

COLUMBIA GORGE COMMUNITY COLLEGE
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2006

COLUMBIA GORGE COMMUNITY COLLEGE

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COLUMBIA GORGE COMMUNITY COLLEGE

PRINCIPAL OFFICIALS
JUNE 30, 2006

BOARD OF EDUCATION

<u>POSITION</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TERM EXPIRES</u>
1	M.D. VanValkenburg	204 E. 4 th Street The Dalles, Oregon 97058	6-30-09
2	Dr. James R. Willcox	514 Brentwood Drive The Dalles, Oregon 97058	6-30-09
3	Dave Fenwick Vice Chair	3663 Holly Drive Hood River, Oregon 97031	6-30-07
4	Christie Reed	675 Highline Road Hood River, Oregon 97031	6-30-07
5	Dr. Ernie Keller Chair	1205 Walnut Street The Dalles, Oregon 97058	6-30-09
6	Michael Schend	4330 Wooded Acres Drive Hood River, Oregon 97031	6-30-07
7	Charleen Cobb	1711 West 13 th St., Apt. 16 The Dalles, Oregon 97058	6-30-09

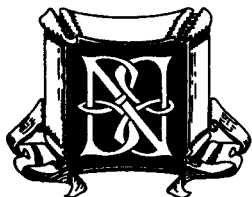
COLUMBIA GORGE COMMUNITY COLLEGE

PRINCIPAL OFFICIALS
JUNE 30, 2006

ADMINISTRATIVE OFFICERS

Dr. Frank K. Toda - President	659 Sherman Drive The Dalles, Oregon 97058
Saundra Buchanan – Chief Financial Officer	5480 Hawley-Steele Road The Dalles, Oregon 97058
Dr. Susan J. Wolff - Dean of Instruction	815 Sieverkropp Drive Hood River, Oregon 97031
Karen Carter - Dean of Student Services	3803 Pleasant Ridge Road The Dalles, Oregon 97058
Robert A. Cole – Executive Director of Resource Development	2200 Lewis Street The Dalles, Oregon 97058
Dennis Whitehouse – Director of Facilities Services	1612 W. 12 th Street The Dalles, Oregon 97058
William S. Bohn – Director of Information Technologies	409 11 th Street Hood River, Oregon 97031
Margaret Johnson – Assistant to the President & Board of Education	P.O. Box 778 White Salmon, Washington 98672

FINANCIAL SECTION



BYERS, NEUMAYER & BRADFORD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

305 East Fifth Street • The Dalles, Oregon 97058

(541) 296-2000 • (541) 296-5636 Fax
www.bnbcpas.com

Ben G. Neumayer
Gary F. Bradford

John W. Byers
Carolyn Rohde
Nathan Reagan
Carol Friend

INDEPENDENT AUDITOR'S REPORT

Board of Education
Columbia Gorge Community College
The Dalles, Oregon 97058

We have audited the accompanying basic financial statements of Columbia Gorge Community College, as of June 30, 2006, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of Columbia Gorge Community College management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Columbia Gorge Community College, as of June 30, 2006, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2006, on our consideration of Columbia Gorge Community College's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 9 through 20 and 40 through 95, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Columbia Gorge Community College's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Columbia Gorge Community College. The schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, including the schedule of expenditures of federal awards, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.


CERTIFIED PUBLIC ACCOUNTANTS

December 6, 2006

December 2006

Board of Directors
Columbia Gorge Community College

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Columbia Gorge Community College's (the College) Financial Report presents an analysis of the financial activities of the College for the fiscal years ended June 30, 2006 and 2005. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes and current known facts.

Accounting Standards

In June 1999, the Governmental Accounting Standards Board (GASB) released Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" which established a new reporting format for governmental financial statements. Statement No 34 requires a comprehensive one-column look at the entity as a whole, along with recognition of depreciation on capital assets. In November 1999, GASB issued Statement No. 35 "Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities". The College was required to adopt these standards for the fiscal year ended June 30, 2004. The Management's Discussion and Analysis report for fiscal year ending June 30, 2006 provides a comparison of prior year activities.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Columbia Gorge Community College's basic financial statements, which are comprised of entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances, in a manner similar to a private-sector business. These statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole. The entity-wide statements are comprised of the following:

- The *Statement of Net Assets* presents information on all of the College's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are indicators of the improvement or erosion of the College's financial health when considered along with non-financial facts such as enrollment levels and the condition of the facilities.
- The *Statement of Revenues, Expenses and Changes in Net Assets* presents the revenues earned and the expenses incurred during the year. All changes in net assets are reported under accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing when the cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived assets is

reflected in the financial statements as depreciation, which amortizes the cost of the capital asset over the expected useful life. Revenues and expenses are reported as either operating or non-operating, with operating revenues primarily coming from tuition and fees. State appropriations and property taxes are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss, although overall net assets remain positive.

- The *Statement of Cash Flows* presents information on cash flows from operating activities, non-capital financial activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating financial viability and the College's ability to meet financial obligations as they become due.
- The *Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

Financial and Enrollment Highlights

Financial and enrollment highlights for Columbia Gorge Community College for fiscal year ending June 30, 2006 are described below.

The State of Oregon FTE reimbursement increased by 59 percent from \$2,725,745 to \$4,339,711 primarily due to the deferral of the College's fiscal year 2005 fourth quarter FTE reimbursement of \$703,690 to fiscal year 2006. The increase was caused by the Oregon Legislature's deferral of its fourth quarter FTE reimbursement from April 2005 to July 2005. The deferrals were enacted in 2003 by the Oregon Legislature and are scheduled to occur on alternate years so that the State can balance its biennial budget. Further explanation of the deferral and its impact is found in the revenue section of this analysis.

The College's financial position, as a whole, improved during the fiscal year ended June 30, 2006 as evidenced by:

- Cash and cash equivalents of \$22,117,177 at the beginning of the year increased by \$330,271 during the year to a total of \$22,447,448 at the close of the fiscal year. The cash flows from operating activities were from tuition and fees of \$1,887,708, bookstore sales of \$377,289, other operating revenue of \$130,106 and cash paid for operating expenses of \$8,183,454. Cash provided from non-capital financing activities totaled \$8,137,915 primarily from cash received from State FTE reimbursement of \$4,339,711, cash from property taxes of \$2,552,184 and cash from grants and contracts of \$1,265,535. The capital financing uses of cash were the purchase of capital assets of \$1,397,494, principal payments of \$741,382 and interest payments of \$1,068,659. Investing activities provided \$1,188,242 in cash.
- Net assets may serve over time as a useful indicator of the College's financial position. This report shows an increase in total net assets from \$6,100,618 in fiscal year 2005 to \$7,766,628 in fiscal year 2006. Total net assets increased from \$5,223,382 in fiscal year 2004 to \$6,100,618 in fiscal year 2005. Total revenues exceeded total expenses by \$1,666,008 in 2006 and by \$877,238 in 2005.

One of the College's largest net assets, \$2,663,719, reflects the amount invested in capital assets, (e.g. land, buildings, machinery and equipment), less any related outstanding debt used to acquire those assets. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the

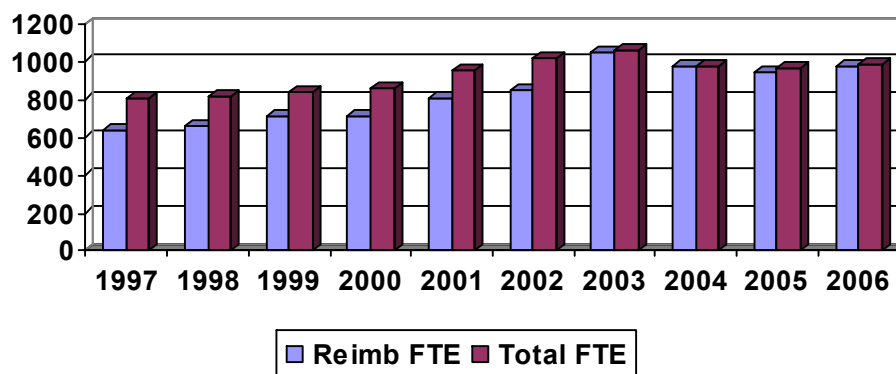
resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The debts used to acquire the capital assets will be paid off over the next seven years with funding from the 1998 general obligation refunding bond property tax levy in Wasco County. Investment in future capital assets will be paid over the next 20 years from the 2005 general obligation bond district-wide property tax levy in Hood River and Wasco Counties.

In 2006, the College continued a phase of capital construction, infrastructure improvements and development of a permanent site in Hood River County that is funded by passage of an \$18.5 million bond measure in November 2004. The issuance of \$18.5 million general obligation bonds was completed May 25, 2005. The 2005 Oregon Legislature approved the issuance of matching State bonds in the amount of \$7.5 million during 2005-07 biennium for capital construction and improvements for Columbia Gorge Community College.

Statements for fiscal year ending June 30, 2005 have been restated to include the College's pension asset and activity not previously reported in the G.A.A.P. statements. Pension asset activity for 2005 includes recording the beginning pension asset balance of \$4,194,136 on July 1, 2004, Public Employees Retirement System (PERS) administrative fees of \$1,000 expensed to institutional support, interest income of \$596,996, and retirement contributions transferred to the PERS contribution pool.

Future enrollment is expected to increase as a result of capital construction and improvements. The construction of permanent College facilities in Hood River County will replace temporary leased facilities. The construction of new educational facilities and improvements to The Dalles campus in Wasco County will increase enrollment capacity and address inadequate facilities. Construction began in 2005 at the Port of The Dalles to build a new major facility for Google, Inc., one of the fastest growing companies in America. Regional economic growth is expected to increase long-term demand for College services. Reimbursable full-time equivalent enrollment increased by 2.9% to 971.88 FTE in 2006 recovering to 2004 FTE levels. Factors contributing to the modest increase in enrollment include a five percent increase in the tuition rate, limitations on State reimbursement for certain adult education courses which resulted in reduced offerings beginning in fiscal year 2004, the overall level of State community college appropriations and inadequate permanent and temporary facilities including limited classrooms and parking. The following chart shows reimbursable and total full-time equivalent enrollment levels for the past ten years.

Reimbursable and Total Full-time Equivalent Enrollment



Analysis of the Statement of Net Assets
As of June 30, 2006

The Statement of Net Assets includes all assets and liabilities of the College using the accrual basis of accounting, which is similar to the accounting presentation used by most private colleges. Net assets are the difference between assets and liabilities, and are one measure of the financial condition of the College.

Statement of Net Assets	2006	2005	Increase (Decrease)
Assets			
Current Assets:			
Cash in Bank	\$377,245	\$0	\$377,245
Short-Term Investments	22,070,203	22,303,679	(233,476)
Prepaid Expenditures	3,310	10,268	(6,958)
Receivables:			
Taxes	188,301	164,409	23,892
Accounts, net	123,365	112,448	10,917
Grants and Contracts	301,036	341,457	(40,421)
Publisher's and Vendor's Credits	49,680	31,784	17,896
Inventory – Textbooks and Supplies	121,577	104,514	17,063
Total Current Assets	23,234,718	23,068,559	166,158
Non Current Assets:			
Pension Assets	4,715,164	4,537,879	177,285
Capital Assets, Net of Depreciation	7,061,782	6,573,191	488,591
Total Non Current Assets	11,776,946	11,111,070	665,876
Total Assets	\$35,011,664	\$34,179,629	\$832,034
Liabilities			
Current Liabilities:			
Cash in Bank – Net Deficit	\$0	\$186,502	(\$186,502)
Accounts Payable	360,720	105,264	255,456
Accrued Payroll and Withholdings	177,991	154,021	23,970
Accrued Interest Payable	47,958	96,639	(48,681)
Compensated Absences Payable	77,636	71,114	6,522
Due to Fiduciary Funds	1,782	3,004	(1,222)
Deferred Revenue:			
Tuition and Fees	121,652	166,828	(45,176)
Grants and Contracts	0	5,175	(5,175)
Current Portion of Long-Term Debt	984,793	833,196	151,597
Total Current Liabilities	1,772,533	1,621,743	150,789
Non Current Liabilities:			
Small Scale Energy Loan Payable	78,063	99,445	(21,382)
General Obligation Bonds Payable	23,018,023	23,761,015	(742,992)
Pension Bonds Payable	3,361,210	3,430,002	(68,792)
Less Current Portion of Long-Term Debt	(984,793)	(833,196)	(151,597)
Total Non Current Liabilities	25,472,503	26,457,266	(984,763)
Total Liabilities	\$27,245,036	\$28,079,009	(\$833,974)

Statement of Net Assets (continued)	2006	2005	Increase (Decrease)
Net Assets			
Invested in Capital Assets, Net of Related Debt	\$2,663,719	\$1,668,746	\$994,973
Restricted for:			
Debt Service	421,307	212,123	209,184
Capital Projects	(1,878,055)	(234,547)	(1,643,508)
Unrestricted	6,559,657	4,454,299	2,105,358
Total Net Assets	7,766,628	6,100,621	1,666,007
Total Liabilities and Net Assets	\$35,011,664	\$34,179,629	\$832,033

Current assets of \$23,234,717 were more than sufficient to cover current liabilities of \$1,772,532. This represents a current ratio of 13.1 as compared to 14.2 in the prior year. Cash in bank increased to \$377,245 as compared to a net deficit of \$186,502 in the prior year due to cash balances in the checking account. Cash balances are managed to increase interest earnings and provide for cash flow for clearing checks. Short term investments decreased by \$233,476 due to increased cash balances in the checking account. Prepaid expenditures decreased by \$6,958. Receivables decreased in total by \$5,612 due to an increase in taxes receivable of \$23,892, an increase in accounts receivable of \$10,917 and a decrease in grants and contracts receivable of \$40,421. The total credits due from publishers and vendors increased by \$17,896. Textbook and supplies inventories increased by \$17,063. The College's pension asset increased by \$177,285 due to favorable investment returns of the Oregon Public Employees Retirement System in excess of the contributions transferred to the PERS contribution pool for employer rate relief.

The College's investment in capital assets increased by \$488,591 to \$7,061,782, net of accumulated depreciation. Changes to capital assets for the year include decreasing assets by \$665,832 for buildings that were demolished or removed from The Dalles Campus, increasing assets by \$1,300,000 for land acquisition in Hood River County, increasing assets by \$5,500 for building improvements, increasing assets by \$91,996 for capital equipment purchases and recording depreciation of \$243,073.

The College's current liabilities consist primarily of payroll, net deficit from cash in bank, various payables for operations and the current portion of long-term debt. Current liabilities increased by \$150,789. The net deficit of cash in bank in 2005 results from the timing of cash transfers between checking accounts and short term investment accounts and was eliminated in 2006.

Non-current liabilities consist of long term debt from the 1994 small scale energy loan, general obligation refunding bonds series 1998, general obligation bond series 2005, and the pension bonds series 2003.

Within net assets, the "invested in capital assets" amount is \$2,663,719, an increase of \$994,973 as compared to the prior year. In future years, the College's capital assets will continue to grow as a result of the November 2004 voter approval to issue general obligation bonds up to \$18.5 million for capital expansion and improvement projects on The Dalles campus and for establishing permanent facilities in Hood River County. Restricted net assets for debt service increased by \$209,184 and for capital projects decreased by \$1,643,508. Unrestricted net assets increased by \$2,105,358 to \$6,559,657 showing improvement over the prior year's restated total of \$4,454,299.

***Analysis of the Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2006***

The Statement of Revenues, Expenses and Changes in Net Assets present the operating results of the College as well as the non-operating revenues and expenses. Annual state FTE reimbursements and property taxes, while budgeted for operations, are considered non-operating revenues according to accounting principles generally accepted in the United States of America (GAAP). Overall net assets remain positive, although this statement presents an operating loss due to the classification of State appropriations and property tax revenue.

