

PARIS JUNIOR COLLEGE  
Paris, Texas

REPORT OF AUDIT

AUGUST 31, 2023 and 2022

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## Organizational Data

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### Board of Regents

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		<u>Term Expires</u> <u>October 31,</u>
<u>Officers</u>		
Mr. Curtis Fendley	President	2024
Dr. Clifton Wilkerson	Vice President	2026
Ms. Berdie Gibson	Secretary	2028
 <u>Members</u>		
Dr. Linda Kapp		2026
Ms. Ginna Bowman		2024
Mr. Josh Bray		2028
Mr. Charles Lynch		2026
Mr. Shannon McGuire		2028
Mr. Mark Buster		2024
 <u>Principal Administrative Officers</u>		
Dr. Pamela Anglin	President	
Dr. Michael Erny	Vice President, Workforce Education	
Mr. Rob Stanley	Vice President, Academic Instruction	
Ms. Debra Craig	Controller	

FINANCIAL SECTION

**McClanahan and Holmes, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Regents  
Paris Junior College  
Paris, Texas

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the business-type activities of Paris Junior College (the College) and Paris Junior College Memorial Foundation (the Foundation), a discretely presented component unit, as of and for the years ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of Paris Junior College as of August 31, 2023 and 2022, and the respective 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.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinions.

***Emphasis of Matter***

***Change in Accounting Principle***

As described in Note 2 to the financial statements, in 2023, the College adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

***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 Responsibility 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 judgement, 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, Schedule of the College's Proportionate Share of Net Pension Liability, Schedule of the College's Pension Contributions, Schedule of the College's Proportionate Share of the Net OPEB Liability, and Schedule of the College's OPEB Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other

knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Paris Junior College's basic financial statements. The accompanying supplementary schedules, as listed in the table of contents, and the 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. The schedule of expenditures of State of Texas awards, required by State of Texas Single Audit Circular, is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the 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 statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions 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 other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023, 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.

***McClanahan and Holmes, LLP***  
Certified Public Accountants

Bonham, Texas  
December 22, 2023



## Management's Discussion and Analysis

Management of Paris Junior College provides this Management's Discussion and Analysis of Paris Junior College for readers of the College's financial statements. This narrative overview and analysis of the financial activities of the College is for the fiscal year ended August 31, 2023. We encourage readers to consider this information in conjunction with the College's financial statements and the notes to the financial statements which follow.

In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, the College has included the requirement in the current year financial statements to more accurately portray subscription obligations by the College and to increase the usefulness of the governmental financial statements. Additional information can be found in Note 7 – SBITAs.

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### Financial Highlights

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Net position increased by \$7,068,548 in FY22/23. Net position increased by \$5,361,128 in FY21/22. Net position at the end of FY22/23 was \$47,886,313 and \$40,817,765 in FY21/22.

Paris Junior College implemented a \$2 per credit hour tuition increase for the 2022-2023 academic year. In-district tuition increased from \$57 per credit hour in the previous academic year to \$59 per credit hour in the current academic year. Out-of-district tuition was \$109 per semester credit hour (\$59 tuition plus and out-of-district fee of \$50), and non-resident tuition increased to \$159 per credit hour. All students were charged a \$25 per semester credit hour general fee.

Net tuition and revenue decreased 19% or \$1,706,614 from \$9,003,875 in FY21/22 to \$7,297,261 in FY22/23. This decrease was directly due to the fact that the College chose not to allocate HEERF funds as tuition replacement. In FY21/22, the College received a tuition replacement award of \$2,238,203.

Federal non-operating grants and contracts revenue also decreased 16% or \$2,031,990 from \$13,039,624 in FY21/22 to \$11,007,634 in FY22/23. The decrease in Federal non-operating grants and contracts was partially offset by a 573% increase in investment income. The College earned \$260,508 in FY21/22 and \$1,754,119 in FY22/23.

State appropriations increased \$831,068 or 11% from \$7,687,045 in FY21/22 to \$8,518,113 in FY22/23. As with last year, the majority of this change (63%) comes from an increase in state contributions in the categories of retirement matching and health insurance.

There are three primary revenue sources: tuition and fees, state appropriations, and local tax revenue. While there continues to be funding and enrollment challenges, Paris Junior College's goal is to ensure there are accessible and affordable educational opportunities available to the residents of our area by

## Management's Discussion and Analysis (Continued)

utilizing these resources effectively and efficiently. This goal includes academic preparation for those to seek to transfer to a university as well as providing certificates and associate degrees in workforce programs to better meet the needs of local business and industry.

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### Overview of the Financial Statements

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The Annual Financial Report consists of a series of financial statements. The core statements are known as the *Statement of Net Position*, the *Statement of Revenues, Expenses, and Changes in Net Position*, and the *Statement of Cash Flows*. These statements comply with all the Statements issued by the Governmental Accounting Standards Board (GASB) that are currently in effect.

#### Statement of Net Position

The Statement of Net Position presents all of the College's assets and liabilities with the difference between the two reported as "net position". Over time, increases or decreases in the College's net position may serve as a useful indicator of whether the financial position of the College is improving or deteriorating. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets.

#### Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the college activities which are supported mainly by state appropriations, federal revenue, ad valorem taxes, tuition, and fee revenues. This approach is intended to summarize and simplify the user's analysis of costs of various college services to students and the public. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The two statements above report the College's net position and changes in net position. The change in net position provides the reader a tool to assist in determining whether the College's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the College.

#### Statement of Cash Flows

The Statement of Cash Flows is presented on the direct method to illustrate the sources and uses of cash for operating activities of the College. The primary purpose of cash flow analysis is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of

## Management's Discussion and Analysis (Continued)

Cash Flows also may help users assess the College's ability to generate future net cash flows, to meet its obligations as they come due, and to determine its need for external financing.

### Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to financial statements can be found immediately following the basic financial statements.

### Affiliated Organization

The Paris Junior College Memorial Foundation is a component unit of Paris Junior College. The financial statements of the Foundation are presented with those of the College. The prescribed presentation is for the Foundation's statement to be presented separately in a format known as a discrete presentation. For fiscal year 2022-2023 the net assets of the Foundation increased \$3,034,661 from \$30,713,875 in FY21/22 to \$33,748,536 in FY22/23. This increase was due to market performance for the year.

### Fiduciary Funds

Fiduciary fund statements provide information about the financial relationships in which the College acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. All of the College's fiduciary activities are reported in statements. They are excluded from the College's government-wide financials because the College can not use the assets to finance its operations.

Management's Discussion and Analysis (Continued)

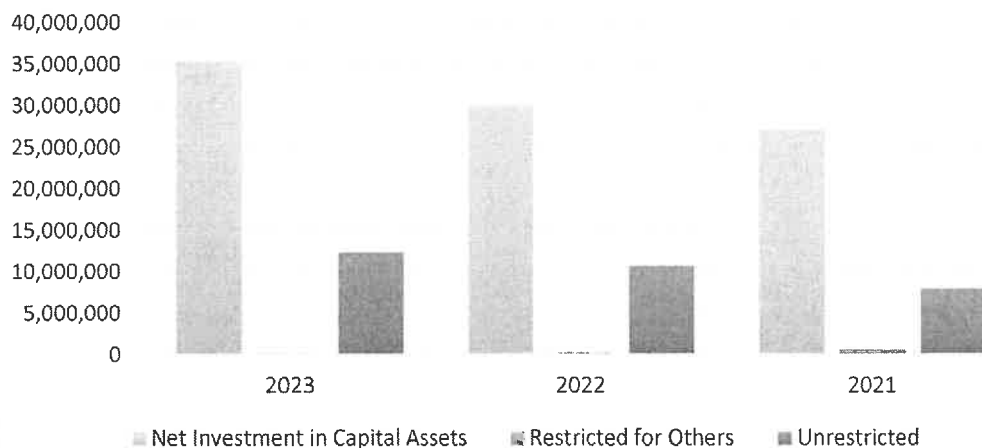
Net Assets

**Condensed Statement of Net Assets**

August 31, 2023, 2022, and 2021

	2023	2022	2021
Current Assets	\$ 42,437,755	\$ 40,723,301	\$ 38,387,367
Non-Current Assets	41,603,384	37,173,667	36,793,874
Total Assets	<u>84,041,139</u>	<u>77,896,968</u>	<u>75,181,241</u>
Deferred Outflows of Resources	<u>5,979,591</u>	<u>4,677,041</u>	<u>4,677,419</u>
Current Liabilities	3,719,660	3,121,133	3,057,252
Non-Current Liabilities	29,309,777	31,489,728	34,407,356
Total Liabilities	<u>33,029,437</u>	<u>34,610,861</u>	<u>37,464,608</u>
Deferred Inflows of Resources	<u>9,104,980</u>	<u>7,145,383</u>	<u>6,937,415</u>
Net Position			
Net Investment in Capital Assets	35,292,383	29,874,494	27,002,325
Restricted for Others	190,055	234,230	500,027
Unrestricted	<u>12,403,875</u>	<u>10,709,041</u>	<u>7,954,285</u>
Total Net Position	<u>\$ 47,886,313</u>	<u>\$ 40,817,765</u>	<u>\$ 35,456,637</u>

**Net Position**



Management's Discussion and Analysis (Continued)

**Condensed Statement of Revenues, Expenses, and Changes in Net Position**  
August 31, 2023, 2022, and 2021

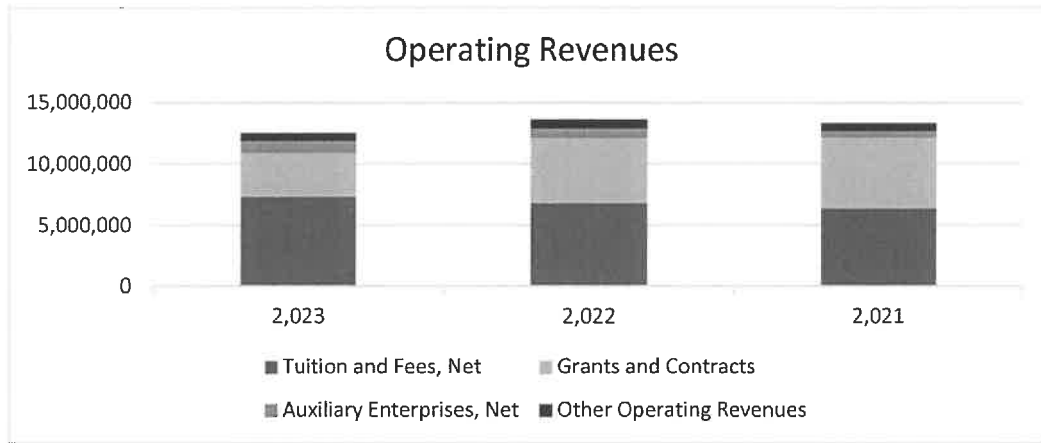
	2023	2022	2021
Operating Revenues	\$ 12,503,246	\$ 13,618,490	\$ 13,325,059
Non-Operating Revenues	25,838,186	25,518,333	24,827,212
Total Revenues	<u>38,341,432</u>	<u>39,136,823</u>	<u>38,152,271</u>
Operating Expenses	30,968,593	33,437,345	32,200,045
Non-Operating Expenses	304,291	338,350	450,854
Total Expenses	<u>31,272,884</u>	<u>33,775,695</u>	<u>32,650,899</u>
Change in Net Position	<u>7,068,548</u>	<u>5,361,128</u>	<u>5,501,372</u>
Net Position			
Net Position – Beginning of Year	40,817,765	35,456,637	29,957,177
Change in Accounting Policy	-	-	(1,912)
Balance at Beginning of Year, as Restated	<u>40,817,765</u>	<u>35,456,637</u>	<u>29,955,265</u>
Net Position – End of Year	<u>\$ 47,886,313</u>	<u>\$ 40,817,765</u>	<u>\$ 35,456,637</u>

**Operating Revenues**

August 31, 2023, 2022, and 2021

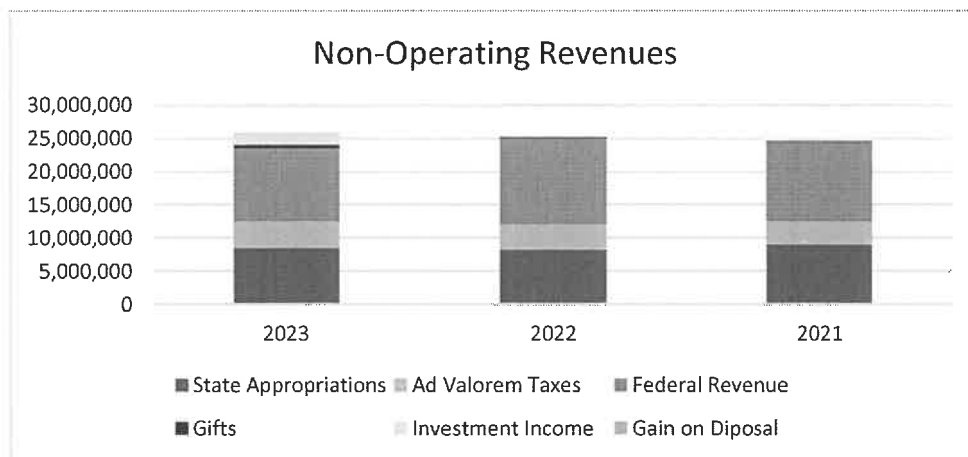
	2023	2022	2021
Tuition and Fees, Net	\$ 7,297,261	\$ 6,765,672	\$ 6,347,123
Grants and Contracts	3,619,878	5,308,935	5,817,026
Auxiliary Enterprises, Net	953,007	815,632	513,944
Other Operating Revenues	633,100	728,251	646,966
Total Operating Revenues	<u>\$ 12,503,246</u>	<u>\$ 13,618,490</u>	<u>\$ 13,325,059</u>

Management’s Discussion and Analysis (Continued)



**Non-Operating Revenues**  
August 31, 2023, 2022, and 2021

	2023	2022	2021
State Appropriations, Including Lost Revenue	\$ 8,518,113	\$ 8,255,774	\$ 9,004,659
Ad Valorem Taxes	4,035,385	3,769,632	3,482,769
Federal Revenue, Non-Operating	11,007,634	13,039,624	12,063,057
Gifts	510,003	128,121	60,331
Investment Income	1,754,119	260,508	114,513
Insurance Proceeds	-	64,674	101,883
Gain on the Disposal of Capital Assets	12,932	-	-
<b>Total Non-Operating Revenues</b>	<b>\$ 25,838,186</b>	<b>\$ 25,518,333</b>	<b>\$ 24,827,212</b>

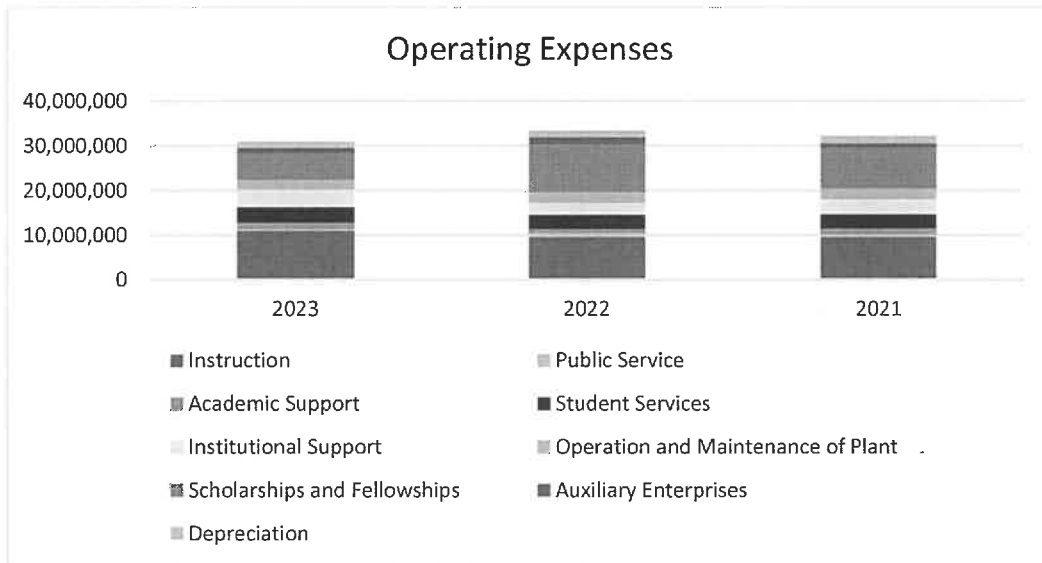


Management’s Discussion and Analysis (Continued)

**Operating Expenses**

August 31, 2023, 2022, and 2021

	2023	2022	2021
Instruction	\$ 10,878,621	\$ 9,554,793	\$ 9,537,321
Public Service	471,245	896,078	658,744
Academic Support	1,460,977	971,970	1,278,410
Student Services	3,406,952	3,153,231	3,218,919
Institutional Support	3,942,001	2,653,168	3,397,946
Operation and Maintenance of Plant	2,112,151	2,492,978	2,228,370
Scholarships and Fellowships	6,116,119	10,801,054	9,296,775
Auxiliary Enterprises	1,069,900	1,481,718	969,777
Depreciation and Amortization	1,510,627	1,432,355	1,613,783
<b>Total Operating Expenses</b>	<b>\$ 30,968,593</b>	<b>\$ 33,437,345</b>	<b>\$ 32,200,045</b>



## Management's Discussion and Analysis (Continued)

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### Capital Assets and Long-Term Debt Activity

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#### Capital Assets

The College's investment in capital assets as of August 31, 2023 is \$65,932,191, accumulated depreciation of \$24,702,018, leaving a net book value of \$41,230,173. This investment in capital assets includes: land, collections, construction in process, buildings and improvements, furniture and equipment, vehicles, and library books. Please refer to the notes to the financial statements for more detail on capital assets.

#### Long-Term Debt Activity

At the end of the fiscal year, the College had \$6,311,000 outstanding in bonds payable compared to \$6,912,000, outstanding at the end of August 2022.

There are two revenue bonds outstanding at year end. The 2006 and 2007 revenue bonds' principal and interest outstanding at year end was \$7,655,860.

The College no longer carries an active bond rating; however, in the past the College's bond rating for debt was "A-" with a rating outlook for the intermediate to longer term of stable as rated by Standard & Poor's. The College's bond rating for debt was "A3" with a rating outlook for the intermediate to longer term of stable as rated by Moody's.



