



Special Report for Board of Trustees
and Management Only
June 30, 2021

Ventura County
Community College District

Ventura County Community College District

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June 30, 2021

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BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Mr. Joshua Chancer	Chair	December 2022
Ms. Dianne B. McKay	Vice Chair	December 2022
Mr. Stan Mantooh	Trustee	December 2024
Mr. Bernardo M. Perez	Trustee	December 2024
Ms. Gabriela Torres	Trustee	December 2022

ADMINISTRATION

Dr. Greg Gillespie	Chancellor
Dr. David El Fattal	Vice Chancellor, Business and Administrative Services
Dr. Cynthia Herrera	Vice Chancellor, Institutional Effectiveness
Ms. Laura L. Barroso	Vice Chancellor, Human Resources
Mr. Dan Watkins	Associate Vice Chancellor, Information Technology

ORGANIZATION

The Ventura County Community College District was established in 1962 and is comprised of an area of approximately 882 square miles located in Ventura County. There were no changes in the boundaries of the District during the year.



Independent Auditor's Report

Board of Trustees
Ventura County Community College District
Camarillo, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental funds and proprietary funds of the Ventura County Community College District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified accrual basis of accounting described in Notes 1 and 2; this includes determining that the modified accrual basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of governmental funds and proprietary funds of the District as of June 30, 2021, and the changes in financial position and cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 and Note 2, the financial statements of the governmental funds and proprietary funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of Ventura County Community College District as of June 30, 2021, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Management has omitted the management’s discussion and analysis that the accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by the missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to 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 District’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 District’s internal control over financial reporting and compliance.



Rancho Cucamonga, California
December 17, 2021

Ventura County Community College District
Combining Balance Sheet – Modified Accrual Basis
June 30, 2021

	General Unrestricted	General Restricted	Total
Assets			
Cash and cash equivalents	\$ 52,700	\$ -	\$ 52,700
Investments	58,663,882	11,300,356	69,964,238
Accounts receivable, net	27,994,906	16,856,024	44,850,930
Student receivable, net	2,695,605	457,186	3,152,791
Due from other funds	5,619,273	-	5,619,273
Prepaid expenditures	413,621	209,398	623,019
	<u>\$ 95,439,987</u>	<u>\$ 28,822,964</u>	<u>\$ 124,262,951</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 10,533,767	\$ 1,970,303	\$ 12,504,070
Due to other funds	42,661	5,534,028	5,576,689
Unearned revenue	14,727,332	11,983,700	26,711,032
	<u>25,303,760</u>	<u>19,488,031</u>	<u>44,791,791</u>
Fund Balances			
Reserved	466,321	9,334,933	9,801,254
Unreserved			
Designated	27,430,872	-	27,430,872
Undesignated	42,239,034	-	42,239,034
	<u>70,136,227</u>	<u>9,334,933</u>	<u>79,471,160</u>
Total fund balances	<u>70,136,227</u>	<u>9,334,933</u>	<u>79,471,160</u>
Total liabilities and fund balances	<u>\$ 95,439,987</u>	<u>\$ 28,822,964</u>	<u>\$ 124,262,951</u>

