



# Standard 7

## Finance

### Overview

Since its last accreditation visit, Clark College has enjoyed a period of considerable financial stability through sound financial management. This is evidenced by its low use of debt, excellent audit reports, and the outstanding growth of the Clark College Foundation with its extraordinary additional level of support to the College for equipment, vocational education, and faculty and staff support. The College has also been successful planning and acquiring additional land for needed expansion to other sites, developing new buildings, and remodeling existing buildings. The expenditure levels by function within the College have been stable and provide the College the means to meet its Mission, goals, and priorities.

The Vice President of Administrative Services is responsible for the business, personnel, and plant services functions of the College, and reports directly to the College President. He manages and plans the fiscal resources and related services to ensure that the College is in compliance with federal, state, district, and College policies, procedures, laws, regulations, and employee union agreements. As a member of the Executive Team, the Vice President of Administrative Services regularly reports to the Clark College Board of Trustees and serves on the College Communication Council reporting financial information to its members. He also chairs the Clark College Budget Committee that meets to review the budget and to offer suggestions to the Executive Team and to the College President.

### ● Financial Planning

A number of boards exercise authority over Clark College in financial planning and budgeting mat-

ters, including the Clark College Board of Trustees, the State Board for Community and Technical Colleges (SBCTC), the Higher Education Coordinating Board, the Worker Retraining Board, and so on.

As the Governor's administrative arm in financial and budgetary matters, the Office of Financial Management (OFM) sets the basic principles, which guide the College's budget and accounting structure. The budget and fiscal staff of the SBCTC establish additional criteria and reporting requirements. In addition to OFM, the State Department of General Administration governs many fiscally related matters such as purchasing, risk management, etc. The Office of the Attorney General and the Office of the State Auditor issue rulings, opinions, and procedures, which apply to the fiscal operations of the College.

New ideas, initiatives, and collaborations must be developed within and structured by these rules and procedures. For example, the College itself cannot create a special tuition plan to target participation by certain populations. Tuition rates and tuition waivers are for the most part governed by the State Board for Community and Technical Colleges, the Higher Education Coordinating Board, and the Legislature.

Nonetheless, there is still reasonable discretionary authority granted to the College and its Board of Trustees that permits the College some choice in program and process.

### ● Capital and Operating Budget Process

There are distinct differences between the processes for capital budget planning and allocation and those for the operating budget (education and general—tuition, fees, and State-supported operations).

The capital budget planning process includes a ten-year moving structure for major facilities. All other elements of the capital budget—repairs, minor improvements, and minor (less than \$1,000,000) buildings operate on a two-year planning cycle.

The major component of the education and general budget, which is the State funding, comes from the traditional biennial allocation process followed in many states. (Table 7.1) However, State monies are now only actually appropriated on an annual basis and do not carry forward into the second year of a biennium.

The community college system budget is submitted as a combined request to the Legislature. However, each institution, through the Presidents' Association Operating Budget Committee, has an opportunity to address needs from the local college perspective.

In legislative years, colleges are frequently not informed of their funding allocation for the coming fiscal year until a month or two before it begins. Strategic planning for a longer period becomes difficult. Ordinarily, the annual budget cycle is underway in January with fine-tuning completed when the Legislature adjourns (usually in June) and the State Board notifies the College of its exact funding.

Equipment is a component of the annual operating budget. Funding equipment replacement, particularly technology-related equipment, is an ongoing fiscal challenge.

#### ***Recommendations and Actions Taken***

**The Office of Instruction has established a rolling, five-year equipment replacement plan to use as funds are identified. The process has created the need to operationalize definitions and to tighten the linkage between program inputs and desired outcomes. (Instructional Equipment Purchase Plans, Standard 8.)**

#### **● Budget Preparation and Management**

Each year the College publishes a detailed budget document that provides historical expenditure detail as well as the specifics of the budget adopted by the Board of Trustees. A constituent-based College Budget Committee (Exhibit 7.1) assists in the development of the annual operating budget and the steps, players and timelines are prescribed in the

Budget Development Schedule. (Exhibit 7.2) The process has been followed explicitly for a number of years.

The Executive Team plays a significant role in both the operating and capital budget development processes. The Operating Budget Preparation Instructions (Exhibit 7.2) provide an example of this role in which the Executive Team determines the source of funds for fixed cost items, initially approves base adjustments and the use of new dollars or budget cuts. The Executive Team also approves the "other fund" budgets.

The Executive Team helps establish priorities and define needs relative to this process for preparing the biennial budget. This information is used by the State Board staff to formulate the system fund request which then goes to the Governor's office.

