

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2024 | Portland, OR



**Portland  
Community  
College**



# **PORTLAND COMMUNITY COLLEGE**

PORTLAND, OREGON

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the year ended June 30, 2024

Dr. Adrien L Bennings  
President

Dina Farrell, MBA  
Vice President/Chief Financial Officer, Finance & Business Services

Michael Mathews, MSQSM, CSSMBB  
Associate Vice President, Financial Operations and Compliance

James Crofts, CPA  
Accounting Director

Report Prepared by:

Tammy Sanders, CPA  
Financial Reporting Manager

Jill Dunaway  
Beth Lewis  
Erin Dalton  
Claudia Morales Meraz  
Cassandra Hill  
Jessie Lau

Yen Lee  
Diana Liu  
Joanna Livingston  
Dana Petersen, MBA  
Angie Rodriguez  
Cam Lien Tran

# PORTLAND COMMUNITY COLLEGE

## PORTLAND, OREGON

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# PORTLAND COMMUNITY COLLEGE

12000 Southwest 49th Avenue  
Portland, OR 97219

For the year ended June 30, 2024

<u>ZONE</u>	<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
1	Laurie Cremona Wagner	June 30, 2025
2	Tiffani Penson	June 30, 2027
3	Kien Truong	June 30, 2027
4	Mari Watanabe	June 30, 2025
5	Dan Saltzman	June 30, 2025
6	Greg Mckelvey	June 30, 2027
7	Kristi Wilson	June 30, 2027

## ADMINISTRATION

Dr. Adrien L. Bennings, President

Dina Farrell, MBA, Vice President/Chief Financial Officer, Finance & Business Services

Michael Matthews, MSQSM, CSSMBB, Associate Vice President, Financial Operations and Compliance

James Crofts, CPA, Accounting Director





# INTRODUCTORY SECTION

December 13, 2024

Board of Directors and Citizens  
Portland Community College  
Portland, Oregon

### ***Introduction***

We are pleased to submit the Annual Comprehensive Financial Report of Portland Community College (“College”) for the fiscal year ending June 30, 2024, together with the unqualified audit opinion thereon of our auditors as required by Oregon State Laws. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the College. We believe the financial statements and related information are stated fairly in all material aspects in reflecting the financial position and results of operations of the College.

This report consists of management’s representations concerning the finances of the College. To provide a reasonable basis for making these representations, the College maintains a comprehensive internal control framework designed both to protect the College’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the College’s financial statements. Because the cost of internal controls should not outweigh their benefit, the College’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The College’s Annual Comprehensive Financial Report has been prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board. A summary of significant accounting policies is found in the notes accompanying the basic financial statements.

### ***Independent Audits***

The provisions of Oregon Revised Statutes, Section 297.405 to 297.555 require an independent audit of the fiscal affairs of the College. The firm of Eide Bailly LLP has completed its examination of the College’s basic financial statements and, accordingly, has included their Independent Auditor’s Report in the Financial Section of this report.

The Single Audit Act and OMB Compliance Supplement require state and local governments that receive and expend directly or indirectly certain amounts in federal assistance to have an audit conducted for that year. In addition, the College issues a separate report on the requirements of the Single Audit Act. Included in this report are a Schedule of Expenditures of Federal Awards, required reports on internal controls and compliance with laws and regulations, and a schedule of findings and questioned costs.

### ***Management Discussion and Analysis***

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## ***The College***

Portland Community College, with a District of over 1,500 square miles, serves all or part of Multnomah, Washington, Yamhill, Clackamas, and Columbia counties. The College was originally chartered in 1961 as a part of Portland School District No. 1 and was established as an independent entity in 1968, pursuant to Oregon Revised Statutes Chapter 341. PCC offers credit programs leading to certificates, associate's degrees, university transfer degrees, high school equivalency and pre-college programs, community education, international education, and professional training.

An elected seven-member Board of Directors establishes the policies of the College. Each member of the Board of Directors is elected for a four-year term. The Portland Community College Board has statutory charge and control of all activities, operations, and programs of the College including its property, personnel, and finances. The District President is the Chief Executive Officer of the College and the administrative staff is responsible for the College's daily operations.

The Oregon State Board of Education sets educational policies and standards for Oregon's public school districts, education service districts, and community college districts. The State of Oregon's Higher Education Coordinating Commission (HECC) is the primary state entity responsible for ensuring pathways to postsecondary education success for Oregonians statewide and serves as a convener of the groups and institutions working across the public and private higher education arena. HECC provides one strategic vision for Oregon higher education planning, funding, and policy. HECC authorizes postsecondary programs and degrees, administers key Oregon financial aid, workforce, and other programs, as well as evaluates and reports on the success of higher education efforts.

## ***Mission, Vision, and Values***

Portland Community College supports student success by delivering access to quality education while advancing economic development and promoting sustainability in a collaborative culture of diversity, equity, and inclusion.

Portland Community College, as 'the community's college', serves in excellence as a conduit of opportunity to advance equity, learning, work-ready skills, and economic and social mobility for all.

The College believes that the following fundamental values characterize the institution and guide the institution in the accomplishment of its mission and goals.

Core Values for Transformative Change and Innovation:

1. Diversity, Equity, and Inclusion: Supporting a diverse population is crucial for PCC's future. Ensuring diversity and accessibility in innovations is essential
2. Student-Focused Supports and Services: Expanding teaching resources, financial support, and services for distance learners is essential.
3. Community Building: Enhancing connections through social events, clubs, and resources.
4. Integrity, Fairness, and Honesty: Emphasizing transparency, respect, and honesty in all practices.
5. Adaptability and Thoughtful Stewardship: Emphasizing flexibility and sustainable practices.
6. Excellence in Education: Providing high-quality, student-focused education.

7. Positive Work Environment: Addressing employee morale through shared governance and equitable practices.

These priorities reflect the College president's commitment to advancing the College's mission, ensuring the success of its students, optimizing its operations, fostering an inclusive culture, and building strong relationships within the community.

### ***The President's Workplan***

Portland Community College supports student success by delivering access to quality education while advancing economic development and promoting sustainability in a collaborative culture of diversity, equity, and inclusion. As 'the community's college', Portland Community College serves in excellence as a conduit of opportunity to advance equity, learning, work-ready skills, and economic and social mobility for all.

The President's charge includes leading the College to: ENSURE equitable access, opportunity, affordability, and successful outcomes for all students. BALANCE commitment to quality learning experiences, economic development goals, performance outcomes, and strategic priorities. PRESERVE the authenticity of our reputation and articulate the value of our institution throughout the community, region, and state. CULTIVATE an environment where the tenets of diversity, equity, and inclusion are consistent, evident, and effective. This includes the need to rebuild, reframe, and redesign our approach to education, community engagement, and institutional excellence. The President's 2024-2025 Workplan reflects this transformative vision, outlining key initiatives and focus areas that will drive the college forward and ensure that we continue to fulfill our mission of providing equitable, accessible, and high-quality education to all.

The President's Workplan is centered on three core pillars: Student Success, Operational Excellence, and Community Engagement. Each pillar is infused with the guiding principles of rebuilding our systems and structures, reframing our perspectives and approaches, and redesigning our strategies and processes to better serve our students, faculty, staff, and the broader community.

Our critical priority continues to be the success and well-being of our students, operational excellence, an inclusive college culture, and strengthening our relationships with various stakeholders, including local communities, businesses, and educational partners.

### ***Strategic Plan***

The Board of Directors approved Strategic Themes for PCC's 2025-2028 Strategic Plan. This achievement reflects the valuable input of over 1,400 faculty, staff, students, and community members who participated in our sessions. The Strategic Plan process launched in FY 2024-25 and will guide us through FY 2027-28. It is guided by Portland Community College's mission.

#### ***The 2025-2028 Strategic Themes are:***

- Operational Excellence: Efficiency, Effectiveness & Fiscal Sustainability
- Shared Values: People, Connectedness & Empowerment
- Technological Transformation: Agility, Innovation & Readiness
- Holistic Student Support: Integrated, Affordable & Accessible
- Academic Excellence: Student Success, Delivery & Programming
- Community Engagement: Workforce, Education & Industry Alignment



The framework of the Portland Community College Strategic Plan was developed by the collective insights and aspirations of our academic community. Over three months, we engaged faculty, staff, and students to gather their perspectives on our institution's future. Recognizing the value of diverse perspectives, we actively sought input from all stakeholders. This collaborative effort reflects our commitment to inclusivity and excellence, ensuring our strategic plan is visionary and grounded in the real experiences of those who shape PCC daily.

### ***Strategic Enrollment Plan***

In January 2023 the College launched the Strategic Enrollment Plan (SEP) in draft form which will address the planning phase of 2024-2025 and 2025-2026. Strategies in three main areas were identified: new student acquisition, student engagement and success, and the learning experience. Eight action plans were recommended: 1) Program, Pathway, & Sector Marketing, 2) Target Market Development 3) Improved Yield Communication & Processes 4) Redesign New Student Onboarding, 5) Design and Implement a First Year Experience Program, 6) Develop Systems for Internal Student Migration 7) Re-Yield of Stopped-Out Students, 8) Refine Pathway Advising. The process identified Strategic Enrollment Investments which invest in student-facing roles. In addition, the plan themes include investment in technology and infrastructure.

### ***Economic Outlook & Long-Term Financial Planning***

The Oregon Office of Economic Analysis quarterly forecast states that while the economy is slowing down from the inflationary boom, state revenues continue to outpace expectations in recent months. Both personal and corporate income taxes have come in noticeably higher than the previous forecast. More specifically as of the forecast released in September 2024, and posted by Josh Lehner, one of the most significant factors that drive the economy is household income. The median earnings for full-time workers rose 5.3% last year before inflation and have averaged 5.1% per year since 2019. In terms of household income by race and ethnicity, growth has been strongest among BIPOC Oregonians. In recent years that trend has been for narrower racial disparities. The subject population however is relatively small and adjustments can be volatile. Based on the current picture, a household's median income increased 6% before inflation in 2023, and 2.1% in real, or inflation-adjusted terms last year. That increase ranked 6th highest nationwide across all states. This equates to a level that is 3.1% higher than the national median. Going back to 1970, this is the highest relative increase on record.

The latest forecast increased available state general fund resources for the 2023-2025 Biennium by 2% while decreasing resources slightly for 2025-2027. The economic forecast based on population statistics indicates a modest rebound in migration leading to slow, positive population gains in the state. The labor market is expected to remain at or near full employment. The unemployment rate will remain in the low 4 percent range, while the share of working-age Oregonians with a job will be at or near an all-time high. The strong labor market translates into an average wage growth per worker of approximately four percent on an annualized basis. The Oregon Employment Department reports the unemployment rate for Portland is 4.0% for September 2024, up from 3.4% from one year ago. Over the past 12 months, nonfarm payrolls lost 3,400 jobs, a .3% decrease.

Evaluating the current state of Oregon's economy is challenging, all indicators including economic performance have been solid. Employment gains, income growth, and population change are right in the middle compared to all states, but when compared to other states identified as typical, Oregon is slightly behind. These data could be the first indication that Oregon's patterns of growth have shifted out of the pandemic era pause and towards an economic expansion.

As the state experiences less inflationary increases, state revenue and tax receipts continue to increase. However, as the uncertainty of the nationwide economic expansion continues it will likely mean that Oregon's continued revenue growth may not materialize. Oregon will need to continue to focus, on jobs, an adequate supply of housing and sustained growth and progress for the community.

### ***Budget***

The key financial plan for the College is the biennial budget. The budget is both a legal and operational plan. Through the budget process, the Board adopts the two-year budget or appropriation plan for the College. It is conducted based on the state-set biennium budget period and is adopted prior to July 1 of each biennial period by the Board of Directors after consideration by the Multnomah County Tax Supervising and Conservation Commission, as well as the College Budget Planning Committee. After adoption, the budget may be revised periodically through supplemental budget procedures specified by state statute and board policy. Budgetary controls are maintained by monitoring expenditures on various legally adopted appropriation levels. Depending upon the budget structure, the appropriation levels may be classified by cost centers, such as campus and division; by programs; by fund source, such as federal or state grants; or by object classification, such as personal services, materials, and supplies, capital outlay, operating transfers, and contingency. Budget-to-actual comparisons are provided in this report as part of the Other Supplementary Information in the Financial Section.

The College manages its budget based on reasonable projections of future funding and enrollment. This enables the College to continue to meet its student-centered mission. An internal College Budget Planning Committee (CBPC) serves as part of the College's budget development process with committee membership including students, faculty, staff, and members of the President's Cabinet. Beginning in Fall 2025, the CBPC officially transitioned to the Integrated Budget and Planning Council (IBPC). The purpose of the IBPC is to offer expertise and guidance to the President and the President's Cabinet to provide an integrated approach to college-wide planning. This includes budget planning and development, end fund balances, assessing the impact of major investments and policy decisions on the college's mission, and prioritizing plans, projects, and initiatives across the college.

Budget development for the 2025-2027 Biennium will be informed by the legislatively determined State Support with the current Governor's recommended budget for community colleges at \$870.4 million of which PCC historically receives approximately 33 percent of the funding allocation. The budget will be developed using the best available estimates as the legislative process advances. Based on the Governor's recommended budget the increase in CCSF is estimated to be a 6.9 percent increase compared to the 2023-2025 budget.

The current tuition rate is \$133 per credit. The 2023-2025 Biennium had \$5 per credit tuition increases each year. No decisions have been made for the 2025-2027 tuition rates at this time. Tuition and other fees represent approximately 30 percent of general fund revenue.

Property taxes grow approximately 4 percent annually, representing roughly 24 percent of College revenue.

Budget development for the 2025-2027 Biennium will be guided by a Fiscal Sustainability Action Plan which will focus on transparency and long-term planning over the next six years to support our mission. College-

wide participation in Fiscal Sustainability planning began in September 2024, seeking a collaborative discussion about our financial future.

### ***Accreditation***

The Northwest Commission on Colleges and Universities (NWCCU) granted accreditation to Portland Community College in 1970. The NWCCU reaffirmed the accreditation of the College based on a comprehensive, full-scale evaluation and visit that took place in spring 2022. The Oregon Department of Education has approved all of the career-technical programs and college transfer courses. Professional associations have also accredited those career-technical programs requiring approval. Future evaluations include the Ad-hoc Report Fall 2024 Evaluation of Institutional Effectiveness, Mid-cycle Review Spring 2025 Evaluation of Institutional Effectiveness followed by the Year 6 Standard 2 Policies, Regulations, and Financial Review Spring 2028, and Year 7 Evaluation of Institutional Effectiveness Spring 2029.

### ***Awards***

The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Portland Community College for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The College has achieved this prestigious award every year since 1992. To be awarded a Certificate of Achievement, the College must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### ***Acknowledgments***

We wish to express our appreciation to the entire Financial Services staff for their efforts and contributions to this Annual Comprehensive Financial Report. We greatly appreciate the representatives from the College Bookstore and the Print Center for their support in the preparation of this report. We further extend our thanks to the staff of Eide Bailly LLP for their efforts during this audit. We would also like to thank the members of the Board of Directors, the College President, the President's Cabinet, faculty, and staff for their continued support and dedication to the financial operations of the College.

Respectfully submitted,

Dina Farrell  
Vice President/Chief Financial Officer, Finance & Business Services

James Crofts  
Accounting Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Portland Community College  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO



## Board of Directors

**Laurie  
Cremona  
Wagner**  
Zone 1

**Tiffani  
Penson**  
Zone 2

**Kien  
Truong**  
Zone 3

**Mari  
Watanabe**  
Zone 4

**Dan  
Saltzman**  
Zone 5

**Greg  
McKelvey**  
Zone 6

**Kristi  
Wilson**  
Zone 7

**Joshua  
Hutchinson**  
Student Trustee

**Adrien Bennings**  
College President

**Jennifer Hamlin**  
Board Coordinator

**Katy Ho**  
Executive Vice  
President

**Jennifer Ernst**  
VP/Academic Affairs

**José DeLa Cruz**  
VP/Student Affairs

**Dina Farrell**  
VP/Finance &  
Business Services

**Kurt Simonds**  
VP/Strategy, Policy &  
Integrated Planning

**Howard Croom**  
AVP/People Strategy,  
Equity, and Culture

# FINANCIAL SECTION





## Independent Auditor's Report

To the Board of Directors  
Portland Community College  
Portland, Oregon

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of the business-type activities of Portland Community College (the College), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the College, as of June 30, 2024, and the respective changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of contributions and proportionate share of the net pension liability, the schedules of contributions and proportionate share of net OPEB liability, and the schedules of total OPEB liability and total pension liability as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate

operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods or 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 schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards are 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 board of directors and administration, introductory section and the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the 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 12, 2024, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to 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.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 12, 2024, on our consideration of the College's compliance with certain provisions of laws and regulations, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Eide Bailly LLP

By:



Kristin Diggs, CPA  
Boise, Idaho  
December 12, 2024

# Portland Community College

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Portland Community College's (the College) Annual Comprehensive Financial Report presents an analysis of the financial activities of the College for the fiscal years ended June 30, 2024 and June 30, 2023, respectively. This discussion is prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, known facts, and any resulting changes.

### FINANCIAL HIGHLIGHTS

Significant events of fiscal year ended June 30, 2024 that affected the College are as follows:

- Full-time equivalent students (FTE) increased 6.8% from 17,999 in 2023 to 19,222 in 2024. The total headcount of students increased 5.5% from 51,033 in 2023 to 53,820 in 2024. More information about enrollment is available in the Statistical Section of this Annual Comprehensive Financial Report.
- Capital assets, net of depreciation and amortization, increased 2.9% from \$734.3 million in 2023 to \$755.4 million in 2024. Significant projects completed in fiscal year 2024 include the newly developed Opportunity Center at 42<sup>nd</sup> Avenue, district wide network optimization, data center upgrades, classroom digital conversions, vehicle and heavy equipment upgrades to clean diesel requirements, and Rock Creek building improvements. The College has committed to and started implementation of Workday, an enterprise resource planning (ERP) system to replace Banner, its current ERP system. Workday Platform will be launched in fiscal year 2026, with Workday Student launching fiscal year 2027.
- Net position increased by \$1.2 million, or 0.3% from \$408.6 million in 2023 to \$409.8 million in 2024. Total revenues increased by \$98.5 million, or 28.1% from \$350.1 million in 2023 to \$448.6 million in 2024. Operating expenses increased by \$73.9 million, or 21.5% from \$344.5 million in 2023 to \$418.4 million in 2024. Details of these changes are found in the following pages under the Analysis of Net Position and the Analysis of Changes in Net Position section, respectively.
- GASB Statement Nos. 68, 73, and 75 relating to pension and other postemployment benefits impacts the operating expenses reported by the College. Operating expenses without the effects of GASB 68, 73, and 75 would be a \$42.8 million increase, or 13.5% from \$318.2 million in 2023 to \$361.0 million in 2024.
- College salaries and wages increased on average 9.5% as a result of bargaining between the College's AP and Faculty Union and Classified Union.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to Portland Community College's basic financial statements, which include entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. Following the basic financial statements is the Required Supplementary Information followed by Other Supplementary Information in the Financial Section, along with a Statistical Section and an Audit Section.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances, in a manner similar to a private-sector business. These entity-wide statements consist of (1) Statement of Net Position, (2) Statement of Revenues, Expenses, and Changes in Net Position and (3) Statement of Cash Flows, which are described and analyzed in the following sections of the overview. Notes to Basic Financial Statements

**Portland Community College**  
**Fiscal year ended June 30, 2024**

are required to complete the entity-wide statements, and are an integral component of the basic financial statements.

**Analysis of Net Position**

The Statement of Net Position (page 13) presents a snapshot of the College's assets, deferred outflows, liabilities, and deferred inflows under the accrual basis of accounting at the end of each fiscal year presented. Over time, increases or decreases in net position are indicators of the improvement or erosion of the College's financial health when considered along with non-financial facts, such as enrollment levels and the condition of the facilities.

**Net Position (in millions)**

	2024	2023	Increase (decrease) 2024-23
<b>Assets</b>			
Current assets	\$ 398.0	\$ 326.9	\$ 71.1
Capital assets, net of depreciation	755.4	734.3	21.1
Other noncurrent assets	109.8	214.2	(104.4)
Total assets	1,263.2	1,275.4	(12.2)
Deferred outflows	47.6	84.3	(36.7)
Total assets and deferred outflows	\$ 1,310.8	\$ 1,359.7	\$ (48.9)
<b>Liabilities</b>			
Current liabilities	\$ 134.9	\$ 119.1	\$ 15.8
Noncurrent liabilities	679.8	725.1	(45.3)
Total liabilities	814.7	844.2	(29.5)
Deferred Inflows	86.3	106.9	(20.6)
<b>Net Position</b>			
Net investment in capital assets	466.5	453.3	13.2
Net position: restricted	13.5	14.3	(0.8)
Net position: unrestricted	(70.2)	(59.0)	(11.2)
Total net position	409.8	408.6	1.2
Total liabilities, deferred inflows and net position	\$ 1,310.8	\$ 1,359.7	\$ (48.9)

**Fiscal year 2024 compared to Fiscal year 2023.** Net Position increased \$1.2 million from \$408.6 million in 2023 to \$409.8 million in 2024. Current assets of \$398.0 million are sufficient to cover current liabilities of \$134.9 million. This represents a current ratio of 3.0. Current assets increased by \$71.1 million primarily due to increases in cash and cash equivalents of \$15.8 million, and short-term investments of \$55.5 million.

Other noncurrent assets decreased \$104.4 million due to a \$81.3 million decrease in long-term investments, a \$30.2 million decrease in net pension and OPEB assets offset by a \$7.1 million increase in noncurrent lease receivable. In the current year, the net pension asset from prior fiscal year end of \$29.9 million crossed over to a net pension liability position of \$20.2 million.

Currently, \$466.5 million is the net investment in capital assets and reflects an increase of \$13.2 million from the prior year. Construction in progress had a net decrease of \$21.4 million in the current fiscal year, with a balance of \$99.0 million of projects yet to be completed. Development in progress of \$1.5 million represents the College's investment so far in the implementation of Workday, a new ERP system to replace our current Banner system. Capital assets being depreciated and amortized had an increase of \$74.4 million, \$73.7 million representing construction in progress put into service. The College uses capital assets to provide services to students. Consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The College's current liabilities consist primarily of payroll, accounts payable, unearned revenue, compensated absences, current portion of SBITA liability and leases, and the current portion of long-term debt. Current liabilities increased \$15.8 million primarily driven by increases in current portion of long-term debt of \$7.6 million, accounts payable of \$2.4 million, payroll liabilities of \$2.3 million, and compensated absences of \$2.1 million. Noncurrent liabilities decreased \$45.3 million primarily due to a decrease of \$56.3 million in bond related liabilities, driven largely by principal payments, offset by a \$20.1 million increase in net pension liability.

### **Analysis of Changes in Net Position**

The Statement of Revenues, Expenses, and Changes in Net Position (page 14) presents the revenues earned and the expenses incurred during the year. All changes in net position are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing of when the cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived assets is reflected in the financial statement as depreciation, which amortizes the cost of the capital asset over the expected useful life of the asset.

Revenues and expenses are reported as either operating or non-operating, with operating revenues primarily coming from tuition and fees, auxiliary services, and federal contracts. State appropriations, property taxes, and student financial aid, both federal and state, are classified as the primary non-operating revenues. Because of the College's dependency on state aid (FTE reimbursement) and property tax revenue, this statement presents an operating loss, while the non-operating revenues significantly offset the operating loss on overall net position. Starting in the Fiscal Year 2023-2025 Biennium Budget, the College has restructured General Fund budget appropriation by merging campus areas across various educational and general expense categories. Current and prior year educational and general expenses has been combined in the condensed Statement of Changes in Net Position to make those program areas comparable due to changes in the College budgeting toward a one campus model.

**Changes in Net Position (In Millions)**

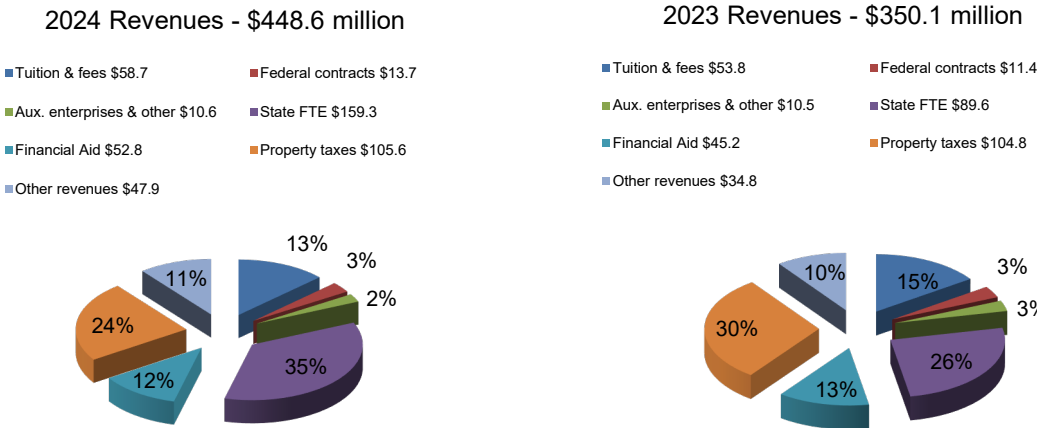
	2024	2023	Increase (decrease) 2024-23
Operating revenues			
Student tuition and fees	\$ 58.7	\$ 53.8	\$ 4.9
Federal contracted programs	13.7	11.4	2.3
Auxiliary enterprises and other	10.6	10.5	0.1
Total operating revenues	<u>83.0</u>	<u>75.7</u>	<u>7.3</u>
Nonoperating revenues			
State FTE reimbursement	159.3	89.6	69.7
Property taxes	105.6	104.8	0.8
Student financial aid	52.8	45.2	7.6
Other nonoperating revenues	47.9	34.8	13.1
Total nonoperating revenues	<u>365.6</u>	<u>274.4</u>	<u>91.2</u>
Total revenues	<u>448.6</u>	<u>350.1</u>	<u>98.5</u>
Operating expenses			
Educational and general **	303.9	244.5	59.4
Grants and contracted programs	30.1	29.2	0.9
Auxiliary enterprises	10.6	8.7	1.9
Depreciation and amortization	41.5	34.6	6.9
Other support services	32.3	27.5	4.8
Total operating expenses	<u>418.4</u>	<u>344.5</u>	<u>73.9</u>
Nonoperating expenses			
Other nonoperating expenses	<u>29.1</u>	<u>18.8</u>	<u>10.3</u>
Total expenses	<u>447.5</u>	<u>363.3</u>	<u>84.2</u>
Income (loss) before capital contribution	1.1	(13.2)	14.3
Capital contributions	<u>0.1</u>	<u>0.6</u>	<u>(0.5)</u>
Increase (decrease) in net position	1.2	(12.6)	13.8
Net position, beginning of year	408.6	421.2	(12.6)
Net position, end of year	<u>\$ 409.8</u>	<u>\$ 408.6</u>	<u>\$ 1.2</u>

\*\* 2024 & 2023 educational and general expenses are combined to provide amounts that are comparable.