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	General Unrestricted		
	Budget	Actual	Variance
Revenues			
Federal revenues	\$ -	\$ -	\$ -
State revenues	173,485,984	90,287,024	(83,198,960)
Local revenues	8,359,385	98,549,370	90,189,985
Total revenues	<u>181,845,369</u>	<u>188,836,394</u>	<u>6,991,025</u>
Expenditures			
Current Expenditures			
Academic salaries	72,864,149	72,294,015	570,134
Classified salaries	33,367,531	33,124,732	242,799
Employee benefits	55,244,515	55,073,460	171,055
Books and supplies	5,859,377	2,481,701	3,377,676
Services and operating expenditures	16,296,060	13,774,459	2,521,601
Capital outlay	4,339,059	1,303,854	3,035,205
Total expenditures	<u>187,970,691</u>	<u>178,052,221</u>	<u>9,918,470</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,125,322)</u>	<u>10,784,173</u>	<u>16,909,495</u>
Other Financing Sources (Uses)			
Transfers in	146,606	1,367,717	1,221,111
Transfers out	(6,014,059)	(18,212,248)	(12,198,189)
Other sources	-	27,259	27,259
Other uses	-	-	-
Total other financing sources (uses)	<u>(5,867,453)</u>	<u>(16,817,272)</u>	<u>(10,949,819)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (11,992,775)</u>	<u>(6,033,099)</u>	<u>\$ 5,959,676</u>
Fund Balance, Beginning of Year		<u>76,169,326</u>	
Fund Balance, End of Year		<u>\$ 70,136,227</u>	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	General Restricted			Total		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ 41,382,272	\$ 16,922,043	\$ (24,460,229)	\$ 41,382,272	\$ 16,922,043	\$ (24,460,229)
State revenues	54,508,136	37,457,099	(17,051,037)	227,994,120	127,744,123	(100,249,997)
Local revenues	<u>2,401,818</u>	<u>1,937,015</u>	<u>(464,803)</u>	<u>10,761,203</u>	<u>100,486,385</u>	<u>89,725,182</u>
Total revenues	<u>98,292,226</u>	<u>56,316,157</u>	<u>(41,976,069)</u>	<u>280,137,595</u>	<u>245,152,551</u>	<u>(34,985,044)</u>
Expenditures						
Current Expenditures						
Academic salaries	13,691,593	8,919,746	4,771,847	86,555,742	81,213,761	5,341,981
Classified salaries	25,584,669	14,786,379	10,798,290	58,952,200	47,911,111	11,041,089
Employee benefits	12,960,892	9,380,369	3,580,523	68,205,407	64,453,829	3,751,578
Books and supplies	16,770,224	4,660,662	12,109,562	22,629,601	7,142,363	15,487,238
Services and operating expenditures	14,302,161	4,314,055	9,988,106	30,598,221	18,088,514	12,509,707
Capital outlay	<u>1,859,706</u>	<u>1,373,625</u>	<u>486,081</u>	<u>6,198,765</u>	<u>2,677,479</u>	<u>3,521,286</u>
Total expenditures	<u>85,169,245</u>	<u>43,434,836</u>	<u>41,734,409</u>	<u>273,139,936</u>	<u>221,487,057</u>	<u>51,652,879</u>
Excess (Deficiency) of Revenues over Expenditures	<u>13,122,981</u>	<u>12,881,321</u>	<u>(241,660)</u>	<u>6,997,659</u>	<u>23,665,494</u>	<u>16,667,835</u>
Other Financing Sources (Uses)						
Transfers in	2,342,526	1,579,733	(762,793)	2,489,132	2,947,450	458,318
Transfers out	(16,263,863)	(10,688,934)	5,574,929	(22,277,922)	(28,901,182)	(6,623,260)
Other sources	-	-	-	-	27,259	27,259
Other uses	<u>(2,374,199)</u>	<u>(2,493,435)</u>	<u>(119,236)</u>	<u>(2,374,199)</u>	<u>(2,493,435)</u>	<u>(119,236)</u>
Total other financing sources (uses)	<u>(16,295,536)</u>	<u>(11,602,636)</u>	<u>4,692,900</u>	<u>(22,162,989)</u>	<u>(28,419,908)</u>	<u>(6,256,919)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (3,172,555)</u>	<u>1,278,685</u>	<u>\$ 4,451,240</u>	<u>\$ (15,165,330)</u>	<u>(4,754,414)</u>	<u>\$ 10,410,916</u>
Fund Balance, Beginning of Year		<u>8,056,248</u>			<u>84,225,574</u>	
Fund Balance, End of Year		<u>\$ 9,334,933</u>			<u>\$ 79,471,160</u>	

Ventura County Community College District
Combining Balance Sheet – Modified Accrual Basis
June 30, 2021

	Child Development	Other Special Revenue	Associated Students	Student Representation Fee	Student Center Fee
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	731,339	385,504	2,030,777	244,164	6,595,082
Accounts receivable	-	-	1,569	188	5,180
Student receivable	25,965	-	135,916	35,240	135,319
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	796	-	-
Other current assets	-	-	1,817	-	3,363
Total assets	\$ 757,304	\$ 385,504	\$ 2,170,875	\$ 279,592	\$ 6,738,944
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 10,582	\$ 2	\$ 10,642	\$ 86	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	900	-	223,749	36,783	199,228
Total liabilities	11,482	2	234,391	36,869	199,228
Fund Balances					
Reserved	-	-	796	-	-
Unreserved					
Designated	745,822	385,502	1,935,688	242,723	6,539,716
Total fund balances	745,822	385,502	1,936,484	242,723	6,539,716
Total liabilities and fund balances	\$ 757,304	\$ 385,504	\$ 2,170,875	\$ 279,592	\$ 6,738,944