Statement of Revenues, Expenses and Changes in Net Assets	2006	2005	Increase (Decrease)
Operating Revenues			
Student Tuition and Fees	\$1,941,673	\$1,809,486	\$132,187
Bookstore Sales	397,313	400,459	(3,146)
Other Operating Revenue	130,106	85,447	44,659
Total Operating Revenues	2,469,092	2,295,392	173,700
Operating Expenses			
Instruction	3,022,280	3,037,471	(15,191)
Academic Support	723,677	584,319	139,358
Student Services	529,897	446,629	83,268
Public Services	240,863	139,800	101,063
Institutional Support	1,566,317	1,392,404	173,913
Financial Aid	72,338	70,685	1,653
Plant Operating and Maintenance	1,705,007	1,078,944	626,063
Plant Improvements	239,266	0	239,266
Bookstore	359,655	439,511	(79,856)
Depreciation	243,073	231,235	11,838
Total Operating Expenses	8,702,373	7,420,998	1,281,375
Operating Loss	(6,233,280)	(5,125,606)	(1,107,675)
Non-Operating Revenues (Expenses)			
Federal Grants and Contracts	\$902,568	\$1,230,760	(\$328,192)
State and Local Grants and Contracts	327,721	136,607	191,114
State Community College Support	4,339,711	2,725,745	1,613,966
Property Taxes	2,576,076	1,309,686	1,266,390
Interest Income	1,365,527	748,460	617,067
Lease Income	160,574	192,426	(31,852)
Amortization of Bond Premium, Net	22,992	3,832	19,160
Other Non-operating Income	46,817	134,366	(87,549)
Interest Expense	(1,128,905)	(424,565)	(704,340)
Lease Expenses	(47,962)	(53,610)	5,648
Loss on Disposal of Capital Assets	(665,830)	0	(665,830)
Other Non-operating Expenses	0	(865)	865
Total Non-operating Revenues (Exp)	7,899,288	6,002,842	1,896,447
Increase (Decrease) in Net Assets	1,666,008	877,236	788,772
Net Assets - Beginning of Year	6,100,620	5,223,382	877,238
Net Assets - End of Year	\$7,766,628	\$6,100,618	\$1,666,010
Total Revenues	\$12,211,078	\$8,777,274	\$3,433,804
Total Expenses	10,545,070	7,900,036	2,645,034
Increase (Decrease) in Net Assets	\$1,666,008	\$877,236	\$788,772

Revenues:

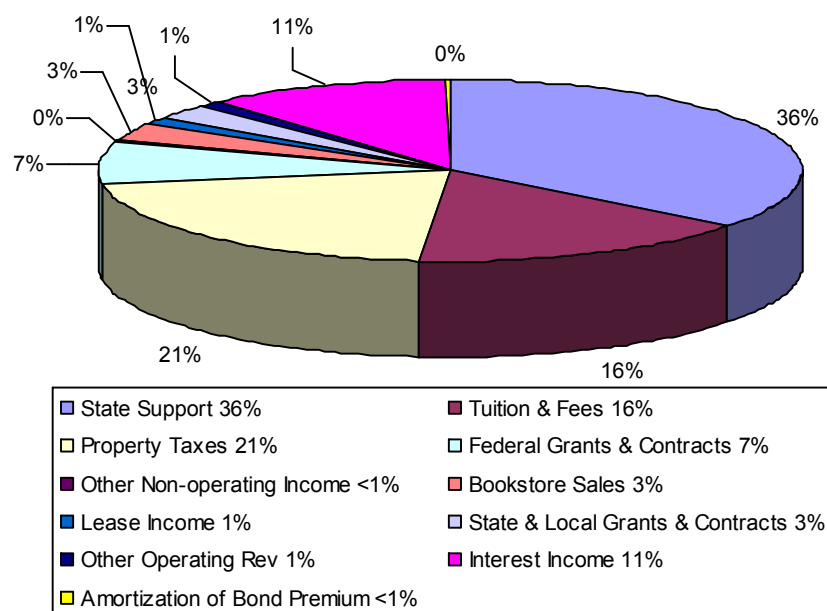
The sources of operating revenue for the College are tuition and fees, bookstore sales and other operating revenue. Operating revenues increased by 7.6 percent as compared to 2005. Tuition and fees, which include all amounts paid for educational purposes, increased by 7 percent or \$132,187 to \$1,941,673 and represents 16 percent of total revenue. The tuition rate increased in fiscal year 2006 by \$3 per credit hour to \$62 per credit hour. The service fee remained unchanged at \$8 per credit hour. Bookstore sales decreased less than 1 percent by \$3,146 to \$397,313. Other operating revenue totaled \$130,106.

Non-operating revenues increased by 32 percent overall. The largest non-operating revenue source is the State of Oregon which funds FTE reimbursements through the Community College Support Fund and represents 36 percent of total revenue. State Community College Support revenue increased by 59 percent to \$4,339,711 primarily due to the deferral of the College's fiscal year 2005 fourth quarter FTE reimbursement of \$703,690 to fiscal year 2006. Of the \$4,339,711 received from the State, \$3,636,021 equals four quarters FTE reimbursement.

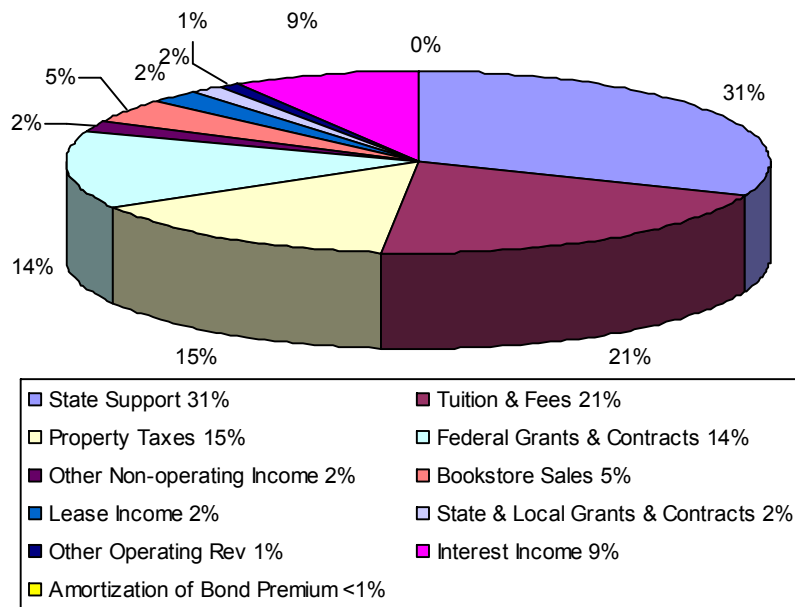
Property taxes increased by 97 percent to \$2,576,076 and represents 21 percent of total revenue. Of the \$2,576,076 in property taxes received, \$1,916,591 is attributed to general obligation bond levies. Fiscal year 2006 marks the first year to levy property taxes for the general obligation bonds issued in 2005. Non-operating revenue from federal grants and contracts provided 7 percent of total revenue and decreased by \$328,192 to \$902,568 as federal grants to support nursing and health occupations programs are expended. Non-operating revenue from state and local grants and contracts totaled \$327,721 and represents an increase of 140 percent as compared to the prior year due primarily to the Oregon Career Pathways contract and incentive grants. Lease income totaled \$160,574 and decreased by 17 percent due to the loss of residential leases because of the demolition or removal of houses to make way for capital improvements. Other non-operating income decreased by \$87,549 to \$46,817. Interest income increased significantly to \$1,365,527 due to pension asset investment earnings, investment of the 2005 general obligation bond proceeds, and favorable interest rates.

The following graphs show the allocation of revenues for fiscal years 2006 and 2005.

2006 Operating and Non-Operating Revenues



2005 Operating and Non-Operating Revenues

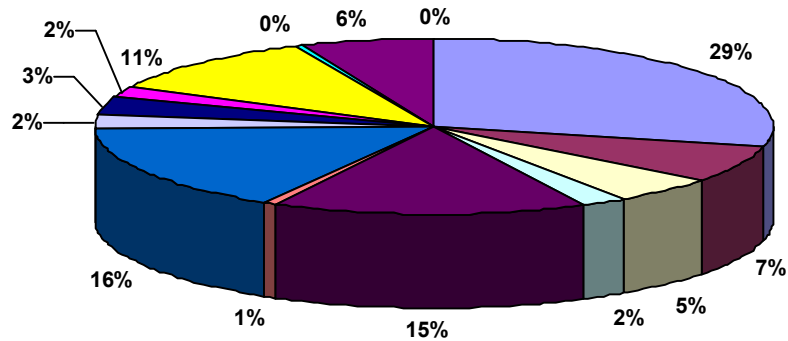


Expenses:

Operating expenses increased by 17 percent to \$8,702,373. Instruction represents the largest percentage of total expenses at \$3,022,280 or 29 percent of total expenses. Academic support expenses total \$723,677 or 7 percent of total expenses. Institutional support expenses total \$1,566,317 or 15 percent of total expenses. Plant operation and maintenance expenses increased to \$1,705,007 or 16 percent of total expenses. Plant improvements total \$239,266 and represent 2 percent of total expenses. Bookstore expenses totaled \$359,655 and represents 3 percent of total expenses. Student services expenses increased by 19 percent to \$529,897 and represents 5 percent of total expenses. Depreciation increased to \$243,073 or 2 percent of total expenses. Public services increased by 72 percent to \$240,863 or 2 percent of total expenses. Financial aid expenses increased slightly to \$72,338 and represent 1 percent of total expenses.

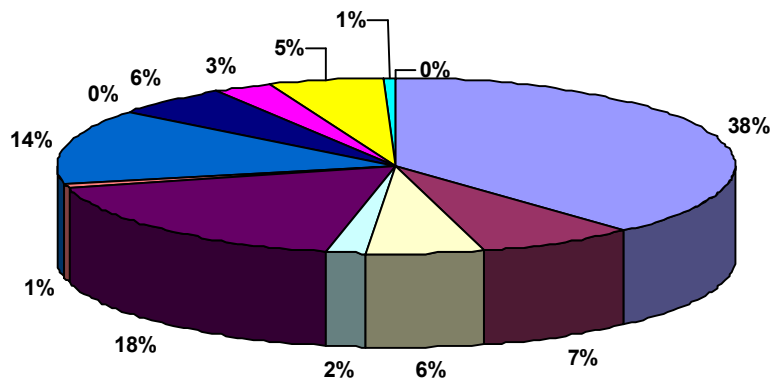
The largest non-operating expense was interest on debt of \$1,128,905 which represents 11 percent of total expenses. Lease expenses total \$47,962 or 0.5 percent of total expenses. Loss on the disposal of capital assets accounts total \$665,830 or 6.3 percent of total expenses. The following charts show the allocation of expenses for the College by functional classification for fiscal years 2006 and 2005:

2006 Operating & Non-Operating Expenses



Instruction 29%	Academic Support 7%	Student Services 5%
Public Services 2%	Institutional Support 15%	Financial Aid 1%
Plant Operation & Maint. 16%	Plant Improvements 2%	Bookstore 3%
Depreciation 2%	Interest Exp 11%	Lease Exp <1%
Loss on Disp of Capital Assets 6%	Other Non-operating exp 0%	

2005 Operating & Non-Operating Expenses



Instruction 38%	Academic Support 7%	Student Services 6%
Public Services 2%	Institutional Support 18%	Financial Aid 1%
Plant Operation & Maint. 14%	Plant Improvements 0%	Bookstore 6%
Depreciation 3%	Interest Exp 5%	Lease Exp 1%
Other Non-operating exp <1%		

***Analysis of the Statement of Cash Flows
For the Year Ended June 30, 2006***

This statement provides an assessment of the financial health of the College. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the College during a period. The Statement of Cash Flows also helps users assess the ability to meet obligations as they come due, and the need for external financing.

Statement of Cash Flows	2006	2005	Increase (Decrease)
Cash Provided By (Used In):			
Operating Activities	(\$5,788,351)	(\$4,826,529)	(\$961,822)
Non-capital Financing Activities	8,137,915	5,559,383	2,578,532
Capital Financing Activities	(3,207,535)	17,903,192	(21,110,727)
Investing Activities	1,188,242	151,464	1,036,778
Net Increase in Cash	330,271	18,787,510	(18,457,239)
Cash - Beginning of year	22,117,177	3,329,667	18,787,510
Cash - End of year	\$22,447,448	\$22,117,177	\$330,271

Operating Activities: The College's major sources of cash included in operating activities were tuition and fees of \$1,887,708, bookstore sales of \$377,289 and other operating revenue of \$130,106. Major operating uses of cash were payments to employees and suppliers, as well as for student financial aid, totaling \$8,183,454. The College used \$961,822 more in cash in its operating activities than in the prior year, reflecting the increased costs of goods, services and employees that were not offset by increases in tuition.

Non Capital Financing Activities: State appropriations, property taxes, grants and contracts are the primary sources of non-capital financing. Other sources include leases and other non-operating income. Other Accounting standards require that these sources of revenue be reported as non-operating even though the College depends on these revenues to continue the current level of operations. Cash used by non capital financing activities include cash paid for lease expenses, payments for pension bonds, interest paid on pension bonds and other non-operating expenses. The net cash provided by non-capital financing activities was \$2,578,532 more than the prior year. Cash received from State appropriations increased by \$1,613,966. Cash received from grants and contracts increased by \$58,206. Property taxes increased by \$1,262,426. Other non-operating income decreased by \$342,105. Cash received from leases decreased by \$30,474. Cash paid for lease expenses decreased by \$5,648. Pension bond payments decreased by \$12,518. Interest paid on pension bonds increased by \$2,518. Other non-operating expenses decreased by \$865.

Capital Financing Activities: The cash provided by capital financing activities decreased by \$21,110,727. The net proceeds received from the 2005 general obligation bond sale were \$18,959,847. Purchases of capital assets increased by \$1,037,599 compared to the prior year. Principal paid on long term debt increased by \$266,139. Interest paid on long term debt increased by \$847,142.

Investing Activities: Interest on investments provided \$1,036,778 more cash than the prior year primarily from the investment of general obligation bond proceeds received in May 2005 to fund construction and capital improvements.

Budget

Columbia Gorge Community College adopts an annual budget at the fund level, which is under the modified accrual basis of accounting for governmental funds and on an accrual basis of accounting for proprietary and fiduciary funds. The College Board adopts budget modifications and makes contingency transfers as needed for unanticipated expenditures in accordance with Oregon Local Budget Law. For more information, please refer to the budgetary statements as Supplementary Information in the Financial Section of this report.

Capital Assets and Debt Administration

Capital Assets

The College's investment in capital assets as of June 30, 2006, amounts to \$7,061,782, net of accumulated depreciation. Investment in capital assets includes land, buildings, improvements, equipment and furnishings, and library collections. Additional information on the College's capital assets can be found in Note 9 of this report.

Debt Administration

At the end of the current fiscal year, the College had total debt outstanding of \$26,457,266. Of this amount, \$4,320,000 is the outstanding general obligation refunding bond series 1998; \$18,698,023 is the outstanding general obligation bond series 2005; \$3,361,210 is the outstanding pension obligation bond series 2003; and \$78,033 is the outstanding State of Oregon Small Scale Energy loan. The College made all scheduled payments to reduce total debt by \$833,196 in 2006.

On May 25, 2005, the College issued \$18,500,000 general obligation bonds which were approved by District voters of Hood River and Wasco Counties at a general election on November 2, 2004. Voters authorized issuance of \$18,500,000 of general obligation bonds with a maturity not to exceed 21 years to finance the costs of capital construction and improvements for health science and training facilities, renovate existing facilities, demolish unusable buildings, purchase land and pay the costs of issuance of the bonds.