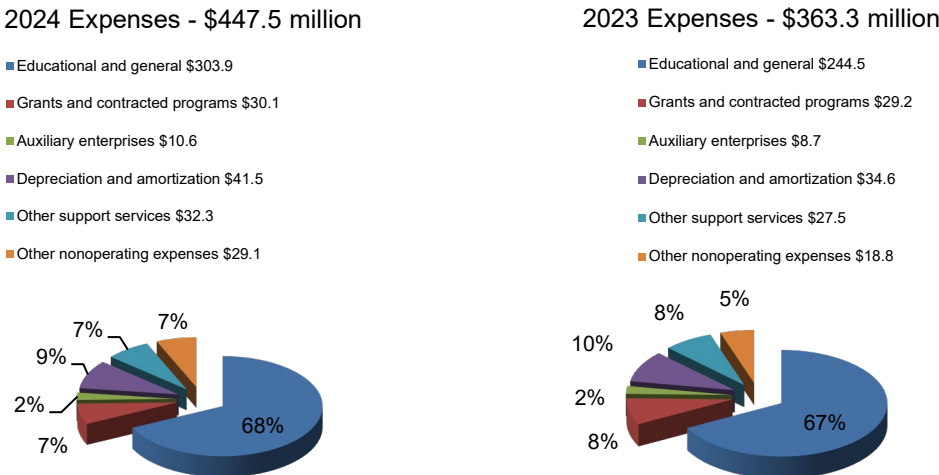
**Portland Community College**  
**Fiscal year ended June 30, 2024**

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

The following graphics show the allocation of total revenues for fiscal years 2024 and 2023:



The following graphics show the allocation of total expenses for fiscal years 2024 and 2023:



**Fiscal year 2024 compared to Fiscal year 2023.** The most significant source of operating revenues is student tuition and fees, which increased \$4.9 million or 9.1%. Revenues from federal contracted programs increased by \$2.3 million and there’s a nominal increase for auxiliary enterprises and other.

The largest non-operating revenue sources are state FTE reimbursement, followed by property taxes and student financial aid. The \$69.7 million increase in FTE reimbursement is due to the recognition of five quarters of FTE in



**Portland Community College**  
**Fiscal year ended June 30, 2024**

2024 compared to three quarters in fiscal year 2023. Other nonoperating revenue increased \$13.1 million primarily due to a \$16.4 million increase in investment income offset by a \$2.3 million decrease in state and local government grants and contracts. The investment income increase is predominantly a result of prior year bond proceeds being invested.

Operating expenses increased by \$73.9 million. Educational and general expenses is the largest single line item followed by depreciation and amortization, other support services, and grants and contracted programs. In fiscal year 2024, the increase includes a \$31.1 million net increase in expenses related to pension and other postemployment benefit assets and liabilities. Payroll and benefit increases, which averaged roughly 9.5%, accounted largely for \$28.3 million in increased operating costs. Student financial aid expenses, included in other support services, increased \$4.1 million. Other nonoperating expenses increased by a net \$10.3 million due to increases in bond debt service interest.

**Analysis of Cash Flows**

The primary purpose of the Statement of Cash Flows (page 15 & 16) is to provide relevant information about the College's sources and uses of cash during the fiscal year. The Statement of Cash Flows presents information on cash flows from operating activities, non-capital financing activities, capital financing activities, and investing activities.

<b>Cash Flow (in millions)</b>			
	2024	2023	Increase (decrease) 2024-23
Cash provided by (used in)			
Operating activities	\$ (232.5)	\$ (209.3)	\$ (23.2)
Noncapital financing activities	256.1	178.6	77.5
Capital financing activities	(59.8)	184.2	(244.0)
Investing activities	52.0	(147.4)	199.4
Net increase (decrease) in cash	15.8	6.1	9.7
Cash and cash equivalents, beginning of year	75.1	69.0	6.1
Cash and cash equivalents, end of year	\$ 90.9	\$ 75.1	\$ 15.8

**Fiscal year 2024 compared to Fiscal year 2023.** Operating Activities: The College's major sources of cash included in operating activities are student tuition and fees, federal grants and contracts, non-government grants and contracts and other receipts from customers. Major uses of cash were payments made to employees, students for financial aid, and suppliers for goods and services. The College used \$23.2 million more cash in its operating activities in fiscal year 2024 than in fiscal year 2023, primarily driven by increases in usage for payments to employees of \$28.3 million, and for payments to students for financial aid and scholarships of \$4.1 million offset by increases in cash provided in tuition and fees of \$3.6 million, in federal grants and contracts of \$2.4 million, and in non-government grants and contracts of \$4.1 million.

Noncapital Financing Activities: Proceeds from state FTE reimbursements, student financial aid, and property taxes are the primary sources of noncapital financing for fiscal year 2024. Cash provided by noncapital financing activity increased by \$77.5 million. The increase in cash provided is largely attributed to the increase of \$69.7 million in state FTE this year, and a \$8.2 million increase in cash provided by student financial aid grants. Accounting standards require that these sources of revenue be reported as non-operating even though the College depends on these revenues to continue the current level of operations.

Capital Financing Activities: Cash used by capital financing activities increased \$244.0 million compared to last fiscal year. Notable cash activity includes decrease in cash received of \$253.5 million that occurred from bond issuance and related premium that occurred in prior year, a decrease of \$16.7 million in cash used for acquisition and construction of capital assets and an increase in cash used of \$2.9 million for SBITA principal payments. Net increase in cash used for principal and interest paid on long-term debt were \$1.4 million, which includes a \$11.3 million decrease in principal paid and an increase of \$12.7 million in interest paid on the long-term debt.

Investing Activities: Total cash provided by investing activities increased by \$199.4 million compared to fiscal year 2023. The increase in cash provided is due to a \$179.8 million decrease in cash used for purchases of investments, offset by an increase in cash provided by a \$2.4 million increase in proceeds from sales of investments, and an increase of \$17.2 million in cash provided from interest on investments.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The College's investment in capital assets as of June 30, 2024 was \$755.4 million. Investment in capital assets includes land, buildings, improvements, machinery and equipment, right to use lease and SBITA assets, art and historical treasures, library collections, and infrastructure.

Additional information on the College's capital assets may be found in Notes 3, 6, and 7 of the Notes to Basic Financial Statements.

**Debt Administration.** At the end of the current fiscal year, the College had debt instruments with a total outstanding principal of \$700.2 million. All of the current debt is backed by the full faith and credit of the College within the limitation of Sections 11 and 11(b) of Article XI of the Oregon Constitution.

State statutes limit the amount of general obligation debt the College may issue to 1.5% of Real Market Value of properties within the College district. The current legal debt limit is approximately \$5.2 billion, which is significantly higher than the College's outstanding general obligation debt. The College's outstanding general obligation debt is roughly 13.4% of the legal debt limit. Additional information on the College's long-term debt and legal debt limit may be found in Note 5 of the Notes to Basic Financial Statements and the Legal Debt Margin of the Statistical Section.

## **ECONOMIC IMPACTS AND NEXT YEAR'S BUDGET**

- State support funding increased by 8.3% in FY24 from FY23.
- Tuition revenue increased by 9.0% in FY24 from FY23.
- A tuition rate increase was adopted for FY24 and FY25 of \$5 per credit per year. This resulted in a 4.1% and 3.9% tuition rate increase for FY24 and FY25, respectively.
- Property tax revenue increased by 6.1% in FY24 and is predicted to be stable in FY25.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Portland Community College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Financial Services  
Portland Community College  
P.O. Box 19000  
Portland, OR 97280-0990

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

STATEMENT OF NET POSITION

June 30, 2024

(In Thousands)

<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 90,937
Short-term investments	284,466
Receivables, net of allowance	
Taxes	2,524
Accounts	7,770
Student accounts	8,469
Federal programs	423
Interest	664
Current portion of Leases	541
Inventory and prepaid items	2,140
Total current assets	<u>397,934</u>
Noncurrent assets:	
Long-term investments	99,285
Net OPEB asset	2,887
Lease receivable net of current portion	7,650
Capital assets- Right to use lease assets, net of accumulated amortization	2,178
Capital assets- Right to use subscription IT assets, net of accumulated amortization	7,062
Capital Assets- Development in progress- non-depreciable	1,529
Capital assets - non-depreciable	153,231
Capital assets - depreciable, net of accumulated depreciation	591,419
Total noncurrent assets	<u>865,241</u>
TOTAL ASSETS	<u>1,263,175</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferral of amounts on refunding	1,671
Pension related	43,792
OPEB related	2,149
TOTAL DEFERRED OUTFLOWS	<u>47,612</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,310,787</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 14,683
Payroll liabilities	28,366
Current portion of lease liability	755
Current portion of SBITA liability	3,905
Accrued interest payable	1,750
Unearned revenue	12,109
Compensated absences	11,255
Other current liabilities	3,208
Current portion of long-term debt	58,890
Total current liabilities	<u>134,921</u>
Noncurrent liabilities:	
Noncurrent liabilities	738,680
Less: Current portion of long-term debt	(58,890)
Total noncurrent liabilities	<u>679,790</u>
TOTAL LIABILITIES	<u>814,711</u>
DEFERRED INFLOWS OF RESOURCES	
Deferral of amounts on refunding	1,269
Lease related	8,008
Pension related	72,858
OPEB related	4,106
TOTAL DEFERRED INFLOWS	<u>86,241</u>
NET POSITION	
Net investment in capital assets	466,499
Net position - restricted: student financial aid	1,055
Net position - restricted: OPEB	2,887
Net position - restricted: Debt	9,633
Net position: unrestricted	(70,239)
Total net position	<u>409,835</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,310,787</u>

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year ended June 30, 2024

(In Thousands)

<b>OPERATING REVENUES</b>	
Student tuition and fees, net of scholarship allowances	\$ 58,685
Federal contracted programs	13,755
Nongovernment grants and contracts	4,232
Auxiliary enterprises:	
Food services	1,661
Bookstore, net of scholarship allowances	2,762
Parking operation	1,674
Other operating revenues	239
Total operating revenues	<u>83,008</u>
<b>OPERATING EXPENSES</b>	
Educational and general:	
Office of the President	19,608
Finance and Administration	82,110
Academic Affairs	162,767
Student Affairs	33,681
CCEU	5,743
Other support services:	
Student Activities	2,942
Grants and contracted programs	30,055
Student financial aid, net of tuition and textbooks	25,518
Auxiliary enterprises:	
Food services	2,666
Bookstore	5,679
Parking operation	2,237
Materials, supplies and minor equipment expense	3,899
Depreciation expense	36,381
Amortization of SBITA assets	4,241
Amortization of right to use lease assets	891
Total operating expenses	<u>418,418</u>
Operating income (loss)	<u>(335,410)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Student financial aid	52,764
State FTE reimbursement	159,310
State and local government grants and contracts	21,860
Property taxes	105,586
Investment income (loss)	26,001
Gain on the disposal of capital assets	52
Interest expense	(29,064)
Net nonoperating revenues (expenses)	<u>336,509</u>
Income (loss) before capital contributions	1,099
Capital contributions	125
Increase (decrease) in net position	<u>1,224</u>
<b>NET POSITION</b>	
Net position - beginning of the year	<u>408,611</u>
Net position - end of the year	<u>\$ 409,835</u>

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

STATEMENT OF CASH FLOWS  
Year ended June 30, 2024  
(In Thousands)

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Tuition and fees	\$ 57,233
Federal grants and contracts	13,187
Non-government grants and contracts	5,872
Payments to suppliers for goods and services	(20,422)
Payments to employees	(269,198)
Payments for student financial aid and other scholarships	(25,518)
Cash received from customers	6,098
Other cash receipts	<u>237</u>
Net cash used by operating activities	<u>(232,511)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Student financial aid grants	53,110
State and local government grants and contracts	21,925
Cash received from property taxes	45,715
Cash received from State FTE reimbursement	159,310
Interest paid on limited tax pension bonds	(9,001)
Principal paid on limited tax pension bonds	<u>(14,950)</u>
Net cash provided by noncapital financing activities	<u>256,109</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Cash received from property taxes	59,587
Principal paid on long-term debt	(36,295)
Receipts on leases	578
Principal payments on leases	(807)
Principal payments on SBITAs	(6,513)
Interest paid on SBITA and Leases	(283)
Proceeds from disposition of capital assets	50
Acquisition and construction of capital assets	(51,366)
Interest paid on long-term debt	<u>(24,699)</u>
Net cash used by capital financing activities	<u>(59,748)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	26,198
Purchases of investments	(590,524)
Proceeds from sales of investments	<u>616,292</u>
Net cash provided by investing activities	<u>\$ 51,966</u>

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

STATEMENT OF CASH FLOWS (CONTINUED)  
Year ended June 30, 2024  
(In Thousands)

NET INCREASE IN CASH	\$ 15,816
Cash and cash equivalents - beginning of the year	75,121
Cash and cash equivalents - end of year	<u>\$ 90,937</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$ (335,410)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	36,381
Amortization expense	5,132
Change in pension liability	20,110
Change in pension transition liability	(1,549)
Change in pension asset	29,903
Change in OPEB asset	245
Change in OPEB liability	(9)
Change in deferred outflows of resources related to pension/ OPEB	36,336
Change in deferred inflows of resources related to pension/ OPEB	(28,334)
(Increases) decreases in current assets used in operations:	
Accounts receivable	1,639
Student accounts receivable	(1,735)
Inventory and prepaid items	220
Increases (decreases) in current liabilities used in operations:	
Accounts payable	(178)
Payroll liabilities	2,343
Unearned revenue	(284)
Other current liabilities	564
Compensated absences	2,115
Net cash used by operating activities	<u>\$ (232,511)</u>
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Contributed capital assets	\$ 125
Gain/loss on capital asset	52
Lease Receivable	7,778
Deferred inflow Lease	(7,778)
Right to use asset lease	2,138
Right to use asset SBITA	4,936
Liability for the acquisition of a right to use lease asset	(2,138)
Liability for the acquisition of a right to use SBITA asset	\$ (4,936)

See notes to basic financial statements.





**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**The College**

Portland Community College (the College) is organized under the general laws of the State of Oregon and, as such, is a public institution under the general supervision of the State Board of Education through the Department of Community Colleges and Workforce Development. The College defines itself as a primary government because it has a separately elected governing body, it is a legally separate entity, and it is fiscally independent. There are various governmental agencies, cities, school districts, and special service districts, which provide services within the College's boundaries. However, since the College is not financially accountable for any of these entities, they do not qualify as component units of the College, and therefore are not included in the basic financial statements.

**Basis of Presentation**

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The College follows the "business-type activities" reporting requirements of GASB Statement No. 35 that provides a comprehensive one-column look at the College's financial activities.

**Basis of Accounting**

The basic financial statements are accounted for on the flow of economic resources measurement focus and are prepared on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Property taxes are recognized as revenues in the years for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor have been met. The financial statements of the College have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Included in this category is the employer deferred pension obligation, the deferred other postemployment benefit obligation (OPEB), and deferred charge on debt refunding. See Notes 9 and 10 for more information.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. This includes deferred leases, the employer deferred pension obligation, the deferred OPEB obligation and the deferred gain on debt refunding. See Notes 6, 9, and 10 for more information.

**Use of Estimates**

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

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Restricted Resources**

The College receives resources restricted to specific uses by debt covenants, grants, contracts, laws and regulations, and enabling legislation. Unrestricted resources are available for any College purpose.

When both restricted and unrestricted resources are available for use, it is the College's practice to use restricted resources first then unrestricted resources as they are needed.

**Cash and Cash Equivalents**

Cash and cash equivalents are considered to be cash on hand, demand deposits, the Oregon Local Government Investment Pool (LGIP), and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. Participants' fair value is the net position divided by participants' account balances. This varies from year to year.

**Investments**

Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements, and bankers' acceptances. The College has an investment policy that is more restrictive than the Oregon Revised Statutes. As of June 30, 2024, and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes and its own internal investment policies. Investments are stated at fair value, which is based on the individual investment's quoted market price as of June 30, 2024. Unrealized gains or losses on investments are reported as investment activity in the Statement of Revenue, Expenditures, and Changes in Net Position.

**Receivables**

All accounts, student loans, grants and property taxes receivable are shown net of an allowance for uncollectable accounts. The allowance for uncollectible accounts is determined based upon the aged receivable balance. At June 30, 2024 the allowance for uncollectible accounts is \$2.2 million.

Lease receivables are recorded by the College as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the College charges the lessee. Lease receivables are presented with both current and long-term receivables.

Property taxes are levied and become a lien on all taxable property as of July 1. Taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Student loan receivables are recorded as tuition as assessed or as amounts are advanced to students under the Nursing Student Loans program.

Unreimbursed expenses from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as unearned revenue.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Inventory**

Inventories of supplies are stated at average cost. All inventories held for resale are stated at the lower of cost or market.

**Capital Assets**

Capital assets include land and land improvements, buildings and building improvements, equipment and machinery, works of art and historical treasures, infrastructure, which includes utility systems, library collections, construction in progress, leases and subscription-based IT arrangements. The College's capitalization policy is to capitalize all assets with a life of one year or more and minimum threshold of \$5 thousand except for buildings and building improvements, infrastructure assets, land and land improvements, which have a capitalization threshold of \$50 thousand. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of an asset's life are not capitalized, but are expensed as incurred.

Buildings and building improvements, equipment and machinery, infrastructure, library collections, leasehold improvements, and land improvements of the College are depreciated using the straight-line method over the following useful lives:

Buildings and building improvements	25-60 years
Equipment and machinery	5-20 years
Infrastructure	25-100 years
Library collections	10 years
Land improvements	10-25 years

Right to use lease assets are recognized at the lease commencement date and represent the College's right to use an underlying asset for the lease term. Right to use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 5 years. Right to use lease assets are considered capital assets and are included with noncurrent capital assets net of amortization.

Right to use subscription-based IT (SBITA) arrangements are recognized at the subscription commencement date and represent the College's right to use the underlying IT asset for the subscription term. Right to use SBITA assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the SBITA asset into service. Right to use SBITA assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years. Right to use SBITA assets are considered capital assets and are included with noncurrent capital assets net of amortization.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Compensated Absences**

It is College policy to permit employees to accumulate vacation and sick leave. Unused vacation pay is recognized as an expense and accrued when earned. The College does not have a policy to pay accumulated sick leave when employees separate from service. The College's employment contracts state that vacation leave earned during the academic year must be taken before the end of the following year. Because of this policy, the College recognizes all compensated absences as current liabilities.

**Unearned Revenue**

Unearned revenue consists primarily of students' tuition received in advance for the summer term and advances from contract and grants for services the College will render after year-end. The College also has notes receivable for Nursing loan programs which is offset with unearned revenue because the loans are for federal government programs.

**Net Position**

Net position is the difference between the College's total assets and deferred outflows and total liabilities and deferred inflows. Net position is subdivided into three categories: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets represents capital assets including right to use leases and subscription-based IT arrangements, less accumulated depreciation and amortization, outstanding principal and premiums of capital asset related debt, payables for construction, leases and subscription based IT assets, plus cash held for construction. Net position subject to restrictions by external parties is categorized as restricted. This category represents student financial aid grant and loan programs in the amount of \$1.1 million, OPEB asset of \$2.9 million and General Obligation Debt Services Fund in the amount of \$9.6 million.

**Long-term Debt**

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as outflow of resources (expenses) in the period incurred.

Lease liabilities represent the College's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the College. Lease liabilities are presented with both current and long-term liabilities.

SBITA liabilities represent the College's obligation to make subscription payments arising from the subscription contract. SBITA liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of SBITA payments are discounted based on a borrowing rate determined by the College. SBITA liabilities are presented with both current and long-term liabilities. See Note 7 for more information.

**Operating and Nonoperating Revenues and Expenses**

Operating revenues and expenses generally result from providing services to students. Principal operating revenues include tuition, charges for services, and sales of educational material. Operating expenses include the cost of faculty, administration, sales and services for food services and Bookstore operations, and depreciation. All other revenues, including state educational support, financial aid and state grants, and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Federal Direct Student Loan Program**

The College receives proceeds from the Federal Direct Student Loan Program. The College passes the awards directly to the students, without having administrative or direct financial involvement in the program. Federal student loans of \$29.7 million were received by the College's students during the fiscal year, but they were not reported in operations.

**Pensions**

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS), and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The College also maintains a single-employer, defined benefit early retirement incentive program for qualifying Faculty, Academic Professionals (AP), and Classified Employees.

**Other Postemployment Benefits Other Than Pensions**

The College administers one single employer OPEB plan and one cost sharing plan (RHIA). Both OPEB plans utilized employee census data and benefits provided by the College for purposes of measuring the net OPEB liability or total OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis. For the RHIA plan, the net OPEB asset, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by PERS. Therefore, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Scholarship Allowances**

Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Accordingly, some types of student financial aid, such as Pell grants and scholarships awarded by the College, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues in the statement of revenues, expenses and changes in net position. The scholarship allowances for the year ended June 30, 2024 are \$26.7 million.

**Federal Financial Assistance Program**

The College participates in various federally funded programs including Pell Grants, SEOG Grants, Federal Work-Study, Federal Direct Lending, and Perkins Loans programs. In addition, the College receives a variety of federal grants including Dislocated Workers Grants, ABE/GED, and Perkins Title 1 Federal programs are audited in accordance with the Single Audit Act 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). During the current fiscal year, the College liquidated the Perkins Loans program.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**2. CASH AND INVESTMENTS**

The primary investment objectives of the College's investment activities are preservation of capital, liquidity, return. The following schedule comprises the combined value of the College's cash and investment portfolio at June 30, 2024 (in thousands):

	<u>Year Ended June 30, 2024</u>
Cash and cash equivalents:	
Cash on hand	\$ 55
Demand deposits	31,290
Cash held by county treasurer	340
Oregon Local Government Investment Pool	<u>59,252</u>
Total cash and cash equivalents basic statements	<u>90,937</u>
Investments:	
Government and agency obligations	<u>383,751</u>
Total investments	<u>383,751</u>
Total cash and investments	<u><u>\$ 474,688</u></u>

The Oregon Local Government Investment Pool is unrated. Other investments held at June 30, 2024 are categorized by rating as follows (in thousands):

	<u>Year Ended June 30, 2024</u>
Investments categorized by Standard and Poor's rating:	
Government sponsored (Treasury & Federal Agencies), AA+/Aaa	<u>\$ 383,751</u>
Total investments	<u><u>\$ 383,751</u></u>

Cash and investments in the amount of \$247.3 million, which are included in short-term and long-term investments, are restricted per bond covenants for future bond construction projects.

The Oregon Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Short-Term Fund Board and the Oregon Short-Term Investment Council and does not receive credit quality ratings from nationally recognized statistical rating organizations. The State of Oregon Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the state that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. Participants' account balances in the pool are determined calculated, and accrued daily on each participants' account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund. PFM Asset Management LLC provides support for the Local Government Investment Pool. Account information is available and initiating transactions are done by logging into Connect.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**2. CASH AND INVESTMENTS (Continued)**

The College's investments in government and agency obligations and corporate securities are reported at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets and are valued based on prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs and are valued based on prices obtained from reputable pricing vendors, using models that are market-based measurements representing their good faith opinion as to the exit value of the investment in an orderly transaction under current market conditions in an inactive market; Level 3 inputs are significant unobservable inputs.

The College's investments are measured or disclosed at fair value on a recurring basis. The College does not have any financial assets that are measured at fair value on a non-recurring basis. The summary table represents the College's investments for the fiscal year ended June 30, 2024 as follows (in thousands):

	Fair Value Hierarchy			Total
	Level 1	Level 2	Level 3	
Debt Securities				
US Treasuries	\$ 299,340	\$ -	\$ -	\$ 299,340
US Government Agencies	-	84,411	-	84,411
	<u>\$ 299,340</u>	<u>\$ 84,411</u>	<u>\$ -</u>	<u>\$ 383,751</u>

*Credit Risk:*

In accordance with ORS Chapter 294 and the College's investment guidelines, investment in commercial paper must be rated A1 by Standard & Poor's or P1 by Moody's, or an equivalent rating by any nationally recognized rating agency. Corporate securities, bonds, and debentures must be rated at settlement date AA- or better by Standard & Poor's, Aa3 or better by Moody's, or an equivalent rating by any nationally recognized rating agency.

*Concentration of credit risk:*

In accordance with GASB 40, the College is required to report all non-federal investments in any one issuer which exceed 5% of total invested funds. There are no investments that exceed this threshold as of June 30, 2024.

*Custodial credit risk – deposits:*

In the 2008 legislative session, new regulations were enacted for collateralizing public funds under ORS 295.004. The statute established a shared liability concept to protect public entities and eliminated personal liability of public officials for balances in excess of the collateral certificates. It also reduced over collateralization and defined qualified depository institutions and addressed collateralization of public funds over \$250 thousand. Finally, it specified the types of instruments that are allowed as collateral and required qualified bank depositories to sign a pledge agreement approved by the board of directors or loan committee. Under ORS 295.004, governmental entities can maintain balances with such bank depositories following their investment policies. On June 30, 2024, the College bank balances were \$25.9 million, which includes bank accounts. Of these deposits, \$25.9 million was covered by the procedures for collateralizing public funds.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**2. CASH AND INVESTMENTS (Continued)**

*Custodial credit risk – investments:*

The College has a Board approved investment policy which states that the President shall appoint an Investment Officer who will perform specific investment functions for the College. Should a counter-party fail, there is a risk that the College would not be able to recover the value of its investments that are held by an outside party. To minimize this risk, securities purchased through any of the authorized non-bank broker-dealers are held in a bank investment safekeeping division.