Ventura County Community College District
Combining Balance Sheet – Modified Accrual Basis
June 30, 2021

	Student Financial Aid	Scholarship and Loan	Student Clubs	Other Trusts	Total
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Investments	9,592	791,967	192,373	3,177,812	14,158,610
Accounts receivable	135,963	622	-	-	143,522
Student receivable	9,212	4,528	-	109,158	455,338
Due from other funds	48,418	-	-	-	48,418
Prepaid expenses	-	-	-	613	1,409
Other current assets	-	-	-	-	5,180
Total assets	\$ 203,185	\$ 797,117	\$ 192,373	\$ 3,292,583	\$ 14,817,477
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 112,183	\$ 10,795	\$ 470	\$ 32,058	\$ 176,818
Due to other funds	91,002	-	-	-	91,002
Unearned revenue	-	-	-	1,983	462,643
Total liabilities	203,185	10,795	470	34,041	730,463
Fund Balances					
Reserved	-	-	-	613	1,409
Unreserved					
Designated	-	786,322	191,903	3,257,929	14,085,605
Total fund balances	-	786,322	191,903	3,258,542	14,087,014
Total liabilities and fund balances	\$ 203,185	\$ 797,117	\$ 192,373	\$ 3,292,583	\$ 14,817,477

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	Child Development			Other Special Revenue		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ 43,000	\$ -	\$ (43,000)	\$ -	\$ -	\$ -
State revenues	83,000	112,030	29,030	-	-	-
Local revenues	636,821	20,766	(616,055)	36,500	-	(36,500)
Total revenues	<u>762,821</u>	<u>132,796</u>	<u>(630,025)</u>	<u>36,500</u>	<u>-</u>	<u>(36,500)</u>
Expenditures						
Current Expenditures						
Classified salaries	674,448	472,021	202,427	3,500	-	3,500
Employee benefits	321,958	239,059	82,899	60	-	60
Books and supplies	19,150	1,309	17,841	3,400	-	3,400
Services and operating expenditures	19,427	14,449	4,978	14,420	3,225	11,195
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>1,034,983</u>	<u>726,838</u>	<u>308,145</u>	<u>21,380</u>	<u>3,225</u>	<u>18,155</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(272,162)</u>	<u>(594,042)</u>	<u>(321,880)</u>	<u>15,120</u>	<u>(3,225)</u>	<u>(18,345)</u>
Other Financing Sources (Uses)						
Transfers in	197,399	975,789	778,390	-	142,817	142,817
Transfers out	-	-	-	-	-	-
Other uses	-	-	-	-	-	-
Total other financing sources (uses)	<u>197,399</u>	<u>975,789</u>	<u>778,390</u>	<u>-</u>	<u>142,817</u>	<u>142,817</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (74,763)</u>	<u>381,747</u>	<u>\$ 456,510</u>	<u>\$ 15,120</u>	<u>139,592</u>	<u>\$ 124,472</u>
Fund Balance, Beginning of Year		<u>364,075</u>			<u>245,910</u>	
Fund Balance, End of Year		<u>\$ 745,822</u>			<u>\$ 385,502</u>	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	Associated Students			Student Representation Fee		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State revenues	-	-	-	-	-	-
Local revenues	491,005	594,458	103,453	49,400	83,012	33,612
Total revenues	<u>491,005</u>	<u>594,458</u>	<u>103,453</u>	<u>49,400</u>	<u>83,012</u>	<u>33,612</u>
Expenditures						
Current Expenditures						
Classified salaries	73,043	35,497	37,546	-	-	-
Employee benefits	13,587	14,792	(1,205)	-	-	-
Books and supplies	228,157	109,545	118,612	-	191	(191)
Services and operating expenditures	149,380	77,992	71,388	79,650	7,744	71,906
Capital outlay	6,000	1,148	4,852	-	-	-
Total expenditures	<u>470,167</u>	<u>238,974</u>	<u>231,193</u>	<u>79,650</u>	<u>7,935</u>	<u>71,715</u>