The College received a general obligation debt rating of "A2", underlying; "Aa3", credit enhanced; and "Aaa", insured for its 2005 general obligation bond series. State statutes limit the amount of general obligation debt the College may issue to 1.5 percent of Real Market Value of properties within the College district. As of June 30, 2006, the legal debt limit is \$53,936,206, which is significantly higher than the College's outstanding debt of \$22,585,000. The College's outstanding general obligation bond debt is 41.9 percent of the legal debt limit.

Additional information on the College's long-term debt can be found in Note 12 of this report.

Economic Factors and Next Year's Budget

Limited state revenues and the necessity to raise funds with increased tuition and fees continue to be a major challenge. The College's mission to provide access to higher education within its district is affected by the level of state funding.

The Oregon Public Service Retirement Plan (OPSRP), a partial defined contribution plan and a partial defined benefits plan, went into effect on August 29, 2003 thus ending contributions to the previous state retirement system program (PERS). The full impact of the new plan on the College's unfunded actuarial liability (UAL) is unknown due to the effect of court challenges which

resulted in reallocation of earnings to PERS retirement accounts. On March 1, 2006, changes become effective to alter the calculation of the College's PERS rate credit amount due to pension bond financing in April 2003. The impact of these changes was uncertain when the fiscal year 2007 budget was developed.

The College proactively managed its financial position and adopted budgetary principles and practices that addressed cost containment and revenue enhancement. The development of the fiscal year 2006-2007 budget adheres to the principles of maintaining access to educational programs, support for a diverse student population, and balancing budget requirements with revenue increases. The College budget continues the commitment to provide programs to meet and respond to changing community needs. The College budget anticipates the State's planned deferral of the 2006-2007 fourth quarter payment to 2007-2008. The budget includes the third and final year of federal grant funding to support the nursing and health occupations programs. Funding for capital projects is budgeted from the 2005 general obligation bond proceeds and anticipated 2007 State bond proceeds. The College budget provides contingency funds to account for uncertainties in the level of State funding, the effect of tuition rate increases on enrollment and unanticipated operational and program expenditures. On June 13, 2006, the College adopted a balanced budget that includes a \$3 per credit hour tuition increase to \$65 per credit hour. The College is required by the Oregon Local Budget Law to present and adopt a balanced budget each year.

Requests for Information

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

Saundra Buchanan
Chief Financial Officer
Columbia Gorge Community College
400 East Scenic Drive
The Dalles, OR 97058

BASIC FINANCIAL STATEMENTS

COLUMBIA GORGE COMMUNITY COLLEGE

STATEMENT OF NET ASSETS

JUNE 30, 2006

(all amounts are in dollars)

ASSETS:

Current Assets:

Cash in Bank	377,245
Short-Term Investments	22,070,203
Prepaid Expenditures	3,310
Receivables:	
Taxes	188,301
Accounts, net	123,365
Grants and Contracts	301,036
Publisher's and Vendor's Credits	49,680
Inventory-Textbooks and Supplies	121,577
Total Current Assets	<u>23,234,718</u>

Noncurrent Assets:

Pension Asset (Note 5)	4,715,164
Capital Assets, net (Note 9)	7,061,782
Total Noncurrent Assets	<u>11,776,946</u>

<u>TOTAL ASSETS</u>	<u>35,011,664</u>
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LIABILITIES:

Current Liabilities:

Accounts Payable	360,720
Accrued Payroll and Withholdings	177,991
Accrued Interest Payable	47,958
Compensated Absences Payable	77,636
Due to Fiduciary Funds	1,782
Deferred Revenue:	
Tuition and Fees	121,652
Current Portion of Long-Term Debt (Note 12)	984,793
Total Current Liabilities	<u>1,772,533</u>

Noncurrent Liabilities:

Small Scale Energy Loan Payable	78,063
General Obligation Bonds Payable	23,018,023
Pension Bonds Payable	3,361,210
Less: Current Portion of Long-Term Debt	(984,793)
Total Noncurrent Liabilities	<u>25,472,503</u>

<u>TOTAL LIABILITIES</u>	<u>27,245,036</u>
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NET ASSETS

Invested in capital assets, net of related debt	2,663,719
Restricted for:	
Debt Service	421,307
Capital Projects	(1,878,055)
Unrestricted	<u>6,559,657</u>

<u>TOTAL NET ASSETS</u>	<u>7,766,628</u>
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See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

OPERATING REVENUES

Student Tuition and Fees	1,941,673
Bookstore Sales	397,313
Other Operating Revenue	130,106
Total Operating Revenues	<u>2,469,092</u>

OPERATING EXPENSES

Instruction	3,022,280
Academic Support	723,677
Student Services	529,897
Public Services	240,863
Institutional Support	1,566,317
Financial Aid	72,338
Plant Operation and Maintenance	1,705,007
Plant Improvements	239,266
Bookstore	359,655
Depreciation	243,073
Total Operating Expenses	<u>8,702,373</u>

Operating Income (Loss)	(6,233,280)
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NONOPERATING REVENUES (EXPENSES)

Federal Grants and Contracts	902,568
State and Local Grants and Contracts	327,721
State Community College Support	4,339,711
Property Taxes	2,576,076
Interest Income	1,365,527
Lease Income	160,574
Amortization of Bond Premium, Net of Costs	22,992
Other Nonoperating Income	46,817
Interest Expense	(1,128,905)
Lease Expenses	(47,962)
Loss on Disposal of Capital Assets	(665,830)
Total Nonoperating Revenues (Expenses)	<u>7,899,288</u>

Increase (Decrease) in Net Assets	1,666,008
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NET ASSETS

Net Assets - beginning of year, restated (Note 13)	<u>6,100,620</u>
Net Assets - end of year	<u><u>7,766,628</u></u>

See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Tuition and Fees	1,887,708	
Cash Received from Bookstore Sales	377,289	
Other Operating Revenue	130,106	
Cash Paid for Operating Expenses	<u>(8,183,454)</u>	
Net Cash Provided (Used) by Operating Activities		(5,788,351)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Cash Received from Grants and Contracts	1,265,535	
Cash Received from Property Taxes	2,552,184	
Cash Received from State FTE Reimbursement	4,339,711	
Cash Received from Leases	160,574	
Other Nonoperating Income	45,592	
Cash Paid for Lease Expenses	(47,962)	
Payments for Pension Bonds	(68,792)	
Interest Paid on Pension Bonds	<u>(108,927)</u>	
Net Cash Provided (Used) by Noncapital Financing Activities		8,137,915

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Purchase of Capital Assets	(1,397,494)	
Principal Paid on Long-Term Debt	(741,382)	
Interest Paid on Long-Term Debt	<u>(1,068,659)</u>	
Net Cash Provided (Used) by Capital Financing Activities		(3,207,535)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments	<u>1,188,242</u>	
Net Cash Provided (Used) by Investing Activities		<u>1,188,242</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	330,271
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<u>CASH AND CASH EQUIVALENTS- BEGINNING OF YEAR</u>	<u>22,117,177</u>
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<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u><u>22,447,448</u></u>
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See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

RECONCILIATION OF OPERATING LOSS TO
CASH USED BY OPERATING ACTIVITIES

Operating Loss		(6,233,280)
Adjustments to Reconcile:		
Depreciation	243,073	
(Increase) Decrease in Prepaid Expenditures	6,958	
(Increase) Decrease in Accounts Receivable	(10,917)	
(Increase) Decrease in Vendor's Credits	(17,896)	
(Increase) Decrease in Inventory	(17,063)	
Increase (Decrease) in Accounts Payable	255,457	
Increase (Decrease) in Accrued Payroll and Withholdings	23,970	
Increase (Decrease) in Accrued Compensated Absences	6,522	
Increase (Decrease) in Deferred Tuition and Fees	(45,176)	
Total Adjustments		<u>444,929</u>
Net Cash Used by Operating Activities		<u><u>(5,788,351)</u></u>

See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF FIDUCIARY NET ASSETS

JUNE 30, 2006

(all amounts are in dollars)

	<u>Hospitality</u>	<u>Student Council</u>	<u>Phi Theta Kappa</u>	<u>Environmental Club</u>	<u>Student Nurse Association</u>
<u>ASSETS</u>					
Due From General Fund	4	25	923	477	353
<u>TOTAL ASSETS</u>	<u>4</u>	<u>25</u>	<u>923</u>	<u>477</u>	<u>353</u>
<u>LIABILITIES</u>					
<u>Current Liabilities</u>					
Accounts Payable	-	-	-	-	-
<u>TOTAL LIABILITIES</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>	<u>4</u>	<u>25</u>	<u>923</u>	<u>477</u>	<u>353</u>

See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>Hospitality</u>	<u>Student Council</u>	<u>Phi Theta Kappa</u>	<u>Environmental Club</u>	<u>Student Nurse Association</u>
<u>ADDITIONS</u>					
Contributions	70	-	-	-	-
Fund Raising	-	-	1,333	-	-
Membership Dues	-	-	2,580	-	-
<u>TOTAL ADDITIONS</u>	<u>70</u>	<u>0</u>	<u>3,913</u>	<u>-</u>	<u>-</u>
<u>DEDUCTIONS</u>					
Materials and Services	204	510	4,333	-	151
<u>TOTAL DEDUCTIONS</u>	<u>204</u>	<u>510</u>	<u>4,333</u>	<u>-</u>	<u>151</u>
<u>CHANGE IN NET ASSETS</u>	<u>(134)</u>	<u>(510)</u>	<u>(420)</u>	<u>-</u>	<u>(151)</u>
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>138</u>	<u>535</u>	<u>1,343</u>	<u>477</u>	<u>504</u>
<u>NET ASSETS, END OF YEAR</u>	<u>4</u>	<u>25</u>	<u>923</u>	<u>477</u>	<u>353</u>

See notes to basic financial statements

COLUMBIA GORGE COMMUNITY COLLEGE

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2006

1. SIGNIFICANT ACCOUNTING POLICIES:

The College was originally organized as an "Area Education District," as described in Chapter 341 of the Oregon Statutes relating to Community Colleges. In 1977, Wasco Area Education Service District was formed. Later that year, the College's name was changed to Treaty Oak Education Service District. In 1989, a vote of the people of Wasco County allowed the Board of Education to drop the "Service District" designation and the College became Treaty Oak Community College. The name changed again in November of 1989 to Columbia Gorge Community College. On November 6, 2001, voters in Wasco County and Hood River County approved the annexation of a portion of Hood River County to join the Columbia Gorge Community College District. The College is an independent municipal corporation under the Oregon Revised Statutes. The seven-member board appoints a president to administer the activities of the College. As described in ORS 341.437, 341.440 and 341.445, the College may provide its courses through contracts with community college districts, other school districts, the Department of Higher Education or accredited private educational institutions. The College contracts with Portland Community College to provide courses and programs.

The basic financial statements of Columbia Gorge Community College have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standards-setting body for establishing governmental accounting and reporting principles. The most significant accounting policies are described below.

A. Reporting entity:

In evaluating how to define the College, for financial reporting purposes, management has considered all potential component units. The criteria for including potential component units within the College's reporting entity, as set forth in GASB No. 14, "The Financial Reporting Entity," is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government.

Based upon the application of the above criteria, the potential component unit, Columbia Gorge Community College Foundation, has been excluded from the College's reporting entity. The Foundation is a separate not-for-profit corporation. The Board of Education is elected independently of any College Board of Trustee's appointments. Each Board is responsible for approving its own budget and accounting and finance-related activities.

B. Basis of presentation:

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, issued in June and November 1999. The financial statement presentation required by GASB No. 34 and No. 35 provide a comprehensive entity-wide perspective of the College's financial activities. The entity-wide

perspective replaces the fund-group perspective previously required. The College now follows the "business-type activities" reporting requirements of GASB Statement No. 35 that provides a comprehensive one-column look at the College's financial activities. Fiduciary activities are reported separately.

C. Basis of accounting:

For financial statement reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's basic financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period liabilities are incurred, regardless of the timing of related cash flows. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes, federal, state, and local grants, State appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, State appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specific purpose, and expenditure requirements in which the resources are provided to the College on a reimbursement basis.

The College's basic financial statements have applied all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued after November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

D. 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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Cash and cash equivalents:

Cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risks of changes in value because of changes in interest rates. Cash and cash equivalents are considered to be cash on hand, demand deposits, the State of Oregon Treasurer's Local Government Investment Pool (LGIP) and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is stated at cost, which approximates fair value. Fair value of the investments in the LGIP is the same as the value of the pool shares.

F. Investments:

Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements and bankers' acceptances. As of June 30, 2006 and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes. Investments are stated at fair value, which is based on the individual investment's quoted market prices at year end.

G. Receivables:

All accounts, student accounts, grants and property taxes receivable are shown net of an allowance for uncollectible accounts.

Property taxes are levied and become a lien on all taxable property as July 1. Taxes are payable on November 15, February 15 and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes receivable are recognized as revenue when levied.

Student accounts receivables are recorded as tuition is assessed.

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

H. Inventories:

An inventory control is maintained on textbooks and supplies purchased for resale to students and, therefore, the inventory at June 30, 2006, has been recorded as an asset of the Bookstore Fund. Also, inventory controls are maintained by the College on expendable office and instructional supplies. This inventory of supplies is recorded as an asset in the General Fund. The inventories are shown at cost.

I. Prepaid items:

Payments made to vendors for services that will benefit periods beyond June 30, 2006, are recorded as prepaid items.

J. Capital assets:

Capital assets include land and land improvements; building and building improvements; furniture, equipment and machinery; works of art and historical treasures; infrastructure (which include utility systems); library collections; leasehold improvements; and construction in progress. The College's capitalization threshold is \$5,000, except for buildings and building improvements, infrastructure assets, land and land improvements and leasehold improvements, which have a capitalization amount of \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Library collections are capitalized regardless of cost. Donated capital assets are recorded at fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of the assets' lives are not capitalized, but are expensed as incurred.

Capital assets of the College are depreciated using the straight-line method over the following useful lives:

Building and building improvements	45-60 years
Furniture, equipment and machinery	5-20 years
Infrastructure	25-100 years
Land improvements	10-25 years
Leasehold improvements	10-12 years
Library collection	10 years

K. Compensated absences:

College employees accumulate vacation pay in varying amounts depending on years of continued service. It is the College's policy to permit employees to accumulate earned but unused vacation pay. All outstanding vacation time is payable upon termination of employment. Vacation pay is recorded as a liability and an expense when earned.

Sick leave accumulates one day per month for full-time employees. Sick leave accumulates for full-time faculty based on contract days. For a regular 180-day full-time faculty contract, a total of 10 days sick leave is accrued per year. There is no limit on accumulation and it is not compensable upon termination of employment. No liability is reported for unpaid accumulated sick leave.

L. Deferred revenue:

Tuition revenue for summer term is collected in part in the month of June; however, the revenue and expenditures of summer term are reflected in the budget for the following fiscal year. Due to this timing difference, a liability account, "Deferred Revenue" has been established to record summer term tuition to be recognized as revenue in the month of July.

M. Long-term debt:

Bond premiums and discounts, as well as issuance costs, when applicable are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

N. Operating revenues and expenses:

Operating revenues and expense are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the College's ongoing operations. The principle operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the College, and sales of goods and services. Operating expenses include the cost of the faculty, administration and support expenses, bookstore items, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

O. Net assets:

GASB Statements No. 34 reports equity as "Net Assets" rather than "Fund Balance". Net assets are classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Net assets are classified in the following components:

Invested in capital assets, net of related debt – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that

are attributable to the acquisition, construction or improvement of those assets.

Restricted, expendable – This component of net assets consists of consists of constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Restricted, nonexpendable – This component of net assets consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose pf producing present and future income, which may either be expended or added to principal. The College does not have any nonexpendable restricted net assets.

Unrestricted – This component of net assets consists of resources available to be used for transactions relating to the general obligations of the College, and may be used at the discretion of the governing board, as designated, to meet current expenses for specific future purposes.