As of June 30, 2024, the College had \$383.8 million in various investment instruments. The College has no custodial credit risk as all investments are held in safekeeping with US Bank.

*Interest Rate Risk:*

In accordance with the objectives of the College's investment guidelines, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. As of June 30, 2024, 53.0% of investments held by the College (excluding Local Government Investment Pool balances) are to mature within a 180 day timeline and have investment ratings of AA or higher. Weighted average maturities of investments in the Local Government Investment Pool at June 30, 2024 were: 82.7% mature within 93 days, 11.0% mature from 94 days to 366 days, and 6.3% mature from over one year to three years from settlement date.

**All Other Investments maturing after 180 days (in thousands)**

<b><u>All Other Investments</u></b>	<b><u>Rating</u></b>	<b><u>Maturity Date</u></b>	<b><u>Fair Value</u></b>
US Treasury Note	Aaa	12-31-2024	\$ 2,954
US Treasury Note	Aaa	12-31-2024	6,961
FHLB	A-1+, P-1	01-24-2025	2,912
US Treasury Note	Aaa	05-31-2025	2,479



**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**2. CASH AND INVESTMENTS (Continued)**

**Bond Investments maturing after 180 days (in thousands)**

<b>Bond Investments</b>	<b>Rating</b>	<b>Maturity Date</b>	<b>Fair Value</b>
US Treasury Note	AA+, Aaa	12-31-2024	\$ 6,875
US Treasury Note	AA+, Aaa	01-31-2025	8,361
US Treasury Note	AA+, Aaa	02-28-2025	6,811
US Treasury Note	AA+, Aaa	03-31-2025	6,275
US Treasury Note	AA+, Aaa	04-30-2025	3,434
US Treasury Note	AA+, Aaa	04-30-2025	2,473
US Treasury Note	AA+, Aaa	04-30-2025	6,869
US Treasury Note	AA+, Aaa	04-30-2025	7,915
US Treasury Note	AA+, Aaa	05-31-2025	7,168
US Treasury Note	AA+, Aaa	06-30-2025	9,527
US Treasury Note	AA+, Aaa	07-31-2025	9,968
US Treasury Note	AA+, Aaa	08-31-2025	11,350
US Treasury Note	AA+, Aaa	09-30-2025	9,897
US Treasury Note	AA+, Aaa	10-31-2025	9,746
US Treasury Note	AA+, Aaa	11-15-2025	6,858
US Treasury Note	AA+, Aaa	11-30-2025	6,096
US Treasury Note	AA+, Aaa	12-31-2025	5,610
US Treasury Note	AA+, Aaa	01-31-2026	4,658
US Treasury Note	AA+, Aaa	02-28-2026	4,189
US Treasury Note	AA+, Aaa	03-31-2026	2,797
US Treasury Note	AA+, Aaa	04-30-2026	1,860
US Treasury Note	AA+, Aaa	05-31-2026	1,854
US Treasury Note	AA+, Aaa	06-30-2026	1,855
US Treasury Note	AA+, Aaa	07-31-2026	1,839
US Treasury Note	AA+, Aaa	08-31-2026	2,299
US Treasury Note	AA+, Aaa	09-30-2026	2,301
US Treasury Note	AA+, Aaa	10-31-2026	2,307
US Treasury Note	AA+, Aaa	11-30-2026	2,309
US Treasury Note	AA+, Aaa	12-31-2026	1,844
US Treasury Note	AA+, Aaa	01-31-2027	1,851
US Treasury Note	AA+, Aaa	02-28-2027	1,866
US Treasury Note	AA+, Aaa	03-31-2027	1,799
US Treasury Note	AA+, Aaa	04-30-2027	1,906
US Treasury Note	AA+, Aaa	05-31-2027	1,337
US Treasury Note	AA+, Aaa	06-30-2027	889

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**3. CAPITAL ASSETS**

The balances of capital assets are as follows (in thousands):

	Balance 30-Jun-23	Additions	Transfer and Deletions	Balance 30-Jun-24
Capital assets not being depreciated:				
Land	\$ 52,718	\$ -	\$ -	\$ 52,718
Art and historical treasure	1,530	-	-	1,530
Construction in progress	120,382	52,259	(73,658)	98,983
Development in progress	-	1,529	-	1,529
Total capital assets not being depreciated	<u>174,630</u>	<u>53,788</u>	<u>(73,658)</u>	<u>154,760</u>
Capital assets being depreciated:				
Land improvements	10,493	-	-	10,493
Building and improvements	698,946	45,184	-	744,130
Equipment and machinery	36,429	30,071	(984)	65,516
Library collections	968	55	(111)	912
Infrastructure	79,997	150	-	80,147
Total capital assets being depreciated	<u>826,833</u>	<u>75,460</u>	<u>(1,095)</u>	<u>901,198</u>
Less accumulated depreciation:				
Land improvements	10,441	33	-	10,474
Building and improvements	228,622	29,790	-	258,412
Equipment and machinery	25,812	5,006	(951)	29,867
Library collections	563	86	(106)	543
Infrastructure	9,017	1,466	-	10,483
Total accumulated depreciation	<u>274,455</u>	<u>36,381</u>	<u>(1,057)</u>	<u>309,779</u>
Total capital assets being depreciated, net	<u>552,378</u>	<u>39,079</u>	<u>(38)</u>	<u>591,419</u>
Net capital assets	727,008	92,867	(73,696)	746,179
Right to use lease assets being amortized:				
Right to use buildings	1,284	1,590	(276)	2,598
Right to use equipment	806	548	(63)	1,291
Total right to use lease assets being amortized	<u>2,090</u>	<u>2,138</u>	<u>(339)</u>	<u>3,889</u>
Less accumulated amortization for:				
Right to use buildings	874	583	(275)	1,182
Right to use equipment	284	309	(64)	529
Total accumulated amortization	<u>1,158</u>	<u>892</u>	<u>(339)</u>	<u>1,711</u>
Net right to use lease assets	<u>932</u>	<u>1,246</u>	<u>-</u>	<u>2,178</u>
Right to use subscription IT assets being amortized:	9,159	4,936	(782)	13,313
Less accumulated amortization:	<u>2,792</u>	<u>4,241</u>	<u>(782)</u>	<u>6,251</u>
Net right to use subscription IT assets	<u>6,367</u>	<u>695</u>	<u>-</u>	<u>7,062</u>
Total lease and subscription IT assets, net	<u>7,299</u>	<u>1,941</u>	<u>-</u>	<u>9,240</u>
Total capital assets, net	<u>\$ 734,307</u>	<u>\$ 94,808</u>	<u>\$ (73,696)</u>	<u>\$ 755,419</u>

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**4. UNEARNED REVENUE**

At June 30, 2024, The College's unearned revenue consisted of the following (in thousands):

	Amount
Prepaid Tuition	\$ 8,211
Nursing Loans	1,042
Contract and Grant Revenues	2,856
Total	<u>\$ 12,109</u>

**5. LONG-TERM LIABILITIES**

Transactions for the fiscal year ended June 30, 2024 are as follows (in thousands):

Bonds	Original Amount	Outstanding June 30, 2023	Increases	Decreases	Outstanding June 30, 2024	Due Within One Year
2023 General obligation bonds, interest 5.00%, Maturity June 15, 2038	\$ 225,000	\$ 225,000	\$ -	\$ (10,220)	\$ 214,780	\$ 14,130
2020 General obligation refunding bonds, interest ranges from 4.00% - 5.00%, Maturity June 15, 2033	119,365	87,550	-	(8,365)	79,185	8,415
2018 General obligation bonds, interest ranges from 4.00% - 5.00%, Maturity June 15, 2033	185,000	112,835	-	(6,265)	106,570	7,785
2016 General obligation refunding bonds, interest ranges from 2.00% - 5.00%, Maturity June 15, 2029	118,630	77,850	-	(11,445)	66,405	12,020
2018 Limited tax pension bonds, interest ranges from 2.97% - 4.64%, Maturity June 1, 2038	171,865	155,340	-	(5,125)	150,215	5,730
2003 Limited tax pension bonds, interest ranges from 1.07% - 4.81%, Maturity June 1, 2027	119,995	45,480	-	(9,825)	35,655	10,810
Premium on General obligation bonds	95,556	52,495	-	(5,069)	47,426	-
	<u>\$ 1,035,411</u>	<u>\$ 756,550</u>	<u>\$ -</u>	<u>\$ (56,314)</u>	<u>\$ 700,236</u>	<u>\$ 58,890</u>

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**5. LONG-TERM LIABILITIES (Continued)**

Additional Long-Term Liabilities, net of any current portion, for the fiscal year ended June 30, 2024 are as follows (in thousands):

<u>Other Long-Term Liabilities</u>	Outstanding June 30, 2024
Lease liability	\$ 1,524
SBITA liability	1,585
Transition liability - pre SLGRP	6,151
Total pension liability	21,038
Total OPEB liability	8,146
	<u>\$ 38,444</u>

Future maturities of principal and interest of long-term debts are as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 58,890	\$ 28,815
2026	64,230	26,326
2027	69,945	23,556
2028	61,855	20,494
2029	47,070	17,797
2030-2034	198,770	62,874
2035-2038	152,050	18,607
	<u>\$ 652,810</u>	<u>\$ 198,469</u>

General Obligation Bonds are direct obligations and pledge the full faith and credit of the College.

As of June 30, 2024, \$57.4 million of the General Obligation Bonds, Series 2009 and \$99.1 million of the General Obligation Bonds, Series 2013 are outstanding and considered defeased.

The Tax Reform Act of 1986 requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. Entities are required to remit arbitrage rebate payments for non-purpose interest to the federal government at least once every five-year period that the debt is outstanding and at maturity. Arbitrage liabilities are recorded as a reduction in investment earnings in the general fund. As of June 30, 2024, the College had no arbitrage rebate liabilities.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**6. LEASES**

The College has several leasing arrangements, summarized below:

**Lessee:**

In a prior year, the College entered into a lease agreement as lessee for the use of trailers. As of June 30, 2024, the value of the lease liability was \$22 thousand. The College is required to make monthly principal and interest payments of \$2 thousand through April 2025. The lease has an interest rate of 1.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$101 thousand and \$79 thousand, as of June 30, 2024, respectively.

During the current year, the College extended lease agreements as lessee for the use of two buildings. As of June 30, 2024, the value of the lease liability was \$1.3 million. The College is required to make yearly principal and interest payments of \$325 thousand through September 2028. The interest rate on the leases ranged between 1.8-4.43%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$1.8 million and \$454 thousand, as of June 30, 2024, respectively.

In a prior year, the College entered into a lease agreement as lessee for the use of office space. As of June 30, 2024, the value of the lease liability was \$164 thousand. The College is required to make yearly principal and interest payments of \$165 thousand through June 2025. The lease has an interest rate of 1.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$649 thousand and \$361 thousand, as of June 30, 2024, respectively.

In combination of both prior years and current year, the College entered into several lease agreements as lessee for the use printer and copier machines. As of June 30, 2024, the value of the lease liability was \$777 thousand. The College is required to make monthly principal and interest payments of up to \$25 thousand through March 2028. The interest rate on the leases ranged from 1.1% to 4.67%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$1.2 million and \$483 thousand, as of June 30, 2024, respectively.

In a prior year, the College entered into a lease agreement as lessee for the use of VR Headsets. As of June 30, 2024, the value of the lease liability was zero. The College is required to make a one-time payment for principal and interest of \$49 thousand. Lease terminates August 2024. The lease has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$49 thousand and \$47 thousand, as of June 30, 2024, respectively.

Changes in Lease Liabilities during the year ended June 30, 2024 are as follows (in thousands):

Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
\$ 949	\$ 2,138	\$ (807)	\$ 2,280	\$ 755
\$ 949	\$ 2,138	\$ (807)	\$ 2,280	\$ 755

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Year ended June 30, 2024**

**6. LEASES (Continued)**

Remaining obligations associated with these leases are as follows (in thousands):

Year Ending June 30,	Total	
	Principal	Interest
2025	\$ 755	\$ 60
2026	594	41
2027	484	23
2028	379	10
2029	68	-
Total	<u>\$ 2,280</u>	<u>\$ 134</u>

**Lessor:**

During the year ended June 30, 2024, the College entered into four lease agreements as lessor. The College has accrued a receivable for five classroom/office and three cell tower leases. The remaining receivable for these leases was \$8.2 million for the year ended June 30, 2024. Deferred inflows related to these leases were \$8.0 million as of June 30, 2024. Interest revenue recognized on these leases was \$183 thousand for the year ended June 30, 2024. Lease revenue of \$670 thousand was recognized during the fiscal year. The interest rate on the leases is 2%.

Remaining amounts to be received associated with these leases are as follows:

Year Ending June 30,	Lease Revenue
2025	\$ 541
2026	570
2027	327
2028	344
2029	362
2030-2034	2,077
2035-2039	2,272
2040-2044	1,698
Total	<u>\$ 8,191</u>

**7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)**

The College has several SBITAs, summarized below:

The College entered into forty-seven SBITA contracts for the right use of various software programs. As of June 30, 2024, the value of the subscription liability was \$5.5 million. The College is required to make annual principal and interest payments of \$4.1 million up to November 2033. The subscriptions have interest rates ranging from 3.8% to 6%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$13.3 million and \$6.2 million, as of June 30, 2024, respectively. The College also has two contracts related to the implementation

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**7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)**

of a new software asset that is currently Development in Progress. The total value of the Development in Progress asset was \$1.5 million with no liability.

Changes in Subscription-Based Information Technology Arrangements (SBITA) Liabilities during the year ended June 30, 2024 are as follows (in thousands):

Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
\$ 5,539	\$ 4,936	\$ (4,985)	\$ 5,490	\$ 3,905
<u>\$ 5,539</u>	<u>\$ 4,936</u>	<u>\$ (4,985)</u>	<u>\$ 5,490</u>	<u>\$ 3,905</u>

Remaining obligations associated with these SBITAs are as follows (in thousands):

Year Ending June 30,	Total	
	Principal	Interest
2025	\$ 3,905	\$ 235
2026	921	69
2027	567	29
2028	97	4
<u>Total</u>	<u>\$ 5,490</u>	<u>\$ 337</u>

**8. RISK MANAGEMENT**

Portland Community College as a whole is exposed to various risks of loss related to torts and other exposures. These include theft, damage to and destruction of assets; errors and omissions; cybercrimes and natural disasters for which we maintain a balanced portfolio within the institutions retention limits for self-insurance and excess risk transfer to insurance policies that fall within the College's current tolerance level.

The College retains the risk within professional educator's liability to claims that do not exceed \$830,300 per occurrence. Within the last four years, the College continues to parallel retention limits in accordance with our threshold limits and in alignment with Oregon tort caps, in addition retains excess coverage to support aggregate losses in excess of this retention. This has been an adequate strategy for the College's coverage during the year ended June 30, 2024 and no insurance settlement has exceeded the insurance limits for the past four years. Educators liability insurance generally covers casualty losses in excess of \$830,300 per occurrence. The excess coverage within the risk pool to which we subscribe, and above our self insured retention limit, provides up to \$20 million per occurrence and \$20 million in the aggregate coverage for losses. The College's property insurance total loss limit is \$400 million with a \$25 thousand deductible. Earthquake and flood coverage has a loss limit of \$100 million per occurrence and annual aggregate with a \$100,000 deductible.

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**8. RISK MANAGEMENT (Continued)**

Additionally, the College is self-insured for workers' compensation and employers' liability to pay claims, maintain claims reserves and pay administrative expenses for work-related injuries and illnesses. Liabilities for workers' compensation are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The College has obtained an excess coverage insurance policy to cover workers' compensation claims in excess of \$550 thousand with a loss limit consistent with Oregon statutes. Liabilities include an amount for claims that have been incurred but not reported (IBNR). This liability is found on the Statement of Net Position in Other current liabilities. Claims liabilities are calculated considering the effects of inflation, medical costs, state rules, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors on a claim by claim basis. Changes in the balances of claims liabilities are as follows (in thousands):

	Year Ended 6/30/2024
Unpaid claims, July 1	\$ 199
Incurred claims	730
Claim payments	(608)
Unpaid claims, June 30	<u>\$ 321</u>

**9. PENSION PLANS**

Pension Liability for the fiscal year ended June 30, 2024 are as follows (in thousands):

	Total Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERS Pension	\$ 20,181	\$ 43,375	\$ 72,457	\$ 59,739
PCC Stipend	857	417	401	91
Total Pension Plans	<u>\$ 21,038</u>	<u>\$ 43,792</u>	<u>\$ 72,858</u>	<u>\$ 59,830</u>

Detailed disclosures for each plan follow.

**OREGON PUBLIC RETIREMENT SYSTEM (PERS)**

**Plan Description**

The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program and the Individual Account Program.



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**9. PENSION PLANS (Continued)**

The Pension Program is defined benefit portion of the plan which applies to qualifying College employees hired after August 29, 2003. The Pension Program benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. The Individual Account Program (IAP) is the defined contribution portion of the plan. Beginning January 1, 2004, all PERS member contributions go into the IAP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Starting July 1, 2020, Senate Bill 1049 required IAP member contributions to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% for Tier One and Tier Two members' salaries that were previously contributed to the member's IAP began funding the new Employee Pension Stability Accounts to help fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

**Benefits Provided**

**A. Tier One/Tier Two Retirement Benefit ORS Chapter 238**

**Pension Benefits**

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary is limited for all members beginning in 2021. The limit was equal to \$225,533 as of January 1, 2023, and is indexed with inflation every year.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have contributions in each of five calendar years or have reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

**Death Benefits**

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary

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**9. PENSION PLANS (Continued)**

will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

**Disability Benefits**

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

**Benefit Changes After Retirement**

Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2%.

**B. OPSRP Pension Program (OPSRP DB)**

**Pension Benefits**

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.50% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$225,533 as of January 1, 2023, and is indexed with inflation every year.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

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**NOTES TO BASIC FINANCIAL STATEMENTS  
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**9. PENSION PLANS (Continued)**

**Death Benefits**

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

**Disability Benefits**

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

**C. OPSRP Individual Account Program (OPSRP IAP)**

**Pension Benefits**

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15- or 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

**Death Benefits**

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

**Recordkeeping**

PERS contracts with Voya Financial to maintain IAP participant records.

**Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other

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**9. PENSION PLANS (Continued)**

Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. Employer contributions for the year ended June 30, 2024 to the Tier One/Tier Two and OPSRP plans totaled \$4.0 million, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2024 were 4.63% for Tier One/Tier Two General Service Members and 1.44% for OPSRP Pension Program General Service Members, net of 23.43% of side account rate relief. An additional 6% contribution is required for the OPSRP Individual Account Program and totaled \$8.1 million for the year ended June 30, 2024.

**Pension Liabilities, Pension Assets, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

At June 30, 2024, the College reported net pension liability (asset) of \$20.2 million for its proportionate share of PERS net pension liability (asset). The net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities actuarially determined. PERS has established side accounts for employers that made lump sum payments to the plan in excess of their actuarially required contributions. Since different contribution rates are assessed to employers based on the value of the side accounts, the side account values were reflected separately in the proportionate share calculation. On June 30, 2023 and 2022, the College's proportion were 1.09% and 1.12%, respectively.

For the year ended June 30, 2024, the College recognized aggregate pension expense of \$59.7 million. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,959	\$ 807
Changes in assumptions	18,091	135
Net difference between projected and actual earnings on investments	3,660	-
Changes in proportionate share	1,668	13,359
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,997	58,156
College's contributions subsequent to the measurement date	4,000	-
Year Ended June 30, 2024	<u>\$ 43,375</u>	<u>\$ 72,457</u>

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**9. PENSION PLANS (Continued)**

There is \$4.0 million reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ (12,658)
2026	(24,417)
2027	6,979
2028	(1,307)
<u>2029</u>	<u>(1,679)</u>
Total	<u>\$ (33,082)</u>

**Actuarial Assumptions**

The employer contribution rates effective July 1, 2021 to June 30, 2023 were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

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**NOTES TO BASIC FINANCIAL STATEMENTS  
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**9. PENSION PLANS (Continued)**

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2021
Measurement date	June 30, 2023
Experience Study	2020, published by July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation Rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost-of-living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  <b>Active Members:</b> Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  <b>Disabled retirees:</b> Pub-2010, Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

**Long-Term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table on the following page shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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**9. PENSION PLANS (Continued)**

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Total	100.00 %	
Assumed Inflation - Mean		2.35 %

Source: OPERS Annual Comprehensive Financial Report, For the Fiscal Year Ended June 30, 2023.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the College's proportionate share of the net pension liability (asset) to changes in the discount rate**

The following presents the College's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.90%, as well as what the College's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate (in thousands):

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net pension liability (asset)	\$ 152,922	\$ 20,181	\$ (90,909)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

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**9. PENSION PLANS (Continued)**

**Transition Liability**

The College reports a separate liability to the plan with a balance of \$6.2 million at June 30, 2024. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.33% of covered payroll for payment of this transition liability.

**EARLY RETIREMENT INCENTIVE (STIPEND)**

**Plan Description**

The College maintains a single-employer, defined benefit early retirement incentive program for qualifying Faculty, Academic Professionals (AP), and Classified Employees. The Board has authority to set benefit provisions and funding policy for the plan. The management employee portion of this plan was replaced in fiscal year 2000 by a 2.0% employer contributed 403(b) plan. The actuarial information is from an actuarial valuation report as of June 30, 2023 that has been rolled-forward by the actuary to June 30, 2024.

*Retirement eligibility:*

Faculty and Academic Professional:

10 consecutive years of service immediately preceding retirement

30 years of PERS service OR age 58

Retire prior to age 65

Classified employees

10 consecutive years of service immediately preceding retirement

30 years of PERS service OR age 55

Retire prior to age 62

*Supplemental early retirement benefits description:*

Faculty and Academic Professionals: \$400 payable monthly for four years, but not beyond age 65.

Eligible faculty and academic professionals can elect to an equivalent benefit as a lump sum, calculated using a 6% annual discount rate.

Classified employees: \$270 payable monthly for four years, but not beyond age 62.

*Surviving Spouse Benefits:*

No benefits are payable to a beneficiary upon the death of a retiree receiving a stipend.

*Special Classified Employees Benefits:*

Eligible Classified employees retiring between October 1, 2017 and June 30, 2019 are eligible to receive a monthly benefit of \$525. Eligible Classified employees retiring between December 19, 2019 and December 31, 2021 are eligible to receive a monthly benefit of \$773. This benefit may be taken as stipend or applied toward health insurance premiums. This benefit lasts for four years, but not beyond age 65.

At June 30, 2023, 58 retirees received benefits and 1,950 current active employees are covered. The 2024 information is not available.



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**9. PENSION PLANS (Continued)**

*Contributions and Funding:*

The Early Retirement Incentive Plan is currently unfunded as defined by current GASB statements. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 73.

The benefits from this program are fully paid in accordance with the Plan by the College and, consequently, no contributions by employees are required. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the financial statements. There are no administrative costs attributable to the plan and the plan's activities are reported in the financial statements. For the year ended June 30, 2024, changes in the pension liability are as follows (in thousands):

	<u>Total Stipend Liability</u>
Beginning of Year, 7/1/2023	\$ 928
Benefit Payments	(139)
Service Cost	37
Interest on Stipend Liability	31
<u>End of Year, 6/30/2024</u>	<u>\$ 857</u>

*Actuarial valuations:*

The actuarial information is from an actuarial valuation report as of June 30, 2023 that has been rolled-forward by the actuary to June 30, 2024.

The actuarial funding method used to determine the cost of the Supplemental Early Retirement Program is the Entry Age Normal Cost Method (Level Percent of Pay). The objective under this method is to fund all participants' benefits under the plan as payments which are a level dollar amount each year, starting at their original participation dates and continuing until their assumed exit age. This method is used for both the Early Retirement Incentive Plan and Postemployment Healthcare Plan.

A detailed description of the calculation follows:

- The actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level percentage of pay basis over the service of the active employee between assumed entry age (date of hired) and assumed exit age(s).
- The portion of this actuarial present value allocated to the valuation year is the Service Cost for that active employee, and the sum of these individuals service costs is the Plan's Service Cost for the valuation year.
- The present value of benefits for current retirees plus the accumulated value of all prior Service Costs is the Total Pension Liability.

Under this method, the actuarial gains (losses), as they occur, reduce (increase) the Total Pension Liability.

*Basis of Accounting:*

The actuarial calculations are consistent with accounting principles generally accepted in the United States of America and GASB No.73.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**9. PENSION PLANS (Continued)**

*Asset Valuation Method:*

The actuarial value of assets is equal to the fair value of the assets.

*Basic actuarial assumptions:*

1. Discount rate      3.65% is the June 30, 2023 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.
  
2. Mortality      **Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  
  
**Active employees:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  
  
**Disabled retirees:** Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

	Discount Rate Sensitivity		
	(in thousands)		
	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total Stipend Liability on 6/30/2024	\$ 903	\$ 857	\$ 813

**Stipend Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Stipend**

For the year ended June 30, 2024, the College recognized aggregate stipend expense of \$91 thousand. As of June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to the Stipend from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 200	\$ 37
Changes of assumptions or other inputs	217	364
Total	<u>\$ 417</u>	<u>\$ 401</u>

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**9. PENSION PLANS (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Stipend will be recognized in Pension expense for the year ended June 30, 2024 as follows (in thousands):

Year Ended June 30,	Amount
2025	\$ 22
2026	24
2027	49
2028	29
2029	(18)
All Subsequent Years	(90)
Total	<u>\$ 16</u>

**OTHER RETIREMENT PLAN**

The College contributes to a defined contribution pension plan (403(b) plan) for its management employees with at least one year of service. The College administers the plan and does not publish a stand-alone financial report for the plan. The Board has authority to set benefit provisions and funding policy for the plan. The required contribution amount is 2.0% of covered salary for those who have joined the plan. The expense for the plan for the year ended June 30, 2024 was \$382 thousand.