Primary Government  
Exhibit 1  
Statement of Net Position

Assets	2023	2022
Current Assets		
Cash and Cash Equivalents	\$ 28,652,926	\$ 27,023,134
Short-Term Investments	12,000,000	12,000,000
Accounts Receivable, Net	1,635,420	1,327,967
Inventories	59,151	59,038
Other Assets	90,258	313,162
Total Current Assets	42,437,755	40,723,301
Noncurrent Assets		
Capital Assets, Net (See Note 5)	41,230,173	36,713,205
Right of Use Assets, Net (See Note 5)	373,211	460,462
Total Noncurrent Assets	41,603,384	37,173,667
Total Assets	84,041,139	77,896,968
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	3,451,737	1,303,320
Deferred Outflows Related to OPEB	2,527,854	3,373,721
Total Deferred Outflows of Resources	5,979,591	4,677,041
Liabilities		
Current Liabilities		
Accounts Payable	1,378,545	1,099,614
Unearned Revenues	1,475,788	1,279,769
Right of Use Liabilities – Current Portion	120,184	24,926
OPEB Liability – Current Portion	475,143	463,824
Bonds Payable – Current Portion	270,000	253,000
Total Current Liabilities	3,719,660	3,121,133

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

Primary Government  
Exhibit 1  
Statement of Net Position (Continued)

Liabilities (Continued)	2023	2022
Noncurrent Liabilities		
Deposits	22,900	34,295
Right of Use Liabilities	206,953	425,729
Pension Liability	5,237,836	2,265,810
OPEB Liability	17,801,088	22,104,894
Bonds Payable	6,041,000	6,659,000
Total Noncurrent Liabilities	29,309,777	31,489,728
Total Liabilities	33,029,437	34,610,861
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	2,212,558	3,000,807
Deferred Inflows Related to OPEB	6,892,422	4,144,576
Total Deferred Inflows of Resources	9,104,980	7,145,383
Net Position		
Net Investment in Capital Assets	35,292,383	29,874,494
Restricted for:		
Others	190,055	234,230
Unrestricted	12,403,875	10,709,041
Total Net Position (Schedule D)	\$ 47,886,313	\$ 40,817,765

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

Affiliated Organization  
Exhibit 1A  
Statement of Financial Position  
Years Ended August 31, 2023 and 2022

Assets	2023	2022
Current Assets		
Cash and Cash Equivalents	\$ 1,206,855	\$ 522,475
Total Current Assets	1,206,855	522,475
Investments		
Marketable Securities	31,707,989	29,356,838
Nonmarketable Securities	780,000	780,000
Total Investments	32,487,989	30,136,838
Fixed Assets		
Property and Equipment, Net	1,192	2,062
Total Fixed Assets	1,192	2,062
Other Assets		
Property Held for Investment	7,500	7,500
Royalty Interests	45,000	45,000
Total Other Assets	52,500	52,500
Total Assets	33,748,536	30,713,875
Liabilities		
Accounts Payable	-	-
Total Liabilities	-	-
Net Assets		
Without Donor Restrictions	25,078	27,140
With Donor Restrictions	33,723,458	30,686,735
Total Net Assets	\$ 33,748,536	\$ 30,713,875

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

Fiduciary Funds  
Exhibit 1B  
Statement of Fiduciary Net Position

Assets	2023	2022
Current Assets		
Cash and Cash Equivalents	\$ 251,972	\$ 230,908
Total Current Assets	<u>251,972</u>	<u>230,908</u>
Total Assets	<u>251,972</u>	<u>230,908</u>
Liabilities		
Current Liabilities		
Accounts Payable	2,947	4,034
Due to Other Governments	16,962	10,086
Total Current Liabilities	<u>19,909</u>	<u>14,120</u>
Total Liabilities	<u>19,909</u>	<u>14,120</u>
Net Position		
Restricted for:		
Custodial Funds	232,063	216,788
Total Net Position	<u>\$ 232,063</u>	<u>\$ 216,788</u>

The notes to financial statement are an integral part of this statement

Primary Government  
Exhibit 2  
Statement of Revenues, Expenses, and Changes in Net Position  
Years Ended August 31, 2023 and 2022

	2023	2022
Operating Revenue		
Tuition and Fees (Net of Discounts of \$4,924,417 and \$4,752,133, respectively)	\$ 7,297,261	\$ 6,765,672
Lost Revenue – Tuition	-	2,238,203
Federal Grants and Contracts	2,935,522	2,438,571
State Grants and Contracts	396,145	490,812
Non-Governmental Grants and Contracts	288,211	141,349
Sales and Enterprises of Educational Activities	168,492	188,909
Auxiliary Enterprises (Net of Discounts)	953,007	815,632
Other Operating Revenues	464,608	539,342
Total Operating Revenues (Schedule A)	12,503,246	13,618,490
Operating Expenses		
Instruction	10,878,621	9,554,793
Public Service	471,245	896,078
Academic Support	1,460,977	971,970
Student Services	3,406,952	3,153,231
Institutional Support	3,942,001	2,653,168
Operation and Maintenance of Plant	2,112,151	2,471,542
Scholarships and Fellowships	6,116,119	10,801,054
Auxiliary Enterprises	1,069,900	1,481,718
Depreciation and Amortization	1,510,627	1,453,791
Total Operating Expenses (Schedule B)	30,968,593	33,437,345
Operating Income (Loss)	(18,465,347)	(19,818,855)

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

Primary Government

Exhibit 2

Statement of Revenues, Expenses, and Changes in Net Position (Continued)

Years Ended August 31, 2023 and 2022

Non-Operating Revenues (Expenses)	2023	2022
State Appropriations	8,518,113	7,687,045
Lost Revenue – State Appropriations	-	568,729
Maintenance Ad Valorem Taxes	4,035,385	3,769,632
Federal Revenue, Non-Operating	11,007,634	13,039,624
Gifts	510,003	128,121
Investment Income	1,754,119	260,508
Insurance Proceeds	-	64,674
Gain on Disposal of Capital Asset	12,932	-
Interest on Capital Related Debt	(303,251)	(337,097)
Interest on Right of Use Assets	(1,040)	(1,253)
Net Non-Operating Revenues (Schedule C)	25,533,895	25,179,983
Increase in Net Position	7,068,548	5,361,128
 Net Position		
Net Position – Beginning of Year	40,817,765	35,456,637
Net Position – End of Year	\$ 47,886,313	\$ 40,817,765

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

Affiliated Organization  
Exhibit 2A  
Statement of Activities  
Years Ended August 31, 2023 and 2022

	Year Ended August 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues, Gains, and Other Support			
Contributions	\$ 8,361	\$ 168,604	\$ 176,965
Net Realized Gain/(Losses) on Investments, Net of Management Fees	-	1,582,511	1,582,511
Net Unrealized Gains/(Losses) on Investments	-	1,400,701	1,400,701
Interest	986	19,087	20,073
Dividends	-	870,470	870,470
Royalties	-	31,241	31,241
In-Kind Professional Services	55,565	-	55,565
Total Operating Revenues	64,912	4,072,614	4,137,526
Net Assets Released from Restrictions			
Satisfaction of Program Restrictions	1,035,891	(1,035,891)	-
Total Operating Revenues, Gains, and Other Support	1,100,803	3,036,723	4,137,526
Operating Expenses			
Programs:			
Contributions to PJC for Scholarships	703,690	-	703,690
Contributions to PJC for Nursing Program	340,000	-	340,000
Support Services:			
Accounting	1,540	-	1,540
Insurance	1,200	-	1,200
In-Kind Professional Expenses	55,565	-	55,565
Total Operating Expenses	1,101,995	-	1,101,995
Changes in Net Assets from Operations	(1,192)	3,036,723	3,035,531
Other Changes			
Non-Operating Income (Expense):			
Depreciation	870	-	870
Changes in Net Assets	(2,062)	3,036,723	3,034,661
Net Assets, Beginning of Year	27,140	30,686,735	30,713,875
Net Assets, End of Year	\$ 25,078	\$ 33,723,458	\$ 33,748,536

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

Affiliated Organization  
Exhibit 2A  
Statement of Activities (Continued)  
Years Ended August 31, 2023 and 2022

	Year Ended August 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues, Gains, and Other Support			
Contributions	\$ 13,850	\$ 396,561	\$ 410,411
Net Realized Gain/(Losses) on Investments, Net of Management Fees	-	502,114	502,114
Net Unrealized Gains/(Losses) on Investments	-	787,085	787,085
Interest	212	33,463	33,675
Dividends	-	734,450	734,450
Royalties	-	36,742	36,742
In-Kind Professional Services	59,640	-	59,640
Total Operating Revenues	<u>73,702</u>	<u>2,490,415</u>	<u>2,564,117</u>
Net Assets Released from Restrictions			
Satisfaction of Program Restrictions	593,797	(593,797)	-
Total Operating Revenues, Gains, and Other Support	<u>667,499</u>	<u>1,896,618</u>	<u>2,564,117</u>
Operating Expenses			
Programs:			
Contributions to PJC for Scholarships	554,197	-	554,197
Contributions to PJC for Nursing Program	39,600	50,400	90,000
Support Services:			
Accounting	1,540	-	1,540
Insurance	1,200	-	1,200
In-Kind Professional Expenses	59,640	-	59,640
Total Operating Expenses	<u>656,177</u>	<u>50,400</u>	<u>706,577</u>
Changes in Net Assets from Operations	<u>11,322</u>	<u>1,846,218</u>	<u>1,857,540</u>
Other Changes			
Non-Operating Income (Expense):			
Depreciation	870	-	870
Changes in Net Assets	<u>10,452</u>	<u>1,846,218</u>	<u>1,856,670</u>
Net Assets, Beginning of Year	16,688	28,840,517	28,857,205
Net Assets, End of Year	<u>\$ 27,140</u>	<u>\$ 30,686,735</u>	<u>\$ 30,713,875</u>

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



Fiduciary Funds  
Exhibit 2B  
Statement of Changes in Fiduciary Net Position  
Years Ended August 31, 2023 and 2022

	2023	2022
<b>Additions</b>		
Contributions	\$ 123,786	\$ 83,510
Total Additions	123,786	83,510
 <b>Deductions</b>		
Payments for Supplies	108,511	83,584
Total Deductions	108,511	83,584
Change in Net Position	15,275	(74)
 <b>Net Position</b>		
Net Position – Beginning of Year	216,788	216,862
Change in Net Position	15,275	(74)
Net Position – End of Year	\$ 232,063	\$ 216,788

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

Primary Government  
Exhibit 3  
Statement of Cash Flows  
Years Ended August 31, 2023 and 2022

Cash Flows from Operating Activities	2023	2022
Receipts from Students and Other Customers	\$ 7,435,028	\$ 8,006,387
Receipts from HEERF Funds for Lost Revenue	-	2,238,203
Receipts from Grants and Contracts	3,381,553	3,014,541
Receipts from Other Sources	1,592,010	-
Payments to or for Employees	(16,152,124)	(14,014,419)
Payments to Suppliers for Goods or Services	(6,562,211)	(7,551,335)
Payments of Scholarships	(6,116,119)	(10,801,054)
Net Cash Provided (Used) by Operating Activities	(16,421,863)	(19,107,677)
Cash Flows from Non-Capital Financing Activities		
Receipts from State Appropriations	8,518,113	7,687,045
Receipts from HEERF Funds for Lost Revenue – State Appropriations	-	568,729
Receipts from Ad Valorem Taxes	4,020,148	3,770,057
Receipts from Non-Operating Federal Revenue	11,007,634	13,039,624
Receipts from Insurance Proceeds	-	64,674
Receipts from Gifts	510,003	128,896
Net Cash Provided (Used) by Non-Capital Financing Activities	24,055,898	25,259,025
Cash Flows from Capital and Related Financing Activities		
Purchases of Capital and Right of Use Assets	(6,680,664)	(1,448,322)
Principal Paid on Capital Debt	(601,000)	(2,781,000)
Principal Paid on Right of Use Assets	(170,499)	-
Interest Paid on Capital Debt	(303,251)	(337,097)
Interest Paid on Right of Use Assets	(1,040)	-
Change in Accounting Policy	(1,903)	(1,253)
Net Cash Provided (Used) by Capital and Related Financing Activities	(7,758,357)	(4,567,672)

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

Primary Government  
Exhibit 3  
Statement of Cash Flows (Continued)  
Years ended August 31, 2023 and 2022

Cash Flows from Investing Activities	2023	2022
Receipts from Interest on Investments	1,754,119	260,508
Net Cash Provided (Used) by Investing Activities	1,754,119	260,508
Increase (Decrease) in Cash and Cash Equivalents	1,629,792	1,844,184
Cash and Cash Equivalents – Beginning of Year	27,023,134	25,178,950
Cash and Cash Equivalents – End of Year	\$ 28,652,926	\$ 27,023,134
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	2023	2022
Operating Income (Loss)	\$ (18,465,347)	\$ (19,818,855)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:		
Depreciation and Amortization Expense	1,510,627	1,432,355
Payments Made Directly by State for Benefits	823,516	(265,966)
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
Receivables, Net	(292,216)	(220,688)
Inventories	(113)	(8,865)
Other Assets	237,794	(265,312)
Right of Use Assets	87,251	(75,201)
Deferred Outflow Pension	(2,148,417)	481,679
Deferred Outflow OPEB	845,867	(481,301)
Accounts Payable	278,931	463,475
OPEB Liability	(4,292,487)	(2,778,704)
Right of Use Liability	(123,518)	-
Deposits	(11,395)	6,995
Unearned Revenue	196,019	192,271
Pension Liability	2,972,026	2,022,473
Deferred Inflows Pension	(788,249)	1,839,282
Deferred Inflow OPEB	2,747,846	(1,631,315)
Net Cash Provided (Used) by Operating Activities	\$ (16,421,863)	\$ (19,107,677)

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

Affiliated Organization  
Exhibit 3A  
Statement of Cash Flows  
Years ended August 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Change in Net Assets	\$ 3,034,662	\$ 1,856,670
Adjustments to Reconcile Changes in Net Assets to Net Cash Flow		
From Operating Activities:		
Depreciation and Amortization	870	870
Net (Gains) Losses on Investments	(2,983,212)	(1,289,199)
Proceeds from Dividends, Royalties, Leases	901,711	771,192
Proceeds from Interest	20,073	33,675
Payments for Fees	(2,740)	(2,740)
Payments for Scholarships	(703,690)	(554,197)
Payments for Nursing Program	(340,000)	(90,000)
Contributions Received	176,965	410,111
Net Cash Provided (Used) by Operating Activities	104,639	1,136,682
Cash Flows from Investing Activities		
Purchases of Investments	(6,619,128)	(9,480,655)
Proceeds from Sale of Investments	7,198,869	8,685,565
Net Cash Provided (Used) by Investing Activities	579,741	(855,090)
Cash Flows from Financing Activities		
Net Cash Provided (Used) by Financing Activities	-	-
Increase (Decrease) in Cash and Cash Equivalents	684,380	281,592
Cash and Cash Equivalents – Beginning of Year	522,475	240,883
Cash and Cash Equivalents – End of Year	\$ 1,206,855	\$ 522,475

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

## Notes to Financial Statements

### 1. Reporting Entity

Paris Junior College (PJC) was established in 1924, in accordance with the laws of the State of Texas, to serve the educational needs of Paris and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14. While the College received funding from local, state and federal sources, and must comply with spending, reporting, and record-keeping requirements of these entities, it is not a component unit of any other governmental entity. One organization, the Paris Junior College Memorial Foundation, Inc. meets the criteria of GASB pronouncements and has been presented as a discrete component unit of the College (see Note 20).

### 2. Summary of Significant Accounting Policies

#### Reporting Guidelines

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

The College presents its net position (or equity) into the following three components:

*Net Investment in Capital Assets* – This component consists of capital assets net of accumulated depreciation and reduced by the outstanding debt that is attributable to the acquisition, construction, or improvement of those assets.

*Restricted* – This component includes those assets upon which constraints have been placed on their utilization. Such constraints may be externally (by creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* – This component represents the net position that is available for use to fulfill the educational purposes of the College. It includes all net position that is not classified as “net investment in capital assets” or “restricted.”

## Notes to Financial Statements (Continued)

### 2. Summary of Significant Accounting Policies (Continued)

#### Tuition Discounting

##### *Texas Public Education Grants (TPEG)*

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set-aside, called the TPEG, is shown with tuition and fee revenue amounts as a separate set-aside amount (TEC section 56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

##### *Title IV, Higher Education Act (HEA) Program Funds*

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

##### *Other Tuition Discounts*

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

#### Basis of Accounting

The financial statements of the College are reported using the economic resources measurement focus and the accrual basis whereby revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

#### Budgetary Data

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

## Notes to Financial Statements (Continued)

### **2. Summary of Significant Accounting Policies (Continued)**

#### Cash and Cash Equivalents

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

#### Deferred Outflows

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows in circumstances specifically authorized by the GASB.

#### Investments

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

#### Inventories

Inventories consist of jewelry, horology, gemology, welding, electronics' tools, books, and materials for sale to students. Inventories are valued at cost using the first-in, first-out method.

#### Capital Assets

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

## Notes to Financial Statements (Continued)

### 2. Summary of Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for land improvements, 15 years for library books, 10 years for furniture, machinery, vehicles, and other equipment, and 5 years for telecommunications and peripheral equipment.

Collections are recognized in accordance with guidance issued by the Texas Comptroller of Public Accounts - capitalized but not depreciated. Collections are valued at their historical cost or fair value at the date of donation. The College has statues and antique pianos and organs which it capitalizes as collections. These collections are not depreciated due to the inexhaustible nature of these assets.

#### Leases

Lessee: The College is a lessee for noncancelable leases of equipment. The College recognizes a lease liability and an intangible right to use lease asset in the government-wide financial statements.

At the commencement of a lease, the College initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life

Key estimates and judgements related to leases include how the College determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Colleges uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term included the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the College is reasonably certain to exercise.

The College monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.



## Notes to Financial Statements (Continued)

### 2. Summary of Significant Accounting Policies (Continued)

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

#### Software-Based Information Technology Arrangement (SBITA)

A subscription-based information technology arrangement is a contract that conveys control of the right to use another party's IT software alone or with tangible capital assets (e.g., hardware) in an exchange or exchange-like transaction. Right to use the underlying IT asset means the government can obtain the present service capacity from the use of the underlying IT asset and determine the nature and manner of use of the underlying IT assets.

At the commencement of a SBITA, the College initially measures the SBITA liability at the present value of payments expected to be made during the arrangement term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the arrangement commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life or the term of the arrangement.

Key estimates and judgements related to SBITAs include how the College determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) SBITA term, and (3) SBITA payments.

- The College uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

The College monitors changes in circumstances that would require a measurement of its arrangement and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position. The College has established a SBITA annual threshold of \$10,000.

## Notes to Financial Statements (Continued)

### 2. Summary of Significant Accounting Policies (Continued)

#### New Accounting Pronouncement-Implemented

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of the prior footnote section is to (1) define a SBITA; (2) establish that SBITA results in a right-to-use subscription (intangible) asset and a corresponding subscription liability; (3) provide the capitalization criteria for outlays other than subscription payments; and (4) require note disclosures regarding a SBITA.

The pronouncement provides an exception for short-term SBITAs with a maximum contract term of 12 months. Subscription payments for short-term SBITAs will be expenses.

#### Prior Year Restatement

The college makes a prior year restatement, as necessary, in accordance with GASB Cod. Sec. 2250 125, .138, .140, .148, .150, .152.

#### Other Post-Employment Benefits (OPEB)

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

#### Pensions

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

## Notes to Financial Statements (Continued)

### 2. Summary of Significant Accounting Policies (Continued)

#### Unearned Revenues

Tuition, fees, and other revenues received and related to future periods have not been recognized in the current year and have been presented as a liability (unearned revenues) in these financial statements. Tuition and fees and housing charges of \$4,186 and \$7,072 and federal, state, and local grants of \$1,471,602 and \$1,272,697 have been reported as unearned revenues at August 31, 2023 and 2022, respectively.

#### Deferred Inflows

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so is not recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows in circumstances specifically authorized by the GASB.

#### Estimates

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

#### Operating and Non-Operating Revenue and Expense Policy

The College distinguished operating revenues and expenses from non-operating items. The College reports as a business-type entity and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal on-going operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operations of food services and the bookstore are not performed by the College but are contracted to independent vendors.

## Notes to Financial Statements (Continued)

### 3. Authorized Investments

Paris Junior College is authorized to invest in obligations and instruments as defined in the Public Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute. At August 31, 2023, Paris Junior College's short-term investments consisted of certificates of deposit. Paris Junior College had no long-term investments at August 31, 2023.

In accordance with generally accepted accounting principles, investment in financial and nonfinancial assets are reported in a three-tiered hierarchy as follows:

Level I -Fair Values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level II -Fair Values are based on generally indirect information such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active.

Level III -Fair values are based on inputs other than quoted prices included within Level I that are unobservable and include the College's own assumptions about pricing.

This fair value hierarchy gives the highest priority to Level I inputs and the lowest priority to Level III inputs. The College's certificates of deposit investments are classified in Level I of the hierarchy.

### 4. Deposits and Investments

At August 31, 2023 and 2022, the College maintained deposits with a carrying amount of \$17,718,313 and \$16,978,344, and the bank's balances were \$18,033,935 and \$17,646,780, respectively. As of August 31, 2023 and 2022, \$512,416 and \$668,436 were insured by federal depository insurance and \$17,405,813 and \$16,978,344 was collateralized with securities held by the pledging financial institution's agent in the name of the College. The college had \$115,706 in uncollateralized deposits with the Texas depository institution which facilitates the student payment plan. No collateral was held by PJC or by its agent.

*Custodial credit risk* for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned or the College will not be able to recover collateral securities in the possession of an outside party. The College's policy requires deposits to be 100% secured by collateral valued at the market less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance.