Starting with the requests for the use of new funds for the 1998-99 year, major College areas were directed to establish the relationship of the sums requested to the College's Mission, Vision, and Values. The ultimate goal through the process was to see how proposed requests for funding would help the College achieve its Mission, Vision, and Values.

Administrators may initiate budget changes during the fiscal year which result in modifications to the budget detail that is distributed monthly to the operating units along with expenditure detail. Additional special balance sheets and income and expense statements are produced and distributed monthly for major enterprise or other revenue significant accounts such as Parking and Food Services.

#### **● Debt**

The use of debt at the College is rare. A number of years ago it was necessary to issue a bond in order to finance expansion of the College's parking lots, lighting, and sidewalks. This bond has since been retired. The College incurred a small, no interest debt in order to secure a community development grant to fund a major renovation of the Child Care Play Space. In addition, funds have been borrowed from the State to fund computer upgrades in the self-supporting Community Education computer instruction classroom.

Debt by the College is treated as an exception and has not been used as a vehicle to expand physical facilities. The College currently has no debt of any significance and there are adequate funds for its repayment. (Debt Service Schedule, Table 7.9)

## Adequacy of Financial Resources

### ● Sources of Funding

The College utilizes a variety of funding sources to support its programs and services. While the College can now retain tuition collections, it cannot set tuition rates. Community colleges in the State of Washington are not allowed to levy property taxes. Statewide Initiative 601 limits fee increases that cannot be justified on the basis of actual incurred expense. A wide variety of use and course fees assists in meeting funding needs. In addition, the Clark College Foundation has provided an extraordinary additional level of support to the College for equipment, and faculty and staff.

In reviewing the Current Funds Revenues (Table 7.1) it is apparent that the College has become more dependent upon tuition and local revenues and less dependent upon State appropriations from the Legislature.

A somewhat disturbing trend has been observed with the appropriation of funds for specific or “tagged” purposes. While providing the College flexibility in some respects, externally restricted or dedicated funding does diminish college discretion in the use of monies. In short, the College has a certain dependency upon “soft” monies that are subject to political changes of direction with the effect of stifling long-range planning. Examples of these “soft monied” programs include Worker Retraining, Running Start, and Excess Enrollment.

The College has been cautious in estimating/projecting revenue in order to prevent unexpected revenue shortfalls. Each year unexpended funds from the previous year have been available to meet additional non-recurring needs (such as equipment purchase). To date, appropriate contingencies and fund balances are maintained to buffer revenue fluctuations or unanticipated expense.

Transfers of monies between funds are only accomplished with Board of Trustee approval. Dele-

gated authority exists for inter-fund borrowing when appropriate.

From an overall perspective, the College has adequate resources for the support of its offerings, although specific operational areas are appropriately concerned about their actual resource level compared to perceived needs. However, the College does have areas that do and will continue to need additional funds in order to meet expectations for quality programs.

Technologies are changing so rapidly it has become increasingly difficult to stay current with virtually all forms of training equipment, computers, software, etc. The most pressing needs overall include equipment replacement, employee development, new program or course development, vocational program awareness, full-time faculty ratios, and compensation and benefits for adjunct faculty.

#### Recommendations and Actions Taken

**The College is currently taking steps, within a legislative appropriation, to more adequately compensate its adjunct faculty and a number of these employees were recently given full insurance benefits.**

#### Recommendations and Actions Taken

**The recent significant increase of endowment held by the Clark College Foundation is now providing a means to more adequately fund vocational education. (Table 7.7)**

#### Recommendations and Actions Taken

**In order to meet the technology challenge, the College has engaged consulting services to draft an Information Technology Plan. This plan will receive extensive review by all College constituencies. (Standard 5)**

With the recent revision of the College’s Mission, Vision, and Values, the challenge will be to ensure that resources continue to be allocated and utilized in a manner consistent with College goals and priorities.

### ● Financial Aid

The College actively seeks all sources of financial aid for its students. (Table 7.4) and additional information on financial aid in Standard 3.

The success of the Clark College Foundation (particularly with the Title III fund match) has produced significant scholarship funds for students. The Financial Aid Office works in cooperation with the Clark College Foundation to administer and award Foundation scholarship funds, from the application process through to the selection and actual award of the grant dollars.