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

OPEB Liability (Asset) for the fiscal year ended June 30, 2024 are as follows (in thousands):

	Total OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
PCC OPEB	\$ 8,146	\$ 1,963	\$ 4,002	\$ 285
PERS OPEB (RHIA)	(2,887)	186	104	(308)
Total OPEB Plans	<u>\$ 5,259</u>	<u>\$ 2,149</u>	<u>\$ 4,106</u>	<u>\$ (23)</u>

Detailed disclosures for each plan follow.

**Plan Description**

The College operates a single-employer retiree benefit plan OPEB that provides postemployment health, dental, vision, and prescription coverage benefits to eligible employees and their eligible dependents. This OPEB is not a stand-alone plan and therefore does not issue its own financial statements. This plan has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 75.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

The College contributes to the premiums for eligible faculty and academic professional employees and their eligible dependents up to the employer paid maximum at the time of retirement (College Paid-Cap). The maximum monthly employer paid premium contribution at June 30, 2024 is \$1,416 and is based on the number of dependents covered by a medical plan at the time of retirement. This maximum amount may change based on the contract negotiations process or if dependents come off of the plan. If the insurance premium exceeds the college contribution, the balance is then paid by the employee.

To be eligible, retired employees must be receiving pension benefits from Oregon PERS and the duration of College's contribution towards benefits is up to 72 months or until the attainment of age 65, if earlier.

Benefits and eligibility for faculty, academic professionals, and classified staff are established and amended through collective bargaining with the recognized bargaining agent for each group. Benefits and eligibility for administrators and confidential support staff are established and amended by the governing body.

The College is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. Retired employees who are eligible for the College Paid-Cap and whose benefit ends prior to age 65 may continue enrollment in the health plans on a self-pay basis until age 65. Retired employees who are not eligible for the College Paid-Cap may continue enrollment in the health plans on a self-pay basis until age 65.

At June 30, 2023, 58 retirees received benefits and 1,950 current active employees are covered. The 2024 information is not available.

The College's total OPEB liability of \$8.1 million was measured as of June 30, 2023 that has been rolled forward by the actuary to June 30, 2024.

*Actuarial assumptions and other inputs:*

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%	
Salary increases	3.5%	
Discount rate	3.65%	
Health care trend rates	Assumed annual increases in health premiums and the College Cap are listed in the table below. All insurance trends include the assumed general inflation rate of 2.5%.	

Year	Moda Medical	Kaiser Medical	Dental	Vision	College Cap*
2024+	5.0%	4.0%	3.0%	3.0%	5.0%

\* Applied only to Academic Professionals and Faculty Retirees

The discount rate was based on the June 30, 2023 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Changes in the Total OPEB Liability**

	Total OPEB Liability (in thousands)
Beginning of Year, 7/1/2023	\$ 8,154
Benefit Payments - Explicit Medical	(415)
Benefit Payments - Implicit Medical	(282)
Service Cost	404
Interest on Total OPEB Liability	285
End of Year, 6/30/2024	<u>\$ 8,146</u>

*Sensitivity of the total OPEB liability to changes in the discount rate*

The total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate for the year ended June 30, 2024 are as follows (in thousands):

	Discount Rate Sensitivity		
	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 8,735	\$ 8,146	\$ 7,593

*Sensitivity of the total OPEB liability to changes in the healthcare trend rates*

The total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates for the year ended June 30, 2024 are as follows (in thousands):

	Current Health Care Trend Rates		
	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability	\$ 7,372	\$ 8,146	\$ 9,016

**OPEB Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the College recognized OPEB expense of \$285 thousand. At June 30, 2024, the College reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 460	\$ 922
Changes of assumptions or other inputs	1,503	3,080
Total	<u>\$ 1,963</u>	<u>\$ 4,002</u>

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year Ended June 30,	Amount
2025	\$ (404)
2026	(404)
2027	(13)
2028	(110)
2029	(288)
All Subsequent Years	(820)
Total	<u>\$ (2,039)</u>

*Actuarial Methods and Assumptions:*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**PUBLIC RETIREMENT SYSTEM**

**Plan Description**

The College contributes to an OPEB plan administered by the Oregon Public Employees Retirement System (PERS). The Retiree Health Insurance Account (RHIA) is a cost-sharing multiple-employer defined benefit plan established under Oregon Revised Statute 238.420, which grants the authority to manage the plan to the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

**Benefits Provided**

Eligible PERS members can receive a payment of up to \$60 from RHIA toward the monthly cost of health insurance. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991. The plan was closed to new entrants hired on or after August 29, 2003.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Contributions**

PERS funding policy provides for monthly employer contributions at an actuarially determined rate. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2023. Employer contributions for the year ended June 30, 2024 were \$2 thousand. The rates in effect for the fiscal year ended June 30, 2024 were 0.04% for Tier One/Tier Two General Service Members and 0% for OPSRP Pension Program General Service Members. Employees are not required to contribute to the RHIA Program.

**OPEB Assets, OPEB Expenses, OPEB Income, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

At June 30, 2024, the College reported an asset of \$2.9 million for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. The College's proportion of the net OPEB asset was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities actuarially determined. On June 30, 2023 and 2022, the College's proportion were 0.79% and 0.88%, respectively.

For the year ended June 30, 2024, the College recognized aggregate OPEB expense (income) of approximately (\$308) thousand. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 73
Changes of assumptions	-	31
Net difference between projected and actual earnings on investments	8	-
Changes in proportionate share	176	-
College's contributions subsequent to the measurement date	2	-
Year Ended June 30, 2024	<u>\$ 186</u>	<u>\$ 104</u>

Contributions subsequent to the measurement date of \$2 thousand reported as deferred outflows of resources will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year Ended June 30,	Amount
2025	\$ 6
2026	(71)
2027	107
2028	38
Total	<u>\$ 80</u>

**Actuarial assumptions**

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. This method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

The total OPEB asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2021
Measurement date	June 30, 2023
Experience Study	2020, published by July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation Rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active Members:</b> Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010, Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>



**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four- year period ending on December 31, 2020.

**Long-Term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Total	100.00 %	
Assumed Inflation - Mean		2.35 %

Source: OPERS Annual Comprehensive Financial Report, For the Fiscal Year Ended June 30, 2023.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.90% for the OPEB plan. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Sensitivity of the College's proportionate share of the net OPEB asset to changes in the discount rate**

The following presents the College's proportionate share of the net OPEB asset calculated using the discount rate of 6.90%, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate (in thousands):

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net OPEB liability (asset)	\$ (2,624)	\$ (2,887)	\$ (3,112)

**OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS financial report.

**11. RELATED ORGANIZATION**

The Portland Community College Foundation (the Foundation) is a legally separate, tax-exempt related organization of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds are restricted to activities of the College by the donors. Even though the resources held by the Foundation are primarily for the benefit of the College, such resources are not significant to the College. Accordingly, the Foundation is not considered a component unit of the College, as defined by GASB No. 39, since the Foundation's assets and revenues are 2% of the College's revenues and total assets.

**12. ESTIMATED TAX ABATEMENTS**

The College's property tax revenues were reduced by \$14.8 million under agreements entered into by the five counties within the College's district. The amounts abated by county are as follows (in thousands):

	Year Ended June 30, 2024
Clackamas County	\$ 463
Columbia County	11
Multnomah County	586
Washington County	13,758
Yamhill County	4
	<u>\$ 14,822</u>

All data is estimated based on tax roll values.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS  
Year ended June 30, 2024**

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**13. COMMITMENTS AND CONTINGENCIES**

**Construction Commitments**

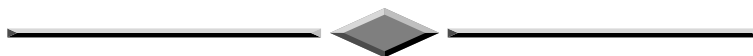
The College has approximately \$20.8 million in on-going construction commitments as of June 30, 2024. About 86.5% of the direct construction contracts are based on guaranteed maximum amounts with the construction manager/general contractors, design builders, and hard bid contracts selected for each of the five main campuses and other centers. Remaining commitments include consulting contracts for architectural and engineering services, moving services, geotechnical, materials testing, commissioning, surveying and other services. Projects are ongoing at the Sylvania campus, Cascade campus, Rock Creek campus, and Opportunity Center at 42<sup>nd</sup> Avenue. Projects also include district-wide deferred maintenance, upgrading district-wide technology infrastructure, and upgrading district-wide security projects.

The College has approximately \$23.6 million in commitments related to SBITAs. These represent contracted costs for the implementation of Workday, the new ERP system. Workday Platform has \$12.4 million in committed costs and Workday Student has \$11.2 million in committed costs.

**Federal Issues**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government. Any disallowed costs, including amounts already collected, may constitute a liability for the College. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although College management expects such amounts, if any, to be immaterial to the basic financial statements.

# REQUIRED SUPPLEMENTARY INFORMATION





**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) Pension Plan  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
For the last ten fiscal years**

Fiscal Year Ended June 30,	(a) College's proportion of the net pension liability (asset)	(b) College's proportionate share of the net pension liability (asset)	(c) College's covered payroll**	(b/c) College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	1.08724534%	\$ 20,180,738	\$ 145,163,389	13.90%	81.68%
2023	1.12123137%	(29,902,769)	134,629,627	-22.21%	84.55%
2022	1.10959750%	(68,413,411)	134,936,648	-50.70%	87.57%
2021	1.16143555%	51,471,627	134,716,374	38.21%	75.79%
2020	1.19359871%	13,786,961	134,216,139	10.27%	80.23%
2019	1.19835063%	148,267,124	133,230,694	111.29%	82.07%
2018	1.21675270%	134,346,989	132,954,016	101.05%	83.12%
2017	1.26411636%	165,656,749	126,377,544	131.08%	80.53%
2016	1.28316214%	45,769,547	129,194,652	35.43%	91.88%
2015	1.36089339%	(71,099,790)	125,347,002	-56.72%	103.60%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above.

\*\* Employer's covered payroll is equal to the amount reported to PERS in the proceeding year.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) Pension Plan**

**SCHEDULE OF CONTRIBUTIONS**

**For the last ten fiscal years**

Fiscal Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)***	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2024	\$ 6,934,555	\$ 4,172,440	\$ 2,762,115	\$ 154,593,457	2.70%
2023	23,481,959	5,844,203	17,637,756	145,163,389	4.03%
2022	8,622,123	4,328,621	4,293,502	134,629,627	3.22%
2021	12,406,968	4,375,520	8,031,448	134,936,648	3.24%
2020	6,646,833	176,450,043	(169,803,210)	134,716,374	130.98%
2019	12,709,999	12,709,999	-	134,216,139	9.47%
2018	8,955,713	8,955,713	-	133,230,694	6.72%
2017	8,996,796	8,996,796	-	132,954,016	6.77%
2016	8,876,145	8,876,145	-	126,377,544	7.02%
2015	8,772,893	8,772,893	-	129,194,652	6.79%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions during the respective fiscal year indicated above.

\*\* Employer's covered payroll is equal to the amount report to PERS during the fiscal year presented. The amount includes adjustments from prior year's covered payroll.

\*\*\* Contribution in excess was created when the College paid excess funds toward the PERS total liability using a Pension Bond in FY18. FY 20 reflects that excess contribution.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) OPEB Plan  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
For the last ten fiscal years\***

Fiscal Year Ended June 30,*	(a) College's proportion of the net OPEB liability (asset)	(b) College's proportionate share of the net OPEB liability (asset)	(c) College's covered payroll**	(b/c) College's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2017	1.33071417%	\$ 361,372	\$ 126,377,544	0.285946370%	93.84%
2018	1.29452634%	(540,259)	132,954,016	-0.406350268%	108.89%
2019	1.26553093%	(1,412,676)	133,230,694	-1.060323232%	123.99%
2020	1.24721207%	(2,410,064)	134,216,139	-1.795658866%	144.36%
2021	0.65933032%	(1,343,453)	134,716,374	-0.997245517%	150.07%
2022	0.90735329%	(3,115,856)	134,936,648	-2.309125094%	183.86%
2023	0.88144072%	(3,132,069)	134,629,627	-2.326433691%	194.66%
2024	0.78838678%	(2,886,803)	145,163,389	-1.988657760%	201.60%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above.

\*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

\*\* Employer's covered payroll is equal to the amount reported to PERS in the proceeding year.



**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) OPEB Plan  
SCHEDULE OF CONTRIBUTIONS  
For the last ten fiscal years\***

Fiscal Year Ended June 30,*	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)***	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2017	\$ 593,338	\$ 593,338	-	\$ 132,954,016	0.446%
2018	644,489	644,489	-	133,230,694	0.484%
2019	607,428	607,428	-	134,216,139	0.453%
2020	618,809	618,809	-	134,716,374	0.459%
2021	41,931	41,931	-	134,936,648	0.031%
2022	26,888	26,888	-	134,629,627	0.020%
2023	21,670	21,670	-	145,163,389	0.015%
2024	16,862	16,862	-	154,593,457	0.011%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions made during the respective fiscal year indicated above.

\*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

\*\* Employer's covered payroll is equal to the amount report to PERS during the fiscal year presented. The amount includes adjustments from prior year's covered payroll.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**College's Post Employment Health Care Plan (OPEB)  
SCHEDULE OF TOTAL OPEB LIABILITY  
For the last 10 fiscal years\*\***

	2024	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>								
Service cost	\$ 403,327	\$ 389,688	\$ 606,874	\$ 586,352	\$ 437,649	\$ 422,849	\$ 342,240	\$ 330,667
Interest	284,909	228,955	228,173	231,434	380,934	267,082	277,697	444,454
Changes of benefit terms	-	-	-	124,103	-	71,650	-	-
Differences between expect and actual experience	-	61,702	-	(1,328,830)	-	1,113,642	-	(610,802)
Changes of assumptions or other inputs	-	(2,737,669)	-	1,130,790	-	2,251,587	-	(4,170,669)
Benefit payments	(696,805)	(776,590)	(821,180)	(968,462)	(1,007,266)	(740,513)	(751,349)	(551,945)
Net change in total OPEB liability	(8,569)	(2,833,914)	13,867	(224,613)	(188,683)	3,386,297	(131,412)	(4,558,295)
Total OPEB liability beginning	8,154,127	10,988,041	10,974,174	11,198,787	11,387,470	8,001,173	8,132,585	12,690,880
Total OPEB liability ending	\$ 8,145,558	\$ 8,154,127	\$ 10,988,041	\$ 10,974,174	\$ 11,198,787	\$ 11,387,470	\$ 8,001,173	\$ 8,132,585
Covered employee payroll***	\$ 141,036,167	\$ 136,266,828	\$ 132,584,970	\$ 128,101,420	\$ 128,565,535	\$ 124,217,908	\$ 116,193,942	\$ 112,264,678
Total OPEB liability as a percentage of covered employee payroll ***	5.8%	6.0%	8.3%	8.6%	8.7%	9.2%	6.9%	7.2%

\*\*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Assumes all actuarial assumptions are exactly realized.

\*\*\* Since these amounts are not driven by payroll the term "covered employee" is included.

**PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON**

**College's Early Retirement Incentive Plan (Stipend)  
SCHEDULE OF TOTAL PENSION LIABILITY  
For the last ten fiscal years\*\***

	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total Pension Liability</b>									
Service cost	\$ 37,477	\$ 36,210	\$ 62,442	\$ 60,330	\$ 37,609	\$ 36,337	\$ 28,796	\$ 27,822	\$ 47,419
Interest	31,328	27,342	28,440	25,847	45,868	27,041	32,729	46,007	41,345
Changes of benefit terms	-	-	-	56,634	-	25,837	-	-	-
Differences between expect and actual experience	-	33,211	-	(61,859)	-	402,402	-	98,745	-
Changes of assumptions or other inputs	-	(362,555)	-	205,577	-	244,663	-	(366,543)	-
Benefit payments	(139,308)	(144,152)	(139,252)	(193,760)	(200,996)	(195,681)	(210,650)	(143,160)	(220,495)
Net change in total Pension liability	(70,503)	(409,944)	(48,370)	92,769	(117,519)	540,599	(149,125)	(337,129)	(131,731)
Total Pension liability beginning	927,962	1,337,906	1,386,276	1,293,507	1,411,026	870,427	1,019,552	1,356,681	1,488,412
Total Pension liability ending	<u>\$ 857,459</u>	<u>\$ 927,962</u>	<u>\$ 1,337,906</u>	<u>\$ 1,386,276</u>	<u>\$ 1,293,507</u>	<u>\$ 1,411,026</u>	<u>\$ 870,427</u>	<u>\$ 1,019,552</u>	<u>\$ 1,356,681</u>
Covered employee payroll ***	\$ 54,740,117	\$ 52,889,002	\$ 49,230,414	\$ 47,565,617	\$ 45,501,302	\$ 43,962,611	\$ 43,137,258	\$ 41,678,510	\$ 44,442,240
Total Pension liability as a percentage of covered employee payroll ***	1.6%	1.8%	2.7%	2.9%	2.8%	3.2%	2.0%	2.4%	3.1%

\*\*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

\*\*\* Since these amounts are not driven by payroll the term "covered employee" is included.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON  
**Notes to Required Supplementary Information**  
**June 30, 2024**

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## **PERS Pension Plan**

### **Changes in Plan Provisions**

Key changes in plan provisions are described in the Oregon Public Employees Retirement System's GASB 68 Disclosure Information which was published on September 18, 2013 and can be found at: <http://www.oregon.gov/pers/EMP/Documents/GASB/2014/GASB-Disclosure-Information.pdf> and in a letter from the plan's actuary dated February 2, 2024 which can be found at: [https://www.oregon.gov/pers/emp/Documents/GASB/2023/2023\\_GASB68.pdf](https://www.oregon.gov/pers/emp/Documents/GASB/2023/2023_GASB68.pdf)

### **Changes in Assumptions**

Key changes in assumptions for the December 31, 2014 and 2015 valuations are described in the Oregon Public Employees Retirement System's 2014 Experience Study which was published on September 23, 2015 and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

Key changes in assumptions for the December 31, 2016 and 2017 valuations are described in the Oregon Public Employees Retirement System's 2016 Experience Study which was published on July 26, 2017 and can be found at: <https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

Key changes in assumptions for the December 31, 2018 and 2019 valuations are described in the Oregon Public Employees Retirement System's 2018 Experience Study which was published on July 24, 2019 and can be found at: [https://www.oregon.gov/pers/Documents/Exp\\_Study\\_2018.pdf](https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf)

Key changes in assumptions for the December 31, 2020 and 2021 valuations are described in the Oregon Public Employees Retirement System's 2020 Experience Study which was published on July 20, 2021 and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

Key changes in assumptions for the December 31, 2022 and 2023 valuations are described in the Oregon Public Employees Retirement System's 2022 Experience Study (Updated) which was published on July 24, 2023 and can be found at: [https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022\\_Exp\\_Study.pdf](https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022_Exp_Study.pdf)

## **PERS Post Employment Health Care Plan (OPEB)**

The College also participates in Oregon PERS Retirement Health Insurance Account which is a cost-sharing multiple-employer plan under the GASB Statement 75. This plan does have stand-alone financial statements available here: <https://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

### **Changes in Plan or Assumptions**

Key changes in assumptions for the December 31, 2015 valuations are described in the Oregon Public Employees Retirement System's 2014 Experience Study which was published on September 23, 2015 and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

Key changes in assumptions for the December 31, 2016 and 2017 valuations are described in the Oregon Public Employees Retirement System's 2016 Experience Study which was published on July 26, 2017 and can be found at: <https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON  
**Notes to Required Supplementary Information**  
**June 30, 2024**

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Key changes in assumptions for the December 31, 2018 and 2019 valuations are described in the Oregon Public Employees Retirement System's 2018 Experience Study which was published on July 24, 2019 and can be found at: [https://www.oregon.gov/pers/Documents/Exp\\_Study\\_2018.pdf](https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf)

Key changes in assumptions for the December 31, 2020 and 2021 valuations are described in the Oregon Public Employees Retirement System's 2020 Experience Study which was published on July 20, 2021 and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

Key changes in assumptions for the December 31, 2022 and 2023 valuations are described in the Oregon Public Employees Retirement System's 2022 Experience Study (Updated) which was published on July 24, 2023 and can be found at: [https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022\\_Exp\\_Study.pdf](https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022_Exp_Study.pdf)

### **College's Post Employment Health Care Plan (OPEB)**

The College OPEB plan is not a stand-alone plan and therefore does not issue its own financial statements. The plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

#### **Changes in Plan or Assumptions**

No material changes in the census or plan provision have occurred.

There were no significant changes that would impact the actuarial assumptions.

### **College's Early Retirement Incentive Plan (Stipend)**

This Stipend plan is not a stand-alone plan and therefore does not issue its own financial statements. The plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73.

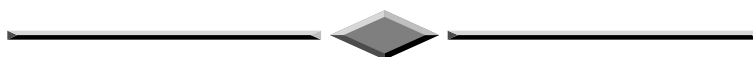
#### **Changes in Plan or Assumptions**

No material changes in the census or plan provision have occurred.

There were no significant changes that would impact the actuarial assumptions.

There are no assets accumulated in a trust to pay related benefits for pension/ OPEB.

# **Other SUPPLEMENTARY INFORMATION**



Individual funds  
and other financial schedules



# Individual Funds

## **General Fund**

The General Fund is the College's primary operating fund. It accounts for all major instructional programs and services supporting these programs. Principal sources of revenue are property taxes, tuition and community college funding from the State of Oregon. For budgetary compliance, expenditures are budgeted by various educational and general expense categories. For reporting purposes, expenditures are further categorized into academic and student affairs, finance and administration, Office of the President and transfers to other funds.

## **Continuing and Community Education Fund**

This fund was established to provide a separate accounting of revenues and expenditures for self-improvement, non-credit and non-traditional credit courses. Programs in this fund are to be financially self-supporting. Registration fees and other charges provide the majority of revenue in this fund.

## **Auxiliary Fund**

This fund accounts for a variety self-supporting College sponsored activities which cannot be accounted for in other funds or in the General Fund. Major sources of revenue include facilities usage charges and a variety of campus activities. Major program expenditures include management of campus facility rental activities and other College sponsored activities.

## **Student Activities Fund**

This fund was established to account for programs and activities related to student functions. The resources for this fund come from student fees and from fund raising activities. Programs under this fund are Child Care, Student Government, intramural activities, and other student activities.

## **Contracts and Grants Fund**

This fund accounts for Federal, State, and Local grants and contracts that fund various training programs, the development and operation of experimental grant-funded programs. This fund is dependent on grants and contract awards that will be received during the fiscal year and that require external reporting. The major source of revenue is from federal, state, and local contracts and grants.

## **Student Financial Aid Fund**

This fund was established to provide for a separate accounting of student financial assistance. Federal and state student aid programs provide the majority of revenue in this fund.

## **General Obligation Bond Fund**

This fund was established to account for the accumulation of resources for the payment of principal and interest on long-term general obligation bonds. The principal sources of revenues are property taxes and earnings on investments.

## **P.E.R.S. Debt Service Fund**

This fund was established to account for the accumulation of resources for the payment of principal and interest on the Limited Tax Pension Bonds. The primary source of revenue is a transfer from the P.E.R.S./Reserve Fund.



**Capital Projects Fund**

This fund was established to account for expenditures for minor construction projects, remodeling, major maintenance of facilities, and replacement of major equipment. The major source of funding is a transfer from the General Fund.

**Capital Construction Fund**

This fund accounts for all activities relating to major construction projects not accounted for in the Capital Projects Fund, including acquisition of real property, construction of new facilities and major renovations of existing facilities. This fund was established in 1992 to account for projects provided for by the voter approved bond authority. The major source of funding is bond proceeds.

**Food Services Fund**

This fund accounts for the operation of the cafeterias and related food services. The principal source of revenue is from food sales.

**Bookstore Fund**

The College Bookstore operation provides students and staff with books and instructional supplies needed to carry out their educational programs. The principal source of revenue is from sales of merchandise.

**Transportation and Parking Services Fund**

This fund accounts for the College parking program. Resources are expended for alternative transportation options and maintenance of the parking lots. The major sources of revenue are from parking permits and parking fines.

**Print Center Fund**

This fund was established to account for the College's expenses relating to printing and photocopying. The primary source of revenue is from charges for services to the College's operating funds.

**Risk Management Fund**

This fund accounts for the expenses relating to the College's management of its self-insurance operation which includes property, casualty, unemployment and worker's compensation insurance. The primary source of revenue is from charges to the College's operating funds.

**P.E.R.S. Internal Service Fund**

This fund was established to centrally manage and account for the additional Public Employees Retirement System's employer rate. The primary source of revenue is from charges to the College's operating funds on all salaries subject to P.E.R.S. The primary expenditure in this fund is a transfer of accumulated charges to the P.E.R.S. Debt Service Fund.