Excess (Deficiency) of Revenues over Expenditures	<u>20,838</u>	<u>355,484</u>	<u>334,646</u>	<u>(30,250)</u>	<u>75,077</u>	<u>105,327</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	(60,721)	(60,721)	-	-	-
Other uses	(22,000)	-	22,000	-	-	-
Total other financing sources (uses)	<u>(22,000)</u>	<u>(60,721)</u>	<u>(38,721)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (1,162)</u>	<u>294,763</u>	<u>\$ 295,925</u>	<u>\$ (30,250)</u>	<u>75,077</u>	<u>\$ 105,327</u>
Fund Balance, Beginning of Year		<u>1,641,721</u>			<u>167,646</u>	
Fund Balance, End of Year		<u>\$ 1,936,484</u>			<u>\$ 242,723</u>	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	Student Center Fee			Student Financial Aid		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ -	\$ -	\$ -	\$54,772,380	\$41,985,297	\$(12,787,083)
State revenues	-	-	-	7,586,003	7,176,342	(409,661)
Local revenues	217,000	419,109	202,109	20	33,250	33,230
Total revenues	<u>217,000</u>	<u>419,109</u>	<u>202,109</u>	<u>62,358,403</u>	<u>49,194,889</u>	<u>(13,163,514)</u>
Expenditures						
Current Expenditures						
Classified salaries	75,190	8,329	66,861	-	-	-
Employee benefits	17,869	1,013	16,856	-	-	-
Books and supplies	9,800	17,024	(7,224)	-	-	-
Services and operating expenditures	1,050,400	-	1,050,400	-	-	-
Capital outlay	8,000	1,614	6,386	-	-	-
Total expenditures	<u>1,161,259</u>	<u>27,980</u>	<u>1,133,279</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(944,259)</u>	<u>391,129</u>	<u>1,335,388</u>	<u>62,358,403</u>	<u>49,194,889</u>	<u>(13,163,514)</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	8,191,096	7,905,369	(285,727)
Transfers out	-	-	-	(20)	-	20
Other uses	-	-	-	(70,549,479)	(57,100,258)	13,449,221
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62,358,403)</u>	<u>(49,194,889)</u>	<u>13,163,514</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	<u>\$ (944,259)</u>	<u>391,129</u>	<u>\$ 1,335,388</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, Beginning of Year		<u>6,148,587</u>			<u>-</u>	
Fund Balance, End of Year		<u>\$ 6,539,716</u>			<u>\$ -</u>	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	Scholarship and Loan			Student Clubs		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State revenues	-	-	-	-	-	-
Local revenues	-	387,716	387,716	-	9,588	9,588
Total revenues	-	387,716	387,716	-	9,588	9,588
Expenditures						
Current Expenditures						
Classified salaries	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Books and supplies	-	-	-	-	15,232	(15,232)
Services and operating expenditures	-	-	-	-	(1,414)	1,414
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	13,818	(13,818)
Excess (Deficiency) of Revenues over Expenditures	-	387,716	387,716	-	(4,230)	(4,230)
Other Financing Sources (Uses)						
Transfers in	-	15,000	15,000	20,000	31,254	11,254
Transfers out	-	(136)	(136)	-	-	-
Other uses	-	(457,543)	(457,543)	-	-	-
Total other financing sources (uses)	-	(442,679)	(442,679)	20,000	31,254	11,254
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	\$ -	(54,963)	\$ (54,963)	\$ 20,000	27,024	\$ 7,024
Fund Balance, Beginning of Year		841,285			164,879	
Fund Balance, End of Year		\$ 786,322			\$ 191,903	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified
Accrual Basis
Year Ended June 30, 2021