Notes to Financial Statements (Continued)

**4. Deposits and Investments (Continued)**

The following schedules summarizes the College's investments on a recurring basis, as of August 31, 2023

Type of Security	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 2	More than 2
Certificates of Deposit	\$12,000,000	\$12,000,000	-	-
<b>Total Investments</b>	<b>\$12,000,000</b>	<b>\$12,000,000</b>	<b>-</b>	<b>-</b>

The following schedules summarizes the College's investments on a recurring basis, as of August 31, 2022

Type of Security	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 2	More than 2
Certificates of Deposit	\$12,000,000	\$12,000,000	-	-
<b>Total Investments</b>	<b>\$12,000,000</b>	<b>\$12,000,000</b>	<b>-</b>	<b>-</b>

The College is a participant in the State of Texas TexPool investment pool. TexPool operates in a manner consistent with the SEC's rule 2a-7 of the Investment Company Act of 1940. As such, TexPool uses amortized cost to report net position and share prices, since those approximate fair values and are not required to be reported by levels. Accordingly, the fair value of the position in TexPool is the same as the value of the TexPool shares. TexPool's audited financial statements can be obtained at the Texas Treasury Safekeeping Trust Company's website at [www.ttstc.org](http://www.ttstc.org). The College includes TexPool holdings as part of cash and cash equivalents.

The following schedules summarizes the College's investment pool holdings on a recurring basis, as of August 31, 2023 and 2022.

Type of Security	Fair Value	Credit Rating	2023	2022
TexPool	\$23,183,108	AAA	\$23,183,108	\$22,155,237
<b>Total Investments/Pool</b>	<b>\$23,183,108</b>		<b>\$23,183,108</b>	<b>\$22,155,237</b>

## Notes to Financial Statements (Continued)

### 4. Deposits and Investments (Continued)

*Credit risk* is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. In accordance with State law and the College's investment policy, investments in mutual funds and external pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A.

*Custodial credit risk* for investments is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The College's policy provides that investments to be purchased must have final maturities of five years or less.

*Concentration of credit risk* is the risk of loss attributed to the magnitude of the College's investments in a single issuer. The College's policy does not place a limit on the amount that may be invested in any one issuer. This risk does not apply to U.S Government securities or investments in an external investment pool. At August 31, 2023 and 2022, the College did not have a concentration of credit risk in its investment portfolio.

The Public Funds Investment Act also requires the College to have independent auditors perform test procedures related to investment practices as prescribed by that legislation. The College is in substantial compliance with the requirements of the Public Funds Investment Act.

Cash and Deposits included on Exhibit 1, Statement of Net Position, consist of the items reported below:

Bank Deposits	2023	2022
Demand Deposits	\$ 28,649,451	\$ 27,019,659
Time Deposits	12,000,000	12,000,000
Total Deposits	40,649,451	39,019,659
Cash and Cash Equivalents		
Cash on Hand	3,475	3,475
Total Cash and Deposits	\$ 40,652,926	\$ 39,023,134

Notes to Financial Statements (Continued)

**5. Capital and Right of Use Assets**

Capital and Right of Use assets for the year ended August 31, 2023 were as follows:

	Balance September 1, 2022	Additions	Retirements	Balance August 31, 2023
<b><u>Not Depreciated</u></b>				
Land	\$ 4,059,393	\$ -	\$ -	\$ 4,059,393
Construction in Progress	920,428	627,085	776,229	771,284
Collections	90,750	-	-	90,750
<b>Subtotal</b>	<b>5,070,571</b>	<b>627,085</b>	<b>776,229</b>	<b>4,921,427</b>
<b><u>Building &amp; Other Capital Assets</u></b>				
Building & Improvements	48,812,132	5,421,657	-	54,233,789
Furniture & Equipment	4,292,743	538,249	-	4,830,992
Vehicles	1,215,939	84,835	19,999	1,280,775
Library Books	681,874	6,763	23,429	665,208
<b>Subtotal</b>	<b>55,002,688</b>	<b>6,051,504</b>	<b>43,428</b>	<b>61,010,764</b>
<b><u>Accumulated Depreciation</u></b>				
Building & Improvements	18,161,447	1,137,149	-	19,298,596
Furniture & Equipment	3,499,671	186,622	-	3,686,293
Vehicles	1,017,062	45,859	11,000	1,051,921
Library Books	681,874	6,763	23,429	665,208
<b>Subtotal</b>	<b>23,360,054</b>	<b>1,376,393</b>	<b>34,429</b>	<b>24,702,018</b>
<b>Net Other Capital Assets</b>	<b>31,642,634</b>	<b>4,675,111</b>	<b>8,999</b>	<b>36,308,746</b>
<b>Net Capital Assets</b>	<b>\$ 36,713,205</b>	<b>\$5,302,196</b>	<b>\$ 785,228</b>	<b>\$ 41,230,173</b>
<b><u>Right of Use Assets</u></b>				
Equipment	\$ 96,637	\$ -	\$ -	\$ 96,637
Subscriptions	385,261	46,983	-	432,244
<b>Subtotal</b>	<b>481,898</b>	<b>46,983</b>	<b>-</b>	<b>528,881</b>
<b><u>Accumulated Amortization</u></b>				
Equipment	21,436	27,426	-	48,862
Subscriptions	-	106,808	-	106,808
<b>Subtotal</b>	<b>21,436</b>	<b>134,234</b>	<b>-</b>	<b>155,670</b>
<b>Net Right of Use Asset</b>	<b>\$ 460,462</b>	<b>\$ (87,253)</b>	<b>\$ -</b>	<b>\$ 373,211</b>

Notes to Financial Statements (Continued)

**5. Capital and Right of Use Assets (Continued)**

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

	Balance September 1, 2021	Additions	Retirements	Balance August 31, 2022
<b><u>Not Depreciated</u></b>				
Land	\$ 4,059,393	\$ -	\$ -	\$ 4,059,393
Construction in Progress	-	920,428	-	920,428
Collections	90,750	-	-	90,750
<b>Subtotal</b>	<b>4,150,143</b>	<b>920,428</b>	<b>-</b>	<b>5,070,571</b>
<b><u>Building &amp; Other Capital Assets</u></b>				
Building & Improvements	48,537,372	274,760	-	48,812,132
Furniture & Equipment	4,110,251	182,492	-	4,292,743
Vehicles	1,150,124	65,815	-	1,215,939
Library Books	721,542	4,828	44,496	681,874
<b>Subtotal</b>	<b>54,519,289</b>	<b>527,895</b>	<b>44,496</b>	<b>55,002,688</b>
<b><u>Accumulated Depreciation</u></b>				
Building & Improvements	17,075,376	1,086,071	-	18,161,447
Furniture & Equipment	3,180,921	318,750	-	3,499,671
Vehicles	1,005,273	11,789	-	1,017,062
Library Books	710,625	15,745	44,496	681,874
<b>Subtotal</b>	<b>21,972,195</b>	<b>1,432,355</b>	<b>44,496</b>	<b>23,360,054</b>
<b>Net Other Capital Assets</b>	<b>32,547,094</b>	<b>(904,460)</b>	<b>-</b>	<b>31,642,634</b>
<b>Net Capital Assets</b>	<b>\$ 36,697,237</b>	<b>\$ 15,968</b>	<b>\$ -</b>	<b>\$ 36,713,205</b>
<b><u>Right of Use Assets</u></b>				
Equipment	\$ 96,637	\$ -	\$ -	\$ 96,637
Subscriptions	-	385,261	-	385,261
<b>Subtotal</b>	<b>96,637</b>	<b>385,261</b>	<b>-</b>	<b>481,898</b>
<b><u>Accumulated Amortization</u></b>				
Equipment	-	21,436	-	21,436
Subscriptions	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>21,436</b>	<b>-</b>	<b>21,436</b>
<b>Net Right of Use Assets</b>	<b>\$ 96,637</b>	<b>\$ 363,825</b>	<b>\$ -</b>	<b>\$ 460,462</b>



## Notes to Financial Statements (Continued)

### 6. Construction Commitment

As of August 31, 2023, the College entered into a construction commitment to construct a building to house Workforce programs at the Greenville Center. The contracted cost of the project is \$10,559,907. The College plans to use monies from fund balance to cover the expense of the project. At the close of the 2023 fiscal year, \$580,351 had been issued, leaving \$9,979,556.

### 7. Noncurrent Liabilities

Noncurrent liability activity for the year ended August 31, 2023 was as follows:

	Balance September 1, 2022	Additions	Retirements	Balance August 31, 2023	Current Portion
Revenue Bonds	\$ 6,912,000	\$ -	\$ 601,000	\$ 6,311,000	\$270,000
<b>Subtotal</b>	<b>6,912,000</b>	<b>-</b>	<b>601,000</b>	<b>6,311,000</b>	<b>270,000</b>
Net Pension Liability	2,265,810	2,972,026	-	5,237,836	-
Net OPEB Liability	22,568,718	-	4,292,487	18,276,231	475,143
Right of Use Liabilities	450,655	46,981	170,499	327,137	120,184
<b>Total Noncurrent Liabilities</b>	<b>\$ 32,197,183</b>	<b>\$3,019,007</b>	<b>\$ 5,063,986</b>	<b>\$30,152,204</b>	<b>\$880,558</b>

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

	Balance September 1, 2021	Additions	Retirements	Balance August 31, 2022	Current Portion
Revenue Bonds	\$ 9,693,000	\$ -	\$ 2,781,000	\$ 6,912,000	\$253,000
<b>Subtotal</b>	<b>9,693,000</b>	<b>-</b>	<b>2,781,000</b>	<b>6,912,000</b>	<b>253,000</b>
Net Pension Liability	5,044,514	-	2,778,704	2,265,810	-
Net OPEB Liability	20,812,214	1,756,504	-	22,568,718	463,824
Right of Use Liabilities	98,549	385,261	33,155	450,655	24,926
<b>Total Noncurrent Liabilities</b>	<b>\$35,648,277</b>	<b>\$2,141,765</b>	<b>\$ 5,592,859</b>	<b>\$32,197,183</b>	<b>\$741,750</b>

PJC has two series of revenue bonds outstanding that bear interest from 4.45% to 4.50%. They are due serially in varying amounts aggregating from \$616,000 to \$876,000 through March 15, 2032. Revenues of PJC are pledged for the payment of principal and interest on these bonds. Interest of \$303,251 was paid for the year ended August 31, 2023 on revenue bonds.

Notes to Financial Statements (Continued)

**7. Noncurrent Liabilities (Continued)**

Debt service requirements at August 31, 2023 were as follows:

Year Ending August 31,	Revenue Bonds		
	Principal	Interest	Total
2024	\$616,000	\$290,330	\$906,330
2025	642,000	262,385	904,385
2026	674,000	233,253	907,253
2027	701,000	202,688	903,688
2028	735,000	170,868	905,868
2029-2032	3,289,000	334,394	3,623,394
Totals	6,657,000	1,493,918	8,150,918
Less Payment Prior to Year End of September 15, 2023 requirements	346,000	149,058	495,058
Totals	\$6,311,000	\$1,344,860	\$7,655,860

General information related to bonds and notes payable is summarized below:

Revenue Bonds	August 31, 2023
Tuition and General Fee Revenue Bonds, Series 2006, to acquire site, construct, and equip Greenville Center issued August 16, 2006 - \$7,500,000; all authorized bonds have been issued. Source of revenue for debt service – tuition and other fee revenues.	\$3,411,000
Tuition and General Fee Revenue Bonds, Series 2007, to acquire site, construct, and equip Greenville Center issued August 16, 2007 - \$6,000,000; all authorized bonds have been issued. Source of revenue for debt service – tuition and other fee revenues.	\$2,900,000

## Notes to Financial Statements (Continued)

### 7. Noncurrent Liabilities (Continued)

#### Right of Use Liabilities

Leases: The College adopted GASB Statement No. 87 during fiscal year 2022 for current lease liabilities. The College is currently entered into lease agreements as lessee for the use of copiers and a postage machine. As of August 31, 2023, the value of the lease liability for these leases was \$40,191. The College does not intend to purchase the lease equipment at the end of the lease term. The value of the right to use assets as of the end of the current fiscal year was \$47,775 and had accumulated amortization of \$48,862.

Year Ending August 31,	Principal	Interest	Total
2024	\$ 20,573	\$ 587	\$ 21,160
2025	12,214	271	12,485
2026	7,404	71	7,475
Totals	<u>\$ 40,191</u>	<u>\$ 929</u>	<u>\$ 41,120</u>

Software-Based Information Technology Agreements: The College adopted GASB Statement No. 96 during fiscal year 2023 for current SBITA liabilities. The College is currently contracted into SBITA agreements for the use of software programs for system access identification, a teaching platform, and data collection. As of August 31, 2023, the value of the SBITA liability for these agreements was \$286,946. The agreements do not offer a purchase option. The value of the SBITA assets at of the end of the current fiscal year was \$325,436 and had accumulated amortization of \$106,808.

Year Ending August 31,	Principal	Interest	Total
2024	\$ 100,816	\$ 7,550	\$ 108,366
2025	105,317	4,838	110,155
2026	80,813	1,995	82,808
Totals	<u>\$ 286,946</u>	<u>\$ 14,383</u>	<u>\$ 301,329</u>

## Notes to Financial Statements (Continued)

### 8. Employees' Retirement Plans

The State of Texas has joint contributory retirement plans for almost all its employees.

#### Teacher Retirement System of Texas-Defined Benefit Plan

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

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

*Pension Plan Fiduciary Net Position.* Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov.pdf>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512)542-6592. The information provided in the Notes to the Financial Statements in the 2022 Annual Comprehensive Financial Report by TRS provides the following information regarding the components of the Net Pension Liability of the pension plan at of August 31, 2022:

Net Pension Liability	Total
Total Pension Liability	\$ 243,553,045,455
Less: Plan Fiduciary Net Position	(184,185,617,196)
Net Pension Liability	\$ 59,367,428,259
Net Position as Percentage of Total Pension Liability	75.62%

*Benefits Provided.* TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity. For members who are grandfathered, formulas are calculated using the three highest annual salaries. The

Notes to Financial Statements (Continued)

**8. Employees' Retirement Plans (Continued)**

normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years with at least five years credited service. Reduced service retirement is at age 55 with 5 years of service credit, but the sum of the member's age and years of service credit total less than 80 or 30 or more years of service credit, but the sum of the member's age and years of credit total less than 80. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 62, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

*Contributions.* Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year. Actuarial implications of the funding provided in this manner are determined by the system's actuary.

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the system actuary.

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

	Contribution Rates	
	2023	2022
Member	8.00%	8.00%
Non-Employer Contributing Entity (State)	8.00%	7.75%
Employers	8.00%	7.75%
Paris Junior College Contributions		\$ 431,400
State of Texas On-behalf Contributions		\$ 285,336

## Notes to Financial Statements (Continued)

### 8. Employees' Retirement Plans (Continued)

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

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

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

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

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions:	
Single Discount Rate	7.00%
Long-term Expected Investment Rate of Return*	7.00%
Municipal Bond Rate*	3.91%
Last Year Ending August 31 in the Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95% including inflation
Ad hoc Post-employment Benefit Changes	None

\*The source for the rate is the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-year Municipal GO AA Index"

## Notes to Financial Statements (Continued)

### 8. Employees' Retirement Plans (Continued)

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2021 and were adopted in July 2022. The post-retirement mortality rates for healthy lives were based on the 2021 TRS Healthy Pensioners Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published projection scale ("U-MP"). The active mortality rates were based on the PUB(2010) Mortality Tables for Teachers, below Median, also with full generational mortality.

*Discount Rate.* A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

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

The long-term expected rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in TRS' target asset allocation as of August 31, 2022 are summarized on the following table:

Notes to Financial Statements (Continued)

8. Employees' Retirement Plans (Continued)

Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
USA	18.00 %	4.60 %	1.12 %
Non-US Developed	13.00	4.90	0.90
Emerging Markets	9.00	5.40	0.75
Private Equity*	14.00	7.70	1.55
<b>Stable Value</b>			
Government Bonds	16.00	1.00	0.22
Absolute Return*	0.00	3.70	0.00
Stable Value Hedge Funds	5.00	3.40	0.18
<b>Real Return</b>			
Real Estate	15.00	4.10	0.94
Energy, Natural Resources Infrastructure	6.00	5.10	0.37
Commodities	0.00	3.60	0.00
<b>Risk Parity</b>	8.00	4.60	0.43
<b>Asset Allocation Leverage</b>			
Cash	2.00	3.00	0.01
Asset Allocation Leverage	(6.00)	3.60	(0.05)
Inflation Expectation			2.70
Volatility Drag****			(0.91)
<b>Expected Return</b>	100.00 %		8.19 %

\*Absolute Return includes Credit Sensitive Investments.

\*\*Target allocations are based on the FY2022 policy model.

\*\*\*Capital Market Assumptions come from Aon Hewitt (as of 8/31/2022).

\*\*\*\*The volatility drag results from the conversion between arithmetic and geometric mean returns.

*Discount Rate Sensitivity Analysis.* The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than or 1 percent greater than the discount rate that was used (7.00%) in measuring the 2022 Net Pension Liability.



## Notes to Financial Statements (Continued)

### 8. Employees' Retirement Plans (Continued)

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00)
Paris Junior College's Proportionate Share of the Net Pension Liability	\$ 8,148,086	\$ 5,237,836	\$ 2,878,941

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At August 31, 2023, Paris Junior College reported a liability of \$5,237,836 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Paris Junior College. The amount recognized by Paris Junior College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Paris Junior College were as follows:

	2023	2022
Paris Junior College's Proportionate Share of the Collective Net Pension	\$ 5,237,836	\$ 2,265,810
State's Proportionate Share that is Associated with Paris Junior College	\$ 3,232,368	\$ 1,445,222
Total	<u>\$ 8,470,204</u>	<u>\$ 3,711,032</u>

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's portion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the employer's proportion of the collective net pension liability was 0.00882%, which was a decrease of 0.00007% from its proportion measured as of August 31, 2021.

*Changes Since the Prior Actual Valuation.* The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.

Notes to Financial Statements (Continued)

**8. Employees' Retirement Plans (Continued)**

For the year ended August 31, 2023, Paris Junior College recognized pension expense of \$308,978 and revenue of \$308,978 for support provided by the State. For the year ended August 31, 2022, Paris Junior College recognized pension expense of \$5,778 and revenue of \$5,778 for support provided by the state.

At August 31, 2023, Paris Junior College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023 Deferred Outflows of Resources	2023 Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 75,948	\$ 114,195
Changes in Actuarial Assumptions	975,979	243,241
Difference Between Projected and Actual Investment Earnings	2,035,109	1,517,628
Changes in Proportion and Difference between the Employer's Contributions and the Proportionate Share of Contributions	16,227	337,494
Total as of August 31, 2022 Measurement Date	3,103,263	2,212,558
Contribution Paid to TRS after the Measurement Date	348,474	-
Total as of Year-End	\$ 3,451,737	\$ 2,212,558
	2022 Deferred Outflows of Resources	2022 Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 3,792	\$ 159,515
Changes in Actuarial Assumptions	800,919	349,132
Difference Between Projected and Actual Investment Earnings	140,736	2,040,588
Changes in Proportion and Difference between the Employer's Contributions and the Proportionate Share of Contributions	37,876	451,572
Total as of August 31, 2021 Measurement Date	983,323	3,000,807
Contribution Paid to TRS after the Measurement Date	319,997	-
Total as of Year-End	\$ 1,303,320	\$ 3,000,807

Notes to Financial Statements (Continued)

**8. Employees' Retirement Plans (Continued)**

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

Year ended August 31:	Pension Expense Amount
2024	\$ 239,203
2025	69,015
2026	(27,359)
2027	546,061
2028	63,785
Thereafter	-

**Optional Retirement Plan-Defined Contribution Plan**

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

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas legislature. The percentages of participant salaries currently contributed by the state, the College and each participant are 3.30% and 6.65%, respectively. The College contributes 1.31 percent for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district. In certain instances, the College is required to make all or a portion of the State's contribution.

## Notes to Financial Statements (Continued)

### **8. Employees' Retirement Plans (Continued)**

The retirement expense to the state for the College was \$368,801 and \$347,904 for the fiscal years ended August 31, 2023 and 2022, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll for all College employees was \$12,616,837 and \$12,133,800 for fiscal years 2023 and 2022, respectively. The total payroll of employees covered by the Teacher Retirement System was \$8,959,197 and \$8,505,761, and the total payroll of employees covered by the Optional Retirement Program was \$2,531,150 and \$2,667,173 for fiscal years 2023 and 2022, respectively.

#### **Deferred Compensation Program**

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

As of August 31, 2023, and 2022, the College had 15 and 16 employees, respectively, participating in a deferred compensation program. A total of \$90,921 and \$94,752 in payroll deductions was invested in approved plans during the years ended August 31, 2023 and 2022, respectively.