**Early Retirement Fund**

This fund was established to account for the accumulation of resources to meet future obligations and expenses related to the College's early retirement program. Principal sources of revenue are a transfer from the General Fund and interest earnings from investments.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
For the year ended June 30, 2024

<u>GENERAL FUND</u>			
	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
From local sources:			
District property tax:			
Current year	\$ 88,874,142	\$ 45,320,975	\$ (43,553,167)
Prior year	2,268,045	459,584	(1,808,461)
Total district property tax	91,142,187	45,780,559	(45,361,628)
Tuition and fees	153,774,954	80,695,007	(73,079,947)
Other sources:			
Interest from investments	1,700,000	7,329,491	5,629,491
Other local sources	3,619,000	2,077,458	(1,541,542)
Total other sources	5,319,000	9,406,949	4,087,949
Total from local sources	250,236,141	135,882,515	(114,353,626)
From state sources:			
FTE reimbursement	262,577,150	129,346,264	(133,230,886)
Other state sources	-	216,759	216,759
Total from state sources	262,577,150	129,563,023	(133,014,127)
TOTAL REVENUES, BUDGETARY BASIS	512,813,291	265,445,538	(247,367,753)

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL

For the year ended June 30, 2024

<u>GENERAL FUND</u>			
	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
EXPENDITURES:			
Program areas:			
Office of the President	37,756,471	17,925,224	19,831,247
Finance & Administration	145,860,822	74,151,367	71,709,455
Academic Affairs	294,880,218	147,896,605	146,983,613
Student Affairs	75,077,374	30,796,582	44,280,792
Total Non-campus program areas	553,574,885	270,769,778	282,805,107
Contingencies	26,219,582	-	26,219,582
TOTAL EXPENDITURES	579,794,467	270,769,778	309,024,689
REVENUES OVER (UNDER) EXPENDITURES, BUDGETARY BASIS	(66,981,176)	(5,324,240)	61,656,936
OTHER FINANCING SOURCES (USES):			
Transfers in	6,907,320	4,021,552	(2,885,768)
Transfers out	(22,188,931)	(13,937,882)	8,251,049
TOTAL OTHER FINANCING SOURCES (USES)	(15,281,611)	(9,916,330)	5,365,281
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES, BUDGETARY BASIS	(82,262,787)	(15,240,570)	67,022,217
Beginning fund balance	105,812,923	105,812,923	-
Ending fund balance - budgetary basis	\$ 23,550,136	\$ 90,572,353	\$ 67,022,217

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

CONTINUING AND COMMUNITY EDUCATION FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Other local sources	\$ 1,195,000	\$ 606,052	\$ (588,948)
Tuition and fees	9,112,260	4,507,233	(4,605,027)
TOTAL REVENUES	10,307,260	5,113,285	(5,193,975)
EXPENDITURES:			
Workforce/Continuing Education	12,005,877	5,193,688	6,812,189
Cascade campus	53,360	4,880	48,480
Contingency	3,446,367	-	3,446,367
TOTAL EXPENDITURES	15,505,604	5,198,568	10,307,036
REVENUES OVER (UNDER) EXPENDITURES	(5,198,344)	(85,283)	5,113,061
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(200,188)	(200,188)	-
TOTAL OTHER FINANCING SOURCES (USES)	(200,188)	(200,188)	-
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(5,398,532)	(285,471)	5,113,061
Beginning fund balance	5,398,532	5,398,532	-
Ending fund balance - budgetary basis	\$ -	\$ 5,113,061	\$ 5,113,061

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

<u>AUXILIARY FUND</u>			
	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Facilities usage	\$ 1,376,816	\$ 579,491	\$ (797,325)
Campus activities	1,403,478	581,265	(822,213)
TOTAL REVENUES	2,780,294	1,160,756	(1,619,538)
EXPENDITURES:			
Facilities usage	1,694,715	213,890	1,480,825
Campus activities	1,801,727	339,588	1,462,139
Sustainability projects	200,000	43,346	156,654
Contingency	414,511	-	414,511
TOTAL EXPENDITURES	4,110,953	596,824	3,514,129
REVENUES OVER (UNDER) EXPENDITURES	(1,330,659)	563,932	1,894,591
OTHER FINANCING SOURCES (USES):			
Transfers:			
Transfers (out)	(197,799)	(55,576)	142,223
TOTAL OTHER FINANCING SOURCES (USES)	(197,799)	(55,576)	142,223
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,528,458)	508,356	2,036,814
Beginning fund balance	2,973,132	2,849,410	(123,722)
Ending fund balance - budgetary basis	\$ 1,444,674	\$ 3,357,766	\$ 1,913,092

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

STUDENT ACTIVITIES FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Interest from investments	\$ 17,000	\$ 132,156	\$ 115,156
From local sources:			
Student activities fees	3,615,643	1,918,962	(1,696,681)
Other local sources	642,000	70,182	(571,818)
Total from local sources	4,257,643	1,989,144	(2,268,499)
TOTAL REVENUES	4,274,643	2,121,300	(2,153,343)
EXPENDITURES:			
Civic leadership development	491,160	86,004	405,156
Student engagement	1,513,024	587,637	925,387
Basic needs & sustainability leadership	1,047,466	395,791	651,675
ASPPC senate	523,490	159,789	363,701
Student belonging & wellbeing	1,263,828	336,537	927,291
Emergency grants	289,926	134,793	155,133
Student life & leadership initiatives	1,622,170	813,594	808,576
Contingency	572,834	-	572,834
TOTAL EXPENDITURES	7,323,898	2,514,145	4,809,753
REVENUES OVER (UNDER) EXPENDITURES	(3,049,255)	(392,845)	2,656,410
Beginning fund balance	3,049,255	3,049,255	-
Ending fund balance - budgetary basis	\$ -	\$ 2,656,410	\$ 2,656,410

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

CONTRACTS AND GRANTS FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Local sources	\$ 13,572,243	\$ 4,931,875	\$ (8,640,368)
State sources	23,172,817	14,423,183	(8,749,634)
Federal sources	30,399,007	13,754,743	(16,644,264)
	<u>67,144,067</u>	<u>33,109,801</u>	<u>(34,034,266)</u>
TOTAL REVENUES			
EXPENDITURES:			
Local contracts	14,378,055	5,311,613	9,066,442
State grants	23,273,955	13,126,246	10,147,709
Federal grants	24,663,730	12,870,290	11,793,440
Contingency	4,405,243	-	4,405,243
	<u>66,720,983</u>	<u>31,308,149</u>	<u>35,412,834</u>
TOTAL EXPENDITURES			
REVENUES OVER (UNDER) EXPENDITURES	<u>423,084</u>	<u>1,801,652</u>	<u>1,378,568</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	449,900	181,486	(268,414)
Transfers (out)	(3,755,307)	(1,820,888)	1,934,419
	<u>(3,305,407)</u>	<u>(1,639,402)</u>	<u>1,666,005</u>
TOTAL OTHER FINANCING SOURCES (USES)			
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(2,882,323)	162,250	3,044,573
Beginning fund balance	<u>2,882,323</u>	<u>2,882,323</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ -</u>	<u>\$ 3,044,573</u>	<u>\$ 3,044,573</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2024

STUDENT FINANCIAL AID FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
From local sources:			
Interest from investments	\$ 8,000	\$ 69,745	\$ 61,745
College funded sources	821,531	218,333	(603,198)
Total from local sources	829,531	288,078	(541,453)
From federal sources	145,587,553	63,134,640	(82,452,913)
From state sources	45,760,000	19,790,232	(25,969,768)
TOTAL REVENUES	192,177,084	83,212,950	(108,964,134)
EXPENDITURES:			
College funded programs	768,348	307,404	460,944
Federal programs	146,097,316	63,163,577	82,933,739
State programs	45,760,000	19,790,232	25,969,768
Short term student loan program	20,300	-	20,300
Contingency	494,323	-	494,323
TOTAL EXPENDITURES	193,140,287	83,261,213	109,879,074
REVENUES OVER (UNDER) EXPENDITURES	(963,203)	(48,263)	914,940
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(258,734)	(118,339)	140,395
TOTAL OTHER FINANCING SOURCES (USES)	(258,734)	(118,339)	140,395
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,221,937)	(166,602)	1,055,335
Beginning fund balance	1,221,937	1,221,937	-
Ending fund balance - budgetary basis	\$ -	\$ 1,055,335	\$ 1,055,335



PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

DEBT SERVICE (GO BOND) FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
From local sources:			
Property tax - current year	\$ 120,267,248	\$ 58,990,174	\$ (61,277,074)
Property tax - prior year	300,000	596,507	296,507
Interest from investments	150,000	1,514,345	1,364,345
	<u>120,717,248</u>	<u>61,101,026</u>	<u>(59,616,222)</u>
TOTAL REVENUES			
	<u>120,717,248</u>	<u>61,101,026</u>	<u>(59,616,222)</u>
EXPENDITURES:			
Principal payments - GO Bonds	78,645,000	36,295,000	42,350,000
Interest payments - GO Bonds	45,173,055	24,699,326	20,473,729
	<u>123,818,055</u>	<u>60,994,326</u>	<u>62,823,729</u>
TOTAL EXPENDITURES			
	<u>123,818,055</u>	<u>60,994,326</u>	<u>62,823,729</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(3,100,807)</u>	<u>106,700</u>	<u>3,207,507</u>
REVENUES AND OTHER FINANCING SOURCES			
(USES) OVER (UNDER) EXPENDITURES	(3,100,807)	106,700	3,207,507
Beginning fund balance	9,526,703	9,526,703	-
Ending fund balance - budgetary basis	<u>\$ 6,425,896</u>	<u>\$ 9,633,403</u>	<u>\$ 3,207,507</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

P.E.R.S. DEBT SERVICE FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
EXPENDITURES:			
Principal - Pension obligation bonds	\$ 31,490,000	\$ 14,950,000	\$ 16,540,000
Interest - Pension obligation bonds	<u>17,342,991</u>	<u>9,001,318</u>	<u>8,341,673</u>
TOTAL EXPENDITURES	<u>48,832,991</u>	<u>23,951,318</u>	<u>24,881,673</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(48,832,991)</u>	<u>(23,951,318)</u>	<u>24,881,673</u>
OTHER FINANCING SOURCES (USES):			
Transfer from PERS Reserve Fund	<u>48,832,991</u>	<u>23,951,318</u>	<u>(24,881,673)</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	-	-	-
Beginning fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance - budgetary basis	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

CAPITAL PROJECTS FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Interest from investments	\$ 70,000	\$ 1,125,230	\$ 1,055,230
Other revenues	355,000	547,705	192,705
	<u>425,000</u>	<u>1,672,935</u>	<u>1,247,935</u>
TOTAL REVENUES			
EXPENDITURES:			
Capital outlay	14,645,000	2,936,052	11,708,948
Contingency	1,572,303	-	1,572,303
	<u>16,217,303</u>	<u>2,936,052</u>	<u>13,281,251</u>
TOTAL EXPENDITURES			
REVENUES OVER (UNDER) EXPENDITURES	<u>(15,792,303)</u>	<u>(1,263,117)</u>	<u>14,529,186</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	16,800,000	11,400,000	(5,400,000)
Transfers (out)	(1,500,000)	(1,500,000)	-
	<u>15,300,000</u>	<u>9,900,000</u>	<u>(5,400,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)			
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(492,303)	8,636,883	9,129,186
Beginning fund balance	<u>17,917,303</u>	<u>17,917,303</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ 17,425,000</u>	<u>\$ 26,554,186</u>	<u>\$ 9,129,186</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

CAPITAL CONSTRUCTION FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Interest from investments	\$ 7,321,073	\$ 11,005,137	\$ 3,684,064
Miscellaneous income	-	237,490	237,490
 TOTAL REVENUES	 7,321,073	 11,242,627	 3,921,554
EXPENDITURES:			
Sylvania campus	70,759,131	18,684,139	52,074,992
Rock Creek campus	19,098,299	5,459,762	13,638,537
Cascade campus	10,821,519	5,492,366	5,329,153
Southeast campus	1,143,681	276,729	866,952
District-wide projects	70,032,448	23,333,682	46,698,766
Contingency	35,023,783	-	35,023,783
 TOTAL EXPENDITURES	 206,878,861	 53,246,678	 153,632,183
REVENUES OVER (UNDER) EXPENDITURES	(199,557,788)	(42,004,051)	157,553,737
 Beginning fund balance	 281,663,649	 281,663,649	 -
 Ending fund balance - budgetary basis	 \$ 82,105,861	 \$ 239,659,598	 \$ 157,553,737

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

FOOD SERVICES FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Food sales	\$ 4,735,844	\$ 1,660,963	\$ (3,074,881)
TOTAL REVENUES	<u>4,735,844</u>	<u>1,660,963</u>	<u>(3,074,881)</u>
EXPENDITURES:			
Food services operations	7,860,566	2,707,854	5,152,712
Contingency	<u>1,037,876</u>	<u>-</u>	<u>1,037,876</u>
TOTAL EXPENDITURES	<u>8,898,442</u>	<u>2,707,854</u>	<u>6,190,588</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(4,162,598)</u>	<u>(1,046,891)</u>	<u>3,115,707</u>
OTHER FINANCING SOURCES (USES):			
Interest from investments	10,000	181,917	171,917
Transfers in	60,000	30,000	(30,000)
Transfers (out)	<u>(47,359)</u>	<u>(16,610)</u>	<u>30,749</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>22,641</u>	<u>195,307</u>	<u>172,666</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(4,139,957)	(851,584)	3,288,373
Beginning fund balance	<u>4,139,957</u>	<u>4,139,957</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ -</u>	<u>\$ 3,288,373</u>	<u>\$ 3,288,373</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2024

BOOKSTORE FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Bookstore sales	\$ 8,411,467	\$ 3,479,723	\$ (4,931,744)
Miscellaneous income	356,024	168,974	(187,050)
TOTAL REVENUES	<u>8,767,491</u>	<u>3,648,697</u>	<u>(5,118,794)</u>
EXPENDITURES:			
Bookstore operations	12,682,410	5,468,657	7,213,753
Contingency	<u>1,601,719</u>	<u>-</u>	<u>1,601,719</u>
TOTAL EXPENDITURES	<u>14,284,129</u>	<u>5,468,657</u>	<u>8,815,472</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(5,516,638)</u>	<u>(1,819,960)</u>	<u>3,696,678</u>
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(961,714)	(570,720)	390,994
Interest from investments	<u>115,634</u>	<u>303,621</u>	<u>187,987</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(846,080)</u>	<u>(267,099)</u>	<u>578,981</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	<u>(6,362,718)</u>	<u>(2,087,059)</u>	<u>4,275,659</u>
Beginning fund balance	<u>6,362,718</u>	<u>6,362,718</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ -</u>	<u>\$ 4,275,659</u>	<u>\$ 4,275,659</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

TRANSPORTATION & PARKING SERVICES FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Parking permits	\$ 1,846,751	\$ 1,390,224	\$ (456,527)
Parking fines	95,265	174,201	78,936
Other revenue	195,139	109,954	(85,185)
TOTAL REVENUES	2,137,155	1,674,379	(462,776)
EXPENDITURES:			
Parking operations	7,306,680	2,301,006	5,005,674
Contingency	1,569,029	-	1,569,029
TOTAL EXPENDITURES	8,875,709	2,301,006	6,574,703
REVENUES OVER (UNDER) EXPENDITURES	(6,738,554)	(626,627)	6,111,927
OTHER FINANCING SOURCES (USES):			
Interest from investments	35,451	433,195	397,744
Transfers (out)	(400,000)	(172,673)	227,327
TOTAL OTHER FINANCING SOURCES (USES)	(364,549)	260,522	625,071
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(7,103,103)	(366,105)	6,736,998
Beginning fund balance	8,503,103	8,503,103	-
Ending fund balance - budgetary basis	\$ 1,400,000	\$ 8,136,998	\$ 6,736,998

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

PRINT CENTER FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Charges for services-internal	\$ 657,184	\$ 332,955	\$ (324,229)
Charges for services-external	107,640	18,421	(89,219)
Copy machine income	859,613	470,766	(388,847)
Miscellaneous income	3,455	-	(3,455)
	<u>1,627,892</u>	<u>822,142</u>	<u>(805,750)</u>
TOTAL REVENUES			
EXPENDITURES:			
Print center operations	2,702,905	1,236,431	1,466,474
Contingency	119,723	-	119,723
	<u>2,822,628</u>	<u>1,236,431</u>	<u>1,586,197</u>
TOTAL EXPENDITURES			
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,194,736)</u>	<u>(414,289)</u>	<u>780,447</u>
OTHER FINANCING SOURCES (USES):			
Interest from investments	-	26,119	26,119
Transfers in	731,309	466,328	(264,981)
Transfers (out)	(317,528)	(32,886)	284,642
	<u>413,781</u>	<u>459,561</u>	<u>45,780</u>
TOTAL OTHER FINANCING SOURCES (USES)			
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(780,955)	45,272	826,227
Beginning fund balance	<u>780,955</u>	<u>780,955</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ -</u>	<u>\$ 826,227</u>	<u>\$ 826,227</u>



PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

<u>RISK MANAGEMENT FUND</u>			
	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Department charges & other revenues	\$ 5,025,000	\$ 3,091,137	\$ (1,933,863)
Insurance reimbursement	65,000	-	(65,000)
TOTAL REVENUES	<u>5,090,000</u>	<u>3,091,137</u>	<u>(1,998,863)</u>
EXPENDITURES:			
Self-insurance & risk administration	13,181,402	3,953,878	9,227,524
Contingency	998,962	-	998,962
TOTAL EXPENDITURES	<u>14,180,364</u>	<u>3,953,878</u>	<u>10,226,486</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(9,090,364)</u>	<u>(862,741)</u>	<u>8,227,623</u>
OTHER FINANCING SOURCES (USES):			
Interest from investments	105,376	769,659	664,283
Transfers in	2,693,383	1,285,611	(1,407,772)
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,798,759</u>	<u>2,055,270</u>	<u>(743,489)</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	<u>(6,291,605)</u>	<u>1,192,529</u>	<u>7,484,134</u>
Beginning fund balance	<u>14,759,594</u>	<u>14,759,594</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ 8,467,989</u>	<u>\$ 15,952,123</u>	<u>\$ 7,484,134</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

INTERNAL SERVICE- PERS RESERVE FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Department PERS charges	\$ 49,209,875	\$ 26,238,179	\$ (22,971,696)
TOTAL REVENUES	49,209,875	26,238,179	(22,971,696)
OPERATING EXPENSES:			
Contingency	2,355,857	-	2,355,857
TOTAL OPERATING EXPENSES	2,355,857	-	2,355,857
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(48,832,991)	(23,951,318)	24,881,673
Interest from investments	250,000	1,302,041	1,052,041
TOTAL OTHER FINANCING SOURCES (USES)	(48,582,991)	(22,649,277)	25,933,714
REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES)	(1,728,973)	3,588,902	5,317,875
Beginning fund balance	16,464,773	16,464,773	-
Ending fund balance - budgetary basis	\$ 14,735,800	\$ 20,053,675	\$ 5,317,875

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the year ended June 30, 2024

EARLY RETIREMENT FUND

	2023-25 ADJUSTED BUDGET	1st YEAR ACTUAL	VARIANCE FROM BUDGET
REVENUES:			
Interest from investments	\$ 34,360	\$ 59,261	\$ 24,901
TOTAL REVENUES	<u>34,360</u>	<u>59,261</u>	<u>24,901</u>
OPERATING EXPENSES:			
Other post-retirement benefits	1,757,574	597,681	1,159,893
Contingency	<u>500,000</u>	<u>-</u>	<u>500,000</u>
TOTAL OPERATING EXPENSES	<u>2,257,574</u>	<u>597,681</u>	<u>1,659,893</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>2,185,648</u>	<u>1,040,785</u>	<u>(1,144,863)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,185,648</u>	<u>1,040,785</u>	<u>(1,144,863)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) OPERATING EXPENSES	<u>(37,566)</u>	<u>502,365</u>	<u>539,931</u>
Beginning fund balance	<u>938,822</u>	<u>938,822</u>	<u>-</u>
Ending fund balance - budgetary basis	<u><u>\$ 901,256</u></u>	<u><u>\$ 1,441,187</u></u>	<u><u>\$ 539,931</u></u>

## OTHER FINANCIAL SCHEDULES

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF LONG-TERM DEBT PRINCIPAL AND INTEREST REQUIREMENTS  
June 30, 2024

GENERAL OBLIGATION BONDS

FISCAL YEAR	SERIES 2018, ISSUED 04/02/2018		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 7,785,000	\$ 5,328,500	\$ 13,113,500
2025-26	9,435,000	4,939,250	14,374,250
2026-27	11,190,000	4,467,500	15,657,500
2027-28	13,085,000	3,908,000	16,993,000
2028-29	15,100,000	3,253,750	18,353,750
2029-30	10,790,000	2,498,750	13,288,750
2030-31	11,880,000	1,959,250	13,839,250
2031-32	13,035,000	1,365,250	14,400,250
2032-33	14,270,000	713,500	14,983,500
TOTALS	<u>\$ 106,570,000</u>	<u>\$ 28,433,750</u>	<u>\$ 135,003,750</u>

FISCAL YEAR	SERIES 2020, ISSUED 12/17/2020		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 8,415,000	\$ 1,085,979	\$ 9,500,979
2025-26	8,470,000	1,028,588	9,498,588
2026-27	8,550,000	952,443	9,502,443
2027-28	8,635,000	862,754	9,497,754
2028-29	8,750,000	750,671	9,500,671
2029-30	8,870,000	628,346	9,498,346
2030-31	9,010,000	491,926	9,501,926
2031-32	9,160,000	339,836	9,499,836
2032-33	9,325,000	176,056	9,501,056
TOTALS	<u>\$ 79,185,000</u>	<u>\$ 6,316,599</u>	<u>\$ 85,501,599</u>

FISCAL YEAR	SERIES 2023, ISSUED 03/15/2023		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 14,130,000	\$ 10,739,000	\$ 24,869,000
2025-26	15,470,000	10,032,500	25,502,500
2026-27	16,895,000	9,259,000	26,154,000
2027-28	18,410,000	8,414,250	26,824,250
2028-29	-	7,493,750	7,493,750
2029-30	7,655,000	7,493,750	15,148,750
2030-31	8,530,000	7,111,000	15,641,000
2031-32	9,470,000	6,684,500	16,154,500
2032-33	10,470,000	6,211,000	16,681,000
2033-34	19,125,000	5,687,500	24,812,500
2034-35	20,830,000	4,731,250	25,561,250
2035-36	22,635,000	3,689,750	26,324,750
2036-37	24,560,000	2,558,000	27,118,000
2037-38	26,600,000	1,330,000	27,930,000
TOTALS	<u>\$ 214,780,000</u>	<u>\$ 91,435,250</u>	<u>\$ 306,215,250</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF LONG-TERM DEBT PRINCIPAL AND INTEREST REQUIREMENTS  
June 30, 2024

FISCAL YEAR	SERIES 2016, ISSUED 03/28/2015		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 12,020,000	\$ 3,320,250	\$ 15,340,250
2025-26	12,615,000	2,719,250	15,334,250
2026-27	13,250,000	2,088,500	15,338,500
2027-28	13,910,000	1,426,000	15,336,000
2028-29	14,610,000	730,500	15,340,500
TOTALS	<u>\$ 66,405,000</u>	<u>\$ 10,284,500</u>	<u>\$ 76,689,500</u>

LIMITED TAX PENSION BONDS

FISCAL YEAR	SERIES 2003, ISSUED 6/12/2003		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 10,810,000	\$ 1,715,006	\$ 12,525,006
2025-26	11,860,000	1,195,045	13,055,045
2026-27	12,985,000	624,579	13,609,579
TOTALS	<u>\$ 35,655,000</u>	<u>\$ 3,534,630</u>	<u>\$ 39,189,630</u>

FISCAL YEAR	SERIES 2018, ISSUED 11/27/18		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2024-25	\$ 5,730,000	\$ 6,626,667	\$ 12,356,667
2025-26	6,380,000	6,411,792	12,791,792
2026-27	7,075,000	6,163,610	13,238,610
2027-28	7,815,000	5,882,733	13,697,733
2028-29	8,610,000	5,568,570	14,178,570
2029-30	9,465,000	5,210,394	14,675,394
2030-31	10,380,000	4,807,185	15,187,185
2031-32	11,365,000	4,354,617	15,719,617
2032-33	12,420,000	3,850,011	16,270,011
2033-34	13,550,000	3,291,111	16,841,111
2034-35	14,770,000	2,662,797	17,432,797
2035-36	16,060,000	1,977,912	18,037,912
2036-37	17,440,000	1,233,210	18,673,210
2037-38	9,155,000	424,517	9,579,517
TOTALS	<u>\$ 150,215,000</u>	<u>\$ 58,465,126</u>	<u>\$ 208,680,126</u>

# STATISTICAL SECTION





# **STATISTICAL SECTION**

This part of Portland Community College's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys regarding the College's overall financial health.

## **Financial Trends**

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

## **Revenue Capacity**

These schedules contain information to help the reader assess the College's most significant revenue sources, tuition and property tax.

## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

## **Demographic and Economic Information**

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

## **Operating Information**

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

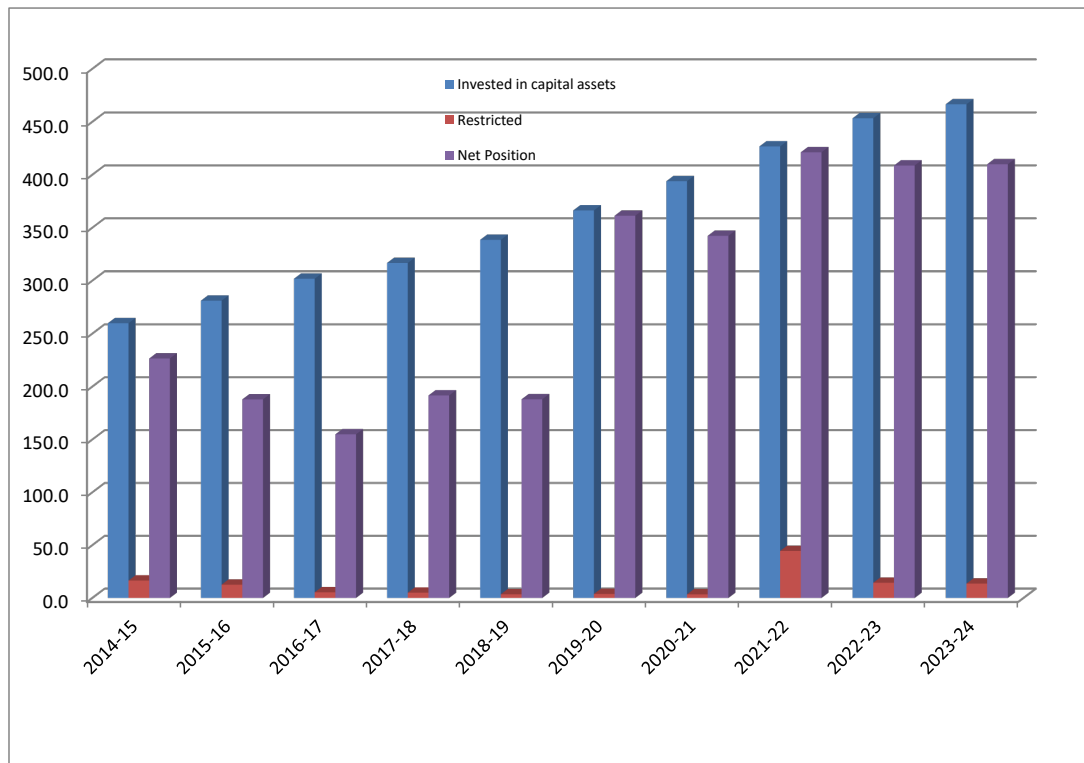


PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Net invested in capital assets	\$ 755,419	\$ 734,307	\$ 689,163	\$ 657,582
Less related debt	(288,920)	(281,042)	(262,429)	(263,704)
Net investment in capital assets	466,499	453,265	426,734	393,878
Net position, restricted	13,575	14,356	44,461	3,397
Net position, unrestricted	(70,239)	(59,010)	(49,990)	(54,966)
<b>TOTAL NET POSITION</b>	<b>\$ 409,835</b>	<b>\$ 408,611</b>	<b>\$ 421,205</b>	<b>\$ 342,309</b>

Note: Restated in 2015 for GASB 68, no prior year restatement for GASB 87 or 96.