It must be noted that a sizable amount of tuition waiver is not reported on the IPEDS report per Statewide agreement. The only tuition waiver that is reported is based on a State law establishing that 3% of tuition can be waived for needy students. (There is approximately \$200,000 of tuition waived for needy students.) College-wide, there is over \$2,700,000 of tuition waived for other programs. (Table 7.4)

Law establishes tuition waiver programs. Recently, this law was changed to give the colleges more local control over the granting of waivers. The Clark College Board of Trustees has adopted most allowed waiver programs. (Exhibit 7.3)

The State Board for Community and Technical Colleges establishes a "tuition revenue target" for each college in the system. If the College falls short in actual collections, it must make up the difference from other sources. If an individual college expands its waiver programs it will penalize itself with a revenue shortage.

### ● Financial Reserves

The College attempts to maintain a President's Contingency Fund of at least 1.5% of the State and Operating Fee allocation. In addition, fund balances exist in Grants and Contracts and Other Funds that provide for revenue fluctuations or other anticipated expenses. With the exception of the Operating Fee account, the College is prohibited from carrying State funds forward from one year to the next.

### ● Income Stability

Table 7.1 and Table 7.3 demonstrate income stability. The College has experienced significant stability with all sources of income. The funding formula used by the SBCTC to allocate funds to individual community colleges has worked to improve the relative position (as measured in dollars per FTES) of Clark College. This funding formula has in the past been detrimental toward large single campus colleges like Clark College. Analysis of the College's balance sheet (as reported through IPEDS over a ten-year period, 1986-96) reveals a significant year-by-year increase in the Current Funds cash and investment categories paralleled by similar increases in the unrestricted Current Fund balances.

### Auxiliary Enterprise Accounts

Analysis of Table 7.3 reveals the financial health of the College's Auxiliary Enterprise accounts. Major enterprise accounts (such as the Bookstore) pay overhead as appropriate. The College neither uses enterprise income to balance education and general operation nor subsidizes enterprises with education and general revenue. The College only uses its enterprises to provide necessary services to the College community.

### Financial Management

Budgeting and controllership functions are assigned to the Director of Business Services reporting to the Vice President of Administrative Services. In addition to these two positions, there are twelve staff positions in the Accounting and Payroll Services Departments. Staffing is lean to adequate. A recent goal has been satisfied to add additional staff in the internal control/audit area. The peer review that is a part of the administrative evaluation process has been helpful in guiding the processes of these activities within Business Services.

Quarterly and year-end reports are provided to the Board of Trustees. Historical detail plus actual income and expense information by account are included in these reports. Oral comment is made in addition to the written reports and comment and questions are invited.

The budgeting, accounting, and payroll software is furnished by the Community and Technical College Computing Information System (CIS). It is out-of-date and inefficient. The software has not kept up with the increased size and complexity of the institution in its ability to provide useful management reports.

All incomes and expenditures are controlled by the College and are included in the audit as well as in the quarterly financial reports given to the Board. Dedicated enterprise funds and fund balances are not ordinarily included in the College's budgeting process. However, the major "Other Fund" budgets, such as Excess Enrollment, Worker Retraining, International Education, Running Start, and the Depressed Economic Community funds, are reviewed through the Budget Committee process.

### ● **Cash Management and Investing**

The College has specific policies on cash management and investing. By resolution, the Board of Trustees has authorized use of the Local Government Investment Pool, but other allowable investment opportunities are utilized when rates are favorable. Investment detail is monitored monthly by the administration on source and earnings, as well as distribution.

Cash management is an ongoing concern addressed both by the College accounting staff and the State auditors. Periodic risk assessments are performed and higher risk areas are subjected to further review.

### ● **Accounting Systems**

The internal accounting system utilized by the College is tied to the system-wide software developed by the Community and Technical College Computing and Technology Center (CTC). While this software has its deficiencies, it nonetheless performs the basic bookkeeping, payroll, financial aid, cashing, inventory, and personnel processes. The system does not furnish much in the manner of management reports, but most needs can be satisfied with reports that are readily prepared with extraction software (Data Express).

The College must follow extensive accounting rules promulgated by the Washington State Office of Financial Management as well as by the State

Board for Community and Technical Colleges. Other specifics are worked out by the State-wide Budget, Accounting, and Reporting group and ultimately the Business Affairs Commission responsible to the Washington Association of Community and Technical Colleges. Both the State Audit and the Performance Review by the State Board staff are concerned with adherence to all of these established accounting rules and procedures.

The College is in compliance with generally accepted accounting principles (GAAP).

As a state agency, the College is reviewed by the Office of the State Auditor. That office may use its own audit staff or contract with independent audit firms for support or specialized audits. At the completion of the annual audit, an exit interview is held with the auditors, College staff, and the Chair of the College's Board of Trustees. In Washington, audit reports are public documents and are released to the press. The report is also presented at a meeting of the Board of Trustees.

