all claims and damages of every kind, for injury to or death of any person or persons and for any damage to or loss of property, arising out of or attributed directly or indirectly to the performance of this contract.

**GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

Client agrees that Price Consulting, Inc. shall provide only the services set out herein and that Price Consulting, Inc. makes no warranties, express or implied in our proposal or our oral or written reports, with respect to products or their fitness for a particular purpose. Client agrees to look solely to the warranties made by the contractor and/or manufacturer of said products, including, without limitation, consequential damages arising out of the use of said products.

Any representations, recommendations, opinions, or conclusions relating to the work performed by Price Consulting, Inc. must be made in writing by duly authorized Price Consulting, Inc. representatives. Price Consulting, Inc. will not be bound by any oral representations, recommendations, opinions, or conclusions. To the extent allowed by law, Client agrees to indemnify Price Consulting, Inc. for any expenses that Price Consulting, Inc. may incur as a result of Client's negligence or of negligence of any contractor hired by Client.

HAZARDOUS MATERIALS

PCI does not have responsibility or liability for consulting, testing, and/or abatement services associated with hazardous materials including, but not limited to, asbestos, mold, lead paint, etc., which have not been requested for this project and are the sole responsibility of the Client/Owner.

ENTIRE AGREEMENT

This agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the services to be rendered to the Client by Price Consulting, Inc. and contains all of the covenants and agreements between the parties with respect to such transaction in any manner whatsoever. However, if you wish to authorize our services via a separate contract/agreement or purchase order, please reference this proposal in said document and forward a copy of the terms and conditions to us for review.

CHOICE OF LAW/VENUE

The agreement shall be governed by and construed in accordance with the laws of the State of Texas and is performable in Galveston County, Texas.



**GALVESTON COLLEGE
APPLIED TECHNOLOGY CENTER - BUILDING 3
GALVESTON, TEXAS**

ACCEPTANCE

The terms and conditions of this proposal are accepted on this _____ day of _____, 2022.

**GALVESTON COLLEGE
GALVESTON, TEXAS**

Name: _____

Signature: _____

Date: _____

**PRICE CONSULTING, INC.
HOUSTON, TEXAS**

John R. Fox
Business Development
November 11, 2022

Karl A. Schaack, P.E., RRC
President

Consider Facilities Committee Recommendation on Approval of Proposal for Engineering Services to Provide Design of Mechanical and Electrical Systems Necessary to Replace Utility Transformer, Main Switch Board, and Motor Control Center

The Board Facilities Committee will review and discuss the proposal for engineering services necessary to replace the transformer located behind the Northen Building, its associated switchboard and motor control center. The current transformer is leaking oil and is scheduled to be replaced by CenterPoint in 2023. The switchboard, which receives power from the transformer and distributes current, is also at end of life. These two factors combined have created a situation where power surges are occurring on a more frequent basis, some of which have already damaged college property.

LEAF Engineers, 11 Greenway Plaza, Suite 1510, Houston, TX 77046 has submitted an engineering fee proposal to provide complete design of all mechanical and electrical systems necessary to replace the utility transformer, main switch board, motor control center and replacement of motor starters with variable frequency drives for all mechanical equipment currently being served from the existing motor control center. The Scope of Services includes Construction Documentation, assisting the college during the proposal phase, Construction Administration, and Project Close-Out. The estimate to complete the project is \$1,090,000.00.

Staff is requesting Board approval of \$60,000 for this proposal. Funding for the project will be the made available through fund balance, account (71-09946-53820). The proposal will be available for review upon request.

Mr. Michael B. Hughes, Facilities Committee Chairperson, will provide a report of the discussion and the Committee's recommendation for Board consideration.

11 Greenway Plaza, Suite 1510
Houston, Texas 77046
Toll Free 1-800-938-7272
Fax: 713-961-4571
LEAFengineers.com

11/09/2022

VIA: E-MAIL



Galveston College
Mr. Myles Shelton, Ed.D.
President

Re: Fee Proposal Letter for the Utility Transformer and Main Switchboard Replacement at Galveston College

Dear Mr. Shelton;

Thank you for allowing LEAF Engineers the opportunity to submit this proposal to provide engineering services for Galveston College.