	Other Trusts			Total		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues						
Federal revenues	\$ -	\$ -	\$ -	\$54,815,380	\$41,985,297	\$ (12,830,083)
State revenues	-	-	-	7,669,003	7,288,372	(380,631)
Local revenues	-	818,268	818,268	1,430,746	2,366,167	935,421
Total revenues	-	818,268	818,268	63,915,129	51,639,836	(12,275,293)
Expenditures						
Current Expenditures						
Classified salaries	28,576	118,278	(89,702)	854,757	634,125	220,632
Employee benefits	24,555	29,609	(5,054)	378,029	284,473	93,556
Books and supplies	-	166,603	(166,603)	260,507	309,904	(49,397)
Services and operating expenditures	-	88,758	(88,758)	1,313,277	190,754	1,122,523
Capital outlay	-	149,465	(149,465)	14,000	152,227	(138,227)
Total expenditures	53,131	552,713	(499,582)	2,820,570	1,571,483	1,249,087
Excess (Deficiency) of Revenues over Expenditures	(53,131)	265,555	318,686	61,094,559	50,068,353	(11,026,206)
Other Financing Sources (Uses)						
Transfers in	37,000	378,175	341,175	8,445,495	9,448,404	1,002,909
Transfers out	-	(57,000)	(57,000)	(20)	(117,857)	(117,837)
Other uses	-	(4,154)	(4,154)	(70,571,479)	(57,561,955)	13,009,524
Total other financing sources (uses)	37,000	317,021	280,021	(62,126,004)	(48,231,408)	13,894,596
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	\$ (16,131)	582,576	\$ 598,707	\$ (1,031,445)	1,836,945	\$ 2,868,390
Fund Balance, Beginning of Year		2,675,966			12,250,069	
Fund Balance, End of Year		\$ 3,258,542			\$ 14,087,014	

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis
Year Ended June 30, 2021

	Capital Outlay
Revenues	
State revenues	\$ 1,577,530
Local revenues	2,266,748
Total revenues	3,844,278
Expenditures	
Current Expenditures	
Books and supplies	404,139
Services and operating expenditures	740,811
Capital outlay	12,318,971
Total expenditures	13,463,921
Deficiency of Revenues over Expenditures	(9,619,643)
Other Financing Sources (Uses)	
Transfers in	16,484,457
Transfers out	(18,475)
Total other financing sources (uses)	16,465,982
Excess of Revenues and Other Financing Sources over Expenditures	6,846,339
Fund Balance, Beginning of Year	33,768,132
Fund Balance, End of Year	\$ 40,614,471

Ventura County Community College District
Combining Balance Sheet – Modified Accrual Basis
June 30, 2021

	<u>Bond Interest and Redemption</u>
Assets	
Investments	\$ 24,991,456
Accounts receivable	<u>19,410</u>
Total assets	<u><u>\$ 25,010,866</u></u>
Fund Balance	
Reserved	<u><u>\$ 25,010,866</u></u>

Ventura County Community College District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Accrual Basis
Year Ended June 30, 2021

	<u>Bond Interest and Redemption</u>
Revenues	
State revenues	\$ 138,818
Local revenues	<u>23,825,444</u>
Total Revenues	<u>23,964,262</u>
Expenditures	
Current Expenditures	
Debt service - principal	15,165,000
Debt service - interest and other	<u>8,009,391</u>
Total Expenditures	<u>23,174,391</u>
Excess of Revenues over Expenditures	789,871
Fund Balance, Beginning of Year	<u>24,220,995</u>
Fund Balance, End of Year	<u><u>\$ 25,010,866</u></u>

Ventura County Community College District

Combining Balance Sheet

June 30, 2021

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
Assets					
Cash and cash equivalents	\$ 2,000	\$ 3,000	\$ 6,000	\$ 11,000	\$ -
Investments	425,242	563,746	222,845	1,211,833	13,260,267
Accounts receivable	-	-	-	-	28,543
Prepaid expenses	-	-	-	-	81,465
Total assets	<u>\$ 427,242</u>	<u>\$ 566,746</u>	<u>\$ 228,845</u>	<u>\$ 1,222,833</u>	<u>\$ 13,370,275</u>
Liabilities and Fund Equity					
Liabilities					
Accounts payable	\$ 300	\$ -	\$ -	\$ 300	\$ 788,341
Fund Equity					
Retained earnings	<u>426,942</u>	<u>566,746</u>	<u>228,845</u>	<u>1,222,533</u>	<u>12,581,934</u>
Total liabilities and fund equity	<u>\$ 427,242</u>	<u>\$ 566,746</u>	<u>\$ 228,845</u>	<u>\$ 1,222,833</u>	<u>\$ 13,370,275</u>

Ventura County Community College District
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings
Year Ended June 30, 2021