Prior to the 1996-97 audit year, the State Auditor had not issued written Management Letters. Concerns and improvement needs identified by the State Auditors are discussed with College staff. Significant issues that are not corrected in a timely fashion may be included in the next formal audit report as a "finding". The College then has to publicly respond to the finding with corrective action. In turn, the State Auditor comments on the appropriateness of the College's response.

The College's annual audit by the State Audit Office includes all College administered financial aid. The Federal Program Reviews conducted by the U.S. Department of Education are no longer applicable as the College's Financial Aid Office participates in the Quality Assurance Program.

As a separate 501(c)(3) entity, the Clark College Foundation is subjected to an independent audit each year. College staff review the audit results.

All reports and audits are available for review.

### ● **Internal Controls**

Controls are utilized wherever appropriate and attainable, but risk does exist due to the size and decentralized nature of the College. Improvement suggestions from the State Auditors and College

staff are implemented whenever possible. Use of special reports extracted for management review have been useful. (Ratio assessment of Bookstore performance is one example of this monitoring.) The need for additional assistance in this area has been recognized and recently funded.

## Fundraising and Development

### ● Clark College Foundation

Clark College and the Clark College Foundation define their relationship through formal policy in accordance with state and federal regulations. The College Board Policies and Administrative Procedures designate the Clark College Foundation, a separate, nonprofit corporation, as the fundraising arm of the College. The relationship is further defined in a quid pro quo agreement between the Board of Trustees of the College and the Board of Directors of the Foundation.

The Clark College Foundation has 501(c)(3) nonprofit status under Internal Revenue Code. It was incorporated in the State of Washington in 1973. The Foundation is registered with the Washington Secretary of State pursuant to the Charitable Solicitations Act and is authorized by the Washington State Office of Insurance Commissioner to conduct a charitable gift annuity business.

Organized development programs that involve fundraising efforts are endorsed by Clark College's Executive Team and approved by the Board of Trustees. The Foundation's Mission is to "complement Clark College efforts to provide education higher in quality than afforded through state and federal support; to maximize student access to educational programs and services; and to cultivate community, business, and governmental leadership partnerships for the benefit of the College and the community. The President of the Clark College Foundation, serving in the capacity of Director of College Advancement, sits on the College's Executive Team and develops fundraising initiatives based on Executive Team decisions about institutional priorities in accordance with the formal Mission of the College.

Bylaws of the Clark Community College District No. 14 Foundation govern the internal affairs of the Foundation. A 28-member Board of Directors sets

policy for Foundation operations. Board membership includes the President of Clark College and two members of the College Board of Trustees, who are all non-voting members. The Foundation Board of Directors has developed comprehensive policies, which were adopted in June 1996 and are included with this report as an exhibit. (Exhibit 7.4) The policies define the authority and responsibilities of each of the eight committees: Development, Executive, Finance, Gift Acceptance, Grants, Scholarships and Distributions, Investment, Nominating and Personnel. Foundation Board membership reflects a high standard of community leadership and a strong commitment to enhancing educational opportunities for the benefit of individual students and the community as a whole.

Resource development initiatives include the annual campaign, special campaigns, special events, planned giving cultivation, equipment donation cultivation, funding proposal writing, and donor appreciation and recognition activities. Foundation fundraising efforts and endowment income support grants and scholarships, program development, faculty and staff development, capital improvements, property acquisition for campus expansion, vocational equipment purchase, outstanding employee performance awards, community service projects related to college programs, and general Foundation operations. Summaries of 1997-98 Foundation funds allocation recommendations and expenditures are included with this report as exhibits. (Exhibit 7.5)

The Foundation subscribes to the confidentiality principles of the Council for Advancement and Support of Education and the Donor Bill of Rights. The Code of Ethics of the Association of Professional Researchers for Advancement guides prospect research activities.

### ● Endowment, Life Income Funds and Investments

Endowments, life income funds, and investments are administered by the Clark College Foundation's Director of Finance and Administration in consultation with the Foundation's Finance and Investment Committees. As a separate entity, the Foundation maintains an accounting division whose record keeping and reporting comply with all applicable legal requirements and professional standards. Ac-

counting standards conform to generally accepted accounting practices, fiscal records undergo an independent annual audit, and the Foundation complies with standards to satisfy Title III reporting requirements and the reporting requirements of other funding entities such as private foundations.

Scholarships funds, endowed and otherwise, are administered in accordance with the contractual agreements between the Foundation and individual donors or donor organizations or entities. Distributions from other endowed funds are made in accordance with the legal terms of the original endowments. Foundation allocations to the College are proposed by the Investment Committee in accordance with a distribution formula set by the Grants, Scholarships and Distributions Committee and approved by the full Board of Directors.