P. Budget and budgetary accounting:

The budget is prepared on the modified accrual method of accounting for each fiscal year July 1 to June 30. The budget process includes a series of notices and publications culminating with the budget hearing. After the public hearing has been held, the Board enacts the resolutions to adopt the budget, make appropriations and declare the ad valorem tax levy for all funds except Trust and Agency Funds.

The Appropriations Resolution contains amounts for instruction, instructional support, student services, college support, student financial aid, plant operation and maintenance, interagency/fund transactions and an operating contingency for each fund. This is the level of control for authorized expenditures.

The level of expenditures is monitored throughout the year. Transfers are made from operating contingency or between the major object classifications of the appropriation for each fund as required to prevent an overexpenditure.

Budget amounts shown in the combined financial statements include appropriation transfers and appropriations increases pursuant to ORS 294.326(2), which allows for appropriations increases for unanticipated specific purpose grants. All appropriations transfers and increases are approved by the Board of Education.

Appropriations for all funds lapse at the end of each fiscal year.

2. CASH AND INVESTMENTS:

The College has one checking account and VISA deposit account that is used by the General Fund. Receipts and disbursements for all funds go through the checking account.

Deposits for the College were with various banks and the State of Oregon Local Government Investment Pool. Schedule of Cash Balances and Collateral Security sets forth the carrying amounts, bank balances and collateral security for the College's deposits at each financial institution as of June 30, 2006. Oregon Revised Statutes require the depository institution to maintain on deposit with a collateral pool manager, securities having a value not less than 25 percent of the outstanding certificates of participation issued by the pool manager.

State statutes authorize the College to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the State Treasurer's Investment Pool, among others.

Investments of the College are valued at cost. The College invests entirely in the State of Oregon Local Government Investment Pool. Generally Accepted Accounting Principles require investments in external investment pools to be stated at fair value. However, the difference between cost and fair value for the College's investments as of June 30, 2006, was determined to be immaterial.

The College's deposits and investments are categorized to give an indication of the level of risk assumed by the College at year end. Category 1 includes deposits and investments that are insured or registered or for which the securities are held by the College or its agent in the College's name. Category 2 includes uninsured and unregistered deposits and investments for which the securities are held by the counter-party's trust department or agent in the College's name. Category 3 includes uninsured and unregistered deposits and investments for which the securities are held by the counter-party, or by its trust department or agent but not in the College's name.

	<u>1</u>	<u>CATEGORY</u> <u>2</u>	<u>3</u>	<u>CARRYING</u> <u>AMOUNT</u>	<u>MARKET</u> <u>VALUE</u>
Cash in Banks:					
Checking Accounts	\$ <u>359,463</u>	\$ <u>-</u>	\$ <u>-</u>	\$ 359,463	\$ 359,463
Local Government Investment Pool				22,070,203	22,070,203
Cash with County Treasurer				17,181	17,181
Petty Cash				<u>600</u>	<u>600</u>
<u>TOTAL DEPOSITS AND INVESTMENTS</u>				\$ <u>22,447,448</u>	\$ <u>22,447,448</u>

3. PROPERTY TAX REVENUES AND RECEIVABLES:

Property taxes are levied on July 1 pursuant to Oregon Revised Statute 310.030. Taxes are payable in full on November 15 or are payable in installments the last of which is due on May 15 of the year following the year in which imposed. Taxes become delinquent on personal property when any installment is not paid by its due date. Taxes become delinquent on real property if not paid by May 15. On January 1 and July 1 tax liens attach to personal and real property respectively to secure payment of all taxes, penalties and interest ultimately imposed. Personal property is subject to summary seizure and the responsible taxpayer is subject to warrant service 30 days after delinquency date. Foreclosure proceedings begin on real property after three years from the date taxes become delinquent.

Property taxes are collected by the Wasco and Hood River County Tax Collectors and credited monthly to the College's account. Funds are distributed to the College on request, and excess funds are invested for the College by the County Treasurer. Property taxes are recognized as revenue in the year levied. The budgetary basis financial statements reflect property taxes as revenue when collected by the Wasco and Hood River County Tax Collector and are available to the College to pay current period expenditures. Taxes collected within 60 days of the year end are considered available to pay current period expenditures.

Property taxes receivable at year end have been reported on the balance sheet. No allowance has been made for uncollectible taxes since past history has shown losses to be minimal.

4. COLLEGE PAYROLL:

The College's administrative, professional support staff, classified and instructional staff are employees of the College. This payroll function is handled by the College's accounting staff.

By amendment of contract with Portland Community College, instructional staff became legally employees of Columbia Gorge Community College on 7-1-90. Their payroll is serviced by College's accounting staff; all decisions concerning hiring, firing and assignments are made by College administration. PCC reviews teacher certification and credentials for compliance with accrediting standards. The College is billed for this service.

5. DEFINED BENEFIT PENSION PLAN:

Columbia Gorge Community College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying College employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to PERS, PO Box 23700, Tigard, OR 97281-3700 or by calling 1-503-598-7377.

Members of PERS are required to contribute 6.0% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The College is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and the OPSRP rates in effect for the year ended June 30, 2006 were 5.02% 8.04% respectively. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

During fiscal year 2002-03, the College issued limited tax pension bonds, the proceeds of which were used to finance a portion of its estimated unfunded actuarial liability (see Note 11). The College's contributions to PERS for the fiscal years ending June 30, 2004, 2005 and 2006 were \$276,331, \$288,673, and \$408,043, respectively, equal to the required contributions for each year.

The pension asset is the result of the transfer of the College's pension bond proceeds in 2003 to PERS to cover a portion of the College's share of the cost-sharing plan's unfunded actuarial liability. This pension asset is being used to pay a portion of the College's annual required contribution. During the 2005-06 fiscal year, changes in the pension asset were as follows:

Asset balance - July 1, 2005	\$ 4,537,879
Investment income	427,946
Contributions to cost-sharing pool	(249,661)
PERS administration fee	<u>(1,000)</u>
Asset balance - June 30, 2006	<u>\$ 4,715,164</u>

6. LEASES:

The college has entered into the following lease/contract agreements:

OFFICE SPACE:

LESSEE: Greater Oregon Behavioral Health, Inc.

LEASE TERM: July 1, 2005, to June 30, 2006.

RENT: \$2,110.40 per month.

TERMINATION: Upon 60-day prior written notice by either party.

LESSEE: Department of Environmental Quality.

LEASE TERM: June 3, 2004, to May 31, 2009, with an option to extend for two additional terms of 5 years.

RENT: \$3,814.60 per month.

TERMINATION: Upon 90-day prior written notice.

LESSEE: Oregon State University Extension Service.

LEASE TERM: July 1, 2002 to June 30, 2007.

RENT: \$1,200 per month.

TERMINATION: Upon 60-day prior written notice by either party.

LESSEE: Haystack Broadcasting.

LEASE TERM: July 1, 1998 to June 30, 2006

RENT: \$75 per month.

TERMINATION: Upon 30-day prior written notice by either party.

LESSEE: Region 9 E.S.D.

LEASE TERM: July 1, 2005, to June 30, 2010.

RENT: \$3,675.79 per month.

TERMINATION: Upon 90-day prior written notice by either party.

LESSEE: T-Mobile.

LEASE TERM: December 1, 2001, with right to extend 5 additional 5-year terms

RENT: \$11,988.07 annual

TERMINATION: Upon 30-day prior written notice.

LESSEE: Oregon Employment Department.
LEASE TERM: December 1, 1996, continuous.
RENT: \$150 per month.
TERMINATION: Upon 60-day prior written notice.

LESSEE: Gorge NetWorks.
LEASE TERM: April 1, 2004 to April 1, 2009.
RENT: \$250 per month.
TERMINATION: Upon 180-day prior written notice.

LESSEE: Oregon Department of Human Services.
LEASE TERM: November 1, 2003 to October 31, 2006.
RENT: \$1,018.50 per month.
TERMINATION: Upon 30-day prior written notice.

INSTRUCTIONAL MASTER CONTRACT:

CONTRACTOR: Portland Community College.
CONTRACT TERM: June 25, 1990, to run continuously.
CONTRACT PRICE: Negotiated annually. (F.Y. 2005-06 \$164,185).
TERMINATION: One fiscal year notice by either party. Ninety days written notice upon breach of contract.

7. COMMITMENTS AND CONTINGENT LIABILITIES:

There were no known contingent liabilities at June 30, 2006.

8. INTERFUND LOANS:

All cash for the College is maintained in the general fund. Therefore cash expenditures in excess of cash receipts for other governmental funds are in effect a short-term loan from the general fund. At June 30, 2006, the net loans from the general fund totaled \$561,309. The detail is as follows:

	<u>Amount</u>
Due from General Fund	
<u>Special Revenue Funds:</u>	
Nursing Program	\$ 496
Department of Labor Nursing Grant	10,098
Customized Training	49,207
Corps of Engineers	5,477
SBDC Program Income	9,896
State SBDC Grant	166
Fundamentals of Caregiving	8,209
Accountability Grant	197
Outreach Tutoring Grant	607
English Language Civics Grant	45
Gorge Literacy	1,234
Non-Reimbursable Community Education	7,087
Elderhostel	7,629
Incentive Grant 2005-07	97
Oregon Child Care Resource and Referral Network	69
Child Care Resource and Referral	5,085
Lecture Series	218
Regional Workforce Board Services	18,186
Wasco County Intergovernmental Agreement	17,579
Oregon Career Pathways	13,589

Wasco County Child Care Development Block Grant	4,175
Career Pathways Program Income	6,821
Insurance Fund	4,638
Residential Leases	2,465
Building 2 Leases	41,248
Food Service	10,206
Facilities and Grounds Maintenance Reserve Fund	50,000

Debt Service Funds:

Wasco County G.O. Bonds	34,072
District G.O. Bonds	49,672
Pension Bonds	274,444

Fiduciary Funds:

Hospitality	4
Environmental Club	477
Phi Theta Kappa	923
Student Council	25
Student Nurse Association	353

Total Due from General Fund \$ 634,694

Amount

Due to General Fund

Capital Projects Funds:

Capital Projects	663
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Proprietary Funds:

Bookstore	72,722
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Total Due to General Fund \$ 73,385

9. CAPITAL ASSETS:

The following table presents the changes in the various capital asset categories:

	<u>LAND</u>	<u>BUILDINGS</u>	<u>EQUIPMENT & FURNISHINGS</u>	<u>LIBRARY COLLECTIONS</u>	<u>TOTAL</u>
<u>BALANCE - JULY 1, 2005</u>	210,000	7,635,425	404,638	587,857	8,837,920
ADDITIONS	1,300,000	5,500	84,803	7,194	1,397,497
DELETIONS	-	(860,770)	-	-	(860,770)
ADJUSTED BALANCE	1,510,000	6,780,155	489,441	595,051	9,374,647
Less: Accumulated depreciation	-	(1,668,554)	(155,082)	(489,229)	(2,312,865)
<u>BALANCE - JUNE 30, 2006</u>	<u>1,510,000</u>	<u>5,111,601</u>	<u>334,359</u>	<u>105,822</u>	<u>7,061,782</u>

10. GENERAL OBLIGATION BOND ISSUES:

In June 1993, the voters approved the issuance of \$7,872,156 in general obligation bonds, the proceeds of which were utilized for the purchase, construction, renovation, and remodeling of the facilities at the college campus.

On November 1, 1998, the College advance refunded the 1993 general obligation bonds. The College issued \$5,985,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt account group. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$261,961 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$205,000.

The issuance of \$18,500,000 general obligation bonds was approved by District voters of Hood River and Wasco Counties at a general election on November 2, 2004. Voters authorized issuance of \$18,500,000 of general obligation bonds with a maturity not to exceed 21 years to provide funds for construction, renovation, and infrastructure improvements on The Dalles campus, and for acquisition and development of a site for classroom and lab facilities in Hood River County.

A statement of future requirements is set forth in Schedule of Future Wasco County G.O. Bond Requirements and Schedule of Future 2005 G.O. Bond Requirements.

11. PENSION BOND ISSUES:

In April 2003, the College issued Limited Tax Pension Bonds, Series 2003 in the amount of \$3,570,327.10. This bond was issued for the purpose of financing all or any portion of the College's pension liability to the Oregon Public Employees Retirement System. The College has covenanted to pay this bond from its available general funds. Available general funds include (1) all the College's ad valorem property tax revenues received from levies under its permanent rate limit, and (2) all other unrestricted taxes, fees, charges, revenues, including tuition charges, and receipts of the College which Oregon law allows or will allow to be spent to make the bond payments.

A statement of future requirements is set forth in Schedule of Future Pension Bond Requirements.

12. CHANGES IN GENERAL LONG-TERM DEBT:

The following is a summary of long-term debt transactions of the College for the year ended June 30, 2006.

<u>General Obligation Bonds</u>	<u>Balance July 1, 2005</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2006</u>	<u>Due in One Year</u>
Series 1998 (Refund Bonds) original issue \$5,985,000, 15 years, interest rates from 3.1 to 4.35 percent					
Principal	\$ 4,805,000	\$ -	\$ 485,000	\$ 4,320,000	\$ 515,000
Series 2005 original issue \$18,500,000, 20 years, interest rates from 3.00 to 5.00 percent					
Principal	18,500,000	-	235,000	18,265,000	350,000
Deferred Charges	(182,187)	-	(9,186)	(173,001)	(9,186)
Bond Premium	638,202	-	32,178	606,024	32,178
	<u>18,956,015</u>	<u>-</u>	<u>257,992</u>	<u>18,698,023</u>	<u>372,992</u>
<u>Pension Obligation Bond</u>					
Series 2003 original issue \$3,570,327, 25 years, interest rates from 1.4 to 6.25 percent					
Principal	3,430,002	-	68,792	3,361,210	74,025
<u>Note Payable</u>					
Oregon Department of Energy Small Small Scale Energy loan, monthly payments of \$2,248 including interest of 6.2 percent					
Principal	<u>99,445</u>	<u>-</u>	<u>21,382</u>	<u>78,063</u>	<u>22,776</u>
Totals	<u>\$ 27,290,462</u>	<u>\$ -</u>	<u>\$ 833,166</u>	<u>\$ 26,457,296</u>	<u>\$ 984,793</u>

13. NET ASSETS – BEGINNING OF YEAR, RESTATED:

The beginning net assets have been restated to include the amount of the pension asset valued at June 30, 2005. See Note 5.

SUPPLEMENTARY INFORMATION
INDIVIDUAL FUND FINANCIAL STATEMENTS

GENERAL FUND

The activities relating to the operation of the College are accounted for in this fund. Major sources of revenue are local property taxes, state operational reimbursement based on full-time equivalent enrollment and tuition and fees collected from students. Expenditures are for contracted instructional services including teachers' and administrative salaries and benefits, supplies, administrative costs, plant operations and capital outlay.