### **9. Compensated Absences**

Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. It is paid to an employee who misses work because of illness. No accumulated sick leave is paid upon termination of employment. Vacation leave does not accumulate or carryover to subsequent years. Therefore, Paris Junior College does not accrue a liability related to compensated absences.

### **10. Health Care and Life Insurance Benefits**

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time employee was \$623 per month for the year ended August 31, 2023, (\$625 per month for 2022) and totaled \$1,224,948 for 2023 (\$1,224,948 for the year ended 2022). The cost of providing those benefits for 143 retirees in the year ended 2023, was \$499,209 (retiree benefits for 148 retirees cost \$527,328 in 2022). For 188 active employees, the cost of providing benefits was \$725,739 for the year ended August 31, 2023 (active employee benefits for 199 employees cost \$697,620 for the year ended 2022). SB 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

## Notes to Financial Statements (Continued)

### **11. Other Post-Employment Benefits (OPEB)**

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

*OPEB Plan Fiduciary Net Position.* Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report (ACFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management>; or by writing to ERS at: 200 East 18<sup>th</sup> Street, Austin, TX 78701; or by calling (877)275-4377.

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

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

Notes to Financial Statements (Continued)

**11. Other Post-Employment Benefits (OPEB) (Continued)**

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

Maximum Monthly Employer Contribution Retiree Health and Basic Life Premium Fiscal Year 2023		
Retiree Only	\$	624.82
Retiree & Spouse		1,339.90
Retiree & Children		1,103.58
Retiree & Family		1,818.66

Contributions of Premiums to the GBP plan are shown below for years ended 2023, 2022, and 2021:

		2023		2022		2021
Paris Junior College (active and retired)	\$	1,782,164	\$	1,891,703	\$	1,890,104
Non-employer Contributing Entity (State of Texas)	\$	1,224,948	\$	1,245,805	\$	1,245,805

*Actuarial Assumptions.* The total OPEB liability was determined by an actuarial valuation as of August 31, 2022. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2021. The actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll, open
Amortization Period	30 Years
Asset Valuation Method	N/A
Discount Rate	2.30%
Projected Salary Increases	2.30% to 8.95%, including inflation
Inflation Rate	2.30%

Notes to Financial Statements (Continued)

11. Other Post-Employment Benefits (OPEB) (Continued)

Healthcare Cost and Trend Rate

HealthSelect

5.60% for FY2024, 5.30% for FY2025, 5.00% for FY2026, 4.75% for FY2027, 4.60% for FY2028, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2031 and later years.

HealthSelect Medicare Advantage

66.67% for FY2024, 24.00% for FY2025, 5.00% for FY2026, 4.75% for FY2027, 4.60% for FY2028, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2031 and later years.

Pharmacy

10.00% for FY2024 and FY2025, decreasing 100 basis points per year to 5.00% for FY2030 and 4.30% for FY2031 and later years.

Ad hoc Postemployment Benefit Changes

None

Mortality Rate

Higher Education Members

Service Retirees, Survivors and Other Inactive Members

Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021

Disability Retirees

Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members

Active Members

Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP Projection Scale from the year 2010

## Notes to Financial Statements (Continued)

### 11. Other Post-Employment Benefits (OPEB) (Continued)

*Investment Policy.* The State Retiree Health Plan is a pay-as-you go plan and does not accumulate funds in advance of retirement. The System’s Board of Trustees amended the Investment policy statement in August 2022 to require that all funds in the plan be invested in cash and equivalent securities. The expected rate of return on these investments is currently 4.1%, in line with the prevailing returns on 90-day US treasury bills.

*Discount Rate.* Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bond rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.14%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.59%, which amounted to an increase of 1.45%. The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds’ average credit quality is roughly equivalent to Moody’s Investors Service’s Aa2 rating and Standard & Poor’s Corp.’s AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a “pay-as-you-go” (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

*Discount Rate Sensitivity Analysis.* The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (3.59%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (2.59%)	Discount Rate (3.59%)	1% Increase in Discount Rate (4.59%)
Paris Junior College Proportionate Share of the Net OPEB Liability	\$ 21,315,609	\$ 18,276,231	\$ 15,845,460

*Healthcare Trend Rate Sensitivity Analysis.* The initial healthcare trend rate is 5.60% and the ultimate rate is 4.3%. The following schedule shows the impact on the College’s proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than or 1 percent greater than the healthcare cost trend rate that was used in measuring the net OPEB liability.

	1% Decrease in Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Healthcare Cost Trend Rates
Paris Junior College Proportionate Share of the Net OPEB Liability	\$ 15,651,080	\$ 18,276,231	\$ 21,627,840



Notes to Financial Statements (Continued)

**11. Other Post-Employment Benefits (OPEB) (Continued)**

*OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* At August 31, 2023, the College reported a liability of \$18,276,231 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the College. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that were associated with the College was as follows:

	2023	2022
Paris Junior College's Proportionate Share of the Collective Net OPEB Liability	\$ 18,276,231	\$ 22,568,718
State's Proportionate Share that is Associated with Paris Junior College	11,834,540	14,870,719
Total	<u>\$ 30,110,771</u>	<u>\$ 37,439,437</u>

The net OPEB liability was measured as of August 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2023, the College's proportionate of the collective net OPEB liability was 0.06415647 which was an increase of 0.00124804 from its proportion measured as of August 31, 2022.

For the year ended August 31, 2023, the College recognized OPEB expense of \$431,072 and revenue of \$431,072 for support provided by the state.

**Changes in Assumptions or Other Inputs.** The following assumptions or other inputs have been updated since the previous valuation:

Demographic Assumptions

Since the last valuation was prepared for this plan, demographic assumptions (including rates of retirement, disability, termination, and mortality, and assumed salary increases) for Higher Education members have been updated to reflect assumptions recently adopted by the TRS Trustees. These new assumptions were adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

In addition, the following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

## Notes to Financial Statements (Continued)

### 11. Other Post-Employment Benefits (OPEB) (Continued)

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.

#### Economic Assumptions

- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

#### Other Inputs

The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 74 to reflect the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

**Changes of Benefit Terms Since Prior Measurement Date.** Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

## Notes to Financial Statements (Continued)

### 11. Other Post-Employment Benefits (OPEB) (Continued)

At August 31, 2023, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023 Deferred Outflows of Resources	2023 Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 576,638
Changes in Actuarial Assumptions	1,073,801	5,649,356
Difference Between Projected and Actual Investment Earnings	3,152	-
Changes in Proportion and Difference Between the Employer's Contributions and the Proportionate Share of Contributions	1,075,905	666,428
Total as of August 31, 2022 Measurement Date	2,152,858	6,892,422
Contributions Paid to ERS Subsequent to the Measurement Date	374,996	-
Total as of Year-End	<u>\$ 2,527,854</u>	<u>\$ 6,892,422</u>
	2022 Deferred Outflows of Resources	2022 Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 553,585
Changes in Actuarial Assumptions	1,545,145	2,513,654
Difference Between Projected and Actual Investment Earnings	3,997	-
Changes in Proportion and Difference Between the Employer's Contributions and the Proportionate Share of Contributions	1,467,402	1,077,337
Total as of August 31, 2021 Measurement Date	3,016,544	4,144,576
Contributions Paid to ERS Subsequent to the Measurement Date	357,177	-
Total as of Year-End	<u>\$ 3,373,721</u>	<u>\$ 4,144,576</u>

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

<u>Year ended August 31:</u>	<u>OPEB Expense Amount</u>
2024	\$ (1,278,616)
2025	(1,079,184)
2026	(950,255)
2027	(908,475)
2028	(523,034)
Thereafter	0

## Notes to Financial Statements (Continued)

### 12. Disaggregation of Receivables and Payables Balances

Receivables at August 31, 2023 and 2022, were as follows:

	2023	2022
Student Receivables	\$ 2,315,768	\$ 2,171,617
Taxes Receivables	410,775	395,538
Federal Receivables	677,023	533,274
Other Receivables	18,034	25,121
Subtotal	<u>3,421,600</u>	<u>3,125,550</u>
Allowance for Doubtful Accounts	(1,786,180)	(1,797,583)
Total Receivables	<u>\$ 1,635,420</u>	<u>\$ 1,327,967</u>

An allowance for doubtful accounts estimated at \$1,786,180 has been established for student receivables based on the uncertainty of collectability. A corresponding bad debt expense has been recorded to institutional support. A seventy-five percent allowance was established for student receivables aged greater than six months and a fifty percent allowance was set up for student receivables less than six months old.

Payables at August 31, 2023 and 2022, were as follows:

	2023	2022
Vendor Payable	\$ 1,378,545	\$ 1,099,614
Accrued Liabilities	-	-
Other Payables	-	-
Total Payables	<u>\$ 1,378,545</u>	<u>\$ 1,099,614</u>

### 13. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements.

Notes to Financial Statements (Continued)

**14. Risk Management**

The College is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except for workers' compensation insurance, the College carries commercial insurance for all the risks of loss. The College accounts for risk management issues in accordance with GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues.

The College participates in the Workers' Compensation Fund of the Texas Educational Insurance Association (Fund) administered by Claims Administrative Services, Inc. The College is responsible for the payment of all claims until a certain threshold is reached. Whenever the claims exceed the threshold, a commercial insurance policy pays the excess claims. The Fund's specific retention of loss in \$1,000,000, with an aggregate limit of \$5,000,000; the College's maximum fund loss is \$151,997. Premiums of \$33,466 and \$33,915 for this insurance were allocated to the College for the years ended August 31, 2023 and 2022; respectively.

The following schedule summarizes the changes in claims liabilities for the years ended August 31, 2023 and 2022:

	2023	2022
Claims Liabilities – Beginning of the Year	\$ 133,312	\$ 127,613
Incurred Claims	53,740	47,145
Change in Prior Year Claims	(4,292)	(4,004)
Payment on Claims	(44,207)	(37,442)
Claims Liabilities – End of the Year	\$ 138,554	\$ 133,312

The claims liability is reported in accrued liabilities in the financial statements and includes \$47,553 and \$45,997 of estimated claims incurred but not reported, as determined actuarially by the administrator at August 31, 2023 and 2022, respectively.

**15. Property Tax**

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

	2023	2022
Assessed Valuation of the District	\$ 6,451,657,007	\$ 5,587,197,397
Less: Exemptions and Abatements	1,639,005,524	1,077,201,794
Net Assessed Valuation of the District	\$ 4,812,651,483	\$ 4,509,995,603

Notes to Financial Statements (Continued)

15. Property Tax (Continued)

Year		Current Operations	Debt Service	Total
2023	Tax Rate per \$100 Valuation for Authorized	\$ 0.2700	\$ 0.5000	\$ 0.7700
	Tax Rate per \$100 Valuation for Assessed	\$ 0.0749	\$ -	\$ 0.0749
2022	Tax Rate per \$100 Valuation for Authorized	\$ 0.2700	\$ 0.5000	\$ 0.7700
	Tax Rate per \$100 Valuation for Assessed	\$ 0.0815	\$ -	\$ 0.0815

Taxes levied for the years ended August 31, 2023 and 2022, are \$3,967,876 and \$3,692,133, respectively including penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

Year	Taxes Collected	Current Operations	Debt Service	Total
2023	Current Taxes Collected	\$ 3,868,832	\$ -	\$ 3,868,832
	Delinquent Taxes Collected	90,423	-	90,423
	Penalties and Interest Collected	76,130	-	76,130
	Total	\$ 4,035,385	\$ -	\$ 4,035,385
2022	Current Taxes Collected	\$ 3,596,319	\$ -	\$ 3,596,319
	Delinquent Taxes Collected	95,991	-	95,991
	Penalties and Interest Collected	77,322	-	77,322
	Total	\$ 3,769,632	\$ -	\$ 3,769,632

Tax collections for the years ended August 31, 2023 and 2022, were 97.95% and 97.80%, respectively of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

## Notes to Financial Statements (Continued)

### 16. Tax Abatements

Paris Junior College has entered into property tax abatement agreements with local businesses under the Property Redevelopment & Tax Abatement Act, Texas Tax Code Chapter 312. Under the Act, localities may grant property tax abatements from 0 to 100 percent of a business' property tax bill for attracting or retaining businesses within their taxing jurisdictions. The abatements were granted to businesses located within or promising to relocate to the taxing district of Paris Junior College for (i) jobs created, (ii) jobs retained in cases of existing employers within the taxing district, and (iii) broadening of the tax base, and expansion of economic base. Paris Junior College discontinued granting tax abatements in 2015.

For the fiscal year ended August 31, 2023, Paris Junior College had commitments outstanding for abated property taxes totaling \$47,338 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- A 100 percent property tax abatement to Kimberly-Clark Corporation for expansion and addition of new equipment. The abatement amounted to \$26,174.
- A 100 percent property tax abatement to Essent PRMC LP for expansion. The abatement amounted to \$16,467.

### 17. Income Taxes

The College is exempt from income taxes under Internal Revenue Code Section 115, Income of States, Municipalities, Etc., although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations. The College had no unrelated business income tax liability for the years ended August 31, 2023 and 2022.

### 18. Related Party of the College

A Board Member of the College is a partial owner in a service provider that the College utilizes. A Board Member of the College is the owner of the insurance company that the College utilizes. Receipts to the insurance company totaled \$272,567 in FY22/23 and \$229,438 in FY21/22. Said members abstain from discussions and votes that relate to the corresponding companies selected and utilized by the College.

### 19. Subsequent Events

Subsequent events have been evaluated through December 22, 2023, which is the date the financial statements were available to be issued.

## Notes to Financial Statements (Continued)

### 20. Component Unit

#### The Paris Junior College Memorial Foundation, Inc. - Discrete Component Unit

The Paris Junior College Memorial Foundation, Inc. (the Foundation) was established as a separate nonprofit corporation in 1944 to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No. 39, *Determining Whether Certain Organization are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

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

#### General and Significant Accounting Policies

##### **Basis of Presentation**

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Foundation maintains its accounts in accordance with the principles of fund accounting. Resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund. For reporting purposes, however, the Foundation classifies net position and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net position of the Foundation and changes therein are classified and reported as follows:

**Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor (or certain grant) restrictions. The governing board may designate from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.



## Notes to Financial Statements (Continued)

### 20. Component Unit (Continued)

**Net Assets with Donor Restrictions** - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires. That is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### **Cash and Cash Equivalents**

For purposes of reporting cash flows, the Foundation considers all bank deposits and highly liquid financial instruments, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature or other long-term purposes are excluded from this definition.

#### **Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. The carrying amounts of other investments are based on the historical cost of those investments. Realized and unrealized gains and losses are reported in the statement of activities.

In accordance with generally accepted accounting principles, investment in financial and nonfinancial assets are reported in a three-tiered hierarchy as follows:

Level I - Assets are based on quoted prices or unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the Foundation's year end.

Level II - Assets are based on other than quoted prices or adjusted quoted prices of similar assets or liabilities in markets that are not active.

Level III - Assets are based on unobservable inputs and shall reflect the Foundation's own assumptions about the assets or liabilities.

This fair value hierarchy gives the highest priority to Level I assets and the lowest priority to Level III assets.

## Notes to Financial Statements (Continued)

### 20. Component Unit (Continued)

#### Capital Assets and Depreciation

Capital assets are recorded at cost or at estimated fair market value at the date of the gift if donated. The Foundation's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Such donations are reported as unrestricted support unless the donor has restricted the asset to a specific purpose. Assets donated with specific restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful lives range from 10 to 30 years.

#### Contributions

Contributions are recognized as revenues in the period unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

#### Contributed Services

The services of the Foundation employees and certain operating costs have been donated by the College. The estimated value of these contributed services is \$55,565 and \$59,640 for the years ended August 31, 2023 and 2022, respectively, and has been included in revenues and expenses in the accompanying financial statements.

#### Concentration of Credit Risk

The Foundation maintains its cash and cash equivalents in bank and money market accounts which could possibly exceed federally insured limits. However, the Foundation does not believe that it is exposed to any significant credit risk in connection with these accounts.

#### Functional Allocation of Expenses

The costs of program and support services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited on the basis of estimates of time and effort.

## Notes to Financial Statements (Continued)

### 20. Component Unit (Continued)

#### **Federal Income Taxes**

The income of the Foundation, except for unrelated business income, is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Foundation had no unrelated business income during the years ended August 31, 2023 and 2022.

#### **Use of Estimates**

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

#### **Risks and Uncertainties**

The Foundation invests in various investment securities which are inherently exposed to various risks such as interest rate fluctuations, and market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Notes to Financial Statements (Continued)

**20. Component Unit (Continued)**

**Investments**

The following schedule summarizes the Foundation's Level I investments on a recurring basis as of August 31, 2023 and 2022:

Type of Security	Fair Value	
	2023	2022
Basic Materials	\$ 204,600	\$ 186,872
Consumer Cyclical	1,816,640	1,494,367
Consumer Non-Cyclical	1,816,087	2,555,559
Energy	4,763,056	5,122,592
Financial	10,769,847	8,803,992
Healthcare	3,710,547	4,481,462
Industrial	1,776,969	479,662
Technology	5,475,932	4,721,590
Preferred Stock	781,736	943,370
Closed End Funds (Precious Metals)	-	-
Corporate Bonds	357,110	340,729
Government Bonds	3	77
Municipal Bonds	-	-
Mutual Funds (Equity)	-	-
Unit Investment Trust	-	-
Exchange Trade Portfolios	-	-
Certificate of Deposit	235,462	226,566
Total Investments	\$ 31,707,989	\$ 29,356,838

The Foundation holds investment assets of common stock valued at \$780,000 that is a Level II investment. The remainder of the Foundation's investments are Level I investments.

Fees paid for by the Foundation investment management services amounted to \$86,019 and \$81,763 for the years ended August 31, 2023 and 2022.

## Notes to Financial Statements (Continued)

### 20. Component Unit (Continued)

#### Liquidity and Availability of Resources

Financial assets available for general expenditures, that is, without donor restrictions limiting their use or without requiring specific action of the Board, within one year of the date of the statements of financial position as of August 31, 2023 and 2022, are comprised of the following:

	2023	2022
Cash and Cash Equivalents	\$ 1,206,855	\$ 522,475
Investments	32,487,989	30,136,838
Subtotal	33,694,844	30,659,313
Donor-Restricted Funds	(33,669,766)	(30,632,173)
Financial Assets Available to Meet General Expenditure Needs Within One Year	\$ 25,078	\$ 27,140

#### Capital Assets

The following schedule summarizes the Foundation's capital assets as of August 31, 2023 and 2022:

	2023	2022
Land	\$ 500	\$ 500
Building	170,273	170,273
Improvements	14,603	14,603
Subtotal	185,376	185,376
Accumulated Depreciation	(184,184)	(183,314)
Total Property and Equipment	\$ 1,192	\$ 2,062

#### Endowment Funds

The Foundation has donor restricted endowments that are to be used only for identified scholarships and other identified purposes and that are maintained in accordance with explicit donor stipulations. The Board of Trustees of the Foundation has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) as requiring the preservation of the fair value of gifts to donor Restricted Endowments as of the date of the gift, absent explicit donor stipulations to the contrary. The Foundation interprets the definition of donor-restricted endowments to include the original value of gifts to an endowment and subsequent gifts donated to the fund, (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument all the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence described in TUPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

## Notes to Financial Statements (Continued)

### 20. Component Unit (Continued)

#### Endowment Funds (Continued)

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Endowment funds are maintained in an investment account which is managed by an independent financial firm that follows guidelines provided in the investment policy approved by the Board of Directors.

As of August 31, 2023, and 2022, Donor Restricted Endowment Funds were as follows:

Donor-Restricted Endowment Fund	2023	2022
Original Donor-Restricted Gift Amounts and Accounts Required to be Maintained in Perpetuity by Donor	\$ 10,684,490	\$ 10,374,504
Accumulated Investment Gains	21,023,499	18,982,334
Total	<u>\$ 31,707,989</u>	<u>\$ 29,356,838</u>

#### Funds with Deficiencies

In accordance with accounting standards, the Foundation considers an endowment to be deficient (underwater funds) if its fair value is less than the sum of (a) the original value of initial and subsequent gifts donated to the endowment and (b) any donor-imposed accumulations to the endowment that must be maintained in perpetuity. The Foundation has interpreted TUPMIFA to permit pending from underwater endowments in accordance with prudent measures required under law. As of August 31, 2023, and 2022, there were no endowment funds with deficiencies.