The allocation process is managed in concurrence with the College's annual budget cycle to facilitate orderly fiscal administration. Endowments of donor-directed restricted funds currently in place favor vocational programs, where rapid advances create a particular challenge to community colleges to keep vocational equipment on a par with workplace technology standards. A subcommittee of the College Communications Council makes decisions for the allocation of unrestricted endowment funds with representation from all campus constituencies.

### Attachments

Finance Table 7.1	Current Funds Revenues
Finance Table 7.2	Current Funds Expenditures and Mandatory Transfers
Finance Table 7.3	Summary Report of Revenues and Expenditures
Finance Table 7.4	Sources of Financial Aid
Finance Table 7.6	Direct Cost by Division (State Supported)
Finance Table 7.7	Operating Gifts and Endowments
Finance Table 7.8	Capital Investments
Finance Table 7.9	Debt Service Schedule
Attachment 7.10	Organization Chart
Attachment 7.11	Organization Chart

### Materials in Team Room

Exhibit 7.1	Clark College Board Policies and Administrative Procedures
Exhibit 7.2	Operating Budget Preparation Instructions
Exhibit 7.3	Tuition and Fee Waivers
Exhibit 7.4	Foundation Policy Manual
Exhibit 7.5	Foundation Funds Allocation Recommendation 1997-1998
Exhibit 7.6	Foundation Annual Reports
Exhibit 7.7	Clark College 1996-97 Operating Budget
Exhibit 7.8	Clark College 1997-98 Operating Budget
Exhibit 7.9	IPEDS Financial Survey
Exhibit 7.10	Audit Reports, etc.
Exhibit 7.11	Default Rates
Exhibit 7.12	Budget Expenditure Reports
Exhibit 7.13	Investment Resolution
Exhibit 7.14	Selected Financial Characteristics
Exhibit 7.15	Balance Sheet Data
Exhibit 7.16	College Staffing Ratios
Exhibit 7.17	Clark College Tuition Analysis
Exhibit 7.18	Operating Budget Summary
Exhibit 7.19	Interest Earnings Distribution
Exhibit 7.20	Investment Detail
See Exhibit 8.7	Clark College 1996 Equipment Inventory

### Standard 7 - Finance Table 7.1 Current Funds Revenues

Source (IPEDS Format)	Evaluation Year		1 Year Prior (Actual) 1995/1996		2 Years Prior (Actual) 1994/1995		3 Years Prior (Actual) 1993/1994	
	1996/1997		1995/1996		1994/1995		1993/1994	
	\$	%	\$	%	\$	%	\$	%
<u>Tuition and Fees</u>								
Government Appropriations	\$10,622,798	28	\$9,770,426	27	\$9,529,443	26	\$8,477,193	25
Federal Total	—	—	—	—	—	—	—	—
State	15,746,807	41	14,919,983	41	15,419,790	43	14,705,559	44
Local	—	—	—	—	—	—	—	—
Government Grants & Contracts								
Federal								
Unrestricted	8,073	*	8,265	*	7,560	*	17,752	*
Restricted	2,634,812	7	2,295,551	6	2,309,561	6	2,562,962	8
State								
Unrestricted	17,592	*	16,210	*	15,723	*	18,167	*
Restricted	2,112,214	6	2,157,001	6	2,040,951	6	1,550,990	5
Local								
Restricted	800,551	2	800,376	2	879,693	2	651,151	2
Private Gifts, Grants, Contracts								
Restricted	328,421	1	311,652	1	300,649	1	284,587	1
Endowment Income								
Restricted	—	—	—	—	511	*	2,434	*
Sales and Services of Educational Activities	792,906	2	787,814	2	757,127	2	773,381	2
Auxiliary Enterprises	3,649,142	9	4,088,101	11	3,859,161	11	3,422,627	10
Hospitals	—	—	—	—	—	—	—	—
Other Sources	1,444,861	4	1,391,629	4	1,031,567	3	808,048	3
Independent Operations	—	—	—	—	—	—	—	—
<b>Total Current Funds Revenues</b>	<b>38,158,177</b>	<b>100</b>	<b>36,547,008</b>	<b>100</b>	<b>36,151,736</b>	<b>100</b>	<b>33,274,851</b>	<b>100</b>