SCOPE OF WORK

The following is our understanding of the scope of work for this project:

- 1) Complete design of all Mechanical and Electrical systems necessary to replace the Utility transformer, main switch board and motor control center. In addition, the removal of motor starters and replacement with variable frequency drives for all mechanical equipment currently being served from the existing motor control center. Work to be completed at Galveston College Main Campus Location: (4015 Avenue Q, Galveston, TX 77550)

SCOPE OF SERVICES

Construction Documentation: Final working drawings will be developed, as well as a full project manual including specifications, plans and details as required. LEAF's design team will facilitate progress set reviews (75%, 95% and 100% as required) with Galveston College for review and approval. The construction documents and specifications will be suitable for bidding, permitting and construction.

Proposal Phase: During the proposal phase, LEAF will assist Galveston College in advertising, collecting, and analyzing the submitted proposals. LEAF will also prepare contracts once the successful contractor is awarded the project.

Construction Administration: The project will be administered in accordance with the construction documents and construction activities of the contractor. Field visits will be documented, and Observations Reports will be executed throughout the construction period by LEAF field representatives. Additionally, LEAF representatives will attend construction progress meetings, execute meeting minutes and communicate regularly with the contractor on behalf of Galveston College to maximize quality assurance and quality control. Nearing completion of the work, LEAF will initiate a punch list and establish the date of substantial completion.

Project Close-Out: Project close-out documents prepared by the contractor will be reviewed, including Operation and Maintenance Manuals (warranties, maintenance contracts, operating instructions, etc.), certificate of inspection and bonds, documentation required with application of final payment, record drawings, etc.

Warranty: LEAF will coordinate any items reported with the general contractor and will verify that the repair work has been accomplished.

COMPENSATION

Compensation for all services described above will be a lump sum fee based on the estimation of time needed to complete construction. Fees will be billed monthly in accordance with the work completed.

Based on the project information at this time, the anticipated construction cost is approximately \$980,000.00.

LEAF Engineers Proposed Fee: **\$60,000.00**

REIMBURSABLE EXPENSES

Reimbursable expenses: State agency review fees (if applicable) cost of reproduction of documents, mailing and other associated items. There would be no mark-up on reimbursed items.

ADDITIONAL SERVICE FEES

There would be no additional services without prior written authorization by the Owner.

All of us at LEAF Engineers would like to thank you for this opportunity. If you have any questions, please do not hesitate to give me a call.

Sincerely,
LEAF Engineers



David Templeman
Project Manager

Agreed to and Accepted this _____ day of _____, 20____.

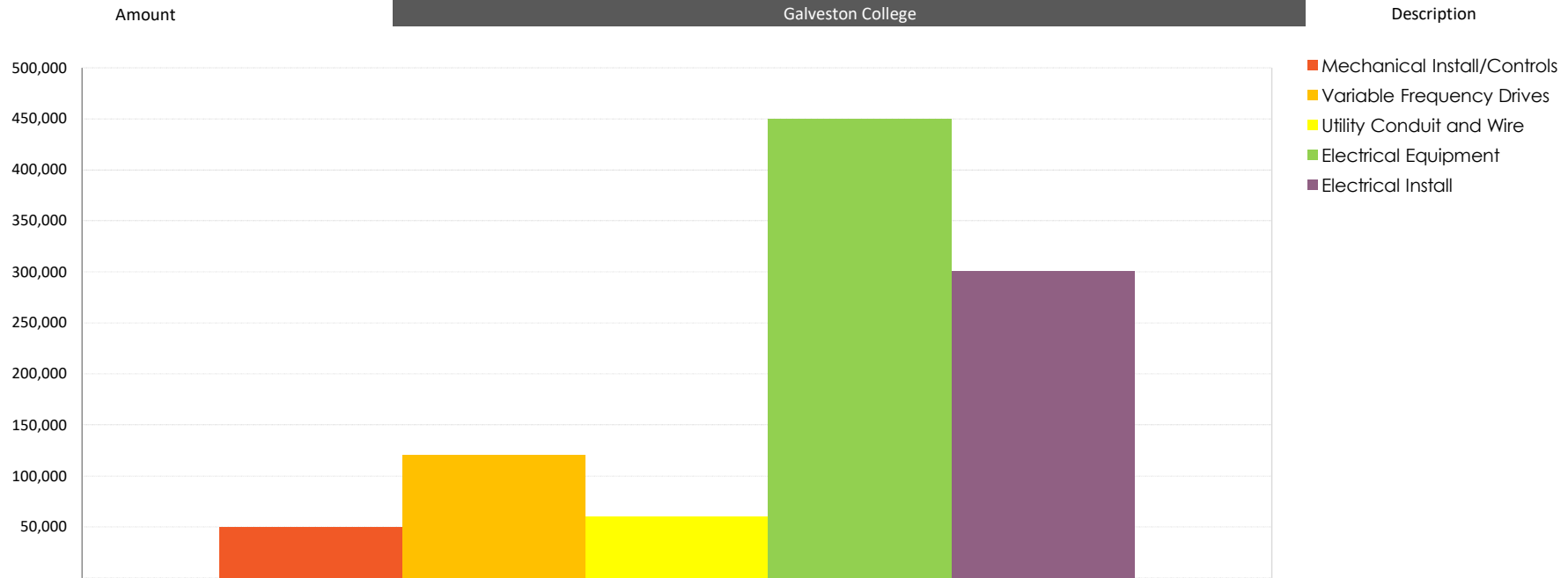
(School District)