#### Investment and Spending Policies

The primary goals of the endowments are as follow: (1) Provide the highest sustainable, consistent flow of funds to support the activities of the Foundation or those designated by the donor, (2) Protect the future purchasing power of the principal of the endowed funds by reserving an appropriate portion of investment return to offset the cumulative effects of inflation and provide future real growth of the Foundation assets, and (3) Manage the spending distribution over time to reduce, as far as possible, annual variations in the level of support provided by the Foundation.

Notes to Financial Statements (Continued)

**20. Component Unit (Continued)**

**Investment and Spending Policies (Continued)**

The Investment Committee of the Foundation outlines the asset allocations, permissible investments, and objectives of the portfolios in the Investment Policy.

Changes in Endowment net assets for the years ended August 31, 2023 and 2022 are as follows:

	2023	2022
Endowment Net Assets, Beginning of Year	\$ 30,713,875	\$ 28,857,205
Investment Income, Net	3,893,587	2,040,056
Contributions	176,965	410,411
Transfer and Reclassification	-	-
New Assets Released from Restrictions	(1,035,891)	(593,797)
Endowment Net Assets, End of Year	<u>\$ 33,748,536</u>	<u>\$ 30,713,875</u>

**Subsequent Events**

Subsequent events have been evaluated through December 22, 2023, which is the date the financial statements were available to be issued.

## REQUIRED SUPPLEMENTARY INFORMATION



Required Supplementary Information

**Schedule of Proportionate Share of Net Pension Liability**

Fiscal Year ending August 31, *	Paris Junior College's Proportionate Share of Collective Net Pension Liability (%)	Paris Junior College's Proportionate Share of Collective Net Pension Liability (\$)	State's Proportionate Share of Net Pension Liability Associated with Paris Junior College	Total
2023	0.000088%	\$ 5,237,836	\$ 3,232,368	\$ 8,470,204
2022	0.000089%	2,265,810	1,445,222	3,711,032
2021	0.000094%	5,044,514	3,163,113	8,207,627
2020	0.000097%	5,030,041	3,134,279	8,164,320
2019	0.010150%	5,587,806	3,467,855	9,055,661
2018	0.013070%	3,316,430	1,951,953	5,268,383
2017	0.009950%	3,760,080	2,359,068	6,119,148
2016	0.010951%	3,871,174	2,508,903	6,380,077
2015**	0.012075%	3,225,507	2,233,999	5,459,506

Fiscal year-ending August 31, *	Paris Junior College Covered Employee Payroll Amount	Paris Junior College Proportionate Share of Collective Net Pension Liability (%) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as Percentage of the Total Pension Liability
2023	\$ 8,959,197	58.46%	75.62%
2022	8,505,761	26.64%	88.79%
2021	8,089,031	62.36%	73.74%
2020	8,242,718	61.04%	73.74%
2019	8,035,171	69.54%	73.74%
2018	7,903,988	41.96%	82.17%
2017	7,505,463	50.10%	78.00%
2016	7,392,598	52.37%	78.43%
2015**	7,722,452	41.77%	83.25%

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

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

**Schedule of Pension Contributions**

Fiscal year-ending August 31, *	Legally Required Contributions	Actual Contributions	Contributions Deficiency (Excess)	Paris Junior College Covered Employee Payroll Amount	Ratio of Actual Contributions/ER Covered Payroll Amount
2023	\$ 371,757	\$ 371,757	-	\$ 8,959,197	4.15%
2022	399,248	399,248	-	8,505,761	4.69%
2021	364,152	364,152	-	8,089,031	4.50%
2020	372,839	372,839	-	8,242,718	4.52%
2019	328,112	328,112	-	8,035,171	4.08%
2018	321,268	321,268	-	7,903,988	4.06%
2017	310,910	310,910	-	7,505,463	4.14%
2016	307,172	307,172	-	7,392,598	4.16%
2015**	316,189	316,189	-	7,722,452	4.09%

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

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

Required Supplementary Information (Continued)

**Schedule of Proportionate Share of Net OPEB Liability**

Fiscal year- ending August 31, *	Paris Junior College's Proportionate Share of Collective Net OPEB Liability (%)	Paris Junior College's Proportionate Share of Collective Net OPEB Liability (\$)	State's Proportionate Share of Net OPEB Liability Associated with Paris Junior College	Total
2023	0.064156%	\$ 18,276,231	\$ 11,834,540	\$30,110,771
2022	0.062908%	22,568,718	14,870,719	37,439,437
2021	0.065604%	20,812,214	13,694,238	34,506,452
2020	0.060086%	20,767,424	14,588,717	35,356,141
2019	0.065604%	19,443,602	10,864,513	30,308,115
2018**	0.061222%	20,860,173	15,386,001	36,246,174

Fiscal year- ending August 31, *	Paris Junior College Covered Employee Payroll Amount	Paris Junior College Proportionate Share of Collective Net OPEB Liability (%) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as Percentage of the Total OPEB Liability
2023	\$ 12,616,837	144.86%	0.57%
2022	12,133,800	186.00%	1.73%
2021	12,259,287	169.77%	1.27%
2020	12,283,921	169.06%	1.27%
2019	11,991,712	162.14%	1.27%
2018**	11,048,585	188.80%	2.04%

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

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

**Schedule of OPEB Contributions – Employee Retirement System of Texas**

Fiscal year- ending August 31, *	Legally Required Contribution (Active and Retired)	Actual Contribution	Contributions Deficiency (Excess)	Paris Junior College Covered Employee Payroll Amount	Ratio of Actual Contributions/ER Covered Payroll Amount
2023	\$ 1,782,164	\$ 1,782,164	-	\$12,616,837	14.14%
2022	1,891,703	1,891,703	-	12,133,800	15.59%
2021	1,890,104	1,890,104	-	12,259,287	15.42%
2020	1,893,348	1,893,348	-	12,283,921	15.41%
2019	1,780,496	1,780,496	-	11,991,712	14.85%
2018**	1,774,447	1,774,447	-	11,048,585	16.06%

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

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

## Notes to Required Supplementary Information

### Defined Benefit Plan

The actuarial assumptions and methods did not change from the prior fiscal year.

### Defined Benefit OPEB Plan

#### Changes of Assumptions Since the Prior Measurement Date

- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- The proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations. The patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent information.
- The discount rate was changed from 2.14% as of August 31, 2021 to 3.59% as of August 31, 2022 as a result of requirements by GASB No. 74 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Texas Higher Education Coordinating Board (THECB)  
Supplementary Schedules

Schedule A  
Schedule of Operating Revenues  
Year Ended August 31, 2023 (With Memorandum Totals for the Year Ended August 31, 2022)

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2023 Total	2022 Total
<b>Tuition and Fees</b>						
Tuition						
State Funded Course						
In-District Resident Tuition	\$ 2,893,026	\$ -	\$ 2,893,026	\$ -	\$ 2,893,026	\$ 1,203,738
Lost Revenue - Tuition	-	-	-	-	-	2,238,203
Out-of-District Resident Tuition	3,353,048	-	3,353,048	-	3,353,048	4,732,191
Non-Resident Tuition	463,130	-	463,130	-	463,130	350,422
TPEG Credit (Set-Aside)	321,946	-	321,946	-	321,946	445,631
State Funded Continuing Education	989,039	-	989,039	-	989,039	696,852
Non-State Funded Continuing Education	19,235	-	19,235	-	19,235	29,026
TPEG Non-Credit (Set-Aside)	68,697	-	68,697	-	68,697	42,238
<b>Total Tuition</b>	<b>8,108,121</b>	<b>-</b>	<b>8,108,121</b>	<b>-</b>	<b>8,108,121</b>	<b>9,738,301</b>
Fees						
General Fee	1,631,758	-	1,631,758	-	1,631,758	1,583,941
Laboratory Fee	189,028	-	189,028	-	189,028	179,490
Installment Handling Fee	5,976	-	5,976	1,875	7,851	8,455
Other Fees	2,284,920	-	2,284,920	-	2,284,920	2,245,821
<b>Total Fees</b>	<b>4,111,682</b>	<b>-</b>	<b>4,111,682</b>	<b>1,875</b>	<b>4,113,557</b>	<b>4,017,707</b>
Scholarship Allowances and Discounts						
Scholarship Allowances	(2,048)	-	(2,048)	-	(2,048)	(108,926)
Remissions and Exemptions	(1,589,069)	-	(1,589,069)	-	(1,589,069)	(1,639,457)
TPEG Allowances	(222,718)	-	(222,718)	-	(222,718)	(140,370)
Federal Grants to Students	(3,110,582)	-	(3,110,582)	-	(3,110,582)	(2,863,380)
<b>Total Scholarship Allowances and Discounts</b>	<b>(4,924,417)</b>	<b>-</b>	<b>(4,924,417)</b>	<b>-</b>	<b>(4,924,417)</b>	<b>(4,752,133)</b>
<b>Total Net Tuition and Fees</b>	<b>7,295,386</b>	<b>-</b>	<b>7,295,386</b>	<b>1,875</b>	<b>7,297,261</b>	<b>9,003,875</b>
Other Operating Revenues						
Federal Grants and Contracts	-	2,935,522	2,935,522	-	2,935,522	2,438,571
State Grants and Contracts	-	396,145	396,145	-	396,145	490,812
Non-Governmental Grants and Contracts	288,211	-	288,211	-	288,211	141,349
Sales and Service of Educational Activities	4,920	-	4,920	163,572	168,492	188,909
Other Operating Revenues	453,494	-	453,494	11,114	464,608	539,342
<b>Total Other Operating Revenues</b>	<b>746,625</b>	<b>3,331,667</b>	<b>4,078,293</b>	<b>174,686</b>	<b>4,252,978</b>	<b>3,798,983</b>
Auxiliary Enterprises						
Residential Life	-	-	-	1,138,836	1,138,836	1,005,319
Scholarship-Allowance and Discounts	-	-	-	(243,600)	(243,600)	(266,825)
<b>Net Residential Life</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>895,236</b>	<b>895,236</b>	<b>738,494</b>
Bookstore	-	-	-	50,646	50,646	68,116
Athletics	-	-	-	7,125	7,125	9,022
<b>Total Net Auxiliary Enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>953,007</b>	<b>953,007</b>	<b>815,632</b>
<b>Total Operating Revenues (Exhibit 2)</b>	<b>\$ 8,042,011</b>	<b>\$ 3,331,667</b>	<b>\$ 11,373,678</b>	<b>\$ 1,129,568</b>	<b>\$ 12,503,246</b>	<b>\$ 13,618,490</b>

In accordance with Education Code 56.033, \$390,643 and \$487,869 for years ended August 31, 2023 and 2022, respectively, was set aside for Texas Public Education Grants (TPEG). (Exhibit 2) (Exhibit 2)

Schedule B

Schedule of Operating Expenses by Object

Year Ended August 31, 2023 (With Memorandum Totals for the Year Ended August 31, 2022)

	Operating Expenses			2023 Total	2022 Total	
	Salaries and Wages	Benefits	Other Expenses			
	State	Local				
<b>Unrestricted - Educational Activities</b>						
Instruction	\$ 6,230,073	\$ -	\$ 1,453,641	\$ 1,742,317	\$ 9,426,031	\$ 8,447,292
Public Service	54,698	-	15,769	5,751	76,218	246,243
Academic Support	875,368	-	202,361	237,784	1,315,513	962,769
Student Services	1,409,784	-	325,904	239,895	1,975,584	1,756,824
Institutional Support	1,660,558	-	629,378	1,576,631	3,866,567	2,620,657
Operational and Maintenance of Plant	853,594	-	-	1,200,322	2,053,916	2,471,542
Scholarships and Fellowships	-	-	-	195,814	195,814	359,870
Total Unrestricted - Educational Activities	<u>11,084,075</u>	<u>-</u>	<u>2,627,053</u>	<u>5,198,514</u>	<u>18,909,643</u>	<u>16,865,197</u>
<b>Restricted - Educational Activities</b>						
Instruction	422,764	501,497	71,665	456,664	1,452,590	1,107,501
Public Service	216,009	4,403	41,729	132,886	395,027	649,837
Academic Support	-	70,464	-	75,000	145,464	9,201
Student Services	638,303	113,482	211,219	468,364	1,431,368	1,396,406
Institutional Support	-	133,669	-	-	133,669	32,510
Operational and Maintenance of Plant	-	-	-	-	-	-
Scholarships and Fellowships	-	-	-	5,920,305	5,920,305	10,441,184
Total Restricted - Educational Activities	<u>1,277,076</u>	<u>823,515</u>	<u>324,613</u>	<u>7,053,219</u>	<u>9,478,423</u>	<u>13,636,639</u>
Total Educational Activities	<u>12,361,151</u>	<u>823,515</u>	<u>2,951,666</u>	<u>12,251,733</u>	<u>28,388,066</u>	<u>30,501,836</u>
<b>Auxiliary Enterprises</b>	142,864	-	33,028	894,008	1,069,900	1,481,718
Depreciation Expense-Building and Other						
Real Estate Improvement	-	-	-	1,137,150	1,137,150	978,347
Depreciation Expense-Equipment	-	-	-	239,244	239,244	454,008
Amortization Expense - Equipment	-	-	-	134,233	134,233	21,436
Total	<u>\$ 12,504,015</u>	<u>\$ 823,515</u>	<u>\$ 2,984,694</u>	<u>\$ 14,656,368</u>	<u>\$ 30,968,593</u>	<u>\$ 33,437,345</u>

(Exhibit 2)

(Exhibit 2)

Schedule C

Schedule of Non-Operating Revenues and Expenses

Year Ended August 31, 2023 (With Memorandum Totals for the Year Ended August 31, 2022)

	<u>Unrestricted</u>	<u>Auxiliary Enterprises</u>	<u>Restricted</u>	<u>2023 Total</u>	<u>2022 Total</u>
<b>Non-Operating Revenues</b>					
State Appropriations					
Education and General - State Support	\$ 7,693,579	\$ -	\$ -	\$ 7,693,579	\$ 7,383,978
State Group Insurance	-	-	1,019	1,019	182,432
State Retirement Matching	-	-	823,515	823,515	99,512
Professional Nursing Shortage Reduction	-	-	-	-	21,123
Total State Appropriations	<u>7,693,579</u>	<u>-</u>	<u>824,534</u>	<u>8,518,113</u>	<u>7,687,045</u>
Lost Revenue - State Appropriations	-	-	-	-	568,729
Ad Valorem Taxes	4,035,385	-	-	4,035,385	3,769,632
Federal Revenue, Non Operating	-	-	11,007,634	11,007,634	13,039,624
Gifts	-	-	510,003	510,003	128,121
Gain on the Disposal of Fixed Assets	12,932	-	-	12,932	-
Insurance Proceeds	-	-	-	-	64,674
Investment Income	<u>1,741,619</u>	<u>-</u>	<u>12,500</u>	<u>1,754,119</u>	<u>260,508</u>
Total Non-Operating Revenues	<u>13,483,515</u>	<u>-</u>	<u>12,354,671</u>	<u>25,838,186</u>	<u>25,518,333</u>
<b>Non-Operating Expenses</b>					
Interest on Capital Related Debt	303,251	-	-	303,251	337,097
Interest on Right of Use Assets	<u>1,040</u>	<u>-</u>	<u>-</u>	<u>1,040</u>	<u>1,253</u>
Total Non-Operating Expenses	<u>304,291</u>	<u>-</u>	<u>-</u>	<u>304,291</u>	<u>338,350</u>
Net Non-Operating Revenues	<u>\$ 13,179,224</u>	<u>\$ -</u>	<u>\$ 12,354,671</u>	<u>\$ 25,533,895</u>	<u>\$ 25,179,983</u>
				(Exhibit 2)	(Exhibit 2)

Schedule D  
Schedule of Net Position by Source and Availability  
Year Ended August 31, 2023 (With Memorandum Totals for the Year Ended August 31, 2022)

	Detail by Source				Available for Current Operations		
	Restricted			Investment in Capital Assets	Total	Yes	No
	Unrestricted	Expendable	Non-Expendable				
Current							
Unrestricted	\$ 4,992,555	\$ -	\$ -	\$ -	\$ 4,992,555	\$ 4,992,555	\$ -
Board Designated	-	6,344,412	-	-	6,344,412	-	6,344,412
Restricted	-	4,281,765	-	-	4,281,765	-	4,281,765
Auxiliary Enterprises	793,392	-	-	-	793,392	793,392	-
Loan	-	-	-	-	-	-	-
Endowment							
Quasi							
Unrestricted	-	-	-	-	-	-	-
Restricted	-	244,452	-	-	244,452	-	244,452
Endowment							
Term (per instructions at maturity)	-	-	-	-	-	-	-
True	-	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
Plant							
Unexpended	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-
Debt Service	-	(4,062,646)	-	-	(4,062,646)	-	(4,062,646)
Investment in Plant	-	-	-	35,292,383	35,292,383	-	35,292,383
Total Net Position, August 31, 2023	5,785,947	6,807,983	-	35,292,383	47,886,313	5,785,947	42,100,366
Total Net Position, August 31, 2022	3,679,827	6,917,367	-	30,220,571	40,817,765	3,679,827	37,137,938
Net Increase (Decrease) in Net Position	\$ 2,106,120	\$ (109,384)	\$ -	\$ 5,071,812	\$ 7,068,548	\$ 2,106,120	\$ 4,962,428

(Exhibit 2)



Schedule E  
Schedule of Expenditures of Federal Awards  
Year Ended August 31, 2023

Federal Grantor/Cluster/Program Title	Federal Assistance Listing	Direct Awards	Pass-Through Awards	Total	Subrecipients Expenditures
<b>U.S. Department of Education</b>					
Direct Programs					
TRIO Cluster					
Student Support Services	84.042	\$ 156,362	\$ -	\$ 156,362	\$ -
Talent Search	84.044	429,410	-	429,410	-
Upward Bound	84.047	398,310	-	398,310	-
Educational Opportunity Center	84.066	305,192	-	305,192	-
Total TRIO Cluster		<u>1,289,274</u>	<u>-</u>	<u>1,289,274</u>	<u>-</u>
Student Financial Assistance Cluster					
Federal Supplemental Educational Opportunity Grants					
	84.007	35,350	-	35,350	-
Federal Work-Study Programs	84.033	68,330	-	68,330	-
Federal Pell Grant Programs	84.063	5,631,359	-	5,631,359	-
Federal Direct Student Loan	84.268	586,560	-	586,560	-
Total Student Financial Assistance Cluster		<u>6,321,599</u>	<u>-</u>	<u>6,321,599</u>	<u>-</u>
<b>COVID-19 Federal Education Stabilization Fund</b>					
Direct Programs					
<b>COVID-19 Higher Education Emergency Relief Fund - Student Aid Portion</b>					
	84.425E	1,916,746	-	1,916,746	-
<b>COVID-19 Higher Education Emergency Relief Fund - Institutional Portion</b>					
	84.425F	2,451,781	-	2,451,781	-
<b>COVID-19 Higher Education Emergency Relief Fund - Strengthening Institutional</b>					
	84.425M	106,564	-	106,564	-
Pass-Through from					
Texas Higher Education Coordinating Board					
<b>COVID-19 Governor's Emergency Education Relief (GEER) Fund Grant I &amp; II</b>					
	2020-GE-84425C	37,338	-	37,338	-
Total COVID-19 Federal Education Stabilization Fund		<u>4,512,429</u>	<u>-</u>	<u>4,512,429</u>	<u>-</u>
Pass-Through from					
Texas Workforce Commission					
Adult Education - Basic Grant to States					
	0418ALAD02	142,759	-	142,759	-
Adult Education - Basic Grant to States					
	0418ALAE02	72,483	-	72,483	-
Adult Education - Basic Grant to States					
North Texas Community College					
	0718ALAD00	-	63,487	63,487	12,556
Adult Education - Basic Grant to States					
North Texas Community College					
	0718ALAE00	-	419,132	419,132	172,040
Total Texas Workforce Commission		<u>215,242</u>	<u>482,619</u>	<u>697,861</u>	<u>184,596</u>
Pass-Through from					
Texas Higher Education Coordinating Board					
Career and Technical Education - Basic 2342020271					
	84.048	304,579	-	304,579	-
Total Career and Technical Education		<u>304,579</u>	<u>-</u>	<u>304,579</u>	<u>-</u>
Total U.S. Department of Education		<u>12,643,123</u>	<u>482,619</u>	<u>13,125,742</u>	<u>184,596</u>