\* less than one percent



**Standard 7 - Finance Table 7.2 Current Funds Expenditures and Mandatory Transfers**

Functions (IPEDS Format)	Evaluation Year (Estimated) 1996/1997		1 Year Prior (Actual) 1995/1996		2 Years Prior (Actual) 1994/1995		3 Years Prior (Actual) 1993/1994	
	\$	%	\$	%	\$	%	\$	%
Educational and General Instruction	\$15,477,175	42	\$14,423,111	41	\$14,234,271	41	\$12,746,192	40
Research	—		—		—		—	
Public Service	—		—		—		—	
Academic Support (Excluding Libraries)	1,300,766	4	1,421,158	4	1,509,558	4	1,224,256	4
Library Expenditures	884,183	2	762,657	2	671,821	2	723,285	2
Student Services	2,531,273	7	2,298,197	6	2,228,346	6	2,126,211	7
Institutional Support	3,008,939	8	2,851,854	8	2,778,469	8	2,652,905	8
Plant Operation & Maintenance	2,310,785	6	2,334,728	7	2,380,895	7	2,285,189	7
Scholarships and Fellowships								
Awards from Unrestricted Funds	—		—		—		—	
Awards from Restricted Funds	6,831,536	18	6,478,829	18	6,424,308	19	6,124,388	19
Educational and General Mandatory Transfer	11,779	*	4,157	*	2,349	*	4,500	*
Total Education and General Expenditures & Mandatory Transfers	32,356,436		30,574,691		30,230,017		27,886,926	
Auxiliary Enterprises (Including Transfers)	4,659,674	13	5,110,644	14	4,501,475	13	4,172,223	13
Hospitals (Including Transfers)	—		—		—		—	
Independent Operations (Including Transfers)	—		—		—		—	
<b>Total Current Funds Expenditures &amp; Mandatory Transfers</b>	<b>37,016,110</b>	<b>100</b>	<b>35,685,335</b>	<b>100</b>	<b>34,731,492</b>	<b>100</b>	<b>32,059,149</b>	<b>100</b>

\* less than one percent

**Standard 7 - Finance Table 7.3 Summary Report of Revenues and Expenditures**

	Evaluation Year 1996/1997	1 Year Prior 1995/1996	2 Years Prior 1994/1995	3 Years Prior 1993/1994
<u>Education and General</u>				
Revenues	\$ 33,064,174	\$ 31,067,278	\$ 31,261,008	\$ 29,044,176
Expenditures	( 32,344,657)	( 30,570,534)	( 30,227,668)	( 27,882,426)
Transfers - Mandatory	( 11,779)	( 4,157)	( 2,349)	( 4,500)
- Non Mandatory	—	—	—	—
Net Excess	\$ 707,738	\$ 492,587	\$ 1,030,991	\$ 1,157,250
<u>Auxiliary Enterprises</u>				
Revenues	\$ 5,094,003	\$ 5,479,730	\$ 4,890,728	\$ 4,230,675
Expenditures	( 4,659,674)	( 5,110,644)	( 4,501,475)	( 4,172,223)
Transfers - Mandatory	—	( —)	( —)	( —)
- Non Mandatory	—	—	—	—
Net Excess	\$ 434,329	\$ 369,086	\$ 389,253	\$ 58,452
<b>Net Operational Excess</b>	<b>\$ 1,142,067</b>	<b>\$ 861,673</b>	<b>\$ 1,420,244</b>	<b>\$ 1,215,702</b>

**Standard 7 - Finance Table 7.4 Sources of Financial Aid\***

(As Expended in Funds 846 & 850)	Evaluation Year 1996/1997		1 Year Prior 1995/1996		2 Years Prior 1994/1995		3 Years Prior 1993/1994	
	\$	%	\$	%	\$	%	\$	%
Annual Private Contributions (Scholarships)	\$268,313	4	\$249,053	4	\$231,232	3	\$201,235	3
Government State Aid (State Need Grant and State Work Study, Off Campus Only)	\$1,350,317	20	\$1,517,885	23	\$1,359,338	21	\$1,075,771	18
Federal Aid (PELL, SEOG) (Excludes Work Study)	\$2,523,551	37	\$2,201,788	34	\$2,224,616	35	\$2,384,215	39
Miscellaneous	—	—	—	—	\$109,313	2	—	—
Institutional Unfunded Aid (Tuition Waivers and Suspense)**	\$2,689,355	39	\$2,510,103	39	\$2,499,809	39	\$2,463,167	40
<b>Total Financial Aid</b>	<b>\$6,831,536</b>	<b>100</b>	<b>\$6,478,829</b>	<b>100</b>	<b>\$6,424,308</b>	<b>100</b>	<b>\$6,124,388</b>	<b>100</b>

\* Excludes all loan programs and campus employment which is not work study (Federal CWSP).