Signature

Printed Name and Title

Date

Galveston College Utility Transformer/Main SWB Replacement



199

Typical Modular Building	Estimated Budget Costs	Total
Mechanical Install/Controls		50,000.00
Variable Frequency Drives		120,000.00
Utility Conduit and Wire		60,000.00
Electrical Equipment		450,000.00
Electrical Install		300,000.00
Total		980,000.00

Contingency	50,000.00
MEPT Fee	60,000.00
Total	1,090,000.00



October 6, 2022

Mr. Van Patterson, Ed.D.
Vice President for Administration and Student Services
Galveston College
4015 Ave. Q, Suite M-211
Galveston, TX 77550

**Re: Professional Design Services Proposal for
Galveston College Bus Duct Replacement**

Dear Mr. Patterson,

Johnston, LLC (Johnston and/or Engineer) would like to thank **Galveston College** (hereafter referred to as “Client”) for the opportunity to provide Electrical Engineering Design services for the above referenced project. We are excited about this opportunity, and with our design team fully engaged, we are prepared to begin immediately upon your acceptance of our proposal.

PROJECT INFORMATION

Based on a meeting with the Client on September 21, 2022, the main building electric utility transformer is over 40 years of age and slowly leaking its insulating fluid. This transformer is owned and maintained by CenterPoint Energy. The client has had recent conversations with CenterPoint Energy about the replacement of its transformer and the school will incur a power outage for the duration of this process. The main building and transformer are roughly the same age, and the main electrical bus duct is showing signs of rust on the exterior portion. The Client has requested engineering services to replace the aging bus duct that connects the utility transformer to the main switchboard inside the building. The intent is to replace both pieces of equipment at the same time to incur one shutdown.





Other potential work discussed in the meeting are listed in the Optional Services section below. The Client requested this scope and fee listed separately for funding purposes.

RECOMMENDATIONS

Based on the client's requested scope of work (main electrical duct replacement), Johnston recommends the client team consider additional scope of work associated with the system to minimize risk to the electrical equipment, building operations, and personnel involved. Additional recommendations are as follows:

1. Replacement of the electrical switchboard and motor control center with new electrical switchboard and motor control center.
 - a. Existing switchboard and motor control center have exceeded their 'useful' life which carries the following risk:
 - i. Shutting down equipment carries risk that equipment will effectively restart;
 - ii. If the switchboard or motor control equipment were to fail in the future, parts may be unavailable and/or have to be sourced as a refurbished part and/or have excessively long lead times due to age of equipment;
 - iii. Switchboard and motor control center will need to be replaced in the near to intermediate future resulting in additional service shutdown to facility;
 - iv. Switchboard and motor control equipment lead times are currently 50+ weeks meaning the design and procurement of a new switchboard should take into consideration these long lead times.
2. Replacement of the electrical switchboard and motor control center with new switchboard and VFDs to serve the air handling units and pumps that currently operate without modulation control. Additional BAS control points would be required to add to the existing control system.
 - a. Existing switchboard and motor control center have exceeded their 'useful' life which carries the following risk:
 - i. Shutting down equipment carries risk that equipment will effectively restart;
 - ii. If the switchboard or motor control equipment were to fail in the future, parts may be unavailable and/or have to be sourced as a refurbished part and/or have excessively long lead times due to age of equipment;
 - iii. Switchboard and motor control center will need to be replaced in the near to intermediate future resulting in additional service shutdown to facility;
 - iv. Switchboard lead times are currently 50+ weeks meaning the design and procurement of a new switchboard should take into consideration these long lead times;
 - v. VFDs and modulation will increase system efficiency and prolong equipment motor life.
3. Addition of a new Generator Docking Station will provide easy connection for temporary generator during pre-planned outages or weather events.
 - i. Johnston recommends the client assess their past outages and generator needs in anticipation of requiring a future generator due to loss of main electrical service;
 - ii. Option 1 or 2 must be selected in order to accommodate new docking station.