COLUMBIA GORGE COMMUNITY COLLEGE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS**

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	3,750,455	3,750,455	4,339,711	589,256
Local Sources	656,685	656,685	699,508	42,823
Tuition	1,504,205	1,504,205	1,538,324	34,119
Instructional Fees	281,792	281,792	290,856	9,064
Special Fees	12,500	12,500	52,213	39,713
Other Revenue Sources	150,500	150,500	253,203	102,703
Sales and Services Revenue Sources	5,000	5,000	15,308	10,308
<u>TOTAL REVENUES</u>	<u>6,361,137</u>	<u>6,361,137</u>	<u>7,189,125</u>	<u>827,988</u>
<u>EXPENDITURES:</u>				
Instruction	2,532,502	2,552,898	1,930,170	622,728
Academic Support	842,562	842,562	729,861	112,701
Student Services	546,275	550,000	489,182	60,818
Institutional Support	1,816,261	1,857,393	1,567,186	290,207
Financial Aid	93,918	96,418	72,338	24,080
Plant Operation and Maintenance	774,319	796,823	711,856	84,967
Debt Service	26,976	26,976	26,976	-
Contingencies	300,000	177,743	-	177,743
<u>TOTAL EXPENDITURES</u>	<u>6,932,813</u>	<u>6,900,813</u>	<u>5,527,569</u>	<u>1,373,244</u>
Excess of Revenues Over (Under) Expenditures	(571,676)	(539,676)	1,661,556	2,201,232
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfer From Other Funds	214,315	214,315	214,313	(2)
Transfer to Other Funds	(69,959)	(101,959)	(101,959)	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>144,356</u>	<u>112,356</u>	<u>112,354</u>	<u>(2)</u>
Excess of Revenues Over (Under) Expenditures and Other Uses	(427,320)	(427,320)	1,773,910	2,201,230
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>3,138,316</u>	<u>(1,038,316)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>1,672,680</u>	<u>1,672,680</u>	<u>4,912,226</u>	<u>3,239,546</u>

SPECIAL REVENUE FUNDS

DISTANCE LEARNING INCENTIVE: This fund accounts for the Department of Community Colleges and Workforce Development funds to support a new state-wide vodcasting distribution model through the development of video course material provided to students online at the Columbia Gorge Community College website.

CARL D. PERKINS TITLE I GRANT: This fund accounts for the Perkins funds which support the enhancement of Technical Education programs to better prepare students for a future in the workforce.

NURSING PROGRAM: This fund accounts for contributions from regional health care providers and transfers from the General Fund to support direct expenditures of the Nursing Program.

DEPARTMENT OF LABOR NURSING GRANT: This fund accounts for the Federal grant through the Rural Healthcare High Growth Job Training and Economic Recovery Initiative – Health Occupations Career Ladder Program.

DEPARTMENT OF EDUCATION NURSE TRAINING GRANT: This fund accounts for the grant from the U.S. Department of Education for a nurse training program.

CUSTOMIZED TRAINING: This fund is used to record revenues and expenditures relating to specialized training programs offered to businesses and organizations.

CORPS OF ENGINEERS: This fund is established to record revenue and expenditures of contracted training programs developed for the Corps of Engineers.

SBDC PROGRAM INCOME: This fund accounts for Small Business Development Center program income.

FEDERAL SBDC GRANT: This fund accounts for Federal Small Business Administration Small Business Development Center Grant.

STATE SBDC GRANT: This fund accounts for State Small Business Development Center Grant.

FUNDAMENTALS OF CAREGIVING: This fund accounts for the contract with the State of Washington to provide fundamentals of caregiving training.

TITLE II AEFLA COMPREHENSIVE GRANT: This fund accounts for the Title II Adult Education and Family Literacy Act Comprehensive Grant received through the Department of Community Colleges and Workforce Development.

ACCOUNTABILITY GRANTS: The Accountability Grant funds assessment and accountability activities related to Basic Skills programs through a grant from the Department of Community Colleges and Workforce Development.

SPECIAL REVENUE FUNDS - CONTINUED:

PROGRAM IMPROVEMENT GRANT: This fund accounts for the Program Improvement Grant from the Department of Oregon Community College and Workforce Development.

OUTREACH TUTORING: This fund accounts for the outreach tutoring grant through the Department of Community Colleges and Workforce Development to provide Outreach Project tutoring services for adult literacy students.

ENGLISH LANGUAGE CIVICS GRANT: This fund accounts for the English Languages Civics Grant from the Oregon Community College and Workforce Development Department.

BASIC SKILLS CONTRACTS: This fund supports special projects related to Basic Skills programs. Included are contracts to provide curriculum and coordination with local school districts including South Wasco County High School to provide Alternative High School Education programs; and literacy program activities.

GORGE LITERACY: This fund accounts for literacy activities.

NON-REIMBURSABLE COMMUNITY EDUCATION: This fund accounts for revenue and expenses of self-supporting community education classes.

ELDERHOSTEL: This fund accounts for the revenue and expenditures of the Elderhostel program. Elderhostel is a network of colleges and educational institutions offering low cost, short-term, non-credit, residential, academic programs for people over the age of 55.

INCENTIVE GRANT: This fund accounts for the contract with the State of Oregon through the Department of Community Colleges and Workforce Development for a Health Occupations Community Pathway Project to address gaps in health occupation opportunities.

INCENTIVE GRANT 2005-07: This fund accounts for the contract with the State of Oregon through the Development of Community Colleges and Workforce Development for the Pathways to Advancement program. This program is a national and statewide initiative with goals to increase access, awareness, affordability, resources and alignment for high school student and adults to pursue educational opportunities around a career focus.

OREGON CHILD CARE RESOURCE AND REFERRAL NETWORK: This fund accounts for the contract with the Oregon Child Care Resource and Referral Network which supports the Child Care Resource and Referral Program at the College.

SPECIAL REVENUE FUNDS - CONTINUED:

CHILD CARE RESOURCE AND REFERRAL: The College manages a child care resource and referral project and acts as the fiscal agent for various grantors and donors, including State, Wasco County, non-profit agencies and the private sector. The College does not operate a child care facility, but only coordinates the connection between the needs for such services and the providers. Referral is made available to students and community.

DHS INTEGRATED CHILD CARE GRANT: This fund accounts for the contract from the Oregon Department of Human Services for the integrated child care program.

LECTURE SERIES: This fund accounts for a grant from the Oregon Council for the Humanities and related program income for the literacy lecture series.

REGIONAL WORKFORCE BOARD SERVICES: This fund accounts for the contract to provide professional services to assist the Region 9 Workforce Board.

WASCO COUNTY INTERGOVERNMENTAL AGREEMENT: This fund accounts for the intergovernmental agreement between the College and Wasco County for professional staff support to the County for economic development activities.

OREGON CAREER PATHWAYS: This fund accounts for the contract with the State of Oregon through the Department of Community Colleges and Workforce Development for the Pathways to Advancement Statewide Initiative. The Initiative is to transform the education and workforce delivery system to be customer focused and responsive to changing student, worker, and business demands.

WASCO COUNTY CHILD CARE DEVELOPMENT BLOCK GRANT: This fund accounts for the contract with Wasco County for the implementation of a three part project designed to enhance the quality of childcare provided in Wasco County.

CAREER PATHWAYS PROGRAM INCOME: This fund accounts for Career Pathways Program Income related to the Pathways to Advancement Statewide Initiative.

INSURANCE FUND: This fund accounts for the unanticipated receipt of insurance claim proceeds and expenditures.

RESIDENTIAL LEASES: This fund is used to record the revenues and expenditures relating to the residential leases.

BUILDING 2 LEASES: This fund is used to record the revenues and expenditures relating to leasing office space to various agencies.

FOOD SERVICE: This fund accounts for the revenues and expenditures of the campus food service contract.

FACILITIES AND GROUND MAINTENANCE RESERVE FUND: This Reserve Fund was established July 1, 2005 to accumulate money for financing facilities and ground maintenance.

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

DISTANCE LEARNING INCENTIVE

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	-	19,996	6,727	(13,269)
<u>TOTAL REVENUES</u>	-	19,996	6,727	(13,269)
<u>EXPENDITURES:</u>				
Personal Services	-	2,700	-	2,700
Materials and Services	-	17,296	6,727	10,569
<u>TOTAL EXPENDITURES</u>	-	19,996	6,727	13,269
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	-	-

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CARL D. PERKINS TITLE I GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	82,681	87,180	62,676	(24,504)
<u>TOTAL REVENUES</u>	<u>82,681</u>	<u>87,180</u>	<u>62,676</u>	<u>(24,504)</u>
<u>EXPENDITURES:</u>				
Personal Services	64,347	64,347	58,856	5,491
Materials and Services	18,334	22,833	3,821	19,012
<u>TOTAL EXPENDITURES</u>	<u>82,681</u>	<u>87,180</u>	<u>62,676</u>	<u>24,504</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

NURSING PROGRAM

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Tuition and Fees	-	-	-	-
Other Sources	-	-	-	-
<u>TOTAL REVENUES</u>	-	-	-	-
<u>EXPENDITURES:</u>				
Personal Services	-	-	-	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	496	496
<u>FUND BALANCE - END OF YEAR</u>	-	-	496	496

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

DEPARTMENT OF LABOR NURSING GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	898,461	898,461	550,186	(348,275)
<u>TOTAL REVENUES</u>	<u>898,461</u>	<u>898,461</u>	<u>550,186</u>	<u>(348,275)</u>
<u>EXPENDITURES:</u>				
Personal Services	541,884	541,884	438,378	103,506
Materials and Services	285,699	285,991	111,779	174,212
Capital Outlay	70,878	70,586	29	70,557
<u>TOTAL EXPENDITURES</u>	<u>898,461</u>	<u>898,461</u>	<u>550,186</u>	<u>348,275</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

DEPARTMENT OF EDUCATION NURSE TRAINING GRANT

FOR THE YEAR ENDED JUNE 30, 2006

(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	208,481	90,437	90,436	(1)
<u>TOTAL REVENUES</u>	<u>208,481</u>	<u>90,437</u>	<u>90,436</u>	<u>(1)</u>
<u>EXPENDITURES:</u>				
Personal Services	1	16,354	16,354	-
Materials and Services	179,424	70,266	70,265	1
Capital Equipment	29,056	3,817	3,817	-
<u>TOTAL EXPENDITURES</u>	<u>208,481</u>	<u>90,437</u>	<u>90,436</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CUSTOMIZED TRAINING

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Sales and Services	150,000	150,000	86,577	(63,423)
<u>TOTAL REVENUES</u>	<u>150,000</u>	<u>150,000</u>	<u>86,577</u>	<u>(63,423)</u>
<u>EXPENDITURES:</u>				
Personal Services	84,663	84,663	11,591	73,072
Materials and Services	62,337	62,337	51,884	10,453
<u>TOTAL EXPENDITURES</u>	<u>147,000</u>	<u>147,000</u>	<u>63,475</u>	<u>83,525</u>
Excess of Revenue Over (Under) Expenditures	3,000	3,000	23,102	20,102
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(5,000)	(5,000)	(5,000)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>2,000</u>	<u>2,000</u>	<u>27,207</u>	<u>25,207</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>45,310</u>	<u>45,310</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CORPS OF ENGINEERS

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Sales and Services	12,500	12,500	-	(12,500)
<u>TOTAL REVENUES</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>(12,500)</u>
<u>EXPENDITURES:</u>				
Personal Services	15,759	15,759	-	15,759
Materials and Services	8,637	8,637	7,723	914
<u>TOTAL EXPENDITURES</u>	<u>24,396</u>	<u>24,396</u>	<u>7,723</u>	<u>16,673</u>
Excess of Revenues Over (Under) Expenditures	(11,896)	(11,896)	(7,723)	4,173
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(104)	(104)	(104)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>12,000</u>	<u>12,000</u>	<u>13,303</u>	<u>1,303</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>5,477</u>	<u>5,477</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

SBDC PROGRAM INCOME

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Tuition	35,000	35,000	15,745	(19,255)
Instructional Fees	6,500	6,500	1,540	(4,960)
<u>TOTAL REVENUES</u>	<u>41,500</u>	<u>41,500</u>	<u>17,285</u>	<u>(24,215)</u>
<u>EXPENDITURES:</u>				
Personal Services	26,932	26,932	19,972	6,960
Materials and Services	29,324	29,324	8,542	20,782
<u>TOTAL EXPENDITURES</u>	<u>56,256</u>	<u>56,256</u>	<u>28,514</u>	<u>27,742</u>
Excess of Revenues Over (Under) Expenditures	(14,756)	(14,756)	(11,229)	3,527
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>36,000</u>	<u>36,000</u>	<u>20,943</u>	<u>(15,057)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>21,244</u>	<u>21,244</u>	<u>9,714</u>	<u>(11,530)</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

FEDERAL SBDC GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	30,250	30,250	30,250	-
<u>TOTAL REVENUES</u>	<u>30,250</u>	<u>30,250</u>	<u>30,250</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	29,539	29,539	29,539	-
Materials and Services	711	711	711	-
<u>TOTAL EXPENDITURES</u>	<u>30,250</u>	<u>30,250</u>	<u>30,250</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

STATE SBDC GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	41,332	41,332	41,332	-
<u>TOTAL REVENUES</u>	<u>41,332</u>	<u>41,332</u>	<u>41,332</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	32,928	32,928	32,928	-
Materials and Services	8,404	8,404	8,404	-
<u>TOTAL EXPENDITURES</u>	<u>41,332</u>	<u>41,332</u>	<u>41,332</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS**

FUNDAMENTALS OF CAREGIVING

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Tuition	-	-	1,950	1,950
Sales and Services	9,000	9,000	10,932	1,932
<u>TOTAL REVENUES</u>	<u>9,000</u>	<u>9,000</u>	<u>12,882</u>	<u>3,882</u>
<u>EXPENDITURES:</u>				
Personal Services	1,279	1,279	1,044	235
Materials and Services	10,276	10,276	4,831	5,445
<u>TOTAL EXPENDITURES</u>	<u>11,555</u>	<u>11,555</u>	<u>5,874</u>	<u>5,681</u>
Excess of Revenues Over (Under) Expenditures	(2,555)	(2,555)	7,008	9,563
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(4,945)	(4,945)	(4,945)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>7,500</u>	<u>7,500</u>	<u>6,146</u>	<u>(1,354)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>8,209</u>	<u>8,209</u>

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

TITLE II AEFLA COMPREHENSIVE GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	90,000	88,000	88,000	-
<u>TOTAL REVENUES</u>	<u>90,000</u>	<u>88,000</u>	<u>88,000</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	90,000	88,000	88,000	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>90,000</u>	<u>88,000</u>	<u>88,000</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

ACCOUNTABILITY GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	21,000	21,000	20,550	(450)
<u>TOTAL REVENUES</u>	<u>21,000</u>	<u>21,000</u>	<u>20,550</u>	<u>(450)</u>
<u>EXPENDITURES:</u>				
Personal Services	18,137	18,137	18,137	-
Materials and Services	2,863	2,863	2,413	450
<u>TOTAL EXPENDITURES</u>	<u>21,000</u>	<u>21,000</u>	<u>20,550</u>	<u>450</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

PROGRAM IMPROVEMENT GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	6,590	8,200	8,200	-
<u>TOTAL REVENUES</u>	<u>6,590</u>	<u>8,200</u>	<u>8,200</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	3,365	4,975	4,975	-
Materials and Services	3,225	3,225	3,225	-
<u>TOTAL EXPENDITURES</u>	<u>6,590</u>	<u>8,200</u>	<u>8,200</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

OUTREACH TUTORING GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	11,000	11,000	10,880	(120)
<u>TOTAL REVENUES</u>	<u>11,000</u>	<u>11,000</u>	<u>10,880</u>	<u>(120)</u>
<u>EXPENDITURES:</u>				
Personal Services	10,426	8,014	8,014	-
Materials and Services	574	2,986	2,866	120
<u>TOTAL EXPENDITURES</u>	<u>11,000</u>	<u>11,000</u>	<u>10,880</u>	<u>120</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

ENGLISH LANGUAGE CIVICS GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Federal Sources	39,000	41,390	41,389	1
<u>TOTAL REVENUES</u>	<u>39,000</u>	<u>41,390</u>	<u>41,389</u>	<u>1</u>
<u>EXPENDITURES:</u>				
Personal Services	38,291	38,269	38,269	-
Materials and Services	709	3,121	3,120	1
<u>TOTAL EXPENDITURES</u>	<u>39,000</u>	<u>41,390</u>	<u>41,389</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

BASIC SKILLS CONTRACTS

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	20,192	-	-	-
<u>TOTAL REVENUES</u>	<u>20,192</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	20,192	-	-	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>20,192</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