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
Operating Revenues					
Sales and commissions	\$ 23	\$ 693	\$ 212	\$ 928	\$ -
Other operating	-	-	-	-	497,128
Premium contributions	-	-	-	-	15,662,822
Total operating revenues	23	693	212	928	16,159,950
Operating Expenses					
Employee benefits	-	-	-	-	10,111,364
Books and supplies	1,000	-	251	1,251	-
Services and other operating expenditures	-	-	-	-	135,308
Total operating expenses	1,000	-	251	1,251	10,246,672
Operating Income (Loss)	(977)	693	(39)	(323)	5,913,278
Nonoperating Revenues (Expenses)					
Operating transfers in	38,111	22,412	21,680	82,203	75,000
Other uses	-	-	(20)	(20)	-
Total nonoperating revenues (expenses)	38,111	22,412	21,660	82,183	75,000
Net Income	37,134	23,105	21,621	81,860	5,988,278
Retained Earnings, Beginning of Year	389,808	543,641	207,224	1,140,673	6,593,656
Retained Earnings, End of Year	\$ 426,942	\$ 566,746	\$ 228,845	\$ 1,222,533	\$ 12,581,934

Ventura County Community College District
Combining Statement of Cash Flows
Year Ended June 30, 2021

	Enterprise Funds				Internal Service Fund
	Food Service				
	Moorpark	Oxnard	Ventura	Total	
Cash Flows from Operating Activities					
Operating income (loss)	\$ (977)	\$ 693	\$ (39)	\$ (323)	\$ 5,913,278
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Changes in assets and liabilities					
Receivables	-	-	-	-	(5,174)
Prepaid expenses	-	-	-	-	(81,465)
Accrued liabilities	300	-	-	300	148,788
Net Cash Provided (Used) for Operating Activities	<u>(677)</u>	<u>693</u>	<u>(39)</u>	<u>(23)</u>	<u>5,975,427</u>
Cash Flows from Investing Activities					
Transfers in	38,111	22,412	21,680	82,203	75,000
Other uses	-	-	(20)	(20)	-
Net Cash Provided from Investing Activities	<u>38,111</u>	<u>22,412</u>	<u>21,660</u>	<u>82,183</u>	<u>75,000</u>
Net Increase in Cash and Cash Equivalents	37,434	23,105	21,621	82,160	6,050,427
Cash and Cash Equivalents - Beginning	389,808	543,641	207,224	1,140,673	7,209,840
Cash and Cash Equivalents - Ending	<u>\$ 427,242</u>	<u>\$ 566,746</u>	<u>\$ 228,845</u>	<u>\$ 1,222,833</u>	<u>\$ 13,260,267</u>

Note 1 - Organization

The Ventura County Community College District (the District) was established in 1962 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of Ventura County. The District operates under a locally elected five-member Board of Trustees form of government which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates three colleges located within Ventura County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

In June 1999, GASB approved Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, followed by Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public College and Universities*, as amended by GASB Statements No 37, No. 38, and No. 39. These statements were implemented over a phase (based on size of the government) through fiscal years ending in 2004. The District has implemented those changes. We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Ventura County Community College District for the year ended June 30, 2021, and have issued our report thereon dated December 17, 2021.

These financial statements have been prepared specifically for the Board of Trustees and management of the Ventura County Community College District to provide an analysis of the financial position and results of operations had the District not implemented GASB Statements No. 34 and No. 35. Fund financial statements are included in this report to present the operations of the individual funds used by the District. These fund financial statements do not include the adoption of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as the District was not required to adopt GASB Statement No. 54 under the reporting requirements of GASB Statement No. 35.

Financial Reporting Entity

The District has adopted accounting policies to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. The District has no component units.

Note 2 - Summary of Significant Accounting Policies**Basis of Accounting - Measurement Focus, and Financial Statement Presentation**

Governmental fund types are reported using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

Proprietary fund types are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the related liabilities are incurred.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the Statement of Cash Flows.

Investments

Investments are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value, including money market investments and participating interest-earning investment contracts with original maturities greater than one year, are stated at cost or amortized cost.

The District's investment in the County treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool is not required to be categorized within the fair value hierarchy.

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectable accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at \$2,267,255 for the year ended June 30, 2021.

Prepaid Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The costs of prepaid items is recorded as an expense when consumed rather than when purchased.