The recommendations outlined above would require additional design services which are priced separately in the fee table at the end of this narrative. No work for these additional recommended services will be incurred without written authorization.

BASIC SERVICES

The services are divided in three phases: Construction Documents, Bid and Permit, and Construction Administration. The following professional services will be provided:

- Project Management
- Architecture
- Electrical Engineering

CONSTRUCTION DOCUMENTATION

Johnston will produce permit, pricing and construction documents. Drawings will include electrical demolition and renovation drawings, specifications and necessary paperwork for permit review.

Architecture will provide details and specifications for the opening and penetration through the exterior wall in the main electrical room as well as a general notes sheet for permit review.

Electrical drawings will include demolition and renovation drawings, final one-line diagram showing existing and new panelboards. Electrical specifications will be included in this set as well.

Deliverables:

1. Construction Drawings
2. Specifications

BID / PERMIT PHASE

Johnston shall assist in connection with the client's responsibility for filing documents required for the approval of governmental authorities having jurisdiction (AHJ). Johnston will provide responses to any permit comments during the permitting process. Johnston will transmit drawings electronically to the General Contractor for their use in obtaining pricing from subcontractors. Johnston will be available to answer questions during the bidding process.

CONSTRUCTION ADMINISTRATION PHASE

Johnston shall provide administration of the Contract for Construction. Johnston shall participate in the CA kick-off meeting, one interim site observation and final punch list walk through. We anticipate construction services will require **4** OAC meeting(s) and **1** site observation visit to coincide with OAC meetings for the duration of



JOHNSTON

construction per approved project schedule to observe the progress and quality of the work completed and determine if the work is being performed in a manner indicating that the work, when completed, will be in accordance with the Contract Documents and applicable regulations. Based on the on-site observation, Johnston shall keep the client informed of the progress and quality of the work and shall endeavor to guard the client against defects and deficiencies. Johnston's responsibility to provide Construction Administration Services under this Agreement commences with the award of the Contract for Construction and terminates when the final Certificate for Payment is issued to the client or 30 days after the date of Substantial Completion of the Work. Johnston will provide submittal reviews and respond to contractor request for information.

Deliverables:

1. Site observation reports
2. Punch list of defective or incomplete items, per substantial completion
3. Required close out documents

INSURANCE

Johnston shall maintain the following insurance for the duration of this Agreement. Engineer's liability shall be limited to the available proceeds of insurance coverages required below. If any of the requirements set forth below exceed the types and limits the Engineer normally maintains, the Owner shall reimburse the Engineer for any additional cost:

1. Commercial General Liability with policy limits of not less than \$1,000,000 for each occurrence and \$1,000,000 in the aggregate for bodily injury and property damage.
2. Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Engineer with policy limits of not less than \$1,000,000 per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.
3. Workers' Compensation at statutory limits.
4. Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate."

PROJECT DELIVERY METHOD

The project delivery method will be determined by the Owner. In support of document control, Johnston will set up a digital site to transmit all documents and provide all team members a secure password method of gaining access. As requested, all digital drawing files will be converted and submitted in AutoCAD DWG format.

SCHEDULE



We understand your desire to move forward with an effective project schedule. The client's goal is to begin development of the project in October 2022. To achieve this request, and work within the fees that we have identified below, Johnston developed a preliminary project schedule and process review timeline. The following is a summary of duration starting from notice to proceed:

Phases	Duration
Construction Documentation Phase	(5) weeks
Bidding	(4) weeks
Permitting (estimation)	(4) weeks
Construction Administration Phase	(40) weeks
Schedule Total	(53) Weeks

COMPENSATION

Compensation for the Professional Design Services described in this letter will be established as a **Lump Sum Amount**. Johnston will bill you for work completed monthly. We request payment within 30 days of invoice date. Reimbursable expenses incurred by Johnston in connection with the project are included in the professional service fee quoted

Basic Services Fee: **THIRTY-EIGHT THOUSAND NINE HUNDRED FIFTEEN DOLLARS (\$ 38,915.00)**

BASIC SERVICES (Main bus duct replacement only)	
Johnston (Architecture, Electrical)	
CD	\$ 18,125.00
Bidding & Permitting	\$ 6,590.00
CA	\$ 14,200.00
Total Basic Services Fee	\$ 38,915.00

OPTIONAL SERVICES (Refer to Recommendations section on Page 2 above)	
Option 1. Replacement of Electrical Switchboard and MCC	\$ 9,500.00
Option 2. Replacement of Electrical Switchboard to include VFDs and BAS Controls	\$ 20,500.00
Option 3. Addition of Generator Docking Station	\$ 7,500.00

Total Design Services Fee will be the total of the BASIC SERVICES plus OPTIONAL SERVICES selected. Client to issue PO clearly indicating BASIC SERVICES plus any OPTIONAL SERVICES selected for design scope.