Schedule E  
Schedule of Expenditures of Federal Awards (Continued)  
Year Ended August 31, 2023

<u>Federal Grantor/Cluster/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Direct Awards</u>	<u>Pass-Through Awards</u>	<u>Total</u>	<u>Subrecipients Expenditures</u>
<b><u>U.S. Department of Treasury</u></b>					
<b>Coronavirus State Fiscal Recovery Fund (SFRF)</b>					
Pass-Through from:					
Texas Higher Education Coordinating Board					
<b>COVID-19</b> Coronavirus State and Local					
Fiscal Recovery Funds					
2021-C5-21027	21.027	251,475	-	251,475	-
Pass-Through from:					
Grayson County Community College					
<b>COVID-19</b> Coronavirus State and Local					
Fiscal Recovery Funds					
2021-C5-21027	21.027	106,585	-	106,585	-
Total U.S. Department of Treasury		<u>358,060</u>	<u>-</u>	<u>358,060</u>	<u>-</u>
<b><u>U.S. Small Business Administration</u></b>					
Pass-Through from					
Dallas County Community College District					
Small Business Development Centers					
SBAHQ-22-B-0006	59.037	53,803	-	53,803	-
Small Business Development Centers					
SBAHQ-23-B-0053	59.037	54,236	-	54,236	-
Total U.S. Small Business Administration		<u>108,039</u>	<u>-</u>	<u>108,039</u>	<u>-</u>
<b><u>U.S. Department of Veterans Affairs</u></b>					
Veterans Benefits Administration	64.028	210,944	-	210,944	-
Total U.S. Department of Veterans Affairs		<u>210,944</u>	<u>-</u>	<u>210,944</u>	<u>-</u>
<b><u>U.S. Department of Health and Human Services</u></b>					
Pass-Through from					
Texas Workforce Commission					
Temporary Assistance for Needy Families					
0418ALAD02	93.558	13,269	-	13,269	-
Temporary Assistance for Needy Families					
0418ALAE02	93.558	1,068	-	1,068	-
Temporary Assistance for Needy Families					
North Texas Community College					
0718ALAD00	93.558	5,903	-	5,903	-
Temporary Assistance for Needy Families					
North Texas Community College					
0718ALAE00	93.558	6,168	-	6,168	-
Temporary Assistance for Needy Families					
0423TAN001	93.558	53,947	-	53,947	-
Total U.S. Department of Health and Human Services		<u>80,355</u>	<u>-</u>	<u>80,355</u>	<u>-</u>
<b><u>Corporation for National and Community Services</u></b>					
Pass-Through from					
State Comptroller					
Retired Senior Volunteer Program					
20SRWTX025	94.002	39,544	-	39,544	-
23SRGTX004	94.002	20,472	-	20,472	-
Total Corporation for National and Community Services		<u>60,016</u>	<u>-</u>	<u>60,016</u>	<u>-</u>
Total Federal Financial Assistance		<u>\$ 13,460,537</u>	<u>\$ 482,619</u>	<u>\$ 13,943,156</u>	<u>\$ 184,596</u>

Notes to schedule on page 81

Schedule E  
Schedule of Expenditures of Federal Awards (Continued)  
Year Ended August 31, 2023  
Notes

Note 1 – Federal Financial Assistance Reconciliation

Federal Grants and Contracts Revenue	\$ 2,452,903
Pass – Through Awards	482,619
Federal Grants and Contracts Revenue – per Schedule A	<u>2,935,522</u>
Add: Non-operating Federal Revenue – per Schedule C	<u>11,007,634</u>
Total Federal Financial Assistance	<u>\$ 13,943,156</u>

Indirect/Administrative Costs Recoveries are included on Schedule A in the category of Other Operating Revenues. For FY2023, these recoveries equaled \$111,971.

Note 2 – Significant Accounting Policies Used in Preparing the Schedule

The expenditures included in the schedule are reported for PJC’s fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by PJC for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. PJC has followed guidelines issued by various entities in the preparation of the schedule.

Note 3 – Indirect Cost Rate

Paris Junior College has elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Note 4 – Amounts Passed-Through by the College

<u>Texas Workforce Commission</u>	
North Texas Community College – 0718ALAD00	\$ 12,556
North Texas Community College – 0718ALAE00	<u>172,040</u>
Total Amount Passed-Through	<u>\$ 184,596</u>

Schedule F  
Schedule of Expenditures of State of Texas Awards  
Year Ended August 31, 2023

<u>Grantor/Pass-Through Grantor/Program/Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
<b><u>Texas Workforce Commission</u></b>		
Adult Education - Basic Grant to States	0418ALAD02	\$ 21,753
Adult Education - Basic Grant to States	0418ALAE02	2,978
Adult Education - Basic Grant to States	0718ALAD00	9,677
Adult Education - Basic Grant to States	0718ALAE00	9,574
Jet Grant	0723JET001	290,470
Total Texas Workforce Commission		<u>334,453</u>
<b><u>Texas Comptroller of Public Accounts</u></b>		
Texas Workstudy		8,164
Total Texas Comptroller of Public Accounts		<u>8,164</u>
<b><u>Texas Health and Human Service Commission</u></b>		
Retired Senior Volunteer Program	HHS000871100017	21,738
Total Texas Health and Human Service Commission		<u>21,738</u>
<b><u>Texas Higher Education Coordinating Board</u></b>		
Nursing Innovation Grant Program		6,344
TEOG Grant Program		3,414
Total Texas Higher Education Coordinating Board		<u>9,758</u>
<b><u>Dallas County Community College District</u></b>		
Small Business Development Center	SBAHQ-22-B-0006	16,775
Small Business Development Center	SBAHQ-23-B-0053	25,022
Total Dallas County Community College District		<u>41,797</u>
Total State Financial Assistance		<u>\$ 415,910</u>

Notes to schedule on page 83

Schedule F  
Schedule of Expenditures of State of Texas Awards (Continued)  
Year Ended August 31, 2023

Notes

Note 1 – State Financial Assistance Reconciliation

State Grants and Contracts Revenue – per Schedule A	\$ 407,746
Add/(Subtract) Reconciling Items	8,164
Total State Financial Assistance	<u>\$ 415,910</u>

Note 2 – Significant Accounting Policies Used in Preparing the Schedule

The expenditures included in the schedule are reported using accrual accounting. See Note 2 to the financial statements for Paris Junior College’s significant account policies. These expenditures are reported on Paris Junior College’s fiscal year. The expenditure reports to funding agencies are prepared on the award period basis.

Note 3 – Indirect Cost Rate

Paris Junior College has elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

# McClanahan and Holmes, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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DEBRA J. WILDER, CPA  
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## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Regents  
Paris Junior College  
Paris, Texas

Members of the Board of Regents:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Paris Junior College (the College) as of and for the years ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 22, 2023.

### 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 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-01, that we consider to be a significant deficiency.

### **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*.

### **Paris Junior College's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the College's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Texas Public Funds Investment Act**

We have performed tests designed to verify the College's compliance with the requirements of the Public Funds Investment Act (the "Act"). However, providing an opinion on compliance with the Act was not an objective of our audit, and accordingly, we do not express an opinion. During the year ended August 31, 2023, no instances of non-compliance with the Act was found.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*McClanahan and Holmes, LLP*  
Certified Public Accountants

Bonham, Texas  
December 22, 2023

**McClanahan and Holmes, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditors' Report on Compliance for Each Major Program and on  
Internal Control over Compliance Required by the Uniform Guidance**

Board of Regents  
Paris Junior College  
Paris, Texas

Members of the Board of Regents:

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

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

We have audited Paris Junior 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 August 31, 2023. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Paris Junior College and to meet our 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 Paris Junior 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 Paris Junior College's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Paris Junior 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 Paris Junior 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 of the effectiveness of Paris Junior 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.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-02. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on Paris Junior College's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Paris Junior College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-02 to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on Paris Junior College's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Paris Junior College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*McClanahan and Holmes, LLP*  
Certified Public Accountants

Bonham, Texas  
December 22, 2023

Schedule of Findings and Questioned Costs  
Year Ended August 31, 2023

A. Summary of Auditors' Results

1. Financial Statements

Type of Auditors' Report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?        Yes   x   No

Significant deficiencies identified that are not considered to be material weaknesses?   x   Yes        No

Non-compliance material to financial statements noted?        Yes   x   No

2. Federal and State Awards

Internal control over major programs:

Material weakness(es) identified?        Yes   x   No

Significant deficiencies identified that are not considered to be material weaknesses?   x   Yes        No

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200:516(a)   x   Yes        No

Major programs are as follows:

Federal

Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
COVID-19 Federal Education Stabilization Fund	84.425E, 84.425F, 84.425M
COVID-19 Governor's Emergency Education Relief (GEER) Fund	84.425C
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027

The threshold used to distinguish between Type A and Type B federal programs was \$750,000 and state programs was \$750,000.

Paris Junior College does qualify as a low-risk auditee in the context of OMB 2 CFR 200.516(a).

Schedule of Findings and Questioned Costs (Continued)  
Year Ended August 31, 2023

B. Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards

Significant Deficiency

Finding 2023-01 – Secured Deposits

Condition: The College must ensure all deposits are fully collateralized as required by the state statutes. The College failed to maintain sufficient coverage of all deposits.

Criteria: To protect public funds from potential loss, state requires that eligible banks, before receiving a deposit in excess of the federally insured amount, pledge collateral equal at all times to the amount of the deposits.

Cause: The College failed to monitor the level of pledged collateral to ensure compliance.

Effect: As a result of this condition, deposits in excess of FDIC deposit insurance were, at times, not adequately covered by pledged collateral.

Recommendation: The College should ensure that all deposits of public funds are properly secured and that the level of pledged collateral is periodically monitored to ensure compliance with the state statutes.

Views of Responsible Official and Planned Corrective Actions: Paris Junior College management will ensure that a comprehensive procedure is established and implemented to ensure accurate and timely reporting.

Schedule of Findings and Questioned Costs (Continued)  
Year Ended August 31, 2023

C. Findings and Questioned Costs for Federal Award

U.S. Department of Education  
Program Name: Student Financial Assistance Cluster  
CFDA #: 84.007, 84.033, 84.063, 84.268

Significant Deficiency

Finding 2023-02 – Using a Servicer or Financial Institution to Deliver Title IV Credit Balances to a Card or Other Access Device Compliance and Internal Control

Condition: During the course of our audit, we noted that a URL for the contract was not provided to Department of Education for publication in the Cash Management Contracts Database and there was no evidence of performing due diligence review to ascertain whether the fees imposed under the arrangement are consistent with or below prevailing market rates.

Criteria: Internal control procedures affect the College's ability to maintain compliance. Management must establish and maintain effective internal controls related to using a service or financial institution to provide reasonable assurance that the compliance requirements have been met.

Cause: The College failed to monitor requirements to ensure compliance.

Effect: As a result of this condition, the College was not compliant in these areas when using a servicer of financial institutions to deliver Title IV credit balances to a card or other access device.

Recommendation: We recommend the College provide the URL for the contract to Department of Education, and perform due diligence by reviewing the fees imposed under the arrangement.

Views of Responsible Official and Planned Corrective Actions: Paris Junior College management will ensure that a comprehensive procedure is established and implemented to ensure accurate and timely reporting.

# Paris Junior College



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An Equal Opportunity Institution

## Corrective Action Plan Year Ended August 31, 2023

Paris Junior College respectfully submits the following corrective action plan for the year ended August 31, 2023.

Name and address of independent public accounting firm:

McClanahan and Holmes, LLP  
1400 West Russell  
Bonham, TX 75418

Audit Period: Year ended August 31, 2023

The findings from the August 31, 2023, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in this schedule.

2023-01

Recommendations: Paris Junior College's management should implement additional controls and procedures to ensure state statutes are met regarding the securing of public funds in College depository accounts.

Action Plan: Paris Junior College management will ensure that a comprehensive procedure is established and implemented to ensure state statutes are met.

Contact Person: Debra Craig, Controller

Anticipated Completion Date: January 10, 2024

# Paris Junior College



SINCE 1924

## Corrective Action Plan (Continued) Year Ended August 31, 2023

2023-02

Recommendations: Paris Junior College's management should implement additional controls and procedures to ensure compliance requirements are met regarding the posting of contracted arrangements with financial account providers to the Department of Education's database. Additionally, the College must establish a procedure to accomplish a due diligence review of the financial account provider's rates and fees.

Action Plan: Paris Junior College management will ensure that a comprehensive procedure is established and implemented to ensure compliance requirements are met.

Contact Person: Debra Craig, Controller

Anticipated Completion Date: January 10, 2024

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Summary Schedule of Prior Audit Findings  
Year Ended August 31, 2023

Prior Audit Finding 2022-01

Federal Reporting Compliance and Internal Control over Compliance Reporting

Condition – The College failed to timely submit one quarterly report and report accurate amount of student emergency awards disbursed as required by the Department of Education.

Corrective Action Plan - Paris Junior College management will ensure that a comprehensive procedure is established and implemented to ensure accurate and timely reporting.

Status - Completed



STATISTICAL SECTION (Unaudited)

Statistical Supplement 1  
Net Position by Component  
Fiscal Years 2014 to 2023  
(Unaudited)

	Year Ended August 31,				
	2023	2022	2021	2020	2019
Net Investment in Capital Assets	\$ 35,292,383	\$ 29,874,494	\$ 27,004,238	\$ 27,606,755	\$ 28,462,708
Restricted - Expendable	190,055	234,230	500,026	462,676	422,600
Restricted - Nonexpendable	-	-	-	-	-
Unrestricted	12,403,875	10,709,041	7,954,285	1,887,746	(1,195,216)
Total Primary Government Net Position	\$ 47,886,313	\$ 40,817,765	\$ 35,458,549	\$ 29,957,177	\$ 27,690,092
	2018	2017	2016	2015	2014
Net Investment in Capital Assets	\$ 28,144,704	\$ 28,603,386	\$ 28,755,015	\$ 26,226,034	\$ 25,140,579
Restricted - Expendable	396,690	313,868	360,405	331,723	275,417
Restricted - Nonexpendable	-	-	-	-	-
Unrestricted	(3,838,789)	16,629,528	13,500,216	13,116,816	15,221,839
Total Primary Government Net Position	\$ 24,702,605	\$ 45,546,782	\$ 42,615,636	\$ 39,674,573	\$ 40,637,835

(amounts expressed in thousands)

Statistical Supplement 2  
Revenues by Source  
Fiscal Years 2014 to 2023  
(Unaudited)

	Year Ended August 31,				
	2023	2022	2021	2020	2019
Tuition and Fees (Net of Discounts)	\$ 7,297,261	\$ 9,003,875	\$ 8,569,682	\$ 6,975,054	\$ 7,131,226
Governmental Grants and Contracts					
Federal Grants and Contracts	2,935,522	2,438,571	2,255,920	1,948,844	2,043,999
State Grants and Contracts	396,145	490,812	504,973	475,575	543,217
Non-Governmental Grants and Contracts	288,211	141,349	346,636	117,733	164,219
Sales and Services of Educational Activities	168,492	188,909	125,101	52,451	241,673
Auxiliary Enterprises	953,007	815,632	1,000,882	706,000	810,405
Other Operating Revenues	464,608	539,342	521,865	807,867	923,834
<b>Total Operating Revenues</b>	<b>12,503,246</b>	<b>13,618,490</b>	<b>13,325,059</b>	<b>11,083,524</b>	<b>11,858,573</b>
State Appropriations	8,518,113	8,255,774	9,004,659	8,622,302	8,421,635
Ad Valorem Taxes	4,035,385	3,769,632	3,482,769	3,000,997	2,941,468
Federal Revenue, Non Operating	11,007,634	13,039,624	12,063,057	8,204,616	8,280,684
Gifts	510,003	128,121	60,331	56,789	75,903
Investment Income	1,754,119	260,508	114,513	419,986	636,238
Insurance Proceeds	-	64,674	101,883	-	-
Gain on Sale of Fixed Assets	12,932	-	-	23,558	-
<b>Total Non-Operating Revenues</b>	<b>25,838,186</b>	<b>25,518,333</b>	<b>24,827,212</b>	<b>20,328,248</b>	<b>20,355,928</b>
<b>Total Revenues</b>	<b>\$ 38,341,432</b>	<b>\$ 39,136,823</b>	<b>\$ 38,152,271</b>	<b>\$ 31,411,772</b>	<b>\$ 32,214,501</b>

	Year Ended August 31,				
	2018	2017	2016	2015	2014
Tuition and Fees (Net of Discounts)	\$ 6,852,335	\$ 6,854,000	\$ 6,612,041	\$ 6,355,929	\$ 5,899,150
Governmental Grants and Contracts					
Federal Grants and Contracts	1,894,407	1,663,086	1,801,929	1,797,770	1,623,050
State Grants and Contracts	1,098,163	779,692	882,886	1,633,441	860,173
Non-Governmental Grants and Contracts	236,021	181,252	357,139	294,676	245,159
Sales and Services of Educational Activities	307,230	87,508	171,563	237,668	223,390
Auxiliary Enterprises	729,132	758,782	793,455	743,994	786,393
Other Operating Revenues	839,630	739,400	1,341,822	962,137	717,232
<b>Total Operating Revenues</b>	<b>11,956,918</b>	<b>11,063,720</b>	<b>11,960,835</b>	<b>12,025,615</b>	<b>10,354,547</b>
State Appropriations	8,940,371	10,128,799	10,187,172	10,033,579	9,910,893
Ad Valorem Taxes	2,843,527	2,997,380	3,004,129	2,964,030	2,920,185
Federal Revenue, Non Operating	7,941,395	7,314,114	8,196,873	9,648,664	10,920,270
Gifts	240,202	185,048	91,182	123,606	55,551
Investment Income	371,367	142,713	90,335	108,118	119,236
Insurance Proceeds	-	-	-	-	-
Gain on Sale of Fixed Assets	-	-	39,000	-	-
<b>Total Non-Operating Revenues</b>	<b>20,336,862</b>	<b>20,768,054</b>	<b>21,608,691</b>	<b>22,877,997</b>	<b>23,926,135</b>
<b>Total Revenues</b>	<b>\$ 32,293,780</b>	<b>\$ 31,831,774</b>	<b>\$ 33,569,526</b>	<b>\$ 34,903,612</b>	<b>\$ 34,280,682</b>

Statistical Supplement 3  
Program Expenses by Function  
Fiscal Years 2014 to 2023  
(Unaudited)

	Year Ended August 31,				
	2023	2022	2021	2020	2019
Instruction	\$ 10,878,621	\$ 9,554,793	\$ 9,537,321	\$ 9,558,964	\$ 9,954,268
Public Service	471,245	896,078	658,744	384,972	402,253
Academic Support	1,460,977	971,970	1,278,410	1,482,605	1,443,357
Student Services	3,406,952	3,153,231	3,218,919	3,427,095	3,742,808
Institutional Support	3,942,001	2,653,168	3,397,946	4,026,536	3,472,376
Operation and Maintenance of Plant	2,112,151	2,492,978	2,228,370	2,073,543	2,297,533
Scholarships and Fellowships	6,116,119	10,801,054	9,296,775	5,026,162	4,464,753
Auxiliary Enterprises	1,069,900	1,481,718	969,777	655,033	1,386,340
Depreciation	1,510,627	1,432,355	1,613,783	1,566,730	1,539,135
<b>Total Operating Expenses</b>	<b>30,968,593</b>	<b>33,437,345</b>	<b>32,200,045</b>	<b>28,201,640</b>	<b>28,702,823</b>
Interest on Capital Related Debt	303,251	337,097	450,854	488,219	524,191
Interest on Right of Use Asset	1,040	1,253	-	-	-
<b>Total Non-Operating Expenses</b>	<b>304,291</b>	<b>338,350</b>	<b>450,854</b>	<b>488,219</b>	<b>524,191</b>
<b>Total Expenses</b>	<b>\$ 31,272,884</b>	<b>\$ 33,775,695</b>	<b>\$ 32,650,899</b>	<b>\$ 28,689,859</b>	<b>\$ 29,227,014</b>