<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 623,142 <u>(256,851)</u>	\$ 605,712 <u>(267,231)</u>	\$ 584,314 <u>(267,661)</u>	\$ 586,034 <u>(284,189)</u>	\$ 575,232 <u>(294,173)</u>	\$ 534,021 <u>(274,240)</u>
366,291	338,481	316,653	301,845	281,059	259,781
3,805	3,489	4,995	5,422	12,552	16,497
<u>(8,770)</u>	<u>(154,015)</u>	<u>(130,060)</u>	<u>(152,347)</u>	<u>(105,818)</u>	<u>(49,776)</u>
<u>\$ 361,326</u>	<u>\$ 187,955</u>	<u>\$ 191,588</u>	<u>\$ 154,920</u>	<u>\$ 187,793</u>	<u>\$ 226,502</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Operating revenues				
Student tuition and fees, net	\$ 58,685	\$ 53,787	\$ 59,499	\$ 65,992
Grants and contracted programs	17,987	16,405	47,059	34,493
Auxiliary enterprises	6,097	5,341	2,946	3,097
Other operating revenues	239	138	256	572
Total operating revenues	83,008	75,671	109,760	104,154
Nonoperating revenues				
State FTE reimbursement	159,310	89,599	144,935	81,043
Property taxes	105,586	104,770	98,732	95,393
Federal financial aid	52,764	45,256	71,248	55,517
State and local grants and contracts	21,860	24,181	19,971	21,789
Investment income (loss)	26,001	9,567	(143)	849
Investment gain on pension asset	-	-	-	-
Sale of equipment	-	-	-	-
Gain on disposal of assets	52	1,062	-	-
Gain on legal settlement	-	-	-	-
Total nonoperating revenues	365,573	274,435	334,743	254,591
Total Revenues	448,581	350,106	444,503	358,745
Operating expenses				
Academic, student affair, and community edu.	202,191	139,052	131,067	152,049
President, finance, and Administration	101,718	105,512	106,182	113,333
Grants and contracted programs	30,055	29,242	22,630	24,962
Auxiliary enterprises	10,582	8,651	7,759	9,067
Student financial aid, net tuition and textbooks	25,518	21,371	46,341	24,903
Other support services	6,841	6,135	4,588	4,637
Depreciation and amortization	41,513	34,552	25,371	20,303
Total operating expenses	418,418	344,515	343,938	349,254
Nonoperating expenses				
Interest expense	29,064	17,595	24,179	27,478
Bond issuance costs	-	1,239	-	749
Loss on disposal of assets	-	-	-	281
Total nonoperating expenses	29,064	18,834	24,179	28,508
Total Expenses	447,482	363,349	368,117	377,762
Capital contributions	125	649	2,510	-
TOTAL INCREASE (DECREASE) IN NET POSITION	\$ 1,224	\$ (12,594)	\$ 78,896	\$ (19,017)

Notes: Restated in 2015.

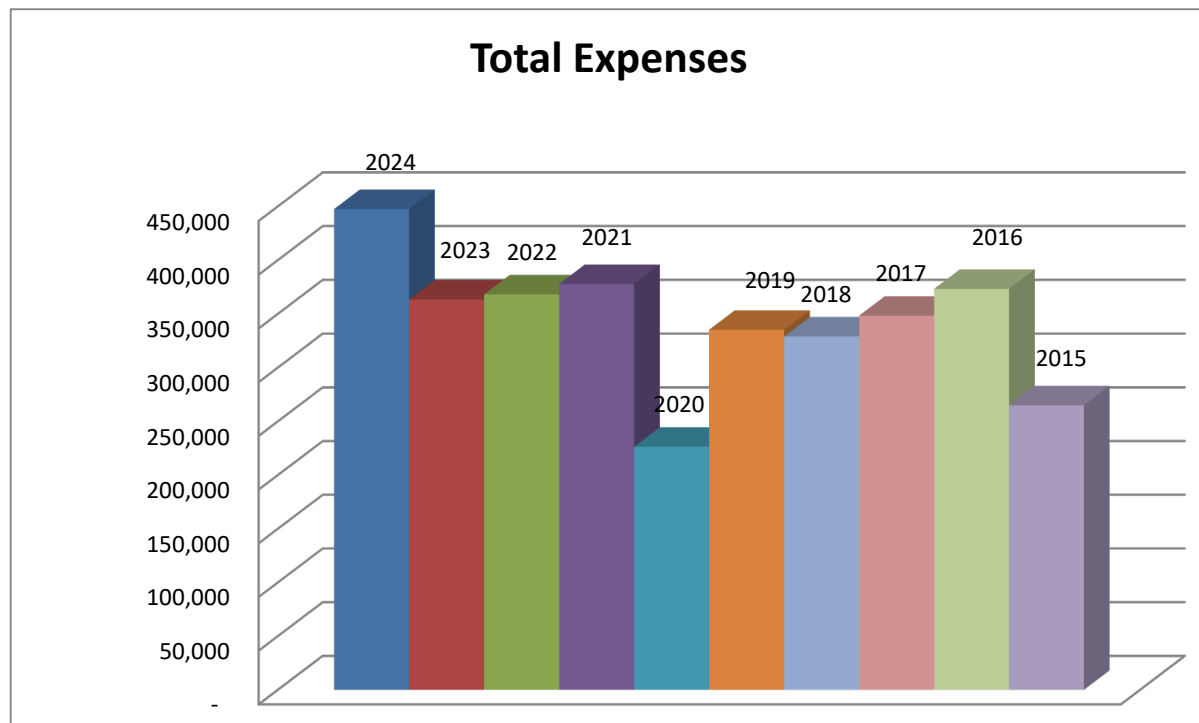
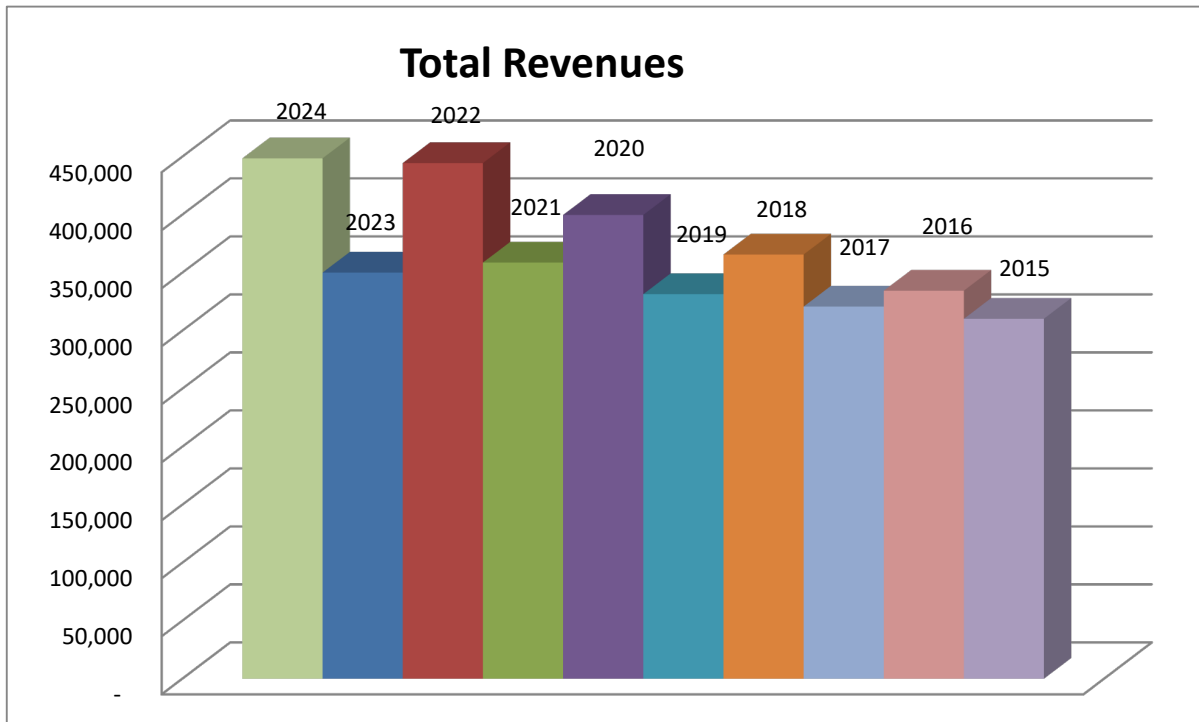
Starting with 2024, all Campus areas merged across various educational and general expenses. Academic and Student Affairs will replace previously reported Campus educational & general, Other educational and general will include Office of President, & Finance and Admin.

2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
\$ 68,850	\$ 69,908	\$ 68,398	\$ 66,752	\$ 65,901	\$ 63,196
11,491	16,446	17,260	20,478	16,725	17,194
8,608	12,852	14,548	15,820	16,701	18,717
150	11	75	10	239	638
89,099	99,217	100,281	103,060	99,566	99,745
132,346	71,543	116,888	67,933	102,767	53,710
91,952	87,948	76,405	80,013	66,165	77,393
58,640	49,176	56,869	56,860	56,448	65,488
19,468	12,482	10,214	11,941	8,196	12,809
8,228	11,166	2,265	996	1,316	1,136
-	-	-	-	-	-
54	-	-	-	-	-
-	-	-	15	48	-
-	-	2,750	-	-	-
310,688	232,315	265,391	217,758	234,940	210,536
399,787	331,532	365,672	320,818	334,506	310,281
76,259	156,782	136,919	144,870	169,754	100,927
35,918	69,052	90,977	97,588	108,034	61,590
21,307	22,500	21,850	26,149	21,277	23,881
13,208	15,847	18,575	19,962	20,812	23,256
24,740	19,363	21,186	22,038	18,325	19,630
5,676	6,381	5,382	4,856	5,245	4,009
18,222	14,292	12,546	12,213	8,202	7,975
195,330	304,217	307,435	327,676	351,649	241,268
31,047	29,792	20,518	19,964	21,566	23,469
-	1,155	755	638	-	166
39	1	297	-	-	-
31,086	30,948	21,570	20,602	21,566	23,635
226,416	335,165	329,005	348,278	373,215	264,903
-	-	-	-	-	-
\$ 173,371	\$ (3,633)	\$ 36,667	\$ (27,460)	\$ (38,709)	\$ 45,378

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

CHANGES IN NET POSITION (Cont.)  
LAST TEN FISCAL YEARS (in Thousands)

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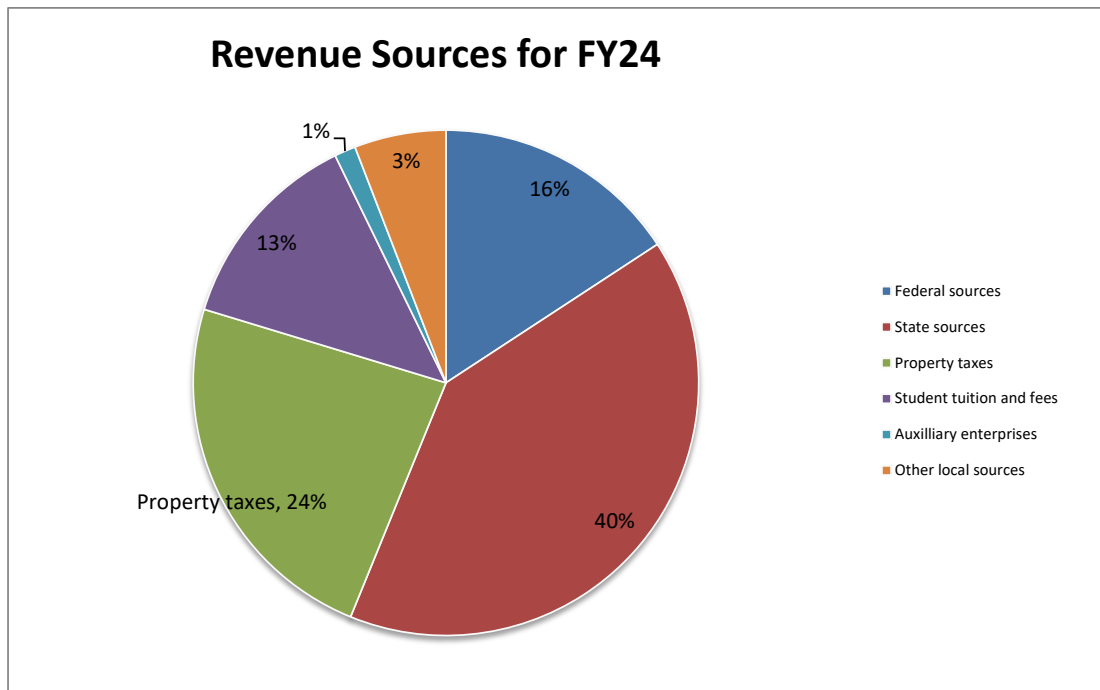
PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

REVENUES BY SOURCES  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Federal financial aid	\$ 52,764	\$ 45,256	\$ 71,248	\$ 55,517
Other federal grants and contracts	17,987	16,405	47,059	34,493
<b>Federal sources</b>	<b>\$ 70,751</b>	<b>\$ 61,661</b>	<b>\$ 118,307</b>	<b>\$ 90,010</b>
State FTE reimbursement	159,310	89,599	144,935	81,043
Other state grants and contracts	21,860	24,181	19,971	21,789
<b>State sources</b>	<b>181,170</b>	<b>113,780</b>	<b>164,906</b>	<b>102,832</b>
Local sources:				
Property taxes (2)	105,586	104,770	98,732	95,393
Student tuition and fees, net	58,685	53,787	59,499	65,992
Auxiliary enterprise	6,097	5,341	2,946	3,097
Food Services	1,661	1,259	272	11
Bookstore, net of scholarship allowance	2,762	2,542	2,622	3,030
Parking Operation	1,674	1,540	52	56
Other local sources	26,292	10,767	113	1,421
Investment income (loss)	26,001	9,567	(143)	849
Sale of equipment	-	-	-	-
Gain on disposal of capital assets	52	1,062	-	-
Investment gain on pension asset	-	-	-	-
Other local sources	239	138	256	572
Legal settlement	-	-	-	-
<b>Total local sources</b>	<b>196,660</b>	<b>174,665</b>	<b>161,290</b>	<b>165,903</b>
<b>Total revenues (1)</b>	<b>\$ 448,581</b>	<b>\$ 350,106</b>	<b>\$ 444,503</b>	<b>\$ 358,745</b>

(1) Restated in 2015.

(2) Most significant own-source revenue for Portland Community College.



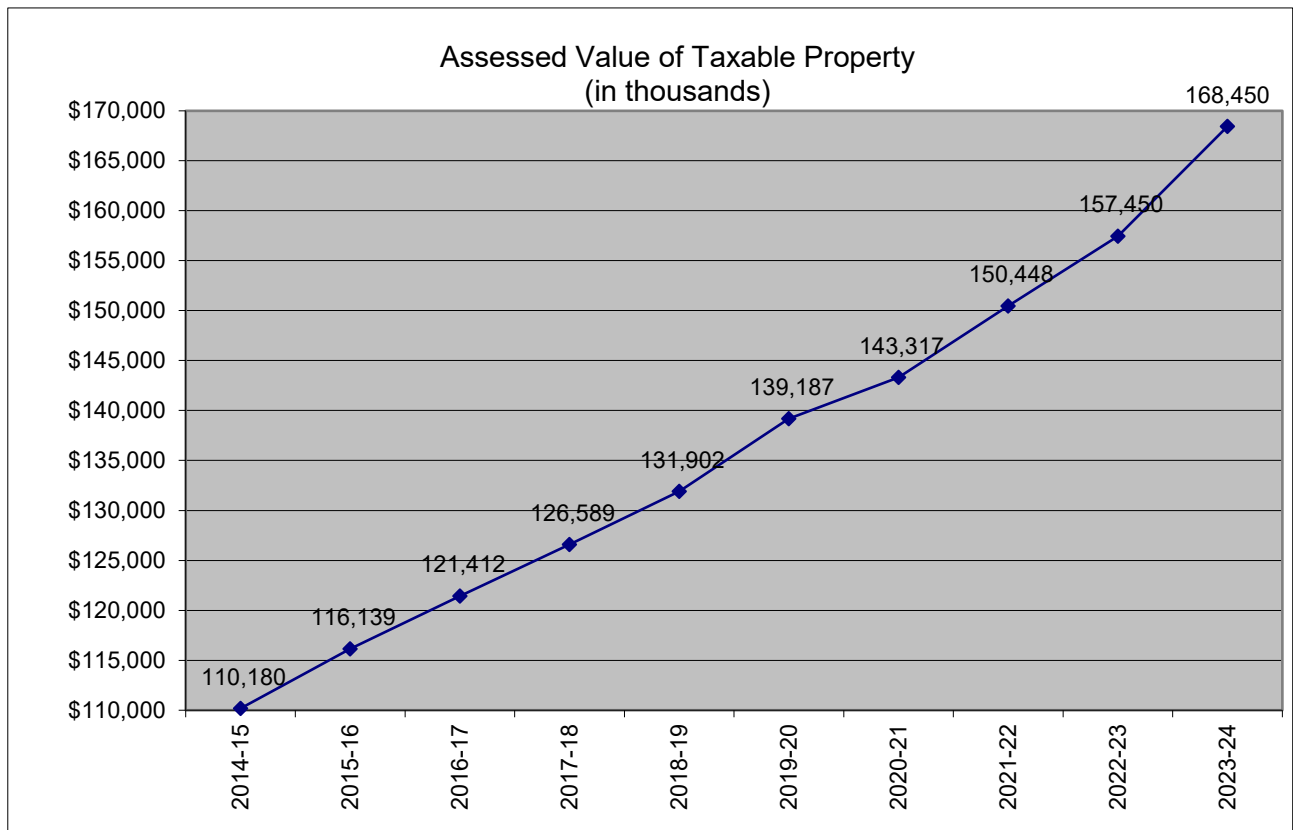


	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
\$	58,640 11,491	\$ 49,176 16,446	\$ 56,869 17,260	\$ 56,860 20,478	\$ 56,448 16,725	\$ 65,488 17,194
\$	70,131	\$ 65,622	\$ 74,129	\$ 77,338	\$ 73,173	\$ 82,682
	132,346 19,468	71,543 12,482	116,888 10,214	67,933 11,941	102,767 8,196	53,710 12,809
	151,814	84,025	127,102	79,874	110,963	66,519
	91,952	87,948	76,405	80,013	66,165	77,393
	68,850	69,908	68,398	66,752	65,901	63,196
	8,608	12,852	14,548	15,820	16,701	18,717
	2,083	3,271	3,628	4,024	4,315	4,606
	3,958	5,334	6,128	6,940	7,585	9,464
	2,567	4,247	4,792	4,856	4,801	4,647
	8,432	11,177	5,090	1,021	1,603	1,774
	8,228	11,166	2,265	996	1,316	1,136
	54	-	-	-	-	-
	-	-	-	15	48	-
	-	-	-	-	-	-
	150	11	75	10	239	638
	-	-	2,750	-	-	-
	177,842	181,885	164,441	163,606	150,370	161,080
\$	399,787	\$ 331,532	\$ 365,672	\$ 320,818	\$ 334,506	\$ 310,281

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

ASSESSED AND REAL MARKET VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Net Assessed Valuation (1)	\$ 168,449,511	\$ 157,449,732	\$ 150,447,609	\$ 143,317,354
Percentage Increased (decreased)	7.0%	4.7%	5.0%	3.0%
Direct Tax Rate (2)	0.639	0.670	0.663	0.680
Real Market Valuation	\$ 348,515,086	\$ 338,121,391	\$ 300,682,899	\$ 282,679,399
Percentage Increased (decreased)	3.1%	12.5%	6.4%	4.8%
Ratio of Assessed Valuation to Real Market Valuation	48.3%	46.6%	50.0%	50.7%



(1) Property taxes are based on taxable assessed value. This is defined as the lower of maximum assessed value (MAV) or real market value. MAV is limited to 3% annual increases. The net levy is the actual imposed tax after adjustments and property tax limitations due to the passing of Measure 5 in 1990 and Measure 50 in 1997. Voter approved bond levies are not subject to these limitations.

(2) Rates per \$1,000 of assessed value. This is the combined rate of the General and Debt Service Funds.

Source: Tax Supervising and Conservation Commission, Portland, Oregon

2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
\$ 139,186,819	\$ 131,902,424	\$ 126,589,172	\$ 121,411,734	\$ 116,139,150	\$ 110,179,585
5.5%	4.2%	4.3%	4.5%	5.4%	4.4%
0.685	0.687	0.605	0.679	0.586	0.722
\$ 269,739,841	\$ 260,781,492	\$ 240,182,547	\$ 213,829,495	\$ 186,844,997	\$ 170,320,945
3.4%	8.6%	12.3%	14.4%	9.7%	10.1%
51.6%	50.6%	52.7%	56.8%	62.2%	64.7%

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Levy extended by assessor (1)	<u>\$ 108,687</u>	<u>\$ 107,721</u>	<u>\$ 101,380</u>	<u>\$ 98,189</u>
Reduction of taxes receivable: (2) (3)				
Current year	<u>\$ 107,222</u>	<u>\$ 106,422</u>	<u>\$ 100,239</u>	<u>\$ 96,998</u>
First year prior	768	696	763	798
Second year prior	180	184	226	242
Third year prior	133	132	143	130
Fourth year prior	72	66	60	65
Fifth year prior	12	9	10	7
Sixth year prior and earlier	<u>15</u>	<u>11</u>	<u>13</u>	<u>9</u>
Total prior	<u>1,180</u>	<u>1,098</u>	<u>1,215</u>	<u>1,251</u>
Total Property Taxes	<u>\$ 108,402</u>	<u>\$ 107,520</u>	<u>\$ 101,454</u>	<u>\$ 98,249</u>

(1) Extended levy after additions and offsets by the county assessor.

(2) Amounts include collections, interest on deficiencies, discount allowed for early payment and adjustments and cancellations made by the county assessors.

(3) Amounts are based upon the tax collection year July 1 to June 30.  
Revenues as recorded in the financial statements are recognized when measurable and available.

(4) Fiscal year 2019 included collection on Comcast settlement in September 2018 for tax years 2009/10 through 2017/18. The distribution collected was approximately \$1.7 million more than normal.

Sources: Departments of Assessment and Taxation for Clackamas, Columbia, Multnomah, Washington and Yamhill counties  
Portland Community College financial records  
Tax Supervising and Conservation Commission

<u>2019-20</u>	<u>2018-19 (4)</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
<u>\$ 94,660</u>	<u>\$ 90,572</u>	<u>\$ 76,978</u>	<u>\$ 82,318</u>	<u>\$ 68,035</u>	<u>\$ 77,437</u>
<u>\$ 93,394</u>	<u>\$ 89,369</u>	<u>\$ 75,901</u>	<u>\$ 80,793</u>	<u>\$ 66,673</u>	<u>\$ 77,999</u>
723	650	769	648	772	904
214	518	272	232	256	281
147	354	193	194	195	235
67	452	94	81	72	122
15	362	11	10	12	20
37	913	30	14	9	14
<u>1,203</u>	<u>3,249</u>	<u>1,369</u>	<u>1,179</u>	<u>1,316</u>	<u>1,576</u>
<u>\$ 94,597</u>	<u>\$ 92,618</u>	<u>\$ 77,270</u>	<u>\$ 81,972</u>	<u>\$ 67,989</u>	<u>\$ 79,575</u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON  
LARGEST PROPERTY TAXPAYERS WITHIN DISTRICT  
(in Thousands)

	2024		
	ASSESSED VALUATION	RANK	PERCENT OF TOTAL DISTRICT'S ASSESSED VALUATION
Portland General Electric	\$ 2,538,024	1	1.51 %
Intel Corporation	1,943,426	2	1.15
Nike	1,493,386	3	0.89
NW Natural Gas	1,023,326	4	0.61
Comcast	696,490	5	0.41
Pacificorp	668,770	6	0.40
Verizon	463,590	7	0.28
Pacific Realty Assoc	452,136	8	0.27
Genetech Inc	388,964	9	0.23
Fred Meyer Stores Inc	349,800	10	0.21
	10,017,912		5.95
ALL OTHER TAXPAYERS	158,431,599		94.05
TOTAL	\$ 168,449,511		100.00 %

	2015		
	ASSESSED VALUATION	RANK	PERCENT OF TOTAL DISTRICT'S ASSESSED VALUATION
Intel Corporation	\$ 1,268,747	1	1.15 %
Portland General Electric	1,211,064	2	1.10
Northwest Natural Gas	627,900	3	0.57
Nike	601,422	4	0.55
Comcast	588,017	5	0.53
Fred Meyer Stores Inc.	323,846	6	0.29
Pacific Realty Associates	306,897	7	0.28
PacifiCorp	293,248	8	0.27
Frontier Communications	245,580	9	0.22
Weston Investment	227,366	10	0.21
	5,694,087		5.17
ALL OTHER TAXPAYERS	104,485,498		94.83
TOTAL	\$ 110,179,585		100.00 %

Source: Multnomah County Assessment, Recording & Taxation  
Washington County Assessment and Taxation Department  
Yamhill County Assessment and Taxation  
Columbia County Assessor's Office  
Clackamas County Assessment and Taxation

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

PROPERTY TAX LEVIES AND COLLECTIONS - ALL FUNDS  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21	2019-20
Current tax levy	\$ 108,687	\$ 107,721	\$ 101,380	\$ 98,189	\$ 94,660
Current tax collections	\$ 103,648	\$ 103,135	\$ 97,268	\$ 94,117	\$ 90,554
Current collections as a percentage of current levy	95.4%	95.7%	95.9%	95.9%	95.7%
Delinquent tax collections	\$ 988	\$ 1,064	\$ 1,267	\$ 1,251	\$ 1,126
Total tax collections	\$ 104,636	\$ 104,199	\$ 98,535	\$ 95,368	\$ 91,680
Total tax collections as a percentage of current levy	96.3%	96.7%	97.2%	97.1%	96.9%
Uncollected tax	\$ 2,524	\$ 2,240	\$ 2,039	\$ 2,113	\$ 2,173
Uncollected percentage of current levy	2.3%	2.1%	2.0%	2.2%	2.3%

Sources: Clackamas, Columbia, Washington, Multnomah and Yamhill Departments of Assessment and Taxation.