In the event any additional services are requested that are not identified in this proposal, a new proposal will be issued.

CLARIFICATIONS



JOHNSTON

- Johnston will not be required to carry bid bonds, performance bonds, or bank guarantees.
- In lieu of As-built documentation, Johnston will provide (1) electronic record drawing of architectural and MEP in CAD format at the completion of the project.
- Services procured by the Client and coordinated with the design team will include:
 - A. Construction Manager / General Contractor
- Johnston acknowledges that there may be a time delay/lag in the project schedule between completion of construction documentation and construction start. If this occurs, Johnston will inform the Client that the project will go "on-hold" status, until Johnston is approved in writing to proceed.
- Equipment: Assuming all equipment information will be provided to the design team by the Client. We assume Johnston will show equipment on the architectural drawings for design coordination purposes.
- List of consultants that may be needed and not covered in Johnston's scope. The Client is to carry a professional fee contingency for:
 - A. Commissioning (applies to the Optional Services only)

If you have any questions about this proposal, please contact us at 713.244.8300. We will be happy to meet with you to discuss this proposal in more detail. We thank you again for this opportunity and look forward to moving ahead. If the above meets with your approval, please sign below and return to Johnston. We are prepared to commence with this work immediately upon your approval.

Sincerely,

Accepted for Johnston, LLC:

Accepted for **Galveston College**:

 Rick Quintanilla, PE
 Senior Project Manager
 Johnston, LLC

 Authorized Signature

 J. Alan Johnston, Jr., PE
 President
 Johnston, LLC

 Print Name/Title

 October 6, 2022
 Date Signed

 Date Signed

Consider Approval of Vendor Compucycle and Statement of Work for IT Equipment Disposal

Staff requests approval of the vendor Compucycle, and this proposal to sign a formal statement of work for IT equipment disposal services from vendor Compucycle (TIPS Contract No. 200105). Compucycle is an equipment recycling and disposal vendor that handles collection and receiving of hardware, inventory, data destruction, and purchasing and/or reselling reusable equipment for their customers. Compucycle is located within the Greater Houston-Galveston region and will pick up equipment with a 2 to 3-day lead time, shred hard drives, and provide an account of quantity, serial number, etc. of equipment that was processed. Hardware deemed as salvageable will be credited to the College in a Settlement Report after all costs for disposal are calculated.

There is no annual cost for initiating this statement of work; however, when the institution does owe the vendor for services, the source of funding will be Education and General Fund. The Statement of Work (SOW) is available for review upon request. See estimated fee schedule below:

Description	Fees
Collection of equipment (Greater Houston Area) (26" box truck, driver, crew member and packing materials)	\$250.00 (7:00 am - 4:00 pm Monday - Friday) (includes 2 hours onsite - \$125.00 per hour thereafter)
Additional Crew Member (Greater Houston Area) (if needed)	\$25.00 / hour (7:00 am - 4:00 pm Monday - Friday)
Collection of equipment (National - 3rd party collection) (product palletized by Client)	Fair Market Value plus 15% administration fee.
Collection of equipment (National - Onsite packing & transportation)	3 rd Party Collection Cost plus 15% administration fee.
Onsite Equipment Inventory	\$2.00 / unit
Inventory Audit Report (Data Processing & testing of Equipment)	\$2.50 / unit
Hard Drive Data Erasure (NIST 800-88 Guidelines)	\$5.00 / unit
Hard Drive Shredding	\$5.00 / unit
Tape Drive Shredding / Media Drive Shredding	\$1.00 / unit
Recycling - CRT Monitors, CRT TVs, broken LCD / Plasma Monitors & TVs and miscellaneous materials.	\$0.25 / lb.
Recycling – Printers, Scanners, Fax Machines, Copiers & Consumer Electronics (excluding batteries)	\$0.25 / lb.



Responsible E-cycling Solutions.

COMPUCYCLE STATEMENT OF WORK

This Statement of Work (SOW) is made and entered into as of January 11, 2023 (Effective Date) between CompuCycle, Inc. and Galveston College its parent, subsidiaries, and affiliates (Client).