\*\* Please Note: Fiscal years 1995-96, 1994-95, 1993-94 increased \$2,300,000 per year for tuition waivers not reported on IPEDS.

<b>Standard 7 - Finance Table 7.6 Direct Cost by Division (State Supported)</b>				
	(1)	(2)	(3)	(4)
<b>1993-94 - Actual</b>	<b>FTES</b>	<b>Direct Costs</b>	<b>Cost Per Credit Hour</b>	<b>Cost Per FTES</b>
Business	527.60	\$997,865	\$42.03	\$1,891.33
Education	787.77	899,490	25.37	1,141.82
Health & PE	167.99	406,878	53.82	2,422.04
*Health Occupations	310.88	1,357,171	97.01	4,365.58
Humanities	867.04	1,720,339	44.09	1,984.15
Applied Technology	476.20	1,680,961	78.44	3,529.95
Science	482.41	1,319,587	60.79	2,735.41
Social Science	790.66	922,719	25.93	1,167.02
MATH & CSCI	749.65	985,873	29.22	1,315.11
HDEV	68.56	43,858	14.22	639.70
<b>TOTALS</b>	<b>5,228.76</b>	<b>\$10,334,741</b>	<b>\$43.92</b>	<b>\$1,976.52</b>
<b>1994-95 - Actual</b>	<b>FTES</b>	<b>Direct Costs</b>	<b>Cost Per Credit Hour</b>	<b>Cost Per FTES</b>
Business	477.25	\$997,981	\$46.47	\$2,091.11
Education	819.12	1,003,990	27.24	1,225.69
Health & PE	155.94	425,036	60.57	2,725.64
*Health Occupations	344.35	1,375,164	88.74	3,993.51
Humanities	834.28	1,863,316	49.63	2,233.44
Applied Technology	443.07	1,666,234	83.57	3,760.66
Science	510.51	1,317,566	57.35	2,580.88
Social Science	783.90	936,221	26.54	1,194.31
*MATH & CSCI	793.10	1,222,964	34.27	1,542.00
HDEV	76.62	45,020	13.06	587.58
<b>TOTALS</b>	<b>5,238.14</b>	<b>\$10,853,492</b>	<b>\$46.04</b>	<b>\$2,072.01</b>

**Standard 7 - Finance Table 7.6 Direct Cost by Division (State Supported)**

	(1)	(2)	(3)	(4)
<b>1995-96 - Actual</b>	<b>FTES</b>	<b>Direct Costs</b>	<b>Cost Per Credit Hour</b>	<b>Cost Per FTES</b>
Business	471.26	\$1,038,904	\$48.99	\$2,204.52
Education	996.05	1,057,851	23.60	1,062.05
Health & PE	157.09	422,221	59.73	2,687.76
*Health Occupations	313.88	1,356,195	96.02	4,320.74
Humanities	818.69	1,894,449	51.42	2,314.00
Applied Technology	416.45	1,559,906	83.24	3,745.72
Science	513.74	1,337,521	57.86	2,603.50
Social Science	749.88	1,105,348	32.76	1,474.03
*MATH & CSCI	802.05	1,372,665	38.03	1,711.45
*HDEV	73.18	76,310	23.17	1,042.77
<b>TOTALS</b>	<b>5,312.27</b>	<b>\$11,221,370</b>	<b>\$46.94</b>	<b>\$2,112.35</b>
<b>1996-97</b>	<b>FTES</b>	<b>Direct Costs</b>	<b>Cost Per Credit Hour</b>	<b>Cost Per FTES</b>
Business	469.48	\$1,025,714	\$48.55	\$2,184.79
Education	947.43	1,279,649	30.01	1,350.65
Health and PE	157.45	495,447	69.93	3,146.69
*Health Occupations	310.09	1,436,617	102.95	4,632.90
Humanities	828.93	1,992,046	53.40	2,403.15
Applied Technology	500.43	1,790,142	79.49	3,577.21
Science	516.16	1,456,842	62.72	2,822.46
Social Science	754.74	1,076,367	31.69	1,426.14
*MATH & CSCI	855.31	1,467,984	38.14	1,716.32
*HDEV	74.84	71,225	21.15	951.70
<b>TOTALS</b>	<b>5,414.86</b>	<b>\$12,092,033</b>	<b>\$49.62</b>	<b>\$2,233.12</b>

\* Includes Workforce Training Expenditures

Note: MATH & CSCI were formerly included with the Science division and HDEV was formerly part of Health & PE.