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 90,572	\$ 76,978	\$ 82,318	\$ 68,035	\$ 79,676
\$ 86,725	\$ 73,303	\$ 78,392	\$ 64,757	\$ 75,788
95.8%	95.2%	95.2%	95.2%	95.1%
\$ 2,820	\$ 1,067	\$ 1,153	\$ 1,353	\$ 1,504
\$ 89,545	\$ 74,370	\$ 79,545	\$ 66,110	\$ 77,292
98.9%	96.6%	96.6%	97.2%	97.0%
\$ 2,110	\$ 4,157	\$ 4,449	\$ 4,103	\$ 4,058
2.3%	5.4%	5.4%	6.0%	5.1%



PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
<b>Outstanding Debt</b>				
General obligation bonds (1)	\$ 514,366	\$ 555,730	\$ 354,374	\$ 404,374
Limited tax pension bonds	185,870	200,820	214,290	226,375
Note payable	-	-	-	-
Leases (2)	2,280	949	1,192	-
SBITA (3)	5,490	5,539	-	-
<b>Total Outstanding Debt</b>	<b>\$ 708,006</b>	<b>\$ 763,038</b>	<b>\$ 569,856</b>	<b>\$ 630,749</b>
Student population	54	51	51	51
Total Debt per student (in dollars)	\$ 13,155	\$ 15,100	\$ 11,277	\$ 12,471
Personal income (4)	N/A	N/A	\$ 174,245,501	\$ 171,728,750
Total Debt to personal income	N/A	N/A	0.33%	0.37%

(1) General obligation bonds are reported including premiums.

(2) Beginning in fiscal year 2022, the 'Lease' category replaced 'Capital leases.' This change was due to the implementation of GASB Statement No. 87, *Leases*, under which lease previously considered operating are now treated as financing of the right to use asset and, thus included on this schedule.

(3) Beginning in fiscal year 2023, the college had a new category of SBITA. This change was due to the implementation of GASB Statement No. 96, *Subscription Based Information Technology Arrangements* under, which, software subscriptions which were previously considered operating are now treated as financing a right to use asset, and thus included on this schedule.

(4) Personal income is not available specifically for the District. The best estimate available and used above is the Portland metropolitan area. Data for fiscal year 2023-24 and 2022-23 is not available at this time.

Sources: Portland Community College - Institutional Effectiveness  
Portland Community College financial and statistical records  
Bureau of Economic Analysis, Regional Economic Information System

2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
\$ 447,363	\$ 484,542	\$ 517,550	\$ 340,728	\$ 366,132	\$ 393,636
237,165	246,750	82,005	87,170	91,760	95,820
-	520	1,041	1,561	-	-
412	1,429	2,481	1,935	-	-
-	-	-	-	-	-
\$ 684,940	\$ 733,241	\$ 603,077	\$ 431,394	\$ 457,892	\$ 489,456
60	68	71	74	79	85
\$ 11,409	\$ 10,849	\$ 8,481	\$ 5,813	\$ 5,811	\$ 5,738
\$ 157,150,249	\$ 149,346,827	\$ 141,269,916	\$ 131,861,400	\$ 122,433,633	\$ 115,690,881
0.44%	0.49%	0.43%	0.33%	0.37%	0.42%

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
<b>General Bonded Debt Outstanding:</b>				
General obligation bonds (1)	\$ 514,366	\$ 555,730	\$ 354,374	\$ 404,374
Limited tax pension bonds	185,870	200,820	214,290	226,375
<b>Total General bonded Debt</b>	<b>\$ 700,236</b>	<b>\$ 756,550</b>	<b>\$ 568,664</b>	<b>\$ 630,749</b>
Less: Amounts set aside to repay general debt	(9,633)	(9,527)	(6,900)	(9,162)
<b>Net General Bonded Debt</b>	<b>\$ 690,603</b>	<b>\$ 747,023</b>	<b>\$ 561,764</b>	<b>\$ 621,587</b>
Taxable Assessed Property Value (2)	\$ 168,449,511	\$ 157,449,732	\$ 150,447,609	\$ 143,317,354
Population Estimate (3)	N/A	1,389	1,395	1,401
Net bonded debt to assessed value	0.41%	0.47%	0.37%	0.43%
Net bonded debt per capita (in dollars)	N/A	\$ 538	\$ 403	\$ 444

(1) General obligation bonds are reported including premiums.

(2) Taxable assessed property value comes from the Tax Supervising and Conservation Commission, Portland, Oregon.

(3) District population for fiscal year 2023-2024 was not available at the time of this report. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties. Population estimates from Portland State University, Population Research Center.

2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
\$ 447,363	\$ 484,542	\$ 517,550	\$ 340,728	\$ 366,132	\$ 393,636
237,165	246,750	82,005	87,170	91,760	95,820
\$ 684,528	\$ 731,292	\$ 599,555	\$ 427,898	\$ 457,892	\$ 489,456
(7,630)	(5,886)	(3,778)	(5,980)	(1,460)	(8,604)
\$ 676,898	\$ 725,406	\$ 595,777	\$ 421,918	\$ 456,432	\$ 480,852
\$ 139,186,819	\$ 131,902,424	\$ 126,589,172	\$ 121,411,734	\$ 116,139,150	\$ 110,179,585
1,426	1,412	1,396	1,374	1,351	1,324
0.49%	0.55%	0.47%	0.35%	0.39%	0.44%
\$ 475	\$ 514	\$ 427	\$ 307	\$ 338	\$ 363

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21
Legal debt limit (1)	\$ 5,227,726	\$ 5,071,821	\$ 4,510,243	\$ 4,240,191
Net general bonded debt applicable to debt limit	690,603	747,023	561,764	621,587
Legal debt margin	<u>\$ 4,537,123</u>	<u>\$ 4,324,798</u>	<u>\$ 3,948,479</u>	<u>\$ 3,618,604</u>
Legal debt margin as a percentage of the debt limit	86.79%	85.27%	87.54%	85.34%

**Legal Debt Margin Calculation for Fiscal Year 2024**

Real Market Value (2)	\$ 348,515,086	
Applicable percentage	1.5%	
Legal Debt Limit	<u>                    </u>	\$ 5,227,726
Bonded Debt Outstanding	\$ 700,236	
Less: Amounts set aside to repay general debt	<u>(9,633)</u>	
Total Applicable Debt		690,603
Legal Debt Margin	<u>\$ 4,537,123</u>	

(1) The community college district bonded indebtedness shall not exceed 1.5% of the real market value of all taxable property within district in accordance with ORS 341.675.

(2) Real market value used in calculation of debt margin comes from the Tax Supervising and Conservation Commission, Portland, Oregon.

<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 4,046,098	\$ 3,911,722	\$ 3,602,738	\$ 3,207,442	\$ 2,802,675	\$ 2,554,814
<u>676,898</u>	<u>725,406</u>	<u>595,777</u>	<u>421,918</u>	<u>456,432</u>	<u>480,852</u>
<u><u>\$ 3,369,200</u></u>	<u><u>\$ 3,186,316</u></u>	<u><u>\$ 3,006,961</u></u>	<u><u>\$ 2,785,524</u></u>	<u><u>\$ 2,346,243</u></u>	<u><u>\$ 2,073,963</u></u>
83.27%	81.46%	83.46%	86.85%	83.71%	81.18%

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

DIRECT AND OVERLAPPING GROSS BONDED DEBT  
June 30, 2024  
(dollars in Thousands)

	PERCENT OVERLAP	OVERLAPPING GROSS BONDED DEBT
<u>OVERLAPPING DISTRICT</u>		
DIRECT DEBT		
Portland Community College	100.0%	\$ 708,006
OVERLAPPING DISTRICT		
Chehalem Park & Recreation District	100.0%	19,360
City of Beaverton	100.0%	28,850
City of Hillsboro	100.0%	76,300
City of Lake Oswego	99.1%	204,712
City of Portland	86.1%	612,498
City of Sherwood	100.0%	60,979
City of St. Helens	100.0%	17,865
City of Tigard	100.0%	14,934
City of Tualatin	91.3%	28,129
Clackamas County	16.9%	17,002
Clackamas County School District 7J (Lake Oswego)	98.8%	360,909
Columbia County School District 1J (Scappoose)	100.0%	14,835
Columbia County School District 47J (Vernonia)	100.0%	16,455
Columbia County School District 502 (St Helens)	99.9%	118,767
Metro	73.1%	565,722
Multnomah County	75.0%	382,397
Multnomah County School District 1J (Portland)	100.0%	1,858,240
Multnomah County School District 51J (Riverdale)	100.0%	9,692
Multnomah ESD	73.9%	55,941
Northwest Regional ESD	83.0%	11,005
Port of Portland	68.7%	22,137
Tualatin Hills Park & Rec. District	100.0%	40,268
Tualatin Valley Fire & Rescue District	86.0%	46,215
Washington County	100.0%	134,636
Washington County School District 15 (Forest Grove)	100.0%	145,104
Washington County School District 1J (Hillsboro)	100.0%	464,345
Washington County School District 23J (Tigard-Tualatin)	97.4%	277,944
Washington County School District 48J (Beaverton)	100.0%	1,072,094
Washington County School District 511J (Gaston)	82.8%	11,102
Washington County School District 88J (Sherwood)	93.9%	263,886
Yamhill County School District 29J (Newberg)	98.2%	153,780
Other Overlapping Districts under \$9,000,000	100.0%	76,708
Total Overlapping Debt		7,182,811
TOTAL DIRECT AND OVERLAPPING DEBT		\$ 7,890,817

Source: Oregon State Treasury

The Oregon State Treasurer compiles a report based on districts that overlap the College's District.

Overlapping gross bonded debt is determined by the percentage of overlap within the other districts.

Overlapping Gross Bonded Debt includes all General Obligation (GO) bonds and Full Faith & Credit bonds.

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

LARGEST EMPLOYERS WITHIN PORTLAND METROPOLITAN AREA (1)

2024				
	EMPLOYEES	RANK	PERCENT OF TOTAL DISTRICT'S EMPLOYMENT	
Providence Health & Services	23,100	1	1.15	%
Intel Corporation	22,328	2	1.11	
Oregon Health & Science University	19,603	3	0.98	
Nike Inc.	15,522	5	0.77	
Legacy Health	13,087	4	0.65	
Kaiser Permanente	12,514	6	0.62	
Fred Meyer Stores	9,000	7	0.45	
Portland Public Schools	7,111	9	0.36	
City of Portland	6,753	8	0.34	
Multnomah County	6,317	10	0.32	
SUB TOTAL	135,335		6.76	
ALL OTHER EMPLOYERS	1,867,565		93.24	
TOTAL	2,002,900		100.00	%

2015				
	EMPLOYEES	RANK	PERCENT OF TOTAL DISTRICT'S EMPLOYMENT	
Intel Corporation	18,600	1	1.64	%
U.S. Federal Government	16,139	2	1.42	
Providence Health & Services	14,963	3	1.32	
Oregon Health & Science University	11,898	4	1.05	
State of Oregon	10,813	5	0.95	
Kaiser Permanente Northwest	8,700	6	0.77	
Legacy Health System	8,500	7	0.75	
Fred Meyer Stores	6,135	8	0.54	
City of Portland	5,995	9	0.53	
Nike Inc.	5,481	10	0.48	
SUB TOTAL	107,224		9.47	
ALL OTHER EMPLOYERS	1,025,376		90.53	
TOTAL	1,132,600		100.00	%

(1) Specific data for the District is not available.

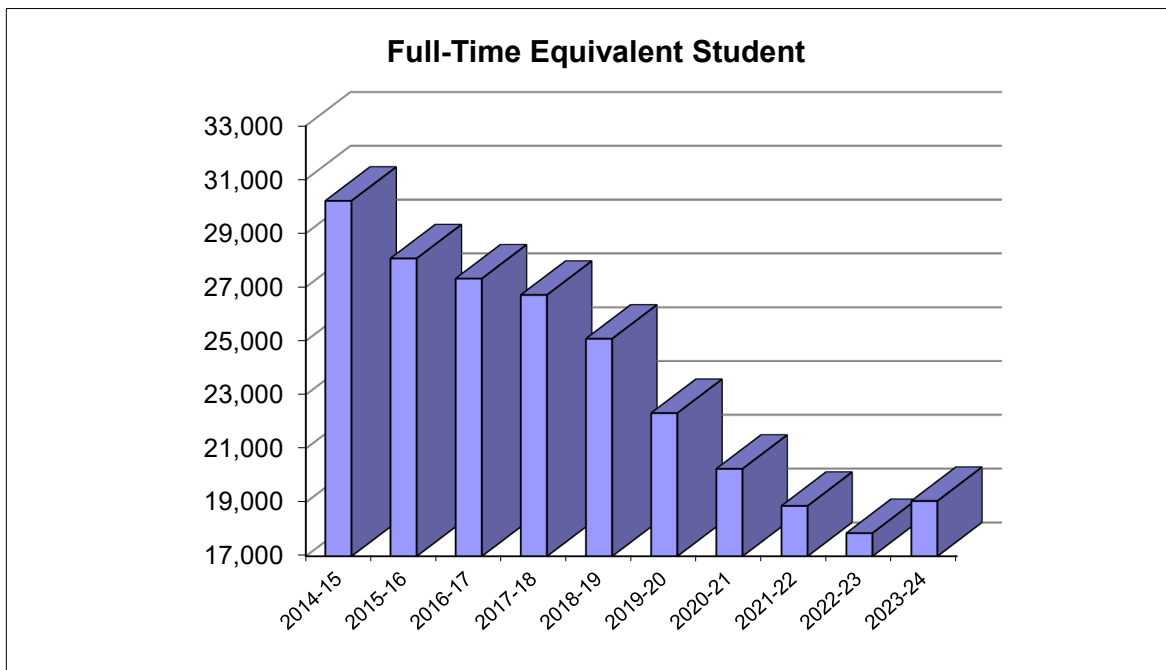
Sources: Oregon Employment Department, Current Employment Estimates  
Portland Business Journal September 15, 2023



PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

	2023-24	2022-23	2021-22	2020-21	2019-20
District population (estimated) (1)	N/A	1,388,685	1,394,742	1,401,291	1,426,010
Personal income (estimated, in millions) (2)	N/A	N/A	\$ 174,246	\$ 171,729	\$ 157,150
Per capita income (estimated, in dollars) (2)	N/A	N/A	\$ 69,435	\$ 68,374	\$ 62,603
FTE (3) student enrollment	19,222	17,999	19,009	20,248	22,320
Unemployment rate (estimated) (4)	3.9%	3.3%	3.6%	5.0%	11.4%



(1) District population for fiscal year 2023-24 was not available at the time of this report. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties.

(2) Personal income and Per capita personal income is not available for the District. The best estimate available and used above is the Portland-Vancouver-Hillsboro metropolitan area. Fiscal year 2023-24 & 2022-23 data is not available at this time.

(3) FTE represents Full Time Equivalency enrollment. This FTE includes reimbursable and non-reimbursable FTE.

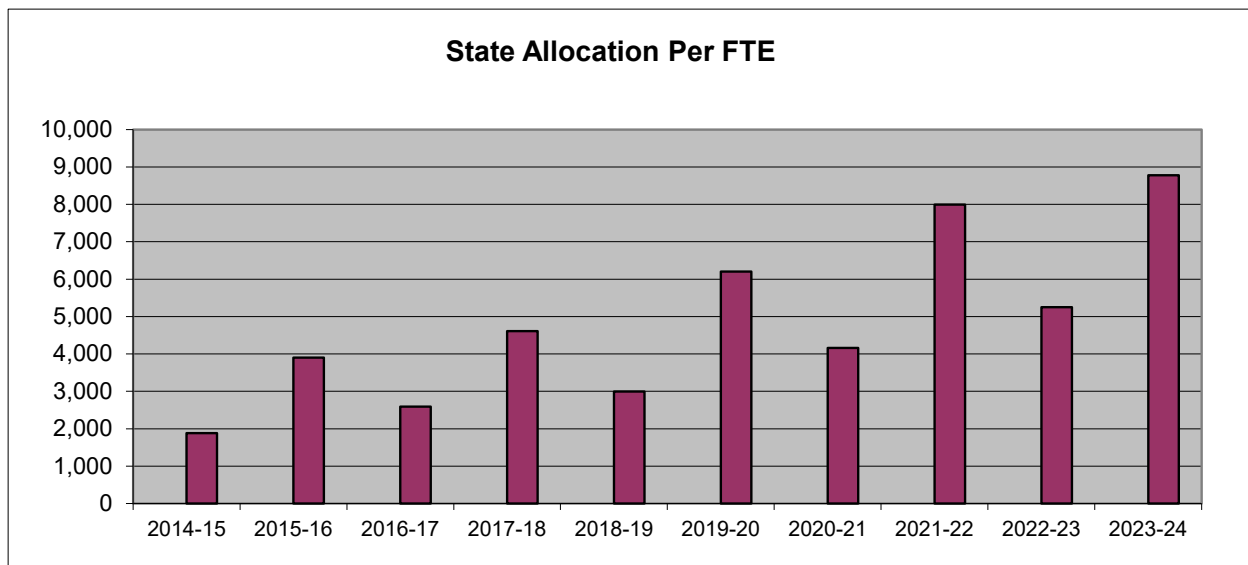
Sources: Portland State University, Population Research Center  
Portland Community College, Office of Institutional Effectiveness, Enrollment Reporting - Preliminary Final.  
Bureau of Economic Analysis, Regional Economic Information System  
Oregon Employment Department, Local Area Unemployment Statistics Report Tool

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
1,411,895	1,395,790	1,374,279	1,350,756	1,324,490
\$ 149,347	\$ 141,270	\$ 131,861	\$ 122,434	\$ 115,691
\$ 59,921	\$ 56,991	\$ 53,751	\$ 50,489	\$ 48,422
25,084	26,712	27,319	28,068	30,210
3.8%	3.8%	4.1%	4.9%	5.4%

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

STATE ALLOCATIONS PER FTE  
LAST TEN FISCAL YEARS

	2023-24	2022-23	2021-22	2020-21	2019-20
Allocations per FTE	\$ 8,777	\$ 5,253	\$ 7,997	\$ 4,161	\$ 6,203
Annual State Funding (in thousands)	\$ 159,310	\$ 89,599	\$ 144,935	\$ 81,043	\$ 132,346
Total Reimbursable FTE	18,150	17,058	18,123	19,479	21,335



Note: Total reimbursable FTE does not include total student population.

Source: Office of Institutional Effectiveness, Enrollment Reporting - Preliminary Final.

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 2,995	\$ 4,609	\$ 2,588	\$ 3,901	\$ 1,879
\$ 71,543	\$ 116,888	\$ 66,846	\$ 102,767	\$ 53,710
23,888	25,361	25,830	26,341	28,577

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

ENROLLMENT STATISTICS  
LAST TEN FISCAL YEARS

	2023-24	2022-23	2021-22	2020-21	2019-20
Total operating expenses (in thousands)	\$ 418,418	\$ 344,515	\$ 343,937	\$ 349,254	\$ 195,330
District population (estimated) (2) (in thousands)	N/A	\$ 1,389	\$ 1,395	\$ 1,401	1,426
FTE student enrollment (3)	19,222	17,999	19,009	20,248	22,320
Percent of FTE to district population	N/A	1.30%	1.35%	1.44%	1.6%
Cost per FTE (1)	\$ 21,768	\$ 19,141	\$ 18,093	\$ 17,249	\$ 8,751
Number of employees	3,621	3,411	3,037	2,977	3,060
Ratio of employees to FTE	1:5	1:5	1:6	1:7	1:7

(1) Operating costs per full time equivalent student, includes student enrollment in reimbursable and non-reimbursable courses.

(2) District population for fiscal year 2023-24 was not available. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties.

(3) FTE represents Full Time Equivalency enrollment. This FTE includes reimbursable and non-reimbursable FTE.

Sources: Portland Community College - Office of Institutional Effectiveness, Enrollment Reporting- Preliminary Final.  
Portland State University, Population Research Center

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 304,217	\$ 307,435	\$ 351,649	\$ 351,649	\$ 241,268
1,412	1,396	1,351	1,351	1,324
25,084	26,712	28,068	28,068	30,210
1.8%	1.9%	2.1%	2.1%	2.3%
\$ 12,128	\$ 11,509	\$ 12,528	\$ 12,528	\$ 7,986
3,798	3,859	3,871	3,871	3,913
1:7	1:7	1:7	1:7	1:8

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

CAMPUS FACILITIES AND OPERATING INFORMATION  
LAST TEN FISCAL YEARS

	2023-24	2022-23	2021-22	2020-21	2019-20
Sylvania Campus					
Buildings/leases	16	17	17	17	16
Gross square feet	900,829	911,939	911,939	911,939	900,829
Campus expenditures (1)	N/A	\$ 49,944	\$ 47,389	\$ 55,333	\$ 27,321
Cascade Campus					
Buildings/leases	13	13	13	13	13
Gross square feet	487,148	485,282	485,282	485,282	485,282
Campus expenditures (1)	N/A	\$ 28,623	\$ 26,553	\$ 31,962	\$ 16,045
Rock Creek Campus					
Buildings/leases	14	14	14	14	13
Gross square feet	650,829	652,685	652,685	652,685	636,133
Campus expenditures (1)	N/A	\$ 40,276	\$ 38,137	\$ 42,791	\$ 21,147
Southeast Campus (2)					
Buildings/leases	6	6	6	6	6
Gross square feet	228,455	228,455	228,455	228,455	228,455
Campus expenditures (1)	N/A	\$ 14,834	\$ 14,215	\$ 16,851	\$ 8,535
Extended Learning Centers (2)					
Buildings/leases	12	14	13	13	10
Gross square feet	330,060	330,060	330,313	330,313	272,177
Campus expenditures (1)	N/A	\$ 5,375	\$ 4,773	\$ 5,112	\$ 3,211

(1) Beginning fiscal year 2023-24, Statements of Revenues, Expenses, and Changes in Net Position is no longer reported by campus.

(2) Beginning fiscal year 2015-16, Southeast Campus was reported separate from Extended Learning Centers.

Source: Facilities Management Services Manager

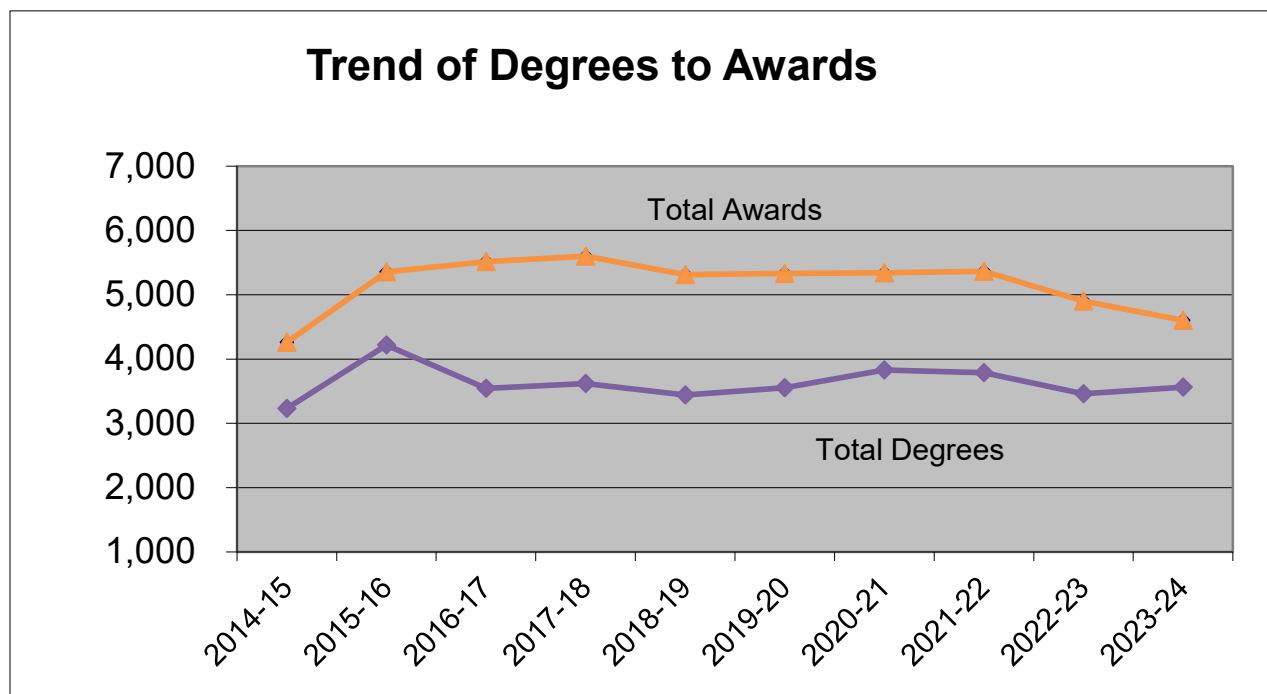
<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
15	15	15	15	17
888,227	888,227	886,286	886,286	887,556
\$ 51,695	\$ 50,048	\$ 54,195	\$ 63,059	\$ 37,474
13	13	13	13	11
485,282	485,282	485,282	485,382	420,588
\$ 30,891	\$ 28,924	\$ 30,624	\$ 35,704	\$ 21,499
12	12	12	12	11
644,996	635,702	635,702	595,026	574,684
\$ 39,328	\$ 37,219	\$ 37,779	\$ 44,295	\$ 25,896
6	6	6	6	N/A (2)
228,455	228,455	228,455	228,455	
\$ 15,316	\$ 14,573	\$ 15,417	\$ 17,798	
10	11	11	11	17
272,177	271,623	271,623	272,238	500,481
\$ 6,405	\$ 6,155	\$ 6,855	\$ 8,898	\$ 16,057



PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

CERTIFICATES AND DEGREES GRANTED  
LAST TEN FISCAL YEARS

	2023-24	2022-23	2021-22	2020-21
<b>Certificates</b>				
One-Year	337	289	308	323
Two-Year	42	24	41	28
Others	1,077	1,299	934	688
<b>Total Certificates</b>	<b>1,456</b>	<b>1,612</b>	<b>1,283</b>	<b>1,039</b>
<b>Degrees</b>				
Associate of Arts, Oregon Transfer (AAORT)	412	492	582	601
Associate of Science, Oregon Transfer (ASORT)	49	32	29	64
Associate of Science (AS)	582	685	765	973
Associate of General Studies (AGEN)	905	876	877	993
Associate of Applied Science (AAS)	771	835	937	932
<b>Total Degrees</b>	<b>2,719</b>	<b>2,920</b>	<b>3,190</b>	<b>3,563</b>
<b>High School Diplomas</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Awards</b>	<b>4,175</b>	<b>4,532</b>	<b>4,473</b>	<b>4,602</b>



Source: Portland Community College, Office of Institutional Effectiveness

<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
264	409	414	520	551	494
52	68	100	96	110	153
<u>1,125</u>	<u>1,102</u>	<u>997</u>	<u>1,163</u>	<u>1,208</u>	<u>1,308</u>
<u>1,441</u>	<u>1,579</u>	<u>1,511</u>	<u>1,779</u>	<u>1,869</u>	<u>1,955</u>
540	550	626	549	560	600
63	76	85	73	112	127
933	1,042	975	870	731	767
972	1,060	1,014	954	940	937
<u>954</u>	<u>1,059</u>	<u>1,129</u>	<u>1,108</u>	<u>1,097</u>	<u>1,188</u>
<u>3,462</u>	<u>3,787</u>	<u>3,829</u>	<u>3,554</u>	<u>3,440</u>	<u>3,619</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>27</u>
<u><u>4,903</u></u>	<u><u>5,366</u></u>	<u><u>5,340</u></u>	<u><u>5,333</u></u>	<u><u>5,313</u></u>	<u><u>5,601</u></u>

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

TUITION AND FEES  
LAST TEN FISCAL YEARS

**Portland Community College (1)**

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Per Credit Hour				
General Tuition	\$ 133	\$ 128	\$ 123	\$ 123
Fees	<u>11</u>	<u>11</u>	<u>9</u>	<u>9</u>
Combined Per Credit Total	\$ 144	\$ 139	\$ 132	\$ 132
Per Term - College Service & Transportation Fee (2)	\$ 15	\$ 15	\$ 15	\$ 15
Annual cost (45 credit hours)	\$ 6,514	\$ 6,289	\$ 5,972	\$ 5,972

**National and Statewide Comparisons**

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
PCC District				
Annual Cost (45 credit hours)	\$ 6,514	\$ 6,289	\$ 5,972	\$ 5,972
Percentage Change	4%	5%	0%	5%
National Community College Average (3)				
Annual Cost	N/A	\$ 3,598	\$ 3,564	\$ 3,501
Percentage Change		1%	2%	4%
Oregon Universities Average (4)				
Annual Cost (45 credit hours)	\$ 12,380	\$ 11,963	\$ 11,291	\$ 10,895
Percentage Change	3%	6%	4%	4%

(1) District tuition and fees are obtained from PCC website. Annual tuition is based on 15 credit hours per fall, winter and spring term.