1. **Terms and Conditions:** The terms and conditions of this Statement of Work (SOW) will control the services and deliverables reflected by the issuance of this Statement of Work by (Client) and its acceptance by CompuCycle (this Transaction).
2. **Term:** The term of this transaction shall begin on the date of this SOW and shall continue for a period of twelve (12) months.
3. **Scope of Services to be Provided:** The scope of the services and materials to be provided by CompuCycle in this Transaction are described as follows:
 - a. **Collection of Product**
 - i. (Client) will contact CompuCycle's Logistics Department via email at logistics@compucycle.com or 713-866-8024 to schedule the collection of equipment slated for disposal.
 - ii. (Client) will provide CompuCycle the following information to schedule a collection;
 - (Client) onsite contact name
 - (Client) onsite contact phone number
 - (Client) onsite contact email address
 - (Client) collection site address
 - Quantity of assets to be collected (# of notebooks, # of PCs, # of workstations, # of servers, etc.)
 - Confirmation if product is palletized and shrink wrapped and dimension of packed skids
 - iii. CompuCycle will arrange for the collection of assets using CompuCycle's own transportation within the Texas area within 72 hours of notification from USA locations. CompuCycle trucks include and are tracked via GPS monitoring and locked during transportation.
 - iv. CompuCycle may use a 3rd Party Logistics Company to pack and collect product within the USA.
 - v. CompuCycle will perform an inventory of PCs, Laptops, Servers, Cisco Equipment, Network Printers and other items as requested by (Client).
 - b. **Receiving of Product by Weight**

Within forty-eight (48) hours of receipt at CompuCycle's Houston facility, equipment will be weighed and a receiving report is automatically emailed to (Client).
 - c. **Inventory of Product**

Within forty-five (45) business days of receipt at CompuCycle's Houston facility, equipment will be inventoried and audited, asset tags and company identity labels recorded and removed, and the material separated into scrap or potentially re-usable inventories. Any product that is not suitable for repair or resale is disposed of in conformance with R2:2013 Practices and state, local and federal guidelines. For all material received CompuCycle will provide an Audit Report. The Audit Report will include the information listed below.

• Lot Number	• Location
• Quantity	• CompuCycle Reference Number
• Collection Date	• CompuCycle Lot Number
• Model Number	• Serial Number
• Class	• Description

Note: Miscellaneous items such as keyboards, power adapters, cables, and other components will not be reported individually, but will be reported in bulk e.g. "3 boxes miscellaneous scrap."

d. Data Destruction

Hard drives suitable for reuse will be sanitized in accordance with NIST 800-88 Guidelines for Media Sanitization and compliant with Department of Defense standards (DOD 5220.22-M). A Certificate of Hard Drive Erasure listing all serialized assets subjected to the sanitization process will be provided. All non-working hard drives and/or drives not suitable for re-use will be shredded. All data storage devices (USB drives, SSD drives, magnetic or laser recorded media, etc.) will be shredded. A Certificate of Hard Drive Data Destruction for all shredded hard drives will be issued.

e. Purchasing / Selling of Re-usable Equipment

The Settlement Report will reflect the credit price for all re-marketable product. A settlement report will be issued within 45 days of receipt of equipment. Market Value will be paid for IT assets (in working condition). Pricing is based on age of product, condition and configuration. A monthly purchase price matrix will be provided to (Client). If (Client) provides an inventory of assets to CompuCycle, CompuCycle will provide pricing for those assets prior to collection of the assets. Sample prices are listed below.

Type	Price
LCD Monitors	\$0.00ea - \$5.00ea
PC's	\$5.00ea - \$40.00ea
Notebooks	\$5.00ea - \$75.00ea
Servers	\$5.00ea - \$150.00ea

4. Service Charges:

Description	Fees
Collection of equipment (Greater Houston Area) (26" box truck, driver, crew member and packing materials)	\$250.00 (7:00 am - 4:00 pm Monday - Friday) (includes 2 hours onsite - \$125.00 per hour thereafter)
Additional Crew Member (Greater Houston Area) (if needed)	\$25.00 / hour (7:00 am - 4:00 pm Monday - Friday)
Collection of equipment (National - 3rd party collection) (product palletized by Client)	Fair Market Value plus 15% administration fee.
Collection of equipment (National - Onsite packing & transportation)	3 rd Party Collection Cost plus 15% administration fee.
Onsite Equipment Inventory	\$2.00 / unit
Inventory Audit Report (Data Processing & testing of Equipment)	\$2.50 / unit
Hard Drive Data Erasure (NIST 800-88 Guidelines)	\$5.00 / unit
Hard Drive Shredding	\$5.00 / unit
Tape Drive Shredding / Media Drive Shredding	\$1.00 / unit
Recycling - CRT Monitors, CRT TVs, broken LCD / Plasma Monitors & TVs and miscellaneous materials.	\$0.25 / lb
Recycling – Printers, Scanners, Fax Machines, Copiers & Consumer Electronics (excluding batteries)	\$0.25 / lb

Service Charges for International locations will be quoted prior to the collection and processing of materials.