GORGE LITERACY

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Contributions	4,000	4,000	165	(3,835)
<u>TOTAL REVENUES</u>	<u>4,000</u>	<u>4,000</u>	<u>165</u>	<u>(3,835)</u>
<u>EXPENDITURES:</u>				
Personal Services	-	-	-	-
Materials and Services	4,000	4,000	1,654	2,346
<u>TOTAL EXPENDITURES</u>	<u>4,000</u>	<u>4,000</u>	<u>1,654</u>	<u>2,346</u>
Excess of Revenues Over (Under) Expenditures	-	-	(1,489)	(1,489)
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>2,215</u>	<u>2,215</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>726</u>	<u>726</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

NON-REIMBURSABLE COMMUNITY EDUCATION

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Tuition	15,000	15,000	11,016	(3,984)
Instructional Fees	5,000	5,000	2,817	(2,183)
<u>TOTAL REVENUES</u>	<u>20,000</u>	<u>20,000</u>	<u>13,833</u>	<u>(6,167)</u>
<u>EXPENDITURES:</u>				
Personal Services	11,690	11,690	5,871	5,819
Materials and Services	14,310	14,310	6,135	8,175
<u>TOTAL EXPENDITURES</u>	<u>26,000</u>	<u>26,000</u>	<u>12,005</u>	<u>13,995</u>
Excess of Revenues Over (Under) Expenditures	(6,000)	(6,000)	1,828	7,828
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(4,000)	(4,000)	(4,000)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>10,000</u>	<u>10,000</u>	<u>8,976</u>	<u>(1,024)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>6,803</u>	<u>6,803</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

ELDERHOSTEL

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Tuition	60,000	60,000	25,532	(34,469)
<u>TOTAL REVENUES</u>	<u>60,000</u>	<u>60,000</u>	<u>25,532</u>	<u>(34,469)</u>
<u>EXPENDITURES:</u>				
Personal Services	4,803	4,803	110	4,693
Materials and Services	73,812	73,812	24,931	48,881
<u>TOTAL EXPENDITURES</u>	<u>78,615</u>	<u>78,615</u>	<u>25,041</u>	<u>53,574</u>
Excess of Revenues Over (Under) Expenditures	(18,615)	(18,615)	491	19,106
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(6,385)	(6,385)	(6,385)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>25,000</u>	<u>25,000</u>	<u>10,455</u>	<u>(14,545)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>4,561</u>	<u>4,561</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

INCENTIVE GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	22,000	29,007	28,432	(575)
<u>TOTAL REVENUES</u>	<u>22,000</u>	<u>29,007</u>	<u>28,432</u>	<u>(575)</u>
<u>EXPENDITURES:</u>				
Personal Services	16,357	10,169	9,706	463
Materials and Services	8,643	18,838	18,726	112
<u>TOTAL EXPENDITURES</u>	<u>25,000</u>	<u>29,007</u>	<u>28,432</u>	<u>575</u>
Excess of Revenues Over (Under) Expenditures	(3,000)	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

INCENTIVE GRANT 2005-07

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	-	33,700	10,901	(22,799)
<u>TOTAL REVENUES</u>	-	33,700	10,901	(22,799)
<u>EXPENDITURES:</u>				
Personal Services	-	18,500	6,750	11,750
Materials and Services	-	15,200	4,151	11,049
<u>TOTAL EXPENDITURES</u>	-	33,700	10,901	22,799
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	-	-

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

OREGON CHILD CARE RESOURCE AND REFERRAL NETWORK

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Grant/Contract Sources	61,181	63,593	59,117	(4,476)
<u>TOTAL REVENUES</u>	<u>61,181</u>	<u>63,593</u>	<u>59,117</u>	<u>(4,476)</u>
<u>EXPENDITURES:</u>				
Personal Services	57,134	57,134	54,100	3,034
Materials and Services	4,047	6,459	5,017	1,442
<u>TOTAL EXPENDITURES</u>	<u>61,181</u>	<u>63,593</u>	<u>59,117</u>	<u>4,476</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	-	-	-	-
Excess of Revenues Over (Under) Other Sources (Uses)	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CHILD CARE RESOURCE AND REFERRAL

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	5,000	5,000	-	(5,000)
Local Grant/Contract Sources	400	400	400	-
Tuition	1,000	1,000	1,475	475
Special Fees	-	-	205	205
Other Sources	500	500	80	(420)
Sales and Services	1,000	1,000	-	(1,000)
<u>TOTAL REVENUES</u>	<u>7,900</u>	<u>7,900</u>	<u>2,160</u>	<u>(5,740)</u>
<u>EXPENDITURES:</u>				
Personal Services	20,425	20,425	19,702	723
Materials and Services	1,434	1,434	23	1,411
<u>TOTAL EXPENDITURES</u>	<u>21,859</u>	<u>21,859</u>	<u>19,726</u>	<u>2,133</u>
Excess of Revenues Over (Under) Expenditures	(13,959)	(13,959)	(17,566)	(3,607)
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	13,959	13,959	13,959	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>8,452</u>	<u>8,452</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>4,845</u>	<u>4,845</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

DHS INTEGRATED CHILD CARE GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Grant/Contract Sources	16,104	15,552	13,192	(2,360)
<u>TOTAL REVENUES</u>	<u>16,104</u>	<u>15,552</u>	<u>13,192</u>	<u>(2,360)</u>
<u>EXPENDITURES:</u>				
Personal Services	15,186	15,186	12,844	2,342
Materials and Services	917	365	349	16
<u>TOTAL EXPENDITURES</u>	<u>16,103</u>	<u>15,551</u>	<u>13,192</u>	<u>2,359</u>
Excess of Revenues Over (Under) Expenditures	1	1	-	(1)
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(1)	(1)	-	1
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

LECTURE SERIES

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Grant/Contract Sources	3,300	3,300	-	(3,300)
Other Sources	-	-	4,000	4,000
Sales and Services	2,700	2,700	303	(2,397)
<u>TOTAL REVENUES</u>	<u>6,000</u>	<u>6,000</u>	<u>4,303</u>	<u>(1,697)</u>
<u>EXPENDITURES:</u>				
Materials and Services	6,000	6,000	4,085	1,915
<u>TOTAL EXPENDITURES</u>	<u>6,000</u>	<u>6,000</u>	<u>4,085</u>	<u>1,915</u>
Excess of Revenues Over (Under) Expenditures	-	-	218	218
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>218</u>	<u>218</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

REGIONAL WORKFORCE BOARD SERVICES

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	50,750	50,750	50,750	-
Local Grant/Contract Sources	6,000	6,000	6,000	-
<u>TOTAL REVENUES</u>	<u>56,750</u>	<u>56,750</u>	<u>56,750</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Personal Services	64,071	64,071	60,174	3,897
Materials and Services	9,251	9,251	4,321	4,930
<u>TOTAL EXPENDITURES</u>	<u>73,322</u>	<u>73,322</u>	<u>64,495</u>	<u>8,827</u>
Excess of Revenues Over (Under) Expenditures	(16,572)	(16,572)	(7,745)	8,827
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	6,000	6,000	6,000	-
Transfer to General Fund	(3,859)	(3,859)	(3,859)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>20,600</u>	<u>20,600</u>	<u>23,718</u>	<u>3,118</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>6,169</u>	<u>6,169</u>	<u>18,114</u>	<u>11,945</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

WASCO COUNTY INTERGOVERNMENTAL AGREEMENT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Grant/Contract Sources	-	-	16,666	16,666
<u>TOTAL REVENUES</u>	-	-	16,666	16,666
<u>EXPENDITURES:</u>				
Personal Services	-	-	-	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	16,666	16,666
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(15,000)	(15,000)	(15,000)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	15,000	15,000	15,913	913
<u>FUND BALANCE - END OF YEAR</u>	-	-	17,579	17,579

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

OREGON CAREER PATHWAYS

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
State Sources	-	90,000	90,000	-
<u>TOTAL REVENUES</u>	-	90,000	90,000	-
<u>EXPENDITURES:</u>				
Personal Services	-	46,090	42,362	3,728
Materials and Services	-	43,910	37,858	6,052
<u>TOTAL EXPENDITURES</u>	-	90,000	80,219	9,781
Excess of Revenues Over (Under) Expenditures	-	-	9,781	9,781
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	9,781	9,781

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

WASCO COUNTY CHILD CARE DEVELOPMENT BLOCK GRANT

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Grant/Contract Sources	-	21,012	4,203	(16,809)
<u>TOTAL REVENUES</u>	-	21,012	4,203	(16,809)
<u>EXPENDITURES:</u>				
Personal Services	-	12,387	-	12,387
Materials and Services	-	8,625	28	8,597
<u>TOTAL EXPENDITURES</u>	-	21,012	28	20,984
Excess of Revenues Over (Under) Expenditures	-	-	4,175	4,175
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	4,175	4,175

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CAREER PATHWAYS PROGRAM INCOME

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Sales and Services	-	-	6,821	6,821
<u>TOTAL REVENUES</u>	-	-	6,821	6,821
<u>EXPENDITURES:</u>				
Personal Services	-	-	-	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	6,821	6,821
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	6,821	6,821

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

INSURANCE FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	-	-	-	-
<u>TOTAL REVENUES</u>	-	-	-	-
<u>EXPENDITURES:</u>				
Materials and Services	5,683	5,638	1,000	4,638
<u>TOTAL EXPENDITURES</u>	5,683	5,638	1,000	4,638
Excess of Revenues Over (Under) Expenditures	(5,683)	(5,638)	(1,000)	4,638
<u>FUND BALANCE - BEGINNING OF YEAR</u>	5,683	5,638	5,638	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	4,638	4,638

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

RESIDENTIAL LEASES

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	-	-	-	-
<u>TOTAL REVENUES</u>	-	-	-	-
<u>EXPENDITURES:</u>				
Personal Services	-	-	-	-
Materials and Services	-	-	-	-
<u>TOTAL EXPENDITURES</u>	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(25,000)	(25,000)	(25,000)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	25,000	25,000	27,465	2,465
<u>FUND BALANCE - END OF YEAR</u>	-	-	2,465	2,465

COLUMBIA GORGE COMMUNITY COLLEGE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS**

BUILDING 2 LEASES

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	145,763	145,763	149,477	3,714
Sales and Services	12,000	12,000	11,097	(903)
<u>TOTAL REVENUES</u>	157,763	157,763	160,574	2,811
<u>EXPENDITURES:</u>				
Personal Services	18,635	18,635	15,616	3,019
Materials and Services	39,605	39,605	32,346	7,259
<u>TOTAL EXPENDITURES</u>	58,240	58,240	47,962	10,278
 Excess of Revenues Over (Under) Expenditures	 99,523	 99,523	 112,612	 13,089
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(99,523)	(99,523)	(99,523)	-
 <u>FUND BALANCE - BEGINNING OF YEAR</u>	 -	 -	 25,818	 25,818
 <u>FUND BALANCE - END OF YEAR</u>	 -	 -	 38,907	 38,907

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

FOOD SERVICE

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	8,000	8,000	6,714	(1,286)
<u>TOTAL REVENUES</u>	<u>8,000</u>	<u>8,000</u>	<u>6,714</u>	<u>(1,286)</u>
<u>EXPENDITURES:</u>				
Materials and Services	8,999	8,999	-	8,999
Capital Outlay	1	1	-	1
<u>TOTAL EXPENDITURES</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Excess of Revenues Over (Under) Expenditures	(1,000)	(1,000)	6,714	7,714
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(2,000)	(2,000)	(2,000)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>3,000</u>	<u>3,000</u>	<u>5,952</u>	<u>2,952</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>10,666</u>	<u>10,666</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

FACILITIES AND GROUNDS MAINTENANCE RESERVE FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>TOTAL REVENUES</u>	-	-	-	-
<u>EXPENDITURES:</u>				
Materials and Services	50,000	50,000	-	50,000
<u>TOTAL EXPENDITURES</u>	50,000	50,000	-	50,000
Excess of Revenues Over (Under) Expenditures	(50,000)	(50,000)	-	50,000
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	50,000	50,000	50,000	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	-	-
<u>FUND BALANCE - END OF YEAR</u>	-	-	50,000	50,000

DEBT SERVICE FUNDS

WASCO COUNTY G.O. BOND: This debt service fund is used to account for the accumulation of resources to pay the principal and interest on General Obligation Bonds, Series 1993 approved by Wasco County voters and refunding General Obligation Bonds, Series 1998.

DISTRICT G.O. BOND: This debt service fund accounts for the accumulation of resources to pay the principal and interest on General Obligation Bonds, Series 2005 approved by district voters of Hood River and Wasco Counties.

PENSION BOND: This fund is established to account for the debt service of the pension obligation bonds issued by the College in 2003 and will be funded by a credit to the College's PERS employer rate beginning May 1, 2003.

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

WASCO COUNTY G.O. BONDS DEBT SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Sources	720,289	720,289	782,889	62,600
Other Sources	-	-	2,497	2,497
<u>TOTAL REVENUES</u>	720,289	720,289	785,386	65,097
<u>EXPENDITURES:</u>				
Debt Service	682,723	682,723	682,723	-
<u>TOTAL EXPENDITURES</u>	682,723	682,723	682,723	-
Excess of Revenues Over (Under) Expenditures	37,566	37,566	102,663	65,097
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(37,566)	(37,566)	(37,566)	-
Excess of Revenues Over (Under) Other Sources (Uses)	-	-	65,097	65,097
<u>FUND BALANCE - BEGINNING OF YEAR</u>	-	-	9,620	9,620
<u>FUND BALANCE - END OF YEAR</u>	-	-	74,718	74,718

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

DISTRICT G.O. BONDS DEBT SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Local Sources	1,100,338	1,100,338	1,133,702	33,364
Other Sources	-	-	2,684	2,684
<u>TOTAL REVENUES</u>	<u>1,100,338</u>	<u>1,100,338</u>	<u>1,136,386</u>	<u>36,048</u>
<u>EXPENDITURES:</u>				
Debt Service	1,100,338	1,100,338	1,100,338	-
<u>TOTAL EXPENDITURES</u>	<u>1,100,338</u>	<u>1,100,338</u>	<u>1,100,338</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	36,048	36,048
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer from General Fund	-	32,000	32,000	-
Excess of Revenues Over (Under) Other Sources (Uses)	-	32,000	68,048	36,048
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>32,000</u>	<u>68,048</u>	<u>36,048</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

PENSION BONDS DEBT SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	177,721	177,721	253,758	76,037
<u>TOTAL REVENUES</u>	<u>177,721</u>	<u>177,721</u>	<u>253,758</u>	<u>76,037</u>
<u>EXPENDITURES:</u>				
Debt Service	177,720	177,720	177,720	-
<u>TOTAL EXPENDITURES</u>	<u>177,720</u>	<u>177,720</u>	<u>177,720</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	1	1	76,039	76,038
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(1)	(1)	-	1
Excess of Revenues Over (Under) Other Sources (Uses)	-	-	76,039	76,039
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>150,000</u>	<u>150,000</u>	<u>202,502</u>	<u>52,502</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>150,000</u>	<u>150,000</u>	<u>278,541</u>	<u>128,541</u>

CAPITAL PROJECTS FUND

This fund was used to account for proceeds received from the 1993 bond election. Proceeds were used to acquire the 59.38-acre campus at 400 E. Scenic Drive, The Dalles, and to pay for direct construction costs and ongoing indirect construction costs to remodel the facilities of the existing 59.38-acre campus. On May 25, 2005, the College issued \$18,500,000 general obligation bonds which were approved by District voters of Hood River and Wasco Counties at a general election on November 2, 2004. Voters authorized issuance of \$18,500,000 of general obligation bonds with a maturity not to exceed 21 years to finance the costs of capital construction and improvements for health science and training facilities, renovate existing facilities, demolish unusable buildings, purchase land and pay the costs of issuance of the bonds.