(2) College Service & Transportation Fee is assessed once per term to all credit students. The fee combines multiple small dollar fees commonly assessed to students and enhances transportation options.

(3) U.S. Department of Education, National Center for Education Statistics, Digest of Education Statistics, Student Charges, Average tuition and required fees for full-time students.

(4) Eastern Oregon Univ., OIT, SOU, WOU, OSU, PSU and UO websites, Annual Tuition and Fee Rates based on 15 credit hours for fall, winter and spring term.

N/A - 2023-24 Annual Costs for 2-year colleges are not available at this time.

<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 116	\$ 111	\$ 104	\$ 97	\$ 96	\$ 93
9	8	8	7	7	6
<u>\$ 125</u>	<u>\$ 119</u>	<u>\$ 112</u>	<u>\$ 104</u>	<u>\$ 103</u>	<u>\$ 99</u>
\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 19
\$ 5,681	\$ 5,408	\$ 5,093	\$ 4,736	\$ 4,691	\$ 4,521

<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
\$ 5,681	\$ 5,408	\$ 5,093	\$ 4,736	\$ 4,691	\$ 4,521
5%	6%	8%	1%	4%	5%
\$ 3,377	\$ 3,313	\$ 3,242	\$ 3,156	\$ 3,038	\$ 2,955
2%	2%	3%	4%	3%	3%
\$ 10,440	\$ 9,874	\$ 9,655	\$ 9,117	\$ 8,791	\$ 8,210
6%	2%	6%	4%	7%	3%

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS (in Thousands)

	2023-24	2022-23	2021-22	2020-21	2019-20
Residential Construction (1)					
Permits	9.2	13.8	13.5	13.4	16.1
Value	\$ 3,145,181	\$ 3,243,750	\$ 3,409,331	\$ 3,208,508	\$ 3,273,357
Bank Deposits (2)	N/A	58,878,000	67,192,000	66,034,000	59,972,000
Property Values (3)					
Assessed Values:					
Real Property	\$ 160,635,918	\$ 154,135,039	\$ 147,218,889	\$ 141,736,743	\$ 135,678,705
Personal Property	6,987,716	5,688,548	5,616,730	5,442,227	5,405,325
Manufactured Structures	211,856	217,494	210,662	194,157	182,925
Public Utility	6,426,616	6,082,604	5,576,456	5,284,143	4,589,393
Total Assessed Value	174,262,106	166,123,685	158,622,737	152,657,270	145,856,348
Total Real Market Value	\$ 346,875,479	\$ 337,861,076	\$ 300,473,853	\$ 282,604,963	\$ 269,857,837

(1) For the Portland, Vancouver, Hillsboro Metropolitan Area.

(2) For all of Clackamas, Columbia, Multnomah, Washington and Yamhill counties. Specific data for the District is not available.

(3) Real market values are used by the assessor to determine Measure 5 limitations. Taxes, however are computed based upon net assessed value. These amounts represent real market value of the taxable portion of properties on the tax roll.

Sources: U.S. Census Bureau, Housing Units Authorized by Building Permits  
Oregon Department of Revenue, Research and Statistical Reports, Property Tax Annual Statistics  
Federal Deposit Insurance Corporation

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
15.0	16.5	15.3	14.9	12.7
\$ 3,055,717	\$ 3,217,155	\$ 3,158,656	\$ 2,900,448	\$ 2,468,921
46,418,000	45,339,837	\$ 43,988,737	\$ 40,657,736	\$ 37,468,000
\$ 129,513,143	\$ 124,479,160	\$ 118,714,575	\$ 113,554,257	\$ 107,625,199
4,953,038	5,049,679	4,601,052	4,349,460	4,081,805
182,265	171,220	188,095	162,324	139,864
4,490,760	4,353,038	4,123,037	3,881,839	3,804,319
<u>139,139,206</u>	<u>134,053,097</u>	<u>127,626,759</u>	<u>121,947,880</u>	<u>115,651,187</u>
\$ 260,713,118	\$ 240,170,507	\$ 213,806,259	\$ 186,837,348	\$ 170,619,869

PORTLAND COMMUNITY COLLEGE  
PORTLAND, OREGON

MISCELLANEOUS INFORMATION  
June 30, 2024

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DATE OF INCORPORATION: July 1, 1969

CENTRAL MAILING ADDRESS:

Portland Community College  
P.O. Box 19000  
Portland, OR 97280-0990  
Telephone: (971) 722-6111

MAIN CAMPUSES AND CENTERS:

Sylvania Campus  
12000 SW 49th Avenue  
Portland, OR 97219

Willow Creek Opportunity Center  
241 SW Edgeway Dr.  
Beaverton, OR 97006

Newberg Center  
135 Werth Blvd.  
Newberg, OR 97132

Cascade Campus  
705 N Killingsworth St.  
Portland, OR 97217

CLIMB Center  
1626 SE Water Avenue  
Portland, OR 97214

Downtown Center  
722 S.W. 2nd Ave.  
Portland, OR 97204

Rock Creek Campus  
17705 NW Springville Road  
Portland, OR 97229

Opportunity Center at 42nd Ave.  
4299 NE Killingsworth St.  
Portland, OR 97218

Hillsboro Center  
775 SE Baseline Street  
Hillsboro, OR 97123

Southeast Campus  
2305 SE 82nd Avenue  
Portland, OR 97216

Swan Island Trades Center  
6400 N Cutter Circle  
Portland, OR 97217

Columbia County Center  
34001 NE Wagner Ct.  
Scappoose, OR 97056

Maritime Welding Training Center  
5555 N Channel Avenue  
Portland, OR 97217

Vanport Building  
1810 SW 5th Ave  
Portland, OR 97201

# AUDIT SECTION





## AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 162-10-050 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, and comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.



**DISCLOSURES IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS AND THE UNIFORM GUIDANCE**





## **Independent Auditor's Report Required by Oregon State Regulations**

To the Board of Directors  
Portland Community College  
Portland, Oregon

We have audited the basic financial statements of Portland Community College (the College) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 12, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

### **Compliance**

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

## **OAR 162-10-0230 Internal Control**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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

For Eide Bailly, LLP

By:

A handwritten signature in black ink, appearing to read 'Kristin Diggs', is written over a horizontal line.

Kristin Diggs, CPA  
Boise, Idaho  
December 12, 2024



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

To the Board of Directors  
Portland Community College  
Portland, Oregon

We have audited, 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 (*Government Auditing Standards*), the financial statements of the business-type activities of Portland Community College (the College) as of and for the year ended June 30, 2024, 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 12, 2024.

**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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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*.

### **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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho  
December 12, 2024



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

To the Board of Directors  
Portland Community College  
Portland, Oregon

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Portland Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2024. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal 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.

### ***Auditor's 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 GAAS, *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 each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Auditor's 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.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho  
December 12, 2024

**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY CLUSTERS</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>STUDENT FINANCIAL ASSISTANCE CLUSTER</b>			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	\$ 1,063,651
Federal Work-Study Program	84.033	N/A	478,987
Federal Pell Grant Program	84.063	N/A	31,701,775
Federal Perkins Loan Program	84.038	N/A	209,114
Direct Loans Program	84.268	N/A	29,719,462
Nursing Student Loans	93.364	N/A	1,288,511
Federal Iraq Afghanistan Service Grant	84.408	N/A	232
<b>Total Student Financial Assistance Cluster</b>			<b>64,461,732</b>
<b>ECONOMIC DEVELOPMENT CLUSTER</b>			
Economic Development Admin EDA	11.307	2024-146	16,176
<b>Total Economic Development Cluster</b>			<b>16,176</b>
<b>WIOA CLUSTER</b>			
WIA/WIOA Adult Program - Hillsboro	17.258	23-11202	19,492
WIA/WIOA Adult Program - Hillsboro Liaison	17.258	23-11200	37,173
WIOA Adult Program Allocation	17.258	23-11114	11,811
WIOA Formula Youth-Hillsboro Liaison	17.259	23-10210	181,384
WIA/WIOA Dislocated Worker Formula Grants -Hillsboro Liaison - DWP	17.278	23-11202	187,950
WIA/WIOA Dislocated Worker Formula Grants-WSI: DWP Program Hillsboro	17.278	23-11200	228,575
WIOA Dislocated Worker HECC Strategic Innovation	17.278	21-11204	47,206
WIOA Dislocated Worker Program Allocation	17.278	23-11114	27,660
<b>Total WIOA Cluster</b>			<b>741,251</b>
<b>FEDERAL TRANSIT CLUSTER</b>			
Federal Transit—Formula Grants	20.507	936290	37,403
<b>Total Transit Cluster</b>			<b>37,403</b>
<b>TRIO CLUSTER</b>			
TRIO - Student Support Services	84.042A	N/A	284,669
<b>Total TRIO Cluster</b>			<b>284,669</b>
<b>477 CLUSTER</b>			
TANF NextGen YEP	93.558	23-10210	76,634
<b>Total 477 Cluster</b>			<b>76,634</b>
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>			
2022 GenCyber Grant - Portland Community College	12.905	N/A	90,163
Department of Defense - NSA CyberSecurity Core Curriculum	12.905	H98230-21-1-0175	36,828
NSA GenCyber Camps	12.905	H98230-23-1-0128	7,664
Education and Human Resources - NSF J-ATE	47.076	N/A	360,561
Education and Human Resources - S-STEM SE Campus	47.076	N/A	104,073
Education and Human Resources - NSF IUSE	47.076	N/A	806
Education and Human Resources - NSF ATE eGIST 2	47.076	N/A	229,097
Education and Human Resources - NSF ATE MNT-EC	47.076	B210055	158,845
<b>Total Research and Development Cluster</b>			<b>988,037</b>
<b>SUBTOTAL CLUSTER PROGRAMS</b>			<b>66,605,902</b>
<b>NON-CLUSTER PROGRAMS</b>			<b>9,849,945</b>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<b>\$ 76,455,847</b>

See notes to schedule of expenditures of federal awards

**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY FEDERAL AGENCY</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>U.S. DEPARTMENT OF EDUCATION:</b>			
<b>Direct Programs:</b>			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	\$ 1,063,651
Federal Work Study Program	84.033	N/A	478,987
Federal Pell Grant Program	84.063	N/A	31,701,775
Federal Perkins Loan Program	84.038	N/A	209,114
Direct Loans Program	84.268	N/A	29,719,462
Federal Nursing Student Loans	93.364	N/A	1,288,511
Federal Iraq Afghanistan Service Grant	84.408	N/A	232
Title III - PCC RISES Re-imagining Integrated Support for Equitable Success	84.031A	N/A	633,552
TRIO - Student Support Services	84.042A	N/A	284,669
Basic Needs Funds for Improvement of Post Secondary Education	84.116N	N/A	93,488
Artificial Intelligence Community Funding Project	84.116Z	N/A	31,492
Migrant Education - High School Equivalency Program	84.141A	N/A	465,290
Migrant Education - College Assistance Migrant Program	84.149A	N/A	480,959
Child Care Means Parents in School - CCAMPIS	84.335A	N/A	330,550
<b>Total Direct Programs</b>			<b>66,781,732</b>
<b>Passed through State of Oregon, Higher Education Coordinating Comission:</b>			
Adult Education - Basic Grants to States	84.002A	21-112K	758,221
Adult Education - Burlington English	84.002A	11-164H	21,168
<b>Total passed through State of Oregon, Higher Education Coordinating Committee</b>			<b>779,389</b>
<b>Passed through State of Oregon, Department of Education:</b>			
Career & Technical Education - Basic Grants to States - Perkins Reserve	84.048	75135	135,515
Career & Technical Education - Basic Grants to States - Perkins Reserve	84.048A	79255	503,882
Career & Technical Education - Basic Grants to States - Region 2A Consortium	84.048	72339	5,132
Career & Technical Education - Basic Grants to States - Region 2A Consortium	84.048	76408	294,646
Career & Technical Education - Basic Grants to States - Perkins	84.048	76391	2,369,343
<b>Total passed through State of Oregon, Department of Education</b>			<b>3,308,518</b>
<b>Passed through State of Oregon, Department of Human Services:</b>			
Disability Innovation Fund - DOE ODHS VR ICAP	84.421C	173455-2	1,685,647
<b>Total passed through State of Oregon, Department of Human Services</b>			<b>1,685,647</b>
<b>Passed through Portland Public Schools:</b>			
Student Support Enrichment - PPS Title II/IV Funds	84.424	94132	4,445
<b>Total passed through Portland Public Schools</b>			<b>4,445</b>
<b>Passed through State of Oregon, Department of Education:</b>			
Education Stabiliation Fund - CCL Navigator	84.425U	35816	118,494
<b>Total passed through State of Oregon, Department of Education</b>			<b>118,494</b>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>72,678,225</b>

See notes to schedule of expenditures of federal awards

**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY FEDERAL AGENCY</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE:</b>			
<b>Passed through Oregon Department of Education:</b>			
Child and Adult Care Food Program	10.558	2616022	182
<b>Total Passed through Oregon Department of Education</b>			<b>182</b>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>182</b>
<b>U.S. DEPARTMENT OF COMMERCE:</b>			
<b>Passed through Port of Portland:</b>			
Economic Development Admin EDA	11.307	2024-146	16,176
<b>Total Passed through Port of Portland</b>			<b>16,176</b>
<b>TOTAL U.S. DEPARTMENT OF COMMERCE</b>			<b>16,176</b>
<b>DEPARTMENT OF DEFENSE:</b>			
<b>Direct Programs:</b>			
2022 GenCyber Grant - Portland Community College	12.905	N/A	90,163
<b>Total Direct Programs</b>			<b>90,163</b>
<b>Passed through Towson University:</b>			
Department of Defense - NSA CyberSecurity Core Curriculum	12.905	H98230-21-1-0175	36,828
<b>Total Passed through Towson University</b>			<b>36,828</b>
<b>Passed through Maryland Procurement Office:</b>			
NSA GenCyber Camps	12.905	H98230-23-1-0128	7,664
<b>Total Passed through Maryland Procurement Office</b>			<b>7,664</b>
<b>TOTAL DEPARTMENT OF DEFENSE</b>			<b>134,655</b>
<b>U.S. DEPARTMENT OF THE INTERIOR:</b>			
<b>Direct Programs:</b>			
USGS Research & Data Collection Cooperative	15.808	N/A	24,097
<b>Total Direct Programs</b>			<b>24,097</b>
<b>TOTAL U.S. DEPARTMENT OF THE INTERIOR</b>			<b>24,097</b>
<b>U.S. DEPARTMENT OF JUSTICE:</b>			
<b>Direct Programs</b>			
Office of Violence Against Women	16.588	N/A	48,601
<b>Total Direct Programs</b>			<b>48,601</b>
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>48,601</b>

See notes to schedule of expenditures of federal awards

**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY FEDERAL AGENCY</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>U.S. DEPARTMENT OF LABOR:</b>			
<b>Passed through Worksystems, Inc:</b>			
WIA/WIOA Adult Program - Hillsboro	17.258	23-11200	37,173
WIA/WIOA Adult Program - Hillsboro Liaison	17.258	23-11202	19,492
WIOA Adult Program Allocation	17.258	23-11114	11,811
<b>Total Passed through Worksystems, Inc.</b>			<b>68,476</b>
WIOA Formula Youth-Hillsboro Liaison	17.259	23-10210	181,384
<b>Total Passed through Worksystems, Inc.</b>			<b>181,384</b>
<b>Passed through Mt. Hood Community College:</b>			
Strengthening Community College's Training Grant	17.261	MI-35897-21-60-A-41	189,411
<b>Total Passed through Mt. Hood Community College</b>			<b>189,411</b>
<b>Passed through Worksystems, Inc:</b>			
WIA/WIOA National Dislocated Worker Grants- Career National DW Grant	17.277	23-11200	46,393
<b>Total Passed through Worksystems, Inc.</b>			<b>46,393</b>
WIA/WIOA Dislocated Worker Formula Grants -Hillsboro Liaison - DWP	17.278	23-11202	187,950
WIA/WIOA Dislocated Worker Formula Grants-WSI: DWP Program Hillsboro	17.278	23-11200	228,575
HECC Strategic Innovation Dislocated Worker	17.278	21-11204	47,206
WIOA Dislocated Worker Program Allocation	17.278	23-11114	27,660
<b>Total Passed through Worksystems, Inc.</b>			<b>491,391</b>
Community Project Funding - Construction Trades CCTP	17.279	23-11200	12,148
<b>Total Passed through Worksystems, Inc.</b>			<b>12,148</b>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			<b>989,203</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION:</b>			
<b>Passed through METRO:</b>			
Federal Transit Formula Grants - Metro RTO	20.507	936290	37,403
<b>Total Passed through METRO</b>			<b>37,403</b>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>37,403</b>

See notes to schedule of expenditures of federal awards



**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY FEDERAL AGENCY</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>DEPARTMENT OF THE TREASURY:</b>			
<b>Passed through State of Oregon, Higher Education Coordinating Committee:</b>			
COVID-19 HECC FRO Workforce Ready	21.027	22-072U	188,027
<b>Total Passed through State of Oregon, Higher Education Coordinating Committee</b>			<b>188,027</b>
<b>Passed through City of Portland:</b>			
COVID-19 ARPA City of Portland Right to Counsel	21.027	30007952	327,232
<b>Total Passed through City of Portland</b>			<b>327,232</b>
<b>Passed through Washington County:</b>			
COVID-19 Washington County ARPA	21.027	22-1680	171,783
<b>Total Passed through Washington County</b>			<b>171,783</b>
<b>Passed through Worksystems, Inc:</b>			
COVID-19 ARPA Semiconductor	21.027	23-11204	182,276
COVID-19 Adult WEX ARPA	21.027	23-11114	333,267
COVID-19 ARPA Prosperity 10K	21.027	23-11200	177,637
<b>Total Passed through Worksystems, Inc.</b>			<b>693,180</b>
<b>TOTAL U.S. DEPARTMENT OF THE TREASURY</b>			<b>1,380,222</b>
<b>NATIONAL SCIENCE FOUNDATION:</b>			
<b>Direct Programs:</b>			
Education and Human Resources - NSF J-ATE	47.076	N/A	360,561
Education and Human Resources - S-STEM SE Campus	47.076	N/A	104,073
Education and Human Resources - NSF IUSE	47.076	N/A	806
Education and Human Resources - NSF ATE eGIST 2	47.076	N/A	229,097
<b>Total Direct Programs</b>			<b>694,537</b>
<b>Passed through Pasadena City College:</b>			
Education and Human Resources - NSF ATE MNT-EC	47.076	B210055	158,845
<b>Total Passed through Pasadena City College</b>			<b>158,845</b>
<b>TOTAL NATIONAL SCIENCE FOUNDATION</b>			<b>853,382</b>
<b>SMALL BUSINESS ADMINISTRATION:</b>			
<b>Passed through Lane Community College:</b>			
Small Business Development Center - SBDC	59.037	SBA-2023-152	82,338
Small Business Development Center - SBDC SBA Center#20	59.037	SBA-2023-160	34,037
<b>Total Passed through Lane Community College</b>			<b>116,375</b>
<b>TOTAL SMALL BUSINESS ADMINISTRATION</b>			<b>116,375</b>

See notes to schedule of expenditures of federal awards

**PORTLAND COMMUNITY COLLEGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

<b>FEDERAL AWARDS BY FEDERAL AGENCY</b>	<b>Assistance Listing Number</b>	<b>Pass Through Number</b>	<b>Total Expenditures</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>			
<b>Passed through Portland State University:</b>			
Trans-NIH Research Support	93.310	2RL5GM118963-06	34,798
<b>Total Passed through Portland State University</b>			<b>34,798</b>
<b>Passed through Worksystems, Inc.:</b>			
TANF NextGen YEP	93.558	23-10210	76,634
<b>Total Passed through Worksystems, Inc.</b>			<b>76,634</b>
<b>Passed through Portland State University:</b>			
PSU-NIH Bridges to Baccalaureate	93.859	100301	3,295
<b>Total Passed through Portland State University</b>			<b>3,295</b>
<b>Passed through Oregon Health Sciences University:</b>			
Dental Reimbursement and Community Based Dental Partnership Grants	93.924	2 H65HA00006 23 00	3,029
<b>Total Passed through Oregon Health Sciences University</b>			<b>3,029</b>
<b>Passed through the State of Oregon Health Authority:</b>			
Oregon Health Authority - Diverse Healthcare Providers - Addiction Counseling Associates Degree	93.959	175100	59,570
<b>Total Passed through the State of Oregon Health Authority</b>			<b>59,570</b>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>177,326</b>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<b>\$ 76,455,847</b>

See notes to schedule of expenditures of federal awards

**PORTLAND COMMUNITY COLLEGE**  
**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

**Note A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Portland Community College (the College) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with 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). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient. Direct loans are loans held by the Federal Government and are not included in loans receivable for the College. Direct loans disbursed during the year are included in the federal expenditures presented in the Schedule. The College has elected not to use the ten percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**Note C - LOANS RECEIVABLE**

The federal student loan programs listed subsequently are administered directly by the College, and balances and transactions relating to these programs are included in the College's basic financial statements. Perkins and Nursing loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The Perkins loan program for the College was closed in fiscal year 2024. The balance of Nursing loans outstanding at June 30, 2024 consists of:

	Assistance Listing Number	Loans Receivable
Gross loans receivable at June 30, 2024 including the institutional match, totaled:		
Federal Nursing Student Loans	93.364	\$ 1,056,175
		<u>\$ 1,056,175</u>

**Note D - PERKINS LOAN PROGRAM - EXCESS LIQUID CAPITAL**

Section 466 (c) of the Higher Education Act requires institutions to return to the Department of Education (the Department) the Federal share of any Excess Liquid Capital (ELC) from the institution's Federal Perkins Loan Revolving Fund (Fund). ELC is the amount of the Fund's "Cash On Hand" that is in excess of the institution's estimated immediate needs for the Perkins Loan Program. In Fiscal Year 2024 the College had excess liquid capital and returned it to the Department.

	Assistance Listing Number	Expenditures
Federal share returned	84.038	\$ 103,900
		<u>\$ 103,900</u>

The College is in the process of liquidating their Perkins Loan Program. As of June 30, 2024, all loans have been submitted back to the Department of Education administrators, except for a loan which the College purchased back from the Perkins loan program. The loans submitted back to the Department of Education, which totaled \$1,755,773, have been removed from the books as of June 30, 2024.

**Note E - SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, Portland Community College provided federal awards to subrecipients as follows:

Description	Assistance Listing Number	Expenditures
Portland State University - S-STEM SE MESA	47.076	\$ 58,127
Karen Leung - NSF J ATE	47.076	53,995
		<u>\$ 112,122</u>



**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Financial Assistance Number</u>
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grant	84.007
Federal Work-Study Program	84.033
Federal Pell Grant	84.063
Federal Direct Student Loans	84.268
Federal Perkins Loan Program	84.038
Federal Nursing Student Loans	93.364
Federal Iraq Afghanistan Service Grant	84.408
Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Section II – Financial Statement Findings**

No findings reported.

**Section III – Federal Award Findings and Questioned Costs**

No findings reported.