All prices quoted hereunder are inclusive all fees and costs, including any fee for logistics, shipping, delivery, taxes, or other state or local disposal fees. For the avoidance of doubt, in no event shall (Client) be required to pay for any fee, cost, penalty, tax, charge or service except as provided in the Agreement or this SOW.

Within 60 days of receipt of equipment, lots are finalized and assets priced for payment.

COMPUCYCLE WILL ALWAYS ENSURE THAT RECYCLING AND DISPOSAL IS HANDLED IN ACCORDANCE WITH e-Steward PRACTICES AND EPA REGULATIONS.

EXECUTED effective as of: January 11, 2023

CompuCycle, Inc.

Galveston College

By:

By:

Name: Clive Hess

Name:

Title: President

Title:

Consider Ratifying Appointment of Full-time Instructors

It is recommended that the following individuals be appointed to the positions indicated and that the Board ratify the contractual appointments:

Laura Gettman, English Instructor, 9 months, tenure track

An annual salary of \$53,381 will be prorated beginning January 06, 2023

Education: M.A. in English, Southern New Hampshire University; B.A. in English, Regent University

Experience: Adjunct Instructor of English, Galveston College; Adjunct Instructor of English, Houston Community College; Personal Teacher/Tutor, Crystal Teaches

Kavica Brown-Ervin, Psychology Program Coordinator/ Instructor, 9 months, tenure track

An annual salary of \$60,813 will be prorated beginning January 06, 2023

Education: M.A. in Human Services, Liberty University; B.A. in Psychology, Prairie View A&M University

Experience: Adjunct Instructor, Lone Star Community College; Care Coordinator/ Mentor, Harris Center of Mental Health and IDD; Lead Teacher, Primrose School

Consider Acceptance of Faculty Resignation

It is recommended that the resignation of the following individual be accepted and that the President acknowledge, with appreciation, service rendered to the College:

<u>Name</u>	<u>Position</u>	<u>Effective Date</u>
Daniel Limmer	Instructor of EMS	12/31/2022

Consider Amending Fiscal Year 2022-23 Regular Board Meeting Date

On August 10, 2022, the Board of Regents approved the dates for the fiscal year 2022-23 Regular Board Meetings that included a meeting on February 15, 2023. Due to scheduling conflicts with some of the Regents, the Board will consider moving the February Meeting Date.

Consider Acceptance of Fiscal Year 2022-23 First Quarter Investment Report

Following is the Investment Report describing the fiscal year 2022-23 first quarter investment activity for Galveston College. All investments are in compliance with the Board-approved investment policy and the report provides detailed information regarding each investment classified by major fund groups.

It is recommended that the Board of Regents accept the Investment Report for the first quarter of fiscal year 2022-23 as presented.


**Board Investment Report FY 2023
Cash equivalents and Investments
First Quarter Fiscal Year 2023 Activity
September 1, 2022 through November 30, 2022**

	<u>Fair Value</u>	<u>Book Value</u>
Beginning Value - September 1, 2022	\$ 59,474,459	\$ 59,474,459
Additions/Subtractions (Net)	(6,867,858)	(6,867,858)
Change in Fair Value	-	-
Ending Value - November 30, 2022	<u>52,606,601</u>	<u>52,606,601</u>
Earnings for the First Quarter		400,732
Weighted Average Maturity at Ending Period Date (Days)		5
Weighted Average Earnings Rate for the First Quarter		2.98%
Benchmark - Quarterly Average of the 4 week Treasury Yield		3.14%


The above reported investments have been recorded in compliance with generally accepted accounting principles. In the opinion of the investment officers of the College, both this report and the investment portfolio of the College are in compliance with the requirements of the Public Funds Investment Act of the State of Texas and the Investment Policy of the Board of Regents of Galveston Community College District.

Note: Benchmark was changed to 28 day Treasury Yield to accurately compare to Average maturity of the portfolio.


For information regarding Galveston College's investment portfolio, please contact Jeff Engbrock at (409) 944-1215.