	Year Ended August 31,				
	2018	2017	2016	2015	2014
Instruction	\$ 9,798,444	\$ 10,238,951	\$ 10,599,106	\$ 11,600,874	\$ 11,429,490
Public Service	937,378	600,011	604,703	784,520	624,806
Academic Support	1,315,763	1,594,787	1,553,952	1,639,220	1,372,191
Student Services	3,295,470	3,178,497	3,286,505	3,323,382	3,324,474
Institutional Support	3,729,123	3,431,370	3,463,902	3,322,626	3,945,668
Operation and Maintenance of Plant	2,143,151	2,643,705	2,228,550	2,111,979	2,433,236
Scholarships and Fellowships	4,304,506	4,044,906	5,436,019	5,975,461	6,615,052
Auxiliary Enterprises	1,211,261	1,185,953	1,359,181	1,421,241	1,574,201
Depreciation	1,496,053	1,395,732	1,383,268	1,247,943	1,197,470
<b>Total Operating Expenses</b>	<b>28,231,149</b>	<b>28,313,912</b>	<b>29,915,186</b>	<b>31,427,246</b>	<b>32,516,588</b>
Interest on Capital Related Debt	556,881	586,716	713,280	785,115	817,038
<b>Total Non-Operating Expenses</b>	<b>556,881</b>	<b>586,716</b>	<b>713,280</b>	<b>785,115</b>	<b>817,038</b>
<b>Total Expenses</b>	<b>\$ 28,788,030</b>	<b>\$ 28,900,628</b>	<b>\$ 30,628,466</b>	<b>\$ 32,212,361</b>	<b>\$ 33,333,626</b>

Statistical Supplement 4  
Tuition and Fees  
Last Ten Academic Years  
(Unaudited)

Resident Fees per Semester Credit Hour (SCH)														
Academic Year (Fall)	Registration Fee	In-District Tuition	Out-of-District Tuition	Out-of-District Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District		
2022	\$ -	\$ 59	\$ 59	\$ 50	\$ -	\$ 300	\$ -	\$ -	\$ 1,008	\$ 1,608	2.40%	1.52%		
2021	-	57	57	50	-	300	-	-	984	1,584	0.00%	0.00%		
2020	-	57	57	50	-	300	-	-	984	1,584	1.23%	0.76%		
2019	-	56	56	50	-	300	-	-	972	1,572	1.25%	0.77%		
2018	-	55	55	50	-	300	-	-	960	1,560	0.00%	0.00%		
2017	-	55	55	50	-	300	-	-	960	1,560	4.58%	7.00%		
2016	30	55	100	-	-	228	-	-	918	1,458	18.60%	20.90%		
2015	30	50	86	-	-	144	-	-	774	1,206	0.00%	5.24%		
2014	30	50	81	-	-	144	-	-	774	1,146	8.40%	5.52%		
2013	30	50	81	-	-	84	-	-	714	1,086	5.31%	3.43%		

Non - Resident Fees per Semester Credit Hour (SCH)														
Academic Year (Fall)	Registration Fee	Non-Resident Tuition Out-of-State	Non-Resident Tuition International	Out-of-District Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity Fee	Cost for 12 SCH Out-of-State	Cost for 12 SCH International	Increase from Prior Year Out-of-State	Increase from Prior Year International		
2022	\$ -	\$ 159	\$ 159	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ 2,208	\$ 2,208	1.10%	1.10%		
2021	-	157	157	-	-	300	-	-	2,184	2,184	0.00%	0.00%		
2020	-	157	157	-	-	300	-	-	2,184	2,184	0.55%	0.55%		
2019	-	156	156	-	-	300	-	-	2,172	2,172	0.56%	0.56%		
2018	-	155	155	-	-	300	-	-	2,160	2,160	0.00%	0.00%		
2017	-	155	155	-	-	300	-	-	2,160	2,160	4.96%	4.96%		
2016	30	150	150	-	-	228	-	-	2,058	2,058	16.27%	16.27%		
2015	30	133	133	-	-	144	-	-	1,770	1,770	3.51%	3.51%		
2014	30	128	128	-	-	144	-	-	1,710	1,710	3.64%	3.64%		
2013	30	128	128	-	-	84	-	-	1,650	1,650	2.23%	2.23%		

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

Statistical Supplement 5  
Assessed Value and Taxable Assessed Value of Property  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2022-23	\$ 6,451,657,007	\$ 1,639,005,524	\$ 4,812,651,483	74.61%	0.0749	-	0.0749
2021-22	5,587,197,397	1,077,201,794	4,509,995,603	80.72%	0.0815	-	0.0815
2020-21	4,646,902,452	951,046,253	3,695,856,199	79.53%	0.0890	-	0.0890
2019-20	4,689,277,761	1,007,169,823	3,682,107,938	78.52%	0.0840	-	0.0840
2018-19	4,390,429,191	972,482,484	3,417,946,707	77.85%	0.0850	-	0.0850
2017-18	4,276,919,804	953,939,423	3,322,980,381	77.70%	0.0850	-	0.0850
2016-17	2,466,533,581	794,309,795	1,672,223,786	67.80%	0.1773	-	0.1773
2015-16	2,293,017,296	713,657,553	1,579,359,743	68.88%	0.1875	-	0.1875
2014-15	2,258,829,833	682,439,819	1,576,390,014	69.79%	0.1866	-	0.1866
2013-14	2,113,987,770	566,770,766	1,547,217,004	73.19%	0.1866	-	0.1866

Source: Lamar County Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

# Statistical Supplement 6 State Appropriations per FTSE and Contact Hour (Unaudited)

Appropriate Funding Elements	Fiscal Year									
	2022-2023*	2021-2022*	2020-2021 *	2019-2020 *	2018-2019 *	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
State Appropriation Contact Hour Funding (CH)	\$ 5,449,451	\$ 5,460,509	\$ 6,330,319	\$ 6,354,882	\$ 6,318,811	\$ 6,317,118	\$ 7,166,787	\$ 7,160,355	\$ 7,234,741	\$ 7,253,069
State Appropriation Student Success Points (SSP)	1,243,066	1,243,063	930,927	930,927	836,410	836,410	824,850	824,850	766,997	766,997
State Appropriation Core Operations (CO)	680,406	680,406	680,406	680,406	680,406	680,406	512,962	500,000	500,000	500,000
State Appropriation Bachelor of Applied Tech (BAT)	-	-	-	-	-	-	-	-	-	-
State Appropriation Non-Formula Items	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 7,372,923</b>	<b>\$ 7,383,978</b>	<b>\$ 7,941,652</b>	<b>\$ 7,966,215</b>	<b>\$ 7,835,627</b>	<b>\$ 7,833,934</b>	<b>\$ 8,504,599</b>	<b>\$ 8,485,205</b>	<b>\$ 8,501,738</b>	<b>\$ 8,520,066</b>

(1) General Appropriations Act, SB 1, 85th Texas Legislature, Section 1 (page III-209) - Informational Listing of Appropriated Funds.  
\* FY Year Formula Funding Changed Methodology  
Source: THE CB - Ten Pay Schedule

## Paris Junior College Statistical Supplement 6b State Appropriations per FTSE Last Ten Fiscal Years (Unaudited)

Fiscal Year	State Appropriations (Unrestricted) From Sch C	FTSE	(1)	State Appropriations per FTSE
2022-23*	\$ 7,372,923	6,866		1,074
2021-22*	7,383,978	6,960		1,061
2020-21*	7,941,652	6,345		1,252
2019-20*	7,966,215	7,535		1,057
2018-19*	7,835,627	7,761		1,010
2017-18	7,833,934	7,081		1,114
2016-17	8,504,599	7,412		1,147
2015-16	8,485,205	7,924		1,071
2014-15	8,501,738	8,375		1,015
2013-14	8,520,066	8,849		963

(1) Fiscal Year (FY) FTSE is equal to The sum of State Funded (Fall SCH + Spring SCH + Summer SCH for the Current FY/30SCH) plus State Funded Continuing Education (Fall CH + Spring CH + Summer CH for the Current FY/900 CH).  
\* FY Year Formula Funding Changed Methodology  
Source: CBM004 and CBM00C.

## Paris Junior College Statistical Supplement 6c State Appropriations per Funded Contact Hour Contact Hour (CH) portion only of State Appropriation (Unaudited)

Fiscal Year	CH - State Appropriation (Unrestricted) (1)	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Funded Contact Hours	CH - State Appropriations per Funded Contact Hour
2022-23*	\$ 7,372,923	1,312,192	526,136	38,959	1,877,287	3.93
2021-22*	7,383,978	1,145,197	233,497	52,782	1,431,476	5.16
2020-21*	7,941,652	1,578,500	615,389	90,471	2,284,360	3.48
2019-20*	7,966,215	1,392,992	536,824	57,837	1,987,653	4.01
2018-19*	7,835,627	1,591,708	637,969	71,028	2,300,705	3.41
2017-18	7,833,934	1,464,968	572,784	79,146	2,116,898	3.70
2016-17	8,504,599	1,549,776	640,948	97,657	2,288,381	3.72
2015-16	8,485,205	1,672,640	697,917	124,890	2,495,447	3.40
2014-15	8,501,738	1,743,692	788,415	108,966	2,641,073	3.22
2013-14	8,520,066	1,839,540	827,104	79,962	2,746,606	3.10

CH = State funded Academic, Technical and Continuing Education Contact hours for Fall, Spring and Summer of the Current FY - Source: CBM004 and CBM00C.  
(1) State Funded Contact Hour Appropriations as it appears in schedule 6a.  
\* FY Year Formula Funding Changed Methodology

## Paris Junior College Statistical Supplement 6d State Appropriation per Student Success Point - Annualized (Unaudited)

Fiscal Year	SSP - State Appropriation (Unrestricted) (1)	year Average Student Success Points (2)	Appropriation per Success Point
2022-23*	\$ 1,243,066	10,029	\$ 123.96
2021-22*	930,927	9,193	101.26
2020-21*	930,927	9,193	101.26
2019-20*	930,927	9,193	101.26
2018-19*	836,410	9,751	85.78
2017-18	836,410	9,751	85.78
2016-17	824,850	9,559	86.29
2015-16	824,850	9,559	86.29
2014-15	766,997	8,286	92.57
2013-14	766,997	8,286	92.57

(1) State Funded Success Point Appropriations as it appears in schedule 6a.  
(2) As Source from the Coordinating Board Biennium 10-Pay Schedule.  
\* FY Year Formula Funding Changed Methodology

## Paris Junior College Statistical Supplement 6e Student Success Points (SSP) Last Five Fiscal Years (Unaudited)

Success Point Elements (1)	Fiscal Year				
	2022-2023*	2021-2022*	2020-2021 *	2019-2020 *	2018-2019 *
Math Readiness	418	428	428	428	422
Read Readiness	129	127	127	127	150
Write Readiness	70	99	99	99	80
Students Who Pass FCL Math Course	1,139	1,006	1,006	1,006	979
Students Who Pass FCL Read Course	809	756	756	756	818
Students Who Pass FCL Write Course	656	660	660	660	703
Student Who Complete 15 SCH	1,721	1,705	1,705	1,705	1,714
Students Who Complete 30 SCH	1,624	1,077	1,077	1,077	1,032
Student Transfers to a 4-Yr Inst	1,965	1,359	1,359	1,359	1,282
Degrees, CCCs, or Certs (Undup)	884	1,483	1,483	1,483	1,322
Degrees or Certs in Critical Fields	614	493	493	493	446
<b>Annual Success Points - Total</b>	<b>10,029</b>	<b>9,193</b>	<b>9,193</b>	<b>9,193</b>	<b>8,948</b>

(1) These are annual SSP, not 3 year rolling average.  
\* FY Year Formula Funding Changed Methodology  
Source: THE CB - Accountability System

Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(Unaudited)

Taxpayer	Owner ID:	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
			2022	2021	2020	2019	2018
La Frontera Holdings, LLC*	106828377	Utility	\$ 416,275	\$ 416,275	\$ 360,309	\$ 360,309	\$ 336,669
Kimberly-Clark Corporation	106828329	Manufacturing	235,776	226,022	145,733	145,733	96,931
Campbell Soup Company	106828326	Manufacturing	226,289	235,776	124,842	124,842	97,815
Samson Solar Energy LLC	106847998	Utility	205,000	205,000	-	-	-
Impact Solar 1, LLC	106847997	Utility	175,762	175,762	-	-	-
American Spiral Weld III Inc	106850024	Manufacturing	120,004	120,004	-	-	-
Samson Solar Energy III LLC	106850017	Utility	95,557	95,557	-	-	-
Transcanada Keystone Pipeline	106835028	Transportation/Pipeline	78,995	78,995	50,505	50,505	51,178
Oncor Electric Delivery Co.	106828342	Utility	76,136	76,136	65,893	65,893	46,016
Gulf South Pipeline Co LP	106850013	Transportation/Pipeline	73,187	73,187	-	-	-
Daisy Farms	106833318	Dairy	-	-	27,496	27,496	94,844
Alpha Lake LTD	125029	Rental Facilities	-	-	-	-	-
Campbell Soup	38122	Manufacturing	-	-	-	-	-
Campbell Soup Supply LLC	160217	Manufacturing	-	-	-	-	-
Essent PRMC LP	106828423	Medical	-	-	27,338	27,338	23,067
Essent PRMC LP	166229	Medical	-	-	-	-	-
Essent PRMC LP-North Campus PI	106833315	Medical	-	-	-	-	-
First Federal Savings & Loan	15699	Commercial	-	-	-	-	-
Gulf Crossing Pipeline Co.	106830208	Transportation/Pipeline	-	-	62,322	62,322	69,181
HD Development Prop LP	167508	Commercial	-	-	-	-	-
Huhtamaki	106828330	Manufacturing	-	-	-	-	-
Kimberly Clark Corp	70760	Manufacturing	-	-	-	-	-
Kimberly Clark Global Sales	106833316	Manufacturing	-	-	-	-	-
Load Trail LLC	106828414	Manufacturing	-	-	22,765	22,765	20,141
Midcontinent Express	106830209	Transportation/Pipeline	-	-	57,126	57,126	66,046
Paris Generation LP	106804840	Utility	-	-	-	-	-
Paris Warehouse 107 Inc.	132812	Commercial	-	-	-	-	-
Potter Industries LLC	106828327	Manufacturing	-	-	-	-	-
Silgan Can Co.	106828363	Manufacturing	-	-	-	-	-
Turner Industries Group LLC	106828325	Manufacturing	-	-	-	-	-
Wal-Mart Property Tax Department	105237	Retail	-	-	-	-	-
Wal-Mart Stores #148-C	132609	Retail	-	-	-	-	-
<b>Totals</b>			<b>\$ 1,702,981</b>	<b>\$ 1,702,714</b>	<b>\$ 944,329</b>	<b>\$ 944,329</b>	<b>\$ 901,888</b>
<b>Total Taxable Assessed Value</b>			<b>\$ 5,398,790</b>	<b>\$ 3,940,569</b>	<b>\$ 3,695,856</b>	<b>\$ 3,682,107</b>	<b>\$ 3,417,946</b>

Taxpayer	Owner ID:	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
			2017	2016	2015	2014	2013
La Frontera Holdings, LLC*	106828377	Utility	\$ 328,212	\$ 296,943	\$ 211,870	\$ 211,905	\$ 210,303
Kimberly-Clark Corporation	106828329	Manufacturing	88,428	88,006	95,117	109,106	122,143
Campbell Soup Company	106828326	Manufacturing	89,136	88,017	47,182	47,098	47,163
Samson Solar Energy LLC	106847998	Utility	-	-	-	-	-
Impact Solar 1, LLC	106847997	Utility	-	-	-	-	-
American Spiral Weld III Inc	106850024	Manufacturing	-	-	-	-	-
Samson Solar Energy III LLC	106850017	Utility	-	-	-	-	-
Transcanada Keystone Pipeline	106835028	Transportation/Pipeline	53,194	-	-	-	-
Oncor Electric Delivery Co.	106828342	Utility	45,330	20,788	21,992	20,129	19,169
Gulf South Pipeline Co LP	106850013	Transportation/Pipeline	-	-	-	-	-
Daisy Farms	106833318	Dairy	98,183	-	-	-	-
Alpha Lake LTD	125029	Rental Facilities	-	10,596	10,597	10,597	10,596
Campbell Soup	38122	Manufacturing	-	-	29,404	30,879	32,912
Campbell Soup Supply LLC	160217	Manufacturing	-	-	10,857	9,700	-
Essent PRMC LP	106828423	Medical	25,846	-	-	-	-
Essent PRMC LP	166229	Medical	-	27,369	30,364	26,808	26,811
Essent PRMC LP-North Campus PI	106833315	Medical	-	-	-	8,733	-
First Federal Savings & Loan	15699	Commercial	-	-	-	5,549	-
Gulf Crossing Pipeline Co.	106830208	Transportation/Pipeline	67,359	-	-	-	-
HD Development Prop LP	167508	Commercial	-	-	-	6,965	-
Huhtamaki	106828330	Manufacturing	-	12,775	-	7,323	-
Kimberly Clark Corp	70760	Manufacturing	-	-	-	10,203	10,504
Kimberly Clark Global Sales	106833316	Manufacturing	-	-	-	6,866	-
Load Trail LLC	106828414	Manufacturing	-	-	-	-	-
Midcontinent Express	106830209	Transportation/Pipeline	81,070	-	-	-	-
Paris Generation LP	106804840	Utility	18,884	21,979	20,551	21,980	21,511
Paris Warehouse 107 Inc.	132812	Commercial	-	-	-	8,312	-
Potter Industries LLC	106828327	Manufacturing	-	-	-	-	-
Silgan Can Co.	106828363	Manufacturing	-	-	-	16,519	17,116
Turner Industries Group LLC	106828325	Manufacturing	-	10,390	-	7,442	-
Wal-Mart Property Tax Department	105237	Retail	-	10,390	10,189	9,432	-
Wal-Mart Stores #148-C	132609	Retail	-	-	-	9,285	-
<b>Totals</b>			<b>\$ 895,642</b>	<b>\$ 587,253</b>	<b>\$ 488,123</b>	<b>\$ 584,831</b>	<b>\$ 518,228</b>
<b>Total Taxable Assessed Value</b>			<b>\$ 3,322,980</b>	<b>\$ 1,672,223</b>	<b>\$ 1,579,360</b>	<b>\$ 1,547,217</b>	<b>\$ 1,545,046</b>

Source: Lamar County Appraisal District  
\*previously Lamar Power Partners LP



Statistical Supplement 8  
Property Tax Levies and Collections  
Last Ten Tax Years  
(Unaudited)

Fiscal Year Ended August 31	Levy	Collections - Year of Levy (a)	Percentage	Current Collections of Prior Levies (a)	Penalty and Interest Collections	Total Collections (a)	Percentage of Current Levy
2023	\$ 3,967,876	\$ 3,868,832	97.50%	\$ 90,423	\$ 76,130	\$ 3,959,255	99.78%
2022	3,670,000	3,595,261	97.96%	95,991	53,553	3,744,805	102.04%
2021	3,423,197	3,415,313	99.77%	55,732	31,897	3,471,045	101.40%
2020	3,061,458	2,942,362	96.11%	39,579	33,413	2,981,941	97.40%
2019	2,908,600	2,802,207	96.34%	88,932	50,329	2,891,139	99.40%
2018	2,829,210	2,765,627	97.75%	40,044	37,859	2,805,671	99.17%
2017	2,960,964	2,820,924	95.27%	71,262	105,194	2,892,186	97.68%
2016	2,952,918	2,844,818	96.34%	98,646	60,665	2,943,464	99.68%
2015	2,934,536	2,859,705	97.45%	53,970	50,355	2,913,675	99.29%
2014	2,889,546	2,819,644	97.58%	59,461	41,080	2,879,105	99.64%

Source: Lamar County Appraisal District and District records.  
(a) Ad valorem taxes only - does not include penalties and interest.  
(amounts express in thousands)

Statistical Supplement 9  
Ratios of Outstanding Debt  
Last Ten Fiscal Years  
(Unaudited)

	Year Ended August 31,				
	2023	2022	2021	2020	2019
<b>General Bonded Debt</b>					
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-
Less: Funds Restricted for Debt Service	-	-	-	-	-
Net General Bonded Debt	-	-	-	-	-
<b>Other Debt</b>					
Revenue Bonds	6,311,000	6,912,000	9,683,000	10,560,000	11,391,000
Notes	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-
<b>Total Outstanding Debt</b>	<b>\$ 6,311,000</b>	<b>\$ 6,912,000</b>	<b>\$ 9,683,000</b>	<b>\$ 10,560,000</b>	<b>\$ 11,391,000</b>
<b>General Bonded Debt Ratios</b>					
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-
As a Percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total Outstanding Debt Ratios</b>					
Per Capita	\$ 125.01	\$ 137.97	\$ 193.32	\$ 211.80	\$ 229.72
Per FTSE	0.856	0.936	1.219	1.330	1.468
As a Percentage of Taxable Assessed Value	0.13%	0.15%	0.26%	0.29%	0.33%