Source: FMS (expenditures) and SMS (FTES)

**Standard 7 - Finance Table 7.7 Operating Gifts and Endowments**

	<b>Evaluation Year (Estimated) 1996/1997</b>	<b>1 Year Prior 1995/1996</b>	<b>2 Years Prior 1994/1995</b>	<b>3 Years Prior 1993/1994</b>
Private Contributions				
Annual Operating - Restricted	\$554,247	\$533,447	\$294,239	\$25,515
- Unrestricted	242,178	71,043	134,693	64,594
Endowment	4,817,682	25,990,803	1,693,290	125,905
Plant	110,637	88,965	59,274	378,906
<b>Total Contributions</b>	<b>5,724,744</b>	<b>26,684,258</b>	<b>2,181,496</b>	<b>594,920</b>
<b>Total Endowment Fund Balance</b>	<b>\$36,167,232</b>	<b>\$32,819,139</b>	<b>\$7,771,350</b>	<b>\$6,540,145</b>
Permanent (Balance)	27,023,529	24,947,088	443,012	6,016,945
Term (Title III)	9,143,703	7,872,051	7,328,338	—
Quasi (Board appointed Restr)	—	—	—	523,200
<b>Total Endowment Fund Balance</b>	<b>\$36,167,232</b>	<b>\$32,819,139</b>	<b>\$7,771,350</b>	<b>\$6,540,145</b>
Ratio of Annual Contributions to the Total Education and General Revenue	17.31%	85.89%	6.98%	2.05%

**Standard 7 - Finance Table 7.9 Debt Service Schedule**

<b>Fiscal Year</b>		<b>Balance Due</b>	<b>Lease (1)</b>	<b>Lease (2)</b>	<b>Loan (3)</b>
1994-95	3 Years Prior	\$54,216	\$54,216	--	--
1995-96	2 Years Prior	64,888	36,985	--	\$27,903
1996-97	1 Year Prior	80,173	18,966	\$35,297	25,910
1997-98	Current Year	47,960	--	24,043	23,917
1998-99	1 Year Future	34,263	--	12,339	21,924
1999-00	2 Years Future		--	--	19,931

1. Lease— 3 year lease/purchase agreement with State of Washington by the Clark College Business and Industry unit for 20 personal computers for \$54,216 + interest; payments in September and March. Last payment, March 1, 1998.
2. Lease— 3 year lease/purchase agreement with State of Washington by the Clark College Business and Industry unit for 20 personal computers for \$52,896 + interest; Payments in September and March. Last payment, March 1, 2000.
3. Loan— 15 year no interest loan from Clark County Department of Community Services for child care playground renovation project; \$29,896 beginning 12/95 with payments each December. Last payment, December 2009.

<b>Standard 7 - Finance Table 7.8 Capital Investments - (General Fund)</b>						
	<b>ACTUAL</b>				<b>PROJECTED</b>	
	<b>Year 1 1993-94</b>	<b>Year 2 1994-95</b>	<b>Year 3 1995-96</b>	<b>Year 4* 1996-97</b>	<b>Year 5 1997-98</b>	<b>Year 6 1998-99</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
<b>Land</b>						
Beginning Book Value	\$977,501	\$977,501	\$977,501	\$977,501	\$977,501	\$977,501
Additions	—	—	—	—	—	—
Deductions	—	—	—	—	—	—
Ending Book Value	977,501	977,501	977,501	977,501	977,501	977,501
<b>Buildings and Improvements</b>						
Beginning Book Value	21,450,796	20,443,419	26,392,558	25,482,391	25,489,422	25,089,422
Additions	206,000	6,860,213	—	933,000	500,000	—
Deductions & Depreciation	1,213,377	911,074	910,167	925,969	900,000	900,000
Ending Book Value	20,443,419	26,392,558	25,482,391	25,489,422	25,089,422	24,189,422
<b>Furniture and Equipment</b>						
Beginning Book Value	3,722,565	3,445,338	3,754,329	2,528,181	2,509,103	2,509,103
Additions	495,973	989,660	317,580	234,785	500,000	500,000
Deductions & Depreciation	773,200	680,669	1,543,728	253,863	500,000	500,000
Ending Book Value	3,445,338	3,754,329	2,528,181	2,509,103	2,509,103	2,509,103
<b>Construction in Progress</b>						
Beginning Book Value	—	4,135,000	—	—	—	—
Additions	4,135,000	—	—	—	—	—
Deductions	—	4,135,000	—	—	—	—
Ending Book Value	4,135,000	—	—	—	—	—

\* Most recent fiscal year for which audited financial statements are available.

**Attachment 7.10 - Organization Chart**

**Attachment 7.11 - Organization Chart**