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
WITH BUDGET COMPARISON - BUDGETARY BASIS

CAPITAL PROJECTS FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES:</u>				
Other Sources	360,000	360,000	721,123	361,123
<u>TOTAL REVENUES</u>	<u>360,000</u>	<u>360,000</u>	<u>721,123</u>	<u>361,123</u>
<u>EXPENDITURES:</u>				
Materials and Services	2,310,000	2,310,085	992,895	1,317,190
Capital Outlay	17,100,000	17,099,915	1,618,796	15,481,119
<u>TOTAL EXPENDITURES</u>	<u>19,410,000</u>	<u>19,410,000</u>	<u>2,611,691</u>	<u>16,798,309</u>
Excess of Revenues Over (Under) Expenditures	(19,050,000)	(19,050,000)	(1,890,568)	17,159,432
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	(10,931)	(10,931)	(10,931)	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>19,060,931</u>	<u>19,060,931</u>	<u>18,721,468</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>16,819,968</u>	<u>16,819,968</u>

ENTERPRISE FUND

COLLEGE BOOK STORE: This fund is used to record revenues and expenditures relating to texts and supplies made available to the students. Revenues are text and supply sales, and transfers from the General Fund. Expenditures are for purchases of resale items.

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
WITH BUDGET COMPARISON - BUDGETARY BASIS

COLLEGE BOOK STORE

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>OPERATING REVENUES:</u>				
Gross Sales, Text Books	599,186	599,186	397,313	(201,873)
Cash Short/Over	-	-	-	-
<u>TOTAL OPERATING REVENUES</u>	<u>599,186</u>	<u>599,186</u>	<u>397,313</u>	<u>(201,873)</u>
<u>PURCHASES:</u>				
Purchases, Text Books	504,465	504,465	383,964	120,501
Publishers Credits	(40,270)	(40,270)	(77,041)	36,771
<u>NET PURCHASES</u>	<u>464,195</u>	<u>464,195</u>	<u>306,923</u>	<u>157,272</u>
<u>GROSS PROFIT</u>	<u>134,991</u>	<u>134,991</u>	<u>90,390</u>	<u>(44,601)</u>
<u>OPERATING EXPENSES:</u>				
Personal Services	57,775	57,775	34,638	23,137
Materials and Services	44,780	44,780	19,323	25,457
<u>TOTAL OPERATING EXPENSES</u>	<u>102,555</u>	<u>102,555</u>	<u>53,961</u>	<u>48,594</u>
<u>OTHER FINANCE SOURCES (USES):</u>				
Transfer to General Fund	-	-	-	-
Net Income (Loss)	32,436	32,436	36,429	3,993
<u>RETAINED EARNINGS - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>24,185</u>	<u>24,185</u>
<u>RETAINED EARNINGS - END OF YEAR</u>	<u>32,436</u>	<u>32,436</u>	<u>60,614</u>	<u>28,178</u>

AGENCY FUNDS

HOSPITALITY FUND: This fund was established to account for voluntary employee contributions to be used for flowers and gifts for bereavement or illness.

STUDENT COUNCIL FUND: This fund was established to record the receipts and disbursements for student activities and fund raisers. Receipts are mostly from used book sales and fund raisers. Disbursements are for supplies and book purchases and various student activities.

PHI THETA KAPPA: This fund accounts for the student honor society activities.

ENVIRONMENTAL CLUB: This fund accounts for the activities of the student-organized Environmental Club.

STUDENT NURSE ASSOCIATION: This fund accounts for the activities of the Student Nurse Association.

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO AGENCY FUNDS
WITH BUDGET COMPARISON - BUDGETARY BASIS

HOSPITALITY FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>RECEIPTS:</u>				
Contributions	350	350	70	(280)
<u>TOTAL RECEIPTS</u>	<u>350</u>	<u>350</u>	<u>70</u>	<u>(280)</u>
<u>DISBURSEMENTS:</u>				
Materials and Services	600	600	204	396
<u>TOTAL DISBURSEMENTS</u>	<u>600</u>	<u>600</u>	<u>204</u>	<u>396</u>
Excess of Receipts Over (Under) Disbursements	(250)	(250)	(134)	116
<u>DUE TO AGENCY FUND - BEGINNING OF YEAR</u>	<u>250</u>	<u>250</u>	<u>138</u>	<u>(112)</u>
<u>DUE TO AGENCY FUND - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO AGENCY FUNDS
WITH BUDGET COMPARISON - BUDGETARY BASIS

STUDENT COUNCIL FUND

FOR THE YEAR ENDED JUNE 30, 2006

(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>RECEIPTS:</u>				
Other Fund Raising	500	500	-	(500)
<u>TOTAL RECEIPTS</u>	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
<u>DISBURSEMENTS:</u>				
Materials and Services	1,500	1,500	510	990
<u>TOTAL DISBURSEMENTS</u>	<u>1,500</u>	<u>1,500</u>	<u>510</u>	<u>990</u>
Excess of Receipts Over (Under) Disbursements	(1,000)	(1,000)	(510)	490
<u>DUE TO AGENCY FUND - BEGINNING OF YEAR</u>	<u>1,000</u>	<u>1,000</u>	<u>535</u>	<u>(465)</u>
<u>DUE TO AGENCY FUND - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>25</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO AGENCY FUNDS
WITH BUDGET COMPARISON - BUDGETARY BASIS

PHI THETA KAPPA FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>RECEIPTS:</u>				
Membership Dues	3,000	3,000	2,580	(420)
Fundraising	1,500	1,500	1,333	(167)
<u>TOTAL RECEIPTS</u>	<u>4,500</u>	<u>4,500</u>	<u>3,913</u>	<u>(587)</u>
<u>DISBURSEMENTS:</u>				
Materials and Services	4,500	4,500	4,333	167
<u>TOTAL DISBURSEMENTS</u>	<u>4,500</u>	<u>4,500</u>	<u>4,333</u>	<u>167</u>
Excess of Receipts Over (Under) Disbursements	-	-	(420)	(420)
<u>DUE TO AGENCY FUND - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>1,343</u>	<u>1,343</u>
<u>DUE TO AGENCY FUND - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>923</u>	<u>923</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO AGENCY FUNDS
WITH BUDGET COMPARISON - BUDGETARY BASIS

ENVIRONMENTAL CLUB FUND

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>RECEIPTS:</u>				
Fundraising	500	500	-	(500)
<u>TOTAL RECEIPTS</u>	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
<u>DISBURSEMENTS:</u>				
Materials and Services	978	978	-	978
<u>TOTAL DISBURSEMENTS</u>	<u>978</u>	<u>978</u>	<u>-</u>	<u>978</u>
Excess of Receipts Over (Under) Disbursements	(478)	(478)	-	478
<u>DUE TO AGENCY FUND - BEGINNING OF YEAR</u>	<u>478</u>	<u>478</u>	<u>477</u>	<u>(1)</u>
<u>DUE TO AGENCY FUND - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>477</u>	<u>477</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO AGENCY FUNDS
WITH BUDGET COMPARISON - BUDGETARY BASIS

STUDENT NURSE ASSOCIATION

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>RECEIPTS:</u>				
Fundraising	2,100	2,100	-	(2,100)
<u>TOTAL RECEIPTS</u>	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>(2,100)</u>
<u>DISBURSEMENTS:</u>				
Materials and Services	2,100	2,100	151	1,949
<u>TOTAL DISBURSEMENTS</u>	<u>2,100</u>	<u>2,100</u>	<u>151</u>	<u>1,949</u>
Excess of Receipts Over (Under) Disbursements	-	-	(151)	(151)
<u>DUE TO AGENCY FUND - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>504</u>	<u>504</u>
<u>DUE TO AGENCY FUND - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>353</u>	<u>353</u>

OTHER FINANCIAL SCHEDULES

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF WASCO COUNTY PROPERTY TAX TRANSACTIONS

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

TAX CONTROL RECORDS

<u>TAX YEAR</u>	<u>TAXES RECEIVABLE 7/01/05</u>	<u>CURRENT YEAR LEVY</u>	<u>NET ADJUSTMENTS</u>	<u>DEDUCT TAX COLLECTIONS</u>	<u>TAXES RECEIVABLE 6/30/06</u>
2005-06	-	1,768,035	(45,429)	(1,630,842)	91,764
2004-05	61,846	-	(1,793)	(22,182)	37,871
2003-04	44,895	-	(1,535)	(12,118)	31,242
2002-03	37,828	-	(23,750)	(10,593)	3,485
2001-02	6,289	-	(2,839)	(3,197)	253
2000-01	72	-	(910)	850	12
1999-00	27	-	(906)	906	27
1998-99	11	-	(992)	992	11
1997-98	10	-	(1,005)	1,005	10
1996-97	70	-	(1,260)	1,256	66
1995-96	53	-	(1,082)	1,082	53
1994-95	53	-	(755)	755	53
1989-90	20	-	36	(56)	-
1988-89	42	-	41	(62)	21
1987-88	40	-	32	(49)	23
1986-87	21	-	-	-	21
1985-86	28	-	-	-	28
1984-85	2	-	-	-	2
<u>TOTALS</u>	151,307	1,768,035	(82,147)	(1,672,253)	164,942

RECONCILIATION TO COUNTY TREASURER

<u>TREASURER'S BALANCE - JULY 1, 2005</u>	12,444
<u>RECEIPTS:</u>	
<u>CURRENT YEAR LEVY:</u>	
Tax Collections	1,629,726
Unsegregated Interest	224
ADD: Interest	1,116
<u>TOTAL RECEIPTS - CURRENT YEAR LEVY</u>	1,631,066
<u>PRIOR YEARS' LEVIES:</u>	
Tax Collections	37,164
ADD: Interest	4,246
<u>TOTAL RECEIPTS - PRIOR YEARS' LEVIES</u>	41,410
<u>TOTAL RECEIPTS AND BEGINNING BALANCE</u>	1,684,920
ADD: Foreclosed Property	1,367
Electric Co-op	6,158
CATF Adjustment	(506)
Adjustment for Refund Activity	(3,938)
DEDUCT: Payments to the College	(1,675,652)
<u>TREASURER'S BALANCE - JUNE 30, 2006</u>	<u>12,349</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF HOOD RIVER COUNTY PROPERTY TAX TRANSACTIONS
ACCOUNT 659

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

TAX CONTROL RECORDS

<u>TAX YEAR</u>	<u>TAXES RECEIVABLE 7/1/05</u>	<u>CURRENT YEAR LEVY</u>	<u>NET ADJUSTMENTS</u>	<u>DEDUCT TAX COLLECTIONS</u>	<u>TAXES RECEIVABLE 6/30/06</u>
2005-06	-	346,098	(11,867)	(327,400)	6,831
2004-05	8,217	-	1,783	(6,971)	3,029
2003-04	3,092	-	564	(2,012)	1,644
2002-03	1,793	-	720	(1,984)	529
<u>TOTALS</u>	<u>13,102</u>	<u>346,098</u>	<u>(8,800)</u>	<u>(338,367)</u>	<u>12,033</u>

RECONCILIATION TO COUNTY TREASURER

TREASURER'S BALANCE - JULY 1, 2005 2,289

RECEIPTS:

CURRENT YEAR LEVY:

Tax Collections	327,400	
ADD: Interest	321	
<u>TOTAL RECEIPTS - CURRENT YEAR LEVY</u>		327,721

PRIOR YEARS' LEVIES:

Tax Collections	10,967	
ADD: Other	(369)	
<u>TOTAL RECEIPTS - PRIOR YEARS' LEVIES</u>		10,598

TOTAL RECEIPTS AND BEGINNING BALANCE 340,608

DEDUCT: Payments to the College	(327,652)
Low Income Housing Refund	(10,898)

TREASURER'S BALANCE - JUNE 30, 2006 2,058

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF HOOD RIVER COUNTY PROPERTY TAX TRANSACTIONS
ACCOUNT 685 - BONDS

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

TAX CONTROL RECORDS

<u>TAX YEAR</u>	<u>TAXES RECEIVABLE 7/1/05</u>	<u>CURRENT YEAR LEVY</u>	<u>NET ADJUSTMENTS</u>	<u>DEDUCT TAX COLLECTIONS</u>	<u>TAXES RECEIVABLE 6/30/06</u>
2005-06	-	573,901	(17,770)	(544,804)	11,327
<u>TOTALS</u>	-	573,901	(17,770)	(544,804)	11,327

RECONCILIATION TO COUNTY TREASURER

TREASURER'S BALANCE - JULY 1, 2005

-

RECEIPTS:

CURRENT YEAR LEVY:

Tax Collections

547,578

ADD: Interest

503

TOTAL RECEIPTS - CURRENT YEAR LEVY

548,081

PRIOR YEARS' LEVIES:

Tax Collections

-

ADD: Other

-

TOTAL RECEIPTS - PRIOR YEARS' LEVIES

-

TOTAL RECEIPTS AND BEGINNING BALANCE

548,081

DEDUCT: Payments to the College

(545,307)

TREASURER'S BALANCE - JUNE 30, 2006

2,774

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF CASH BALANCES AND COLLATERAL SECURITY

JUNE 30, 2006
(all amounts are in dollars)

COLUMBIA RIVER BANKING COMPANY:

Checking Account	<u>129,726</u>
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<u>TOTAL</u>	<u><u>129,726</u></u>
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COLLATERAL SECURITY:

F.D.I.C. Insurance - Demand Deposits	100,000
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Certificate of Participation No. 42509, Date 4-28-05	<u>700,000</u>
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<u>TOTAL</u>	<u><u>800,000</u></u>
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WELLS FARGO BANK:

Checking Account	<u>31,426</u>
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<u>TOTAL</u>	<u><u>31,426</u></u>
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COLLATERAL SECURITY:

F.D.I.C. Insurance - Demand Deposits	<u>100,000</u>
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<u>TOTAL</u>	<u><u>100,000</u></u>
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U.S. NATIONAL BANK:

VISA Account	183,343
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Money Market Account	<u>10,871</u>
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<u>TOTAL</u>	<u><u>194,214</u></u>
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COLLATERAL SECURITY:

F.D.I.C. Insurance - Demand Deposits	100,000
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Certificate of Participation No. 42794, Date 1-23-06	<u>1,000,000</u>
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<u>TOTAL</u>	<u><u>1,100,000</u></u>
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SHORT-TERM INVESTMENTS:

Local Government Investment Pool	<u>22,070,203</u>
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<u>TOTAL SHORT-TERM INVESTMENTS</u>	<u><u>22,070,203</u></u>
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BANK RECONCILIATION :

	<u>CRBC</u>	<u>WFB</u>	<u>USB</u>	<u>USB MM</u>	<u>TOTAL</u>
Balance per Books	129,726	31,426	183,343	10,871	355,366
ADD: Outstanding Checks	57,437	10,000	169,929	-	237,366
LESS: Outstanding Deposits	-	(22,422)	-	-	(22,422)
<u>BALANCE PER BANK STATEMENT</u>	<u>187,163</u>	<u>19,004</u>	<u>353,272</u>	<u>10,871</u>	<u>570,310</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF INSURANCE

JUNE 30, 2006
(all amounts are in dollars)

<u>POLICY NUMBER</u>	<u>COMPANY</u>	<u>AMOUNT</u>	<u>COVERAGE</u>	<u>PREMIUM</u>	<u>EXPIRATION</u>
05PCGCC	City County Insurance Services	5,000,000	Liability	50,550	6/30/06
			Auto Damage		6/30/06
			Deductible:		
			Collision - \$500		
			Comprehensive - \$100		
			Property		6/30/06
			Deductible:		
			Building/Contents - \$1,000		
			Inland Marine - \$1,000		
			Earthquake - 2%; \$50,000 min.		
			Flood - \$50,000 each occurrence		
			Crime		
05PCGCC	City County Insurance Services	164,000	Property coverage for adding Hood River	165	6/30/06
		3,000,000	Worker's Compensation	34,215	6/30/06
YPO-242335	Old Republic Surety Company	50,000	Employee Bond - President only	150	6/30/06
YPE-219804	Old Republic Surety Company	50,000	Blanket Employee, Board Members	558	6/30/06