Capital Assets and Depreciation

The District's capital expenditures have been accounted for as expenditures within the governmental and fiduciary fund types incurring the cost. These assets have not been capitalized within the individual funds and depreciation expense is not recorded. Capital assets are capitalized within the proprietary fund types and certain fiduciary funds, depreciations expense is recorded within the individual fund incurring the expense. Depreciation on capitalized assets is provided on the straight-line basis over the following estimated useful lives:

Vehicles and equipment	2 - 15 years
Improvements	5 - 20 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables".

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignation and retirements that occur prior to year end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. The District also participates in "load-banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, retirement credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized. Unearned revenue includes (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year, and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these recalculations and corrections are accrued in the year in which Full-Time Equivalent Students (FTES) are generated.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Ventura bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

The voters of the District passed a general obligation bond in March 2002 for the acquisition, construction, and rehabilitation of facilities on the three community college campuses and the Camarillo site of District capital assets. As a result of the passage of the bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above and remitted to the District when collected.

Budgets and Budgetary Accounting

Annual budgets are adopted on a modified accrual basis for the District's General Funds and Special Revenue Fund. The District's Board of Trustees adopts a tentative operating budget no later than July 1 in accordance with State law. The Board revises the budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. It is this final revised budget that is presented in these financial statements. The District employs budget control by minor object and by individual appropriation accounts. The Board approves pooled budget categories for operational expenditures (e.g. supplies, operating expenses, and capital outlay). Actual expenditures are charged to the

specific expenditure account number. Expenditures cannot legally exceed appropriations by major object account. A public hearing must be conducted to receive comments prior to adoption. The District's Board satisfied these requirements.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2021, which amounted to \$5,664,852 (10.328%) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2021. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Financial Presentation

These financial statements have been prepared specifically for the Board of Trustees and management of the Ventura County Community College District to provide an analysis of the financial position and results of operations of the District's individual funds had the District not implemented GASB Statements No. 34 and No. 35.

Change in Accounting Principles

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The provisions of this Statement have been implemented as of June 30, 2021.

Note 3 - Deposits and Investments

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District deposits all receipts and collections of monies with their County Treasurer. The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Deposits and Investments

Deposits and investments as of June 30, 2021, consist of the following:

Cash on hand and in banks	\$ 43,700
Cash in revolving	25,000
Investments	<u>169,058,905</u>
Total deposits and investments	<u><u>\$ 169,127,605</u></u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Ventura County Investment Pool. The Ventura County Investment Pool purchases shorter term investments and attempts to time cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District maintains an investment of \$169,058,905 with the Ventura County Investment Pool with an average weighted maturity of 322 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the Ventura County Investment pool is not required to be rated. However, as of June 30, 2021, the County portfolio was rated AAf/S1+ by Standard and Poor's.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2021, the District did not have any deposits exposed to custodial credit risk because all balances were Federal Deposit Insurance Corporation (FDIC) insured.

Note 5 - Interfund Transactions**Interfund Receivables/Payables (Due To/Due From)**

Individual fund interfund receivable and payable balances at June 30, 2021, are as follows:

Funds	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Unrestricted	\$ 5,619,273	\$ 42,661
General Restricted	-	5,534,028
Student Financial Aid	48,418	91,002
	<u>48,418</u>	<u>91,002</u>
Total	<u>\$ 5,667,691</u>	<u>\$ 5,667,691</u>

Note 6 - Transfers

Interfund transfers consist of operating and equity transfers from funds receiving revenue to funds through which the resources are to be expended. Interfund transfers for the year ended June 30, 2021, are as follows:

The General Unrestricted Fund transferred to the General Restricted Fund	\$ 1,577,537
The General Unrestricted Fund transferred to the Capital Outlay Fund	16,375,090
The General Unrestricted Fund transferred to the Child Development Fund	127,621
The General Unrestricted Fund transferred to the Student Clubs Fund	20,000
The General Unrestricted Fund transferred to the Other Trust Fund	37,000
The General Unrestricted Fund transferred to the Internal Service Fund	75,000
The General Restricted Fund transferred to the Capital Outlay Fund	109,367
The General Restricted Fund transferred to the Student Financial Aid Fund	7,905,369
The General Restricted Fund transferred to the General Unrestricted	1,351,438
The General Restricted Fund transferred to the Child Development Fund	791,168
The General Restricted Fund transferred to the Special Revenue Fund	142,817
The General Restricted Fund transferred to the Food Service Fund	82,203
The General Restricted Fund transferred to the Other Trusts Fund	306,572
The Capital Outlay Fund transferred to the General Unrestricted Fund	16,279
The Capital Outlay Fund transferred to the General Restricted Fund	2,196
The Associated Students Organization Fund transferred to the Scholarship and Loan Fund	15,000
The Associated Students Organization Fund transferred to the Student Clubs Fund	11,254
The Associated Students Organization Fund transferred to the Other Trust Fund	34,467
The Scholarship & Loan Fund transferred to the Other Trust Fund	136
The Other Trust Fund transferred to the Child Development Fund	57,000
	<u>57,000</u>
Total	<u>\$ 29,037,514</u>

Note 7 - Accounts Payable

Accounts payable at June 30, 2021, consist of the following:

	General	Special Revenue	Capital Projects	Proprietary	Total
Accrued payroll and benefits	\$ 4,179,484	\$ -	\$ -	\$ 12,108	\$ 4,191,592
Accrued vacation	774,264	-	-	-	774,264
Construction	-	-	2,084,248	-	2,084,248
Student liabilities	4,113,996	8,997	-	-	4,122,993
Load banking	-	-	-	761,853	761,853
Federal categorical aid	-	173	-	-	173
State categorical aid	426,550	108,699	-	-	535,249
Other State	66,652	3,111	-	-	69,763
Local	2,943,124	55,838	-	14,680	3,013,642
	<u>\$12,504,070</u>	<u>\$ 176,818</u>	<u>\$ 2,084,248</u>	<u>\$ 788,641</u>	<u>\$15,553,777</u>
Total					

Note 8 - Unearned Revenue

Unearned revenue at June 30, 2021, consists of the following:

	General	Special Revenue	Capital Projects	Total
State categorical aid	\$11,247,531	\$ -	\$ -	\$11,247,531
Scheduled maintenance	-	-	1,632,366	1,632,366
Other State	35,227	-	-	35,227
RDA	1,987,523	-	1,225,350	3,212,873
Enrollment/student fees	13,277,108	460,660	75,365	13,813,133
Local	163,643	1,983	-	165,626
	<u>\$26,711,032</u>	<u>\$ 462,643</u>	<u>\$ 2,933,081</u>	<u>\$30,106,756</u>
Total				

Note 9 - Fund Balances

Fund balances are composed of the following elements:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>
Reserved				
Prepaid expenditures	\$ 623,019	\$ 1,409	\$ 55,142	\$ -
Revolving cash	52,700	-	-	-
Restricted programs	9,125,535	-	-	-
Capital outlay	-	-	40,559,329	-
Debt repayment	-	-	-	25,010,866
Total reserved	<u>9,801,254</u>	<u>1,409</u>	<u>40,614,471</u>	<u>25,010,866</u>
Unreserved				
Designated				
General reserves	9,890,585	14,085,605	-	-
Budget rollover	11,370,287	-	-	-
Revenue shortfall contingency	5,000,000	-	-	-
STRS	1,000,000	-	-	-
Energy efficiency	170,000	-	-	-
Total designated	<u>27,430,872</u>	<u>14,085,605</u>	<u>-</u>	<u>-</u>
Undesignated	<u>42,239,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total unreserved	<u>69,669,906</u>	<u>14,085,605</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 79,471,160</u>	<u>\$ 14,087,014</u>	<u>\$ 40,614,471</u>	<u>\$ 25,010,866</u>

Note 10 - Commitments and Contingencies

Litigation

The District is involved in various litigation. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the District's financial statements.

State and Federal Allowances, Awards, and Grants

The District has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, in the opinion of management, any required reimbursements will not be material.



Independent Auditor's Reports
June 30, 2021

Ventura County Community College
District



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

Board of Trustees
Ventura County Community College District
Camarillo, California

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, the financial statements of the governmental funds and proprietary funds of Ventura County Community College District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements and have issued our report thereon dated December 17, 2021.

Emphasis of Matter

As discussed in Note 1 and Note 2, the financial statements of the governmental funds and proprietary funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of Ventura County Community College District as of June 30, 2021, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Rancho Cucamonga, California
December 17, 2021