W. Myles Shelton, Ed.D.
Investment Officer



Dr. Van Patterson
Investment Officer



Jeff Engbrock
Investment Officer

Board Investment Report FY 2023
 Cash Equivalents and Investments
 First Quarter Fiscal Year 2023 Activity
 September 1, 2022 through November 30, 2022

Description of Security	Account No. / CUSIP No.	Average Interest Rate	Maturity Date	Beginning Book Value	Ending Book Value	Beginning Fair Value	Additions	Changes	Ending Fair Value	% of Total Portfolio	Weighted Avg. Earnings Rate	Accrued Interest	Days to Maturity	Weighted Avg. Maturity-Days
OPERATING														
Lone Star Investment Pool - Corp	84502	3.277%	Demand	128,534	129,592	128,534	1,058	-	129,592	0.25%	0.01%	-	1	0.00
Lone Star Investment Pool - Gov	84502	3.404%	Demand	5,518,182	5,033,348	5,518,182	2,015,166	(2,500,000)	5,033,348	9.57%	0.33%	-	1	0.10
Logic	151720001	3.156%	Demand	6,419,028	6,469,941	6,419,028	50,912	-	6,469,941	12.30%	0.39%	-	1	0.12
Texpool	000020101	2.969%	Demand	5,739,845	5,782,669	5,739,845	42,823	-	5,782,669	10.99%	0.33%	-	1	0.11
Texas Term Pool	1216-00	3.024%	Demand	5,141,007	5,180,076	5,141,007	39,069	-	5,180,076	9.85%	0.30%	-	1	0.10
MNB Repurchase Account	3128X1PZA	0.100%	Open	1,336,634	701,009	1,336,634	-	(635,625)	701,009	1.33%	0.00%	-	1	0.01
Moody Bank CD	60020393	1.000%	2/12/23	3,045,195	3,052,877	3,045,195	7,682	-	3,052,877	5.80%	0.06%	1,589	73	4.24
Vanguard Mutual Fund	08914660032	2.882%	Demand	691,911	696,901	691,911	4,990	-	696,901	1.32%	0.04%	-	1	0.01
TOTAL OPERATING				28,020,337	27,046,413	28,020,337	2,161,702	(3,135,625)	27,046,413	51.41%	1.44%	1,589	1	4.69
RESTRICTED														
Lone Star Invest. - 2022 Bond Proceeds	84502	3.159%	Demand	29,585,112	23,676,701	29,585,112	197,902	(6,106,312)	23,676,701	45.01%	1.42%	-	1	0.45
Lone Star Invest. - 2022 Bond Reserve	84502	3.082%	Demand	1,869,010	1,883,486	1,869,010	14,476	-	1,883,486	3.58%	0.11%	-	1	0.04
TOTAL RESTRICTED				31,454,122	25,560,187	31,454,122	212,377	(6,106,312)	25,560,187	48.59%	1.53%	-	1	0.49
GRAND TOTAL				59,474,459	52,606,601	59,474,459	2,374,079	(9,241,937)	52,606,601	100%	2.98%	1,589	1	5.18

The above reported investments have been recorded in compliance with generally accepted accounting principles. In the opinion of the investment officers of the College, both this report and the investment portfolio of the College are in compliance with the requirements of the Public Funds Investment Act of the State of Texas and the Investment Policy of the Board of Regents of Galveston Community College District.

For information regarding Galveston College's investment portfolio, please contact Jeff Engbrock at (409) 944-1215.

W. Myles Shelton, Ed.D.
 Investment Officer



Van Patterson, Ed.D.
 Investment Officer



Jeff Engbrock
 Investment Officer

Board Investment Report FY 2023
Interest Earned -First Quarter of FY 2023
For September 1, 2022 through November 30, 2022

<u>Investments</u>	<u>November</u>	<u>1st Quarter</u>	<u>Fiscal YTD</u>
Operating			
MNB Money Market Account	95	410	410
Lonestar Corp	420	1,058	1,058
Lonestar Gov	15,982	41,383	41,383
LOGIC	20,827	50,912	50,912
Texpool	17,112	42,823	42,823
Texas Term	15,492	39,069	39,069
Vanguard	1,977	4,990	4,990
Moody National Bank CD	2,605	7,699	7,699
Total Investment Operating Interest	74,509	188,345	188,345
Restricted			
Lonestar - 2022 Bond Reserve	5,772	14,476	14,476
Lonestar - 2022 Bond Proceeds	73,781	197,902	197,902
Total Investment Restricted Interest	79,553	212,377	212,377
Demand Deposit			
Moody National Bank	4	10	10
Total Demand Deposit Interest	4	10	10
GRAND TOTAL INTEREST EARNED	154,067	400,732	400,732