	Year Ended August 31,				
	2018	2017	2016	2015	2014
<b>General Bonded Debt</b>					
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-
Less: Funds Restricted for Debt Service	-	-	-	-	-
Net General Bonded Debt	-	-	-	-	-
<b>Other Debt</b>					
Revenue Bonds	12,185,000	12,945,000	13,571,000	16,909,000	17,624,000
Capital Lease Obligations	-	-	-	-	-
<b>Total Outstanding Debt</b>	<b>\$ 12,185,000</b>	<b>\$ 12,945,000</b>	<b>\$ 13,571,000</b>	<b>\$ 16,909,000</b>	<b>\$ 17,624,000</b>
<b>General Bonded Debt Ratios</b>					
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-
As a Percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total Outstanding Debt Ratios</b>					
Per Capita	\$ 245.73	\$ 259.99	\$ 274.49	\$ 341.44	\$ 356.57
Per FTSE	1.733	1.746	1.713	2.019	1.992
As a Percentage of Taxable Assessed Value	0.37%	0.77%	0.86%	1.07%	1.11%

Notes: Ratios calculated using population and taxable assessed value from current year. Debt per student calculated using full-time-equivalent enrollment.  
(amount expressed in thousands)

Statistical Supplement 10  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(Unaudited)

Year Ended August 31,	Taxable Assessed Value	Statutory Tax Levy Limit for Debt Service	Less: Funds Restricted for Repayment	Total Net Debt	Current Year Debt Service Requirements	Excess of Statutory	
						Limit for Debit Service over Current Requirements	Net Current Requirements as a % of Statutory Limit
2023	\$ 4,812,651,483	\$ 24,063,257	\$ -	\$ 24,063,257	\$ -	\$ 24,063,257	0.00%
2022	4,509,995,603	22,549,978	-	22,549,978	-	22,549,978	0.00%
2021	3,695,856,199	18,479,281	-	18,479,281	-	18,479,281	0.00%
2020	3,682,107,938	18,410,540	-	18,410,540	-	18,410,540	0.00%
2019	3,417,946,707	17,089,734	-	17,089,734	-	17,089,734	0.00%
2018	3,322,980,381	16,614,902	-	16,614,902	-	16,614,902	0.00%
2017	1,672,223,786	8,361,119	-	8,361,119	-	8,361,119	0.00%
2016	1,579,359,743	7,896,799	-	7,896,799	-	7,896,799	0.00%
2015	1,576,390,014	7,881,950	-	7,881,950	-	7,881,950	0.00%
2014	1,547,217,004	7,736,085	-	7,736,085	-	7,736,085	0.00%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars taxable assessed valuation.  
(amount expressed in thousands)

Statistical Supplement 11  
Pledged Revenue Coverage  
Last Ten Fiscal Years  
(Unaudited)

Year Ended August 31,	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Tuition	General Fee	Total	Principal	Interest	Total	
2023	\$ 8,108,121	\$ 1,631,757	\$ 9,739,878	\$ 601,000	\$ 303,251	\$ 904,251	10.77%
2022	9,250,432	1,583,941	10,834,373	890,000	429,091	1,319,091	8.12%
2021	8,986,610	1,657,336	10,643,946	867,000	450,854	1,317,854	8.08%
2020	7,622,144	1,868,254	9,490,398	831,000	488,219	1,319,219	7.19%
2019	7,253,151	2,054,354	9,307,505	794,000	524,191	1,318,191	7.06%
2018	7,652,434	1,985,934	9,638,368	760,000	556,881	1,316,881	7.32%
2017	9,993,373	1,560,390	11,553,763	626,000	586,716	1,212,716	9.53%
2016	9,111,877	1,308,207	10,420,084	751,000	702,313	1,453,313	7.17%
2015	9,356,478	1,385,179	10,741,657	715,000	785,115	1,500,115	7.16%
2014	9,830,225	874,248	10,704,473	686,000	817,038	1,503,038	7.12%

Statistical Supplement 12  
Demographic and Economic Statistics – Taxing District  
Last Ten Fiscal Years  
(Unaudited)

Calendar Year	County Population	County Personal Income	County Personal Income Per Capita	County Unemployment Rate
2022	50,484	(a)	(a)	4.3%
2021	50,098	\$ 2,579,011,000	\$ 51,479	5.2%
2020	50,088	2,539,934,000	50,709	3.4%
2019	49,859	2,322,461,000	43,063	3.8%
2018	49,729	2,147,064,000	40,610	4.2%
2017	49,587	2,013,704,000	38,518	5.1%
2016	49,791	1,917,848,000	37,578	4.8%
2015	49,440	1,857,879,000	37,540	6.1%
2014	49,523	1,859,083,000	36,509	7.9%
2013	49,426	1,804,479,000	35,140	9.0%

**Sources:**

[census.gov/quickfacts/lamarcountytexas](https://census.gov/quickfacts/lamarcountytexas)  
[datausa.io/profile/geo/lamer-county-tx](https://datausa.io/profile/geo/lamer-county-tx)  
[fred.stlouisfed.org/series/P148277](https://fred.stlouisfed.org/series/P148277)

**Notes:**

Information provided is for Lamar County. District specific information not available.  
(a) Not available

## Statistical Supplement 13 Principal Employers (Unaudited)

### Current Fiscal Year

Employer	Number of Employees	% of Employment
Paris Regional Medical Center	900	21.79%
Campbell Soup Company	750	18.16%
Kimberly-Clark Corporation	750	18.16%
The Results Company	419	10.14%
Harper Companies	522	12.64%
RK Hall Construction	200	4.84%
Huhtamaki	200	4.84%
Delco Trailers	200	4.84%
Paris Print Works	100	2.42%
Silgan Containers	90	2.17%
<b>Total</b>	<b>4,131</b>	<b>100.00%</b>

### Nine Years Prior

Employer	Number of Employees	% of Employment
Paris Regional Medical Center	1,000	17.68%
Campbell Soup Company	900	15.92%
Kimberly-Clark Corporation	800	14.15%
Turner Industries	700	12.38%
Paris ISD	640	11.32%
North Lamar ISD	500	8.84%
City of Paris	320	5.66%
We Pack Logistics, Inc.	300	5.31%
RK Hall Construction	250	4.42%
Paris Junior College	245	4.32%
<b>Total</b>	<b>5,655</b>	<b>100.00%</b>

**Source:**

City of Paris and Local Entities  
[www.parisedc.com/major-employers/](http://www.parisedc.com/major-employers/)  
[www.sitesontexas.com](http://www.sitesontexas.com)

Statistical Supplement 14  
Faculty, Staff, and Administrators' Statistics  
Last Ten Fiscal Years  
(Unaudited)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Faculty</b>										
Full-Time	78	77	77	83	75	81	83	88	92	92
Part-Time	85	81	90	106	112	106	138	146	159	186
<b>Total</b>	<b>163</b>	<b>158</b>	<b>167</b>	<b>189</b>	<b>187</b>	<b>187</b>	<b>221</b>	<b>234</b>	<b>251</b>	<b>278</b>
<b>Percent</b>										
Full-Time	48%	49%	46%	44%	40%	43%	38%	38%	37%	33%
Part-Time	52%	51%	54%	56%	60%	57%	62%	62%	63%	67%
<b>Staff and Administrators</b>										
Full-Time	123	121	126	127	130	111	121	116	113	120
Part-Time	25	24	31	37	21	34	30	41	47	51
<b>Total</b>	<b>148</b>	<b>145</b>	<b>157</b>	<b>164</b>	<b>151</b>	<b>145</b>	<b>151</b>	<b>157</b>	<b>160</b>	<b>171</b>
<b>Percent</b>										
Full-Time	83.1%	83.4%	80.3%	77.4%	86.1%	76.6%	80.1%	73.9%	70.6%	70.2%
Part-Time	16.9%	16.6%	19.7%	22.6%	13.9%	23.4%	19.9%	26.1%	29.4%	29.8%
<b>Total</b>										
Full-Time	201	198	203	210	205	192	204	204	205	212
Part-Time	110	105	121	143	133	140	168	187	206	237
<b>Total</b>	<b>311</b>	<b>303</b>	<b>324</b>	<b>353</b>	<b>338</b>	<b>332</b>	<b>372</b>	<b>391</b>	<b>411</b>	<b>449</b>
<b>Percent</b>										
Full-Time	65%	65.3%	62.7%	59.5%	60.7%	57.8%	54.8%	52.2%	49.9%	47.2%
Part-Time	35%	34.7%	37.3%	40.5%	39.3%	42.2%	45.2%	47.8%	50.1%	52.8%
FTSE per Full-Time Faculty	23.00	23.00	21.00	23.00	24.00	24.00	22.00	22.00	22.00	22.17
FTSE per Full-Time Staff Member	17.00	17.00	17.00	22.00	25.00	23.00	22.00	23.00	25.00	24.92
Average Annual Faculty Salary	\$ 62,472	\$ 59,643	\$ 56,754	\$ 61,614	\$ 56,153	\$ 56,115	\$ 58,158	\$ 58,941	\$ 59,310	\$ 57,888

Statistical Supplement 15  
Enrollment Details  
Last Five Fiscal Years  
(Unaudited)

Student Classification	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 Hours	3,524	79.60%	3,284	75.23%	3,322	75.14%	3,585	73.80%	3,642	73.56%
31-60 Hours	640	14.46%	853	19.54%	851	19.25%	955	19.66%	804	16.24%
> 60 Hours	263	5.94%	228	5.23%	248	5.61%	318	6.54%	505	10.20%
Total	4,427	100.00%	4,365	100.00%	4,421	100.00%	4,858	100.00%	4,951	100.00%

Semester Hour Load	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	5	0.11%	7	0.16%	7	0.16%	7	0.14%	3	0.06%
3-5 Semester Hours	1,167	26.36%	1,154	26.44%	1,143	25.85%	1,263	26.00%	1,220	24.64%
6-8 Semester Hours	1,166	26.34%	1,129	25.86%	1,149	25.99%	1,176	24.21%	1,204	24.32%
9-11 Semester Hours	626	14.14%	609	13.95%	604	13.66%	745	15.34%	731	14.76%
12-14 Semester Hours	909	20.53%	963	22.06%	1,012	22.89%	1,093	22.50%	1,139	23.01%
15-17 Semester Hours	451	10.19%	413	9.46%	415	9.39%	472	9.72%	527	10.64%
18 & Over	103	2.33%	90	2.07%	91	2.06%	102	2.09%	127	2.57%
Total	4,427	100.00%	4,365	100.00%	4,421	100.00%	4,858	100.00%	4,951	100.00%

Average Course Load (Hours)	8.50	8.50	8.50	8.60	8.80
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Tuition Status	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (In-District)	1,242	28.06%	1,219	27.93%	1,201	27.17%	1,257	25.87%	1,271	25.67%
Texas Resident (Out-of-District)	2,973	67.16%	3,024	69.28%	3,112	70.39%	3,353	69.02%	3,389	68.45%
Non-Resident Tuition	100	2.26%	77	1.76%	49	1.11%	64	1.32%	77	1.56%
Tuition Exempt	112	2.52%	45	1.03%	59	1.33%	184	3.79%	214	4.32%
Total	4,427	100.00%	4,365	100.00%	4,421	100.00%	4,858	100.00%	4,951	100.00%



Statistical Supplement 16  
Student Profile  
Last Five Fiscal Years  
(Unaudited)

Gender	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	2,758	62.30%	2,735	62.66%	2,778	62.84%	2,962	60.97%	2,971	59.91%
Male	1,669	37.70%	1,630	37.34%	1,643	37.16%	1,896	39.03%	1,988	40.09%
<b>Total</b>	<b>4,427</b>	<b>100.00%</b>	<b>4,365</b>	<b>100.00%</b>	<b>4,421</b>	<b>100.00%</b>	<b>4,858</b>	<b>100.00%</b>	<b>4,959</b>	<b>100.00%</b>

Ethnic Origin	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	2,636	59.54%	2,684	61.49%	2,800	63.33%	3,100	63.01%	3,185	64.23%
Hispanic	970	21.91%	961	22.02%	935	21.15%	927	19.08%	915	18.45%
African American	450	10.16%	430	9.85%	408	9.23%	474	10.56%	524	10.57%
Asian	45	1.02%	48	1.10%	47	1.06%	51	1.05%	49	0.99%
Native American	55	1.24%	57	1.31%	64	1.45%	63	1.30%	72	1.45%
Other	271	6.13%	185	4.23%	167	3.78%	243	5.00%	214	4.31%
<b>Total</b>	<b>4,427</b>	<b>100.00%</b>	<b>4,365</b>	<b>100.00%</b>	<b>4,421</b>	<b>100.00%</b>	<b>4,858</b>	<b>100.00%</b>	<b>4,959</b>	<b>100.00%</b>

Age	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,836	41.47%	1,737	39.79%	1,715	38.79%	1,809	37.24%	1,757	35.43%
18 - 21	1,460	32.98%	1,492	34.18%	1,498	33.88%	1,707	35.14%	1,855	37.41%
22 - 24	314	7.09%	308	7.06%	346	7.83%	391	8.05%	392	7.90%
25 - 35	525	11.86%	532	12.19%	585	13.23%	614	12.64%	622	12.54%
36 - 50	235	5.31%	232	5.32%	224	5.07%	273	5.62%	280	5.65%
51 and over	57	1.29%	64	1.46%	53	1.20%	64	1.31%	53	1.07%
<b>Total</b>	<b>4,427</b>	<b>100.00%</b>	<b>4,365</b>	<b>100.00%</b>	<b>4,421</b>	<b>100.00%</b>	<b>4,858</b>	<b>100.00%</b>	<b>4,959</b>	<b>100.00%</b>

Average Age	21.3	21.6	21.7	21.0	21.0
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Statistical Supplement 17  
Transfers to Senior Institutions  
Academic Year 2022-2023 Students as of Fall 2022  
Includes only public senior colleges in Texas  
(Unaudited)

	Transfer Student Count Academic	Transfer Student Count Technical	Transfer Student Count Tech-Prep	Total of all PJC Transfer Students	% of all PJC Transfer Students
1 Angelo State University	1	-	-	1	0.11%
2 Lamar University	4	-	-	4	0.46%
3 Midwestern State University	34	-	-	34	3.90%
4 Prairie View A&M University	4	-	-	4	0.46%
5 Sam Houston State University	7	-	-	7	0.80%
6 Stephen F. Austin State University	26	1	-	27	3.10%
7 Tarleton State University	17	-	-	17	1.95%
8 Texas A&M International University	-	-	-	-	0.00%
9 Texas A&M University	119	1	2	122	14.01%
10 Texas A&M University - Central Texas	1	-	2	3	0.34%
11 Texas A&M University - Commerce	348	3	-	351	40.30%
12 Texas A&M University - Corpus Christi	5	-	-	5	0.57%
13 Texas A&M University - Kingsville	3	-	-	3	0.34%
14 Texas A&M University - San Antonio	-	-	-	-	0.00%
15 Texas A&M University - Texarkana	11	-	-	11	1.26%
16 Texas A&M University at Galveston	2	-	-	2	0.23%
17 Texas A&M University System Health Science Center	9	-	-	9	1.03%
18 Texas Southern University	3	-	-	3	0.34%
19 Texas State University	19	-	-	19	2.18%
20 Texas Tech University	36	-	-	36	4.13%
21 Texas Tech University Health Science Center	2	1	-	3	0.34%
22 Texas Woman's University	13	1	-	14	1.61%
23 University of Houston	3	-	-	3	0.34%
24 University of Houston - Clear Lake	1	-	-	1	0.11%
25 University of Houston - Victoria	-	-	-	-	0.00%
26 University of North Texas	48	-	-	48	5.51%
27 University of North Texas at Dallas	1	-	-	1	0.11%
28 University of North Texas Health Science Center	-	-	-	-	0.00%
29 University of Texas - Rio Grande Valley	-	-	-	-	0.00%
30 University of Texas at Arlington	19	4	-	23	2.64%
31 University of Texas at Austin	27	1	-	28	3.21%
32 University of Texas at Dallas	10	1	-	11	1.26%
33 University of Texas at El Paso	-	-	-	-	0.00%
34 University of Texas at San Antonio	2	-	-	2	0.23%
35 University of Texas at Tyler	69	1	1	71	8.15%
36 University of Texas M.D. Anderson Cancer Center	-	-	-	-	0.00%
37 University of Texas of the Permian Basin	1	-	-	1	0.11%
38 West Texas A&M University	6	1	-	7	0.80%
<b>Totals</b>	<b>851</b>	<b>15</b>	<b>5</b>	<b>871</b>	<b>100.00%</b>

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

Statistical Supplement 18  
Capital Asset Information  
Fiscal Years 2019 to 2023  
(Unaudited)

	2023 Square Footage	2022 Square Footage	2021 Square Footage	2020 Square Footage	2019 Square Footage
<u>Academic Buildings</u>					
Agriculture Barn	4,800	4,800	4,800	4,800	4,800
Applied Sciences Center	45,000	45,000	45,000	45,000	45,000
Applied Technology	64,600	64,600	64,600	64,600	64,600
Annex 1 Cosmetology	5,000	5,000	5,000	5,000	5,000
Annex 3 Art	7,500	7,500	7,500	7,500	7,500
Greenville Technical Center (current)	39,000	39,000	39,000	39,000	39,000
Henry P. Mayer Center for the Musical Arts	10,000	10,000	10,000	10,000	10,000
A. Frank Grimes Natural Sciences	15,276	15,276	15,276	15,276	15,276
Math and Science Technology Building	42,000	42,000	42,000	42,000	42,000
PJC Recreational Center	-	-	-	-	18,321
Sulphur Springs, High School	-	-	-	-	-
Sulphur Springs, Loop 301	21,000	21,000	21,000	21,000	21,000
<u>Libraries</u>					
Mike Rheudasil Learning Center	54,000	54,000	54,000	54,000	54,000
<u>Administrative and Support Buildings</u>					
College Store	3,000	3,000	3,000	3,000	3,000
DeShong Chapel	1,668	1,668	1,668	1,668	1,668
Jess B. Alford Center	8,436	8,436	8,436	8,436	8,436
Louise B. Williams Administration	26,300	26,300	26,300	26,300	26,300
Mary Jo Gabbert	2,150	2,150	2,150	2,150	2,150
Willow Creek Office	3,196	3,196	3,196	3,196	3,196
<u>Dormitories</u>					
Clara Rice Thompson Hall	13,308	13,308	13,308	13,308	13,308
Dixon L. Hatcher Hall	13,308	13,308	13,308	13,308	13,308
South Campus	33,000	33,000	33,000	33,000	33,000
<u>Apartments</u>					
B.E. Masters Apartment Complex	48,848	48,848	48,848	48,848	48,848
<u>Dining Facilities</u>					
J.R. McLemore Student Center	24,960	24,960	24,960	24,960	24,960
<u>Athletic Facilities</u>					
Golf Storage	176	176	176	176	176
Harold E. Hunt Physical Education Center	17,815	17,815	17,815	17,815	17,815
H.L. Hollis Fieldhouse	1,901	1,901	1,901	1,901	1,901
Old Gymnasium	13,500	13,500	13,500	13,500	13,500
<u>Plant Facilities</u>					
Downtown Center	-	-	-	-	-
Mechanical Building #1	1,745	1,745	1,745	1,745	1,745
Mechanical Building #2	1,975	1,975	1,975	1,975	1,975
Physical Plant Operations	4,946	4,946	4,946	4,946	4,946
Vehicle Shop	2,880	2,880	2,880	2,880	2,880
<b>Total Square Footage</b>	<b>531,288</b>	<b>531,288</b>	<b>531,288</b>	<b>531,288</b>	<b>549,609</b>
<u>Transportation</u>					
Cars	17	18	15	15	15
Light Trucks/Vans	31	29	29	29	27
Bus	5	5	5	5	5
<b>Total</b>	<b>53</b>	<b>52</b>	<b>49</b>	<b>49</b>	<b>47</b>