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF FUTURE WASCO COUNTY G.O. BOND REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

<u>PAYMENT DATE</u>	<u>1998 G.O. REFUNDING BONDS PRINCIPAL</u>	<u>COUPON</u>	<u>1998 G.O. REFUNDING BONDS INTEREST</u>	<u>TOTAL REQUIREMENT</u>
12/1/2006			89,403.75	89,403.75
6/1/2007	515,000.00	3.95%	89,403.75	604,403.75
12/1/2007			79,232.50	79,232.50
6/1/2008	535,000.00	4.00%	79,232.50	614,232.50
12/1/2008			68,532.50	68,532.50
6/1/2009	570,000.00	4.00%	68,532.50	638,532.50
12/1/2009			57,132.50	57,132.50
6/1/2010	615,000.00	4.10%	57,132.50	672,132.50
12/1/2010			44,525.00	44,525.00
6/1/2011	650,000.00	4.15%	44,525.00	694,525.00
12/1/2011			31,037.50	31,037.50
6/1/2012	695,000.00	4.30%	31,037.50	726,037.50
12/1/2012			16,095.00	16,095.00
6/1/2013	740,000.00	4.35%	16,095.00	756,095.00
<u>TOTALS</u>	\$ <u>4,320,000.00</u>		\$ <u>771,917.50</u>	\$ <u>5,091,917.50</u>

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF FUTURE 2005 G.O. BOND REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

PAYMENT DATE	PRINCIPAL	COUPON	INTEREST	TOTAL REQUIREMENT
12/15/2006			406,371.88	406,371.88
6/15/2007	350,000.00	3.25%	406,371.88	756,371.88
12/15/2007			400,684.38	400,684.38
6/15/2008	395,000.00	3.25%	400,684.38	795,684.38
12/15/2008			394,265.63	394,265.63
6/15/2009	475,000.00	3.50%	394,265.63	869,265.63
12/15/2009			385,953.13	385,953.13
6/15/2010	525,000.00	3.50%	385,953.13	910,953.13
12/15/2010			376,765.63	376,765.63
6/15/2011	565,000.00	3.50%	376,765.63	941,765.63
12/15/2011			366,878.13	366,878.13
6/15/2012	625,000.00	3.75%	366,878.13	991,878.13
12/15/2012			355,159.38	355,159.38
6/15/2013	680,000.00	3.75%	355,159.38	1,035,159.38
12/15/2013			342,409.38	342,409.38
6/15/2014	740,000.00	**	342,409.38	1,082,409.38
12/15/2014			326,906.25	326,906.25
6/15/2015	810,000.00	4.00%	326,906.25	1,136,906.25
12/15/2015			310,706.25	310,706.25
6/15/2016	875,000.00	**	310,706.25	1,185,706.25
12/15/2016			291,956.25	291,956.25
6/15/2017	1,000,000.00	5.00%	291,956.25	1,291,956.25
12/15/2017			266,956.25	266,956.25
6/15/2018	1,040,000.00	5.00%	266,956.25	1,306,956.25
12/15/2018			240,956.25	240,956.25
6/15/2019	1,130,000.00	5.00%	240,956.25	1,370,956.25
12/15/2019			212,706.25	212,706.25
6/15/2020	1,255,000.00	**	212,706.25	1,467,706.25
12/15/2020			181,968.75	181,968.75
6/15/2021	1,330,000.00	5.00%	181,968.75	1,511,968.75
12/15/2021			148,718.75	148,718.75
6/15/2022	1,440,000.00	5.00%	148,718.75	1,588,718.75
12/15/2022			112,718.75	112,718.75
6/15/2023	1,555,000.00	5.00%	112,718.75	1,667,718.75
12/15/2023			73,843.75	73,843.75
6/15/2024	1,680,000.00	4.25%	73,843.75	1,753,843.75
12/15/2024			38,143.75	38,143.75
6/15/2025	1,795,000.00	4.25%	38,143.75	1,833,143.75
TOTALS	18,265,000.00		10,468,137.58	28,733,137.58

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF FUTURE PENSION BOND REQUIREMENTS

FOR THE YEAR ENDED JUNE 30, 2006

(all amounts are in dollars)

<u>PAYMENT</u> <u>DATE</u>	<u>PRINCIPAL</u>	<u>COUPON</u>	<u>INTEREST</u>	<u>TOTAL</u> <u>REQUIREMENT</u>
12/30/2006			51,359.75	51,359.75
6/30/2007	74,024.80	3.33%	62,334.95	136,359.75
12/30/2007			51,359.75	51,359.75
6/30/2008	82,642.00	3.71%	68,717.75	151,359.75
12/30/2008			51,359.75	51,359.75
6/30/2009	85,317.10	4.15%	76,042.65	161,359.75
12/30/2009			51,359.75	51,359.75
6/30/2010	87,400.80	4.46%	83,958.95	171,359.75
12/30/2010			51,359.75	51,359.75
6/30/2011	88,591.10	4.74%	92,768.65	181,359.75
12/30/2011			51,359.75	51,359.75
6/30/2012	92,614.40	4.94%	103,745.35	196,359.75
12/30/2012			51,359.75	51,359.75
6/30/2013	92,522.60	5.13%	113,837.15	206,359.75
12/30/2013			51,359.75	51,359.75
6/30/2014	94,178.30	5.35%	127,181.45	221,359.75
12/30/2014			51,359.75	51,359.75
6/30/2015	95,276.85	5.52%	141,082.90	236,359.75
12/30/2015			51,359.75	51,359.75
6/30/2016	95,808.00	5.66%	155,551.75	251,359.75
12/30/2016			51,359.75	51,359.75
6/30/2017	95,670.70	5.79%	170,689.05	266,359.75
12/30/2017			51,359.75	51,359.75
6/30/2018	94,971.60	5.91%	186,388.15	281,359.75
12/30/2018			51,359.75	51,359.75
6/30/2019	93,658.60	6.03%	202,701.15	296,359.75
12/30/2019			51,359.75	51,359.75
6/30/2020	92,573.00	6.10%	218,786.75	311,359.75
12/30/2020			51,359.75	51,359.75
6/30/2021	92,562.40	6.18%	238,797.35	331,359.75
12/30/2021			51,359.75	51,359.75
6/30/2022	92,454.00	6.23%	258,905.75	351,359.75
12/30/2022			51,359.75	51,359.75
6/30/2023	90,943.65	6.25%	275,416.10	366,359.75
12/30/2023			51,359.75	51,359.75
6/30/2024	335,000.00	5.66%	51,359.75	386,359.75
12/30/2024			41,879.25	41,879.25
6/30/2025	375,000.00	5.67%	41,879.25	416,879.25
12/30/2025			31,248.00	31,248.00
6/30/2026	420,000.00	5.68%	31,248.00	451,248.00
12/30/2026			19,320.00	19,320.00
6/30/2027	465,000.00	5.60%	19,320.00	484,320.00
12/30/2027			6,300.00	6,300.00
6/30/2028	225,000.00	5.60%	6,300.00	231,300.00
<u>TOTALS</u>	<u>3,361,209.90</u>		<u>3,750,235.60</u>	<u>7,111,445.50</u>

COLUMBIA GORGE COMMUNITY COLLEGE

SCHEDULE OF FUTURE LOAN PAYMENTS
FOR SMALL SCALE ENERGY LOAN

FOR THE YEAR ENDED JUNE 30, 2006
(all amounts are in dollars)

<u>YEAR</u>	<u>PAYMENT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>
				78,063.26
2006-2007	26,976.00	4,199.96	22,776.04	55,287.22
2007-2008	26,976.00	2,746.99	24,229.01	31,058.21
2008-2009	26,976.00	1,201.36	25,774.64	5,283.57
2009-2010	<u>5,326.65</u>	<u>43.08</u>	<u>5,283.57</u>	<u>-</u>
<u>TOTALS</u>	<u>86,254.65</u>	<u>8,191.39</u>	<u>78,063.26</u>	<u>-</u>

OTHER REQUIRED REPORTS

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CDFA* NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF EDUCATION:</u>			
Developing a Rural Clinical Simulation Center for Columbia Gorge Community College's Nurse Training Program	84.116		\$ 90,436
<i>Passed through State Department of Community Colleges and Workforce Development:</i>			
Adult Basic Education	84.002	376.01	169,020
Vocational Education -Perkins	84.048	364.07	<u>62,676</u>
<u>TOTAL U.S. DEPARTMENT OF EDUCATION</u>			<u>322,132</u>
<u>U.S. SMALL BUSINESS ADMINISTRATION:</u>			
<i>Passed through Oregon Department of Economic Development and Lane Community College:</i>			
Small Business Development Center	59.037	04-145	<u>30,250</u>
<u>TOTAL U.S. SMALL BUSINESS ADMINISTRATION</u>			<u>30,250</u>
<u>U.S. DEPARTMENT OF LABOR:</u>			
Rural Healthcare High Growth Job Training and Economic Recovery Initiative	17.257		<u>550,186</u>
<u>TOTAL U.S. DEPARTMENT OF LABOR</u>			<u>550,186</u>
<u>TOTAL FEDERAL ASSISTANCE</u>			<u>\$ 902,568</u>

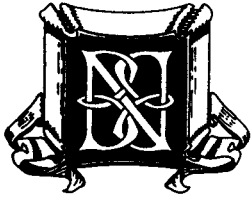
*Catalog of Federal Domestic Assistance

COLUMBIA GORGE COMMUNITY COLLEGE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Columbia Gorge Community College and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.



BYERS, NEUMAYER & BRADFORD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

305 East Fifth Street • The Dalles, Oregon 97058

(541) 296-2000 • (541) 296-5636 Fax
www.bnbcpas.com

Ben G. Neumayer
Gary F. Bradford

John W. Byers
Carolyn Rohde
Nathan Reagan
Carol Friend

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

Board of Education
Columbia Gorge Community College
The Dalles, Oregon 97058

We have audited the financial statements of Columbia Gorge Community College as of and for the year ended June 30, 2006, which collectively comprise the Columbia Gorge Community College's basic financial statements and have issued our report thereon dated December 6, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Columbia Gorge Community College's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance

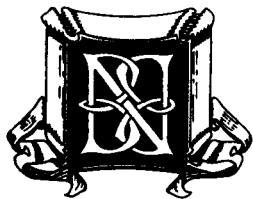
As part of obtaining reasonable assurance about whether Columbia Gorge Community College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted other matters involving the internal control over financial reporting that we have reported to management of Columbia Gorge Community College in a separate letter dated December 6, 2006.

This report is intended for the information of the Board of Education, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


CERTIFIED PUBLIC ACCOUNTANTS

December 6, 2006



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CERTIFIED PUBLIC ACCOUNTANTS

305 East Fifth Street • The Dalles, Oregon 97058

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133

Board of Education
Columbia Gorge Community College
The Dalles, Oregon 97058

Compliance

We have audited the compliance of Columbia Gorge Community College with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. Columbia Gorge Community College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Columbia Gorge Community College's management. Our responsibility is to express an opinion on Columbia Gorge Community College's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Columbia Gorge Community College's compliance with those requirements and

performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Columbia Gorge Community College's compliance with those requirements.

In our opinion, Columbia Gorge Community College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of Columbia Gorge Community College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Columbia Gorge Community College's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Education, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited.


CERTIFIED PUBLIC ACCOUNTANTS

December 6, 2006

COLUMBIA GORGE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2006

SUMMARY OF AUDITOR'S RESULTS:

1. TYPE OF REPORT ISSUED ON THE FINANCIAL STATEMENTS:

An unqualified opinion was issued on the financial statements.

2. INTERNAL CONTROL:

No reportable conditions in internal control were disclosed during the audit of the financial statements.

No reportable conditions in internal control over major programs were disclosed during the audit.

3. COMPLIANCE:

No instances of noncompliance, that would be material to the financial statements of the College, were disclosed during the audit.

An unqualified opinion was issued on the College's compliance with requirements applicable to each major program.

4. FINDINGS:

The audit did not disclose any findings which are required to be reported under the requirements of OMB Circular A-133.

5. IDENTIFICATION OF MAJOR PROGRAMS:

The following federal programs were determined to be major programs of Columbia Gorge Community College for the year ended June 30, 2006:

- a. Rural Healthcare High Growth Job Training and Economic Recovery Initiative, CFDA No. 17.257

6. DOLLAR THRESHOLD USED TO DISTINGUISH BETWEEN TYPE A AND TYPE B PROGRAMS:

The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.

7. QUALIFICATION AS A LOW-RISK AUDITEE:

Columbia Gorge Community College was not determined to be a low-risk auditee for the year ended June 30, 2006.

8. SUMMARY OF PRIOR AUDIT FINDINGS:

There were no prior audit findings or questioned costs relating to federal awards.

COLUMBIA GORGE COMMUNITY COLLEGE

INDEPENDENT AUDITOR'S COMMENTS REQUIRED BY MINIMUM STANDARDS
FOR AUDITS OF OREGON MUNICIPAL CORPORATIONS
FOR THE YEAR ENDED JUNE 30, 2006

Oregon Administrative Rules 162-10-000 through 162-16-000 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in annual financial reports. Required comments and disclosures related to our audit of such financial statements and schedules are set forth on the following pages.

1. ACCOUNTING RECORDS:

We found the records of the College to be generally well maintained and adequate for audit purposes.

2. INVESTMENTS:

We have reviewed the College's compliance with ORS 294.035 regarding the investment of surplus public funds. Our review disclosed no conditions which we considered to be matters of noncompliance.

3. COLLATERAL SECURITY:

Collateral security pledged by depositories is set forth in Schedule of Cash Balances and Collateral Security. Sufficient collateral was maintained throughout the 2005-06 fiscal year to comply with legal requirements.

4. INDEBTEDNESS:

Long-term debt consists of general obligation bonds, energy loan, and the pension bonds. There is no short-term debt other than current operating expenses shown on the balance sheet as accounts payable, accrued payroll and payroll tax liabilities, and compensated absences payable. Our review disclosed no conditions which we considered to be matters of noncompliance.

5. BUDGET:

Except as stated below, the College has complied with the legal requirements relating to the preparation, adoption and execution of the annual budget for the fiscal year ended June 30, 2006, and with the legal requirements relating to the preparation and adoption of the budget for the 2006-2007 fiscal year.

After original 2005-06 budget was adopted, appropriation changes were made to the Department of Labor Nursing Grant fund without board resolution.

6. INSURANCE AND FIDELITY BONDS:

Insurance and fidelity bonds in force at June 30, 2006, are set forth in Schedule of Insurance. We are not competent by training to state whether the insurance policies covering college-owned property in force at June 30, 2006, are adequate. During the examination, nothing came to our attention that caused us to believe the College was not in compliance with statutory requirements. As part of our examination, we acquired a schedule of insurance at June 30, 2006 and reviewed copies of current insurance and fidelity bond policies.

7. LEAST COST POLICY FOR PUBLIC IMPROVEMENTS:

We have reviewed the College's compliance with ORS 279 regarding public contracts and purchasing. Our review disclosed no other conditions which are considered to be matters of noncompliance.

8. PROGRAMS FUNDED FROM OUTSIDE SOURCES AND FINANCIAL REPORTING REQUIREMENTS:

In connection with our examination of the financial statements, we reviewed and tested the College's procedures and records related to programs funded by other governmental agencies, including financial reporting requirements thereof. Based on our testing, we are generally satisfied with the accounting for programs funded from outside sources and the reporting thereof.